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**Investment Zones Amendments**  
2026 GENERAL SESSION  
STATE OF UTAH  
**Chief Sponsor: Wayne A. Harper**  
House Sponsor: Stephen L. Whyte

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**LONG TITLE**

**General Description:**

This bill enacts, renumbers, amends, and repeals certain provisions of certain investment zones within the Governor's Office of Economic Opportunity.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ enacts, renumbers, and amends provisions of a convention center reinvestment zone and convention center reinvestment zone in a capital city;
- ▶ renumbers and amends provisions of:
  - a station area plan;
  - a housing and transit reinvestment zone; and
  - home ownership promotion zones in a municipality and county;
- ▶ renumbers provisions of:
  - a first home investment zone;
  - a capital city revitalization zone; and
  - a transportation reinvestment zone;
- ▶ repeals an outdated section of code; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

28       **10-20-404 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
29       First Special Session, Chapter 15

30       **10-21-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
31       First Special Session, Chapter 15

32       **10-21-201 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, First Special Session,  
33       Chapter 15

34       **11-13-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 187

35       **11-13-206 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Chapter 424

36       **11-13-207 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Chapter 424

37       **17-79-403 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
38       First Special Session, Chapter 14

39       **17-80-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
40       First Special Session, Chapter 14

41       **17-80-201 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, First Special Session,  
42       Chapter 14

43       **17B-2a-802 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
44       Session, Chapter 15

45       **17D-4-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 29, 347

46       **17D-4-202.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29

47       **17D-4-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 498

48       **20A-7-601 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
49       Session, Chapter 15

50       **32B-1-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 162

51       **53H-9-206 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
52       First Special Session, Chapter 8

53       **59-1-306 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 258

54       **59-2-924 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
55       Session, Chapter 15

56       **59-12-103 (Effective 05/06/26) (Superseded 07/01/26)**, as last amended by Laws of Utah  
57       2025, Chapter 490

58       **59-12-103 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 285

59       **59-12-205 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 490,  
60       495

61       **59-12-402.1 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

- 62 **59-12-402.5 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 436  
63 **59-12-1102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
64 Session, Chapter 17  
65 **59-12-2206 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 400  
66 **59-12-2220 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
67 Session, Chapter 15  
68 **72-1-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 373  
69 **72-1-304 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
70 Session, Chapter 15  
71 **72-2-124 (Effective 05/06/26) (Superseded 07/01/26)**, as last amended by Laws of Utah  
72 2025, First Special Session, Chapter 15  
73 **72-2-124 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, First Special  
74 Session, Chapter 15  
75 **72-2-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 16  
76 **72-2-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 501  
77 **72-5-117 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
78 Session, Chapter 15  
79 **72-6-112.5 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 22

## ENACTS:

- 81 **63N-23-303 (Effective 05/06/26)**, Utah Code Annotated 1953  
82 **63N-23-304 (Effective 05/06/26)**, Utah Code Annotated 1953  
83 **63N-23-305 (Effective 05/06/26)**, Utah Code Annotated 1953  
84 **63N-23-307 (Effective 05/06/26)**, Utah Code Annotated 1953  
85 **63N-23-401 (Effective 05/06/26)**, Utah Code Annotated 1953  
86 **63N-23-402 (Effective 05/06/26)**, Utah Code Annotated 1953  
87 **63N-23-403 (Effective 05/06/26)**, Utah Code Annotated 1953  
88 **63N-23-404 (Effective 05/06/26)**, Utah Code Annotated 1953  
89 **63N-23-405 (Effective 05/06/26)**, Utah Code Annotated 1953  
90 **63N-23-406 (Effective 05/06/26)**, Utah Code Annotated 1953  
91 **63N-23-407 (Effective 05/06/26)**, Utah Code Annotated 1953  
92 **63N-23-501 (Effective 05/06/26)**, Utah Code Annotated 1953  
93 **63N-23-601 (Effective 05/06/26)**, Utah Code Annotated 1953

## RENUMBERS AND AMENDS:

- 94 **63N-23-101 (Effective 05/06/26)**, (Renumbered from 63N-3-602, as last amended by  
95

96 Laws of Utah 2025, Chapter 29)  
97 **63N-23-102 (Effective 05/06/26)**, (Renumbered from 63N-3-605, as last amended by  
98 Laws of Utah 2025, Chapter 29)  
99 **63N-23-103 (Effective 05/06/26)**, (Renumbered from 63N-3-606, as last amended by  
100 Laws of Utah 2025, Chapter 29)  
101 **63N-23-104 (Effective 05/06/26)**, (Renumbered from 10-21-203, as renumbered and  
102 amended by Laws of Utah 2025, First Special Session, Chapter 15)  
103 **63N-23-201 (Effective 05/06/26)**, (Renumbered from 63N-3-603, as last amended by  
104 Laws of Utah 2025, First Special Session, Chapter 15)  
105 **63N-23-202 (Effective 05/06/26)**, (Renumbered from 63N-3-604, as last amended by  
106 Laws of Utah 2025, Chapter 29)  
107 **63N-23-203 (Effective 05/06/26)**, (Renumbered from 63N-3-607, as last amended by  
108 Laws of Utah 2025, Chapter 404)  
109 **63N-23-204 (Effective 05/06/26)**, (Renumbered from 63N-3-608, as last amended by  
110 Laws of Utah 2025, Chapter 29)  
111 **63N-23-205 (Effective 05/06/26)**, (Renumbered from 63N-3-609, as last amended by  
112 Laws of Utah 2025, Chapter 29)  
113 **63N-23-206 (Effective 05/06/26)**, (Renumbered from 63N-3-610, as last amended by  
114 Laws of Utah 2025, Chapter 29)  
115 **63N-23-207 (Effective 05/06/26)**, (Renumbered from 63N-3-611, as last amended by  
116 Laws of Utah 2025, Chapter 29)  
117 **63N-23-301 (Effective 05/06/26)**, (Renumbered from 63N-3-603.1, as enacted by  
118 Laws of Utah 2025, Chapter 29)  
119 **63N-23-302 (Effective 05/06/26)**, (Renumbered from 63N-3-604.1, as enacted by  
120 Laws of Utah 2025, Chapter 29)  
121 **63N-23-306 (Effective 05/06/26)**, (Renumbered from 63N-3-610.1, as enacted by  
122 Laws of Utah 2025, Chapter 29)  
123 **63N-23-502 (Effective 05/06/26)**, (Renumbered from 10-21-501, as renumbered and  
124 amended by Laws of Utah 2025, First Special Session, Chapter 15)  
125 **63N-23-503 (Effective 05/06/26)**, (Renumbered from 10-21-502, as renumbered and  
126 amended by Laws of Utah 2025, First Special Session, Chapter 15)  
127 **63N-23-504 (Effective 05/06/26)**, (Renumbered from 10-21-503, as renumbered and  
128 amended by Laws of Utah 2025, First Special Session, Chapter 15)  
129 **63N-23-505 (Effective 05/06/26)**, (Renumbered from 10-21-504, as renumbered and

130 amended by Laws of Utah 2025, First Special Session, Chapter 15)  
131 **63N-23-602 (Effective 05/06/26)**, (Renumbered from 17-80-501, as renumbered and  
132 amended by Laws of Utah 2025, First Special Session, Chapter 14)  
133 **63N-23-603 (Effective 05/06/26)**, (Renumbered from 17-80-502, as renumbered and  
134 amended by Laws of Utah 2025, First Special Session, Chapter 14)  
135 **63N-23-604 (Effective 05/06/26)**, (Renumbered from 17-80-503, as renumbered and  
136 amended by Laws of Utah 2025, First Special Session, Chapter 14)  
137 **63N-23-605 (Effective 05/06/26)**, (Renumbered from 17-80-504, as renumbered and  
138 amended by Laws of Utah 2025, First Special Session, Chapter 14)  
139 **63N-23-701 (Effective 05/06/26)**, (Renumbered from 63N-3-1601, as last amended  
140 by Laws of Utah 2025, Chapter 440)  
141 **63N-23-702 (Effective 05/06/26)**, (Renumbered from 63N-3-1602, as last amended  
142 by Laws of Utah 2025, First Special Session, Chapter 15)  
143 **63N-23-703 (Effective 05/06/26)**, (Renumbered from 63N-3-1603, as enacted by  
144 Laws of Utah 2024, Chapter 537)  
145 **63N-23-704 (Effective 05/06/26)**, (Renumbered from 63N-3-1604, as enacted by  
146 Laws of Utah 2024, Chapter 537)  
147 **63N-23-705 (Effective 05/06/26)**, (Renumbered from 63N-3-1605, as enacted by  
148 Laws of Utah 2024, Chapter 537)  
149 **63N-23-706 (Effective 05/06/26)**, (Renumbered from 63N-3-1606, as enacted by  
150 Laws of Utah 2024, Chapter 537)  
151 **63N-23-707 (Effective 05/06/26)**, (Renumbered from 63N-3-1607, as enacted by  
152 Laws of Utah 2024, Chapter 537)  
153 **63N-23-708 (Effective 05/06/26)**, (Renumbered from 63N-3-1608, as enacted by  
154 Laws of Utah 2024, Chapter 537)  
155 **63N-23-709 (Effective 05/06/26)**, (Renumbered from 63N-3-1609, as enacted by  
156 Laws of Utah 2024, Chapter 537)  
157 **63N-23-801 (Effective 05/06/26)**, (Renumbered from 63N-3-1401, as enacted by  
158 Laws of Utah 2024, Chapter 436)  
159 **63N-23-802 (Effective 05/06/26)**, (Renumbered from 63N-3-1402, as enacted by  
160 Laws of Utah 2024, Chapter 436)  
161 **63N-23-803 (Effective 05/06/26)**, (Renumbered from 63N-3-1403, as last amended  
162 by Laws of Utah 2025, Chapter 29)  
163 **63N-23-804 (Effective 05/06/26)**, (Renumbered from 63N-3-1404, as enacted by

164 Laws of Utah 2024, Chapter 436)  
 165 **63N-23-805 (Effective 05/06/26)**, (Renumbered from 63N-3-1405, as enacted by  
 166 Laws of Utah 2024, Chapter 436)  
 167 **63N-23-806 (Effective 05/06/26)**, (Renumbered from 63N-3-1406, as enacted by  
 168 Laws of Utah 2024, Chapter 436)  
 169 **63N-23-807 (Effective 05/06/26)**, (Renumbered from 63N-3-1407, as enacted by  
 170 Laws of Utah 2024, Chapter 436)  
 171 **63N-23-808 (Effective 05/06/26)**, (Renumbered from 63N-3-1408, as enacted by  
 172 Laws of Utah 2024, Chapter 538)  
 173 **63N-23-901 (Effective 05/06/26)**, (Renumbered from 11-13-227, as last amended by  
 174 Laws of Utah 2025, First Special Session, Chapter 15)

175 REPEALS:

176 **63N-3-601 (Effective 05/06/26)**, as enacted by Laws of Utah 2021, Chapter 411

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

179 Section 1. Section **10-20-404** is amended to read:

180 **10-20-404 (Effective 05/06/26). General plan preparation.**

- 181 (1)(a) The planning commission shall provide notice, as provided in Section 10-20-203,  
 182 of the planning commission's intent to make a recommendation to the municipal  
 183 legislative body for a general plan or a comprehensive general plan amendment when  
 184 the planning commission initiates the process of preparing the planning commission's  
 185 recommendation.
- 186 (b) The planning commission shall make and recommend to the legislative body a  
 187 proposed general plan for the area within the municipality.
- 188 (c) The plan may include areas outside the boundaries of the municipality if, in the  
 189 planning commission's judgment, those areas are related to the planning of the  
 190 municipality's territory.
- 191 (d) Except as otherwise provided by law or with respect to a municipality's power of  
 192 eminent domain, when the plan of a municipality involves territory outside the  
 193 boundaries of the municipality, the municipality may not take action affecting that  
 194 territory without the concurrence of the county or other municipalities affected.
- 195 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,  
 196 and descriptive and explanatory matter, shall include the planning commission's  
 197 recommendations for the following plan elements:

- 198 (i) a land use element that:
- 199 (A) designates the long-term goals and the proposed extent, general distribution,  
200 and location of land for housing for residents of various income levels,  
201 business, industry, agriculture, recreation, education, public buildings and  
202 grounds, open space, and other categories of public and private uses of land as  
203 appropriate;
- 204 (B) includes a statement of the projections for and standards of population density  
205 and building intensity recommended for the various land use categories  
206 covered by the plan;
- 207 (C) except for a city of the fifth class or a town, is coordinated to integrate the  
208 land use element with the water use and preservation element; and
- 209 (D) except for a city of the fifth class or a town, accounts for the effect of land use  
210 categories and land uses on water demand;
- 211 (ii) a transportation and traffic circulation element that:
- 212 (A) provides the general location and extent of existing and proposed freeways,  
213 arterial and collector streets, public transit, active transportation facilities, and  
214 other modes of transportation that the planning commission considers  
215 appropriate;
- 216 (B) for a municipality that has access to a major transit investment corridor,  
217 addresses the municipality's plan for residential and commercial development  
218 around major transit investment corridors to maintain and improve the  
219 connections between housing, employment, education, recreation, and  
220 commerce;
- 221 (C) for a municipality that does not have access to a major transit investment  
222 corridor, addresses the municipality's plan for residential and commercial  
223 development in areas that will maintain and improve the connections between  
224 housing, transportation, employment, education, recreation, and commerce; and
- 225 (D) correlates with the population projections, the employment projections, and  
226 the proposed land use element of the general plan;
- 227 (iii) a moderate income housing element that meets the requirements of Section  
228 10-21-201; and
- 229 (iv) except for a city of the fifth class or a town, a water use and preservation element  
230 that addresses:
- 231 (A) the effect of permitted development or patterns of development on water

- 232 demand and water infrastructure;
- 233 (B) methods of reducing water demand and per capita consumption for future  
234 development;
- 235 (C) methods of reducing water demand and per capita consumption for existing  
236 development; and
- 237 (D) opportunities for the municipality to modify the municipality's operations to  
238 eliminate practices or conditions that waste water.
- 239 (b) In drafting the land use element, the planning commission shall:
- 240 (i) identify and consider each agriculture protection area within the municipality;
- 241 (ii) avoid proposing a use of land within an agriculture protection area that is  
242 inconsistent with or detrimental to the use of the land for agriculture; and
- 243 (iii) consider and coordinate with any station area plans adopted by the municipality  
244 if required under Section [~~10-21-203~~] 63N-23-104.
- 245 (c) In drafting the transportation and traffic circulation element, the planning  
246 commission shall:
- 247 (i)(A) consider and coordinate with the regional transportation plan developed by  
248 the municipality's region's metropolitan planning organization, if the  
249 municipality is within the boundaries of a metropolitan planning organization;  
250 or
- 251 (B) consider and coordinate with the long-range transportation plan developed by  
252 the Department of Transportation, if the municipality is not within the  
253 boundaries of a metropolitan planning organization; and
- 254 (ii) consider and coordinate with any station area plans adopted by the municipality if  
255 required under Section [~~10-21-203~~] 63N-23-104.
- 256 (d) In drafting the water use and preservation element, the planning commission:
- 257 (i) shall consider:
- 258 (A) applicable regional water conservation goals recommended by the Division of  
259 Water Resources; and
- 260 (B) if Section 73-10-32 requires the municipality to adopt a water conservation  
261 plan in accordance with Section 73-10-32, the municipality's water  
262 conservation plan;
- 263 (ii) shall include a recommendation for:
- 264 (A) water conservation policies to be determined by the municipality; and
- 265 (B) landscaping options within a public street for current and future development

- 266 that do not require the use of lawn or turf in a parkstrip;
- 267 (iii) shall review the municipality's land use ordinances and include a
- 268 recommendation for changes to an ordinance that promotes the inefficient use of
- 269 water;
- 270 (iv) shall consider principles of sustainable landscaping, including the:
- 271 (A) reduction or limitation of the use of lawn or turf;
- 272 (B) promotion of site-specific landscape design that decreases stormwater runoff
- 273 or runoff of water used for irrigation;
- 274 (C) preservation and use of healthy trees that have a reasonable water requirement
- 275 or are resistant to dry soil conditions;
- 276 (D) elimination or regulation of ponds, pools, and other features that promote
- 277 unnecessary water evaporation;
- 278 (E) reduction of yard waste; and
- 279 (F) use of an irrigation system, including drip irrigation, best adapted to provide
- 280 the optimal amount of water to the plants being irrigated;
- 281 (v) shall consult with the public water system or systems serving the municipality
- 282 with drinking water regarding how implementation of the land use element and
- 283 water use and preservation element may affect:
- 284 (A) water supply planning, including drinking water source and storage capacity
- 285 consistent with Section 19-4-114; and
- 286 (B) water distribution planning, including master plans, infrastructure asset
- 287 management programs and plans, infrastructure replacement plans, and impact
- 288 fee facilities plans;
- 289 (vi) shall consult with the Division of Water Resources for information and technical
- 290 resources regarding regional water conservation goals, including how
- 291 implementation of the land use element and the water use and preservation
- 292 element may affect the Great Salt Lake;
- 293 (vii) may include recommendations for additional water demand reduction strategies,
- 294 including:
- 295 (A) creating a water budget associated with a particular type of development;
- 296 (B) adopting new or modified lot size, configuration, and landscaping standards
- 297 that will reduce water demand for new single family development;
- 298 (C) providing one or more water reduction incentives for existing development
- 299 such as modification of existing landscapes and irrigation systems and

- 300 installation of water fixtures or systems that minimize water demand;
- 301 (D) discouraging incentives for economic development activities that do not
- 302 adequately account for water use or do not include strategies for reducing
- 303 water demand; and
- 304 (E) adopting water concurrency standards requiring that adequate water supplies
- 305 and facilities are or will be in place for new development; and
- 306 (viii) for a town, may include, and for another municipality, shall include, a
- 307 recommendation for low water use landscaping standards for a new:
- 308 (A) commercial, industrial, or institutional development;
- 309 (B) common interest community, as defined in Section 57-25-102; or
- 310 (C) multifamily housing project.
- 311 (3) The proposed general plan may include:
- 312 (a) an environmental element that addresses:
- 313 (i) the protection, conservation, development, and use of natural resources, including
- 314 the quality of:
- 315 (A) air;
- 316 (B) forests;
- 317 (C) soils;
- 318 (D) rivers;
- 319 (E) groundwater and other waters;
- 320 (F) harbors;
- 321 (G) fisheries;
- 322 (H) wildlife;
- 323 (I) minerals; and
- 324 (J) other natural resources; and
- 325 (ii)(A) the reclamation of land, flood control, prevention and control of the
- 326 pollution of streams and other waters;
- 327 (B) the regulation of the use of land on hillsides, stream channels and other
- 328 environmentally sensitive areas;
- 329 (C) the prevention, control, and correction of the erosion of soils;
- 330 (D) the preservation and enhancement of watersheds and wetlands; and
- 331 (E) the mapping of known geologic hazards;
- 332 (b) a public services and facilities element showing general plans for sewage, water,
- 333 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for

- 334 them, police and fire protection, and other public services;
- 335 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and  
336 programs for:
- 337 (i) historic preservation;
- 338 (ii) the diminution or elimination of a development impediment as defined in Section  
339 17C-1-102; and
- 340 (iii) redevelopment of land, including housing sites, business and industrial sites, and  
341 public building sites;
- 342 (d) an economic element composed of appropriate studies and forecasts, as well as an  
343 economic development plan, which may include review of existing and projected  
344 municipal revenue and expenditures, revenue sources, identification of basic and  
345 secondary industry, primary and secondary market areas, employment, and retail  
346 sales activity;
- 347 (e) recommendations for implementing all or any portion of the general plan, including  
348 the adoption of land and water use ordinances, capital improvement plans,  
349 community development and promotion, and any other appropriate action;
- 350 (f) provisions addressing any of the matters listed in Subsection 10-20-401(2) or Section  
351 10-20-403; and
- 352 (g) any other element the municipality considers appropriate.

353 Section 2. Section **10-21-101** is amended to read:

354 **10-21-101 (Effective 05/06/26). Definitions.**

355 As used in this part:

- 356 (1) "Affordable housing" means housing offered for sale at 80% or less of the median  
357 county home price for housing of that type.
- 358 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 359 (3) "Applicable metropolitan planning organization" means the metropolitan planning  
360 organization that has jurisdiction over the area in which a fixed guideway public transit  
361 station is located.
- 362 (4) "Applicable public transit district" means the public transit district, as defined in Section  
363 17B-2a-802, of which a fixed guideway public transit station is included.
- 364 (5) "Base taxable value" means a property's taxable value as shown upon the assessment  
365 roll last equalized during the base year.
- 366 (6) "Base year" means, for a proposed home ownership promotion zone area, a year  
367 beginning the first day of the calendar quarter determined by the last equalized tax roll

- 368 before the adoption of the home ownership promotion zone.
- 369 (7) "Division" means the Housing and Community Development Division within the  
370 Department of Workforce Services.
- 371 (8) "Existing fixed guideway public transit station" means a fixed guideway public transit  
372 station for which construction begins before June 1, 2022.
- 373 (9) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 374 (10) "Home ownership promotion zone" means a home ownership promotion zone created  
375 in accordance with ~~[this part]~~ Title 63N, Chapter 23, Part 5, Home Ownership Promotion  
376 Zone for Municipalities.
- 377 (11) "Implementation plan" means the implementation plan adopted as part of the moderate  
378 income housing element of a specified municipality's general plan as provided in  
379 Subsection 10-21-201(4).
- 380 (12) "Initial report" or "initial moderate income housing report" means the one-time report  
381 described in Subsection 10-21-202(1).
- 382 (13) "Internal accessory dwelling unit" means an accessory dwelling unit created:  
383 (a) within a primary dwelling;  
384 (b) within the footprint of the primary dwelling described in Subsection (13)(a) at the  
385 time the internal accessory dwelling unit is created; and  
386 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 387 (14) "Moderate income housing strategy" means a strategy described in Subsection  
388 10-21-201(3)(a)(iii).
- 389 (15) "New fixed guideway public transit station" means a fixed guideway public transit  
390 station for which construction begins on or after June 1, 2022.
- 391 (16) "Participant" means the same as that term is defined in Section 17C-1-102.
- 392 (17) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 393 (18)(a) "Primary dwelling" means a single-family dwelling that:  
394 (i) is detached; and  
395 (ii) is occupied as the primary residence of the owner of record.
- 396 (b) "Primary dwelling" includes a garage if the garage:  
397 (i) is a habitable space; and  
398 (ii) is connected to the primary dwelling by a common wall.
- 399 (19) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 400 (20) "Qualifying land use petition" means a petition:  
401 (a) that involves land located within a station area for an existing public transit station

- 402 that provides rail services;
- 403 (b) that involves land located within a station area for which the municipality has not yet  
404 satisfied the requirements of Subsection [~~10-21-203(1)(a)~~] 63N-23-104(1)(a);
- 405 (c) that proposes the development of an area greater than five contiguous acres, with no  
406 less than 51% of the acreage within the station area;
- 407 (d) that would require the municipality to amend the municipality's general plan or  
408 change a zoning designation for the land use application to be approved;
- 409 (e) that would require a higher density than the density currently allowed by the  
410 municipality;
- 411 (f) that proposes the construction of new residential units, at least 10% of which are  
412 dedicated to moderate income housing; and
- 413 (g) for which the land use applicant requests the municipality to initiate the process of  
414 satisfying the requirements of Subsection [~~10-21-203(1)(a)~~] 63N-23-104(1)(a) for the  
415 station area in which the development is proposed, subject to Subsection [  
416 ~~10-21-203(2)(d)~~] 63N-23-104(2)(d).
- 417 (21) "Report" means an initial report or a subsequent progress report.
- 418 (22) "Specified municipality" means:
- 419 (a) a city of the first, second, third, or fourth class; or
- 420 (b) a city of the fifth class with a population of 5,000 or more, if the city is located  
421 within a county of the first, second, or third class.
- 422 (23)(a) "Station area" means:
- 423 (i) for a fixed guideway public transit station that provides rail services, the area  
424 within a one-half mile radius of the center of the fixed guideway public transit  
425 station platform; or
- 426 (ii) for a fixed guideway public transit station that provides bus services only, the  
427 area within a one-fourth mile radius of the center of the fixed guideway public  
428 transit station platform.
- 429 (b) "Station area" includes any parcel bisected by the radius limitation described in  
430 Subsection (a)(i) or (ii).
- 431 (24) "Station area plan" means a plan that:
- 432 (a) establishes a vision, and the actions needed to implement that vision, for the  
433 development of land within a station area; and
- 434 (b) is developed and adopted in accordance with this section.
- 435 (25) "Subsequent progress report" means the annual report described in Subsection

- 436 10-21-202(2).
- 437 (26) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 438 (27) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 439 (28)(a) "Tax increment" means the difference between:
- 440 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 441 the area within a home ownership promotion zone, using the current assessed
- 442 value and each taxing entity's current certified tax rate as defined in Section
- 443 59-2-924; and
- 444 (ii) the amount of property tax revenue that would be generated from that same area
- 445 using the base taxable value and each taxing entity's current certified tax rate as
- 446 defined in Section 59-2-924.
- 447 (b) "Tax increment" does not include property revenue from:
- 448 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 449 or
- 450 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 451 (29) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 452 Section 3. Section **10-21-201** is amended to read:
- 453 **10-21-201 (Effective 05/06/26). Moderate income housing plan required.**
- 454 (1) A moderate income housing element of a general plan shall include a moderate income
- 455 housing plan that meets the requirements of this section.
- 456 (2) A moderate income housing plan:
- 457 (a) shall provide a realistic opportunity to meet the need for additional moderate income
- 458 housing within the municipality during the next five years;
- 459 (b) for a municipality that is not a specified municipality, may include a
- 460 recommendation to implement three or more of the moderate income housing
- 461 strategies described in Subsection (3)(a)(iii);
- 462 (c) for a specified municipality that does not have a fixed guideway public transit
- 463 station, shall include a recommendation to implement three or more of the moderate
- 464 income housing strategies described in Subsection (3)(a)(iii) or at least one of the
- 465 moderate income housing strategies described in Subsections (3)(a)(iii)(X) through
- 466 (CC);
- 467 (d) for a specified municipality that has a fixed guideway public transit station, shall
- 468 include:
- 469 (i) a recommendation to implement five or more of the moderate income housing

- 470 strategies described in Subsection (3)(a)(iii), of which one shall be the moderate  
471 income housing strategy described in Subsection (3)(a)(iii)(U) and one shall be a  
472 moderate income housing strategy described in Subsection (3)(a)(iii)(G) or (H); or  
473 (ii) a recommendation to implement the moderate income housing strategy described  
474 in Subsection (3)(a)(iii)(U), one of the moderate income housing strategies  
475 described in Subsections (3)(a)(iii)(X) through (CC), and one moderate income  
476 housing strategy described in Subsection (3)(a)(iii); and  
477 (e) for a specified municipality shall include an implementation plan as provided in  
478 Subsection (4).
- 479 (3)(a) In drafting the moderate income housing element, the planning commission:
- 480 (i) shall consider the Legislature's determination that municipalities shall facilitate a  
481 reasonable opportunity for a variety of housing, including moderate income  
482 housing:
- 483 (A) to meet the needs of people of various income levels living, working, or  
484 desiring to live or work in the community; and  
485 (B) to allow people with various incomes to benefit from and fully participate in  
486 all aspects of neighborhood and community life;
- 487 (ii) for a municipality that is not a specified municipality, may include, and for a  
488 specified municipality shall include, an analysis of how the municipality will  
489 provide a realistic opportunity for the development of moderate income housing  
490 within the next five years; and
- 491 (iii) for a municipality that is not a specified municipality, may include, and for a  
492 specified municipality shall include, a recommendation to implement the required  
493 number of any of the following moderate income housing strategies as specified in  
494 Subsection (2):
- 495 (A) rezone for densities necessary to facilitate the production of moderate income  
496 housing;
- 497 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that  
498 facilitates the construction of moderate income housing;
- 499 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing  
500 stock into moderate income housing;
- 501 (D) identify and utilize general fund subsidies or other sources of revenue to  
502 waive construction related fees that are otherwise generally imposed by the  
503 municipality for the construction or rehabilitation of moderate income housing;

- 504 (E) create or allow for, and reduce regulations related to, internal or detached  
505 accessory dwelling units in residential zones;
- 506 (F) zone or rezone for higher density or moderate income residential development  
507 in commercial or mixed-use zones near major transit investment corridors,  
508 commercial centers, or employment centers;
- 509 (G) amend land use regulations to allow for higher density or new moderate  
510 income residential development in commercial or mixed-use zones near major  
511 transit investment corridors;
- 512 (H) amend land use regulations to eliminate or reduce parking requirements for  
513 residential development where a resident is less likely to rely on the resident's  
514 own vehicle, such as residential development near major transit investment  
515 corridors or senior living facilities;
- 516 (I) amend land use regulations to allow for single room occupancy developments;
- 517 (J) implement zoning incentives for moderate income units in new developments;
- 518 (K) preserve existing and new moderate income housing and subsidized units by  
519 utilizing a landlord incentive program, providing for deed restricted units  
520 through a grant program, or [~~notwithstanding Section 10-21-301,~~] establishing  
521 a housing loss mitigation fund;
- 522 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 523 (M) demonstrate creation of, or participation in, a community land trust program  
524 for moderate income housing;
- 525 (N) implement a mortgage assistance program for employees of the municipality,  
526 an employer that provides contracted services to the municipality, or any other  
527 public employer that operates within the municipality;
- 528 (O) apply for or partner with an entity that applies for state or federal funds or tax  
529 incentives to promote the construction of moderate income housing, an entity  
530 that applies for programs offered by the Utah Housing Corporation within the  
531 Utah Housing Corporation's funding capacity, an entity that applies for  
532 affordable housing programs administered by the Department of Workforce  
533 Services, an entity that applies for affordable housing programs administered  
534 by an association of governments established by an interlocal agreement under  
535 Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for  
536 services provided by a public housing authority to preserve and create  
537 moderate income housing, or any other entity that applies for programs or

- 538 services that promote the construction or preservation of moderate income  
539 housing;
- 540 (P) demonstrate utilization of a moderate income housing set aside from a  
541 community reinvestment agency, redevelopment agency, or community  
542 development and renewal agency to create or subsidize moderate income  
543 housing;
- 544 (Q) eliminate impact fees for any accessory dwelling unit that is not an internal  
545 accessory dwelling unit as defined in Section 10-21-101;
- 546 (R) create a program to transfer development rights for moderate income housing;
- 547 (S) ratify a joint acquisition agreement with another local political subdivision for  
548 the purpose of combining resources to acquire property for moderate income  
549 housing;
- 550 (T) develop a moderate income housing project for residents who are disabled or  
551 55 years old or older;
- 552 (U) develop and adopt a station area plan in accordance with Section [10-21-203]  
553 63N-23-104;
- 554 (V) create or allow for, and reduce regulations related to, multifamily residential  
555 dwellings compatible in scale and form with detached single-family residential  
556 dwellings and located in walkable communities within residential or mixed-use  
557 zones;
- 558 (W) demonstrate implementation of any other program or strategy to address the  
559 housing needs of residents of the municipality who earn less than 80% of the  
560 area median income, including the dedication of a local funding source to  
561 moderate income housing or the adoption of a land use ordinance that requires  
562 10% or more of new residential development in a residential zone be dedicated  
563 to moderate income housing;
- 564 (X) create a housing and transit reinvestment zone in accordance with [~~Title 63N,~~  
565 ~~Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N,  
566 Chapter 23, Part 2, Housing and Transit Reinvestment Zone;
- 567 (Y) create a home ownership promotion zone in accordance with [~~Part 5, Home~~  
568 ~~Ownership Promotion Zone for Municipalities~~] Title 63N, Chapter 23, Part 5,  
569 Home Ownership Promotion Zone for Municipalities;
- 570 (Z) create a first home investment zone in accordance with [~~Title 63N, Chapter 3,~~  
571 ~~Part 16, First Home Investment Zone Act~~] Title 63N, Chapter 23, Part 7, First

- 572                    Home Investment Zone;
- 573                    (AA) approve a project that receives funding from, or qualifies to receive funding
- 574                    from, the Utah Homes Investment Program created in Title 51, Chapter 12,
- 575                    Utah Homes Investment Program;
- 576                    (BB) adopt or approve a qualifying affordable home ownership density bonus for
- 577                    single-family residential units, as described in Section 10-21-401; and
- 578                    (CC) adopt or approve a qualifying affordable home ownership density bonus for
- 579                    multi-family residential units, as described in Section 10-21-402; and
- 580                    (b) the planning commission shall identify each moderate income housing strategy
- 581                    recommended to the legislative body for implementation by restating the exact
- 582                    language used to describe the strategy in Subsection (3)(a)(iii).
- 583                    (4)(a) In drafting the implementation plan portion of the moderate income housing
- 584                    element as described in Subsection (2)(c), the planning commission shall recommend
- 585                    to the legislative body the establishment of a five-year timeline for implementing
- 586                    each of the moderate income housing strategies selected by the municipality for
- 587                    implementation.
- 588                    (b) The timeline described in Subsection (4)(a) shall:
- 589                    (i) identify specific measures and benchmarks for implementing each moderate
- 590                    income housing strategy selected by the municipality, whether one-time or
- 591                    ongoing; and
- 592                    (ii) provide flexibility for the municipality to make adjustments as needed.
- 593                    Section 4. Section **11-13-103** is amended to read:
- 594                    **11-13-103 (Effective 05/06/26). Definitions.**
- 595                    As used in this chapter:
- 596                    (1)(a) "Additional project capacity" means electric generating capacity provided by a
- 597                    generating unit that first produces electricity on or after May 6, 2002, and that is
- 598                    constructed or installed at or adjacent to the site of a project that first produced
- 599                    electricity before May 6, 2002, regardless of whether:
- 600                    (i) the owners of the new generating unit are the same as or different from the owner
- 601                    of the project; and
- 602                    (ii) the purchasers of electricity from the new generating unit are the same as or
- 603                    different from the purchasers of electricity from the project.
- 604                    (b) "Additional project capacity" does not mean or include replacement project capacity.
- 605                    (2) "Board" means the Permanent Community Impact Fund Board created by Section

- 606 35A-8-304, and [its] the board's successors.
- 607 (3) "Candidate" means one or more of:
- 608 (a) the state;
- 609 (b) a county, municipality, school district, special district, special service district, or
- 610 other political subdivision of the state; and
- 611 (c) a prosecution district.
- 612 (4) "Commercial project entity" means a project entity, defined in Subsection (18), that:
- 613 (a) has no taxing authority; and
- 614 (b) is not supported in whole or in part by and does not expend or disburse tax revenues.
- 615 (5) "Direct impacts" means an increase in the need for public facilities or services that is
- 616 attributable to the project or facilities providing additional project capacity, except
- 617 impacts resulting from the construction or operation of a facility that is:
- 618 (a) owned by an owner other than the owner of the project or of the facilities providing
- 619 additional project capacity; and
- 620 (b) used to furnish fuel, construction, or operation materials for use in the project.
- 621 (6) "Electric interlocal entity" means an interlocal entity described in Subsection
- 622 11-13-203(3).
- 623 (7) "Energy services interlocal entity" means an interlocal entity that is described in
- 624 Subsection 11-13-203(4).
- 625 (8)(a) "Estimated electric requirements," when used with respect to a qualified energy
- 626 services interlocal entity, includes any of the following that meets the requirements of
- 627 Subsection (8)(b):
- 628 (i) generation capacity;
- 629 (ii) generation output; or
- 630 (iii) an electric energy production facility.
- 631 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements" if [
- 632 ~~it is~~] the item is needed by the qualified energy services interlocal entity to perform
- 633 the qualified energy services interlocal entity's contractual or legal obligations to any
- 634 of [its] qualified energy services interlocal entity's members.
- 635 (9)(a) "Facilities providing replacement project capacity" means facilities that have
- 636 been, are being, or are proposed to be constructed, reconstructed, converted,
- 637 repowered, acquired, leased, used, or installed to provide replacement project
- 638 capacity.
- 639 (b) "Facilities providing replacement project capacity" includes facilities that have been,

- 640 are being, or are proposed to be constructed, reconstructed, converted, repowered,  
641 acquired, leased, used, or installed:
- 642 (i) to support and facilitate the construction, reconstruction, conversion, repowering,  
643 installation, financing, operation, management, or use of replacement project  
644 capacity; or
- 645 (ii) for the distribution of power generated from existing capacity or replacement  
646 project capacity to facilities located on real property in which the project entity  
647 that owns the project has an ownership, leasehold, right-of-way, or permitted  
648 interest.
- 649 (10) "Governing authority" means a governing board or joint administrator.
- 650 (11)(a) "Governing board" means the body established in reliance on the authority  
651 provided under Subsection 11-13-206(1)(b) to govern an interlocal entity.
- 652 (b) "Governing board" includes a board of directors described in an agreement, as  
653 amended, that creates a project entity.
- 654 (c) "Governing board" does not include a board as defined in Subsection (2).
- 655 (12) "Interlocal entity" means:
- 656 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal  
657 entity; or
- 658 (b) a separate legal or administrative entity created under Section 11-13-205.
- 659 (13) "Joint administrator" means an administrator or joint board described in Section  
660 11-13-207 to administer a joint or cooperative undertaking.
- 661 (14) "Joint or cooperative undertaking" means an undertaking described in Section  
662 11-13-207 that is not conducted by an interlocal entity.
- 663 (15) "Member" means a public agency that, with another public agency, creates an  
664 interlocal entity under Section 11-13-203.
- 665 (16) "Out-of-state public agency" means a public agency as defined in Subsection (19)(c),  
666 (d), or (e).
- 667 (17)(a) "Project":
- 668 (i) means an electric generation and transmission facility owned by a Utah interlocal  
669 entity or an electric interlocal entity; and
- 670 (ii) includes fuel facilities, fuel production facilities, fuel transportation facilities,  
671 energy storage facilities, or water facilities that are:
- 672 (A) owned by that Utah interlocal entity or electric interlocal entity; and  
673 (B) required for the generation and transmission facility.

- 674 (b) "Project" includes a project entity's ownership interest in:  
675 (i) facilities that provide additional project capacity;  
676 (ii) facilities providing replacement project capacity;  
677 (iii) additional generating, transmission, fuel, fuel transportation, water, or other  
678 facilities added to a project; and  
679 (iv) a Utah interlocal energy hub, as defined in Section 11-13-602.
- 680 (18) "Project entity" means a Utah interlocal entity or an electric interlocal entity that owns  
681 a project as defined in this section.
- 682 (19) "Public agency" means:  
683 (a) a city, town, county, school district, special district, special service district, an  
684 interlocal entity, or other political subdivision of the state;  
685 (b) the state or any department, division, or agency of the state;  
686 (c) any agency of the United States;  
687 (d) any political subdivision or agency of another state or the District of Columbia  
688 including any interlocal cooperation or joint powers agency formed under the  
689 authority of the law of the other state or the District of Columbia; or  
690 (e) any Indian tribe, band, nation, or other organized group or community which is  
691 recognized as eligible for the special programs and services provided by the United  
692 States to Indians because of their status as Indians.
- 693 (20) "Public agency insurance mutual" means the same as that term is defined in Subsection  
694 31A-1-103(7).
- 695 (21) "Qualified energy services interlocal entity" means an energy services interlocal entity  
696 that at the time that the energy services interlocal entity acquires [its] the energy services  
697 interlocal entity interest in facilities providing additional project capacity has at least  
698 five members that are Utah public agencies.
- 699 (22) "Replacement project capacity" means electric generating capacity or transmission  
700 capacity that:  
701 (a) replaces all or a portion of the existing electric generating or transmission capacity of  
702 a project; and  
703 (b) is provided by a facility that is on, adjacent to, in proximity to, or interconnected  
704 with the site of a project, regardless of whether:  
705 (i) the capacity replacing existing capacity is less than or exceeds the generating or  
706 transmission capacity of the project existing before installation of the capacity  
707 replacing existing capacity;

- 708 (ii) the capacity replacing existing capacity is owned by the project entity that is the  
 709 owner of the project, a segment established by the project entity, or a person with  
 710 whom the project entity or a segment established by the project entity has  
 711 contracted; or
- 712 (iii) the facility that provides the capacity replacing existing capacity is constructed,  
 713 reconstructed, converted, repowered, acquired, leased, used, or installed before or  
 714 after any actual or anticipated reduction or modification to existing capacity of the  
 715 project.
- 716 (23) "Reserve fund" means the same as that term is defined in Subsection 31A-1-103(7).
- 717 (24) "Transportation reinvestment zone" means an area created by two or more public  
 718 agencies by interlocal agreement to capture increased property or sales tax revenue  
 719 generated by a transportation infrastructure project as described in Section [~~11-13-227~~]  
 720 63N-23-901.
- 721 (25) "Utah interlocal entity":
- 722 (a) means an interlocal entity described in Subsection 11-13-203(2); and
- 723 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,  
 724 Chapter 47, Section 3, as amended.
- 725 (26) "Utah public agency" means a public agency under Subsection (19)(a) or (b).  
 726 Section 5. Section **11-13-206** is amended to read:
- 727 **11-13-206 (Effective 05/06/26). Requirements for agreements for joint or**  
 728 **cooperative action.**
- 729 (1) Each agreement under Section 11-13-202, 11-13-203, 11-13-205, or [~~11-13-227~~]  
 730 63N-23-901 shall specify:
- 731 (a) [~~its~~] the agreement's duration;
- 732 (b) if the agreement creates an interlocal entity:
- 733 (i) the precise organization, composition, and nature of the interlocal entity;
- 734 (ii) the powers delegated to the interlocal entity;
- 735 (iii) the manner in which the interlocal entity is to be governed; and
- 736 (iv) subject to Subsection (2), the manner in which the members of [~~its~~] the governing  
 737 board are to be appointed or selected;
- 738 (c) [~~its~~] the agreement's purpose or purposes;
- 739 (d) the manner of financing the joint or cooperative action and of establishing and  
 740 maintaining a budget for it;
- 741 (e) the permissible method or methods to be employed in accomplishing the partial or

- 742 complete termination of the agreement and for disposing of property upon such  
 743 partial or complete termination;
- 744 (f) the process, conditions, and terms for withdrawal of a participating public agency  
 745 from the interlocal entity or the joint or cooperative undertaking;
- 746 (g)(i) whether voting is based upon one vote per member or weighted; and  
 747 (ii) if weighted voting is allowed, the basis upon which the vote weight will be  
 748 determined; and
- 749 (h) any other necessary and proper matters.
- 750 (2) Each agreement under Section 11-13-203 or 11-13-205 that creates an interlocal entity  
 751 shall require that Utah public agencies that are parties to the agreement have the right to  
 752 appoint or select members of the interlocal entity's governing board with a majority of  
 753 the voting power.

754 Section 6. Section **11-13-207** is amended to read:

755 **11-13-207 (Effective 05/06/26). Additional requirements for agreement not**  
 756 **establishing interlocal entity.**

- 757 (1) If an agreement under Section 11-13-202 or [~~11-13-227~~] 63N-23-901 does not establish  
 758 an interlocal entity to conduct the joint or cooperative undertaking, the agreement shall,  
 759 in addition to the items specified in Section 11-13-206, provide for:
- 760 (a) the joint or cooperative undertaking to be administered by:
- 761 (i) an administrator; or  
 762 (ii) a joint board with representation from the public agencies that are parties to the  
 763 agreement;
- 764 (b) the manner of acquiring, holding, and disposing of real and personal property used in  
 765 the joint or cooperative undertaking;
- 766 (c) the functions to be performed by the joint or cooperative undertaking; and  
 767 (d) the powers of the joint administrator.
- 768 (2) The creation, operation, governance, and fiscal procedures of a joint or cooperative  
 769 undertaking are governed by this chapter.

770 Section 7. Section **17-79-403** is amended to read:

771 **17-79-403 (Effective 05/06/26). General plan preparation.**

- 772 (1)(a) The planning commission shall provide notice, as provided in Section 17-79-203,  
 773 of the planning commission's intent to make a recommendation to the county  
 774 legislative body for a general plan or a comprehensive general plan amendment when  
 775 the planning commission initiates the process of preparing the planning commission's

- 776 recommendation.
- 777 (b) The planning commission shall make and recommend to the legislative body a  
778 proposed general plan for:
- 779 (i) the unincorporated area within the county; or  
780 (ii) if the planning commission is a planning commission for a mountainous planning  
781 district, the mountainous planning district.
- 782 (c)(i) The plan may include planning for incorporated areas if, in the planning  
783 commission's judgment, [~~they~~] the plans are related to the planning of the  
784 unincorporated territory or of the county as a whole.
- 785 (ii) Elements of the county plan that address incorporated areas are not an official  
786 plan or part of a municipal plan for any municipality, unless the county plan is  
787 recommended by the municipal planning commission and adopted by the  
788 governing body of the municipality.
- 789 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,  
790 and descriptive and explanatory matter, shall include the planning commission's  
791 recommendations for the following plan elements:
- 792 (i) a land use element that:
- 793 (A) designates the long-term goals and the proposed extent, general distribution,  
794 and location of land for housing for residents of various income levels,  
795 business, industry, agriculture, recreation, education, public buildings and  
796 grounds, open space, and other categories of public and private uses of land as  
797 appropriate;
- 798 (B) includes a statement of the projections for and standards of population density  
799 and building intensity recommended for the various land use categories  
800 covered by the plan;
- 801 (C) is coordinated to integrate the land use element with the water use and  
802 preservation element; and
- 803 (D) accounts for the effect of land use categories and land uses on water demand;
- 804 (ii) a transportation and traffic circulation element that:
- 805 (A) provides the general location and extent of existing and proposed freeways,  
806 arterial and collector streets, public transit, active transportation facilities, and  
807 other modes of transportation that the planning commission considers  
808 appropriate;
- 809 (B) addresses the county's plan for residential and commercial development

- 810 around major transit investment corridors to maintain and improve the  
811 connections between housing, employment, education, recreation, and  
812 commerce; and
- 813 (C) correlates with the population projections, the employment projections, and  
814 the proposed land use element of the general plan;
- 815 (iii) for a specified county as defined in Section 17-80-101, a moderate income  
816 housing element that meets the requirements of Section [~~17-80-202~~] 17-80-201;
- 817 (iv) a resource management plan detailing the findings, objectives, and policies  
818 required by Section 17-79-402; and
- 819 (v) a water use and preservation element that addresses:
- 820 (A) the effect of permitted development or patterns of development on water  
821 demand and water infrastructure;
- 822 (B) methods of reducing water demand and per capita consumption for future  
823 development;
- 824 (C) methods of reducing water demand and per capita consumption for existing  
825 development; and
- 826 (D) opportunities for the county to modify the county's operations to eliminate  
827 practices or conditions that waste water.
- 828 (b) In drafting the land use element, the planning commission shall:
- 829 (i) identify and consider each agriculture protection area within the unincorporated  
830 area of the county or mountainous planning district;
- 831 (ii) avoid proposing a use of land within an agriculture protection area that is  
832 inconsistent with or detrimental to the use of the land for agriculture; and
- 833 (iii) consider and coordinate with any station area plans adopted by municipalities  
834 located within the county under [~~10-21-203~~] Section 63N-23-104.
- 835 (c) In drafting the transportation and traffic circulation element, the planning  
836 commission shall:
- 837 (i)(A) consider and coordinate with the regional transportation plan developed by  
838 the county's region's metropolitan planning organization, if the relevant areas  
839 of the county are within the boundaries of a metropolitan planning  
840 organization; or
- 841 (B) consider and coordinate with the long-range transportation plan developed by  
842 the Department of Transportation, if the relevant areas of the county are not  
843 within the boundaries of a metropolitan planning organization; and

- 844 (ii) consider and coordinate with any station area plans adopted by municipalities  
845 located within the county under Section [~~10-21-203~~] 63N-23-104.
- 846 (d) In drafting the water use and preservation element, the planning commission:
- 847 (i) shall consider applicable regional water conservation goals recommended by the  
848 Division of Water Resources;
- 849 (ii) shall consult with the Division of Water Resources for information and technical  
850 resources regarding regional water conservation goals, including how  
851 implementation of the land use element and water use and preservation element  
852 may affect the Great Salt Lake;
- 853 (iii) shall notify the community water systems serving drinking water within the  
854 unincorporated portion of the county and request feedback from the community  
855 water systems about how implementation of the land use element and water use  
856 and preservation element may affect:
- 857 (A) water supply planning, including drinking water source and storage capacity  
858 consistent with Section 19-4-114; and
- 859 (B) water distribution planning, including master plans, infrastructure asset  
860 management programs and plans, infrastructure replacement plans, and impact  
861 fee facilities plans;
- 862 (iv) shall consider the potential opportunities and benefits of planning for  
863 regionalization of public water systems;
- 864 (v) shall consult with the Department of Agriculture and Food for information and  
865 technical resources regarding the potential benefits of agriculture conservation  
866 easements and potential implementation of agriculture water optimization projects  
867 that would support regional water conservation goals;
- 868 (vi) shall notify an irrigation or canal company located in the county so that the  
869 irrigation or canal company can be involved in the protection and integrity of the  
870 irrigation or canal company's delivery systems;
- 871 (vii) shall include a recommendation for:
- 872 (A) water conservation policies to be determined by the county; and
- 873 (B) landscaping options within a public street for current and future development  
874 that do not require the use of lawn or turf in a parkstrip;
- 875 (viii) shall review the county's land use ordinances and include a recommendation for  
876 changes to an ordinance that promotes the inefficient use of water;
- 877 (ix) shall consider principles of sustainable landscaping, including the:

- 878 (A) reduction or limitation of the use of lawn or turf;
- 879 (B) promotion of site-specific landscape design that decreases stormwater runoff
- 880 or runoff of water used for irrigation;
- 881 (C) preservation and use of healthy trees that have a reasonable water requirement
- 882 or are resistant to dry soil conditions;
- 883 (D) elimination or regulation of ponds, pools, and other features that promote
- 884 unnecessary water evaporation;
- 885 (E) reduction of yard waste; and
- 886 (F) use of an irrigation system, including drip irrigation, best adapted to provide
- 887 the optimal amount of water to the plants being irrigated;
- 888 (x) may include recommendations for additional water demand reduction strategies,
- 889 including:
  - 890 (A) creating a water budget associated with a particular type of development;
  - 891 (B) adopting new or modified lot size, configuration, and landscaping standards
  - 892 that will reduce water demand for new single family development;
  - 893 (C) providing one or more water reduction incentives for existing landscapes and
  - 894 irrigation systems and installation of water fixtures or systems that minimize
  - 895 water demand;
  - 896 (D) discouraging incentives for economic development activities that do not
  - 897 adequately account for water use or do not include strategies for reducing
  - 898 water demand; and
  - 899 (E) adopting water concurrency standards requiring that adequate water supplies
  - 900 and facilities are or will be in place for new development; and
- 901 (xi) shall include a recommendation for low water use landscaping standards for a
- 902 new:
  - 903 (A) commercial, industrial, or institutional development;
  - 904 (B) common interest community, as defined in Section 57-25-102; or
  - 905 (C) multifamily housing project.
- 906 (3) The proposed general plan may include:
  - 907 (a) an environmental element that addresses:
    - 908 (i) to the extent not covered by the county's resource management plan, the
    - 909 protection, conservation, development, and use of natural resources, including the
    - 910 quality of:
      - 911 (A) air;

- 912 (B) forests;
- 913 (C) soils;
- 914 (D) rivers;
- 915 (E) groundwater and other waters;
- 916 (F) harbors;
- 917 (G) fisheries;
- 918 (H) wildlife;
- 919 (I) minerals; and
- 920 (J) other natural resources; and
- 921 (ii)(A) the reclamation of land, flood control, prevention and control of the
- 922 pollution of streams and other waters;
- 923 (B) the regulation of the use of land on hillsides, stream channels and other
- 924 environmentally sensitive areas;
- 925 (C) the prevention, control, and correction of the erosion of soils;
- 926 (D) the preservation and enhancement of watersheds and wetlands; and
- 927 (E) the mapping of known geologic hazards;
- 928 (b) a public services and facilities element showing general plans for sewage, water,
- 929 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
- 930 them, police and fire protection, and other public services;
- 931 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
- 932 programs for:
- 933 (i) historic preservation;
- 934 (ii) the diminution or elimination of a development impediment as defined in Section
- 935 17C-1-102; and
- 936 (iii) redevelopment of land, including housing sites, business and industrial sites, and
- 937 public building sites;
- 938 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 939 economic development plan, which may include review of existing and projected
- 940 county revenue and expenditures, revenue sources, identification of basic and
- 941 secondary industry, primary and secondary market areas, employment, and retail
- 942 sales activity;
- 943 (e) recommendations for implementing all or any portion of the general plan, including
- 944 the adoption of land and water use ordinances, capital improvement plans,
- 945 community development and promotion, and any other appropriate action;

- 946 (f) provisions addressing any of the matters listed in Subsection 17-79-401(2) or  
947 17-79-402(1); and
- 948 (g) any other element the county considers appropriate.
- 949 Section 8. Section **17-80-101** is amended to read:
- 950 **17-80-101 (Effective 05/06/26). Definitions.**
- 951 As used in this part:
- 952 (1) "Affordable housing" means housing offered for sale at 80% or less of the median  
953 county home price for housing of that type.
- 954 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 955 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
956 roll last equalized during the base year.
- 957 (4) "Base year" means, for a proposed home ownership promotion zone area, a year  
958 beginning the first day of the calendar quarter determined by the last equalized tax roll  
959 before the adoption of the home ownership promotion zone.
- 960 (5) "Division" means the Housing and Community Development Division within the  
961 Department of Workforce Services.
- 962 (6) "Home ownership promotion zone" means a home ownership promotion zone created in  
963 accordance with ~~[this part]~~ Title 63N, Chapter 23, Part 6, Home Ownership Promotion  
964 Zone for Counties.
- 965 (7) "Implementation plan" means the implementation plan adopted as part of the moderate  
966 income housing element of a specified county's general plan.
- 967 (8) "Initial report" means the one-time moderate income housing report described in  
968 Subsection 17-80-202(1).
- 969 (9) "Internal accessory dwelling unit" means an accessory dwelling unit created:  
970 (a) within a primary dwelling;  
971 (b) within the footprint of the detached primary dwelling at the time the internal  
972 accessory dwelling unit is created; and  
973 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 974 (10) "Moderate income housing strategy" means a strategy described in Section 17-80-201.
- 975 (11) "Participant" means the same as that term is defined in Section 17C-1-102.
- 976 (12) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 977 (13)(a) "Primary dwelling" means a single-family dwelling that:  
978 (i) is detached; and  
979 (ii) is occupied as the primary residence of the owner of record.

- 980 (b) "Primary dwelling" includes a garage if the garage:  
 981 (i) is a habitable space; and  
 982 (ii) is connected to the primary dwelling by a common wall.
- 983 (14) "Project improvements" means the same as that term is defined in Section 11-36a-102.  
 984 (15) "Report" means an initial report or a subsequent report described in Section 17-80-202.  
 985 (16) "Specified county" means a county of the first, second, or third class, which has a  
 986 population of more than 5,000 in the county's unincorporated areas.  
 987 (17) "Subsequent progress report" means the annual moderate income housing report  
 988 described in Section 17-80-202.  
 989 (18) "System improvements" means the same as that term is defined in Section 11-36a-102.  
 990 (19) "Tax commission" means the State Tax Commission created in Section 59-1-201.  
 991 (20)(a) "Tax increment" means the difference between:  
 992 (i) the amount of property tax revenue generated each tax year by a taxing entity from  
 993 the area within a home ownership promotion zone, using the current assessed  
 994 value and each taxing entity's current certified tax rate as defined in Section  
 995 59-2-924; and  
 996 (ii) the amount of property tax revenue that would be generated from that same area  
 997 using the base taxable value and each taxing entity's current certified tax rate as  
 998 defined in Section 59-2-924.  
 999 (b) "Tax increment" does not include property revenue from:  
 1000 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);  
 1001 or  
 1002 (ii) a county additional property tax described in Subsection 59-2-1602(4).  
 1003 (21) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 1004 Section 9. Section **17-80-201** is amended to read:  
 1005 **17-80-201 (Effective 05/06/26). Moderate income housing plan required.**  
 1006 (1) A moderate income housing element of a general plan shall include a moderate income  
 1007 housing element that meets the requirements of this section.  
 1008 (2) For a specified county, as defined in Section 17-80-101, a moderate income housing  
 1009 element shall:  
 1010 (a) provide a realistic opportunity to meet the need for additional moderate income  
 1011 housing within the next five years;  
 1012 (b) select three or more moderate income housing strategies described in Subsections  
 1013 (3)(a)(ii)(A) through (V), or at least one moderate income housing strategy described

- 1014 in Subsections (3)(a)(ii)(W) through (BB), for implementation; and  
1015 (c) include an implementation plan as provided in Subsection (4).
- 1016 (3)(a) In drafting the moderate income housing element, the county planning  
1017 commission shall:
- 1018 (i) consider the Legislature's determination that counties should facilitate a  
1019 reasonable opportunity for a variety of housing, including moderate income  
1020 housing:
    - 1021 (A) to meet the needs of people of various income levels living, working, or  
1022 desiring to live or work in the community; and
    - 1023 (B) to allow people with various incomes to benefit from and fully participate in  
1024 all aspects of neighborhood and community life; and
  - 1025 (ii) include an analysis of how the county will provide a realistic opportunity for the  
1026 development of moderate income housing within the planning horizon, including  
1027 a recommendation to implement three or more of the following moderate income  
1028 housing strategies:
    - 1029 (A) rezone for densities necessary to facilitate the production of moderate income  
1030 housing;
    - 1031 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that  
1032 facilitates the construction of moderate income housing;
    - 1033 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing  
1034 stock into moderate income housing;
    - 1035 (D) identify and utilize county general fund subsidies or other sources of revenue  
1036 to waive construction related fees that are otherwise generally imposed by the  
1037 county for the construction or rehabilitation of moderate income housing;
    - 1038 (E) create or allow for, and reduce regulations related to, internal or detached  
1039 accessory dwelling units in residential zones;
    - 1040 (F) zone or rezone for higher density or moderate income residential development  
1041 in commercial or mixed-use zones, commercial centers, or employment centers;
    - 1042 (G) amend land use regulations to allow for higher density or new moderate  
1043 income residential development in commercial or mixed-use zones near major  
1044 transit investment corridors;
    - 1045 (H) amend land use regulations to eliminate or reduce parking requirements for  
1046 residential development where a resident is less likely to rely on the resident's  
1047 own vehicle, such as residential development near major transit investment

- 1048 corridors or senior living facilities;
- 1049 (I) amend land use regulations to allow for single room occupancy developments;
- 1050 (J) implement zoning incentives for moderate income units in new developments;
- 1051 (K) preserve existing and new moderate income housing and subsidized units by
- 1052 utilizing a landlord incentive program, providing for deed restricted units
- 1053 through a grant program, or establishing a housing loss mitigation fund;
- 1054 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 1055 (M) demonstrate creation of, or participation in, a community land trust program
- 1056 for moderate income housing;
- 1057 (N) implement a mortgage assistance program for employees of the county, an
- 1058 employer that provides contracted services for the county, or any other public
- 1059 employer that operates within the county;
- 1060 (O) apply for or partner with an entity that applies for state or federal funds or tax
- 1061 incentives to promote the construction of moderate income housing, an entity
- 1062 that applies for programs offered by the Utah Housing Corporation within that
- 1063 agency's funding capacity, an entity that applies for affordable housing
- 1064 programs administered by the Department of Workforce Services, an entity
- 1065 that applies for services provided by a public housing authority to preserve and
- 1066 create moderate income housing, or any other entity that applies for programs
- 1067 or services that promote the construction or preservation of moderate income
- 1068 housing;
- 1069 (P) demonstrate utilization of a moderate income housing set aside from a
- 1070 community reinvestment agency, redevelopment agency, or community
- 1071 development and renewal agency to create or subsidize moderate income
- 1072 housing;
- 1073 (Q) eliminate impact fees for any accessory dwelling unit that is not an internal
- 1074 accessory dwelling unit as defined in Section 17-79-611;
- 1075 (R) create a program to transfer development rights for moderate income housing;
- 1076 (S) ratify a joint acquisition agreement with another local political subdivision for
- 1077 the purpose of combining resources to acquire property for moderate income
- 1078 housing;
- 1079 (T) develop a moderate income housing project for residents who are disabled or
- 1080 55 years old or older;
- 1081 (U) create or allow for, and reduce regulations related to, multifamily residential

1082 dwellings compatible in scale and form with detached single-family residential  
1083 dwellings and located in walkable communities within residential or mixed-use  
1084 zones;

1085 (V) demonstrate implementation of any other program or strategy to address the  
1086 housing needs of residents of the county who earn less than 80% of the area  
1087 median income, including the dedication of a local funding source to moderate  
1088 income housing or the adoption of a land use ordinance that requires 10% or  
1089 more of new residential development in a residential zone be dedicated to  
1090 moderate income housing;

1091 (W) create a housing and transit reinvestment zone in accordance with [~~Title 63N,~~  
1092 ~~Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N,  
1093 Chapter 23, Part 2, Housing and Transit Reinvestment Zone;

1094 (X) create a home ownership investment zone in accordance with [~~Part 5, Home~~  
1095 ~~Ownership Promotion Zone~~] Title 63N, Chapter 23, Part 6, Home Ownership  
1096 Investment Zone for Counties;

1097 (Y) create a first home investment zone in accordance with [~~Title 63N, Chapter 3,~~  
1098 ~~Part 16, First Home Investment Zone Act~~] Title 63N, Chapter 23, Part 7, First  
1099 Home Investment Zone;

1100 (Z) approve a project that receives funding from, or qualifies to receive funding  
1101 from, the Utah Homes Investment Program created in Title 51, Chapter 12,  
1102 Utah Homes Investment Program;

1103 (AA) adopt or approve a qualifying affordable home ownership density bonus for  
1104 single-family residential units, as described in Section 17-80-401; and

1105 (BB) adopt or approve an affordable home ownership density bonus for  
1106 multi-family residential units, as described in Section 17-80-402.

1107 (b) The planning commission shall identify each moderate income housing strategy  
1108 recommended to the legislative body for implementation by restating the exact  
1109 language used to describe the strategy in Subsection (3)(a)(ii).

1110 (4)(a) In drafting the implementation plan portion of the moderate income housing  
1111 element as described in Subsection (2)(c), the planning commission shall recommend  
1112 to the legislative body the establishment of a five-year timeline for implementing  
1113 each of the moderate income housing strategies selected by the county for  
1114 implementation.

1115 (b) The timeline described in Subsection (4)(a) shall:

1116 (i) identify specific measures and benchmarks for implementing each moderate  
1117 income housing strategy selected by the county; and

1118 (ii) provide flexibility for the county to make adjustments as needed.

1119 Section 10. Section **17B-2a-802** is amended to read:

1120 **17B-2a-802 (Effective 05/06/26). Definitions.**

1121 As used in this part:

1122 (1) "Affordable housing" means housing occupied or reserved for occupancy by households  
1123 that meet certain gross household income requirements based on the area median income  
1124 for households of the same size.

1125 (a) "Affordable housing" may include housing occupied or reserved for occupancy by  
1126 households that meet specific area median income targets or ranges of area median  
1127 income targets.

1128 (b) "Affordable housing" does not include housing occupied or reserved for occupancy  
1129 by households with gross household incomes that are more than 60% of the area  
1130 median income for households of the same size.

1131 (2) "Appointing entity" means the person, county, unincorporated area of a county, or  
1132 municipality appointing a member to a public transit district board of trustees.

1133 (3)(a) "Chief executive officer" means a person appointed by the board of trustees of a  
1134 small public transit district to serve as chief executive officer.

1135 (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities  
1136 defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and  
1137 responsibilities assigned to the general manager but prescribed by the board of  
1138 trustees to be fulfilled by the chief executive officer.

1139 (4) "Confidential employee" means a person who, in the regular course of the person's  
1140 duties:

1141 (a) assists in and acts in a confidential capacity in relation to other persons who  
1142 formulate, determine, and effectuate management policies regarding labor relations;  
1143 or

1144 (b) has authorized access to information relating to effectuating or reviewing the  
1145 employer's collective bargaining policies.

1146 (5) "Council of governments" means a decision-making body in each county composed of  
1147 membership including the county governing body and the mayors of each municipality  
1148 in the county.

1149 (6) "Department" means the Department of Transportation created in Section 72-1-201.

- 1150 (7) "Executive director" means a person appointed by the board of trustees of a large public  
1151 transit district to serve as executive director.
- 1152 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 1153 (9) "Fixed guideway capital development" means the same as that term is defined in  
1154 Section 72-1-102.
- 1155 (10)(a) "General manager" means a person appointed by the board of trustees of a small  
1156 public transit district to serve as general manager.
- 1157 (b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in  
1158 Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees of a small  
1159 public transit district.
- 1160 (11) "Large public transit district" means a public transit district that provides public transit  
1161 to an area that includes:
- 1162 (a) more than 65% of the population of the state based on:
- 1163 (i) the estimate of the Utah Population Committee created in Section 63C-20-103; or  
1164 (ii) if the Utah Population Committee estimate is not available for each county,  
1165 municipality, and unincorporated area that comprise the district, the most recent  
1166 official census or census estimate of the United States Bureau of the Census; and
- 1167 (b) two or more counties.
- 1168 (12) "Local advisory council" means the local advisory council created in accordance with  
1169 Section 17B-2a-808.2.
- 1170 (13)(a) "Locally elected public official" means a person who holds an elected position  
1171 with a county or municipality.
- 1172 (b) "Locally elected public official" does not include a person who holds an elected  
1173 position if the elected position is not with a county or municipality.
- 1174 (14) "Managerial employee" means a person who is:
- 1175 (a) engaged in executive and management functions; and  
1176 (b) charged with the responsibility of directing, overseeing, or implementing the  
1177 effectuation of management policies and practices.
- 1178 (15) "Metropolitan planning organization" means the same as that term is defined in  
1179 Section 72-1-208.5.
- 1180 (16) "Multicounty district" means a public transit district located in more than one county.
- 1181 (17) "Operator" means a public entity or other person engaged in the transportation of  
1182 passengers for hire.
- 1183 (18)(a) "Public transit" means regular, continuing, shared-ride, surface transportation

- 1184 services that are open to the general public or open to a segment of the general public  
1185 defined by age, disability, or low income.
- 1186 (b) "Public transit" does not include transportation services provided by:
- 1187 (i) chartered bus;
  - 1188 (ii) sightseeing bus;
  - 1189 (iii) taxi;
  - 1190 (iv) school bus service;
  - 1191 (v) courtesy shuttle service for patrons of one or more specific establishments; or
  - 1192 (vi) intra-terminal or intra-facility shuttle services.
- 1193 (19) "Public transit district" means a special district that provides public transit services.
- 1194 (20) "Public transit innovation grant" means the same as that term is defined in Section  
1195 72-2-401.
- 1196 (21) "Small public transit district" means any public transit district that is not a large public  
1197 transit district.
- 1198 (22) "Station area plan" means a plan developed and adopted by a municipality in  
1199 accordance with Section [~~10-21-203~~] 63N-23-104.
- 1200 (23)(a) "Supervisor" means a person who has authority, in the interest of the employer,  
1201 to:
- 1202 (i) hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or  
1203 discipline other employees; or
  - 1204 (ii) adjust another employee's grievance or recommend action to adjust another  
1205 employee's grievance.
- 1206 (b) "Supervisor" does not include a person whose exercise of the authority described in  
1207 Subsection (23)(a):
- 1208 (i) is of a merely routine or clerical nature; and
  - 1209 (ii) does not require the person to use independent judgment.
- 1210 (24) "Transit facility" means a transit vehicle, transit station, depot, passenger loading or  
1211 unloading zone, parking lot, or other facility:
- 1212 (a) leased by or operated by or on behalf of a public transit district; and
  - 1213 (b) related to the public transit services provided by the district, including:
    - 1214 (i) railway or other right-of-way;
    - 1215 (ii) railway line; and
    - 1216 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled  
1217 by a transit vehicle.

1218 (25) "Transit vehicle" means a passenger bus, coach, railcar, van, or other vehicle operated  
 1219 as public transportation by a public transit district.

1220 (26) "Transit-oriented development" means a mixed use residential or commercial area that  
 1221 is designed to maximize access to public transit and includes the development of land  
 1222 owned by a large public transit district.

1223 (27) "Transit-supportive development" means a mixed use residential or commercial area  
 1224 that is designed to maximize access to public transit and does not include the  
 1225 development of land owned by a large public transit district.

1226 Section 11. Section **17D-4-102** is amended to read:

1227 **17D-4-102 (Effective 05/06/26). Definitions.**

1228 As used in this chapter:

1229 (1) "Board" means the board of trustees of a public infrastructure district.

1230 (2) "Capital city" means a city of the first class that is the capital of the state that has a  
 1231 convention center within the boundary of the city.

1232 (3) "Convention center" means a government facility:

1233 (a) owned by the county in which the convention center is located;

1234 (b) primarily used for hosting conventions, exhibitions, trade shows, or similar events;  
 1235 and

1236 (c) is located within the boundaries of a city of the first class in a county of the first class.

1237 (4) "Convention center public infrastructure district" means a public infrastructure district  
 1238 created to finance public infrastructure and improvements associated with and benefiting  
 1239 a convention center area and surrounding area, including the costs to finance any public  
 1240 or privately owned improvements, including:

1241 (a) convention center-related improvements;

1242 (b) arena improvements; and

1243 (c) a convention center revitalization project, as that term is defined in Section [  
 1244 ~~63N-3-602~~] 63N-23-101.

1245 (5) "Convention center public infrastructure district in a capital city" means a convention  
 1246 center public infrastructure district created to finance public infrastructure and  
 1247 improvements for a convention center in a capital city, including:

1248 (a) the costs to finance any public improvements that serve the convention center;

1249 (b) privately owned improvements if the improvements are an allowed use of funds  
 1250 under Section [~~63N-3-1403~~] 63N-23-803; and

1251 (c) a convention center revitalization project, as that term is defined in Section [

- 1252                   ~~63N-3-602]~~ 63N-23-101.
- 1253           (6) "Creating entity" means the county, municipality, basic special district, or development  
1254           authority that approves the creation of a public infrastructure district.
- 1255           (7) "Development authority" means:
- 1256               (a) the Utah Inland Port Authority created in Section 11-58-201;
- 1257               (b) the Point of the Mountain State Land Authority created in Section 11-59-201;
- 1258               (c) the Utah Fairpark Area Investment and Restoration District created in Section  
1259               11-70-201; or
- 1260               (d) the military installation development authority created in Section 63H-1-201.
- 1261           (8) "District applicant" means the person proposing the creation of a public infrastructure  
1262           district.
- 1263           (9) "Division" means a division of a public infrastructure district:
- 1264               (a) that is relatively equal in number of eligible voters or potential eligible voters to all  
1265               other divisions within the public infrastructure district, taking into account existing or  
1266               potential developments which, when completed, would increase or decrease the  
1267               population within the public infrastructure district; and
- 1268               (b) which a member of the board represents.
- 1269           (10) "Governing document" means the document governing a public infrastructure district  
1270           to which the creating entity agrees before the creation of the public infrastructure  
1271           district, as amended from time to time, and subject to the limitations of Title 17B,  
1272           Chapter 1, Provisions Applicable to All Special Districts, and this chapter.
- 1273           (11)(a) "Limited tax bond" means a bond:
- 1274               (i) that is directly payable from and secured by ad valorem property taxes that are  
1275               levied:
- 1276                   (A) by a public infrastructure district that issues the bond; and
- 1277                   (B) on taxable property within the district;
- 1278               (ii) that is a general obligation of the public infrastructure district; and
- 1279               (iii) for which the ad valorem property tax levy for repayment of the bond does not  
1280               exceed the property tax levy rate limit established under Section 17D-4-303 for  
1281               any fiscal year, except as provided in Subsection 17D-4-301(13).
- 1282           (b) "Limited tax bond" does not include:
- 1283               (i) a short-term bond;
- 1284               (ii) a tax and revenue anticipation bond; or
- 1285               (iii) a special assessment bond.

- 1286 (12)(a) "Municipal advisor" means a person that:
- 1287 (i) advises a political subdivision on matters related to the issuance of bonds by
- 1288 governmental entities, including the pricing, sales, and marketing of bonds and the
- 1289 procuring of bond ratings, credit enhancement, and insurance with respect to
- 1290 bonds;
- 1291 (ii) is qualified to provide the advice described in Subsection (12)(a)(i);
- 1292 (iii) is not an officer or employee of the political subdivision receiving advice;
- 1293 (iv) has not been engaged to provide underwriting services in connection with a
- 1294 transaction in which the person will provide advice to the political subdivision; and
- 1295 (v) has experience doing business related to the issuance of bonds in the state.
- 1296 (b) "Municipal advisor" may include:
- 1297 (i) an individual who meets the description in Subsection (12)(a); or
- 1298 (ii) a firm of individuals who collectively meet the description in Subsection (12)(a).
- 1299 (13)(a) "Participation agreement" means an executed agreement between a local
- 1300 government [entity] and project participant, as those terms are defined in Section [
- 1301 ~~63N-3-1401~~] 63N-23-801.
- 1302 (b) "Participation agreement" includes an agreement under [~~Title 63N, Chapter 3, Part~~
- 1303 ~~14, Capital City Revitalization Zone~~] Title 63N, Chapter 23, Part 8, Capital City
- 1304 Revitalization Zone.
- 1305 (14)(a) "Public infrastructure and improvements" means:
- 1306 (i) infrastructure, utilities, improvements, facilities, buildings, or remediation that:
- 1307 (A) benefit the public and are owned by a public entity or a public or private
- 1308 utility;
- 1309 (B) benefit the public and are publicly maintained or operated by a public entity; or
- 1310 (C) are privately owned and are expressly permitted to be acquired or financed by
- 1311 the public infrastructure district's governing document or an agreement
- 1312 between the public infrastructure district and the public infrastructure district's
- 1313 creating entity;
- 1314 (ii) publicly or privately owned roads, rights-of-way, trails, parking, or parking
- 1315 structures; and
- 1316 (iii)(A) for a convention center public infrastructure district, infrastructure,
- 1317 utilities, improvements, facilities, buildings, or remediation that:
- 1318 (I) benefit the public and are owned by a public entity or a utility;
- 1319 (II) benefit the public and are publicly maintained or operated by a public

- 1320 entity; or
- 1321 (III) are privately owned and provide a substantial benefit, as determined by
- 1322 the board of a convention center public infrastructure district, to:
- 1323 (Aa) the development and operation of a convention center public
- 1324 infrastructure district; or
- 1325 (Bb) the residents or property owners within the boundaries of a convention
- 1326 center public infrastructure district or within the boundaries of a
- 1327 convention center reinvestment zone to which the convention center
- 1328 public infrastructure district is either within or adjacent; or
- 1329 (B) if the infrastructure and improvements are outside of the boundaries of a
- 1330 convention center public infrastructure district, benefit a convention center
- 1331 public infrastructure district to which the convention center public
- 1332 infrastructure district project area is either within or adjacent.
- 1333 (b) "Public infrastructure and improvements" also means:
- 1334 (i) the same as that term is defined in Section 11-58-102, for a public infrastructure
- 1335 district created by the Utah Inland Port Authority created in Section 11-58-201;
- 1336 (ii) the same as that term is defined in Section 11-70-101, for a public infrastructure
- 1337 district created by the Utah Fairpark Area Investment and Restoration District
- 1338 created in Section 11-70-201;
- 1339 (iii) the same as that term is defined in Section 63H-1-102, for a public infrastructure
- 1340 district created by the military installation development authority created in
- 1341 Section 63H-1-201;
- 1342 (iv) for any public infrastructure district created by a development authority, any
- 1343 infrastructure, utilities, improvements, facilities, buildings, or remediation that are
- 1344 privately owned and benefit the public; and
- 1345 (v) for a public infrastructure district to which tax increment revenue is pledged or
- 1346 distributed, any publicly or privately owned infrastructure, utilities,
- 1347 improvements, facilities, buildings, or remediation that is a permitted use of the
- 1348 tax increment revenue.
- 1349 (15)(a) "Tax increment revenue" means the difference between the tax revenue
- 1350 generated from or within a specific area and the revenue that would be generated if a
- 1351 base taxable value were used.
- 1352 (b) "Tax increment revenue" includes any concept substantially the same as the
- 1353 definition in Subsection (15)(a), regardless of the name of the concept.

- 1354 Section 12. Section **17D-4-202.1** is amended to read:
- 1355 **17D-4-202.1 (Effective 05/06/26). Convention center public infrastructure --**
- 1356 **District board -- Petition and process requirements -- Governing document.**
- 1357 (1) As used is this section:
- 1358 (a) "City" means a municipality of the first class located in a county of the first class in
- 1359 which a convention center is located.
- 1360 (b) "County" means a county in which a convention center is located.
- 1361 (c) "Lessee" means a lessee of property within the proposed convention center public
- 1362 infrastructure district that leases the property from the city or county for a term of at
- 1363 least 10 years.
- 1364 (d)(i) "Petitioner" means:
- 1365 (A) a surface property owner, a property owner, or lessee of property within a
- 1366 proposed convention center public infrastructure district's boundaries that
- 1367 initiates the formation of a convention center public infrastructure district; or
- 1368 (B) a surface property owner under this chapter, and Title 17B, Chapter 1,
- 1369 Provisions Applicable to All Special Districts, in relation to a convention
- 1370 center public infrastructure district.
- 1371 (ii) "Petitioner" does not include a city, county, or other public entity.
- 1372 (2) A convention center public infrastructure district shall be created in a city upon the
- 1373 submission of a petition in accordance with this part and shall have all the powers of a
- 1374 public infrastructure district under this chapter.
- 1375 (3) A convention center public infrastructure district may only be created within a city in
- 1376 which a convention center is located.
- 1377 (4) The petition described in Subsection (2) shall:
- 1378 (a) include the governing document; and
- 1379 (b) for a petition to a city which has previously authorized revitalization taxes described
- 1380 in Section [~~63N-3-1403~~] 63N-23-803, include as part of the governing document
- 1381 approval and authorization of an interlocal agreement pledging and securing the
- 1382 revitalization taxes for debt of the proposed convention center public infrastructure
- 1383 district.
- 1384 (5)(a) The process for creating a convention center public infrastructure district or a
- 1385 convention center public infrastructure district in a capital city shall be initiated by
- 1386 the submission of a petition and a governing document to the city, except that:
- 1387 (i) the city recorder shall certify the petition within 14 days from the day the

- 1388 petitioner submits the petition to the city recorder;
- 1389 (ii) if the city recorder fails to certify the petition within the time described in
- 1390 Subsection (5)(a)(i), the petition shall be considered certified; and
- 1391 (iii) within 30 days from the day that the petitioner submits the petition to the city
- 1392 recorder, or if the city and the petitioner have come to an agreement as described
- 1393 in Subsection (5)(b), the city shall adopt a resolution to approve:
- 1394 (A) the governing document the petitioner submitted with the petition; and
- 1395 (B) the creation of a convention center public infrastructure district or a
- 1396 convention center public infrastructure district in a capital city.
- 1397 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized
- 1398 terms of the petition, including the terms of an interlocal agreement, within a time
- 1399 period agreed upon by the city and petitioner.
- 1400 (6)(a) The boundaries of a convention center public infrastructure district shall be
- 1401 limited to an area within a one-half-mile radius of a convention center.
- 1402 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel
- 1403 may be included in the district.
- 1404 (7) A convention center public infrastructure district shall be subject to the following
- 1405 provisions regarding taxation and financing:
- 1406 (a) a convention center public infrastructure district may levy an administrative tax of up
- 1407 to 0.0005 per dollar of taxable value on taxable property within the district; and
- 1408 (b) the administrative tax shall be used exclusively for administrative expenses and may
- 1409 not be used for capital costs or debt payment.
- 1410 (8) A convention center public infrastructure district shall be governed by the governing
- 1411 document submitted and approved as described in this section.
- 1412 (9) The convention center public infrastructure board shall consist of five members as
- 1413 follows:
- 1414 (a) three members shall be representatives of the petitioner and selected by the petitioner;
- 1415 (b) one member may be a representative of the city and selected by the mayor of the
- 1416 city; and
- 1417 (c) one member may be a representative of the county and selected by the mayor of the
- 1418 county.
- 1419 (10) If a city or county mayor chooses not to select a member of the board as described in
- 1420 Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or
- 1421 chooses to vacate a member at any time, the petitioner shall select a member for the

1422 replacement who shall not be a representative of the city or county in which the  
1423 convention center is located.

1424 (11)(a) A convention center public infrastructure district shall enter into an interlocal  
1425 agreement with the relevant county that provides that, for any revenue that is  
1426 transferred to the convention center public infrastructure district from a convention  
1427 center reinvestment zone created [~~pursuant to Title 63N, Chapter 3, Part 6, Housing  
1428 and Transit Reinvestment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 3,  
1429 Convention Center Reinvestment Zone or Title 63N, Chapter 23, Part 4, Convention  
1430 Center Reinvestment Zone in a Capital City, the mayor of the county shall have  
1431 approval authority for the expenditure of any revenue related to a convention center  
1432 revitalization project, as that term is defined in Section [~~63N-3-602~~] 63N-23-101.

1433 (b) The approval authority described in Subsection (11)(a) does not include approval  
1434 authority over:

1435 (i) any bonds or debt or related terms issued by the convention center public  
1436 infrastructure district; or

1437 (ii) revenue subject to a participation agreement entered into [~~pursuant to Title 63N,  
1438 Chapter 3, Part 14, Capital City Revitalization Zone~~] in accordance with Title 63N,  
1439 Chapter 23, Part 8, Capital City Revitalization Zone.

1440 Section 13. Section **17D-4-203** is amended to read:

1441 **17D-4-203 (Effective 05/06/26). Public infrastructure district powers.**

1442 (1) A public infrastructure district has all of the authority conferred upon a special district  
1443 under Section 17B-1-103.

1444 (2) A public infrastructure district may:

1445 (a) issue negotiable bonds to pay:

1446 (i) all or part of the costs of acquiring, acquiring an interest in, improving, or  
1447 extending any of the improvements, facilities, or property allowed under Section  
1448 11-14-103;

1449 (ii) capital costs of improvements in an energy assessment area, as defined in Section  
1450 11-42a-102, and other related costs, against the funds that the public infrastructure  
1451 district will receive because of an assessment in an energy assessment area;

1452 (iii) public improvements related to the provision of housing;

1453 (iv) capital costs related to public transportation;

1454 (v) for a public infrastructure district that is within or adjacent to a housing and

1455 transit reinvestment zone described in [~~Title 63N, Chapter 3, Part 6, Housing and~~

1456 ~~Transit Reinvestment Zone Act]~~ Title 63N, Chapter 23, Part 2, Housing and  
1457 Transit Reinvestment Zone, any and all costs to finance any public or privately  
1458 owned improvements, which, in the discretion of the board of the public  
1459 infrastructure district, promote the objectives described in [~~Section 63N-3-603.1]~~  
1460 Section 63N-23-301 or 63N-23-401;

1461 (vi) the cost of acquiring or financing public infrastructure and improvements;

1462 (vii) for a public infrastructure district that is a subsidiary of or created by the Utah  
1463 Inland Port Authority, the costs associated with a remediation project, as defined  
1464 in Section 11-58-102;

1465 (viii) for a convention center public infrastructure district that is within or adjacent to  
1466 a convention center reinvestment zone as defined in Section [~~63N-3-602]~~  
1467 63N-23-101, any or all of the costs to finance any public or privately owned  
1468 improvements, including convention center-related improvements and arena  
1469 improvements, which, in the discretion of the board of a convention center public  
1470 infrastructure district, promote the objectives of the convention center  
1471 reinvestment zone, as described in Section [~~63N-3-603.1]~~ 63N-23-301;

1472 (ix) for a convention center public infrastructure district, the costs of financing a  
1473 convention center revitalization project, as the term is defined in Section [  
1474 ~~63N-3-602]~~ 63N-23-101;

1475 (x) for a convention center public infrastructure district in a capital city that is within  
1476 or adjacent to a convention center reinvestment zone in a capital city, as defined in  
1477 Section [~~63N-3-602]~~ 63N-23-101, any or all of the costs to financing any publicly  
1478 owned improvements, including the cost of financing a convention center  
1479 revitalization project in a capital city, as defined in Section [~~63N-3-602]~~  
1480 63N-23-101, convention center-related improvements, and publicly or privately  
1481 owned improvements that directly serve the convention center, which, in the  
1482 discretion of the board of the convention center public infrastructure district in a  
1483 capital city, promote the objectives of the convention center reinvestment zone in  
1484 a capital city, as described in Section [~~63N-3-603.1]~~ 63N-23-401; and

1485 (xi) for a convention center public infrastructure district in a capital city that is within  
1486 a capital city revitalization zone project area, as defined in Section [~~63N-3-1401]~~  
1487 63N-23-801, any allowed uses of funds or revenue provided for under Section  
1488 59-12-402.5, including eligible expenses consistent with the terms of the  
1489 participation agreement, except that a convention center public infrastructure

- 1490 district in a capital city may not issue negotiable bonds serviced by the  
1491 revitalization tax under Section 59-12-402.5 for privately owned improvements  
1492 for more than the maximum dollar amount described in the participation  
1493 agreement.
- 1494 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal  
1495 Cooperation Act, provided that the interlocal agreement may not expand the powers  
1496 of the public infrastructure district, within the limitations of Title 11, Chapter 13,  
1497 Interlocal Cooperation Act, without the consent of the creating entity;
- 1498 (c) notwithstanding any other provision in code, acquire completed or partially  
1499 completed improvements, including related design and consulting services and  
1500 related work product, for fair market value as reasonably determined by:
- 1501 (i) the board;
- 1502 (ii) the creating entity, if required in the governing document; or
- 1503 (iii) a surveyor or engineer that a public infrastructure district employs or engages to  
1504 perform the necessary engineering services for and to supervise the construction  
1505 or installation of the improvements;
- 1506 (d) contract with the creating entity for the creating entity to provide administrative  
1507 services on behalf of the public infrastructure district, when agreed to by both parties,  
1508 in order to achieve cost savings and economic efficiencies, at the discretion of the  
1509 creating entity;
- 1510 (e) for a public infrastructure district created by a development authority, or for a public  
1511 infrastructure district created by a municipality and located in an urban renewal  
1512 project area that includes some or all of an inactive industrial site:
- 1513 (i)(A) operate and maintain public infrastructure and improvements the district  
1514 acquires or finances; and
- 1515 (B) use fees, assessments, or taxes to pay for the operation and maintenance of  
1516 those public infrastructure and improvements; and
- 1517 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and
- 1518 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland  
1519 Port Authority, pay for costs associated with a remediation project, as defined in  
1520 Section 11-58-102, of the Utah Inland Port Authority.
- 1521 (3) A public infrastructure district created by the Utah Fairpark Area Investment and  
1522 Restoration District, created in Section 11-70-201, may:
- 1523 (a) pay for the cost of the development and construction of a qualified stadium, as

1524 defined in Section 11-70-101; and

1525 (b) pay for the cost of public infrastructure and improvements.

1526 Section 14. Section **20A-7-601** is amended to read:

1527 **20A-7-601 (Effective 05/06/26). Referenda -- General signature requirements --**  
 1528 **Signature requirements for land use laws, subjurisdictional laws, and transit area land**  
 1529 **use laws -- Time requirements.**

1530 (1) As used in this section:

1531 (a) "Number of active voters" means the number of active voters in the county, city, or  
 1532 town on the immediately preceding January 1.

1533 (b) "Qualifying county" means a county that has created a small public transit district, as  
 1534 defined in Section 17B-2a-802, on or before January 1, 2022.

1535 (c) "Qualifying transit area" means:

1536 (i) a station area, as defined in Section [~~10-21-101~~] 63N-23-101, for which the  
 1537 municipality with jurisdiction over the station area has satisfied the requirements  
 1538 of Subsection [~~10-21-203(1)(a)(i)~~] 63N-23-104(1)(a)(i), as demonstrated by the  
 1539 adoption of a station area plan or resolution under Subsection [~~10-21-203(1)~~]  
 1540 63N-23-104(1); or

1541 (ii) a housing and transit reinvestment zone, as defined in Section [~~63N-3-602~~]  
 1542 63N-23-101, created within a qualifying county.

1543 (d) "Subjurisdiction" means an area comprised of all precincts and subprecincts in the  
 1544 jurisdiction of a county, city, or town that are subject to a subjurisdictional law.

1545 (e)(i) "Subjurisdictional law" means a local law or local obligation law passed by a  
 1546 local legislative body that imposes a tax or other payment obligation on property  
 1547 in an area that does not include all precincts and subprecincts under the  
 1548 jurisdiction of the county, city, or town.

1549 (ii) "Subjurisdictional law" does not include a land use law.

1550 (f) "Transit area land use law" means a land use law that relates to the use of land within  
 1551 a qualifying transit area.

1552 (g) "Voter participation area" means an area described in Subsection 20A-7-401.3(1)(a)  
 1553 or (2)(b).

1554 (2) Except as provided in Subsections (3) through (5), an eligible voter seeking to have a  
 1555 local law passed by the local legislative body submitted to a vote of the people shall,  
 1556 after filing a referendum application, obtain legal signatures equal to:

1557 (a) for a county of the first class:

- 1558 (i) 7.75% of the number of active voters in the county; and  
1559 (ii) beginning on January 1, 2020, 7.75% of the number of active voters in at least  
1560 75% of the county's voter participation areas;
- 1561 (b) for a city of the first class:  
1562 (i) 7.5% of the number of active voters in the city; and  
1563 (ii) beginning on January 1, 2020, 7.5% of the number of active voters in at least 75%  
1564 of the city's voter participation areas;
- 1565 (c) for a county of the second class:  
1566 (i) 8% of the number of active voters in the county; and  
1567 (ii) beginning on January 1, 2020, 8% of the number of active voters in at least 75%  
1568 of the county's voter participation areas;
- 1569 (d) for a city of the second class:  
1570 (i) 8.25% of the number of active voters in the city; and  
1571 (ii) beginning on January 1, 2020, 8.25% of the number of active voters in at least  
1572 75% of the city's voter participation areas;
- 1573 (e) for a county of the third class:  
1574 (i) 9.5% of the number of active voters in the county; and  
1575 (ii) beginning on January 1, 2020, 9.5% of the number of active voters in at least 75%  
1576 of the county's voter participation areas;
- 1577 (f) for a city of the third class:  
1578 (i) 10% of the number of active voters in the city; and  
1579 (ii) beginning on January 1, 2020, 10% of the number of active voters in at least 75%  
1580 of the city's voter participation areas;
- 1581 (g) for a county of the fourth class:  
1582 (i) 11.5% of the number of active voters in the county; and  
1583 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least  
1584 75% of the county's voter participation areas;
- 1585 (h) for a city of the fourth class:  
1586 (i) 11.5% of the number of active voters in the city; and  
1587 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least  
1588 75% of the city's voter participation areas;
- 1589 (i) for a city of the fifth class or a county of the fifth class, 25% of the number of active  
1590 voters in the city or county; or  
1591 (j) for a town or a county of the sixth class, 35% of the number of active voters in the

- 1592 town or county.
- 1593 (3) Except as provided in Subsection (4) or (5), an eligible voter seeking to have a land use  
1594 law or local obligation law passed by the local legislative body submitted to a vote of the  
1595 people shall, after filing a referendum application, obtain legal signatures equal to:
- 1596 (a) for a county of the first, second, third, or fourth class:
- 1597 (i) 16% of the number of active voters in the county; and
- 1598 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
1599 of the county's voter participation areas;
- 1600 (b) for a county of the fifth or sixth class:
- 1601 (i) 16% of the number of active voters in the county; and
- 1602 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
1603 of the county's voter participation areas;
- 1604 (c) for a city of the first class:
- 1605 (i) 15% of the number of active voters in the city; and
- 1606 (ii) beginning on January 1, 2020, 15% of the number of active voters in at least 75%  
1607 of the city's voter participation areas;
- 1608 (d) for or a city of the second class:
- 1609 (i) 16% of the number of active voters in the city; and
- 1610 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
1611 of the city's voter participation areas;
- 1612 (e) for a city of the third class:
- 1613 (i) 27.5% of the number of active voters in the city; and
- 1614 (ii) beginning on January 1, 2020, 27.5% of the number of active voters in at least  
1615 75% of the city's voter participation areas;
- 1616 (f) for a city of the fourth class:
- 1617 (i) 29% of the number of active voters in the city; and
- 1618 (ii) beginning on January 1, 2020, 29% of the number of active voters in at least 75%  
1619 of the city's voter participation areas;
- 1620 (g) for a city of the fifth class, 35% of the number of active voters in the city; or
- 1621 (h) for a town, 40% of the number of active voters in the town.
- 1622 (4) A person seeking to have a subjurisdictional law passed by the local legislative body  
1623 submitted to a vote of the people shall, after filing a referendum application, obtain legal  
1624 signatures of the residents in the subjurisdiction equal to:
- 1625 (a) 10% of the number of active voters in the subjurisdiction if the number of active

- 1626 voters exceeds 25,000;
- 1627 (b) 12.5% of the number of active voters in the subjurisdiction if the number of active  
1628 voters does not exceed 25,000 but is more than 10,000;
- 1629 (c) 15% of the number of active voters in the subjurisdiction if the number of active  
1630 voters does not exceed 10,000 but is more than 2,500;
- 1631 (d) 20% of the number of active voters in the subjurisdiction if the number of active  
1632 voters does not exceed 2,500 but is more than 500;
- 1633 (e) 25% of the number of active voters in the subjurisdiction if the number of active  
1634 voters does not exceed 500 but is more than 250; and
- 1635 (f) 30% of the number of active voters in the subjurisdiction if the number of active  
1636 voters does not exceed 250.
- 1637 (5) An eligible voter seeking to have a transit area land use law passed by the local  
1638 legislative body submitted to a vote of the people shall, after filing a referendum  
1639 application, obtain legal signatures equal to:
- 1640 (a) for a county:
- 1641 (i) 20% of the number of active voters in the county; and  
1642 (ii) 21% of the number of active voters in at least 75% of the county's voter  
1643 participation areas;
- 1644 (b) for a city of the first class:
- 1645 (i) 20% of the number of active voters in the city; and  
1646 (ii) 20% of the number of active voters in at least 75% of the city's voter participation  
1647 areas;
- 1648 (c) for a city of the second class:
- 1649 (i) 20% of the number of active voters in the city; and  
1650 (ii) 21% of the number of active voters in at least 75% of the city's voter participation  
1651 areas;
- 1652 (d) for a city of the third class:
- 1653 (i) 34% of the number of active voters in the city; and  
1654 (ii) 34% of the number of active voters in at least 75% of the city's voter participation  
1655 areas;
- 1656 (e) for a city of the fourth class:
- 1657 (i) 36% of the number of active voters in the city; and  
1658 (ii) 36% of the number of active voters in at least 75% of the city's voter participation  
1659 areas; or

1660 (f) for a city of the fifth class or a town, 40% of the number of active voters in the city or  
 1661 town.

1662 (6) Sponsors of any referendum petition challenging, under Subsection (2), (3), (4), or (5),  
 1663 any local law passed by a local legislative body shall file the application no later than the  
 1664 first business day that is at least five days after the day on which the local law was  
 1665 passed.

1666 (7) This section does not authorize a local legislative body to impose a tax or other payment  
 1667 obligation on a subjurisdiction in order to benefit an area outside of the subjurisdiction.

1668 Section 15. Section **32B-1-202** is amended to read:

1669 **32B-1-202 (Effective 05/06/26). Proximity to community location.**

1670 (1) As used in this section:

1671 (a) "Designated project area zone" means the area that is:

1672 (i) bounded by:

1673 (A) South Temple Street;

1674 (B) 100 South Street;

1675 (C) West Temple Street; and

1676 (D) 400 West Street; and

1677 (ii) within a project area as defined in Section [~~63N-3-1401~~] 63N-23-801.

1678 (b)(i) "Outlet" means:

1679 (A) a state store;

1680 (B) a package agency; or

1681 (C) a retail licensee.

1682 (ii) "Outlet" does not include:

1683 (A) an airport lounge licensee; or

1684 (B) a restaurant.

1685 (c) "Restaurant" means:

1686 (i) a full-service restaurant licensee;

1687 (ii) a limited-service restaurant licensee;

1688 (iii) a beer-only restaurant licensee; or

1689 (iv) a restaurant venue on-premise banquet licensee.

1690 (2)(a) Except as otherwise provided in this section or Section 32B-1-202.1, the  
 1691 commission may not issue a license for an outlet if, on the date the commission takes  
 1692 final action to approve or deny the application, there is a community location:

1693 (i) within 600 feet of the proposed outlet, as measured from the nearest patron

1694 entrance of the proposed outlet by following the shortest route of ordinary  
1695 pedestrian travel to the property boundary of the community location; or  
1696 (ii) within 200 feet of the proposed outlet, measured in a straight line from the  
1697 nearest patron entrance of the proposed outlet to the nearest property boundary of  
1698 the community location.

1699 (b) Except as otherwise provided in this section or Section 32B-1-202.1, the commission  
1700 may not issue a license for a restaurant if, on the date the commission takes final  
1701 action to approve or deny the application, there is a community location:

1702 (i) within 300 feet of the proposed restaurant, as measured from the nearest patron  
1703 entrance of the proposed restaurant by following the shortest route of ordinary  
1704 pedestrian travel to the property boundary of the community location; or

1705 (ii) within 200 feet of the proposed restaurant, measured in a straight line from the  
1706 nearest patron entrance of the proposed restaurant to the nearest property  
1707 boundary of the community location.

1708 (3)(a) For an outlet or a restaurant that holds a license on May 9, 2017, and operates  
1709 under a previously approved variance to one or more proximity requirements in  
1710 effect before May 9, 2017, subject to the other provisions of this title, that outlet or  
1711 restaurant, or another outlet or restaurant with the same type of license as that outlet  
1712 or restaurant, may operate under the previously approved variance regardless of  
1713 whether:

1714 (i) the outlet or restaurant changes ownership;

1715 (ii) the property on which the outlet or restaurant is located changes ownership; or

1716 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the  
1717 same type of license, unless during the lapse, the property is used for a different  
1718 purpose.

1719 (b) An outlet or a restaurant that has continuously operated at a location since before  
1720 January 1, 2007, is considered to have a previously approved variance.

1721 (4) An outlet or restaurant that holds a license on May 12, 2020, and operates in accordance  
1722 with the proximity requirements in effect at the time the commission issued the license  
1723 or operates under a previously approved variance described in Subsection (3), subject to  
1724 the other provisions of this title, that outlet or restaurant or an outlet or a restaurant with  
1725 the same type of license as that outlet or restaurant may operate at the premises  
1726 regardless of whether:

1727 (a) the outlet or restaurant changes ownership;

- 1728 (b) the property on which the outlet or restaurant is located changes ownership; or  
1729 (c) there is a lapse of one year or less in the use of the property as an outlet or a  
1730 restaurant with the same type of license, unless during the lapse the property is used  
1731 for a different purpose.

1732 (5)(a) If, after an outlet or a restaurant obtains a license under this title, a person  
1733 establishes a community location on a property that puts the outlet or restaurant in  
1734 violation of the proximity requirements in effect at the time the license is issued or a  
1735 previously approved variance described in Subsection (3), subject to the other  
1736 provisions of this title, that outlet or restaurant, or an outlet or a restaurant with the  
1737 same type of license as that outlet or restaurant, may operate at the premises  
1738 regardless of whether:

- 1739 (i) the outlet or restaurant changes ownership;  
1740 (ii) the property on which the outlet or restaurant is located changes ownership; or  
1741 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the  
1742 same type of license, unless during the lapse the property is used for a different  
1743 purpose.

1744 (b) The provisions of this Subsection (5) apply regardless of when the outlet's or  
1745 restaurant's license is issued.

1746 (6) The proximity requirements described in Subsection (2) do not apply:

1747 (a) if the proposed outlet or proposed restaurant and the community location are located  
1748 within the boundaries of a designated project area zone; or

1749 (b) if a local authority includes in the written consent of the local authority an  
1750 acknowledgment and authorization of the outlet's or the restaurant's proximity to a  
1751 public park, including any connected trail system, if the public park and connected  
1752 trail system are:

- 1753 (i) at least 12 acres in size;  
1754 (ii) on land the state owns; and  
1755 (iii) managed by the Point of the Mountain State Land Authority created in Section  
1756 11-59-201.

1757 (7) Nothing in this section prevents the commission from considering the proximity of an  
1758 educational, religious, and recreational facility, or any other relevant factor in reaching a  
1759 decision on a proposed location of an outlet.

1760 Section 16. Section **53H-9-206** is amended to read:

1761 **53H-9-206 (Effective 05/06/26). Development of university property.**

- 1762 (1) As used in this section:
- 1763 (a) "Board of trustees" means the board of trustees of an eligible university.
- 1764 (b) "Conflict" means a situation in which a board of trustees member or a family  
1765 member of a board of trustees member will or is likely to receive a direct financial  
1766 benefit because of the development of eligible university property within a  
1767 development area.
- 1768 (c) "Designation resolution" means a board of trustees' resolution designating eligible  
1769 university property as a development area.
- 1770 (d) "Development action" means:
- 1771 (i) a board of trustees' deliberations on whether to adopt a designation resolution;
- 1772 (ii) a board of trustees' adoption of a designation resolution;
- 1773 (iii) a board of trustees' deliberations on whether to approve a development  
1774 agreement; or
- 1775 (iv) a board of trustees' approval of a development agreement.
- 1776 (e) "Development agreement" means an agreement between an eligible university and a  
1777 development partner that governs the development of eligible university property  
1778 within a development area.
- 1779 (f) "Development area" means a single, contiguous area that:
- 1780 (i) consists only of eligible university property;
- 1781 (ii) is no larger than 75 acres; and
- 1782 (iii) the board of trustees designates for development or redevelopment in a  
1783 designation resolution under this section.
- 1784 (g) "Development fund" means the fund described in and established under Subsection  
1785 (4).
- 1786 (h) "Development partner" means a person who enters into a development agreement  
1787 with an eligible university to develop or redevelop eligible university property within  
1788 a development area.
- 1789 (i) "Direct financial benefit":
- 1790 (i) means any form of financial benefit that accrues to an individual directly,  
1791 including:
- 1792 (A) compensation, commission, or any other form of a payment or increase of  
1793 money; and
- 1794 (B) an increase in the value of a business or property; and
- 1795 (ii) does not include a financial benefit that accrues to the public generally.

- 1796 (j) "Eligible university" means an institution of higher education listed in Subsection  
1797 53H-1-102(1)(a).
- 1798 (k) "Eligible university property" means real property owned by an eligible university as  
1799 of January 1, 2025.
- 1800 (l) "Family member" means a parent, spouse, sibling, child, or grandchild.
- 1801 (m) "Leased property" means eligible university property that:  
1802 (i) is within a development area; and  
1803 (ii) an eligible university leases to a private person.
- 1804 (n) "Privilege tax" means a tax imposed under Section 59-4-101.
- 1805 (2)(a) Except as provided in Subsection (2)(f), before January 1, 2035, an eligible  
1806 university may, by resolution of the eligible university's board of trustees, designate  
1807 eligible university property as a development area.
- 1808 (b) Before adopting a designation resolution, a board of trustees shall:  
1809 (i) obtain approval from the Utah Board of Higher Education of the geographic area  
1810 proposed to be designated as a development area; and  
1811 (ii) after obtaining approval from the Utah Board of Higher Education under  
1812 Subsection (2)(b)(i):  
1813 (A) provide notice of the public hearing required under Subsection (2)(b)(ii)(B),  
1814 as required for a class A notice under Section 63G-30-102, for at least seven  
1815 days before the day of the public hearing; and  
1816 (B) hold a public hearing on the proposed adoption of a designation resolution.
- 1817 (c) A notice under Subsection (2)(b)(ii)(A) shall include a copy of the proposed  
1818 designation resolution.
- 1819 (d) A designation resolution, including a proposed designation resolution that  
1820 accompanies a notice under Subsection (2)(b)(ii)(A), shall:  
1821 (i) accurately describe the boundary of the proposed development area;  
1822 (ii) describe the development that is proposed to occur in the proposed development  
1823 area; and  
1824 (iii) estimate the amount and sources of revenue the eligible university expects to  
1825 receive from the development area.
- 1826 (e) Before adopting a designation resolution, a board of trustees may modify the  
1827 proposed designation resolution to:  
1828 (i) address concerns raised in a public hearing held under Subsection (2)(b)(ii)(B); or  
1829 (ii) clarify or adjust provisions of the proposed designation resolution, as the board of

- 1830 trustees considers appropriate.
- 1831 (f) A board of trustees may not adopt a designation resolution if:
- 1832 (i) the board of trustees has previously adopted a designation resolution; or
- 1833 (ii) the area in the proposed development area would overlap with part or all of:
- 1834 (A) a community reinvestment project area created under Title 17C, Chapter 5,
- 1835 Part 1, Community Reinvestment Project Area Plan, as that project area exists
- 1836 on January 1, 2025; or
- 1837 (B) a housing and transit reinvestment zone created under [~~Title 63N, Chapter 3,~~
- 1838 ~~Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23,
- 1839 Part 2, Housing and Transit Reinvestment Zone, as that zone exists on January
- 1840 1, 2025.
- 1841 (3) Within 30 days after a board of trustees' adoption of a designation resolution, the board
- 1842 of trustees or the board of trustees' delegee shall deliver a copy of the designation
- 1843 resolution to:
- 1844 (a) the clerk of the municipality in which the development area that is the subject of the
- 1845 designation resolution is located; and
- 1846 (b) the assessor, treasurer, and auditor of the county in which the development area that
- 1847 is the subject of the designation resolution is located.
- 1848 (4)(a) Upon adoption of a designation resolution, a board of trustees shall establish a
- 1849 separate fund related to the development area that is the subject of the designation
- 1850 resolution.
- 1851 (b) An eligible university shall deposit into a development fund all money the eligible
- 1852 university receives from the development and lease of eligible university property
- 1853 within a development area.
- 1854 (c) Money in a development fund shall be accounted for separately from any other fund
- 1855 of the eligible university.
- 1856 (d) An eligible university may use money in a development fund for:
- 1857 (i) expenses associated with the development of the development area;
- 1858 (ii) capital facility projects of the eligible university;
- 1859 (iii) operation and maintenance costs associated with capital facilities of the eligible
- 1860 university; or
- 1861 (iv) any other eligible university-related purpose.
- 1862 (5) An eligible university may enter into a development agreement.
- 1863 (6)(a) A board of trustees member may not participate in a development action if the

1864 board of trustees member or a family member of the board of trustees member owns  
 1865 an interest in, is directly affiliated with, or is an employee or officer of a private firm,  
 1866 private company, or other private entity that the board of trustees member reasonably  
 1867 believes is likely to participate in or receive a direct financial benefit from the  
 1868 development of land that is the subject of a development agreement.

1869 (b) Before the board of trustees approves a development agreement, the board of trustees  
 1870 shall require any member with a conflict to disclose the conflict in writing to the  
 1871 board of trustees.

1872 (c) Nothing in this Subsection (6) affects the application or effect of any other code  
 1873 provision applicable to a board of trustees member relating to ethics or conflicts of  
 1874 interest.

1875 (7)(a) Beginning January 1 of the year immediately following the execution of a  
 1876 development agreement, the possession or other beneficial use enjoyed by a person of  
 1877 leased property that is located within the development area subject to the  
 1878 development agreement shall be subject to Title 59, Chapter 4, Privilege Tax, if that  
 1879 leased property is used in connection with a business conducted for profit.

1880 (b) The treasurer of the county in which the leased property described in Subsection  
 1881 (7)(a) is located shall, in the manner and at the time provided in Section 59-2-1365:

- 1882 (i) collect privilege tax from a lessee of the leased property; and
- 1883 (ii) distribute 80% of the privilege tax revenue to the eligible university.

1884 (8)(a) A board of trustees shall present a written report to the Higher Education  
 1885 Appropriations Subcommittee no later than September 30 of each year after the board  
 1886 of trustees' adoption of a designation resolution.

1887 (b) A report under Subsection (8)(a) shall:

- 1888 (i) describe the development taking place or expected to take place within the  
 1889 development area; and
- 1890 (ii) provide a summary of money deposited into and expended from the development  
 1891 fund for that development area.

1892 Section 17. Section **59-1-306** is amended to read:

1893 **59-1-306 (Effective 05/06/26). Definition -- State Tax Commission**

1894 **Administrative Charge Account -- Amount of administrative charge -- Deposit of**  
 1895 **revenue into the restricted account -- Interest deposited into General Fund --**  
 1896 **Expenditure of money deposited into the restricted account.**

1897 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the

- 1898 commission administrators under:
- 1899 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
- 1900 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 1901 (c) Section 19-6-714;
- 1902 (d) Section 19-6-805;
- 1903 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax
- 1904 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;
- 1905 (f) Section 59-27-105;
- 1906 (g) Chapter 31, Cannabinoid Licensing and Tax Act;
- 1907 (h) Chapter 32, Local Impact Mitigation Tax Act;
- 1908 (i) Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax;
- 1909 (j) Section 63H-1-205;
- 1910 (k) ~~[Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act]~~ Title
- 1911 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone;~~[-or]~~
- 1912 (l) Title 63N, Chapter 23, Part 3, Convention Center Reinvestment Zone;
- 1913 (m) Title 63N, Chapter 23, Part 4, Convention Center Reinvestment Zone in a Capital
- 1914 City;
- 1915 ~~[(H)]~~ (n) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service
- 1916 Charges; or
- 1917 ~~[(m)]~~ (o) Title 79, Chapter 6, Part ~~[H]~~ 14, Energy Project Assessment.
- 1918 (2) There is created a restricted account within the General Fund known as the "State Tax
- 1919 Commission Administrative Charge Account."
- 1920 (3) Subject to the other provisions of this section, the restricted account shall consist of
- 1921 administrative charges the commission retains and deposits in accordance with this
- 1922 section.
- 1923 (4) For purposes of this section, the administrative charge is a percentage of revenue the
- 1924 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser
- 1925 of:
- 1926 (a) 1.5%; or
- 1927 (b) an equal percentage of revenue the commission collects from each qualifying tax,
- 1928 fee, or charge sufficient to cover the cost to the commission of administering the
- 1929 qualifying taxes, fees, or charges.
- 1930 (5) The commission shall deposit an administrative charge into the restricted account.
- 1931 (6) Interest earned on the restricted account shall be deposited into the General Fund.

1932 (7) The commission shall expend money appropriated by the Legislature to the commission  
 1933 from the restricted account to administer qualifying taxes, fees, or charges or to offset  
 1934 general operational expenses.

1935 Section 18. Section **59-2-924** is amended to read:

1936 **59-2-924 (Effective 05/06/26). Definitions -- Report of valuation of property to**  
 1937 **county auditor and commission -- Transmittal by auditor to governing bodies --**  
 1938 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**  
 1939 **-- Notice provided by the commission.**

1940 (1) As used in this section:

1941 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with  
 1942 this chapter.

1943 (ii) "Ad valorem property tax revenue" does not include:

1944 (A) interest;

1945 (B) penalties;

1946 (C) collections from redemptions; or

1947 (D) revenue received by a taxing entity from personal property that is  
 1948 semiconductor manufacturing equipment assessed by a county assessor in  
 1949 accordance with Part 3, County Assessment.

1950 (b) "Adjusted tax increment" means the same as that term is defined in Section  
 1951 17C-1-102.

1952 (c)(i) "Aggregate taxable value of all property taxed" means:

1953 (A) the aggregate taxable value of all real property a county assessor assesses in  
 1954 accordance with Part 3, County Assessment, for the current year;

1955 (B) the aggregate taxable value of all real and personal property the commission  
 1956 assesses in accordance with Part 2, Assessment of Property, for the current  
 1957 year; and

1958 (C) the aggregate year end taxable value of all personal property a county assessor  
 1959 assesses in accordance with Part 3, County Assessment, contained on the prior  
 1960 year's tax rolls of the taxing entity.

1961 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate  
 1962 year end taxable value of personal property that is:

1963 (A) semiconductor manufacturing equipment assessed by a county assessor in  
 1964 accordance with Part 3, County Assessment; and

1965 (B) contained on the prior year's tax rolls of the taxing entity.

- 1966 (d) "Base taxable value" means:
- 1967 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 1968 in Section 11-58-102;
- 1969 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1970 the same as that term is defined in Section ~~[11-59-207]~~ 11-59-208;
- 1971 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 1972 11-70-201, the same as that term is defined in Section 11-70-101;
- 1973 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 1974 defined in Section 17C-1-102;
- 1975 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 1976 in Section 63H-1-102;
- 1977 (vi) for a host local government, the same as that term is defined in Section
- 1978 63N-2-502;
- 1979 (vii) for a housing and transit reinvestment zone or convention center reinvestment
- 1980 zone created under ~~[Title 63N, Chapter 3, Part 6, Housing and Transit~~
- 1981 ~~Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;]~~
- 1982 Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone, Title 63N,
- 1983 Chapter 23, Part 3, Convention Center Reinvestment Zone, or Title 63N, Chapter
- 1984 23, Part 4, Convention Center Reinvestment Zone in a Capital City, the same as
- 1985 that term is defined in Section 63N-23-101;
- 1986 (viii) for a home ownership promotion zone created under ~~[Title 10, Chapter 21, Part~~
- 1987 ~~5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,~~
- 1988 ~~Part 5, Home Ownership Promotion Zone]~~ Title 63N, Chapter 23, Part 5, Home
- 1989 Ownership Promotion Zone for Municipalities, or Title 63N, Chapter 23, Part 6,
- 1990 Home Ownership Promotion Zone for Counties, a property's taxable value as
- 1991 shown upon the assessment roll last equalized during the base year, as that term is
- 1992 defined in Section ~~[10-21-101]~~ 63N-23-501 or ~~[Section 17-80-101]~~ 63N-23-601;
- 1993 (ix) for a first home investment zone created under ~~[Title 63N, Chapter 3, Part 16,~~
- 1994 ~~First Home Investment Zone Act]~~ Title 63N, Chapter 23, Part 7, First Home
- 1995 Investment Zone, a property's taxable value as shown upon the assessment roll last
- 1996 equalized during the base year, as that term is defined in Section ~~[63N-3-1601]~~
- 1997 63N-23-701;
- 1998 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
- 1999 Major Sporting Event Venue Zone Act, a property's taxable value as shown upon

- 2000 the assessment roll last equalized during the property tax base year, as that term is  
 2001 defined in Section 63N-3-1701; or
- 2002 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
 2003 value of the property within an electrical energy development zone, as shown on  
 2004 the assessment roll last equalized before the creation of the electrical development  
 2005 zone, as that term is defined in Section 79-6-1104.
- 2006 (e) "Centrally assessed benchmark value" means an amount equal to the average year  
 2007 end taxable value of real and personal property the commission assesses in  
 2008 accordance with Part 2, Assessment of Property, for the previous three calendar  
 2009 years, adjusted for taxable value attributable to:
- 2010 (i) an annexation to a taxing entity;
- 2011 (ii) an incorrect allocation of taxable value of real or personal property the  
 2012 commission assesses in accordance with Part 2, Assessment of Property; or
- 2013 (iii) a change in value as a result of a change in the method of apportioning the value  
 2014 prescribed by the Legislature, a court, or the commission in an administrative rule  
 2015 or administrative order.
- 2016 (f) "Centrally assessed industry" means the following industry classes the commission  
 2017 assesses in accordance with Part 2, Assessment of Property:
- 2018 (i) air carrier;
- 2019 (ii) coal;
- 2020 (iii) coal load out property;
- 2021 (iv) electric generation;
- 2022 (v) electric rural;
- 2023 (vi) electric utility;
- 2024 (vii) gas utility;
- 2025 (viii) ground access property;
- 2026 (ix) land only property;
- 2027 (x) liquid pipeline;
- 2028 (xi) metalliferous mining;
- 2029 (xii) nonmetalliferous mining;
- 2030 (xiii) oil and gas gathering;
- 2031 (xiv) oil and gas production;
- 2032 (xv) oil and gas water disposal;
- 2033 (xvi) railroad;

- 2034 (xvii) sand and gravel; and  
2035 (xviii) uranium.
- 2036 (g)(i) "Centrally assessed new growth" means the greater of:  
2037 (A) for each centrally assessed industry, zero; or  
2038 (B) the amount calculated by subtracting the centrally assessed benchmark value  
2039 for each centrally assessed industry, adjusted for prior year end incremental  
2040 value, from the taxable value of real and personal property the commission  
2041 assesses in accordance with Part 2, Assessment of Property, for each centrally  
2042 assessed industry for the current year, adjusted for current year incremental  
2043 value.
- 2044 (ii) "Centrally assessed new growth" does not include a change in value for a  
2045 centrally assessed industry as a result of a change in the method of apportioning  
2046 the value prescribed by the Legislature, a court, or the commission in an  
2047 administrative rule or administrative order.
- 2048 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property  
2049 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 2050 (i) "Community reinvestment agency" means the same as that term is defined in Section  
2051 17C-1-102.
- 2052 (j) "Eligible new growth" means the greater of:  
2053 (i) zero; or  
2054 (ii) the sum of:  
2055 (A) locally assessed new growth;  
2056 (B) centrally assessed new growth; and  
2057 (C) project area new growth or hotel property new growth.
- 2058 (k) "Host local government" means the same as that term is defined in Section  
2059 63N-2-502.
- 2060 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 2061 (m) "Hotel property new growth" means an amount equal to the incremental value that is  
2062 no longer provided to a host local government as incremental property tax revenue.
- 2063 (n) "Incremental property tax revenue" means the same as that term is defined in Section  
2064 63N-2-502.
- 2065 (o) "Incremental value" means:  
2066 (i) for an authority created under Section 11-58-201, the amount calculated by  
2067 multiplying:

- 2068 (A) the difference between the taxable value and the base taxable value of the  
 2069 property that is located within a project area and on which property tax  
 2070 differential is collected; and
- 2071 (B) the number that represents the percentage of the property tax differential that  
 2072 is paid to the authority;
- 2073 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
 2074 an amount calculated by multiplying:
- 2075 (A) the difference between the current assessed value of the property and the base  
 2076 taxable value; and
- 2077 (B) the number that represents the percentage of the property tax augmentation, as  
 2078 defined in Section ~~[11-59-207]~~ 11-59-208, that is paid to the Point of the  
 2079 Mountain State Land Authority;
- 2080 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
 2081 11-70-201, the amount calculated by multiplying:
- 2082 (A) the difference between the taxable value for the current year and the base  
 2083 taxable value of the property that is located within a project area; and
- 2084 (B) the number that represents the percentage of enhanced property tax revenue,  
 2085 as defined in Section 11-70-101;
- 2086 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by  
 2087 multiplying:
- 2088 (A) the difference between the taxable value and the base taxable value of the  
 2089 property located within a project area and on which tax increment is collected;  
 2090 and
- 2091 (B) the number that represents the adjusted tax increment from that project area  
 2092 that is paid to the agency;
- 2093 (v) for an authority created under Section 63H-1-201, the amount calculated by  
 2094 multiplying:
- 2095 (A) the difference between the taxable value and the base taxable value of the  
 2096 property located within a project area and on which property tax allocation is  
 2097 collected; and
- 2098 (B) the number that represents the percentage of the property tax allocation from  
 2099 that project area that is paid to the authority;
- 2100 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
 2101 zone created in accordance with ~~[Title 63N, Chapter 3, Part 6, Housing and~~

- 2102 ~~Transit Reinvestment Zone Act]~~ Title 63N, Chapter 23, Part 2, Housing and  
2103 Transit Reinvestment Zone, Title 63N, Chapter 23, Part 3, Convention Center  
2104 Reinvestment Zone, or Title 63N, Chapter 23, Part 4, Convention Center  
2105 Reinvestment Zone in a Capital City, an amount calculated by multiplying:  
2106 (A) the difference between the taxable value and the base taxable value of the  
2107 property that is located within a housing and transit reinvestment zone or  
2108 convention center reinvestment zone and on which tax increment is collected;  
2109 and  
2110 (B) the number that represents the percentage of the tax increment that is paid to  
2111 the housing and transit reinvestment zone or convention center reinvestment  
2112 zone;
- 2113 (vii) for a host local government, an amount calculated by multiplying:  
2114 (A) the difference between the taxable value and the base taxable value of the  
2115 hotel property on which incremental property tax revenue is collected; and  
2116 (B) the number that represents the percentage of the incremental property tax  
2117 revenue from that hotel property that is paid to the host local government;
- 2118 (viii) for a home ownership promotion zone created [~~under Title 10, Chapter 21, Part~~  
2119 ~~5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,~~  
2120 ~~Part 5, Home Ownership Promotion Zone]~~ in accordance with Title 63N, Chapter  
2121 23, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 63N,  
2122 Chapter 23, Part 6, Home Ownership Promotion Zone for Counties, an amount  
2123 calculated by multiplying:  
2124 (A) the difference between the taxable value and the base taxable value of the  
2125 property that is located within a home ownership promotion zone and on which  
2126 tax increment is collected; and  
2127 (B) the number that represents the percentage of the tax increment that is paid to  
2128 the home ownership promotion zone;
- 2129 (ix) for a first home investment zone created in accordance with [~~Title 63N, Chapter~~  
2130 ~~3, Part 16, First Home Investment Zone Act]~~ Title 63N, Chapter 23, Part 7, First  
2131 Home Investment Zone, an amount calculated by multiplying:  
2132 (A) the difference between the taxable value and the base taxable value of the  
2133 property that is located within a first home investment zone and on which tax  
2134 increment is collected; and  
2135 (B) the number that represents the percentage of the tax increment that is paid to

- 2136 the first home investment zone;
- 2137 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
- 2138 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 2139 calculated by multiplying:
- 2140 (A) the difference between the taxable value and the base taxable value of the
- 2141 property located within a qualified development zone for a major sporting
- 2142 event venue zone and upon which property tax increment is collected; and
- 2143 (B) the number that represents the percentage of tax increment that is paid to the
- 2144 major sporting event venue zone, as approved by a major sporting event venue
- 2145 zone committee described in Section 63N-1a-1706; or
- 2146 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 2147 amount calculated by multiplying:
- 2148 (A) the difference between the taxable value and the base taxable value of the
- 2149 property that is located within the electrical energy developmental zone; and
- 2150 (B) the number that represents the percentage of the tax increment that is paid to a
- 2151 community reinvestment agency and the Electrical Energy Development
- 2152 Investment Fund created in Section 79-6-1105.
- 2153 (p)(i) "Locally assessed new growth" means the greater of:
- 2154 (A) zero; or
- 2155 (B) the amount calculated by subtracting the year end taxable value of real
- 2156 property the county assessor assesses in accordance with Part 3, County
- 2157 Assessment, for the previous year, adjusted for prior year end incremental
- 2158 value from the taxable value of real property the county assessor assesses in
- 2159 accordance with Part 3, County Assessment, for the current year, adjusted for
- 2160 current year incremental value.
- 2161 (ii) "Locally assessed new growth" does not include a change in:
- 2162 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 2163 or another adjustment;
- 2164 (B) assessed value based on whether a property is allowed a residential exemption
- 2165 for a primary residence under Section 59-2-103;
- 2166 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 2167 Assessment Act; or
- 2168 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 2169 Farming Assessment Act.

- 2170 (q) "Project area" means:
- 2171 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 2172 in Section 11-58-102;
- 2173 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2174 11-70-201, the same as that term is defined in Section 11-70-101;
- 2175 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 2176 defined in Section 17C-1-102;
- 2177 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 2178 defined in Section 63H-1-102;
- 2179 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 2180 zone created [~~under Title 63N, Chapter 3, Part 6, Housing and Transit~~
- 2181 ~~Reinvestment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 2,
- 2182 Housing and Transit Reinvestment Zone, Title 63N, Chapter 23, Part 3,
- 2183 Convention Center Reinvestment Zone, or Title 63N, Chapter 23, Convention
- 2184 Center Reinvestment Zone in a Capital City, the same as that term is defined in
- 2185 Section [~~63N-3-602~~] 63N-23-101;
- 2186 (vi) for a home ownership promotion zone created [~~under Title 10, Chapter 21, Part~~
- 2187 ~~5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,~~
- 2188 ~~Part 5, Home Ownership Promotion Zone~~] in accordance with Title 63N, Chapter
- 2189 23, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 63N,
- 2190 Chapter 23, Part 6, Home Ownership Promotion Zone for Counties, the same as
- 2191 that term is defined in [~~Section 10-21-101 or Section 17-80-101~~] Section
- 2192 63N-23-101;
- 2193 (vii) for a first home investment zone created [~~under Title 63N, Chapter 3, Part 16,~~
- 2194 ~~First Home Investment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 7,
- 2195 First Home Investment Zone, the same as that term is defined in Section [~~63N-3-1601~~] 63N-23-701; or
- 2196
- 2197 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 2198 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 2199 as defined in Section 63N-3-1701.
- 2200 (r) "Project area new growth" means:
- 2201 (i) for an authority created under Section 11-58-201, an amount equal to the
- 2202 incremental value that is no longer provided to an authority as property tax
- 2203 differential;

- 2204 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
 2205 an amount equal to the incremental value that is no longer provided to the Point of  
 2206 the Mountain State Land Authority as property tax augmentation, as defined in  
 2207 Section ~~[11-59-207]~~ 11-59-208;
- 2208 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
 2209 11-70-201, an amount equal to the incremental value that is no longer provided to  
 2210 the Utah Fairpark Area Investment and Restoration District;
- 2211 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the  
 2212 incremental value that is no longer provided to an agency as tax increment;
- 2213 (v) for an authority created under Section 63H-1-201, an amount equal to the  
 2214 incremental value that is no longer provided to an authority as property tax  
 2215 allocation;
- 2216 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
 2217 zone created ~~[under Title 63N, Chapter 3, Part 6, Housing and Transit~~  
 2218 ~~Reinvestment Zone Act]~~ in accordance with Title 63N, Chapter 23, Part 2,  
 2219 Housing and Transit Reinvestment Zone, Title 63N, Chapter 23, Part 3,  
 2220 Convention Center Reinvestment Zone, or Title 63N, Chapter 23, Part 4,  
 2221 Convention Center Reinvestment Zone in a Capital City, an amount equal to the  
 2222 incremental value that is no longer provided to a housing and transit reinvestment  
 2223 zone or convention center reinvestment zone as tax increment;
- 2224 (vii) for a home ownership promotion zone created ~~[under Title 10, Chapter 21, Part~~  
 2225 ~~5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,~~  
 2226 ~~Part 5, Home Ownership Promotion Zone]~~ in accordance with Title 63N, Chapter  
 2227 23, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 63N,  
 2228 Chapter 23, Part 6, Home Ownership Promotion Zone for Counties, an amount  
 2229 equal to the incremental value that is no longer provided to a home ownership  
 2230 promotion zone as tax increment;
- 2231 (viii) for a first home investment zone created under ~~[Title 63N, Chapter 3, Part 16,~~  
 2232 ~~First Home Investment Zone Act]~~ Title 63N, Chapter 23, Part 7, First Home  
 2233 Investment Zone, an amount equal to the incremental value that is no longer  
 2234 provided to a first home investment zone as tax increment; or
- 2235 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,  
 2236 Major Sporting Event Venue Zone Act, an amount equal to the incremental value  
 2237 that is no longer provided to the creating entity of a major sporting event venue

- 2238 zone as property tax increment.
- 2239 (s) "Project area incremental revenue" means the same as that term is defined in Section  
2240 17C-1-1001.
- 2241 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 2242 (u) "Property tax differential" means the same as that term is defined in Sections  
2243 11-58-102 and 79-6-1104.
- 2244 (v) "Tax increment" means:
- 2245 (i) for a project created under Section 17C-1-201.5, the same as that term is defined  
2246 in Section 17C-1-102;
- 2247 (ii) for a housing and transit reinvestment zone or convention center reinvestment  
2248 zone created [~~under Title 63N, Chapter 3, Part 6, Housing and Transit~~  
2249 ~~Reinvestment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 2,  
2250 Housing and Transit Reinvestment Zone, Title 63N, Chapter 23, Part 3,  
2251 Convention Center Reinvestment Zone, or Title 63N, Chapter 23, Part 4,  
2252 Convention Center Reinvestment Zone in a Capital City, the same as the term  
2253 "property tax increment" is defined in Section [~~63N-3-602~~] 63N-23-101;
- 2254 (iii) for a home ownership promotion zone created [~~under Title 10, Chapter 21, Part~~  
2255 ~~5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,~~  
2256 ~~Part 5, Home Ownership Promotion Zone~~] in accordance with Title 63N, Chapter  
2257 23, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 63N,  
2258 Chapter 23, Part 6, Home Ownership Promotion Zone for Counties, the same as  
2259 that term is defined in Section 10-21-101 or [~~Section~~] 17-80-101;
- 2260 (iv) for a first home investment zone created [~~under Title 63N, Chapter 3, Part 16,~~  
2261 ~~First Home Investment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 7,  
2262 First Home Investment Zone, the same as that term is defined in Section [  
2263 ~~63N-3-1601~~] 63N-23-701; or
- 2264 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,  
2265 Major Sporting Event Venue Zone Act, property tax increment, as that term is  
2266 defined in Section 63N-3-1701.
- 2267 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and  
2268 the commission the following statements:
- 2269 (a) a statement containing the aggregate valuation of all taxable real property a county  
2270 assessor assesses in accordance with Part 3, County Assessment, for each taxing  
2271 entity; and

- 2272 (b) a statement containing the taxable value of all personal property a county assessor  
2273 assesses in accordance with Part 3, County Assessment, from the prior year end  
2274 values.
- 2275 (3) The county auditor shall, on or before June 8, transmit to the governing body of each  
2276 taxing entity:
- 2277 (a) the statements described in Subsections (2)(a) and (b);  
2278 (b) an estimate of the revenue from personal property;  
2279 (c) the certified tax rate; and  
2280 (d) all forms necessary to submit a tax levy request.
- 2281 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be  
2282 calculated by dividing the ad valorem property tax revenue that a taxing entity  
2283 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 2284 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall  
2285 calculate an amount as follows:
- 2286 (i) calculate for the taxing entity the difference between:
- 2287 (A) the aggregate taxable value of all property taxed; and  
2288 (B) any adjustments for current year incremental value;
- 2289 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount  
2290 determined by increasing or decreasing the amount calculated under Subsection  
2291 (4)(b)(i) by the average of the percentage net change in the value of taxable  
2292 property for the equalization period for the three calendar years immediately [   
2293 ~~preceeding~~ ] before the current calendar year;
- 2294 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the  
2295 product of:
- 2296 (A) the amount calculated under Subsection (4)(b)(ii); and  
2297 (B) the percentage of property taxes collected for the five calendar years  
2298 immediately [ ~~preceeding~~ ] before the current calendar year; and
- 2299 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an  
2300 amount determined by:
- 2301 (A) multiplying the percentage of property taxes collected for the five calendar  
2302 years immediately [ ~~preceeding~~ ] before the current calendar year by eligible new  
2303 growth; and  
2304 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the  
2305 amount calculated under Subsection (4)(b)(iii).

- 2306 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated  
2307 as follows:
- 2308 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified  
2309 tax rate is zero;
- 2310 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 2311 (i) in a county of the first, second, or third class, the levy imposed for municipal-type  
2312 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services  
2313 to Unincorporated Areas; and
- 2314 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
2315 purposes and such other levies imposed solely for the municipal-type services  
2316 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 2317 (c) for a community reinvestment agency that received all or a portion of a taxing  
2318 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,  
2319 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in  
2320 Subsection (4) except that the commission shall treat the total revenue transferred to  
2321 the community reinvestment agency as ad valorem property tax revenue that the  
2322 taxing entity budgeted for the prior year; and
- 2323 (d) for debt service voted on by the public, the certified tax rate is the actual levy  
2324 imposed by that section, except that a certified tax rate for the following levies shall  
2325 be calculated in accordance with Section 59-2-913 and this section:
- 2326 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and  
2327 (ii) a levy to pay for the costs of state legislative mandates or judicial or  
2328 administrative orders under Section 59-2-1602.
- 2329 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or  
2330 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy  
2331 one or more eligible judgments.
- 2332 (b) The ad valorem property tax revenue generated by a judgment levy described in  
2333 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate  
2334 certified tax rate.
- 2335 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 2336 (i) the taxable value of real property:
- 2337 (A) the county assessor assesses in accordance with Part 3, County Assessment;  
2338 and  
2339 (B) contained on the assessment roll;

- 2340 (ii) the year end taxable value of personal property:
- 2341 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 2342 (B) contained on the prior year's assessment roll; and
- 2343 (iii) the taxable value of real and personal property the commission assesses in
- 2344 accordance with Part 2, Assessment of Property.
- 2345 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
- 2346 growth.
- 2347 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 2348 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
- 2349 the county auditor of:
- 2350 (i) the taxing entity's intent to exceed the certified tax rate; and
- 2351 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 2352 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 2353 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 2354 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 2355 electronic means on or before July 31, to a taxing entity and the Revenue and
- 2356 Taxation Interim Committee if:
- 2357 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 2358 taxable value of the real and personal property the commission assesses in
- 2359 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 2360 for prior year end incremental value; and
- 2361 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 2362 end taxable value of the real and personal property of a taxpayer the commission
- 2363 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 2364 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 2365 subtracting the taxable value of real and personal property the commission assesses
- 2366 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 2367 current year incremental value, from the year end taxable value of the real and
- 2368 personal property the commission assesses in accordance with Part 2, Assessment of
- 2369 Property, for the previous year, adjusted for prior year end incremental value.
- 2370 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 2371 subtracting the total taxable value of real and personal property of a taxpayer the
- 2372 commission assesses in accordance with Part 2, Assessment of Property, for the
- 2373 current year, from the total year end taxable value of the real and personal property of

- 2374 a taxpayer the commission assesses in accordance with Part 2, Assessment of  
2375 Property, for the previous year.
- 2376 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the  
2377 requirement under Subsection (9)(a)(ii).
- 2378 Section 19. Section **59-12-103** is amended to read:
- 2379 **59-12-103 (Effective 05/06/26) (Superseded 07/01/26). Sales and use tax base --**  
2380 **Rates -- Effective dates -- Use of sales and use tax revenue.**
- 2381 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales  
2382 price for amounts paid or charged for the following transactions:
- 2383 (a) retail sales of tangible personal property made within the state;
- 2384 (b) amounts paid for:
- 2385 (i) telecommunications service, other than mobile telecommunications service, that  
2386 originates and terminates within the boundaries of this state;
- 2387 (ii) mobile telecommunications service that originates and terminates within the  
2388 boundaries of one state only to the extent permitted by the Mobile  
2389 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 2390 (iii) an ancillary service associated with a:
- 2391 (A) telecommunications service described in Subsection (1)(b)(i); or
- 2392 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 2393 (c) sales of the following for commercial use:
- 2394 (i) gas;
- 2395 (ii) electricity;
- 2396 (iii) heat;
- 2397 (iv) coal;
- 2398 (v) fuel oil; or
- 2399 (vi) other fuels;
- 2400 (d) sales of the following for residential use:
- 2401 (i) gas;
- 2402 (ii) electricity;
- 2403 (iii) heat;
- 2404 (iv) coal;
- 2405 (v) fuel oil; or
- 2406 (vi) other fuels;
- 2407 (e) sales of prepared food;

- 2408 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or  
2409 user fees for theaters, movies, operas, museums, planetariums, shows of any type or  
2410 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,  
2411 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling  
2412 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling  
2413 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,  
2414 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,  
2415 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or  
2416 any other amusement, entertainment, recreation, exhibition, cultural, or athletic  
2417 activity;
- 2418 (g) amounts paid or charged for services for repairs or renovations of tangible personal  
2419 property, unless Section 59-12-104 provides for an exemption from sales and use tax  
2420 for:
- 2421 (i) the tangible personal property; and
- 2422 (ii) parts used in the repairs or renovations of the tangible personal property described  
2423 in Subsection (1)(g)(i), regardless of whether:
- 2424 (A) any parts are actually used in the repairs or renovations of that tangible  
2425 personal property; or
- 2426 (B) the particular parts used in the repairs or renovations of that tangible personal  
2427 property are exempt from a tax under this chapter;
- 2428 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted  
2429 cleaning or washing of tangible personal property;
- 2430 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer  
2431 court accommodations and services;
- 2432 (j) amounts paid or charged for laundry or dry cleaning services;
- 2433 (k) amounts paid or charged for leases or rentals of tangible personal property if within  
2434 this state the tangible personal property is:
- 2435 (i) stored;
- 2436 (ii) used; or
- 2437 (iii) otherwise consumed;
- 2438 (l) amounts paid or charged for tangible personal property if within this state the tangible  
2439 personal property is:
- 2440 (i) stored;
- 2441 (ii) used; or

- 2442 (iii) consumed;
- 2443 (m) amounts paid or charged for a sale:
- 2444 (i)(A) of a product transferred electronically; or
- 2445 (B) of a repair or renovation of a product transferred electronically; and
- 2446 (ii) regardless of whether the sale provides:
- 2447 (A) a right of permanent use of the product; or
- 2448 (B) a right to use the product that is less than a permanent use, including a right:
- 2449 (I) for a definite or specified length of time; and
- 2450 (II) that terminates upon the occurrence of a condition; and
- 2451 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 2452 state.
- 2453 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are
- 2454 imposed on a transaction described in Subsection (1) equal to the sum of:
- 2455 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 2456 (A) 4.70% plus the rate specified in Subsection (11)(a); and
- 2457 (B)(I) the tax rate the state imposes in accordance with Part 18, Additional
- 2458 State Sales and Use Tax Act, if the location of the transaction as determined
- 2459 under Sections 59-12-211 through 59-12-215 is in a county in which the
- 2460 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
- 2461 and
- 2462 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
- 2463 State Sales and Use Tax Act, if the location of the transaction as determined
- 2464 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 2465 unincorporated area of a county in which the state imposes the tax under
- 2466 Part 20, Supplemental State Sales and Use Tax Act; and
- 2467 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 2468 transaction under this chapter other than this part.
- 2469 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 2470 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 2471 to the sum of:
- 2472 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 2473 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 2474 transaction under this chapter other than this part.
- 2475 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed

- 2476 on amounts paid or charged for food and food ingredients equal to the sum of:
- 2477 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 2478 at a tax rate of 1.75%; and
- 2479 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 2480 amounts paid or charged for food and food ingredients under this chapter other
- 2481 than this part.
- 2482 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
- 2483 or charged for fuel to a common carrier that is a railroad for use in a locomotive
- 2484 engine at a rate of 4.85%.
- 2485 (e)(i)(A) If a shared vehicle owner certifies to the commission, on a form
- 2486 prescribed by the commission, that the shared vehicle is an individual-owned
- 2487 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to
- 2488 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle
- 2489 owner.
- 2490 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
- 2491 required once during the time that the shared vehicle owner owns the shared
- 2492 vehicle.
- 2493 (C) The commission shall verify that a shared vehicle is an individual-owned
- 2494 shared vehicle by verifying that the applicable Utah taxes imposed under this
- 2495 chapter were paid on the purchase of the shared vehicle.
- 2496 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
- 2497 individual-owned shared vehicle shared through a car-sharing program even if
- 2498 non-certified shared vehicles are also available to be shared through the same
- 2499 car-sharing program.
- 2500 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- 2501 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's
- 2502 representation that the shared vehicle is an individual-owned shared vehicle
- 2503 certified with the commission as described in Subsection (2)(e)(i).
- 2504 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
- 2505 representation that the shared vehicle is an individual-owned shared vehicle
- 2506 certified with the commission as described in Subsection (2)(e)(i), the
- 2507 car-sharing program is not liable for any tax, penalty, fee, or other sanction
- 2508 imposed on the shared vehicle owner.
- 2509 (iv) If all shared vehicles shared through a car-sharing program are certified as

2510 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has  
2511 no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax  
2512 period.

2513 (v) A car-sharing program is not required to list or otherwise identify an  
2514 individual-owned shared vehicle on a return or an attachment to a return.

2515 (vi) A car-sharing program shall:

2516 (A) retain tax information for each car-sharing program transaction; and

2517 (B) provide the information described in Subsection (2)(e)(vi)(A) to the  
2518 commission at the commission's request.

2519 (f)(i) For a bundled transaction that is attributable to food and food ingredients and  
2520 tangible personal property other than food and food ingredients, a state tax and a  
2521 local tax is imposed on the entire bundled transaction equal to the sum of:

2522 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

2523 (I) the tax rate described in Subsection (2)(a)(i)(A); and

2524 (II)(Aa) the tax rate the state imposes in accordance with Part 18,

2525 Additional State Sales and Use Tax Act, if the location of the transaction  
2526 as determined under Sections 59-12-211 through 59-12-215 is in a  
2527 county in which the state imposes the tax under Part 18, Additional State  
2528 Sales and Use Tax Act; and

2529 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental  
2530 State Sales and Use Tax Act, if the location of the transaction as  
2531 determined under Sections 59-12-211 through 59-12-215 is in a city,  
2532 town, or the unincorporated area of a county in which the state imposes  
2533 the tax under Part 20, Supplemental State Sales and Use Tax Act; and

2534 (B) a local tax imposed on the entire bundled transaction at the sum of the tax  
2535 rates described in Subsection (2)(a)(ii).

2536 (ii) If an optional computer software maintenance contract is a bundled transaction  
2537 that consists of taxable and nontaxable products that are not separately itemized  
2538 on an invoice or similar billing document, the purchase of the optional computer  
2539 software maintenance contract is 40% taxable under this chapter and 60%  
2540 nontaxable under this chapter.

2541 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled  
2542 transaction described in Subsection (2)(f)(i) or (ii):

2543 (A) if the sales price of the bundled transaction is attributable to tangible personal

2544 property, a product, or a service that is subject to taxation under this chapter  
2545 and tangible personal property, a product, or service that is not subject to  
2546 taxation under this chapter, the entire bundled transaction is subject to taxation  
2547 under this chapter unless:

2548 (I) the seller is able to identify by reasonable and verifiable standards the  
2549 tangible personal property, product, or service that is not subject to taxation  
2550 under this chapter from the books and records the seller keeps in the seller's  
2551 regular course of business; or

2552 (II) state or federal law provides otherwise; or

2553 (B) if the sales price of a bundled transaction is attributable to two or more items  
2554 of tangible personal property, products, or services that are subject to taxation  
2555 under this chapter at different rates, the entire bundled transaction is subject to  
2556 taxation under this chapter at the higher tax rate unless:

2557 (I) the seller is able to identify by reasonable and verifiable standards the  
2558 tangible personal property, product, or service that is subject to taxation  
2559 under this chapter at the lower tax rate from the books and records the seller  
2560 keeps in the seller's regular course of business; or

2561 (II) state or federal law provides otherwise.

2562 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the  
2563 seller's regular course of business includes books and records the seller keeps in  
2564 the regular course of business for nontax purposes.

2565 (g)(i) Except as otherwise provided in this chapter and subject to Subsections  
2566 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible  
2567 personal property, a product, or a service that is subject to taxation under this  
2568 chapter, and the sale, lease, or rental of tangible personal property, other property,  
2569 a product, or a service that is not subject to taxation under this chapter, the entire  
2570 transaction is subject to taxation under this chapter unless the seller, at the time of  
2571 the transaction:

2572 (A) separately states the portion of the transaction that is not subject to taxation  
2573 under this chapter on an invoice, bill of sale, or similar document provided to  
2574 the purchaser; or

2575 (B) is able to identify by reasonable and verifiable standards, from the books and  
2576 records the seller keeps in the seller's regular course of business, the portion of  
2577 the transaction that is not subject to taxation under this chapter.

- 2578 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 2579 (A) after the transaction occurs, the purchaser and the seller discover that the
- 2580 portion of the transaction that is not subject to taxation under this chapter was
- 2581 not separately stated on an invoice, bill of sale, or similar document provided
- 2582 to the purchaser because of an error or ignorance of the law; and
- 2583 (B) the seller is able to identify by reasonable and verifiable standards, from the
- 2584 books and records the seller keeps in the seller's regular course of business, the
- 2585 portion of the transaction that is not subject to taxation under this chapter.
- 2586 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
- 2587 keeps in the seller's regular course of business includes books and records the
- 2588 seller keeps in the regular course of business for nontax purposes.
- 2589 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible
- 2590 personal property, products, or services that are subject to taxation under this
- 2591 chapter at different rates, the entire purchase is subject to taxation under this
- 2592 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 2593 (A) separately states the items subject to taxation under this chapter at each of the
- 2594 different rates on an invoice, bill of sale, or similar document provided to the
- 2595 purchaser; or
- 2596 (B) is able to identify by reasonable and verifiable standards the tangible personal
- 2597 property, product, or service that is subject to taxation under this chapter at the
- 2598 lower tax rate from the books and records the seller keeps in the seller's regular
- 2599 course of business.
- 2600 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
- 2601 seller's regular course of business includes books and records the seller keeps in
- 2602 the regular course of business for nontax purposes.
- 2603 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
- 2604 imposed under the following shall take effect on the first day of a calendar quarter:
- 2605 (i) Subsection (2)(a)(i)(A);
- 2606 (ii) Subsection (2)(b)(i);
- 2607 (iii) Subsection (2)(c)(i); or
- 2608 (iv) Subsection (2)(f)(i)(A)(I).
- 2609 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
- 2610 begins on or after the effective date of the tax rate increase if the billing period for
- 2611 the transaction begins before the effective date of a tax rate increase imposed

- 2612 under:
- 2613 (A) Subsection (2)(a)(i)(A);
- 2614 (B) Subsection (2)(b)(i);
- 2615 (C) Subsection (2)(c)(i); or
- 2616 (D) Subsection (2)(f)(i)(A)(I).
- 2617 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 2618 statement for the billing period is rendered on or after the effective date of the
- 2619 repeal of the tax or the tax rate decrease imposed under:
- 2620 (A) Subsection (2)(a)(i)(A);
- 2621 (B) Subsection (2)(b)(i);
- 2622 (C) Subsection (2)(c)(i); or
- 2623 (D) Subsection (2)(f)(i)(A)(I).
- 2624 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
- 2625 is computed on the basis of sales and use tax rates published in the catalogue, a
- 2626 tax rate repeal or change in a tax rate takes effect:
- 2627 (A) on the first day of a calendar quarter; and
- 2628 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
- 2629 change.
- 2630 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 2631 (A) Subsection (2)(a)(i)(A);
- 2632 (B) Subsection (2)(b)(i);
- 2633 (C) Subsection (2)(c)(i); or
- 2634 (D) Subsection (2)(f)(i)(A)(I).
- 2635 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 2636 the commission may by rule define the term "catalogue sale."
- 2637 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine
- 2638 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel
- 2639 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other
- 2640 fuel at the location.
- 2641 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
- 2642 or other fuel is furnished through a single meter for two or more of the following
- 2643 uses:
- 2644 (A) a commercial use;
- 2645 (B) an industrial use; or

- 2646 (C) a residential use.
- 2647 (3)(a) The following state taxes shall be deposited into the General Fund:
- 2648 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 2649 (ii) the tax imposed by Subsection (2)(b)(i);
- 2650 (iii) the tax imposed by Subsection (2)(c)(i); and
- 2651 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2652 (b) The following local taxes shall be distributed to a county, city, or town as provided
- 2653 in this chapter:
- 2654 (i) the tax imposed by Subsection (2)(a)(ii);
- 2655 (ii) the tax imposed by Subsection (2)(b)(ii);
- 2656 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 2657 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 2658 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 2659 (4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
- 2660 2003, the lesser of the following amounts shall be expended as provided in
- 2661 Subsections (4)(b) through (g):
- 2662 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
- 2663 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
- 2664 (B) for the fiscal year; or
- 2665 (ii) \$17,500,000.
- 2666 (b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
- 2667 described in Subsection (4)(a) shall be transferred each year as designated sales
- 2668 and use tax revenue to the Division of Wildlife Resources to:
- 2669 (A) implement the measures described in Subsections 23A-3-214(3)(a) through (d)
- 2670 to protect sensitive plant and animal species; or
- 2671 (B) award grants, up to the amount authorized by the Legislature in an
- 2672 appropriations act, to political subdivisions of the state to implement the
- 2673 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
- 2674 sensitive plant and animal species.
- 2675 (ii) Money transferred to the Division of Wildlife Resources under Subsection
- 2676 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or
- 2677 any other person to list or attempt to have listed a species as threatened or
- 2678 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et
- 2679 seq.

- 2680 (iii) At the end of each fiscal year:
- 2681 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 2682 the Water Resources Conservation and Development Fund created in Section
- 2683 73-10-24;
- 2684 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2685 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 2686 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2687 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 2688 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
- 2689 Subsection (4)(a) shall be transferred each year as designated sales and use tax
- 2690 revenue to the Division of Conservation created in Section 4-46-401 to implement
- 2691 water related programs.
- 2692 (d)(i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
- 2693 described in Subsection (4)(a) shall be transferred each year as designated sales
- 2694 and use tax revenue to the Division of Water Rights to cover the costs incurred in
- 2695 hiring legal and technical staff for the adjudication of water rights.
- 2696 (ii) At the end of each fiscal year:
- 2697 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 2698 the Water Resources Conservation and Development Fund created in Section
- 2699 73-10-24;
- 2700 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2701 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 2702 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2703 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 2704 (e)(i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
- 2705 described in Subsection (4)(a) shall be deposited into the Water Resources
- 2706 Conservation and Development Fund created in Section 73-10-24 for use by the
- 2707 Division of Water Resources.
- 2708 (ii) In addition to the uses allowed of the Water Resources Conservation and
- 2709 Development Fund under Section 73-10-24, the Water Resources Conservation
- 2710 and Development Fund may also be used to:
- 2711 (A) conduct hydrologic and geotechnical investigations by the Division of Water
- 2712 Resources in a cooperative effort with other state, federal, or local entities, for
- 2713 the purpose of quantifying surface and ground water resources and describing

- 2714 the hydrologic systems of an area in sufficient detail so as to enable local and  
2715 state resource managers to plan for and accommodate growth in water use  
2716 without jeopardizing the resource;
- 2717 (B) fund state required dam safety improvements; and
- 2718 (C) protect the state's interest in interstate water compact allocations, including the  
2719 hiring of technical and legal staff.
- 2720 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in  
2721 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program  
2722 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund  
2723 wastewater projects.
- 2724 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
2725 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program  
2726 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 2727 (i) provide for the installation and repair of collection, treatment, storage, and  
2728 distribution facilities for any public water system, as defined in Section 19-4-102;
- 2729 (ii) develop underground sources of water, including springs and wells; and  
2730 (iii) develop surface water sources.
- 2731 (5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
2732 2006, the difference between the following amounts shall be expended as provided in  
2733 this Subsection (5), if that difference is greater than \$1:
- 2734 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for  
2735 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);  
2736 and
- 2737 (ii) \$17,500,000.
- 2738 (b)(i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- 2739 (A) transferred each fiscal year to the Department of Natural Resources as  
2740 designated sales and use tax revenue; and
- 2741 (B) expended by the Department of Natural Resources for watershed rehabilitation  
2742 or restoration.
- 2743 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use  
2744 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources  
2745 Conservation and Development Fund created in Section 73-10-24.
- 2746 (c)(i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the  
2747 remaining difference described in Subsection (5)(a) shall be:

- 2748 (A) transferred each fiscal year to the Division of Water Resources as designated  
2749 sales and use tax revenue; and
- 2750 (B) expended by the Division of Water Resources for cloud-seeding projects  
2751 authorized by Title 73, Chapter 15, Modification of Weather.
- 2752 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use  
2753 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources  
2754 Conservation and Development Fund created in Section 73-10-24.
- 2755 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the  
2756 remaining difference described in Subsection (5)(a) shall be deposited into the Water  
2757 Resources Conservation and Development Fund created in Section 73-10-24 for use  
2758 by the Division of Water Resources for:
- 2759 (i) preconstruction costs:
- 2760 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,  
2761 Chapter 26, Bear River Development Act; and
- 2762 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project  
2763 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 2764 (ii) the cost of employing a civil engineer to oversee any project authorized by Title  
2765 73, Chapter 26, Bear River Development Act;
- 2766 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline  
2767 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development  
2768 Act; and
- 2769 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and  
2770 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)  
2771 through (iii).
- 2772 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the  
2773 remaining difference described in Subsection (5)(a) shall be deposited each year into  
2774 the Water Rights Restricted Account created by Section 73-2-1.6.
- 2775 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each  
2776 fiscal year, the commission shall deposit into the Water Infrastructure Restricted  
2777 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax  
2778 rate on the transactions described in Subsection (1) for the fiscal year.
- 2779 (7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and (d),  
2780 for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into  
2781 the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of

- 2782 the taxes listed under Subsection (3)(a) equal to 24% of the revenue collected from  
2783 the following sales and use taxes:
- 2784 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
  - 2785 (ii) the tax imposed by Subsection (2)(b)(i);
  - 2786 (iii) the tax imposed by Subsection (2)(c)(i); and
  - 2787 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2788 (b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall  
2789 annually reduce the deposit under Subsection (7)(a) into the Transportation  
2790 Investment Fund of 2005 by an amount equal to .44% of the revenue collected  
2791 from the following sales and use taxes:
- 2792 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
  - 2793 (B) the tax imposed by Subsection (2)(b)(i);
  - 2794 (C) the tax imposed by Subsection (2)(c)(i); and
  - 2795 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2796 (ii) The commission shall annually deposit the amount described in Subsection  
2797 (7)(b)(i) into the Cottonwood Canyons Transportation Investment Fund created in  
2798 Section 72-2-124.
- 2799 (c)(i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,  
2800 2023, the commission shall annually reduce the deposit into the Transportation  
2801 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is  
2802 equal to 5% of:
- 2803 (A) the amount of revenue generated in the current fiscal year by the portion of  
2804 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue  
2805 collected from taxes described in Subsections (7)(a)(i) through (iv);
  - 2806 (B) the amount of revenue generated in the current fiscal year by registration fees  
2807 designated under Section 41-1a-1201 to be deposited into the Transportation  
2808 Investment Fund of 2005; and
  - 2809 (C) revenue transferred by the Division of Finance to the Transportation  
2810 Investment Fund of 2005 in accordance with Section 72-2-106 in the current  
2811 fiscal year.
- 2812 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a  
2813 given fiscal year.
- 2814 (iii) The commission shall annually deposit the amount described in Subsection  
2815 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection [

- 2816 ~~72-2-124(11)] 72-2-124(12).~~
- 2817 (d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall
- 2818 annually reduce the deposit into the Transportation Investment Fund of 2005
- 2819 under this Subsection (7) by an amount that is equal to 1% of the revenue
- 2820 collected from the following sales and use taxes:
- 2821 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2822 (B) the tax imposed by Subsection (2)(b)(i);
- 2823 (C) the tax imposed by Subsection (2)(c)(i); and
- 2824 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2825 (ii) The commission shall annually deposit the amount described in Subsection
- 2826 (7)(d)(i) into the Commuter Rail Subaccount created in Section 72-2-124.
- 2827 (8)(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
- 2828 Subsection (7), and subject to Subsection (8)(b), for a fiscal year beginning on or
- 2829 after July 1, 2018, the commission shall annually deposit into the Transportation
- 2830 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed
- 2831 under Subsection (3)(a) in an amount equal to 3.68% of the revenue collected from
- 2832 the following taxes:
- 2833 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2834 (ii) the tax imposed by Subsection (2)(b)(i);
- 2835 (iii) the tax imposed by Subsection (2)(c)(i); and
- 2836 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2837 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
- 2838 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
- 2839 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
- 2840 current fiscal year by the portion of the tax imposed on motor and special fuel that is
- 2841 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 2842 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
- 2843 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 2844 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
- 2845 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
- 2846 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 2847 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
- 2848 year during which the commission receives notice under Section 63N-2-510 that
- 2849 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the

2850 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the  
2851 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact  
2852 Mitigation Fund, created in Section 63N-2-512.

2853 (11)(a) The rate specified in this subsection is 0.15%.

2854 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning  
2855 on or after July 1, 2019, annually transfer the amount of revenue collected from the  
2856 rate described in Subsection (11)(a) on the transactions that are subject to the sales  
2857 and use tax under Subsection (2)(a)(i)(A) into the Medicaid ACA Fund created in  
2858 Section 26B-1-315.

2859 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year  
2860 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated  
2861 credit solely for use of the Search and Rescue Financial Assistance Program created in,  
2862 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

2863 (13)(a) Notwithstanding Subsection (3)(a) and except as provided in Subsections (17),  
2864 (18), and (19), and as described in Section [~~63N-3-610~~] 63N-23-206, beginning the  
2865 first day of a calendar quarter one year after the sales and use tax boundary for a  
2866 housing and transit reinvestment zone is established under [~~Title 63N, Chapter 3, Part~~  
2867 ~~6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 2,  
2868 Housing and Transit Reinvestment Zone, the commission, at least annually, shall  
2869 transfer an amount equal to 15% of the sales and use tax increment from the sales and  
2870 use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring  
2871 within an established sales and use tax boundary, as defined in Section [~~63N-3-602~~]  
2872 63N-23-101, into the Transit Transportation Investment Fund created in Section  
2873 72-2-124.

2874 (b) Beginning no sooner than January 1, 2026, notwithstanding Subsection (3)(a), and  
2875 except as provided in Subsections (17), (18), and (19), and as described in Section [~~63N-3-610.1~~]  
2876 63N-23-406, beginning the first day of a calendar quarter after the year  
2877 set in the proposal and after the sales and use tax boundary for a convention center  
2878 reinvestment zone is established in a capital city under [~~Title 63N, Chapter 3, Part 6,~~  
2879 ~~Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 4,  
2880 Convention Center Reinvestment Zone in a Capital City, the commission, at least  
2881 annually, shall transfer an amount equal to 50% of the sales and use tax increment as  
2882 defined in Section [~~63N-3-602~~] 63N-23-101 from the sales and use tax imposed by  
2883 Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within an established

2884 sales and use tax boundary, as defined in Section [~~63N-3-602~~] 63N-23-101, to a  
 2885 convention center public infrastructure district created in accordance with Section  
 2886 17D-4-202.1 and specified in the convention center reinvestment zone proposal  
 2887 submitted [~~pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit~~  
 2888 ~~Reinvestment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 4,  
 2889 Convention Center Reinvestment Zone in a Capital City.

2890 (14)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
 2891 2025, the commission shall, in accordance with Subsection (14)(b), transfer a portion  
 2892 of the taxes listed under Subsection (3)(a) equal to 1% of the revenue collected from  
 2893 the following sales and use taxes:

- 2894 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2895 (ii) the tax imposed by Subsection (2)(b)(i);
- 2896 (iii) the tax imposed by Subsection (2)(c)(i); and
- 2897 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

2898 (b) The commission shall transfer the portion of the taxes described in Subsection (14)(a)  
 2899 as follows:

- 2900 (i) into the Outdoor Adventure Infrastructure Restricted Account created in Section  
 2901 51-9-902, an amount equal to the amount that was deposited into the Outdoor  
 2902 Adventure Infrastructure Restricted Account in fiscal year 2025; and
- 2903 (ii) for any amount exceeding the amount described in Subsection (14)(b)(i), 50%  
 2904 into the Outdoor Adventure Infrastructure Restricted Account and 50% to the  
 2905 Utah Fairpark Area Investment and Restoration District created in Section  
 2906 11-70-201.

2907 (15) Notwithstanding Subsection (3)(a) and except as provided in Subsections (17), (18),  
 2908 and (19), beginning October 1, 2024 the commission shall transfer to the Utah Fairpark  
 2909 Area Investment and Restoration District, created in Section 11-70-201, the revenue  
 2910 from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on  
 2911 transactions occurring within the district sales tax area, as defined in Section 11-70-101.

2912 (16)(a) As used in this Subsection (16):

- 2913 (i) "Additional land" means point of the mountain state land described in Subsection  
 2914 11-59-102(6)(b) that the point of the mountain authority acquires after the point of  
 2915 the mountain authority provides the commission a map under Subsection (16)(c).
- 2916 (ii) "Point of the mountain authority" means the Point of the Mountain State Land  
 2917 Authority, created in Section 11-59-201.

- 2918 (iii) "Point of the mountain state land" means the same as that term is defined in  
2919 Section 11-59-102.
- 2920 (b) Notwithstanding Subsection (3)(a) and except as provided in Subsection (17), (18),  
2921 and (19), the commission shall distribute to the point of the mountain authority 50%  
2922 of the revenue from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a  
2923 4.7% rate, on transactions occurring on the point of the mountain state land.
- 2924 (c) The distribution under Subsection (16)(b) shall begin the next calendar quarter that  
2925 begins at least 90 days after the point of the mountain authority provides the  
2926 commission a map that:
- 2927 (i) accurately describes the point of the mountain state land; and  
2928 (ii) the point of the mountain authority certifies as accurate.
- 2929 (d) A distribution under Subsection (16)(b) with respect to additional land shall begin  
2930 the next calendar quarter that begins at least 90 days after the point of the mountain  
2931 authority provides the commission a map of point of the mountain state land that:
- 2932 (i) accurately describes the point of the mountain state land, including the additional  
2933 land; and  
2934 (ii) the point of the mountain authority certifies as accurate.
- 2935 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue  
2936 distributed to the point of the mountain authority under Subsection (16)(b), the  
2937 point of the mountain authority shall immediately notify the commission in  
2938 writing that the bonds are paid in full.
- 2939 (ii) The commission shall discontinue distributions of sales and use tax revenue under  
2940 Subsection (16)(b) at the beginning of the calendar quarter that begins at least 90  
2941 days after the date that the commission receives the written notice under  
2942 Subsection (16)(e)(i).
- 2943 (17)(a) As used in this Subsection (17):
- 2944 (i) "Applicable percentage" means:
- 2945 (A) for a housing and transit reinvestment zone created under [~~Title 63N, Chapter~~  
2946 ~~3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23,  
2947 Part 2, Housing and Transit Reinvestment Zone, 15% of the revenue from the  
2948 sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate for sales  
2949 occurring within the qualified development zone described in Subsection  
2950 (17)(a)(ii)(A);
- 2951 (B) for the Utah Fairpark Area Investment and Restoration District created in

2952 Section 11-70-201, the revenue from the sales and use tax imposed by  
 2953 Subsection (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified  
 2954 development zone described in Subsection (17)(a)(ii)(B); and  
 2955 (C) for the Point of the Mountain State Land Authority created in Section  
 2956 11-59-201, 50% of the revenue from sales and use tax imposed by Subsection  
 2957 (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified development  
 2958 zone described in Subsection (17)(a)(ii)(C).

2959 (ii) "Qualified development zone" means:

2960 (A) the sales and use tax boundary of a housing and transit reinvestment zone  
 2961 created under [~~Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment~~  
 2962 ~~Act~~] Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone;

2963 (B) the district sales tax boundary as defined in Section 11-70-101 for the Utah  
 2964 Fairpark Area Investment and Restoration District, created in Section  
 2965 11-70-201; or

2966 (C) the sales and use tax boundary of point of the mountain state land, as defined  
 2967 in Section 11-59-102, under the Point of the Mountain State Land Authority  
 2968 created in Section 11-59-201.

2969 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form  
 2970 TC-62M, Schedule J or a substantially similar form as designated by the  
 2971 commission.

2972 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
 2973 qualified development zone shall be deposited into the General Fund.

2974 (18)(a) As used in Subsections (18) and (19):

2975 (i) "Applicable percentage" means, for a convention center reinvestment zone created  
 2976 in a capital city under [~~Title 63N, Chapter 3, Part 6, Housing and Transit~~  
 2977 ~~Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 4, Convention Center  
 2978 Reinvestment Zone in a Capital City, an amount equal to 50% of the sales and use  
 2979 tax increment, as that term is defined in Section [~~63N-3-602~~] 63N-23-101, from  
 2980 the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate for sales  
 2981 occurring within the qualified development zone described in Subsection  
 2982 (18)(a)(ii).

2983 (ii) "Qualified development zone" means the sales and use tax boundary of a  
 2984 convention center reinvestment zone created in a capital city under [~~Title 63N,~~  
 2985 ~~Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter

2986 23, Part 4, Convention Center Reinvestment Zone in a Capital City.  
 2987 (iii) "Qualifying construction materials" means construction materials that are:  
 2988 (A) delivered to a delivery outlet within a qualified development zone; and  
 2989 (B) intended to be permanently attached to real property within the qualified  
 2990 development zone.  
 2991 (b) For a sale of qualifying construction materials, the commission shall distribute the  
 2992 product calculated in Subsection (18)(c) to a qualified development zone if the seller  
 2993 of the construction materials:  
 2994 (i) establishes a delivery outlet with the commission within the qualified development  
 2995 zone;  
 2996 (ii) reports the sales of the construction materials to the delivery outlet described in  
 2997 Subsection (18)(b)(i); and  
 2998 (iii) does not report the sales of the construction materials on a simplified electronic  
 2999 return.  
 3000 (c) For the purposes of Subsection (18)(b), the product is equal to:  
 3001 (i) the sales price or purchase price of the qualifying construction materials; and  
 3002 (ii) the applicable percentage.  
 3003 (19)(a) As used in this Subsection (19), "Schedule J sale" means a sale reported on State  
 3004 Tax Commission Form TC-62M, Schedule J, or a substantially similar form as  
 3005 designated by the commission.  
 3006 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
 3007 qualified development zone shall be distributed into the General Fund.  
 3008 Section 20. Section **59-12-103** is amended to read:  
 3009 **59-12-103 (Effective 07/01/26). Sales and use tax base -- Rates -- Effective dates**  
 3010 **-- Use of sales and use tax revenue.**  
 3011 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales  
 3012 price for amounts paid or charged for the following transactions:  
 3013 (a) retail sales of tangible personal property made within the state;  
 3014 (b) amounts paid for:  
 3015 (i) telecommunications service, other than mobile telecommunications service, that  
 3016 originates and terminates within the boundaries of this state;  
 3017 (ii) mobile telecommunications service that originates and terminates within the  
 3018 boundaries of one state only to the extent permitted by the Mobile  
 3019 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

- 3020 (iii) an ancillary service associated with a:
- 3021 (A) telecommunications service described in Subsection (1)(b)(i); or
- 3022 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 3023 (c) sales of the following for commercial use:
- 3024 (i) gas;
- 3025 (ii) electricity;
- 3026 (iii) heat;
- 3027 (iv) coal;
- 3028 (v) fuel oil; or
- 3029 (vi) other fuels;
- 3030 (d) sales of the following for residential use:
- 3031 (i) gas;
- 3032 (ii) electricity;
- 3033 (iii) heat;
- 3034 (iv) coal;
- 3035 (v) fuel oil; or
- 3036 (vi) other fuels;
- 3037 (e) sales of prepared food;
- 3038 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 3039 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
- 3040 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
- 3041 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
- 3042 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
- 3043 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
- 3044 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
- 3045 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
- 3046 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
- 3047 activity;
- 3048 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 3049 property, unless Section 59-12-104 provides for an exemption from sales and use tax
- 3050 for:
- 3051 (i) the tangible personal property; and
- 3052 (ii) parts used in the repairs or renovations of the tangible personal property described
- 3053 in Subsection (1)(g)(i), regardless of whether:

- 3054 (A) any parts are actually used in the repairs or renovations of that tangible  
3055 personal property; or
- 3056 (B) the particular parts used in the repairs or renovations of that tangible personal  
3057 property are exempt from a tax under this chapter;
- 3058 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted  
3059 cleaning or washing of tangible personal property;
- 3060 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer  
3061 court accommodations and services;
- 3062 (j) amounts paid or charged for laundry or dry cleaning services;
- 3063 (k) amounts paid or charged for leases or rentals of tangible personal property if within  
3064 this state the tangible personal property is:
- 3065 (i) stored;
- 3066 (ii) used; or
- 3067 (iii) otherwise consumed;
- 3068 (l) amounts paid or charged for tangible personal property if within this state the tangible  
3069 personal property is:
- 3070 (i) stored;
- 3071 (ii) used; or
- 3072 (iii) consumed;
- 3073 (m) amounts paid or charged for a sale:
- 3074 (i)(A) of a product transferred electronically; or
- 3075 (B) of a repair or renovation of a product transferred electronically; and
- 3076 (ii) regardless of whether the sale provides:
- 3077 (A) a right of permanent use of the product; or
- 3078 (B) a right to use the product that is less than a permanent use, including a right:
- 3079 (I) for a definite or specified length of time; and
- 3080 (II) that terminates upon the occurrence of a condition; and
- 3081 (n) sales of leased tangible personal property from the lessor to the lessee made in the  
3082 state.
- 3083 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are  
3084 imposed on a transaction described in Subsection (1) equal to the sum of:
- 3085 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 3086 (A) 4.70%;
- 3087 (B) the rate specified in Subsection (6)(a); and

- 3088 (C) the tax rate the state imposes in accordance with Part 20, Supplemental State  
3089 Sales and Use Tax Act, if the location of the transaction as determined under  
3090 Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated  
3091 area of a county in which the state imposes the tax under Part 20, Supplemental  
3092 State Sales and Use Tax Act; and
- 3093 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3094 transaction under this chapter other than this part.
- 3095 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state  
3096 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal  
3097 to the sum of:
- 3098 (i) a state tax imposed on the transaction at a tax rate of 2%; and  
3099 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3100 transaction under this chapter other than this part.
- 3101 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed  
3102 on amounts paid or charged for food and food ingredients equal to the sum of:
- 3103 (i) a state tax imposed on the amounts paid or charged for food and food ingredients  
3104 at a tax rate of 1.75%; and  
3105 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3106 amounts paid or charged for food and food ingredients under this chapter other  
3107 than this part.
- 3108 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid  
3109 or charged for fuel to a common carrier that is a railroad for use in a locomotive  
3110 engine at a rate equal to the sum of the rates described in Subsections (2)(a)(i)(A) and  
3111 (2)(a)(i)(B).
- 3112 (e)(i)(A) The rates described in Subsections (2)(a)(i)(A) and (2)(a)(i)(B) do not  
3113 apply to car sharing, a car sharing program, a shared vehicle driver, or a shared  
3114 vehicle owner, for a car sharing or shared vehicle transaction if a shared  
3115 vehicle owner certifies to the commission, on a form prescribed by the  
3116 commission, that the shared vehicle is an individual-owned shared vehicle.
- 3117 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is  
3118 required once during the time that the shared vehicle owner owns the shared  
3119 vehicle.
- 3120 (C) The commission shall verify that a shared vehicle is an individual-owned  
3121 shared vehicle by verifying that the applicable Utah taxes imposed under this

- 3122 chapter were paid on the purchase of the shared vehicle.
- 3123 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified  
3124 individual-owned shared vehicle shared through a car-sharing program even if  
3125 non-certified shared vehicles are also available to be shared through the same  
3126 car-sharing program.
- 3127 (ii) A tax imposed under Subsection (2)(a)(i)(C) or (2)(a)(ii) applies to car sharing.
- 3128 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's  
3129 representation that the shared vehicle is an individual-owned shared vehicle  
3130 certified with the commission as described in Subsection (2)(e)(i).
- 3131 (B) If a car-sharing program relies in good faith on a shared vehicle owner's  
3132 representation that the shared vehicle is an individual-owned shared vehicle  
3133 certified with the commission as described in Subsection (2)(e)(i), the  
3134 car-sharing program is not liable for any tax, penalty, fee, or other sanction  
3135 imposed on the shared vehicle owner.
- 3136 (iv) If all shared vehicles shared through a car-sharing program are certified as  
3137 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has  
3138 no obligation to collect and remit the tax under Subsections (2)(a)(i)(A) and  
3139 (2)(a)(i)(B) for that tax period.
- 3140 (v) A car-sharing program is not required to list or otherwise identify an  
3141 individual-owned shared vehicle on a return or an attachment to a return.
- 3142 (vi) A car-sharing program shall:
- 3143 (A) retain tax information for each car-sharing program transaction; and  
3144 (B) provide the information described in Subsection (2)(e)(vi)(A) to the  
3145 commission at the commission's request.
- 3146 (f)(i) For a bundled transaction that is attributable to food and food ingredients and  
3147 tangible personal property other than food and food ingredients, a state tax and a  
3148 local tax is imposed on the entire bundled transaction equal to the sum of:
- 3149 (A) the tax rates described in Subsection (2)(a)(i); and  
3150 (B) a local tax imposed on the entire bundled transaction at the sum of the tax  
3151 rates described in Subsection (2)(a)(ii).
- 3152 (ii) If an optional computer software maintenance contract is a bundled transaction  
3153 that consists of taxable and nontaxable products that are not separately itemized  
3154 on an invoice or similar billing document, the purchase of the optional computer  
3155 software maintenance contract is 40% taxable under this chapter and 60%

- 3156 nontaxable under this chapter.
- 3157 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled  
3158 transaction described in Subsection (2)(f)(i) or (ii):
- 3159 (A) if the sales price of the bundled transaction is attributable to tangible personal  
3160 property, a product, or a service that is subject to taxation under this chapter  
3161 and tangible personal property, a product, or service that is not subject to  
3162 taxation under this chapter, the entire bundled transaction is subject to taxation  
3163 under this chapter unless:
- 3164 (I) the seller is able to identify by reasonable and verifiable standards the  
3165 tangible personal property, product, or service that is not subject to taxation  
3166 under this chapter from the books and records the seller keeps in the seller's  
3167 regular course of business; or
- 3168 (II) state or federal law provides otherwise; or
- 3169 (B) if the sales price of a bundled transaction is attributable to two or more items  
3170 of tangible personal property, products, or services that are subject to taxation  
3171 under this chapter at different rates, the entire bundled transaction is subject to  
3172 taxation under this chapter at the higher tax rate unless:
- 3173 (I) the seller is able to identify by reasonable and verifiable standards the  
3174 tangible personal property, product, or service that is subject to taxation  
3175 under this chapter at the lower tax rate from the books and records the seller  
3176 keeps in the seller's regular course of business; or
- 3177 (II) state or federal law provides otherwise.
- 3178 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the  
3179 seller's regular course of business includes books and records the seller keeps in  
3180 the regular course of business for nontax purposes.
- 3181 (g)(i) Except as otherwise provided in this chapter and subject to Subsections  
3182 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible  
3183 personal property, a product, or a service that is subject to taxation under this  
3184 chapter, and the sale, lease, or rental of tangible personal property, other property,  
3185 a product, or a service that is not subject to taxation under this chapter, the entire  
3186 transaction is subject to taxation under this chapter unless the seller, at the time of  
3187 the transaction:
- 3188 (A) separately states the portion of the transaction that is not subject to taxation  
3189 under this chapter on an invoice, bill of sale, or similar document provided to

- 3190 the purchaser; or
- 3191 (B) is able to identify by reasonable and verifiable standards, from the books and  
3192 records the seller keeps in the seller's regular course of business, the portion of  
3193 the transaction that is not subject to taxation under this chapter.
- 3194 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 3195 (A) after the transaction occurs, the purchaser and the seller discover that the  
3196 portion of the transaction that is not subject to taxation under this chapter was  
3197 not separately stated on an invoice, bill of sale, or similar document provided  
3198 to the purchaser because of an error or ignorance of the law; and
- 3199 (B) the seller is able to identify by reasonable and verifiable standards, from the  
3200 books and records the seller keeps in the seller's regular course of business, the  
3201 portion of the transaction that is not subject to taxation under this chapter.
- 3202 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller  
3203 keeps in the seller's regular course of business includes books and records the  
3204 seller keeps in the regular course of business for nontax purposes.
- 3205 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible  
3206 personal property, products, or services that are subject to taxation under this  
3207 chapter at different rates, the entire purchase is subject to taxation under this  
3208 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 3209 (A) separately states the items subject to taxation under this chapter at each of the  
3210 different rates on an invoice, bill of sale, or similar document provided to the  
3211 purchaser; or
- 3212 (B) is able to identify by reasonable and verifiable standards the tangible personal  
3213 property, product, or service that is subject to taxation under this chapter at the  
3214 lower tax rate from the books and records the seller keeps in the seller's regular  
3215 course of business.
- 3216 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the  
3217 seller's regular course of business includes books and records the seller keeps in  
3218 the regular course of business for nontax purposes.
- 3219 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate  
3220 imposed under the following shall take effect on the first day of a calendar quarter:
- 3221 (i) Subsection (2)(a)(i)(A);
- 3222 (ii) Subsection (2)(a)(i)(B);
- 3223 (iii) Subsection (2)(b)(i);

- 3224 (iv) Subsection (2)(c)(i); or  
 3225 (v) Subsection (2)(f)(i)(A).
- 3226 (j)(i) A tax rate increase takes effect on the first day of the first billing period that  
 3227 begins on or after the effective date of the tax rate increase if the billing period for  
 3228 the transaction begins before the effective date of a tax rate increase imposed  
 3229 under:
- 3230 (A) Subsection (2)(a)(i)(A);  
 3231 (B) Subsection (2)(a)(i)(B);  
 3232 (C) Subsection (2)(b)(i);  
 3233 (D) Subsection (2)(c)(i); or  
 3234 (E) Subsection (2)(f)(i)(A).
- 3235 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
 3236 statement for the billing period is rendered on or after the effective date of the  
 3237 repeal of the tax or the tax rate decrease imposed under:
- 3238 (A) Subsection (2)(a)(i)(A);  
 3239 (B) Subsection (2)(a)(i)(B);  
 3240 (C) Subsection (2)(b)(i);  
 3241 (D) Subsection (2)(c)(i); or  
 3242 (E) Subsection (2)(f)(i)(A).
- 3243 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale  
 3244 is computed on the basis of sales and use tax rates published in the catalogue, a  
 3245 tax rate repeal or change in a tax rate takes effect:
- 3246 (A) on the first day of a calendar quarter; and  
 3247 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate  
 3248 change.
- 3249 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 3250 (A) Subsection (2)(a)(i)(A);  
 3251 (B) Subsection (2)(a)(i)(B);  
 3252 (C) Subsection (2)(b)(i);  
 3253 (D) Subsection (2)(c)(i); or  
 3254 (E) Subsection (2)(f)(i)(A).
- 3255 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
 3256 the commission may by rule define the term "catalogue sale."
- 3257 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine

- 3258 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel  
3259 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other  
3260 fuel at the location.
- 3261 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,  
3262 or other fuel is furnished through a single meter for two or more of the following  
3263 uses:
- 3264 (A) a commercial use;  
3265 (B) an industrial use; or  
3266 (C) a residential use.
- 3267 (3)(a) The commission shall deposit the following state taxes into the General Fund:
- 3268 (i) the tax imposed by Subsection (2)(a)(i)(A);  
3269 (ii) the tax imposed by Subsection (2)(b)(i);  
3270 (iii) the tax imposed by Subsection (2)(c)(i);  
3271 (iv) the tax imposed by Subsection (2)(d); and  
3272 (v) the tax imposed by Subsection (2)(f)(i)(A).
- 3273 (b) The commission shall distribute the following local taxes to a county, city, or town  
3274 as provided in this chapter:
- 3275 (i) the tax imposed by Subsection (2)(a)(ii);  
3276 (ii) the tax imposed by Subsection (2)(b)(ii);  
3277 (iii) the tax imposed by Subsection (2)(c)(ii); and  
3278 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 3279 (4)(a) Notwithstanding Subsection (3)(a), for each fiscal year the commission shall make  
3280 the deposits described in Subsections (4)(b) through (4)(h) from the revenue from the  
3281 taxes imposed by:
- 3282 (i) Subsection (2)(a)(i)(A);  
3283 (ii) Subsection (2)(b)(i);  
3284 (iii) Subsection (2)(c)(i); and  
3285 (iv) Subsection (2)(f)(i)(A).
- 3286 (b) The commission shall deposit 15% of the difference between 1.4543% of the  
3287 revenue described in Subsection (4)(a) and the deposits made under Subsection (5)(b),  
3288 into the Water Rights Restricted Account created in Section 73-2-1.6.
- 3289 (c) The commission shall deposit 85% of the difference between 1.4543% of the revenue  
3290 described in Subsection (4)(a) and the deposits made under Subsection (5)(b), into  
3291 the Water Resources Conservation and Development Fund created in Section

- 3292 73-10-24 for use by the Division of Water Resources for:
- 3293 (i) preconstruction costs:
- 3294 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
- 3295 Chapter 26, Bear River Development Act; and
- 3296 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
- 3297 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 3298 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
- 3299 73, Chapter 26, Bear River Development Act;
- 3300 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
- 3301 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
- 3302 Act; and
- 3303 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
- 3304 Subsection (5)(b)(iv)(B) after funding the uses specified in Subsections (4)(c)(i)
- 3305 through (iii).
- 3306 (d) The commission shall deposit 1.4543% of the revenue described in Subsection (4)(a)
- 3307 into the Water Infrastructure Restricted Account created in Section 73-10g-103.
- 3308 (e)(i) Subject to Subsection (4)(e)(ii), the commission shall deposit 26.24% of the
- 3309 revenue described in Subsection (4)(a) into the Transportation Investment Fund of
- 3310 2005 created in Section 72-2-124.
- 3311 (ii) The commission shall annually reduce the deposit described in Subsection
- 3312 (4)(e)(i) by the sum of:
- 3313 (A) \$1,813,400;
- 3314 (B) the earmark described in Subsection (5)(c); and
- 3315 (C) an amount equal to 35% of the revenue generated in the current fiscal year by
- 3316 the portion of the tax imposed on motor and special fuel that is sold, used, or
- 3317 received in the state that exceeds 29.4 cents per gallon.
- 3318 (iii) The amount described in Subsection (4)(e)(ii)(C) shall be annually deposited into
- 3319 the Transit Transportation Investment Fund created in Section 72-2-124.
- 3320 (f) The commission shall deposit .44% of the revenue described in Subsection (4)(a) into
- 3321 the Cottonwood Canyons Transportation Investment Fund created in Section
- 3322 72-2-124.
- 3323 (g) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into
- 3324 the Commuter Rail Subaccount created in Section 72-2-124.
- 3325 (h) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into

3326 the Outdoor Adventure Infrastructure Restricted Account created in Section 51-9-902  
3327 as follows:

3328 (i) into the Outdoor Adventure Infrastructure Restricted Account created in Section  
3329 51-9-902, an amount equal to the amount that was deposited into the Outdoor  
3330 Adventure Infrastructure Restricted Account in fiscal year 2025; and

3331 (ii) for any amount exceeding the amount described in Subsection (4)(h)(i), 50% into  
3332 the Outdoor Adventure Infrastructure Restricted Account and 50% to the Utah  
3333 Fairpark Area Investment and Restoration District created in Section 11-70-201.

3334 (5)(a) Notwithstanding Subsection (3)(a), each fiscal year the commission shall make  
3335 the deposits described in this Subsection (5).

3336 (b)(i)(A) The commission shall deposit \$500,000 to the Department of Natural  
3337 Resources to be used for watershed rehabilitation or restoration.

3338 (B) At the end of each fiscal year, 100% of any unexpended amount described in  
3339 Subsection (5)(b)(i)(A) shall lapse into the Water Resources Conservation and  
3340 Development Fund created in Section 73-10-24.

3341 (ii) The commission shall deposit \$150,000 to the Division of Water Resources for  
3342 cloud-seeding projects authorized by Title 73, Chapter 15, Modification of  
3343 Weather.

3344 (iii) The commission shall deposit \$525,000 into the Division of Conservation  
3345 created in Section 4-46-401 to implement water related programs.

3346 (iv) The commission shall deposit \$7,175,000 into the Water Resources Conservation  
3347 and Development Fund created in Section 73-10-24 for use by the Division of  
3348 Water Resources:

3349 (A) for the uses allowed of the Water Resources Conservation and Development  
3350 Fund under Section 73-10-24;

3351 (B) to conduct hydrologic and geotechnical investigations by the Division of  
3352 Water Resources in a cooperative effort with other state, federal, or local  
3353 entities, for the purpose of quantifying surface and ground water resources and  
3354 describing the hydrologic systems of an area in sufficient detail so as to enable  
3355 local and state resource managers to plan for and accommodate growth in  
3356 water use without jeopardizing the resource;

3357 (C) to fund state required dam safety improvements; and

3358 (D) to protect the state's interest in interstate water compact allocations, including  
3359 the hiring of technical and legal staff.

- 3360 (v) The commission shall deposit \$3,587,500 into the Utah Wastewater Loan  
3361 Program Subaccount created in Section 73-10c-5 for use by the Water Quality  
3362 Board to fund wastewater projects.
- 3363 (vi) The commission shall deposit \$3,587,500 into the Drinking Water Loan Program  
3364 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water  
3365 to:
- 3366 (A) provide for the installation and repair of collection, treatment, storage, and  
3367 distribution facilities for any public water system, as defined in Section  
3368 19-4-102;
- 3369 (B) develop underground sources of water, including springs and wells; and  
3370 (C) develop surface water sources.
- 3371 (vii) The commission shall deposit \$2,450,000 to the Division of Wildlife Resources  
3372 to:
- 3373 (A) implement the measures described in Subsections 23A-3-214(3)(a) through  
3374 (d) to protect sensitive plant and animal species; or
- 3375 (B) award grants, up to the amount authorized by the Legislature in an  
3376 appropriations act, to political subdivisions of the state to implement the  
3377 measures described in Subsections 23A-3-214(3)(a) through (d) to protect  
3378 sensitive plant and animal species.
- 3379 (viii) Funds transferred to the Division of Wildlife Resources under Subsection  
3380 (5)(b)(vii)(A) may not be used to assist the United States Fish and Wildlife  
3381 Service or any other person to list or attempt to have listed a species as threatened  
3382 or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531, et  
3383 seq.
- 3384 (ix) At the end of each fiscal year, any unexpended amounts described in Subsections  
3385 (5)(b)(vii)(A) and (B) shall lapse:
- 3386 (A) 50% into the Water Resources Conservation and Development Fund created  
3387 in Section 73-10-24;
- 3388 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section  
3389 73-10c-5; and
- 3390 (C) 25% into the Drinking Water Loan Program Subaccount created in Section  
3391 73-10c-5.
- 3392 (x) The commission shall allocate \$175,000 to the Division of Water Rights to cover  
3393 the costs incurred in hiring legal and technical staff for the adjudication of water

- 3394 rights.
- 3395 (xi) At the end of each fiscal year, any unexpended amounts described in Subsection
- 3396 (5)(b)(x) shall lapse:
- 3397 (A) 50% into the Water Resources Conservation and Development Fund created
- 3398 in Section 73-10-24;
- 3399 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section
- 3400 73-10c-5; and
- 3401 (C) 25% into the Drinking Water Loan Program Subaccount created in Section
- 3402 73-10c-5.
- 3403 (c) The commission shall deposit \$45,000,000 into the Active Transportation Investment
- 3404 Fund created in Section 72-2-124.
- 3405 (d) The commission shall deposit \$533,750 into the Qualified Emergency Food
- 3406 Agencies Fund created by and expended in accordance with Section 35A-8-1009.
- 3407 (e) The commission shall deposit \$200,000 into the General Fund as a dedicated credit
- 3408 for the sole use of the Search and Rescue Financial Assistance Program created by
- 3409 and to be expended in accordance with Title 53, Chapter 2a, Part 11, Search and
- 3410 Rescue Act.
- 3411 (6)(a) The rate specified in this Subsection (6) is 0.15%.
- 3412 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
- 3413 on or after July 1, 2019, annually transfer the amount of revenue collected from the
- 3414 rate described in Subsection (6)(a) on the transactions that are subject to the sales and
- 3415 use tax under Subsection (2)(a)(i)(B) into the Medicaid ACA Fund created in Section
- 3416 26B-1-315.
- 3417 (7)(a) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11),
- 3418 (12), and (13), and as described in Section [~~63N-3-610~~] 63N-23-206, beginning the
- 3419 first day of a calendar quarter one year after the sales and use tax boundary for a
- 3420 housing and transit reinvestment zone is established under [~~Title 63N, Chapter 3, Part~~
- 3421 ~~6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 2,
- 3422 Housing and Transit Reinvestment Zone, the commission, at least annually, shall
- 3423 transfer an amount equal to 15% of the sales and use tax increment from the sales and
- 3424 use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring
- 3425 within an established sales and use tax boundary, as defined in Section [~~63N-3-602~~]
- 3426 63N-23-101, into the Transit Transportation Investment Fund created in Section
- 3427 72-2-124.

- 3428 (b) Beginning no sooner than January 1, 2026, notwithstanding Subsection (3)(a), and  
 3429 except as provided in Subsections (11), (12), and (13), and as described in Section [  
 3430 ~~63N-3-610.1~~] 63N-3-406, beginning the first day of a calendar quarter after the year  
 3431 set in the proposal and after the sales and use tax boundary for a convention center  
 3432 reinvestment zone is established in a capital city under [~~Title 63N, Chapter 3, Part 6,~~  
 3433 ~~Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 4,  
 3434 Convention Center Reinvestment Zone in a Capital City, the commission, at least  
 3435 annually, shall transfer an amount equal to 50% of the sales and use tax increment as  
 3436 defined in Section [~~63N-3-602~~] 63N-23-101 from the sales and use tax imposed by  
 3437 Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within an established  
 3438 sales and use tax boundary, as defined in Section [~~63N-3-602~~] 63N-23-101, to a  
 3439 convention center public infrastructure district created in accordance with Section  
 3440 17D-4-202.1 and specified in the convention center reinvestment zone proposal  
 3441 submitted [~~pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit~~  
 3442 ~~Reinvestment Zone Act~~] in accordance with Title 63N, Chapter 23, Part 4,  
 3443 Convention Center Reinvestment Zone in a Capital City.
- 3444 (8) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11), (12), and  
 3445 (13), beginning October 1, 2024, the commission shall transfer to the Utah Fairpark  
 3446 Area Investment and Restoration District, created in Section 11-70-201, the revenue  
 3447 from the sales and use tax imposed by Subsection (2)(a)(i)(A), on transactions occurring  
 3448 within the district sales tax area, as defined in Section 11-70-101.
- 3449 (9)(a) As used in this Subsection (9):
- 3450 (i) "Additional land" means point of the mountain state land described in Subsection  
 3451 11-59-102(6)(b) that the point of the mountain authority acquires after the point of  
 3452 the mountain authority provides the commission a map under Subsection (9)(c).
- 3453 (ii) "Point of the mountain authority" means the Point of the Mountain State Land  
 3454 Authority, created in Section 11-59-201.
- 3455 (iii) "Point of the mountain state land" means the same as that term is defined in  
 3456 Section 11-59-102.
- 3457 (b) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11), (12),  
 3458 and (13), the commission shall distribute to the point of the mountain authority 50%  
 3459 of the revenue from the sales and use tax imposed by Subsection (2)(a)(i)(A), on  
 3460 transactions occurring on the point of the mountain state land.
- 3461 (c) The distribution under Subsection (9)(b) shall begin the next calendar quarter that

- 3462 begins at least 90 days after the point of the mountain authority provides the  
3463 commission a map that:
- 3464 (i) accurately describes the point of the mountain state land; and  
3465 (ii) the point of the mountain authority certifies as accurate.
- 3466 (d) A distribution under Subsection (9)(b) with respect to additional land shall begin the  
3467 next calendar quarter that begins at least 90 days after the point of the mountain  
3468 authority provides the commission a map of point of the mountain state land that:
- 3469 (i) accurately describes the point of the mountain state land, including the additional  
3470 land; and  
3471 (ii) the point of the mountain authority certifies as accurate.
- 3472 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue  
3473 distributed to the point of the mountain authority under Subsection (9)(b), the  
3474 point of the mountain authority shall immediately notify the commission in  
3475 writing that the bonds are paid in full.
- 3476 (ii) The commission shall discontinue distributions of sales and use tax revenue under  
3477 Subsection (9)(b) at the beginning of the calendar quarter that begins at least 90  
3478 days after the date that the commission receives the written notice under  
3479 Subsection (9)(e)(i).
- 3480 (10) Notwithstanding Subsection (3)(a), the amount of state sales tax revenues described in  
3481 Section 63N-2-503.5 is deposited into the Convention Incentive Fund created in Section  
3482 63N-2-503.5.
- 3483 (11)(a) As used in this Subsection (11):
- 3484 (i) "Applicable percentage" means:
- 3485 (A) for a housing and transit reinvestment zone created under [~~Title 63N, Chapter~~  
3486 ~~3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23,  
3487 Part 2, Housing and Transit Reinvestment Zone, 15% of the revenue from the  
3488 sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate for sales  
3489 occurring within the qualified development zone described in Subsection  
3490 (11)(a)(ii)(A);
- 3491 (B) for the Utah Fairpark Area Investment and Restoration District created in  
3492 Section 11-70-201, the revenue from the sales and use tax imposed by  
3493 Subsection (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified  
3494 development zone described in Subsection (11)(a)(ii)(B); and
- 3495 (C) for the Point of the Mountain State Land Authority created in Section

3496 11-59-201, 50% of the revenue from sales and use tax imposed by Subsection  
 3497 (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified development  
 3498 zone described in Subsection (11)(a)(ii)(C).

3499 (ii) "Qualified development zone" means:

3500 (A) the sales and use tax boundary of a housing and transit reinvestment zone  
 3501 created under [~~Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment~~  
 3502 ~~Act~~] Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone;

3503 (B) the district sales tax boundary as defined in Section 11-70-101 for the Utah  
 3504 Fairpark Area Investment and Restoration District, created in Section  
 3505 11-70-201; or

3506 (C) the sales and use tax boundary of point of the mountain state land, as defined  
 3507 in Section 11-59-102, under the Point of the Mountain State Land Authority  
 3508 created in Section 11-59-201.

3509 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form  
 3510 TC-62M, Schedule J or a substantially similar form as designated by the  
 3511 commission.

3512 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
 3513 qualified development zone shall be deposited into the General Fund.

3514 (12)(a) As used in Subsections (12) and (13):

3515 (i) "Applicable percentage" means, for a convention center reinvestment zone created  
 3516 in a capital city under [~~Title 63N, Chapter 3, Part 6, Housing and Transit~~  
 3517 ~~Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 4, Convention Center  
 3518 Reinvestment Zone in a Capital City, an amount equal to 50% of the sales and use  
 3519 tax increment, as that term is defined in Section [~~63N-3-602~~] 63N-23-101, from  
 3520 the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate for sales  
 3521 occurring within the qualified development zone described in Subsection  
 3522 (12)(a)(ii).

3523 (ii) "Qualified development zone" means the sales and use tax boundary of a  
 3524 convention center reinvestment zone created in a capital city under [~~Title 63N,~~  
 3525 ~~Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter  
 3526 23, Part 4, Convention Center Reinvestment Zone in a Capital City.

3527 (iii) "Qualifying construction materials" means construction materials that are:

3528 (A) delivered to a delivery outlet within a qualified development zone; and

3529 (B) intended to be permanently attached to real property within the qualified

- 3530 development zone.
- 3531 (b) For a sale of qualifying construction materials, the commission shall distribute the
- 3532 product calculated in Subsection (12)(c) to a qualified development zone if the seller
- 3533 of the construction materials:
- 3534 (i) establishes a delivery outlet with the commission within the qualified development
- 3535 zone;
- 3536 (ii) reports the sales of the construction materials to the delivery outlet described in
- 3537 Subsection (12)(b)(i); and
- 3538 (iii) does not report the sales of the construction materials on a simplified electronic
- 3539 return.
- 3540 (c) For the purposes of Subsection (12)(b), the product is equal to:
- 3541 (i) the sales price or purchase price of the qualifying construction materials; and
- 3542 (ii) the applicable percentage.
- 3543 (13)(a) As used in this Subsection (13), "Schedule J sale" means a sale reported on State
- 3544 Tax Commission Form TC-62M, Schedule J, or a substantially similar form as
- 3545 designated by the commission.
- 3546 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
- 3547 qualified development zone shall be distributed into the General Fund.
- 3548 Section 21. Section **59-12-205** is amended to read:
- 3549 **59-12-205 (Effective 05/06/26). Ordinances to conform with statutory**
- 3550 **amendments -- Distribution of tax revenue -- Determination of population.**
- 3551 (1) To maintain in effect sales and use tax ordinances adopted [~~pursuant to~~] in accordance
- 3552 with Section 59-12-204, a county, city, or town shall adopt amendments to the county's,
- 3553 city's, or town's sales and use tax ordinances:
- 3554 (a) within 30 days of the day on which the state makes an amendment to an applicable
- 3555 provision of Part 1, Tax Collection; and
- 3556 (b) as required to conform to the amendments to Part 1, Tax Collection.
- 3557 (2)(a) Except as provided in Subsections (3), (4), and (5) and subject to Subsection (6):
- 3558 (i) 50% of each dollar collected from the sales and use tax authorized by this part
- 3559 shall be distributed to each county, city, and town on the basis of the percentage
- 3560 that the population of the county, city, or town bears to the total population of all
- 3561 counties, cities, and towns in the state; and
- 3562 (ii)(A) except as provided in Subsections (2)(a)(ii)(B), (C), (D), (E), and (F), 50%
- 3563 of each dollar collected from the sales and use tax authorized by this part shall

- 3564 be distributed to each county, city, and town on the basis of the location of the  
3565 transaction as determined under Sections 59-12-211 through 59-12-215;
- 3566 (B) except as provided in Subsections (10) through (13), 50% of each dollar  
3567 collected from the sales and use tax authorized by this part within a project  
3568 area described in a project area plan adopted by the military installation  
3569 development authority under Title 63H, Chapter 1, Military Installation  
3570 Development Authority Act, shall be distributed to the military installation  
3571 development authority created in Section 63H-1-201;
- 3572 (C) except as provided in Subsections (10) through (13), beginning July 1, 2024,  
3573 20% of each dollar collected from the sales and use tax authorized by this part  
3574 within a project area under Title 11, Chapter 58, Utah Inland Port Authority  
3575 Act, shall be distributed to the Utah Inland Port Authority, created in Section  
3576 11-58-201;
- 3577 (D) except as provided in Subsections (10) through (13), 50% of each dollar  
3578 collected from the sales and use tax authorized by this part within the lake  
3579 authority boundary, as defined in Section 11-65-101, shall be distributed to the  
3580 Utah Lake Authority, created in Section 11-65-201, beginning the next full  
3581 calendar quarter following the creation of the Utah Lake Authority; ~~and~~
- 3582 (E) except as provided in Subsections (10) through (13), beginning January 1,  
3583 2026, 50% of each dollar collected from the sales and use tax authorized by  
3584 this part within the boundary of an eligible basic special district, as that term is  
3585 defined in Section 17B-1-1405, and if applicable, the boundary of a public  
3586 infrastructure district created by the eligible basic special district, shall be  
3587 distributed to the eligible basic special district[-] ; and
- 3588 (F) except as provided in Subsections (10) through (13), beginning the first day of  
3589 a calendar quarter after the sales and use tax boundary for a major sporting  
3590 event venue zone is established, the commission, at least annually, shall  
3591 transfer an amount equal to 50% of the sales and use tax increment, as defined  
3592 in Section 63N-3-1701, from the sales and use tax imposed under this part on  
3593 transactions occurring within a sales and use tax boundary, as described in  
3594 Section 63N-3-1710, to the creating entity of the major sporting event venue  
3595 zone.
- 3596 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before  
3597 July 1, 2022.

3598 (3) Beginning no sooner than January 1, 2026, and before application of Subsections (2), (4),  
3599 (5), and (6), and except as provided in Subsections (8) and (9), and as described in  
3600 Section ~~[63N-3-610.1]~~ 63N-23-306, beginning the first day of a calendar quarter after the  
3601 year set in the proposal and after the sales and use tax boundary for a convention center  
3602 reinvestment zone is established under ~~[Title 63N, Chapter 3, Part 6, Housing and~~  
3603 ~~Transit Reinvestment Zone Act]~~ Title 63N, Chapter 23, Part 3, Convention Center  
3604 Reinvestment Zone, the commission, at least annually, shall transfer an amount equal to  
3605 100% of the sales and use tax increment, as defined in Section ~~[63N-3-602]~~ 63N-23-101,  
3606 from the sales and use tax imposed under this part on transactions occurring within an  
3607 established sales and use tax boundary, as defined in Section ~~[63N-3-602]~~ 63N-23-101,  
3608 to the entity specified in the convention center reinvestment zone proposal submitted [  
3609 ~~pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act]~~ in  
3610 accordance with Title 63N, Chapter 23, Part 3, Convention Center Reinvestment Zone.

3611 (4)(a) As used in this Subsection (4):

3612 (i) "Eligible county, city, or town" means a county, city, or town that:  
3613 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection  
3614 (4)(b) equal to the amount described in Subsection (4)(b)(ii); and  
3615 (B) does not impose a sales and use tax under Section 59-12-2103 on or before  
3616 July 1, 2016.

3617 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue  
3618 distributions an eligible county, city, or town received from a tax imposed in  
3619 accordance with this part for fiscal year 2004-05.

3620 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax  
3621 imposed in accordance with this part equal to the greater of:

3622 (i) the payment required by Subsection (2); or  
3623 (ii) the minimum tax revenue distribution.

3624 (c) For an eligible county, city, or town that qualifies to receive a distribution described  
3625 in this Subsection (4), the commission shall apply the provisions of this Subsection  
3626 (4) after the commission applies the provisions of Subsection (3).

3627 (5)(a) For purposes of this Subsection (5):

3628 (i) "Annual local contribution" means the lesser of \$275,000 or an amount equal to  
3629 2.55% of the participating local government's tax revenue distribution amount  
3630 under Subsection (2)(a)(i) for the previous fiscal year.

3631 (ii) "Participating local government" means a county or municipality, as defined in

- 3632 Section 10-1-104, that is not an eligible municipality certified in accordance with  
3633 Section 35A-16-404.
- 3634 (b) For revenue collected from the tax authorized by this part that is distributed on or  
3635 after January 1, 2019, the commission, before making a tax revenue distribution  
3636 under Subsection (2)(a)(i) to a participating local government, shall:
- 3637 (i) adjust a participating local government's tax revenue distribution under Subsection  
3638 (2)(a)(i) by:
- 3639 (A) subtracting an amount equal to one-twelfth of the annual local contribution for  
3640 each participating local government from the participating local government's  
3641 tax revenue distribution; and
- 3642 (B) if applicable, reducing the amount described in Subsection (5)(b)(i)(A) by an  
3643 amount equal to one-twelfth of \$250 for each bed that is available at all  
3644 homeless shelters located within the boundaries of the participating local  
3645 government, as reported to the commission by the Office of Homeless Services  
3646 in accordance with Section 35A-16-405; and
- 3647 (ii) deposit the resulting amount described in Subsection (5)(b)(i) into the Homeless  
3648 Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.
- 3649 (c) For a participating local government that qualifies to receive a distribution described  
3650 in Subsection (4), the commission shall apply the provisions of this Subsection (5)  
3651 after the commission applies the provisions of Subsections (3) and (4).
- 3652 (6)(a) As used in this Subsection (6):
- 3653 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to  
3654 the total revenue an establishment described in NAICS Code 327320, Ready-Mix  
3655 Concrete Manufacturing, of the 2022 North American Industry Classification  
3656 System of the federal Executive Office of the President, Office of Management  
3657 and Budget, collects and remits under this part for a calendar year.
- 3658 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.
- 3659 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:
- 3660 (A) contains sand and gravel; and
- 3661 (B) is assessed by the commission in accordance with Section 59-2-201.
- 3662 (iv) "Ton" means a short ton of 2,000 pounds.
- 3663 (v) "Tonnage ratio" means the ratio of:
- 3664 (A) the total amount of sand and gravel, measured in tons, sold during a calendar  
3665 year from all sand and gravel extraction sites located within a county, city, or

- 3666 town; to
- 3667 (B) the total amount of sand and gravel, measured in tons, sold during the same
- 3668 calendar year from sand and gravel extraction sites statewide.
- 3669 (b) For purposes of calculating the ratio described in Subsection (6)(a)(v), the
- 3670 commission shall:
- 3671 (i) use the gross sales data provided to the commission as part of the commission's
- 3672 property tax valuation process; and
- 3673 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
- 3674 lines, apportion the reported tonnage among the counties, cities, or towns based on
- 3675 the percentage of the sand and gravel extraction site located in each county, city,
- 3676 or town, as approximated by the commission.
- 3677 (c)(i) Each July, the commission shall distribute from total collections under this part
- 3678 an amount equal to the annual dedicated sand and gravel sales tax revenue for the
- 3679 preceding calendar year to each county, city, or town in the same proportion as the
- 3680 county's, city's, or town's tonnage ratio for the preceding calendar year.
- 3681 (ii) The commission shall ensure that the revenue distributed under this Subsection
- 3682 (6)(c) is drawn from each jurisdiction's collections in proportion to the
- 3683 jurisdiction's share of total collections for the preceding 12-month period.
- 3684 (d) A county, city, or town shall use revenue described in Subsection (6)(c) for class B
- 3685 or class C roads.
- 3686 (7)(a) Population figures for purposes of this section shall be based on, to the extent not
- 3687 otherwise required by federal law:
- 3688 (i) the most recent estimate from the Utah Population Committee created in Section
- 3689 63C-20-103; or
- 3690 (ii) if the Utah Population Committee estimate is not available for each municipality
- 3691 and unincorporated area, the adjusted sub-county population estimate provided by
- 3692 the Utah Population Committee in accordance with Section 63C-20-104.
- 3693 (b) The population of a county for purposes of this section shall be determined only
- 3694 from the unincorporated area of the county.
- 3695 (8)(a) As used in Subsections (8) and (9):
- 3696 (i) "Applicable percentage" means, for a convention center reinvestment zone created
- 3697 under [~~Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~]
- 3698 Title 63N, Chapter 23, Part 3, Convention Center Reinvestment Zone, for sales
- 3699 occurring within the qualified development zone described in Subsection (8)(a)(ii),

- 3700 100% of the sales and use tax increment, as that term is defined in Section [  
 3701 ~~63N-3-602]~~ 63N-23-101, from the sales and use tax:
- 3702 (A) imposed by a city of the first class in a county of the first class under this part;  
 3703 (B) imposed by a city of the first class in a county of the first class under Section  
 3704 59-12-402.1;
- 3705 (C) imposed by a county of the first class under Section 59-12-1102; and  
 3706 (D) imposed by a county of the first class under Part 22, Local Option Sales and  
 3707 Use Taxes for Transportation Act.
- 3708 (ii) "Qualified development zone" means the sales and use tax boundary of a  
 3709 convention center reinvestment zone created under [~~Title 63N, Chapter 3, Part 6,~~  
 3710 ~~Housing and Transit Reinvestment Zone Act]~~ Title 63N, Chapter 23, Part 3,  
 3711 Convention Center Reinvestment Zone.
- 3712 (iii) "Qualifying construction materials" means construction materials that are:  
 3713 (A) delivered to a delivery outlet within a qualified development zone; and  
 3714 (B) intended to be permanently attached to real property within the qualified  
 3715 development zone.
- 3716 (b) For a sale of qualifying construction materials, the commission shall distribute the  
 3717 product calculated in Subsection (8)(c) to a qualified development zone if the seller  
 3718 of the construction materials:
- 3719 (i) establishes a delivery outlet with the commission within the qualified development  
 3720 zone;
- 3721 (ii) reports the sales of the construction materials to the delivery outlet described in  
 3722 Subsection (8)(b)(i); and
- 3723 (iii) does not report the sales of the construction materials on a simplified electronic  
 3724 return.
- 3725 (c) For the purposes of Subsection (8)(b), the product is equal to:
- 3726 (i) the sales price or purchase price of the qualifying construction materials; and  
 3727 (ii) the applicable percentage.
- 3728 (9)(a) As used in this Subsection (9), "Schedule J sale" means a sale reported on State  
 3729 Tax Commission Form TC-62M, Schedule J, or a substantially similar form as  
 3730 designated by the commission.
- 3731 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
 3732 qualified development zone shall be distributed into the jurisdiction that would have  
 3733 received the revenue in the absence of the qualified development zone.

- 3734 (10)(a) As used in this Subsection (10):
- 3735 (i) "Applicable percentage" means:
- 3736 (A) for a project area adopted by the military installation development authority
- 3737 under Title 63H, Chapter 1, Military Installation Development Authority Act,
- 3738 for sales occurring within a qualified development zone described in
- 3739 Subsection (10)(a)(iii)(A):
- 3740 (I) 50% of the revenue from the sales and use tax imposed under this part;
- 3741 (II) 100% of the revenue from the sales and use tax imposed by the military
- 3742 installation development authority under Section 59-12-401; and
- 3743 (III) 100% of the revenue from the sales and use tax imposed by the military
- 3744 installation development authority under Section 59-12-402; [~~and~~]
- 3745 (B) for a project area under Title 11, Chapter 58, Utah Inland Port Authority Act,
- 3746 for sales occurring within a qualified development zone described in
- 3747 Subsection (10)(a)(iii)(B), 20% of the revenue from the sales and use tax under
- 3748 this part;
- 3749 (C) for the lake authority boundary, as defined in Section 11-65-101, for sales
- 3750 occurring within the qualified development zone described in Subsection
- 3751 (10)(a)(ii)(C), 50% of the revenue from the sales and use tax under this part;
- 3752 (D) for the Utah Fairpark Area Investment and Restoration District, created in
- 3753 Section 11-70-201, for sales occurring within the qualified development zone
- 3754 described in Subsection (10)(a)(iii)(D), 100% of the revenue from the sales and
- 3755 use tax imposed by the Utah Fairpark Area Investment and Restoration District
- 3756 under Sections 59-12-401 and 59-12-402; and
- 3757 (E) for an eligible basic special district created under Title 17B, Chapter 1, Part 14,
- 3758 Basic Special District, for sales occurring within a qualified development zone
- 3759 described in Subsection (10)(a)(iii)(E), 50% of the revenue from the sales and
- 3760 use tax imposed under this part[;] .
- 3761 (ii) "Eligible basic special district" means the same as that term is defined in Section
- 3762 17B-1-1405.
- 3763 (iii) "Qualified development zone" means the sales and use tax boundary of:
- 3764 (A) a project area adopted by the military installation development authority under
- 3765 Title 63H, Chapter 1, Military Installation Development Authority Act;
- 3766 (B) a project area under Title 11, Chapter 58, Utah Inland Port Authority Act;
- 3767 (C) the lake authority boundary, as defined in Section 11-65-101;

- 3768 (D) the Utah Fairpark Investment and Restoration District, created in Section  
3769 11-70-201; or
- 3770 (E) the area within the boundary of an eligible basic special district, and if  
3771 applicable, the boundary of a public infrastructure district created by the basic  
3772 special district[;] .
- 3773 (iv) "Qualifying construction materials" means construction materials that are:  
3774 (A) delivered to a delivery outlet within a qualified development zone; and  
3775 (B) intended to be permanently attached to real property within the qualified  
3776 development zone.
- 3777 (b) For a sale of qualifying construction materials, the commission shall distribute the  
3778 product calculated in Subsection (10)(c) to a qualified development zone if the seller  
3779 of the construction materials:
- 3780 (i) establishes a delivery outlet with the commission within the qualified development  
3781 zone;
- 3782 (ii) reports the sales of the construction materials to the delivery outlet described in  
3783 Subsection (10)(b)(i); and
- 3784 (iii) does not report the sales of the construction materials on a simplified electronic  
3785 return; or
- 3786 (c) For the purposes of Subsection (10)(b), the product is equal to:
- 3787 (i) the sales price or purchase price of the qualifying construction materials; and  
3788 (ii) the applicable percentage.
- 3789 (11)(a) As used in this Subsection (11):
- 3790 (i) "Applicable percentage" means the same as that term is defined in Subsection (10).  
3791 (ii) "Qualified development zone" means the same as that term is defined in  
3792 Subsection (10).  
3793 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form  
3794 TC-62M, Schedule J or a substantially similar form as designated by the  
3795 commission.
- 3796 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
3797 qualified development zone shall be distributed to the jurisdiction that would have  
3798 received the revenue in the absence of the qualified development zone.
- 3799 (12)(a) As used in this Subsection (12):
- 3800 (i) "Applicable percentage" means, for a major sporting event venue zone created  
3801 under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, for

- 3802 sales occurring within the qualified development zone described in Subsection  
3803 (12)(a)(ii):
- 3804 (A) 50% of the sales and use tax increment, as that term is defined in Section [  
3805 ~~63N-3-601~~] 63N-23-101, from the sales and use tax imposed under this part;
- 3806 (B) 100% of the revenue from the sales and use tax imposed by the creating entity  
3807 of a major sporting event venue zone under Section 59-12-401; and
- 3808 (C) 100% of the revenue from the sales and use tax imposed by the creating entity  
3809 of a major sporting event venue zone under Section 59-12-402.
- 3810 (ii) "Qualified development zone" means the sales and use tax boundary, as described  
3811 in Section 63N-3-1710, of a major sporting event venue zone created under Title  
3812 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act.
- 3813 (iii) "Qualifying construction materials" means construction materials that are:
- 3814 (A) delivered to a delivery outlet within a qualified development zone; and  
3815 (B) intended to be permanently attached to real property within the qualified  
3816 development zone.
- 3817 (b) For a sale of qualifying construction materials, the commission shall distribute the  
3818 product calculated in Subsection (12)(c) to the creating entity of a qualified  
3819 development zone if the seller of the construction materials:
- 3820 (i) establishes a delivery outlet with the commission within the qualified development  
3821 zone;
- 3822 (ii) reports the sales of the construction materials to the delivery outlet described in  
3823 Subsection (12)(b)(i); and
- 3824 (iii) does not report the sales of the construction materials on a simplified electronic  
3825 return[~~;~~].
- 3826 (c) For the purposes of Subsection (12)(b), the product is equal to:
- 3827 (i) the sales price or purchase price of the qualifying construction materials; and  
3828 (ii) the applicable percentage.
- 3829 (13)(a) As used in this Subsection (13):
- 3830 (i) "Applicable percentage" means the same as that term is defined in Subsection (12).  
3831 (ii) "Qualified development zone" means the same as that term is defined in  
3832 Subsection (12).  
3833 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form  
3834 TC-62M, Schedule J or a substantially similar form as designated by the  
3835 commission.

3836 (b) Revenue generated from the applicable percentage by a Schedule J sale within a  
 3837 qualified development zone shall be distributed to the jurisdiction that would have  
 3838 received the revenue in the absence of the qualified development zone.

3839 Section 22. Section **59-12-402.1** is amended to read:

3840 **59-12-402.1 (Effective 05/06/26). State correctional facility sales and use tax --**  
 3841 **Base -- Rate -- Collection fees -- Imposition -- Prohibition of military installation**  
 3842 **development authority imposition of tax.**

3843 (1) As used in this section, "new state correctional facility" means a new prison in the state:

- 3844 (a) that is operated by the Department of Corrections;
- 3845 (b) the construction of which begins on or after May 12, 2015; and
- 3846 (c) that provides a capacity of 2,500 or more inmate beds.

3847 (2) Subject to the other provisions of this part, a city or town legislative body may impose a  
 3848 tax under this section if the construction of a new state correctional facility has begun  
 3849 within the boundaries of the city or town.

3850 (3) For purposes of this section, the tax rate may not exceed .5%.

3851 (4) Except as provided in Subsection (5), a tax under this section shall be imposed on the  
 3852 transactions described in Subsection 59-12-103(1) within the city or town.

3853 (5) A city or town may not impose a tax under this section on:

- 3854 (a) the sale of:
  - 3855 (i) a motor vehicle;
  - 3856 (ii) an aircraft;
  - 3857 (iii) a watercraft;
  - 3858 (iv) a modular home;
  - 3859 (v) a manufactured home; or
  - 3860 (vi) a mobile home;
- 3861 (b) the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
 3862 exempt under Section 59-12-104; and
- 3863 (c) except as provided in Subsection (7), amounts paid or charged for food and food  
 3864 ingredients.

3865 (6) For purposes of this section, the location of a transaction shall be determined in  
 3866 accordance with Sections 59-12-211 through 59-12-215.

3867 (7) A city or town that imposes a tax under this section shall impose the tax on the purchase  
 3868 price or sales price for amounts paid or charged for food and food ingredients if the food  
 3869 and food ingredients are sold as part of a bundled transaction attributable to food and

- 3870 food ingredients and tangible personal property other than food and food ingredients.
- 3871 (8) Beginning no sooner than January 1, 2026, and subject to Section 59-12-205, before  
3872 distribution of a sales and use tax imposed under this section, and as described in  
3873 Section [~~63N-3-610.1~~] 63N-23-306, beginning the first day of a calendar quarter after the  
3874 year set in the proposal and after the sales and use tax boundary for a convention center  
3875 reinvestment zone is established under [~~Title 63N, Chapter 3, Part 6, Housing and~~  
3876 ~~Transit Reinvestment Zone Act~~] Title 63N, Chapter 23, Part 3, Convention Center  
3877 Reinvestment Zone, the commission, at least annually, shall transfer an amount equal to  
3878 100% of the sales and use tax increment as defined in Section [~~63N-3-602~~] 63N-23-101,  
3879 from the sales and use tax imposed under this section on transactions occurring within  
3880 an established sales and use tax boundary, as defined in Section [~~63N-3-602~~]  
3881 63N-23-101, to a convention center public infrastructure district created in accordance  
3882 with Section 17D-4-202.1.
- 3883 (9) A city or town may impose a tax under this section by majority vote of the members of  
3884 the city or town legislative body.
- 3885 (10) A city or town that imposes a tax under this section is not subject to Section 59-12-405.
- 3886 (11) A military installation development authority may not impose a tax under this section.
- 3887 Section 23. Section **59-12-402.5** is amended to read:
- 3888 **59-12-402.5 (Effective 05/06/26). Capital city revitalization sales and use tax --**  
3889 **Deadline -- Rate -- Collection fees -- Imposition.**
- 3890 (1) As used in this section:
- 3891 (a) "Local government" means a first class city located within a first class county.
- 3892 (b) "Project area" means the same as that term is defined in Section [~~63N-3-1401~~]  
3893 63N-23-801.
- 3894 (2) The legislative body of the local government may impose a sales and use tax under this  
3895 section if the legislative body, on or before December 31, 2024:
- 3896 (a) complies with the requirements of [~~Title 63N, Chapter 3, Part 14, Capital City~~  
3897 ~~Revitalization Zone~~] Title 63N, Chapter 23, Part 8, Capital City Revitalization Zone;
- 3898 (b) gives final approval to an application by giving final approval of a project zone and a  
3899 participation agreement as provided in Section [~~63N-3-1406~~] 63N-23-806; and
- 3900 (c) imposes the tax according to the procedures and requirements of Section [  
3901 ~~63N-3-1406~~] 63N-23-806.
- 3902 (3)(a) The tax rate may not exceed .5%.
- 3903 (b) The tax imposed under this section may not be imposed for a period greater than 30

- 3904 years, beginning on the date of the first imposition of the tax.
- 3905 (4) Except as provided in Subsection (5), the local government shall impose a tax under this  
3906 section on the transactions described in Subsection 59-12-103(1).
- 3907 (5) A local government may not impose a tax under this section on:
- 3908 (a) the sale of:
- 3909 (i) a motor vehicle;
- 3910 (ii) an aircraft;
- 3911 (iii) a watercraft;
- 3912 (iv) a modular home;
- 3913 (v) a manufactured home; or
- 3914 (vi) a mobile home;
- 3915 (b) the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
3916 exempt from taxation under Section 59-12-104; and
- 3917 (c) except as provided in Subsection (7), amounts paid or charged for food and food  
3918 ingredients.
- 3919 (6) For purposes of this section, the location of a transaction is determined in accordance  
3920 with Sections 59-12-211 through 59-12-215.
- 3921 (7) A local government that imposes a tax under this section shall impose the tax on the  
3922 purchase price or the sales price for amounts paid or charged for food and food  
3923 ingredients if the food and food ingredients are sold as part of a bundled transaction  
3924 attributable to food and food ingredients and tangible personal property other than food  
3925 and food ingredients.
- 3926 (8) A local government may impose a tax under this section by majority vote of the  
3927 members of the local government's legislative body in compliance with the procedures  
3928 and requirements of [~~Title 63N, Chapter 3, Part 14, Capital City Revitalization Zone~~]  
3929 Title 63N, Chapter 23, Part 8, Capital City Revitalization Zone.
- 3930 (9) A military installation development authority may not impose a tax under this section.
- 3931 (10)(a) The commission shall distribute the revenue collected from the tax under this  
3932 section on transactions occurring within the district sales tax area as defined in  
3933 Section 11-70-101 to the Utah Fairpark Area Investment and Restoration District  
3934 created in Section 11-70-201.
- 3935 (b) The commission shall distribute the revenue collected outside of the district sales tax  
3936 area referenced in Subsection (10)(a) to the local government.
- 3937 (11) A local government shall use revenue referenced in Subsection (10)(b) only:

3938 (a) within the project area defined in Section [~~63N-3-1401~~] 63N-23-801; and

3939 (b) for the allowable uses under Section [~~63N-3-1403~~] 63N-23-803.

3940 Section 24. Section **59-12-1102** is amended to read:

3941 **59-12-1102 (Effective 05/06/26). Base -- Rate -- Imposition of tax -- Distribution**  
3942 **of revenue -- Administration -- Administrative charge -- Commission requirement to**  
3943 **retain an amount to be deposited into the Qualified Emergency Food Agencies Fund --**  
3944 **Enactment or repeal of tax -- Effective date -- Notice requirements.**

3945 (1)(a)(i) Subject to Subsections (2) through (7), and in addition to any other tax  
3946 authorized by this chapter, a county may impose by ordinance a county option  
3947 sales and use tax of .25% upon the transactions described in Subsection  
3948 59-12-103(1).

3949 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
3950 section on the sales and uses described in Section 59-12-104 to the extent the sales  
3951 and uses are exempt from taxation under Section 59-12-104.

3952 (b) For purposes of this Subsection (1), the location of a transaction shall be determined  
3953 in accordance with Sections 59-12-211 through 59-12-215.

3954 (c) The county option sales and use tax under this section shall be imposed:

3955 (i) upon transactions that are located within the county, including transactions that are  
3956 located within municipalities in the county; and

3957 (ii) except as provided in Subsection (1)(d) or (6), beginning on the first day of  
3958 January:

3959 (A) of the next calendar year after adoption of the ordinance imposing the tax if  
3960 the ordinance is adopted on or before May 25; or

3961 (B) of the second calendar year after adoption of the ordinance imposing the tax if  
3962 the ordinance is adopted after May 25.

3963 (d) The county option sales and use tax under this section shall be imposed:

3964 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
3965 September 4, 1997; or

3966 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during  
3967 1997 but after September 4, 1997.

3968 (2)(a) Before imposing a county option sales and use tax under Subsection (1), a county  
3969 shall hold two public hearings on separate days in geographically diverse locations in  
3970 the county.

3971 (b)(i) At least one of the hearings required by Subsection (2)(a) shall have a starting

- 3972 time of no earlier than 6 p.m.
- 3973 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than  
 3974 seven days after the day the first advertisement required by Subsection (2)(c) is  
 3975 published.
- 3976 (c)(i) Before holding the public hearings required by Subsection (2)(a), the county  
 3977 shall advertise:
- 3978 (A) [~~its~~] the county's intent to adopt a county option sales and use tax;  
 3979 (B) the date, time, and location of each public hearing; and  
 3980 (C) a statement that the purpose of each public hearing is to obtain public  
 3981 comments regarding the proposed tax.
- 3982 (ii) The advertisement shall be published:
- 3983 (A) in a newspaper of general circulation in the county once each week for the  
 3984 two weeks preceding the earlier of the two public hearings; and  
 3985 (B) for the county, as a class A notice under Section 63G-30-102, for two weeks  
 3986 before the day on which the first of the two public hearings is held.
- 3987 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than [~~1/8~~]  
 3988 one-eighth page in size, and the type used shall be no smaller than 18 point and  
 3989 surrounded by a [~~1/4-inch~~] one-quarter inch border.
- 3990 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
 3991 portion of the newspaper where legal notices and classified advertisements appear.
- 3992 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:
- 3993 (A) the advertisement shall appear in a newspaper that is published at least five  
 3994 days a week, unless the only newspaper in the county is published less than  
 3995 five days a week; and  
 3996 (B) the newspaper selected shall be one of general interest and readership in the  
 3997 community, and not one of limited subject matter.
- 3998 (d) The adoption of an ordinance imposing a county option sales and use tax is subject to  
 3999 a local referendum election and shall be conducted as provided in Title 20A, Chapter  
 4000 7, Part 6, Local Referenda - Procedures.
- 4001 (3) Beginning no sooner than January 1, 2026, and subject to Section 59-12-205, before  
 4002 application of Subsections (4) through (7), and as described in Section [~~63N-3-610.1~~]  
 4003 63N-3-306, beginning the first day of a calendar quarter after the year set in the proposal  
 4004 and after the sales and use tax boundary for a convention center reinvestment zone is  
 4005 established under [~~Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone~~

- 4006 ~~Aet]~~ Title 63N, Chapter 23, Part 3, Convention Center Reinvestment Zone, the  
4007 commission, at least annually, shall transfer an amount equal to 100% of the sales and  
4008 use tax increment as defined in Section [~~63N-3-602~~] 63N-23-101, from the sales and use  
4009 tax imposed under this part on transactions occurring within an established sales and use  
4010 tax boundary, as defined in Section [~~63N-3-602~~] 63N-23-101, to a convention center  
4011 public infrastructure district created in accordance with Section 17D-4-202.1.
- 4012 (4)(a) Subject to Subsection (6), if the aggregate population of the counties imposing a  
4013 county option sales and use tax under Subsection (1) is less than 75% of the state  
4014 population, the tax levied under Subsection (1) shall be distributed to the county in  
4015 which the tax was collected.
- 4016 (b) Subject to Subsection (6), if the aggregate population of the counties imposing a  
4017 county option sales and use tax under Subsection (1) is greater than or equal to 75%  
4018 of the state population:
- 4019 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed  
4020 to the county in which the tax was collected; and
- 4021 (ii) except as provided in Subsection (4)(c), 50% of the tax collected under  
4022 Subsection (1) in each county shall be distributed proportionately among all  
4023 counties imposing the tax, based on the total population of each county.
- 4024 (c) Except as provided in Subsection (6), the amount to be distributed annually to a  
4025 county under Subsection (4)(b)(ii), when combined with the amount distributed to the  
4026 county under Subsection (4)(b)(i), does not equal at least \$75,000, then:
- 4027 (i) the amount to be distributed annually to that county under Subsection (4)(b)(ii)  
4028 shall be increased so that, when combined with the amount distributed to the  
4029 county under Subsection (4)(b)(i), the amount distributed annually to the county is  
4030 \$75,000; and
- 4031 (ii) the amount to be distributed annually to all other counties under Subsection  
4032 (4)(b)(ii) shall be reduced proportionately to offset the additional amount  
4033 distributed under Subsection (4)(c)(i).
- 4034 (d) The commission shall establish rules to implement the distribution of the tax under  
4035 Subsections (4)(a), (b), and (c).
- 4036 (e) Population for each county for purposes of this Subsection (4) shall be based on, to  
4037 the extent not otherwise required by federal law:
- 4038 (i) the estimate of the Utah Population Committee created in Section 63C-20-103; or  
4039 (ii) if the Utah Population Committee estimate is not available, the most recent

- 4040 census or census estimate of the United States Bureau of the Census.
- 4041 (5)(a) Except as provided in Subsection (5)(b) or (c), a tax authorized under this part  
4042 shall be administered, collected, enforced, and interpreted in accordance with:
- 4043 (i) the same procedures used to administer, collect, enforce, and interpret the tax  
4044 under:
- 4045 (A) Part 1, Tax Collection; or  
4046 (B) Part 2, Local Sales and Use Tax Act; and  
4047 (ii) Chapter 1, General Taxation Policies.
- 4048 (b) A tax under this part is not subject to Subsections 59-12-205(2) and (4) through (6).
- 4049 (c)(i) Subject to Subsection (5)(c)(ii), the commission shall retain and deposit an  
4050 administrative charge in accordance with Section 59-1-306 from the revenue the  
4051 commission collects from a tax under this part.
- 4052 (ii) Notwithstanding Section 59-1-306, the administrative charge described in  
4053 Subsection (5)(c)(i) shall be calculated by taking a percentage described in  
4054 Section 59-1-306 of the distribution amounts resulting after:
- 4055 (A) the applicable distribution calculations under Subsection (4) have been made;  
4056 and  
4057 (B) the commission retains the amount required by Subsection (6).
- 4058 (6)(a) Beginning on July 1, 2009, the commission shall calculate and retain a portion of  
4059 the sales and use tax collected under this part as provided in this Subsection (6).
- 4060 (b) For a county that imposes a tax under this part, the commission shall calculate a  
4061 percentage each month by dividing the sales and use tax collected under this part for  
4062 that month within the boundaries of that county by the total sales and use tax  
4063 collected under this part for that month within the boundaries of all of the counties  
4064 that impose a tax under this part.
- 4065 (c) For a county that imposes a tax under this part, the commission shall retain each  
4066 month an amount equal to the product of:
- 4067 (i) the percentage the commission determines for the month under Subsection (6)(b)  
4068 for the county; and  
4069 (ii) \$6,354.
- 4070 (d) The commission shall deposit an amount the commission retains in accordance with  
4071 this Subsection (6) into the Qualified Emergency Food Agencies Fund created by  
4072 Section 35A-8-1009.
- 4073 (e) An amount the commission deposits into the Qualified Emergency Food Agencies

- 4074 Fund shall be expended as provided in Section 35A-8-1009.
- 4075 (7)(a) For purposes of this Subsection (7):
- 4076 (i) "Annexation" means an annexation to a county under Title 17, Chapter 61, Part 2,
- 4077 Consolidation of Counties, or Part 3, County Annexation.
- 4078 (ii) "Annexing area" means an area that is annexed into a county.
- 4079 (b)(i) Except as provided in Subsection (7)(c) or (d), if, on or after July 1, 2004, a
- 4080 county enacts or repeals a tax under this part:
- 4081 (A)(I) the enactment shall take effect as provided in Subsection (1)(c); or
- 4082 (II) the repeal shall take effect on the first day of a calendar quarter; and
- 4083 (B) after a 90-day period beginning on the date the commission receives notice
- 4084 meeting the requirements of Subsection (7)(b)(ii) from the county.
- 4085 (ii) The notice described in Subsection (7)(b)(i)(B) shall state:
- 4086 (A) that the county will enact or repeal a tax under this part;
- 4087 (B) the statutory authority for the tax described in Subsection (7)(b)(ii)(A);
- 4088 (C) the effective date of the tax described in Subsection (7)(b)(ii)(A); and
- 4089 (D) if the county enacts the tax described in Subsection (7)(b)(ii)(A), the rate of
- 4090 the tax.
- 4091 (c)(i) If the billing period for a transaction begins before the effective date of the
- 4092 enactment of the tax under Subsection (1), the enactment of the tax takes effect on
- 4093 the first day of the first billing period that begins on or after the effective date of
- 4094 the enactment of the tax.
- 4095 (ii) The repeal of a tax applies to a billing period if the billing statement for the
- 4096 billing period is produced on or after the effective date of the repeal of the tax
- 4097 imposed under Subsection (1).
- 4098 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 4099 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
- 4100 described in Subsection (7)(b)(i) takes effect:
- 4101 (A) on the first day of a calendar quarter; and
- 4102 (B) beginning 60 days after the effective date of the enactment or repeal under
- 4103 Subsection (7)(b)(i).
- 4104 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 4105 the commission may by rule define the term "catalogue sale."
- 4106 (e)(i) Except as provided in Subsection (7)(f) or (g), if, for an annexation that occurs
- 4107 on or after July 1, 2004, the annexation will result in the enactment or repeal of a

- 4108 tax under this part for an annexing area, the enactment or repeal shall take effect:
- 4109 (A) on the first day of a calendar quarter; and
- 4110 (B) after a 90-day period beginning on the date the commission receives notice
- 4111 meeting the requirements of Subsection (7)(e)(i) from the county that annexes
- 4112 the annexing area.
- 4113 (ii) The notice described in Subsection (7)(e)(i)(B) shall state:
- 4114 (A) that the annexation described in Subsection (7)(b)(i) will result in an
- 4115 enactment or repeal of a tax under this part for the annexing area;
- 4116 (B) the statutory authority for the tax described in Subsection (7)(e)(ii)(A);
- 4117 (C) the effective date of the tax described in Subsection (7)(e)(ii)(A); and
- 4118 (D) the rate of the tax described in Subsection (7)(e)(ii)(A).
- 4119 (f)(i) If the billing period for a transaction begins before the effective date of the
- 4120 enactment of the tax under Subsection (1), the enactment of the tax takes effect on
- 4121 the first day of the first billing period that begins on or after the effective date of
- 4122 the enactment of the tax.
- 4123 (ii) The repeal of a tax applies to a billing period if the billing statement for the
- 4124 billing period is produced on or after the effective date of the repeal of the tax
- 4125 imposed under Subsection (1).
- 4126 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 4127 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
- 4128 described in Subsection (7)(e)(i) takes effect:
- 4129 (A) on the first day of a calendar quarter; and
- 4130 (B) beginning 60 days after the effective date of the enactment or repeal under
- 4131 Subsection (7)(e)(i).
- 4132 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 4133 the commission may by rule define the term "catalogue sale."
- 4134 Section 25. Section **59-12-2206** is amended to read:
- 4135 **59-12-2206 (Effective 05/06/26). Administration, collection, and enforcement of a**
- 4136 **sales and use tax under this part -- Transmission of revenue monthly by electronic funds**
- 4137 **transfer -- Transfer of revenue to a public transit district or eligible political subdivision.**
- 4138 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
- 4139 enforce a sales and use tax imposed under this part.
- 4140 (2) The commission shall administer, collect, and enforce a sales and use tax imposed under
- 4141 this part in accordance with:

- 4142 (a) the same procedures used to administer, collect, and enforce a tax under:  
4143 (i) Part 1, Tax Collection; or  
4144 (ii) Part 2, Local Sales and Use Tax Act; and  
4145 (b) Chapter 1, General Taxation Policies.
- 4146 (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2) and (4)  
4147 through (6).
- 4148 (4) Subject to Section 59-12-2207 and except as provided in Subsections (5) and (6) or  
4149 another provision of this part, the state treasurer shall transmit revenue collected within a  
4150 county, city, or town from a sales and use tax under this part to the county, city, or town  
4151 legislative body monthly by electronic funds transfer.
- 4152 (5) Beginning no sooner than January 1, 2026, and subject to Section 59-12-205, before  
4153 transmitting revenue as described in Subsection (4), and before application of  
4154 Subsection (6), and as described in Section [~~63N-3-610.1~~] 63N-23-306, beginning the  
4155 first day of a calendar quarter after the year set in the proposal and after the sales and use  
4156 tax boundary for a convention center reinvestment zone is established under [~~Title 63N,~~  
4157 ~~Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act~~] Title 63N, Chapter 23,  
4158 Part 3, Convention Center Reinvestment Zone, the commission, at least annually, shall  
4159 transfer an amount equal to 100% of the sales and use tax increment, as that term is  
4160 defined in Section [~~63N-3-602~~] 63N-23-101, from a sales and use tax on transactions  
4161 occurring within an established sales and use tax boundary, as that term is defined in  
4162 Section [~~63N-3-602~~] 63N-23-101, to a convention center public infrastructure district  
4163 created in accordance with Section 17D-4-202.1 for sales and use taxes imposed by a  
4164 county of the first class [~~pursuant to~~] in accordance with:
- 4165 (a) Section 59-12-2213;  
4166 (b) Section 59-12-2214;  
4167 (c) Section 59-12-2217;  
4168 (d) Section 59-12-2219; and  
4169 (e) Section 59-12-2220.
- 4170 (6)(a) Subject to Section 59-12-2207, and except as provided in Subsection (6)(b), the  
4171 state treasurer shall transfer revenue collected within a county, city, or town from a  
4172 sales and use tax under this part directly to a public transit district organized under  
4173 Title 17B, Chapter 2a, Part 8, Public Transit District Act, or an eligible political  
4174 subdivision as defined in Section 59-12-2202, if the county, city, or town legislative  
4175 body:

- 4176 (i) provides written notice to the commission and the state treasurer requesting the  
 4177 transfer; and
- 4178 (ii) designates the public transit district or eligible political subdivision to which the  
 4179 county, city, or town legislative body requests the state treasurer to transfer the  
 4180 revenue.
- 4181 (b) The commission shall transmit a portion of the revenue collected within a county,  
 4182 city, or town from a sales and use tax under this part that would be transferred to a  
 4183 public transit district or an eligible political subdivision under Subsection (6)(a) to  
 4184 the county, city, or town to fund public transit fixed guideway safety oversight under  
 4185 Section 72-1-214 if the county, city, or town legislative body:
- 4186 (i) provides written notice to the commission and the state treasurer requesting the  
 4187 transfer; and
- 4188 (ii) specifies the amount of revenue required to be transmitted to the county, city, or  
 4189 town.

4190 Section 26. Section **59-12-2220** is amended to read:

4191 **59-12-2220 (Effective 05/06/26). County option sales and use tax to fund**  
 4192 **highways or a system for public transit -- Base -- Rate.**

- 4193 (1) Subject to the other provisions of this part and subject to the requirements of this  
 4194 section, the following counties may impose a sales and use tax under this section:
- 4195 (a) a county legislative body may impose the sales and use tax on the transactions  
 4196 described in Subsection 59-12-103(1) located within the county, including the cities  
 4197 and towns within the county if:
- 4198 (i) the entire boundary of a county is annexed into a large public transit district; and  
 4199 (ii) the maximum amount of sales and use tax authorizations allowed in accordance  
 4200 with Section 59-12-2203 and authorized under the following sections has been  
 4201 imposed:
- 4202 (A) Section 59-12-2213;  
 4203 (B) Section 59-12-2214;  
 4204 (C) Section 59-12-2215;  
 4205 (D) Section 59-12-2216;  
 4206 (E) Section 59-12-2217;  
 4207 (F) Section 59-12-2218; and  
 4208 (G) Section 59-12-2219;
- 4209 (b) if the county is not annexed into a large public transit district, the county legislative

- 4210 body may impose the sales and use tax on the transactions described in Subsection  
4211 59-12-103(1) located within the county, including the cities and towns within the  
4212 county if:
- 4213 (i) the county is an eligible political subdivision; or
  - 4214 (ii) a city or town within the boundary of the county is an eligible political  
4215 subdivision; or
  - 4216 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may  
4217 impose the sales and use tax on the transactions described in Subsection 59-12-103(1)  
4218 located within the county, including the cities and towns within the county.
- 4219 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a  
4220 county legislative body that imposes a sales and use tax under this section may impose  
4221 the tax at a rate of .2%.
- 4222 (3)(a) The commission shall distribute sales and use tax revenue collected under this  
4223 section as determined by a county legislative body as described in Subsection (3)(b).
- 4224 (b) If a county legislative body imposes a sales and use tax as described in this section,  
4225 the county legislative body may elect to impose a sales and use tax revenue  
4226 distribution as described in Subsection (4), (5), (6), or (7), depending on the class of  
4227 county, and presence and type of a public transit provider in the county.
- 4228 (4) Subject to Subsection (11), and after application of Subsection 59-12-2206(5), if a  
4229 county legislative body imposes a sales and use tax as described in this section, and the  
4230 entire boundary of the county is annexed into a large public transit district, and the  
4231 county is a county of the first class, the commission shall distribute the sales and use tax  
4232 revenue as follows:
- 4233 (a) .10% to a public transit district as described in Subsection (11);
  - 4234 (b) .05% to the cities and towns as provided in Subsection (8); and
  - 4235 (c) .05% to the county legislative body.
- 4236 (5) Subject to Subsection (11), if a county legislative body imposes a sales and use tax as  
4237 described in this section and the entire boundary of the county is annexed into a large  
4238 public transit district, and the county is a county not described in Subsection (4), the  
4239 commission shall distribute the sales and use tax revenue as follows:
- 4240 (a) .10% to a public transit district as described in Subsection (11);
  - 4241 (b) .05% to the cities and towns as provided in Subsection (8); and
  - 4242 (c) .05% to the county legislative body.
- 4243 (6)(a) Except as provided in Subsection (14)(c), if the entire boundary of a county that

- 4244 imposes a sales and use tax as described in this section is not annexed into a single  
4245 public transit district, but a city or town within the county is annexed into a single  
4246 public transit district, or if the city or town is an eligible political subdivision, the  
4247 commission shall distribute the sales and use tax revenue collected within the county  
4248 as provided in Subsection (6)(b) or (c).
- 4249 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is  
4250 annexed into the single public transit district, or an eligible political subdivision, the  
4251 commission shall distribute the sales and use tax revenue collected within the portion  
4252 of the county that is within a public transit district or eligible political subdivision as  
4253 follows:
- 4254 (i) .05% to a public transit provider as described in Subsection (11);  
4255 (ii) .075% to the cities and towns as provided in Subsection (8); and  
4256 (iii) .075% to the county legislative body.
- 4257 (c) Except as provided in Subsection (14)(c), for a city, town, or portion of the county  
4258 described in Subsection (6)(a) that is not annexed into a single public transit district  
4259 or eligible political subdivision in the county, the commission shall distribute the  
4260 sales and use tax revenue collected within that portion of the county as follows:
- 4261 (i) .08% to the cities and towns as provided in Subsection (8); and  
4262 (ii) .12% to the county legislative body.
- 4263 (7) For a county without a public transit service that imposes a sales and use tax as  
4264 described in this section, the commission shall distribute the sales and use tax revenue  
4265 collected within the county as follows:
- 4266 (a) .08% to the cities and towns as provided in Subsection (8); and  
4267 (b) .12% to the county legislative body.
- 4268 (8)(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions  
4269 required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:
- 4270 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),  
4271 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)  
4272 through (7) shall be distributed to the unincorporated areas, cities, and towns  
4273 within those counties on the basis of the percentage that the population of each  
4274 unincorporated area, city, or town bears to the total population of all of the  
4275 counties that impose a tax under this section; and  
4276 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),  
4277 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)

4278 through (7) shall be distributed to the unincorporated areas, cities, and towns  
4279 within those counties on the basis of the location of the transaction as determined  
4280 under Sections 59-12-211 through 59-12-215.

4281 (b)(i) Population for purposes of this Subsection (8) shall be based on, to the extent  
4282 not otherwise required by federal law:

4283 (A) the most recent estimate from the Utah Population Committee created in  
4284 Section 63C-20-103; or

4285 (B) if the Utah Population Committee estimate is not available for each  
4286 municipality and unincorporated area, the adjusted sub-county population  
4287 estimate provided by the Utah Population Committee in accordance with  
4288 Section 63C-20-104.

4289 (ii) If a needed population estimate is not available from the United States Census  
4290 Bureau, population figures shall be derived from an estimate from the Utah  
4291 Population Estimates Committee created by executive order of the governor.

4292 (c)(i) Beginning on January 1, 2024, if the Housing and Community Development  
4293 Division within the Department of Workforce Services determines that a city or  
4294 town is ineligible for funds in accordance with Subsection 10-21-202(6),  
4295 beginning the first day of the calendar quarter after receiving 90 days' notice, the  
4296 commission shall distribute the distribution that city or town would have received  
4297 under Subsection (8)(a) to cities or towns to which Subsection 10-21-202(6) does  
4298 not apply.

4299 (ii) Beginning on January 1, 2024, if the Housing and Community Development  
4300 Division within the Department of Workforce Services determines that a county is  
4301 ineligible for funds in accordance with Subsection 17-80-202(6), beginning the  
4302 first day of the calendar quarter after receiving 90 days' notice, the commission  
4303 shall distribute the distribution that county would have received under Subsection  
4304 (8)(a) to counties to which Subsection 17-80-202(6) does not apply.

4305 (9) If a public transit service is organized after the date a county legislative body first  
4306 imposes a tax under this section, a change in a distribution required by this section may  
4307 not take effect until the first distribution the commission makes under this section after a  
4308 90-day period that begins on the date the commission receives written notice from the  
4309 public transit provider that the public transit service has been organized.

4310 (10)(a) Except as provided in Subsections (10)(b) and (c), a county, city, or town that  
4311 received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii),

- 4312 (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in  
 4313 Section 59-12-2212.2.
- 4314 (b) If a county described in Subsection (1)(a) that is a county of the first class imposes  
 4315 the sales and use tax authorized in this section, the county may also use funds  
 4316 distributed in accordance with Subsection (4)(c) for public safety purposes.
- 4317 (c) In addition to the purposes described in Subsections (10)(a) and (b), for a city  
 4318 relevant to a project area, as that term is defined in Section [~~63N-3-1401~~] 63N-23-801,  
 4319 an allowable use of revenue from a sales and use tax under this section includes the  
 4320 revitalization of a convention center owned by the county within a city of the first  
 4321 class and surrounding revitalization projects related to the convention center.
- 4322 (11)(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit  
 4323 as described in this section may be used for capital expenses and service delivery  
 4324 expenses of:
- 4325 (i) a public transit district;
- 4326 (ii) an eligible political subdivision; or
- 4327 (iii) another entity providing a service for public transit or a transit facility within the  
 4328 relevant county, as those terms are defined in Section 17B-2a-802.
- 4329 (b)(i)(A) If a county of the first class imposes a sales and use tax described in this  
 4330 section, beginning on the date on which the county imposes the sales and use  
 4331 tax under this section, and for a three-year period after at least three counties  
 4332 described in Subsections (4) and (5) have imposed a tax under this section, or  
 4333 until June 30, 2030, whichever comes first, revenue designated for public  
 4334 transit within a county of the first class as described in Subsection (4)(a) shall  
 4335 be transferred to the County of the First Class Highway Projects Fund created  
 4336 in Section 72-2-121.
- 4337 (B) Revenue deposited into the County of the First Class Highway Projects Fund  
 4338 created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be  
 4339 used for public transit innovation grants as provided in Title 72, Chapter 2, Part  
 4340 4, Public Transit Innovation Grants.
- 4341 (ii) If a county of the first class imposes a sales and use tax described in this section,  
 4342 beginning on the day three years after the date on which at least three counties  
 4343 described in Subsections (4) and (5) have imposed a tax under this section, or  
 4344 beginning on July 1, 2030, whichever comes first, for revenue designated for  
 4345 public transit as described in Subsection (4)(a):

4346 (A) 50% of the revenue from a sales and use tax imposed under this section in a  
4347 county of the first class shall be transferred to the County of the First Class  
4348 Highway Projects Fund created in Section 72-2-121; and

4349 (B) 50% of the revenue from a sales and use tax imposed under this section in a  
4350 county of the first class shall be transferred to the Transit Transportation  
4351 Investment Fund created in Subsection 72-2-124(9).

4352 (c)(i) If a county that is not a county of the first class for which the entire boundary of  
4353 the county is annexed into a large public transit district imposes a sales and use  
4354 tax described in this section, beginning on the date on which the county imposes  
4355 the sales and use tax under this section, and for a three-year period following the  
4356 date on which at least three counties described in Subsections (4) and (5) have  
4357 imposed a tax under this section, or until June 30, 2030, whichever comes first,  
4358 revenue designated for public transit as described in Subsection (5)(a) shall be  
4359 transferred to the relevant county legislative body to be used for a purpose  
4360 described in Subsection (11)(a).

4361 (ii) If a county that is not a county of the first class for which the entire boundary of  
4362 the county is annexed into a large public transit district imposes a sales and use  
4363 tax described in this section, beginning on the day three years after the date on  
4364 which at least three counties described in Subsections (4) and (5) have imposed a  
4365 tax under this section, or beginning on July 1, 2030, whichever comes first, for the  
4366 revenue that is designated for public transit in Subsection (5)(a):

4367 (A) 50% shall be transferred to the Transit Transportation Investment Fund  
4368 created in Subsection 72-2-124(9); and

4369 (B) 50% shall be transferred to the relevant county legislative body to be used for  
4370 a purpose described in Subsection (11)(a).

4371 (d) Except as provided in Subsection [~~(13)(e)~~] (14)(c), for a county that imposes a sales  
4372 and use tax under this section, for revenue designated for public transit as described  
4373 in Subsection (6)(b)(i), the revenue shall be transferred to the relevant county  
4374 legislative body to be used for a purpose described in Subsection (11)(a).

4375 (12) A large public transit district shall send notice to the commission at least 90 days  
4376 before the earlier of:

4377 (a) the date that is three years after the date on which at least three counties described in  
4378 Subsections (4) and (5) have imposed a tax under this section; or

4379 (b) June 30, 2030.

4380 (13) For a city described in Subsection (10)(c), during the bondable term of a revitalization  
 4381 project described in Subsection (10)(c), the city shall transfer at least 50%, and may  
 4382 transfer up to 100%, of any revenue the city receives from a distribution under  
 4383 Subsection (4)(b) to a convention center public infrastructure district created in  
 4384 accordance with Section 17D-4-202.1 for revitalization of a convention center owned by  
 4385 the county within a city of the first class and surrounding revitalization projects related  
 4386 to the convention center as permitted in Subsection (10)(c).

4387 (14)(a) Notwithstanding Section 59-12-2208, a county legislative body may, but is not  
 4388 required to, submit an opinion question to the county's registered voters in  
 4389 accordance with Section 59-12-2208 to impose a sales and use tax under this section.

4390 (b) If a county passes an ordinance to impose a sales and use tax as described in this  
 4391 section, the sales and use tax shall take effect on the first day of the calendar quarter  
 4392 after a 90-day period that begins on the date the commission receives written notice  
 4393 from the county of the passage of the ordinance.

4394 (c) A county that imposed the local option sales and use tax described in this section  
 4395 before January 1, 2023, may maintain that county's distribution allocation in place as  
 4396 of January 1, 2023.

4397 (15)(a) Revenue collected from a sales and use tax under this section may not be used to  
 4398 supplant existing General Fund appropriations that a county, city, or town budgeted  
 4399 for transportation or public transit as of the date the tax becomes effective for a  
 4400 county, city, or town.

4401 (b) The limitation under Subsection (15)(a) does not apply to a designated transportation  
 4402 or public transit capital or reserve account a county, city, or town established before  
 4403 the date the tax becomes effective.

4404 Section 27. Section **63N-23-101**, which is renumbered from Section 63N-3-602 is renumbered  
 4405 and amended to read:

## 4406 **CHAPTER 23. Housing Investment and Opportunity Act**

### 4407 **Part 1. General Provisions**

#### 4408 **~~[63N-3-602]~~ 63N-23-101 (Effective 05/06/26). Definitions.**

4409 As used in this [part] chapter:

4410 (1) "Affordable housing" means housing occupied or reserved for occupancy by households  
 4411 with a gross household income:

4412 (a) equal to or less than 80% of the county median gross income for households of the

- 4413 same size, in certain circumstances as provided in this part; or  
4414 (b) equal to or less than 60% of the county median gross income for households of the  
4415 same size, in certain circumstances as provided in this part.
- 4416 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 4417 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
4418 roll last equalized during the base year.
- 4419 (4) "Base year" means, for each property tax increment collection period triggered within a  
4420 proposed housing and transit reinvestment zone[-ər] , convention center reinvestment  
4421 zone project area, or home ownership promotion zone, the calendar year [pɪər-tə] before  
4422 the calendar year the property tax increment begins to be collected for the parcels that  
4423 are in a project that is triggered for that collection period.
- 4424 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and  
4425 efficient service that may include dedicated lanes, busways, traffic signal priority,  
4426 off-board fare collection, elevated platforms, and enhanced stations.
- 4427 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed  
4428 station, stop, or terminal that is specifically identified as needed in phase one of a  
4429 metropolitan planning organization's adopted long-range transportation plan and in  
4430 phase one of the relevant public transit district's adopted long-range transit plan:  
4431 (a) along an existing bus rapid transit line; or  
4432 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 4433 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 4434 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a  
4435 large public transit district.  
4436 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public  
4437 transit district.
- 4438 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed  
4439 station, stop, or terminal, which has been specifically identified as needed in phase one  
4440 of a metropolitan planning organization's adopted long-range transportation plan and in  
4441 phase one of the relevant public transit district's adopted long-range transit plan:  
4442 (a) along an existing commuter rail line;  
4443 (b) along an extension to an existing commuter rail line or new commuter rail line;  
4444 (c) along a fixed guideway extension from an existing commuter rail line; or  
4445 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an  
4446 existing commuter rail station.

- 4447 (10) "Convention center" means a convention center owned by a county of the first class  
4448 within a city of the first class.
- 4449 (11) "Convention center revitalization project" means a project within a city of the first  
4450 class within a county of the first class for the revitalization, activation, and  
4451 modernization of a convention center and the surrounding area, including projects  
4452 meeting the objectives described in [~~Section 63N-3-603.1~~] Section 63N-23-301 or  
4453 63N-23-401.
- 4454 (12) "Convention center reinvestment zone" means a convention center reinvestment zone  
4455 created under [~~this part~~] Part 3, Convention Center Reinvestment Zone.
- 4456 (13) "Convention center reinvestment zone in a capital city" means a convention center  
4457 reinvestment zone in a capital city created under Part 4, Convention Center  
4458 Reinvestment Zone in a Capital City.
- 4459 [~~(13)~~] (14)(a) "Developable area" means the portion of land within a housing and transit  
4460 reinvestment zone available for development and construction of business and  
4461 residential uses.
- 4462 (b) "Developable area" does not include portions of land within a housing and transit  
4463 reinvestment zone that are allocated to:
- 4464 (i) parks;
- 4465 (ii) recreation facilities;
- 4466 (iii) open space;
- 4467 (iv) trails;
- 4468 (v) publicly-owned roadway facilities; or
- 4469 (vi) other public facilities.
- 4470 [~~(14)~~] (15) "Dwelling unit" means one or more rooms arranged for the use of one or more  
4471 individuals living together, as a single housekeeping unit normally having cooking,  
4472 living, sanitary, and sleeping facilities.
- 4473 [~~(15)~~] (16) "Eligible municipality" means a city that:
- 4474 (a)(i) is the county seat of a county of the first class; or
- 4475 (ii) a city of the first class located in a county of the first class; and
- 4476 (b) has a convention center within the boundary of the city.
- 4477 [~~(16)~~] (17) "Enhanced development" means the construction of mixed uses including  
4478 housing, commercial uses, and related facilities.
- 4479 [~~(17)~~] (18) "Enhanced development costs" means extra costs associated with structured  
4480 parking costs, vertical construction costs, horizontal construction costs, life safety costs,

- 4481 structural costs, conveyor or elevator costs, and other costs incurred due to the increased  
4482 height of buildings or enhanced development.
- 4483 [(18)] (19) "First home investment zone" means the same as that term is defined in Section [  
4484 ~~63N-3-1601~~] 63N-23-701.
- 4485 [(19)] (20) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 4486 [(20)] (21) "Horizontal construction costs" means the additional costs associated with  
4487 earthwork, over excavation, utility work, transportation infrastructure, and landscaping  
4488 to achieve enhanced development in the housing and transit reinvestment zone.
- 4489 [(21)] (22) "Housing and transit reinvestment zone" means a housing and transit  
4490 reinvestment zone created [~~pursuant to this part~~] under Section 63N-23-202.
- 4491 [(22)] (23) "Housing and transit reinvestment zone committee" means a housing and transit  
4492 reinvestment zone committee created [~~pursuant to Section 63N-3-605~~] in accordance  
4493 with Section 63N-23-102.
- 4494 [(23)] (24) "Large public transit district" means the same as that term is defined in Section  
4495 17B-2a-802.
- 4496 [(24)] (25) "Light rail" means a passenger rail public transit system with right-of-way and  
4497 fixed rails:
- 4498 (a) dedicated to exclusive use by light-rail public transit vehicles;  
4499 (b) that may cross streets at grade; and  
4500 (c) that may share parts of surface streets.
- 4501 [(25)] (26) "Light rail station" means an existing station, stop, or terminal or a proposed  
4502 station, stop, or terminal, which has been specifically identified as needed in phase one  
4503 of a metropolitan planning organization's adopted long-range transportation plan and in  
4504 phase one of the relevant public transit district's adopted long-range plan:
- 4505 (a) along an existing light rail line; or  
4506 (b) along an extension to an existing light rail line or new light rail line.
- 4507 [(26)] (27) "Metropolitan planning organization" means the same as that term is defined in  
4508 Section 72-1-208.5.
- 4509 [(27)] (28) "Mixed use development" means development with a mix of:
- 4510 (a) multi-family residential use; and  
4511 (b) at least one additional land use, which shall be a significant part of the overall  
4512 development.
- 4513 [(28)] (29) "Municipality" means the same as that term is defined in Section 10-1-104.
- 4514 [(29)] (30) "Participant" means the same as that term is defined in Section 17C-1-102.

- 4515 [~~(30)~~] (31) "Participation agreement" means the same as that term is defined in Section  
 4516 17C-1-102, except that the agency may not provide and the person may not receive a  
 4517 direct subsidy.
- 4518 [~~(31)~~] (32) "Project" means a housing and transit reinvestment zone or convention center  
 4519 reinvestment zone created under this part.
- 4520 (33) "Project area" means the same as that term is defined in Section 17C-1-102.
- 4521 [~~(32)~~] (34)(a) "Property tax increment" means the difference between:
- 4522 (i) the amount of property tax revenue generated each tax year by a taxing entity from  
 4523 the area within a housing and transit reinvestment zone or convention center  
 4524 reinvestment zone designated in the applicable reinvestment zone proposal as the  
 4525 area from which tax increment is to be collected, using the current assessed value  
 4526 and each taxing entity's current certified tax rate as defined in Section 59-2-924;  
 4527 and
- 4528 (ii) the amount of property tax revenue that would be generated from that same area  
 4529 using the base taxable value and each taxing entity's current certified tax rate as  
 4530 defined in Section 59-2-924.
- 4531 (b) "Property tax increment" does not include property tax revenue from:
- 4532 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);  
 4533 (ii) a county additional property tax described in Subsection 59-2-1602(4); or  
 4534 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 4535 [~~(33)~~] (35) "Public transit county" means a county that has created a small public transit  
 4536 district.
- 4537 [~~(34)~~] (36) "Public transit hub" means a public transit depot or station where four or more  
 4538 routes serving separate parts of the county-created transit district stop to transfer riders  
 4539 between routes.
- 4540 [~~(35)~~] (37) "Sales and use tax base year" means:
- 4541 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by  
 4542 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and  
 4543 use tax boundary for a housing and transit reinvestment zone is established; or
- 4544 (b) for a convention center reinvestment zone, a sales and use tax year determined by the  
 4545 year specified in the approved proposal for a convention center reinvestment zone,  
 4546 pertaining to the taxes:
- 4547 (i) imposed under Section 59-12-103;  
 4548 (ii) imposed by a city of the first class in a county of the first class under Title 59,

4549 Chapter 12, Part 2, Local Sales and Use Tax Act;  
4550 (iii) imposed by a city of the first class in a county of the first class under Section  
4551 59-12-402.1;  
4552 (iv) imposed by a county of the first class under Section 59-12-1102; and  
4553 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local  
4554 Option Sales and Use Taxes for Transportation Act.

4555 [~~(36)~~] (38) "Sales and use tax boundary" means:

- 4556 (a) for a housing and transit reinvestment zone, a boundary created as described in  
4557 Section [~~63N-3-604~~] 63N-23-202, based on state sales and use tax collection  
4558 boundaries that correspond as closely as reasonably practicable to the housing and  
4559 transit reinvestment zone boundary; or  
4560 (b) for a convention center reinvestment zone, a boundary created as described in  
4561 Section [~~63N-3-604.1~~] 63N-23-302, based on state sales and use tax collection  
4562 boundaries that correspond as closely as reasonably practicable to the convention  
4563 center reinvestment zone boundary.

4564 [~~(37)~~] (39) "Sales and use tax increment" means:

- 4565 (a) for a housing and transit reinvestment zone, the difference between:  
4566 (i) the amount of state sales and use tax revenue generated each year following the  
4567 sales and use tax base year by the sales and use tax from the area within a housing  
4568 and transit reinvestment zone designated in the housing and transit reinvestment  
4569 zone proposal as the area from which sales and use tax increment is to be  
4570 collected; and  
4571 (ii) the amount of state sales and use tax revenue that was generated from that same  
4572 area during the sales and use tax base year; or  
4573 (b) for a convention center reinvestment zone, the difference between:  
4574 (i) the amount of sales and use tax revenue generated each year following the sales  
4575 and use tax base year by the sales and use tax from the area within a convention  
4576 center reinvestment zone designated in the convention center reinvestment zone  
4577 proposal as the area from which sales and use tax increment is to be collected; and  
4578 (ii) the amount of sales and use tax revenue that was generated from that same area  
4579 during the sales and use tax base year.

4580 [~~(38)~~] (40) "Sales and use tax revenue" means:

- 4581 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax  
4582 imposed under Section 59-12-103; or

- 4583 (b) for a convention center reinvestment zone, revenue that is generated from:
- 4584 (i) the sales and use taxes imposed under Section 59-12-103; and
- 4585 (ii) the sales and use taxes:
- 4586 (A) imposed by a city of the first class in a county of the first class under Title 59,
- 4587 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 4588 (B) imposed by a city of the first class in a county of the first class under Section
- 4589 59-12-402.1;
- 4590 (C) imposed by a county of the first class under Section 59-12-1102; and
- 4591 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
- 4592 Local Option Sales and Use Taxes for Transportation Act.

4593 ~~[(39)]~~ (41) "Small public transit district" means the same as that term is defined in Section

4594 17B-2a-802.

4595 ~~(42)~~(a) "Station area" means:

- 4596 (i) for a fixed guideway public transit station that provides rail services, the area
- 4597 within a one-half mile radius of the center of the fixed guideway public transit
- 4598 station platform; or
- 4599 (ii) for a fixed guideway public transit station that provides bus services only, the
- 4600 area within a one-fourth mile radius of the center of the fixed guideway public
- 4601 transit station platform.

4602 (b) "Station area" includes any parcel bisected by the radius limitation described in

4603 Subsection (42)(a)(i) or (ii).

4604 ~~(43)~~ "Station area plan" means a plan that:

- 4605 (a) establishes a vision, and the actions needed to implement that vision, for the
- 4606 development of land within a station area; and
- 4607 (b) is developed and adopted in accordance with Section 63N-23-104.

4608 ~~[(40)]~~ (44) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

4609 ~~[(41)]~~ (45) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

4610 (46) "Transportation reinvestment zone" means a transportation reinvestment zone created

4611 under Section 63N-23-901.

4612 ~~[(42)]~~ (47) "Vertical construction costs" means the additional costs associated with

4613 construction above four stories and structured parking to achieve enhanced development

4614 in the housing and transit reinvestment zone.

4615 Section 28. Section **63N-23-102**, which is renumbered from Section 63N-3-605 is renumbered

4616 and amended to read:

4617 ~~[63N-3-605]~~ **63N-23-102 (Effective 05/06/26). Housing and transit reinvestment**  
4618 **zone committee -- Creation.**

- 4619 (1) For any housing and transit reinvestment zone~~[-proposed under this part]~~, convention  
4620 center reinvestment zone, convention center reinvestment zone in a capital city, or for a  
4621 first home investment zone proposed [in accordance with Part 16, First Home  
4622 Investment Zone Act,] under this chapter, there is created a housing and transit  
4623 reinvestment zone committee with membership described in Subsection (2).
- 4624 (2) Each housing and transit reinvestment zone committee shall consist of the following  
4625 members:
- 4626 (a) one representative from the Governor's Office of Economic Opportunity, designated  
4627 by the executive director of the Governor's Office of Economic Opportunity;
  - 4628 (b) one representative from each municipality that is a party to the proposed housing and  
4629 transit reinvestment zone or first home investment zone, designated by the chief  
4630 executive officer of each respective municipality;
  - 4631 (c) a member of the Transportation Commission created in Section 72-1-301;
  - 4632 (d) a member of the board of trustees of a large public transit district;
  - 4633 (e) one individual from the Office of the State Treasurer, designated by the state  
4634 treasurer;
  - 4635 (f) two members designated by the president of the Senate;
  - 4636 (g) two members designated by the speaker of the House of Representatives;
  - 4637 (h) one member designated by the chief executive officer of each county affected by the  
4638 housing and transit reinvestment zone or first home investment zone;
  - 4639 (i) two representatives designated by the school superintendent from the school district  
4640 affected by the housing and transit reinvestment zone or first home investment zone;  
4641 and
  - 4642 (j) one representative, representing the largest participating local taxing entity, after the  
4643 municipality, county, and school district.
- 4644 (3) The individual designated by the Governor's Office of Economic Opportunity as  
4645 described in Subsection (2)(a) shall serve as chair of the housing and transit  
4646 reinvestment zone committee.
- 4647 (4)(a) A majority of the members of the housing and transit reinvestment zone  
4648 committee constitutes a quorum of the housing and transit reinvestment zone  
4649 committee.
- 4650 (b) An action by a majority of a quorum of the housing and transit reinvestment zone

- 4651 committee is an action of the housing and transit reinvestment zone committee.
- 4652 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the  
4653 analysis described in Section [~~63N-3-604~~] 63N-23-202, and after the Governor's  
4654 Office of Economic Opportunity has received a request from the submitting  
4655 municipality or public transit county to submit the housing and transit reinvestment  
4656 zone proposal to the housing and transit reinvestment zone committee, the Governor's  
4657 Office of Economic Opportunity shall notify each of the entities described in  
4658 Subsection (2) of the formation of the housing and transit reinvestment zone  
4659 committee.
- 4660 (b) For a first home investment zone, the housing and transit reinvestment zone  
4661 committee shall follow the procedures described in Section [~~63N-3-1604~~] 63N-23-704.
- 4662 (6)(a) The chair of the housing and transit reinvestment zone committee shall convene a  
4663 public meeting to consider the proposed housing and transit reinvestment zone.
- 4664 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title  
4665 52, Chapter 4, Open and Public Meetings Act.
- 4666 (7)(a) The proposing municipality or public transit county shall present the housing and  
4667 transit reinvestment zone proposal to the housing and transit reinvestment zone  
4668 committee in a public meeting.
- 4669 (b) The housing and transit reinvestment zone committee shall, for a housing and transit  
4670 reinvestment zone proposal:
- 4671 (i) evaluate and verify whether the elements of a housing and transit reinvestment  
4672 zone described in Subsections [~~63N-3-603(2) and (4)~~] 63N-23-201(2) and (4)  
4673 have been met; and
- 4674 (ii) evaluate the proposed housing and transit reinvestment zone relative to the  
4675 analysis described in Subsection [~~63N-3-604(2)~~] 63N-23-202(2).
- 4676 (c) The housing and transit reinvestment zone committee shall, for a convention center  
4677 reinvestment zone proposal, evaluate and verify whether the objectives of a  
4678 convention center reinvestment zone described in Section [~~63N-3-603.1~~] 63N-23-301  
4679 have been met.
- 4680 (d) The housing and transit reinvestment zone committee shall, for a convention center  
4681 reinvestment zone in a capital city proposal, evaluate and verify whether the  
4682 objectives of a convention center reinvestment zone in a capital city described in  
4683 Section 63N-23-401 have been met.
- 4684 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee

- 4685 may:
- 4686 (i)(A) for a housing and transit reinvestment zone, request changes to the housing  
4687 and transit reinvestment zone proposal based on the analysis, characteristics,  
4688 and criteria described in Section [~~63N-3-604~~] 63N-23-202; [~~or~~]
- 4689 (B) for a convention center reinvestment zone, request changes to the convention  
4690 center reinvestment zone proposal based on the characteristics and criteria  
4691 described in Sections [~~63N-3-603.1~~] 63N-23-301 and [~~63N-3-604.1~~] 63N-23-302;  
4692 or
- 4693 (C) for a convention center reinvestment zone in a capital city, request changes to  
4694 the convention center reinvestment zone proposal based on the characteristics  
4695 and criteria described in Sections 63N-23-401 and 63N-23-402; or
- 4696 (ii) vote to approve or deny the proposal.
- 4697 (b) Before the housing and transit reinvestment zone committee may approve the  
4698 housing and transit reinvestment zone proposal, the municipality or public transit  
4699 county proposing the housing and transit reinvestment zone shall ensure that the area  
4700 of the proposed housing and transit reinvestment zone is zoned in such a manner to  
4701 accommodate the requirements of a housing and transit reinvestment zone described  
4702 in this section and the proposed development.
- 4703 (9) If a housing and transit reinvestment zone is approved by the committee:
- 4704 (a) the proposed housing and transit reinvestment zone is established according to the  
4705 terms of the housing and transit reinvestment zone proposal;
- 4706 (b) affected local taxing entities are required to participate according to the terms of the  
4707 housing and transit reinvestment zone proposal; and
- 4708 (c) each affected taxing entity is required to participate at the same rate.
- 4709 (10) A housing and transit reinvestment zone proposal may be amended by following the  
4710 same procedure as approving a housing and transit reinvestment zone proposal.
- 4711 (11)(a) The approval for a convention center reinvestment zone in a capital city may be  
4712 completed with a condition that the relevant municipality also create a public  
4713 infrastructure district as provided in [~~Subsection 63N-3-607(8)(b)~~] Section  
4714 63N-23-403.
- 4715 (b) The approval described in Subsection (11)(a) shall verify that the requirements and  
4716 limitations on use of funds is limited to the conditions described under [~~Subsections~~  
4717 63N-3-604.1(2)(b) and (c)] Section 63N-23-403.
- 4718 Section 29. Section **63N-23-103**, which is renumbered from Section 63N-3-606 is renumbered

4719 and amended to read:

4720 **[63N-3-606] 63N-23-103 (Effective 05/06/26). Notice requirements.**

4721 (1) In approving a housing and transit reinvestment zone or convention center reinvestment  
4722 zone proposal, the housing and transit reinvestment zone committee shall follow the  
4723 hearing and notice requirements for creating a housing and transit reinvestment zone or  
4724 convention center reinvestment zone area proposal.

4725 (2) Within 30 days after the housing and transit reinvestment zone committee approves a  
4726 proposed housing and transit reinvestment zone, the municipality or public transit  
4727 county, or for a convention center reinvestment zone, the Governor's Office of  
4728 Economic Opportunity, shall:

4729 (a) record with the recorder of the county in which the housing and transit reinvestment  
4730 zone or convention center reinvestment zone is located a document containing:

4731 (i) a description of the land within the housing and transit reinvestment zone or  
4732 convention center reinvestment zone;

4733 (ii) a statement that the proposed housing and transit reinvestment zone or convention  
4734 center reinvestment zone has been approved; and

4735 (iii) the date of adoption;

4736 (b) transmit a copy of the description of the land within the housing and transit  
4737 reinvestment zone or convention center reinvestment zone and an accurate map or  
4738 plat indicating the boundaries of the housing and transit reinvestment zone or  
4739 convention center reinvestment zone to the Utah Geospatial Resource Center created  
4740 under Section 63A-16-505; and

4741 (c) transmit a copy of the approved housing and transit reinvestment zone or convention  
4742 center reinvestment zone proposal, map, and description of the land within the  
4743 housing and transit reinvestment zone or convention center reinvestment zone, to:

4744 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
4745 part of the housing and transit reinvestment zone or convention center  
4746 reinvestment zone is located;

4747 (ii) the officer or officers performing the function of auditor or assessor for each  
4748 taxing entity that does not use the county assessment roll or collect the taxing  
4749 entity's taxes through the county;

4750 (iii) the legislative body or governing board of each taxing entity;

4751 (iv) the State Tax Commission; and

4752 (v) the State Board of Education.

4753 Section 30. Section **63N-23-104**, which is renumbered from Section 10-21-203 is renumbered  
4754 and amended to read:

4755 **[~~10-21-203~~] 63N-23-104 (Effective 05/06/26). Station area plan requirements --**  
4756 **Contents -- Review and certification by applicable metropolitan planning organization.**

4757 (1)(a) Subject to the requirements of this section, a municipality that has a fixed  
4758 guideway public transit station located within the municipality's boundaries shall, for  
4759 the station area:

4760 (i) develop and adopt a station area plan; and

4761 (ii) adopt any appropriate land use regulations to implement the station area plan.

4762 (b) The requirements of Subsection (1)(a) shall be considered satisfied if:

4763 (i)(A) the municipality has already adopted plans or ordinances, approved land use  
4764 applications, approved agreements or financing, or investments have been  
4765 made, before June 1, 2022, that substantially promote each of the objectives in  
4766 Subsection (6)(a) within the station area, and can demonstrate that such plans,  
4767 ordinances, approved land use applications, approved agreements or financing,  
4768 or investments are still relevant to making meaningful progress towards  
4769 achieving such objectives; and

4770 (B) the municipality adopts a resolution finding that the objectives of Subsection  
4771 (6)(a) have been substantially promoted; or

4772 (ii)(A) the municipality has determined that conditions exist that make satisfying a  
4773 portion or all of the requirements of Subsection (1)(a) for a station area  
4774 impracticable, including conditions that relate to existing development,  
4775 entitlements, land ownership, land uses that make opportunities for new  
4776 development and long-term redevelopment infeasible, environmental  
4777 limitations, market readiness, development impediment conditions, or other  
4778 similar conditions; and

4779 (B) the municipality adopts a resolution describing the conditions that exist to  
4780 make satisfying the requirements of Subsection (1)(a) impracticable.

4781 (c) To the extent that previous actions by a municipality do not satisfy the requirements  
4782 of Subsection (1)(a) for a station area, the municipality shall take the actions  
4783 necessary to satisfy those requirements.

4784 (2)(a) A municipality that has a new fixed guideway public transit station located within  
4785 the municipality's boundaries shall satisfy the requirements of Subsection (1)(a) for  
4786 the station area surrounding the new fixed guideway public transit station before the

- 4787 new fixed guideway public transit station begins transit services.
- 4788 (b) Except as provided in Subsections (2)(c) and (d), a municipality that has an existing  
4789 fixed guideway public transit station located within the municipality's boundaries  
4790 shall satisfy the requirements of Subsection (1)(a) for the station area surrounding the  
4791 existing fixed guideway public transit station on or before December 31, 2025.
- 4792 (c) If a municipality has more than four existing fixed guideway public transit stations  
4793 located within the municipality's boundaries, the municipality shall:
- 4794 (i) on or before December 31, 2025, satisfy the requirements of Subsection (1)(a) for  
4795 four or more station areas located within the municipality; and
- 4796 (ii) on or before December 31 of each year thereafter, satisfy the requirements of  
4797 Subsection (1)(a) for no less than two station areas located within the municipality  
4798 until the municipality has satisfied the requirements of Subsection (1)(a) for each  
4799 station area located within the municipality.
- 4800 (d)(i) Subject to Subsection (2)(d)(ii):
- 4801 (A) if a municipality receives a complete qualifying land use petition on or before  
4802 July 1, 2022, the municipality shall satisfy the requirements of Subsection  
4803 (1)(a) for the station area in which the development is proposed on or before  
4804 July 1, 2023; and
- 4805 (B) if a municipality receives a complete qualifying land use petition after July 1,  
4806 2022, the municipality shall satisfy the requirements of Subsection (1)(a) for  
4807 the station area in which the development is proposed within a 12-month  
4808 period beginning on the first day of the month immediately following the  
4809 month in which the qualifying land use petition is submitted to the  
4810 municipality, and shall notify the applicable metropolitan planning  
4811 organization of the receipt of the qualified land use petition within 45 days of  
4812 the date of receipt.
- 4813 (ii)(A) A municipality is not required to satisfy the requirements of Subsection  
4814 (1)(a) for more than two station areas under Subsection (2)(d)(i) within any  
4815 12-month period.
- 4816 (B) If a municipality receives more than two complete qualifying land use  
4817 petitions on or before July 1, 2022, the municipality shall select two station  
4818 areas for which the municipality will satisfy the requirements of Subsection  
4819 (1)(a) in accordance with Subsection (2)(d)(i)(A).
- 4820 (iii) A municipality shall process on a first priority basis a land use application,

- 4821 including an application for a building permit, if:
- 4822 (A) the land use application is for a residential use within a station area for which
- 4823 the municipality has not satisfied the requirements of Subsection (1)(a); and
- 4824 (B) the municipality would be required to change a zoning designation for the
- 4825 land use application to be approved.
- 4826 (e) Notwithstanding Subsections (2)(a) through (d), the time period for satisfying the
- 4827 requirements of Subsection (1)(a) for a station area may be extended once for a
- 4828 period of 12 months if:
- 4829 (i) the municipality demonstrates to the applicable metropolitan planning
- 4830 organization that conditions exist that make satisfying the requirements of
- 4831 Subsection (1)(a) within the required time period infeasible, despite the
- 4832 municipality's good faith efforts; and
- 4833 (ii) the applicable metropolitan planning organization certifies to the municipality in
- 4834 writing that the municipality satisfied the demonstration in Subsection (2)(e)(i).
- 4835 (3)(a) Except as provided in Subsection (3)(b), if a station area is included within the
- 4836 boundaries of more than one municipality, each municipality with jurisdiction over
- 4837 the station area shall satisfy the requirements of Subsection (1)(a) for the portion of
- 4838 the station area over which the municipality has jurisdiction.
- 4839 (b) Two or more municipalities with jurisdiction over a station area may coordinate to
- 4840 develop a shared station area plan for the entire station area.
- 4841 (4) A municipality that has more than one fixed guideway public transit station located
- 4842 within the municipality may, through an integrated process, develop station area plans
- 4843 for multiple station areas if the station areas are within close proximity of each other.
- 4844 (5)(a) A municipality that is required to develop and adopt a station area plan under this
- 4845 section may request technical assistance from the applicable metropolitan planning
- 4846 organization.
- 4847 (b) An applicable metropolitan planning organization that receives funds from the
- 4848 Governor's Office of Economic Opportunity under Section 63N-3-113 shall, when
- 4849 utilizing the funds, give priority consideration to requests for technical assistance for
- 4850 station area plans required under Subsection (2)(d).
- 4851 (6)(a) A station area plan shall promote the following objectives within the station area:
- 4852 (i) increasing the availability and affordability of housing, including moderate
- 4853 income housing;
- 4854 (ii) promoting sustainable environmental conditions;

- 4855 (iii) enhancing access to opportunities; and  
4856 (iv) increasing transportation choices and connections.
- 4857 (b)(i) To promote the objective described in Subsection (6)(a)(i), a municipality may  
4858 consider implementing the following actions:
- 4859 (A) aligning the station area plan with the moderate income housing element of  
4860 the municipality's general plan;
  - 4861 (B) providing for densities necessary to facilitate the development of moderate  
4862 income housing;
  - 4863 (C) providing for affordable costs of living in connection with housing,  
4864 transportation, and parking; or
  - 4865 (D) any other similar action that promotes the objective described in Subsection  
4866 (6)(a)(i).
- 4867 (ii) To promote the objective described in Subsection (6)(a)(ii), a municipality may  
4868 consider implementing the following actions:
- 4869 (A) conserving water resources through efficient land use;
  - 4870 (B) improving air quality by reducing fuel consumption and motor vehicle trips;
  - 4871 (C) establishing parks, open spaces, and recreational opportunities; or
  - 4872 (D) any other similar action that promotes the objective described in Subsection  
4873 (6)(a)(ii).
- 4874 (iii) To promote the objective described in Subsection (6)(a)(iii), a municipality may  
4875 consider the following actions:
- 4876 (A) maintaining and improving the connections between housing, transit,  
4877 employment, education, recreation, and commerce;
  - 4878 (B) encouraging mixed-use development;
  - 4879 (C) enabling employment and educational opportunities within the station area;
  - 4880 (D) encouraging and promoting enhanced broadband connectivity; or
  - 4881 (E) any other similar action that promotes the objective described in Subsection  
4882 (6)(a)(iii).
- 4883 (iv) To promote the objective described in Subsection (6)(a)(iv), a municipality may  
4884 consider the following:
- 4885 (A) supporting investment in infrastructure for all modes of transportation;
  - 4886 (B) increasing utilization of public transit;
  - 4887 (C) encouraging safe streets through the designation of pedestrian walkways and  
4888 bicycle lanes;

- 4889 (D) encouraging manageable and reliable traffic conditions;  
4890 (E) aligning the station area plan with the regional transportation plan of the  
4891 applicable metropolitan planning organization; or  
4892 (F) any other similar action that promotes the objective described in Subsection  
4893 (6)(a)(iv).

4894 (7) A station area plan shall include the following components:

4895 (a) a station area vision that:

4896 (i) is consistent with Subsection (6); and

4897 (ii) describes the following:

4898 (A) opportunities for the development of land within the station area under  
4899 existing conditions;

4900 (B) constraints on the development of land within the station area under existing  
4901 conditions;

4902 (C) the municipality's objectives for the transportation system within the station  
4903 area and the future transportation system that meets those objectives;

4904 (D) the municipality's objectives for land uses within the station area and the  
4905 future land uses that meet those objectives;

4906 (E) the municipality's objectives for public and open spaces within the station area  
4907 and the future public and open spaces that meet those objectives; and

4908 (F) the municipality's objectives for the development of land within the station  
4909 area and the future development standards that meet those objectives;

4910 (b) a map that depicts:

4911 (i) the station area;

4912 (ii) the area within the station area to which the station area plan applies, provided  
4913 that the station area plan may apply to areas outside the station area, and the  
4914 station area plan is not required to apply to the entire station area; and

4915 (iii) the area where each action is needed to implement the station area plan;

4916 (c) an implementation plan that identifies and describes each action needed within the  
4917 next five years to implement the station area plan, and the party responsible for  
4918 taking each action, including any actions to:

4919 (i) modify land use regulations;

4920 (ii) make infrastructure improvements;

4921 (iii) modify deeds or other relevant legal documents;

4922 (iv) secure funding or develop funding strategies;

- 4923 (v) establish design standards for development within the station area; or  
4924 (vi) provide environmental remediation;
- 4925 (d) a statement that explains how the station area plan promotes the objectives described  
4926 in Subsection (6)(a); and
- 4927 (e) as an alternative or supplement to the requirements of Subsection (6) or this  
4928 Subsection (7), and for purposes of Subsection (1)(b)(ii), a statement that describes  
4929 any conditions that would make the following impracticable:
- 4930 (i) promoting the objectives described in Subsection (6)(a); or  
4931 (ii) satisfying the requirements of this Subsection (7).
- 4932 (8) A municipality shall develop a station area plan with the involvement of all relevant  
4933 stakeholders that have an interest in the station area through public outreach and  
4934 community engagement, including:
- 4935 (a) other impacted communities;  
4936 (b) the applicable public transit district;  
4937 (c) the applicable metropolitan planning organization;  
4938 (d) the Department of Transportation;  
4939 (e) owners of property within the station area; and  
4940 (f) the municipality's residents and business owners.
- 4941 (9)(a) A municipality that is required to develop and adopt a station area plan for a  
4942 station area under this section shall submit to the applicable metropolitan planning  
4943 organization and the applicable public transit district documentation evidencing that  
4944 the municipality has satisfied the requirement of Subsection (1)(a)(i) for the station  
4945 area, including:
- 4946 (i) a station area plan; or  
4947 (ii) a resolution adopted under Subsection (1)(b)(i) or (ii).
- 4948 (b) The applicable metropolitan planning organization, in consultation with the  
4949 applicable public transit district, shall:
- 4950 (i) review the documentation submitted under Subsection (9)(a) to determine the  
4951 municipality's compliance with this section; and  
4952 (ii) provide written certification to the municipality if the applicable metropolitan  
4953 planning organization determines that the municipality has satisfied the  
4954 requirement of Subsection (1)(a)(i) for the station area.
- 4955 (c) The municipality shall include the certification described in Subsection (9)(b)(ii) in  
4956 the municipality's report to the Department of Workforce Services under Section

4957 10-21-202.

4958 (10)(a) Following certification by a metropolitan planning organization of a  
 4959 municipality's station area plan under Subsection (9)(b)(ii), the municipality shall  
 4960 provide a report to the applicable metropolitan planning organization on or before  
 4961 December 31 of the fifth year after the year in which the station area plan was  
 4962 certified, and every five years thereafter for a period not to exceed 15 years.

4963 (b) The report described in Subsection (10)(a) shall:

4964 (i) contain the status of advancing the station area plan objectives, including, if  
 4965 applicable, actions described in the implementation plan required in Subsection  
 4966 (7)(c); and  
 4967 (ii) identify potential actions over the next five years that would advance the station  
 4968 area plan objectives.

4969 (c) If a municipality has multiple certified station area plans, the municipality may  
 4970 consolidate the reports required in Subsection (10)(a) for the purpose of submitting  
 4971 reports to the metropolitan planning organization.

4972 Section 31. Section **63N-23-201**, which is renumbered from Section 63N-3-603 is renumbered  
 4973 and amended to read:

4974 **Part 2. Housing and Transit Reinvestment Zone**

4975 **[63N-3-603] 63N-23-201 (Effective 05/06/26). Applicability, requirements, and**  
 4976 **limitations on a housing and transit reinvestment zone.**

4977 (1) A housing and transit reinvestment zone proposal created under this part shall  
 4978 demonstrate how the proposal addresses the following objectives:  
 4979 (a) higher utilization of public transit;  
 4980 (b) increasing availability of housing, including affordable housing, and fulfillment of  
 4981 moderate income housing plans;  
 4982 (c) promoting and encouraging development of owner-occupied housing;  
 4983 (d) improving efficiencies in parking and transportation, including walkability of  
 4984 communities near public transit facilities;  
 4985 (e) overcoming development impediments and market conditions that render a  
 4986 development cost prohibitive absent the proposal and incentives;  
 4987 (f) conserving water resources through efficient land use;  
 4988 (g) improving air quality by reducing fuel consumption and motor vehicle trips;  
 4989 (h) encouraging transformative mixed-use development and investment in transportation  
 4990 and public transit infrastructure in strategic areas;

- 4991 (i) strategic land use and municipal planning in major transit investment corridors as  
4992 described in Subsection 10-20-404(2);
- 4993 (j) increasing access to employment and educational opportunities; and  
4994 (k) increasing access to child care.
- 4995 (2)(a) In order to accomplish the objectives described in Subsection (1), a municipality  
4996 or public transit county that initiates the process to create a housing and transit  
4997 reinvestment zone as described in this part shall ensure that the proposal for a  
4998 housing and transit reinvestment zone includes:
- 4999 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units  
5000 within the housing and transit reinvestment zone are affordable housing units,  
5001 with:
- 5002 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy  
5003 by households with a gross household income equal to or less than 80% of the  
5004 county median gross income for households of the same size; and  
5005 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy  
5006 by households with a gross household income equal to or less than 60% of the  
5007 county median gross income for households of the same size;
- 5008 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone  
5009 shall include:
- 5010 (A) at least 51% of the developable area within a housing and transit reinvestment  
5011 zone as residential uses; and  
5012 (B) an average of at least 50 dwelling units per acre within the acreage of the  
5013 housing and transit reinvestment zone dedicated to residential uses;
- 5014 (iii) mixed-use development; and  
5015 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have  
5016 more than one bedroom.
- 5017 (b)(i) If a housing and transit reinvestment zone is phased, a municipality or public  
5018 transit county shall ensure that a housing and transit reinvestment zone is phased  
5019 and developed to provide the required 12% of affordable housing units in each  
5020 phase of development.
- 5021 (ii) A municipality or public transit county may allow a housing and transit  
5022 reinvestment zone to be phased and developed in a manner to provide more of the  
5023 required affordable housing units in early phases of development.
- 5024 (iii) A municipality or public transit county shall include in a housing and transit

5025 reinvestment zone proposal an affordable housing plan, which may include deed  
5026 restrictions, to ensure the affordable housing required in the proposal will continue  
5027 to meet the definition of affordable housing at least throughout the entire term of  
5028 the housing and transit reinvestment zone.

5029 (c) For a housing and transit reinvestment zone proposed by a public transit county at a  
5030 public transit hub, or for a housing and transit reinvestment zone proposed by a  
5031 municipality at a bus rapid transit station, the housing and transit reinvestment zone  
5032 shall include:

5033 (i) at least 51% of the developable area within a housing and transit reinvestment  
5034 zone as residential uses; and

5035 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing  
5036 and transit reinvestment zone dedicated to residential uses.

5037 (3) A municipality or public transit county that, at the time the housing and transit  
5038 reinvestment zone proposal is approved by the housing and transit reinvestment zone  
5039 committee, meets the affordable housing guidelines of the United States Department of  
5040 Housing and Urban Development at 60% area median income is exempt from the  
5041 requirement described in Subsection (2)(a).

5042 (4)(a) A municipality may only propose a housing and transit reinvestment zone at a  
5043 commuter rail station, and a public transit county may only propose a housing and  
5044 transit reinvestment zone at a public transit hub, that:

5045 (i) subject to Subsection (5)(a):

5046 (A)(I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality,  
5047 does not exceed a  $[\frac{1}{3}]$  one-third mile radius of a commuter rail station;

5048 (II) for a municipality that is a city of the first or second class, as classified  
5049 under Section 10-2-301, that is within a county of the first or second class,  
5050 as classified under Section 17-60-104, with an opportunity zone created in  
5051 accordance with Section 1400Z-1, Internal Revenue Code, does not exceed  
5052 a  $[\frac{1}{2}]$  one-half mile radius of a commuter rail station located within the  
5053 opportunity zone; or

5054 (III) for a public transit county, does not exceed a  $[\frac{1}{3}]$  one-third mile radius of  
5055 a public transit hub; and

5056 (B) has a total area of no more than 125 noncontiguous acres;

5057 (ii) subject to Section ~~[63N-3-607]~~ 63N-23-203, proposes the capture of a maximum  
5058 of 80% of each taxing entity's property tax increment above the base year for a

5059 term of no more than 25 consecutive years on each parcel within a 45-year period  
 5060 not to exceed the property tax increment amount approved in the housing and  
 5061 transit reinvestment zone proposal; and

5062 (iii) the commencement of collection of property tax increment, for all or a portion of  
 5063 the housing and transit reinvestment zone project area, shall be triggered by  
 5064 providing notice as described in Subsection (6), but a housing and transit  
 5065 reinvestment zone proposal may not propose or include triggering more than three  
 5066 property tax increment collection periods for the same project during the  
 5067 applicable 45-year period.

5068 (b) A municipality or public transit county may only propose a housing and transit  
 5069 reinvestment zone at a light rail station or bus rapid transit station that:

5070 (i) subject to Subsection (5):

5071 (A) does not exceed:

5072 (I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e), a [~~1/4~~]  
 5073 one-quarter mile radius of a bus rapid transit station or light rail station;

5074 (II) for a municipality that is a city of the first class, as classified under Section 10-2-301, with  
 5075 a population greater than 150,000 that is within a county of the first class, as classified under  
 5076 Section 17-60-104, a [~~1/2~~] one-half mile radius of a light rail station located in an opportunity  
 5077 zone created in accordance with Section 1400Z-1, Internal Revenue Code; or  
 5078 [~~1400Z-1, Internal Revenue Code~~; or]

5079 (III) a [~~1/2~~] one-half mile radius of a light rail station located within a  
 5080 master-planned development of 500 acres or more; and

5081 (B) has a total area of no more than 100 noncontiguous acres;

5082 (ii) subject to Subsection (4)(c) and Section [~~63N-3-607~~] 63N-23-203, proposes the  
 5083 capture of a maximum of 80% of each taxing entity's property tax increment  
 5084 above the base year for a term of no more than 15 consecutive years on each  
 5085 parcel within a 30-year period not to exceed the property tax increment amount  
 5086 approved in the housing and transit reinvestment zone proposal; and

5087 (iii) the commencement of collection of property tax increment, for all or a portion of  
 5088 the housing and transit reinvestment zone project area, shall be triggered by  
 5089 providing notice as described in Subsection (6), but a housing and transit  
 5090 reinvestment zone proposal may not propose or include triggering more than three  
 5091 property tax increment collection periods for the same project during the  
 5092 applicable 30-year period.

- 5093 (c) For a housing and transit reinvestment zone proposed by a public transit county at a  
5094 public transit hub, or for a housing and transit reinvestment zone proposed by a  
5095 municipality at a bus rapid transit station, if the proposed housing density within the  
5096 housing and transit reinvestment zone is between 39 and 49 dwelling units per acre,  
5097 the maximum capture of each taxing entity's property tax increment above the base  
5098 year is 60%.
- 5099 (d) A municipality that is a city of the first class, as classified under Section 10-2-301,  
5100 with a population greater than 150,000 in a county of the first class, as classified  
5101 under Section 17-60-104, as described in Subsections (4)(a)(i)(A)(II) and  
5102 (4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within  
5103 an opportunity zone.
- 5104 (e)(i) Subject to Subsection (4)(e)(ii), the radius restrictions described in Subsection  
5105 (4)(b)(i) do not apply, and a housing and transit reinvestment zone may extend to  
5106 an area between two light rail stations located within a city of the third class if the  
5107 two light rail stations are within a .95 mile distance on the same light rail line.
- 5108 (ii) If a housing and transit reinvestment zone is extended to accommodate two light  
5109 rail stations as described in Subsection (4)(e)(i):
- 5110 (A) the housing and transit reinvestment zone is limited to a total area not to  
5111 exceed 100 noncontiguous acres; and
- 5112 (B) the housing and transit reinvestment zone may not exceed a [1/4] one-quarter  
5113 mile radius from the light rail stations or any point on the light rail line  
5114 between the two stations.
- 5115 (f) If a parcel within the housing and transit reinvestment zone is included as an area that  
5116 is part of a project area, as that term is defined in Section 17C-1-102, and created  
5117 under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for  
5118 collection unless the project area funds collection period, as that term is defined in  
5119 Section 17C-1-102, has expired.
- 5120 (5)(a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel  
5121 is intersected by the relevant radius limitation, the full parcel may be included as part  
5122 of the housing and transit reinvestment zone area and will not count against the  
5123 limitations described in Subsection (4)(a)(i).
- 5124 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit  
5125 station, if a parcel is intersected by the relevant radius limitation, the full parcel may  
5126 be included as part of the housing and transit reinvestment zone area and will not

- 5127 count against the limitations described in Subsection (4)(b)(i).
- 5128 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.
- 5129 (6)(a) The notice of commencement of collection of property tax increment required in
- 5130 Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the
- 5131 following entities no later than December 31 of the year before the year for which the
- 5132 property tax increment collection is proposed to commence:
- 5133 (i) the State Tax Commission;
- 5134 (ii) the State Board of Education;
- 5135 (iii) the state auditor;
- 5136 (iv) the auditor of the county in which the housing and transit reinvestment zone is
- 5137 located;
- 5138 (v) each taxing entity affected by the collection of property tax increment from the
- 5139 housing and transit reinvestment zone; and
- 5140 (vi) the Governor's Office of Economic Opportunity.
- 5141 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until
- 5142 the date on which the housing and transit reinvestment zone proposal is approved by
- 5143 the housing and transit reinvestment zone committee.
- 5144 (7)(a) The maximum number of housing and transit reinvestment zones at light rail
- 5145 stations, not including a convention center reinvestment zone, is eight in any given
- 5146 county.
- 5147 (b) Within a county of the first class, the maximum number of housing and transit
- 5148 reinvestment zones at bus rapid transit stations is three.
- 5149 (c) Within a county of the first class, the maximum total combined number of housing
- 5150 and transit reinvestment zones described in Subsections (7)(a) and (b) and first home
- 5151 investment zones created under [~~Part 16, First Home Investment Zone Act~~] Part 7,
- 5152 First Home Investment Zone, is 11.
- 5153 (8)(a) For purposes of this Subsection (8), "entitlement agreement" means:
- 5154 (i) a land use application;
- 5155 (ii) a rezone petition; or
- 5156 (iii) a request, petition, or application to:
- 5157 (A) enact or approve a development agreement; or
- 5158 (B) to amend or modify a development agreement.
- 5159 (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101,
- 5160 that has created a small public transit district on or before January 1, 2022.

- 5161 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped  
5162 property within an unincorporated county shall have the right to develop and build a  
5163 mixed-use development if:
- 5164 (i) the owner has submitted an entitlement agreement to the county on or before  
5165 December 31, 2022, and is within a [~~1~~/~~3~~] one-third mile radius of a public transit  
5166 hub in a county described in Subsection (8)(b), including parcels that are  
5167 intersected by the [~~1~~/~~3~~] one-third mile radius; and
- 5168 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement  
5169 agreement described in Subsection (8)(c)(i) by ordinance before December 31,  
5170 2022.
- 5171 (d) The mixed use development described in Subsection (8)(c) shall include the  
5172 following:
- 5173 (i)(A)(I) a maximum number of dwelling units equal to 30 multiplied by the  
5174 total acres of developable area within the mixed-use development dedicated  
5175 exclusively to residential use; or
- 5176 (II) a maximum number of dwelling units equal to 15 multiplied by the total  
5177 acres of the mixed-use development; and
- 5178 (B) at least 33% of the dwelling units as affordable housing;
- 5179 (ii) commercial uses, including office, retail, educational, and healthcare in support of  
5180 the mixed-use development constituting no more than [~~1~~/~~3~~] one-third of the total  
5181 planned gross building square footage of the subject parcels; and
- 5182 (iii) any other infrastructure element necessary or reasonable to support the  
5183 mixed-use development, including:
- 5184 (A) parking infrastructure;
- 5185 (B) streets;
- 5186 (C) sidewalks;
- 5187 (D) parks; and
- 5188 (E) trails.
- 5189 (e)(i) The mixed-use development described in this Subsection (8) may qualify for a  
5190 housing and transit reinvestment zone described in Subsection (4)(a).
- 5191 (ii) The county described in Subsection (8)(b) may propose a housing and transit  
5192 reinvestment zone in accordance with this part, if the housing and transit  
5193 reinvestment zone includes:
- 5194 (A)(I) an average of at least 30 dwelling units per acre within the acreage of the

5195 housing and transit reinvestment zone dedicated to residential use; or  
 5196 (II) a minimum number of 14 dwelling units per acre on average within the  
 5197 acreage of the housing and transit reinvestment zone; and

5198 (B) at least 33% of the dwelling units as affordable housing units.

5199 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or  
 5200 requirement that prevents or creates development impediments to the development of  
 5201 a mixed-use development as described in this Subsection (8).

5202 (g) A county action to approve or implement the development of a mixed-use  
 5203 development as described in this Subsection (8) shall constitute an administrative  
 5204 action taken by the county and does not require county legislative action.

5205 Section 32. Section **63N-23-202**, which is renumbered from Section 63N-3-604 is renumbered  
 5206 and amended to read:

5207 **[63N-3-604] 63N-23-202 (Effective 05/06/26). Process for a proposal of a housing**  
 5208 **and transit reinvestment zone -- Analysis.**

5209 (1) Subject to approval of the housing and transit reinvestment zone committee as described  
 5210 in Section [63N-3-605] 63N-23-102, in order to create a housing and transit reinvestment  
 5211 zone, a municipality or public transit county that has general land use authority over the  
 5212 housing and transit reinvestment zone area, shall:

5213 (a) prepare a proposal for the housing and transit reinvestment zone that:

5214 (i) demonstrates that the proposed housing and transit reinvestment zone will meet  
 5215 the objectives described in Subsection [63N-3-603(1)] 63N-23-201(1);

5216 (ii) explains how the municipality or public transit county will achieve the  
 5217 requirements of Subsection [63N-3-603(2)(a)(i)] 63N-23-201(2)(a)(i);

5218 (iii) defines the specific transportation infrastructure needs, if any, and proposed  
 5219 improvements and estimated budgets;

5220 (iv) defines the boundaries of:

5221 (A) the housing and transit reinvestment zone; and

5222 (B) the sales and use tax boundary corresponding to the housing and transit  
 5223 reinvestment zone boundary, as described in Section [63N-3-610] 63N-23-206;

5224 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:

5225 (A) the proposed boundary and radius from a public transit hub;

5226 (B) proposed housing density within the housing and transit reinvestment zone;

5227 and

5228 (C) existing zoning and proposed zoning changes related to the housing and transit

- 5229                   reinvestment zone;
- 5230           (vi) identifies any development impediments that prevent the development from  
5231                   being a market-rate investment, including proposed strategies and estimated  
5232                   budgets for addressing each one;
- 5233           (vii) describes the proposed development plan and estimated budgets, including the  
5234                   requirements described in Subsections [~~63N-3-603(2) and (4)~~] 63N-23-201(2) and  
5235                   (4);
- 5236           (viii) establishes a base year and collection period to calculate the property tax  
5237                   increment within the housing and transit reinvestment zone;
- 5238           (ix) establishes a sales and use tax base year to calculate the sales and use tax  
5239                   increment within the housing and transit reinvestment zone in accordance with  
5240                   Section [~~63N-3-610~~] 63N-23-206;
- 5241           (x) describes projected maximum revenues generated and the amount of property tax  
5242                   increment capture from each taxing entity and proposed expenditures of revenue  
5243                   derived from the housing and transit reinvestment zone;
- 5244           (xi) includes an analysis of other applicable or eligible incentives, grants, or sources  
5245                   of revenue that can be used to reduce the finance gap;
- 5246           (xii) estimates budgets and evaluates possible benefits to active and public  
5247                   transportation availability and impacts on air quality;
- 5248           (xiii) proposes a finance schedule to align expected revenue with required financing  
5249                   costs and payments;
- 5250           (xiv) provides a pro-forma for the planned development that:
- 5251                   (A) satisfies the requirements described in Subsections [~~63N-3-603(2), (3), and (4)~~]  
5252                   63N-23-201(2) through (4);
- 5253                   (B) includes data showing the cost difference between what type of development  
5254                   could feasibly be developed absent the housing and transit reinvestment zone  
5255                   property tax increment and the type of development that is proposed to be  
5256                   developed with the housing and transit reinvestment zone property tax  
5257                   increment; and
- 5258                   (C) provides estimated budgets and construction costs, anticipated revenue,  
5259                   financing, expenses, and other sources and uses of funds for the project area;  
5260                   and
- 5261           (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail  
5262                   station, or bus rapid transit station that is proposed and not in public transit service

- 5263 operation as of the date of submission of the proposal, demonstrates that the  
5264 proposed station is:
- 5265 (A) included as needed in phase one of a metropolitan planning organization's  
5266 adopted long-range transportation plan and in phase one of the relevant public  
5267 transit district's adopted long-range plan; and
- 5268 (B) reasonably anticipated to be constructed in the near future; and
- 5269 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office  
5270 of Economic Opportunity.
- 5271 (2) As part of the proposal described in Subsection (1), a municipality or public transit  
5272 county shall study and evaluate possible impacts of a proposed housing and transit  
5273 reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 5274 (3)(a) After receiving the proposal as described in Subsection (1)(b), the Governor's  
5275 Office of Economic Opportunity shall:
- 5276 (i) within 14 days after the date on which the Governor's Office of Economic  
5277 Opportunity receives the proposal described in Subsection (1)(b), provide notice  
5278 of the proposal to all affected taxing entities, including the Tax Commission,  
5279 cities, counties, school districts, metropolitan planning organizations, and the  
5280 county assessor and county auditor of the county in which the housing and transit  
5281 reinvestment zone is located; and
- 5282 (ii) at the expense of the proposing municipality or public transit county as described  
5283 in Subsection (5), contract with an independent entity to perform the financial gap  
5284 analysis described in Subsection (3)(b).
- 5285 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 5286 (i) a description of the planned development;
- 5287 (ii) a market analysis relative to other comparable project developments included in  
5288 or adjacent to the municipality or public transit county absent the proposed  
5289 housing and transit reinvestment zone;
- 5290 (iii) an evaluation of the proposal to and a determination of the adequacy and  
5291 efficiency of the proposal;
- 5292 (iv) an evaluation of the proposed increment capture needed to cover the enhanced  
5293 development costs associated with the housing and transit reinvestment zone  
5294 proposal and enable the proposed development to occur; and
- 5295 (v) based on the market analysis and other findings, an opinion relative to the  
5296 appropriate amount of potential public financing reasonably determined to be

5297 necessary to achieve the objectives described in [~~Subsection 63N-3-603(1)~~  
 5298 Section 63N-23-201.

5299 (c) After receiving notice from the Governor's Office of Economic Opportunity of a  
 5300 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),  
 5301 the State Tax Commission shall:

5302 (i) evaluate the feasibility of administering the tax implications of the proposal; and

5303 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any  
 5304 challenges in the administration of the proposal, or indicating that the Tax  
 5305 Commission can feasibly administer the proposal.

5306 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
 5307 municipality or public transit county proposing the housing and transit reinvestment  
 5308 zone may:

5309 (a) amend the housing and transit reinvestment zone proposal based on the findings of  
 5310 the analysis described in Subsection (3)(b) and request that the Governor's Office of  
 5311 Economic Opportunity submit the amended housing and transit reinvestment zone  
 5312 proposal to the housing and transit reinvestment zone committee; or

5313 (b) request that the Governor's Office of Economic Opportunity submit the original  
 5314 housing and transit reinvestment zone proposal to the housing and transit  
 5315 reinvestment zone committee.

5316 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated  
 5317 credit, up to \$20,000 from a municipality or public transit county for the costs of the  
 5318 gap analysis described in Subsection (3)(b).

5319 (b) The Governor's Office of Economic Opportunity may expend funds received from a  
 5320 municipality or public transit county as dedicated credits to pay for the costs  
 5321 associated with the gap analysis described in Subsection (3)(b).

5322 Section 33. Section **63N-23-203**, which is renumbered from Section 63N-3-607 is renumbered  
 5323 and amended to read:

5324 **[~~63N-3-607~~] 63N-23-203 (Effective 05/06/26). Payment, use, and administration**  
 5325 **of revenue from a housing and transit reinvestment zone.**

5326 (1) In accordance with this part[;]

5327 [(a)] a municipality or public transit county may receive and use property tax increment  
 5328 and housing and transit reinvestment zone funds[;] .

5329 [(b)(i) a public infrastructure district shall use the funds from a convention center  
 5330 reinvestment zone in a capital city within or for the benefit of a convention center

- 5331 ~~reinvestment zone in a capital city; and]~~
- 5332 [(ii) ~~funds from a convention center reinvestment zone in a capital city may be used~~
- 5333 ~~outside of the capital city convention center reinvestment zone if the use meets the~~
- 5334 ~~objectives described in Section 63N-3-603.1 and is determined by the board of the~~
- 5335 ~~public infrastructure district to be a direct benefit to the convention center~~
- 5336 ~~reinvestment zone in a capital city; and]~~
- 5337 [(e) ~~a municipality or a public infrastructure district may receive and use property tax~~
- 5338 ~~increment and convention center reinvestment zone funds for a convention center~~
- 5339 ~~reinvestment zone that is not within a capital city.]~~
- 5340 (2)(a) [~~Except as provided in Subsection (3), a~~] A county that collects property tax on
- 5341 property located within a housing and transit reinvestment zone shall, in accordance
- 5342 with Section 59-2-1365, distribute to the municipality or public transit county any
- 5343 property tax increment the municipality or public transit county is authorized to
- 5344 receive up to the maximum approved by the housing and transit reinvestment zone
- 5345 committee.
- 5346 (b) Property tax increment distributed to a municipality or public transit county in
- 5347 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
- 5348 or public transit county.
- 5349 (c)(i) Property tax increment paid to the municipality or public transit county are
- 5350 housing and transit reinvestment zone funds and shall be administered by an
- 5351 agency created by the municipality or public transit county within which the
- 5352 housing and transit reinvestment zone is located.
- 5353 (ii) Before an agency may receive housing and transit reinvestment zone funds from
- 5354 the municipality or public transit county, the municipality or public transit county
- 5355 and the agency shall enter into an interlocal agreement with terms that:
- 5356 (A) are consistent with the approval of the housing and transit reinvestment zone
- 5357 committee; and
- 5358 (B) meet the requirements of Section [~~63N-3-603~~] 63N-23-201 or, for a
- 5359 convention center reinvestment zone, the requirements of Section [~~63N-3-603.1~~]
- 5360 63N-23-301.
- 5361 [(3)(a) ~~A county that collects property tax on property located within a convention~~
- 5362 ~~center reinvestment zone shall, in accordance with Section 59-2-1365, distribute to~~
- 5363 ~~the relevant public infrastructure district created by the eligible municipality any~~
- 5364 ~~property tax increment the public infrastructure district is authorized to receive up to~~

- 5365 ~~the amounts approved by the housing and transit reinvestment zone committee.]~~  
5366 ~~[(b) Property tax increment distributed to a public infrastructure district in accordance~~  
5367 ~~with Subsection (3)(a) is not revenue of the taxing entity or municipality.]~~  
5368 ~~[(c) Property tax increment paid to the public infrastructure district are convention center~~  
5369 ~~reinvestment zone funds and shall be administered by the public infrastructure district~~  
5370 ~~within which the convention center reinvestment zone is located.]~~  
5371 [(4)] (3)(a)(i) A municipality or public transit county and agency shall use housing  
5372 and transit reinvestment zone funds within, or for the direct benefit of, the housing  
5373 and transit reinvestment zone.  
5374 [(ii) A public infrastructure district shall use convention center reinvestment zone  
5375 funds within, or for the benefit of, the convention center reinvestment zone.]  
5376 (b) If any housing and transit reinvestment zone funds will be used outside of the  
5377 housing and transit reinvestment zone, there ~~[must]~~ shall be a finding in the approved  
5378 proposal for a housing and transit reinvestment zone that the use of the housing and  
5379 transit reinvestment zone funds outside of the housing and transit reinvestment zone  
5380 will directly benefit the housing and transit reinvestment zone.  
5381 [(5)] (4)(a) A municipality or public transit county shall use housing and transit  
5382 reinvestment zone funds to achieve the purposes described in Subsections [  
5383 ~~63N-3-603(1) and (2)~~] 63N-23-201(1) and (2), by paying all or part of the costs of any  
5384 of the following:  
5385 (i) income targeted housing costs;  
5386 (ii) structured parking within the housing and transit reinvestment zone;  
5387 (iii) enhanced development costs;  
5388 (iv) horizontal construction costs;  
5389 (v) vertical construction costs;  
5390 (vi) property acquisition costs within the housing and transit reinvestment zone;  
5391 (vii) the costs of the municipality or public transit county to create and administer the  
5392 housing and transit reinvestment zone, which may not exceed 2% of the total  
5393 housing and transit reinvestment zone funds, plus the costs to complete the gap  
5394 analysis described in Subsection [~~63N-3-604(2)~~] 63N-23-202(2); or  
5395 (viii) subject to Subsection [~~(5)(b)~~] (4)(b), costs for the construction or expansion of  
5396 child care facilities within the boundary of the housing and transit reinvestment  
5397 zone.  
5398 (b) A municipality or public transit county may not use more than 1% of the total

5399 housing and transit reinvestment zone funds to pay costs described in Subsection [  
5400 ~~(5)(a)(viii)] (4)(a)(viii).~~

5401 ~~[(e) A public infrastructure district shall use convention center reinvestment zone funds  
5402 to achieve the purposes described in Section 63N-3-603.1.]~~

5403 ~~[(6)] (5)~~ Housing and transit reinvestment zone funds may be paid to a participant, if the  
5404 agency and participant enter into a participation agreement that requires the participant  
5405 to utilize the housing and transit reinvestment zone funds as allowed in this section.

5406 ~~[(7)] (6)[(a)]~~ Housing and transit reinvestment zone funds may be used to pay all of the  
5407 costs of bonds issued by the municipality or public transit county in accordance with  
5408 Title 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the  
5409 bonds including interest.

5410 ~~[(b) Convention center reinvestment zone funds may be used to pay all of the costs of  
5411 debt incurred by the public infrastructure district, including the cost to issue and  
5412 repay the debt including interest.]~~

5413 ~~[(8)] (7)[(a)]~~ A municipality or public transit county may create one or more public  
5414 infrastructure districts within the housing and transit reinvestment zone under Title  
5415 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing  
5416 and transit reinvestment zone funds to guarantee the payment of public infrastructure  
5417 bonds issued by a public infrastructure district.

5418 ~~[(b) An eligible municipality that is a capital city shall create one or more public  
5419 infrastructure districts within the convention center reinvestment zone under Title  
5420 17D, Chapter 4, Public Infrastructure District Act, and the convention center  
5421 reinvestment zone funds may be used to pay all or any portion of debt incurred by the  
5422 public infrastructure district, including the cost to issue and repay the debt including  
5423 interest.]~~

5424 Section 34. Section **63N-23-204**, which is renumbered from Section 63N-3-608 is renumbered  
5425 and amended to read:

5426 **[63N-3-608] 63N-23-204 (Effective 05/06/26). Applicability to an existing**  
5427 **community reinvestment project.**

5428 ~~[(1)]~~ For a housing and transit reinvestment zone created under this part that overlaps any  
5429 portion of an existing inactive industrial site community reinvestment project area plan  
5430 created in accordance with Title 17C, Limited Purpose Local Government Entities -  
5431 Community Reinvestment Agency Act:

5432 ~~[(a)] (1)~~ if the community reinvestment project area plan captures less than 80% of the

5433 property tax increment from a taxing entity, or if a taxing entity is not participating in  
 5434 the community reinvestment project area plan, the housing and transit reinvestment zone  
 5435 may capture the difference between:

5436 [(i)] (a) 80%; and

5437 [(ii)] (b) the percentage of property tax increment captured [~~pursuant to~~] in accordance  
 5438 with the community reinvestment project area plan; and

5439 [(b)] (2) if a community reinvestment project area plan expires before the housing and  
 5440 transit reinvestment zone, the housing and transit reinvestment zone may capture the  
 5441 property tax increment allocated to the community reinvestment project area plan for  
 5442 any remaining portion of the term of the housing and transit reinvestment zone and the  
 5443 base year shall be updated in accordance with [~~Subsection 63N-3-602(4)~~] Subsection  
 5444 63N-23-101(4).

5445 [~~(2) For a convention center reinvestment zone created under this part that overlaps any~~  
 5446 ~~portion of an existing community reinvestment project area created in accordance with~~  
 5447 ~~Title 17C, Limited Purpose Local Government Entities – Community Reinvestment~~  
 5448 ~~Agency Act:]~~

5449 [(a) if the community reinvestment project area captures less than 100% of the property  
 5450 tax increment from a taxing entity, or if a taxing entity is not participating in the  
 5451 community reinvestment project area, the convention center reinvestment zone may  
 5452 capture the difference between:]

5453 [(i) 100%; and]

5454 [(ii) the percentage of property tax increment captured pursuant to the community  
 5455 reinvestment project area for each taxing entity; and]

5456 [(b) if a community reinvestment project area plan expires before the convention center  
 5457 reinvestment zone, the convention center reinvestment zone may capture the property  
 5458 tax increment allocated to the community reinvestment project area for any  
 5459 remaining portion of the term of the convention center reinvestment zone with the  
 5460 base year relating back to the base year established by the community reinvestment  
 5461 project area.]

5462 Section 35. Section **63N-23-205**, which is renumbered from Section 63N-3-609 is renumbered  
 5463 and amended to read:

5464 [~~63N-3-609~~] **63N-23-205 (Effective 05/06/26). Property tax increment protections.**

5465 (1) Upon petition by a participating taxing entity or on the initiative of the housing and  
 5466 transit reinvestment zone committee creating a housing and transit reinvestment zone[~~or~~

5467 ~~convention center reinvestment zone~~], a housing and transit reinvestment zone [~~or~~  
5468 ~~convention center reinvestment zone~~] may suspend or terminate the collection of  
5469 property tax increment in a housing and transit reinvestment zone [~~or convention center~~  
5470 ~~reinvestment zone~~] if the housing and transit reinvestment zone committee determines,  
5471 by clear and convincing evidence, presented in a public meeting of the housing and  
5472 transit reinvestment zone committee, that:

5473 (a) a substantial portion of the property tax increment collected in the housing and transit  
5474 reinvestment zone [~~or convention center reinvestment zone~~] has not or will not be  
5475 used for the purposes provided in Section [~~63N-3-607~~] 63N-23-203; and

5476 (b)(i) the housing and transit reinvestment zone [~~or convention center reinvestment~~  
5477 ~~zone~~] and related public infrastructure district has no indebtedness secured by  
5478 funds provided for in this chapter; or

5479 (ii) the housing and transit reinvestment zone [~~or convention center reinvestment zone~~]  
5480 and related public infrastructure district has no binding financial obligations  
5481 secured by this chapter.

5482 (2) A housing and transit reinvestment zone [~~or convention center reinvestment zone~~] may  
5483 not collect property tax increment in excess of the property tax increment projections or  
5484 limitations set forth in the housing and transit reinvestment zone [~~or convention center~~  
5485 ~~reinvestment zone~~] proposal.

5486 (3) The agency administering the property tax increment collected in a housing and transit  
5487 reinvestment zone under Subsection [~~63N-3-607(2)(c) or the public infrastructure~~  
5488 ~~district administering the property tax increment collected in a convention center~~  
5489 ~~reinvestment zone under Subsection 63N-3-607(3)(c)~~] 63N-23-203(2)(c), shall have  
5490 standing in a court with proper jurisdiction to enforce provisions of the housing and  
5491 transit reinvestment zone [~~or convention center reinvestment zone proposal~~],  
5492 participation agreements, and other agreements for the use of the property tax increment  
5493 collected.

5494 (4) The agency administering property tax increment from a housing and transit  
5495 reinvestment zone under Subsection [~~63N-3-607(2)(c) or the public infrastructure~~  
5496 ~~district administering the property tax increment collected in a convention center~~  
5497 ~~reinvestment zone under Subsection 63N-3-607(3)(c) which~~] 63N-23-203(2)(c) that is  
5498 collecting property tax increment shall follow the reporting requirements described in  
5499 Section 17C-1-603 and the audit requirements described in Sections 17C-1-604 and  
5500 17C-1-605.

5501 (5) For each housing and transit reinvestment zone~~[or convention center reinvestment zone]~~  
5502 collecting tax increment within a county, the county auditor shall follow the reporting  
5503 requirement found in Section 17C-1-606.

5504 Section 36. Section **63N-23-206**, which is renumbered from Section 63N-3-610 is renumbered  
5505 and amended to read:

5506 **~~[63N-3-610] 63N-23-206 (Effective 05/06/26). Sales and use tax increment in a~~**  
5507 **housing and transit reinvestment zone.**

5508 (1) A housing and transit reinvestment proposal shall, in consultation with the tax  
5509 commission:

5510 (a) create a sales and use tax boundary as described in Subsection (2); and

5511 (b) establish a sales and use tax base year and collection period to calculate and transfer  
5512 the state sales and use tax increment within the housing and transit reinvestment  
5513 zone, which sales and use tax base year is established prospectively, 90 days after the  
5514 date of the notice described in Subsection (4).

5515 (2)(a) The municipality or public transit county, in consultation with the tax  
5516 commission, shall establish a sales and use tax boundary that:

5517 (i) is based on state sales and use tax collection boundaries, which are determined  
5518 using the ZIP Code as defined in Section 59-12-102, including the four digit  
5519 delivery route extension;

5520 (ii) follows as closely as reasonably practicable the boundary of the housing and  
5521 transit reinvestment zone; and

5522 (iii) is one contiguous area that includes at least the entire boundary of the housing  
5523 and transit reinvestment zone.

5524 (b) If a state sales and use tax boundary is intersected by the boundary of the housing  
5525 and transit reinvestment zone, the housing and transit reinvestment zone may include  
5526 the entire state sales and use tax boundary.

5527 (c) The municipality or public transit county shall include the sales and use tax boundary  
5528 in the housing and transit reinvestment zone proposal as described in Section [  
5529 ~~63N-3-604] 63N-23-202.~~

5530 (3)(a) Beginning the first day of a calendar quarter one year after the sales and use tax  
5531 boundary for a housing and transit reinvestment zone is established, the tax  
5532 commission shall, at least annually, transfer an amount equal to 15% of the sales and  
5533 use tax increment within an established sales and use tax boundary into the Transit  
5534 Transportation Investment Fund created in Section 72-2-124.

- 5535 (b) A municipality or public transit county may only propose one sales and use tax  
 5536 increment period and one sales and use tax base year for a housing and transit  
 5537 reinvestment zone established under this part.
- 5538 (4)(a) The establishment of a sales and use tax base year and the requirement described  
 5539 in Subsection (3) to transfer incremental sales tax revenue shall take effect:
- 5540 (i) on the first day of a calendar quarter; and  
 5541 (ii) after a 90-day waiting period, beginning on the date the commission receives  
 5542 notice from the municipality or public transit county meeting the requirements of  
 5543 Subsection (4)(b).
- 5544 (b) The notice described in Subsection (4)(a) shall include:
- 5545 (i) a statement that the housing and transit reinvestment zone will be established  
 5546 under this part;  
 5547 (ii) the approval date and effective date of the housing and transit reinvestment zone;  
 5548 and  
 5549 (iii) the definitions of the sales and use tax boundary and sales and use tax base year.
- 5550 (5) The State Tax Commission may retain and deposit an administrative charge in  
 5551 accordance with Section 59-1-306 from sales and use tax increment the State Tax  
 5552 Commission collects and administers under this section.

5553 Section 37. Section **63N-23-207**, which is renumbered from Section 63N-3-611 is renumbered  
 5554 and amended to read:

5555 **[63N-3-611] 63N-23-207 (Effective 05/06/26). Boundary adjustments.**

5556 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a  
 5557 housing and transit reinvestment zone~~[or a convention center reinvestment zone]~~, the  
 5558 municipality administering the property tax increment collected in the housing and transit  
 5559 reinvestment zone~~[, or for a convention center reinvestment zone, the Governor's Office of  
 -5560 Economic Opportunity]~~ may make corresponding adjustments to the boundary of the housing  
 5561 and transit reinvestment zone.

5562 Section 38. Section **63N-23-301**, which is renumbered from Section 63N-3-603.1 is renumbered  
 5563 and amended to read:

5564 **Part 3. Convention Center Reinvestment Zone**

5565 **[63N-3-603.1] 63N-23-301 (Effective 05/06/26). Applicability, requirements, and**  
 5566 **limitations on a convention center reinvestment zone.**

- 5567 (1) A convention center reinvestment zone proposal created under this part shall  
 5568 demonstrate how the proposal addresses the following objectives:

- 5569 (a) redevelopment of a convention center and the surrounding area's infrastructure and  
5570 assets;
- 5571 (b) activation of unrealized economic opportunities related to the convention center and  
5572 surrounding infrastructure and assets;
- 5573 (c) modernization of infrastructure and design of the convention center and surrounding  
5574 area and related public spaces;
- 5575 (d) encouragement of transformative development and investment, including parking  
5576 improvements;
- 5577 (e) promotion of economic development and employment opportunities;
- 5578 (f) improvement of the aesthetic, functionality, and walkability of the convention center  
5579 and surrounding area;
- 5580 (g) enhancement of tourism opportunities; and
- 5581 (h) creation of outdoor event space to accommodate events or festivals open to the  
5582 public.

5583 ~~[(2) A convention center reinvestment zone in a capital city proposal created under this part  
5584 shall also demonstrate how the proposal addresses the following objectives:]~~

5585 ~~[(a) redevelopment of a convention center and surrounding infrastructure and assets that  
5586 directly serve the convention center, including parking facilities;]~~

5587 ~~[(b) modernization of infrastructure and design of the convention center; and]~~

5588 ~~[(c) improvement of the aesthetic, functionality, and walkability of the convention center.]~~

5589 ~~[(3)]~~ (2) The Governor's Office of Economic Opportunity shall propose a convention center  
5590 reinvestment zone to accomplish the objectives described in ~~[Subsections (1) and (2)]~~  
5591 Subsection (1).

5592 ~~[(4)]~~ (3)(a)(i) A convention center reinvestment zone proposal may propose the  
5593 capture of 100% of the property tax increment and 100% of the sales and use tax  
5594 increment described in Subsection ~~[63N-3-602(38)(b)(ii)]~~ 63N-23-101(40)(b)(ii)  
5595 for a period of 30 years.

5596 ~~[(ii) For a convention center reinvestment zone in a capital city, in addition to the  
5597 proposed capture of property tax increment and sales and use tax increment  
5598 described in Subsection (4)(a)(i), the convention center reinvestment zone may  
5599 propose the capture of 50% of the sales and use tax increment described in  
5600 Subsection 63N-3-602(38)(b)(i).]~~

5601 (b) The convention center reinvestment zone proposal shall include the respective start  
5602 date and base year date from which to calculate:

- 5603 (i) the 30-year period of property tax increment; and  
 5604 (ii) the 30-year period of the sales and use tax increment.
- 5605 (c) The convention center reinvestment zone proposal may not stagger the collection  
 5606 periods for the parcels within the convention center reinvestment zone boundary and  
 5607 the parcels within the convention center reinvestment zone boundary shall have the  
 5608 same 30-year collection period.
- 5609 (d) The convention center reinvestment zone proposal start date for the 30-year period  
 5610 described in this Subsection ~~[(4)]~~ (3), shall be no sooner than January 1 of the year of  
 5611 the identified tax collection year.
- 5612 ~~[(e)(i) For a convention center reinvestment zone in a capital city, revenue from the  
 5613 property tax increment and sales and use tax increment shall be distributed  
 5614 directly to a convention center public infrastructure district in a capital city created  
 5615 as required in Subsection 63N-3-607(8)(b); and]~~
- 5616 ~~[(ii) (e) For a convention center reinvestment zone [in a city other than a capital city],  
 5617 revenue from the property tax increment and sales and use tax increment may be  
 5618 distributed directly to the municipality or public infrastructure district as described in  
 5619 the convention center reinvestment zone proposal.~~
- 5620 ~~[(5)]~~ (4) The Governor's Office of Economic Opportunity may only propose a convention  
 5621 center reinvestment zone:
- 5622 (a) within the boundary of the eligible municipality;  
 5623 (b) consisting of a total area:  
 5624 (i) not to exceed 50 acres; or  
 5625 (ii) if greater than 50 acres, approved by the relevant eligible municipality; and  
 5626 (c) consisting only of contiguous parcels~~[-; and] .~~
- 5627 ~~[(d) for a convention center reinvestment zone in a capital city, in an area that includes  
 5628 any portion of an existing convention center and any city block that is bordered by an  
 5629 existing convention center.]~~
- 5630 ~~[(6)(a) For a convention center reinvestment zone in a capital city, the Governor's  
 5631 Office of Economic Opportunity shall propose a convention center reinvestment zone  
 5632 on or before April 15, 2025.]~~
- 5633 ~~[(b) For a convention center reinvestment zone that is not in a capital city, the ]~~
- 5634 (5) The Governor's Office of Economic Opportunity shall propose a convention center  
 5635 reinvestment zone within 60 days after receiving a petition from the relevant city.
- 5636 ~~[(7)]~~ (6) A convention center reinvestment zone does not count toward the maximum of

5637 eight housing and transit reinvestment zones in a given county as provided in Subsection [  
5638 63N-3-603(7)(a)] 63N-23-201(7)(a).

5639 Section 39. Section **63N-23-302**, which is renumbered from Section 63N-3-604.1 is renumbered  
5640 and amended to read:

5641 **[~~63N-3-604.1~~] 63N-23-302 (Effective 05/06/26). Process for proposing a**  
5642 **convention center reinvestment zone.**

5643 (1) To create a convention center reinvestment zone under this part, the Governor's Office  
5644 of Economic Opportunity shall, after consulting with and giving notice to the related  
5645 eligible municipality and county, provide a proposal for a convention center  
5646 reinvestment zone to the housing and transit reinvestment zone committee.

5647 (2)[~~(a)~~] The Governor's Office of Economic Opportunity shall ensure that a proposal for  
5648 the creation of a convention center reinvestment zone includes the following  
5649 information and data that:

5650 [(i)] (a) defines the boundary of the proposed convention center reinvestment zone;

5651 [(ii)] (b) describes generally the proposed development plan;

5652 [(iii)] (c) identifies a base year and collection period to calculate the property tax  
5653 increment within the convention center reinvestment zone;

5654 [(iv)] (d) specifies a sales and use tax base year to calculate the sales and use tax  
5655 increment within the convention center reinvestment zone in accordance with Section [  
5656 ~~63N-3-610.1~~] 63N-23-306;

5657 [(v)] (e) provides estimated project and investment objectives for the convention center  
5658 reinvestment zone; and

5659 [(vi)] (f) outlines generally the impacts on transportation in and around the proposed  
5660 convention center reinvestment zone.

5661 [~~(b) For a convention center reinvestment zone in a capital city, the proposal described~~  
5662 ~~in Subsection (2)(a) shall also provide estimated budgets and construction costs,~~  
5663 ~~anticipated revenue, financing, expenses, and other sources and uses of funds for the~~  
5664 ~~project area.]~~

5665 [(e) The proposal described in Subsection (2)(b) shall limit the use of funds to:]

5666 [(i) a convention center;]

5667 [(ii) a publicly owned entertainment venue;]

5668 [(iii) parking; and]

5669 [(iv) infrastructure related to the project.]

5670 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center

5671 reinvestment zone shall demonstrate how the information and data provided in the  
 5672 proposal [~~pursuant to~~] described in Subsection (2) furthers the objectives described in  
 5673 Section [~~63N-3-603.1~~] 63N-23-301 and is in the public interest.

5674 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of  
 5675 Economic Opportunity shall provide notice of the proposal to all affected taxing entities,  
 5676 including the State Tax Commission, cities, counties, school districts, metropolitan  
 5677 planning organizations, and the county assessor and county auditor of the county in  
 5678 which the convention center reinvestment zone is located.

5679 (5) After receiving notice from the Governor's Office of Economic Opportunity of a  
 5680 proposed convention center reinvestment zone as described in Subsection (4), the Tax  
 5681 Commission shall, within 14 days:

- 5682 (a) evaluate the feasibility of administering the tax implications of the proposal; and
- 5683 (b) provide a letter to the Governor's Office of Economic Opportunity describing any  
 5684 challenges in the administration of the proposal, or indicating that the State Tax  
 5685 Commission can feasibly administer the proposal.

5686 Section 40. Section **63N-23-303** is enacted to read:

5687 **63N-23-303 (Effective 05/06/26). Payment, use, and administration of revenue**  
 5688 **from a convention center reinvestment zone.**

5689 (1) In accordance with this part, a municipality or a public infrastructure district may  
 5690 receive and use property tax increment and convention center reinvestment zone funds  
 5691 for a convention center reinvestment zone that is not within a capital city.

5692 (2)(a) A county that collects property tax on property located within a convention center  
 5693 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the  
 5694 relevant public infrastructure district created by the eligible municipality any  
 5695 property tax increment the public infrastructure district is authorized to receive up to  
 5696 the amounts approved by the housing and transit reinvestment zone committee.

5697 (b) Property tax increment distributed to a public infrastructure district in accordance  
 5698 with Subsection (2)(a) is not revenue of the taxing entity or municipality.

5699 (c) Property tax increment paid to the public infrastructure district are convention center  
 5700 reinvestment zone funds and shall be administered by the public infrastructure district  
 5701 within which the convention center reinvestment zone is located.

5702 (3)(a) A public infrastructure district shall use convention center reinvestment zone  
 5703 funds within, or for the benefit of the convention center reinvestment zone.

5704 (b) If any housing and transit reinvestment zone funds will be used outside of the

5705 housing and transit reinvestment zone, there shall be a finding in the approved  
 5706 proposal for a housing and transit reinvestment zone that the use of the housing and  
 5707 transit reinvestment zone funds outside of the housing and transit reinvestment zone  
 5708 will directly benefit the housing and transit reinvestment zone.

5709 (4) A public infrastructure district shall use convention center reinvestment zone funds to  
 5710 achieve the purposes described in Section 63N-23-301.

5711 (5) Convention center reinvestment zone funds may be used to pay all of the costs of debt  
 5712 incurred by the public infrastructure district, including the cost to issue and repay the  
 5713 debt including interest.

5714 Section 41. Section **63N-23-304** is enacted to read:

5715 **63N-23-304 (Effective 05/06/26). Applicability to an existing community**  
 5716 **reinvestment zone project.**

5717 For a convention center reinvestment zone created under this part that overlaps any  
 5718 portion of an existing community reinvestment project area created in accordance with Title  
 5719 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act:

5720 (1) if the community reinvestment project area captures less than 100% of the property tax  
 5721 increment from a taxing entity, or if a taxing entity is not participating in the community  
 5722 reinvestment project area, the convention center reinvestment zone may capture the  
 5723 difference between:

5724 (a) 100%; and

5725 (b) the percentage of property tax increment captured in accordance with the community  
 5726 reinvestment project area for each taxing entity; and

5727 (2) if a community reinvestment project area plan expires before the convention center  
 5728 reinvestment zone, the convention center reinvestment zone may capture the property  
 5729 tax increment allocated to the community reinvestment project area for any remaining  
 5730 portion of the term of the convention center reinvestment zone with the base year  
 5731 relating back to the base year established by the community reinvestment project area.

5732 Section 42. Section **63N-23-305** is enacted to read:

5733 **63N-23-305 (Effective 05/06/26). Property tax increment protections.**

5734 (1) Upon petition by a participating taxing entity or on the initiative of the housing and  
 5735 transit reinvestment zone committee creating a convention center reinvestment zone, a  
 5736 convention center reinvestment zone may suspend or terminate the collection of  
 5737 property tax increment in a convention center reinvestment zone if the housing and  
 5738 transit reinvestment zone committee determines, by clear and convincing evidence,

- 5739 presented in a public meeting of the housing and transit reinvestment zone committee,  
 5740 that:
- 5741 (a) a substantial portion of the property tax increment collected in the convention center  
 5742 reinvestment zone has not or will not be used for the purposes provided in Section  
 5743 63N-23-303; and
- 5744 (b)(i) the convention center reinvestment zone and related public infrastructure  
 5745 district has no indebtedness secured by funds provided for in this chapter; or  
 5746 (ii) the convention center reinvestment zone and related public infrastructure district  
 5747 has no binding financial obligations secured by this chapter.
- 5748 (2) A convention center reinvestment zone may not collect property tax increment in excess  
 5749 of the property tax increment projections or limitations set forth in the convention center  
 5750 reinvestment zone proposal.
- 5751 (3) The public infrastructure district administering the property tax increment collected in a  
 5752 convention center reinvestment zone under Section 63N-23-303, shall have standing in a  
 5753 court with proper jurisdiction to enforce provisions of the convention center  
 5754 reinvestment zone proposal, participation agreements, and other agreements for the use  
 5755 of the property tax increment collected.
- 5756 (4) The public infrastructure district administering the property tax increment collected in a  
 5757 convention center reinvestment zone under Section 63N-23-303 that is collecting  
 5758 property tax increment shall follow the reporting requirements described in Section  
 5759 17C-1-603 and the audit requirements described in Sections 17C-1-604 and 17C-1-605.
- 5760 (5) For each convention center reinvestment zone collecting tax increment within a county,  
 5761 the county auditor shall follow the reporting requirement found in Section 17C-1-606.

5762 Section 43. Section **63N-23-306**, which is renumbered from Section 63N-3-610.1 is renumbered  
 5763 and amended to read:

5764 **[63N-3-610.1] 63N-23-306 (Effective 05/06/26). Sales and use tax increment in a**  
 5765 **convention center reinvestment zone.**

- 5766 (1) A convention center [revitalization] reinvestment zone proposal shall, in consultation  
 5767 with the State Tax Commission:
- 5768 (a) create a sales and use tax boundary as described in Subsection (2); and  
 5769 (b) establish a sales and use tax base year to calculate and transfer the sales and use tax  
 5770 increment within the convention center [revitalization] reinvestment zone 90 days  
 5771 after the date of the notice described in Subsection [(4)] (5).
- 5772 (2)(a) The Governor's Office of Economic Opportunity, in consultation with the State

- 5773 Tax Commission, shall establish a sales and use tax boundary that:
- 5774 (i) is based on state sales and use tax collection boundaries, which are determined
- 5775 using the ZIP Code as defined in Section 59-12-102, including the four digit
- 5776 delivery route extension;
- 5777 (ii) follows as closely as reasonably practicable the boundary of the convention
- 5778 center ~~[revitalization]~~ reinvestment zone; and
- 5779 (iii) is one contiguous area that includes at least the entire boundary of the convention
- 5780 center ~~[revitalization]~~ reinvestment zone.
- 5781 (b) If a state sales and use tax boundary is intersected by the boundary of the convention
- 5782 center ~~[revitalization]~~ reinvestment zone, the convention center ~~[revitalization]~~
- 5783 reinvestment zone may include the entire state sales and use tax boundary.
- 5784 (c) The Governor's Office of Economic Opportunity shall include the sales and use tax
- 5785 boundary in the convention center ~~[revitalization]~~ reinvestment zone proposal as
- 5786 described in Section ~~[63N-3-603.1]~~ 63N-23-301.
- 5787 (3)~~[(a) For a convention center reinvestment zone that is not located in a capital city,~~
- 5788 ~~beginning]~~ Beginning no sooner than January 1, 2026, and on the first day of a
- 5789 calendar quarter after the year set in the proposal and after the sales and use tax
- 5790 boundary for a convention center reinvestment zone is established, the State Tax
- 5791 Commission shall, at least annually, transfer an amount equal to 100% of the local
- 5792 sales and use tax increment within an established sales and use tax boundary to the
- 5793 relevant municipality or public infrastructure district.
- 5794 ~~[(b) For a convention center reinvestment zone that is located in a capital city, beginning~~
- 5795 ~~no sooner than January 1, 2026, and on the first day of a calendar quarter after the~~
- 5796 ~~year set in the proposal and after the sales and use tax boundary for a convention~~
- 5797 ~~center reinvestment zone in a capital city is established, the State Tax Commission~~
- 5798 ~~shall, at least annually, transfer an amount equal to 50% of the state sales and use tax~~
- 5799 ~~increment and 100% of any local sales and use tax increment within an established~~
- 5800 ~~sales and use tax boundary to the public infrastructure district created pursuant to~~
- 5801 ~~Subsection 63N-3-607(8)(b).]~~
- 5802 (4) The Governor's Office of Economic Opportunity may only propose one sales and use
- 5803 tax increment period and one sales and use tax base year for a convention center [
- 5804 ~~revitalization]~~ reinvestment zone established under this part.
- 5805 (5)(a) The distribution of the sales and use tax increment shall begin:
- 5806 (i) on the first day of a calendar quarter;

- 5807 (ii) after a 90-day waiting period, beginning on the date the State Tax Commission  
 5808 receives notice from the Governor's Office of Economic Opportunity meeting the  
 5809 requirements of Subsection (5)(b); and  
 5810 (iii) no earlier than January 1, 2026 after the year set in the proposal of the approved  
 5811 convention center reinvestment zone.
- 5812 (b) The notice described in Subsection (5)(a) shall include:
- 5813 (i) a statement that the convention center [~~revitalization~~] reinvestment zone will be  
 5814 established under this part;
- 5815 (ii) the approval date and effective date of the convention center [~~revitalization~~]  
 5816 reinvestment zone; and
- 5817 (iii) the definitions of the sales and use tax boundary and sales and use tax base year.
- 5818 (6) The State Tax Commission may retain and deposit an administrative charge in  
 5819 accordance with Section 59-1-306 from sales and use tax revenues the State Tax  
 5820 Commission collects and administers under this section.

5821 Section 44. Section **63N-23-307** is enacted to read:

5822 **63N-23-307 (Effective 05/06/26). Boundary adjustments.**

5823 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a  
 5824 convention center reinvestment zone, the Governor's Office of Economic Opportunity may  
 5825 make corresponding adjustments to the boundary of the convention center reinvestment zone.

5826 Section 45. Section **63N-23-401** is enacted to read:

5827 **Part 4. Convention Center Reinvestment Zone in a Capital City**

5828 **63N-23-401 (Effective 05/06/26). Applicability, requirements, and limitations on**  
 5829 **a convention center reinvestment zone in a capital city.**

- 5830 (1) A convention center reinvestment zone in a capital city proposal created under this part  
 5831 shall demonstrate how the proposal addresses the following objectives:
- 5832 (a) redevelopment of a convention center and the surrounding area's infrastructure and  
 5833 assets;
- 5834 (b) activation of unrealized economic opportunities related to the convention center and  
 5835 surrounding infrastructure and assets;
- 5836 (c) modernization of infrastructure and design of the convention center and surrounding  
 5837 area and related public spaces;
- 5838 (d) encouragement of transformative development and investment, including parking  
 5839 improvements;
- 5840 (e) promotion of economic development and employment opportunities;

- 5841 (f) improvement of the aesthetic, functionality, and walkability of the convention center  
5842 and surrounding area;
- 5843 (g) enhancement of tourism opportunities; and
- 5844 (h) creation of an outdoor event space to accommodate events or festivals open to the  
5845 public.
- 5846 (2) A convention center reinvestment zone in a capital city proposal created under this part  
5847 shall also demonstrate how the proposal addresses the following objectives:
- 5848 (a) redevelopment of a convention center and surrounding infrastructure and assets that  
5849 directly serve the convention center, including parking facilities;
- 5850 (b) modernization of infrastructure and design of the convention center; and
- 5851 (c) improvement of the aesthetic, functionality, and walkability of the convention center.
- 5852 (3) The Governor's Office of Economic Opportunity shall propose a convention center  
5853 reinvestment zone in a capital city to accomplish the objectives described in Subsections  
5854 (1) and (2).
- 5855 (4)(a) A convention center reinvestment zone in a capital city proposal may propose the  
5856 capture of 100% of the property tax increment and 100% of the sales and use tax  
5857 increment described in Subsection 63N-23-101(40)(b)(ii) for a period of 30 years.
- 5858 (b) In addition to the proposed capture of property tax increment and sales and use tax  
5859 increment described in Subsection (4)(a), the convention center reinvestment zone in  
5860 a capital city may propose the capture of 50% of the sales and use tax increment  
5861 described in Subsection 63N-23-101(40)(b)(i).
- 5862 (c) The convention center reinvestment zone in a capital city proposal shall include the  
5863 respective start date and base year date from which to calculate:
- 5864 (i) the 30-year period of property tax increment; and
- 5865 (ii) the 30-year period of the sales and use tax increment.
- 5866 (d) The convention center reinvestment zone in a capital city proposal may not stagger  
5867 the collection periods for the parcels within the convention center reinvestment zone  
5868 boundary and the parcels within the convention center reinvestment zone boundary  
5869 shall have the same 30-year collection period.
- 5870 (e) The convention center reinvestment zone in a capital city proposal start date for the  
5871 30-year period described in this Subsection (4), shall be no sooner than January 1 of  
5872 the year of the identified tax collection year.
- 5873 (f) The revenue from the property tax increment and sales and use tax increment for a  
5874 convention center reinvestment zone in a capital city shall be distributed directly to a

5875 convention center public infrastructure district in a capital city created under Section  
 5876 63N-23-403.

5877 (g) The convention center public infrastructure district described in Subsection (4)(f)  
 5878 shall be created by an eligible municipality that is a capital city infrastructure district.

5879 (5) The Governor's Office of Economic Opportunity may only propose a convention center  
 5880 reinvestment zone:

5881 (a) within the boundary of the eligible municipality;

5882 (b) consisting of a total area:

5883 (i) not to exceed 50 acres; or

5884 (ii) if greater than 50 acres, approved by the relevant eligible municipality;

5885 (c) consisting only of contiguous parcels; and

5886 (d) in an area that includes any portion of an existing convention center and any city  
 5887 block that is bordered by an existing convention center.

5888 (6) The Governor's Office of Economic Opportunity shall propose a convention center  
 5889 reinvestment zone in a capital city on or before April 15, 2025.

5890 (7) A convention center reinvestment zone in a capital city does not count toward the  
 5891 maximum of eight housing and transit reinvestment zones in a given county as provided  
 5892 in Subsection 63N-23-201(7)(a).

5893 Section 46. Section **63N-23-402** is enacted to read:

5894 **63N-23-402 (Effective 05/06/26). Process for proposing a convention center**  
 5895 **reinvestment zone in a capital city.**

5896 (1) To create a convention center reinvestment zone in a capital city under this part, the  
 5897 Governor's Office of Economic Opportunity shall, after consulting with and giving  
 5898 notice to the related eligible municipality and county, provide a proposal for a  
 5899 convention center reinvestment zone in a capital city to the housing and transit  
 5900 reinvestment zone committee.

5901 (2)(a) The Governor's Office of Economic Opportunity shall ensure that a proposal for  
 5902 the creation of a convention center reinvestment zone in a capital city includes the  
 5903 following information and data that:

5904 (i) defines the boundary of the proposed convention center reinvestment zone in a  
 5905 capital city;

5906 (ii) describes generally the proposed development plan;

5907 (iii) identifies a base year and collection period to calculate the property tax  
 5908 increment within the convention center reinvestment zone in a capital city;

- 5909            (iv) specifies a sales and use tax base year to calculate the sales and use tax increment  
5910            within the convention center reinvestment zone in a capital city in accordance  
5911            with Section 63N-23-406;
- 5912            (v) provides estimated project and investment objectives for the convention center  
5913            reinvestment zone in a capital city; and
- 5914            (vi) outlines generally the impacts on transportation in and around the proposed  
5915            convention center reinvestment zone in a capital city.
- 5916            (b) The proposal described in Subsection (2)(a) shall also provide estimated budgets and  
5917            construction costs, anticipated revenue, financing, expenses, and other sources and  
5918            uses of funds for the project area.
- 5919            (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
- 5920            (i) a convention center;  
5921            (ii) a publicly owned entertainment venue;  
5922            (iii) parking; and  
5923            (iv) infrastructure related to the project.
- 5924            (3) A proposal by the Governor's Office of Economic Opportunity for a convention center  
5925            reinvestment zone in a capital city shall demonstrate how the information and data  
5926            provided in the proposal described in Subsection (2) furthers the objectives described in  
5927            Section 63N-23-401 and is in the public interest.
- 5928            (4) After submitting the proposal as described in Subsection (2), the Governor's Office of  
5929            Economic Opportunity shall provide notice of the proposal to all affected taxing entities,  
5930            including the State Tax Commission, cities, counties, school districts, metropolitan  
5931            planning organizations, and the county assessor and county auditor of the county in  
5932            which the convention center reinvestment zone is located.
- 5933            (5) After receiving notice from the Governor's Office of Economic Opportunity of a  
5934            proposed convention center reinvestment zone in a capital city as described in  
5935            Subsection (4), the State Tax Commission shall, within 14 days:
- 5936            (a) evaluate the feasibility of administering the tax implications of the proposal; and  
5937            (b) provide a letter to the Governor's Office of Economic Opportunity describing any  
5938            challenges in the administration of the proposal, or indicating that the State Tax  
5939            Commission can feasibly administer the proposal.
- 5940            Section 47. Section **63N-23-403** is enacted to read:  
5941            **63N-23-403 (Effective 05/06/26). Payment, use, and administration of revenue**  
5942            **from a convention center reinvestment zone in a capital city.**

- 5943 (1) In accordance with this part:
- 5944 (a) a public infrastructure district shall use the funds from a convention center
- 5945 reinvestment zone in a capital city within or for the benefit of a convention center
- 5946 reinvestment zone in a capital city; and
- 5947 (b) funds from a convention center reinvestment zone in a capital city may be used
- 5948 outside of the capital city convention center reinvestment zone if the use meets the
- 5949 objectives described in Section 63N-23-401 and is determined by the board of the
- 5950 public infrastructure district to be a direct benefit to the convention center
- 5951 reinvestment zone in a capital city.
- 5952 (2)(a) A county that collects property tax on property located within a convention center
- 5953 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
- 5954 relevant public infrastructure district created by the eligible municipality any
- 5955 property tax increment the public infrastructure district is authorized to receive up to
- 5956 the amounts approved by the housing and transit reinvestment zone committee.
- 5957 (b) Property tax increment paid to the public infrastructure district are convention center
- 5958 reinvestment zone funds and shall be administered by the public infrastructure district
- 5959 within which the convention center reinvestment zone is located.
- 5960 (c) Property tax increment distributed to a public infrastructure district in accordance
- 5961 with Subsection (2)(a) is not revenue of the taxing entity or municipality.
- 5962 (d) A public infrastructure district shall use convention center reinvestment zone funds
- 5963 to achieve the purposes described in Section 63N-23-401.
- 5964 (3) Convention center reinvestment zone funds may be used to pay all of the costs of debt
- 5965 incurred by the public infrastructure district, including the cost to issue and repay the
- 5966 debt including interest.
- 5967 (4) An eligible municipality that is a capital city shall create one or more public
- 5968 infrastructure districts within the convention center reinvestment zone under Title 17D,
- 5969 Chapter 4, Public Infrastructure District Act, and the convention center reinvestment
- 5970 zone funds may be used to pay all or any portion of debt incurred by the public
- 5971 infrastructure district, including the cost to issue and repay the debt including interest.
- 5972 Section 48. Section **63N-23-404** is enacted to read:
- 5973 **63N-23-404 (Effective 05/06/26). Applicability to an existing community**
- 5974 **reinvestment project.**
- 5975 For a convention center reinvestment zone in a capital city created under this part that
- 5976 overlaps any portion of an existing community reinvestment project area created in accordance

5977 with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment  
5978 Agency Act:

- 5979 (1) if the community reinvestment project area captures less than 100% of the property tax  
5980 increment from a taxing entity, or if a taxing entity is not participating in the community  
5981 reinvestment project area, the convention center reinvestment zone in a capital city may  
5982 capture the difference between:
- 5983 (a) 100%; and  
5984 (b) the percentage of property tax increment captured in accordance with the community  
5985 reinvestment project area for each taxing entity; and
- 5986 (2) if a community reinvestment project area plan expires before the convention center  
5987 reinvestment zone, the convention center reinvestment zone may capture the property  
5988 tax increment allocated to the community reinvestment project area for any remaining  
5989 portion of the term of the convention center reinvestment zone with the base year  
5990 relating back to the base year established by the community reinvestment project area.

5991 Section 49. Section **63N-23-405** is enacted to read:

5992 **63N-23-405 (Effective 05/06/26). Property tax increment protections.**

- 5993 (1) Upon petition by a participating taxing entity or on the initiative of the housing and  
5994 transit reinvestment zone committee creating a housing and transit reinvestment zone or  
5995 convention center reinvestment zone, a housing and transit reinvestment zone or  
5996 convention center reinvestment zone may suspend or terminate the collection of  
5997 property tax increment in a housing and transit reinvestment zone or convention center  
5998 reinvestment zone if the housing and transit reinvestment zone committee determines,  
5999 by clear and convincing evidence, presented in a public meeting of the housing and  
6000 transit reinvestment zone committee, that:
- 6001 (a) a substantial portion of the property tax increment collected in the convention center  
6002 reinvestment zone has not or will not be used for the purposes provided in Section  
6003 63N-23-403; and
- 6004 (b)(i) the convention center reinvestment zone and related public infrastructure  
6005 district has no indebtedness secured by funds provided for in this chapter; or  
6006 (ii) the convention center reinvestment zone and related public infrastructure district  
6007 has no binding financial obligations secured by this chapter.
- 6008 (2) A convention center reinvestment zone may not collect property tax increment in excess  
6009 of the property tax increment projections or limitations set forth in the convention center  
6010 reinvestment zone proposal.

- 6011 (3) The public infrastructure district administering the property tax increment collected in a  
 6012 convention center reinvestment zone under Section 63N-23-403, shall have standing in a  
 6013 court with proper jurisdiction to enforce provisions of the convention center  
 6014 reinvestment zone proposal, participation agreements, and other agreements for the use  
 6015 of the property tax increment collected.
- 6016 (4) The public infrastructure district administering the property tax increment collected in a  
 6017 convention center reinvestment zone under Section 63N-23-403 that is collecting  
 6018 property tax increment shall follow the reporting requirements described in Section  
 6019 17C-1-603 and the audit requirements described in Sections 17C-1-604 and 17C-1-605.
- 6020 (5) For each convention center reinvestment zone collecting tax increment within a county,  
 6021 the county auditor shall follow the reporting requirement found in Section 17C-1-606.  
 6022 Section 50. Section **63N-23-406** is enacted to read:  
 6023 **63N-23-406 (Effective 05/06/26). Sales and use tax increment in a convention**  
 6024 **center reinvestment zone in a capital city.**
- 6025 (1) A convention center reinvestment zone in a capital city proposal shall, in consultation  
 6026 with the State Tax Commission:
- 6027 (a) create a sales and use tax boundary as described in Subsection (2); and  
 6028 (b) establish a sales and use tax base year to calculate and transfer the sales and use tax  
 6029 increment within the convention center reinvestment zone in a capital city 90 days  
 6030 after the date of the notice described in Subsection (5).
- 6031 (2)(a) The Governor's Office of Economic Opportunity, in consultation with the State  
 6032 Tax Commission, shall establish a sales and use tax boundary that:
- 6033 (i) is based on state sales and use tax collection boundaries, which are determined  
 6034 using the ZIP Code as defined in Section 59-12-102, including the four digit  
 6035 delivery route extension;
- 6036 (ii) follows as closely as reasonably practicable the boundary of the convention  
 6037 center reinvestment zone; and
- 6038 (iii) is one contiguous area that includes at least the entire boundary of the convention  
 6039 center reinvestment zone.
- 6040 (b) If a state sales and use tax boundary is intersected by the boundary of the convention  
 6041 center reinvestment zone, the convention center reinvestment zone may include the  
 6042 entire state sales and use tax boundary.
- 6043 (c) The Governor's Office of Economic Opportunity shall include the sales and use tax  
 6044 boundary in the convention center reinvestment zone proposal as described in Section

6045 63N-23-401.

6046 (3) Beginning no sooner than January 1, 2026, and on the first day of a calendar quarter  
6047 after the year set in the proposal and after the sales and use tax boundary for a  
6048 convention center reinvestment zone in a capital city is established, the State Tax  
6049 Commission shall, at least annually, transfer an amount equal to 50% of the state sales  
6050 and use tax increment and 100% of any local sales and use tax increment within an  
6051 established sales and use tax boundary to the public infrastructure district created in  
6052 accordance with Section 63N-23-403.

6053 (4) The Governor's Office of Economic Opportunity may only propose one sales and use  
6054 tax increment period and one sales and use tax base year for a convention center  
6055 reinvestment zone established under this part.

6056 (5)(a) The distribution of the sales and use tax increment shall begin:

6057 (i) on the first day of a calendar quarter;

6058 (ii) after a 90-day waiting period, beginning on the date the State Tax Commission  
6059 receives notice from the Governor's Office of Economic Opportunity meeting the  
6060 requirements of Subsection (5)(b); and

6061 (iii) no earlier than January 1, 2026, after the year set in the proposal of the approved  
6062 convention center reinvestment zone.

6063 (b) The notice described in Subsection (5)(a) shall include:

6064 (i) a statement that the convention center reinvestment zone will be established under  
6065 this part;

6066 (ii) the approval date and effective date of the convention center reinvestment zone;  
6067 and

6068 (iii) the definitions of the sales and use tax boundary and sales and use tax base year.

6069 (6) The State Tax Commission may retain and deposit an administrative charge in  
6070 accordance with Section 59-1-306 from sales and use tax revenues the State Tax  
6071 Commission collects and administers under this section.

6072 Section 51. Section **63N-23-407** is enacted to read:

6073 **63N-23-407 (Effective 05/06/26). Boundary adjustments.**

6074 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a  
6075 convention center reinvestment zone in a capital city, the Governor's Office of Economic  
6076 Opportunity may make corresponding adjustments to the boundary of the convention center  
6077 reinvestment zone in a capital city.

6078 Section 52. Section **63N-23-501** is enacted to read:

6079 **Part 5. Home Ownership Promotion Zone for Municipalities**

6080 **63N-23-501 (Effective 05/06/26). Definitions.**

6081 As used in this part:

- 6082 (1) "Affordable housing" means housing offered for sale at 80% or less of the median  
 6083 county home price for housing of that type.
- 6084 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 6085 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
 6086 roll last equalized during the base year.
- 6087 (4) "Base year" means, for a proposed home ownership promotion zone area, a year  
 6088 beginning the first day of the calendar quarter determined by the last equalized tax roll  
 6089 before the adoption of the home ownership promotion zone.
- 6090 (5) "Home ownership promotion zone" means a home ownership promotion zone created in  
 6091 accordance with this part.
- 6092 (6) "Participant" means the same as that term is defined in Section 17C-1-102.
- 6093 (7) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 6094 (8) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 6095 (9) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 6096 (10) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 6097 (11)(a) "Tax increment" means the difference between:
- 6098 (i) the amount of property tax revenue generated each tax year by a taxing entity from  
 6099 the area within a home ownership promotion zone, using the current assessed  
 6100 value and each taxing entity's current certified tax rate as defined in Section  
 6101 59-2-924; and
- 6102 (ii) the amount of property tax revenue that would be generated from that same area  
 6103 using the base taxable value and each taxing entity's current certified tax rate as  
 6104 defined in Section 59-2-924.
- 6105 (b) "Tax increment" does not include property revenue from:
- 6106 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);  
 6107 or
- 6108 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 6109 (c) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

6110 Section 53. Section **63N-23-502**, which is renumbered from Section 10-21-501 is renumbered  
 6111 and amended to read:

6112 **[10-21-501] 63N-23-502 (Effective 05/06/26). Municipal designation of a home**

6113 **ownership promotion zone.**

- 6114 (1) Subject to the requirements of Sections [~~10-21-502~~] 63N-23-503 and [~~10-21-503~~]  
6115 63N-23-504, a municipality may create a home ownership promotion zone as described  
6116 in this section.
- 6117 (2) A home ownership promotion zone created under this section:
- 6118 (a) is an area of 10 contiguous acres or less located entirely within the boundaries of the  
6119 municipality, zoned for fewer than six housing units per acre before the creation of  
6120 the home ownership promotion zone;
- 6121 (b) shall be re-zoned for at least six housing units per acre; and
- 6122 (c) may not be encumbered by any residential building permits as of the day on which  
6123 the home ownership promotion zone is created.
- 6124 (3)(a) The municipality shall designate the home ownership promotion zone by  
6125 resolution of the legislative body of the municipality, passed or adopted in a public  
6126 meeting of the legislative body of the municipality, following:
- 6127 (i) the recommendation of the municipality planning commission; and
- 6128 (ii) the notification requirements described in Section [~~10-21-503~~] 63N-23-504.
- 6129 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership  
6130 promotion zone created in accordance with this section meets the objectives and  
6131 requirements in Section [~~10-21-502~~] 63N-23-503.
- 6132 (c) The home ownership promotion zone is created on the effective date of the resolution  
6133 described in Subsection (3)(a).
- 6134 (4) If a home ownership promotion zone is created as described in this section:
- 6135 (a) affected local taxing entities are required to participate according to the requirements  
6136 of the home ownership promotion zone established by the municipality; and
- 6137 (b) each affected taxing entity is required to participate at the same rate.
- 6138 (5) A home ownership promotion zone may be modified by the same manner it is created as  
6139 described in Subsection (3).
- 6140 (6) Within 30 days after the day on which the municipality creates the home ownership  
6141 promotion zone as described in Subsection (3), the municipality shall:
- 6142 (a) record with the recorder of the county in which the home ownership promotion zone  
6143 is located a document containing:
- 6144 (i) a description of the land within the home ownership promotion zone; and
- 6145 (ii) the date of creation of the home ownership promotion zone;
- 6146 (b) transmit a copy of the description of the land within the home ownership promotion

6147 zone and an accurate map or plat indicating the boundaries of the home ownership  
 6148 promotion zone to the Utah Geospatial Resource Center created under Section  
 6149 63A-16-505; and

6150 (c) transmit a map and description of the land within the home ownership promotion  
 6151 zone to:

6152 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
 6153 part of the home ownership promotion zone is located;

6154 (ii) the officer or officers performing the function of auditor or assessor for each  
 6155 taxing entity that does not use the county assessment roll or collect the taxing  
 6156 entity's taxes through the county;

6157 (iii) the legislative body or governing board of each taxing entity impacted by the  
 6158 home ownership promotion zone;

6159 (iv) the tax commission; and

6160 (v) the State Board of Education.

6161 (7) A municipality may receive tax increment and use home ownership promotion zone  
 6162 funds as described in Section ~~[10-21-504]~~ 63N-23-505.

6163 Section 54. Section **63N-23-503**, which is renumbered from Section 10-21-502 is renumbered  
 6164 and amended to read:

6165 **~~[10-21-502]~~ 63N-23-503 (Effective 05/06/26). Applicability, requirements, and**  
 6166 **limitations.**

6167 (1) A home ownership promotion zone shall promote the following objectives:

6168 (a) increasing availability of housing, including affordable housing;

6169 (b) promotion of home ownership;

6170 (c) overcoming development impediments and market conditions that render an  
 6171 affordable housing development cost prohibitive absent the incentives resulting from  
 6172 a home ownership promotion zone; and

6173 (d) conservation of water resources through efficient land use.

6174 (2) In order to accomplish the objectives described in Subsection (1), a municipality shall  
 6175 ensure that:

6176 (a) land inside the proposed home ownership promotion zone is zoned as residential,  
 6177 with at least six planned housing units per acre;

6178 (b) at least 60% of the proposed housing units within the home ownership promotion  
 6179 zone are affordable housing units; and

6180 (c) all of the proposed housing units within the home ownership promotion zone are

- 6181 deed restricted to require owner occupation for at least five years.
- 6182 (3) A municipality may restrict short term rentals in a home ownership promotion zone.
- 6183 (4) A municipality may not create a home ownership promotion zone if:
- 6184 (a) the proposed home ownership promotion zone would overlap with a school district
- 6185 and:
- 6186 (i)(A) the school district has more than one municipality within the school
- 6187 district's boundaries; and
- 6188 (B) the school district already has 100 acres designated as home ownership
- 6189 promotion zone within the school district's boundaries; or
- 6190 (ii)(A) the school district has one municipality within the school district's
- 6191 boundaries; and
- 6192 (B) the school district already has 50 acres designated as home ownership
- 6193 promotion zone within the school district's boundaries; or
- 6194 (b) the area in the proposed home ownership zone would overlap with:
- 6195 (i) a project area, as that term is defined in Section 17C-1-102, and created under
- 6196 Title 17C, Chapter 1, Agency Operations, until the project area is dissolved in
- 6197 accordance with Section 17C-1-702; or
- 6198 (ii) an existing housing and transit reinvestment zone.
- 6199 Section 55. Section **63N-23-504**, which is renumbered from Section 10-21-503 is renumbered
- 6200 and amended to read:
- 6201 **[10-21-503] 63N-23-504 (Effective 05/06/26). Notification before creation of a**
- 6202 **home ownership promotion zone.**
- 6203 (1)(a) As used in this section, "hearing" means a public meeting in which the legislative
- 6204 body of a municipality:
- 6205 (i) considers a resolution creating a home ownership promotion zone; and
- 6206 (ii) takes public comment on a proposed home ownership promotion zone.
- 6207 (b) A hearing under this section may be combined with any other public meeting of a
- 6208 legislative body of a municipality.
- 6209 (2) Before a municipality creates a home ownership promotion zone as described in Section [
- 6210 ~~10-21-501~~] 63N-23-502, the municipality shall provide notice of a hearing as described
- 6211 in this section.
- 6212 (3) The notice required by Subsection (2) shall be given by:
- 6213 (a) publishing notice for the municipality, as a class A notice under Section 63G-30-102,
- 6214 for at least 14 days before the day on which the legislative body of the municipality

- 6215 intends to have a hearing;
- 6216 (b) at least 30 days before the hearing, mailing notice to:
- 6217 (i) each record owner of property located within the proposed home ownership
- 6218 promotion zone;
- 6219 (ii) the State Tax Commission;
- 6220 (iii) the Governor's Office of Economic Opportunity;
- 6221 [~~(iii)~~] (iv) the assessor and auditor of the county in which the proposed home
- 6222 ownership promotion zone is located; and
- 6223 [~~(iv)~~] (v)(A) if the proposed home ownership promotion zone is subject to a taxing
- 6224 entity committee, each member of the taxing entity committee and the State
- 6225 Board of Education; or
- 6226 (B) if the proposed home ownership promotion zone is not subject to a taxing
- 6227 entity committee, the legislative body or governing board of each taxing entity
- 6228 within the boundaries of the proposed home ownership promotion zone.
- 6229 (4) The mailing of the notice to record property owners required under Subsection (3)(b)
- 6230 shall be conclusively considered to have been properly completed if:
- 6231 (a) the agency mails the notice to the property owners as shown in the records, including
- 6232 an electronic database, of the county recorder's office and at the addresses shown in
- 6233 those records; and
- 6234 (b) the county recorder's office records used by the agency in identifying owners to
- 6235 whom the notice is mailed and [~~their~~] the property owners' addresses were obtained or
- 6236 accessed from the county recorder's office no earlier than 30 days before the mailing.
- 6237 (5) The municipality shall include in each notice required under this section:
- 6238 (a)(i) a boundary description of the proposed home ownership promotion zone; or
- 6239 (ii)(A) a mailing address or telephone number where a person may request that a
- 6240 copy of the boundary description of the proposed home ownership promotion
- 6241 zone be sent at no cost to the person by mail, email, or facsimile transmission;
- 6242 and
- 6243 (B) if the agency or community has an [~~Internet~~] internet website, an [~~Internet~~]
- 6244 internet address where a person may gain access to an electronic, printable
- 6245 copy of the boundary description of the proposed home ownership promotion
- 6246 zone;
- 6247 (b) a map of the boundaries of the proposed home ownership promotion zone;
- 6248 (c) an explanation of the purpose of the hearing; and

- 6249 (d) a statement of the date, time, and location of the hearing.
- 6250 (6) The municipality shall include in each notice under Subsection (3)(b):
- 6251 (a) a statement that property tax revenue resulting from an increase in valuation of
- 6252 property within the proposed home ownership promotion zone will be paid to the
- 6253 municipality for proposed home ownership promotion zone development rather than
- 6254 to the taxing entity to which the tax revenue would otherwise have been paid; and
- 6255 (b) an invitation to the recipient of the notice to submit to the municipality comments
- 6256 concerning the subject matter of the hearing before the date of the hearing.
- 6257 (7) A municipality may include in a notice under Subsection (2) any other information the
- 6258 municipality considers necessary or advisable, including the public purpose achieved by
- 6259 the proposed home ownership promotion zone.

6260 Section 56. Section **63N-23-505**, which is renumbered from Section 10-21-504 is renumbered

6261 and amended to read:

6262 **[10-21-504] 63N-23-505 (Effective 05/06/26). Payment, use, and administration**

6263 **of revenue from a home ownership promotion zone.**

- 6264 (1)(a) A municipality may receive tax increment and use home ownership promotion
- 6265 zone funds in accordance with this section.
- 6266 (b) The maximum amount of time that a municipality may receive and use tax increment
- 6267 in accordance with a home ownership promotion zone is 15 consecutive years.
- 6268 (2) A county that collects property tax on property located within a home ownership
- 6269 promotion zone shall, in accordance with Section 59-2-1365, distribute 60% of the tax
- 6270 increment collected from property within the home ownership promotion zone to the
- 6271 municipality over the home ownership promotion zone to be used as described in this
- 6272 section.
- 6273 (3)(a) Tax increment distributed to a municipality in accordance with Subsection (2) is
- 6274 not revenue of the taxing entity or municipality, but home ownership promotion zone
- 6275 funds.
- 6276 (b) Home ownership promotion zone funds may be administered by an agency created
- 6277 by the municipality within which the home ownership promotion zone is located.
- 6278 (c) Before an agency may receive home ownership promotion zone funds from a
- 6279 municipality, the agency shall enter into an interlocal agreement with the
- 6280 municipality.
- 6281 (4)(a) A municipality or agency shall use home ownership promotion zone funds within,
- 6282 or for the direct benefit of, the home ownership promotion zone.

- 6283 (b) If any home ownership promotion zone funds will be used outside of the home  
 6284 ownership promotion zone, the legislative body of the municipality shall make a  
 6285 finding that the use of the home ownership promotion zone funds outside of the home  
 6286 ownership promotion zone will directly benefit the home ownership promotion zone.
- 6287 (5) A municipality or agency shall use home ownership promotion zone funds to achieve  
 6288 the purposes described in Section [~~10-21-502~~] 63N-23-503 by paying all or part of the  
 6289 costs of any of the following:
- 6290 (a) project improvement costs;  
 6291 (b) systems improvement costs;  
 6292 (c) water exaction costs;  
 6293 (d) street lighting costs;  
 6294 (e) environmental remediation costs; or  
 6295 (f) the costs of the municipality or agency to create and administer the home ownership  
 6296 promotion zone, which may not exceed 3% of the total home ownership promotion  
 6297 zone funds.
- 6298 (6) Home ownership promotion zone funds may be paid to a participant, if the municipality  
 6299 and participant enter into a participation agreement which requires the participant to  
 6300 utilize the home ownership promotion zone funds as allowed in this section.
- 6301 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds  
 6302 issued by the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency  
 6303 Bonds, including the cost to issue and repay the bonds including interest.
- 6304 (8) A municipality may:
- 6305 (a) create one or more public infrastructure districts within a home ownership promotion  
 6306 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and  
 6307 (b) pledge and utilize the home ownership promotion zone funds to guarantee the  
 6308 payment of public infrastructure bonds issued by a public infrastructure district.
- 6309 Section 57. Section **63N-23-601** is enacted to read:

### Part 6. Home Ownership Promotion Zone for Counties

#### **63N-23-601 (Effective 05/06/26). Definitions.**

As used in this part:

- 6311 (1) "Affordable housing" means housing offered for sale at 80% or less of the median  
 6312 county home price for housing of that type.
- 6313 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 6314 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
 6315  
 6316

6317 roll last equalized during the base year.

6318 (4) "Base year" means, for a proposed home ownership promotion zone area, a year  
 6319 beginning the first day of the calendar quarter determined by the last equalized tax roll  
 6320 before the adoption of the home ownership promotion zone.

6321 (5) "Home ownership promotion zone" means a home ownership promotion zone created in  
 6322 accordance with this part.

6323 (6) "Participant" means the same as that term is defined in Section 17C-1-102.

6324 (7) "Participation agreement" means the same as that term is defined in Section 17C-1-102.

6325 (8) "Project improvements" means the same as that term is defined in Section 11-36a-102.

6326 (9) "System improvements" means the same as that term is defined in Section 11-36a-102.

6327 (10) "Tax commission" means the State Tax Commission created in Section 59-1-201.

6328 (11)(a) "Tax increment" means the difference between:

6329 (i) the amount of property tax revenue generated each tax year by a taxing entity from  
 6330 the area within a home ownership promotion zone, using the current assessed  
 6331 value and each taxing entity's current certified tax rate as defined in Section  
 6332 59-2-924; and

6333 (ii) the amount of property tax revenue that would be generated from that same area  
 6334 using the base taxable value and each taxing entity's current certified tax rate as  
 6335 defined in Section 59-2-924.

6336 (b) "Tax increment" does not include property revenue from:

6337 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);  
 6338 or

6339 (ii) a county additional property tax described in Subsection 59-2-1602(4).

6340 (12) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

6341 Section 58. Section **63N-23-602**, which is renumbered from Section 17-80-501 is renumbered  
 6342 and amended to read:

6343 **[17-80-501] 63N-23-602 (Effective 05/06/26). County designation of a home**  
 6344 **ownership promotion zone.**

6345 (1) Subject to Sections [17-80-502] 63N-23-603 and [17-80-503] 63N-23-604, a county may  
 6346 create a home ownership promotion zone as described in this section.

6347 (2) A home ownership promotion zone created under this section:

6348 (a) is an area of 10 contiguous unincorporated acres or less located entirely within the  
 6349 boundaries of the county, zoned for fewer than six housing units per acre before the  
 6350 creation of the home ownership promotion zone;

- 6351 (b) shall be re-zoned for at least six housing units per acre; and  
6352 (c) may not be encumbered by any residential building permits as of the day on which  
6353 the home ownership promotion zone is created.
- 6354 (3)(a) The county shall designate the home ownership promotion zone by resolution of  
6355 the legislative body of the county following:
- 6356 (i) the recommendation of the county planning commission; and  
6357 (ii) the notification requirements described in Section [~~17-80-503~~] 63N-23-604.
- 6358 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership  
6359 promotion zone created in accordance with this section meets the objectives and  
6360 requirements of Section [~~17-80-502~~] 63N-23-603.
- 6361 (c) The home ownership promotion zone is created on the effective date of the resolution  
6362 described in Subsection (3)(a).
- 6363 (4) If a home ownership promotion zone is created as described in this section:
- 6364 (a) affected local taxing entities are required to participate according to the requirements  
6365 of the home ownership promotion zone established by the county; and  
6366 (b) each affected taxing entity is required to participate at the same rate.
- 6367 (5) A home ownership promotion zone may be modified by the same manner it is created as  
6368 described in Subsection (3).
- 6369 (6) Within 30 days after the day on which the county creates the home ownership  
6370 promotion zone as described in Subsection (3), the county shall:
- 6371 (a) record with the recorder a document containing:
- 6372 (i) a description of the land within the home ownership promotion zone; and  
6373 (ii) the date of creation of the home ownership promotion zone;
- 6374 (b) transmit a copy of the description of the land within the home ownership promotion  
6375 zone and an accurate map or plat indicating the boundaries of the home ownership  
6376 promotion zone to the Utah Geospatial Resource Center created under Section  
6377 63A-16-505; and
- 6378 (c) transmit a map and description of the land within the home ownership promotion  
6379 zone to:
- 6380 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
6381 part of the home ownership promotion zone is located;
- 6382 (ii) the officer or officers performing the function of auditor or assessor for each  
6383 taxing entity that does not use the county assessment roll or collect the taxing  
6384 entity's taxes through the county;

- 6385 (iii) the legislative body or governing board of each taxing entity impacted by the  
6386 home ownership promotion zone;  
6387 (iv) the tax commission; and  
6388 (v) the State Board of Education.

6389 (7) A county may receive tax increment and use home ownership promotion zone funds as  
6390 described in Section [~~17-80-504~~] 63N-23-605.

6391 Section 59. Section **63N-23-603**, which is renumbered from Section 17-80-502 is renumbered  
6392 and amended to read:

6393 **[~~17-80-502~~] 63N-23-603 (Effective 05/06/26). Applicability, requirements, and**  
6394 **limitations.**

6395 (1) A home ownership promotion zone shall promote the following objectives:

- 6396 (a) increasing availability of housing, including affordable housing;  
6397 (b) promotion of home ownership;  
6398 (c) overcoming development impediments and market conditions that render an  
6399 affordable housing development cost prohibitive absent the incentives resulting from  
6400 a home ownership promotion zone; and  
6401 (d) conservation of water resources through efficient land use.

6402 (2) In order to accomplish the objectives described in Subsection (1), a county shall ensure  
6403 that:

- 6404 (a) land inside the proposed home ownership promotion zone is zoned as residential,  
6405 with at least six planned housing units per acre;  
6406 (b) at least 60% of the proposed housing units within the home ownership promotion  
6407 zone are affordable housing units; and  
6408 (c) all of the proposed housing units within the home ownership promotion zone are  
6409 deed restricted to require owner occupation for at least five years.

6410 (3) A county may restrict short term rentals in a home ownership promotion zone.

6411 (4) A county may not create a home ownership promotion zone if:

6412 (a) the proposed home ownership promotion zone would overlap with a school district  
6413 and:

6414 (i)(A) the school district has more than one municipality within the school  
6415 district's boundaries; and

6416 (B) the school district already has 100 acres designated as home ownership  
6417 promotion zone within the school district's boundaries; or

6418 (ii)(A) the school district has one municipality within the school district's

6419 boundaries; and

6420 (B) the school district already has 50 acres designated as home ownership

6421 promotion zone within the school district's boundaries; or

6422 (b) the area in the proposed home ownership promotion zone would overlap with:

6423 (i) a project area, as that term is defined in Section 17C-1-102, and created under

6424 Title 17C, Chapter 1, Agency Operations, until the project area is dissolved in

6425 accordance with Section 17C-1-702; or

6426 (ii) an existing housing and transit reinvestment zone.

6427 Section 60. Section **63N-23-604**, which is renumbered from Section 17-80-503 is renumbered

6428 and amended to read:

6429 **[17-80-503] 63N-23-604 (Effective 05/06/26). Notification before creation of a**  
 6430 **home ownership promotion zone.**

6431 (1)(a) As used in this section, "hearing" means a public meeting in which the legislative  
 6432 body of a county:

6433 (i) considers a resolution creating a home ownership promotion zone; and

6434 (ii) takes public comment on a proposed home ownership promotion zone.

6435 (b) A hearing under this section may be combined with any other public meeting of a  
 6436 legislative body of a county.

6437 (2) Before a county creates a home ownership promotion zone as described in Section [  
 6438 17-80-501] 63N-23-602, the county shall provide notice of a hearing as described in this  
 6439 section.

6440 (3) The notice required by Subsection (2) shall be given by:

6441 (a) publishing notice for the county, as a class A notice under Section 63G-30-102, for at  
 6442 least 14 days before the day on which the legislative body of the county intends to  
 6443 have a hearing;

6444 (b) at least 30 days before the hearing, mailing notice to:

6445 (i) each record owner of property located within the proposed home ownership  
 6446 promotion zone;

6447 (ii) the State Tax Commission;

6448 (iii) the Governor's Office of Economic Opportunity; and

6449 ~~[(iii)]~~ (iv)(A) if the proposed home ownership promotion zone is subject to a  
 6450 taxing entity committee, each member of the taxing entity committee and the  
 6451 State Board of Education; or

6452 (B) if the proposed home ownership promotion zone is not subject to a taxing

6453 entity committee, the legislative body or governing board of each taxing entity  
6454 within the boundaries of the proposed home ownership promotion zone.

6455 (4) The mailing of the notice to record property owners required under Subsection (3)(b)  
6456 shall be conclusively considered to have been properly completed if:

6457 (a) the county mails the notice to the property owners as shown in the records, including  
6458 an electronic database, of the county recorder's office and at the addresses shown in  
6459 those records; and

6460 (b) the county recorder's office records used by the agency in identifying owners to  
6461 whom the notice is mailed and their addresses were obtained or accessed from the  
6462 county recorder's office no earlier than 30 days before the mailing.

6463 (5) The county shall include in each notice required under this section:

6464 (a)(i) a boundary description of the proposed home ownership promotion zone; or

6465 (ii)(A) a mailing address or telephone number where a person may request that a  
6466 copy of the boundary description of the proposed home ownership promotion  
6467 zone be sent at no cost to the person by mail, email, or facsimile transmission;  
6468 and

6469 (B) if the agency or community has an Internet website, an Internet address where  
6470 a person may gain access to an electronic, printable copy of the boundary  
6471 description of the proposed home ownership promotion zone;

6472 (b) a map of the boundaries of the proposed home ownership promotion zone;

6473 (c) an explanation of the purpose of the hearing; and

6474 (d) a statement of the date, time, and location of the hearing.

6475 (6) The county shall include in each notice under Subsection (3)(b):

6476 (a) a statement that property tax revenue resulting from an increase in valuation of  
6477 property within the proposed home ownership promotion zone will be paid to the  
6478 county for proposed home ownership promotion zone development rather than to the  
6479 taxing entity to which the tax revenue would otherwise have been paid; and

6480 (b) an invitation to the recipient of the notice to submit to the county comments  
6481 concerning the subject matter of the hearing before the date of the hearing.

6482 (7) A county may include in a notice under Subsection (2) any other information the county  
6483 considers necessary or advisable, including the public purpose achieved by the proposed  
6484 home ownership promotion zone.

6485 Section 61. Section **63N-23-605**, which is renumbered from Section 17-80-504 is renumbered  
6486 and amended to read:

6487            **[17-80-504] 63N-23-605 (Effective 05/06/26). Payment, use, and administration**  
6488 **of revenue from a home ownership promotion zone.**

- 6489 (1)(a) A county may receive tax increment and use home ownership promotion zone  
6490 funds in accordance with this section.
- 6491 (b) The maximum amount of time that a county may receive and use tax increment  
6492 collected from a home ownership promotion zone is 15 consecutive years.
- 6493 (2) A county that collects property tax on property located within a home ownership  
6494 promotion zone shall, in accordance with Section 59-2-1365, retain 60% of the tax  
6495 increment collected from property within the home ownership promotion zone to be  
6496 used as described in this section.
- 6497 (3)(a) Tax increment retained by a county in accordance with Subsection (2) is not  
6498 revenue of the taxing entity or county, but home ownership promotion zone funds.
- 6499 (b) Home ownership promotion zone funds may be administered by an agency created  
6500 by the county within which the home ownership promotion zone is located.
- 6501 (c) Before an agency may receive home ownership promotion zone funds from a county,  
6502 the agency shall enter into an interlocal agreement with the county.
- 6503 (4)(a) A county or agency shall use home ownership promotion zone funds within, or for  
6504 the direct benefit of, the home ownership promotion zone.
- 6505 (b) If any home ownership promotion zone funds will be used outside of the home  
6506 ownership promotion zone, the legislative body of the county shall make a finding  
6507 that the use of the home ownership promotion zone funds outside of the home  
6508 ownership promotion zone will directly benefit the home ownership promotion zone.
- 6509 (5) A county or agency shall use home ownership promotion zone funds to achieve the  
6510 purposes described in Section [17-80-502] 63N-23-603 by paying all or part of the costs  
6511 of any of the following:
- 6512 (a) project improvement costs;
- 6513 (b) systems improvement costs;
- 6514 (c) water exaction costs;
- 6515 (d) street lighting costs;
- 6516 (e) environmental remediation costs; or
- 6517 (f) the costs of the county to create and administer the home ownership promotion zone,  
6518 which may not exceed 3% of the total home ownership promotion zone funds.
- 6519 (6) Home ownership promotion zone funds may be paid to a participant, if the county and  
6520 participant enter into a participation agreement which requires the participant to utilize

- 6521 the home ownership promotion zone funds as allowed in this section.
- 6522 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds  
6523 issued by the county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,  
6524 including the cost to issue and repay the bonds including interest.
- 6525 (8) A county may:
- 6526 (a) create one or more public infrastructure districts within home ownership promotion  
6527 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
- 6528 (b) pledge and utilize the home ownership promotion zone funds to guarantee the  
6529 payment of public infrastructure bonds issued by a public infrastructure district.
- 6530 Section 62. Section **63N-23-701**, which is renumbered from Section 63N-3-1601 is renumbered  
6531 and amended to read:

6532 **Part 7. First Home Investment Zone**

6533 **~~[63N-3-1601]~~ 63N-23-701 (Effective 05/06/26). Definitions.**

6534 [(1)] As used in this part:

6535 (1) "Affordable housing" means:

6536 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy  
6537 by households with a gross household income equal to or less than 80% of the county  
6538 median gross income for households of the same size; or

6539 (b)(i) for homes that are owner occupied, housing that is priced at 80% of the county  
6540 median home price; or

6541 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code  
6542 median home price if:

6543 (A) the proposal described in Section ~~[63N-3-1603]~~ 63N-23-703 demonstrates  
6544 that a deviation from the county median home price will achieve the objectives  
6545 described in Subsection ~~[63N-3-1602(1)]~~ 63N-23-702(1); and

6546 (B) the ~~[zip]~~ ZIP code median home price is based upon county property tax  
6547 assessment data.

6548 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

6549 (3) "Base taxable value" means the same as that term is defined in Section ~~[63N-3-602]~~  
6550 63N-23-101.

6551 (4) "Base year" means, for each tax increment collection period triggered within a proposed  
6552 first home investment zone area, the calendar year ~~[prior to]~~ before the calendar year the  
6553 tax increment begins to be collected for those parcels triggered for that collection period.

6554 (5)(a) "Developable area" means the portion of land within a first home investment zone

- 6555 available for development and construction of business and residential uses.
- 6556 (b) "Developable area" does not include portions of land within a first home investment  
6557 zone that are allocated to:
- 6558 (i) parks;
- 6559 (ii) recreation facilities;
- 6560 (iii) open spaces;
- 6561 (iv) trails;
- 6562 (v) parking;
- 6563 (vi) roadway facilities; or
- 6564 (vii) other public facilities.
- 6565 (6) "Dwelling unit" means the same as that term is defined in Section [~~63N-3-602~~]  
6566 63N-23-101.
- 6567 (7) "Extraterritorial home" means a dwelling unit that is included as part of the first home  
6568 investment zone proposal that:
- 6569 (a) is located within the municipality proposing the first home investment zone but  
6570 outside the boundary of the first home investment zone;
- 6571 (b) is part of a development with a density of at least six units per acre;
- 6572 (c) is not located within an existing housing and transit reinvestment zone or an area that  
6573 could be included in a housing and transit reinvestment zone;
- 6574 (d) has not been issued a building permit by the municipality as of the date of the  
6575 approval of the first home investment zone; and
- 6576 (e) is required to be owner occupied for no less than 25 years.
- 6577 (8) "First home investment zone" means a first home investment zone created in accordance  
6578 with this part.
- 6579 (9) "Home" means a dwelling unit.
- 6580 (10) "Housing and transit reinvestment zone" means the same as that term is defined in  
6581 Section [~~63N-3-602~~] 63N-23-101.
- 6582 (11) "Housing and transit reinvestment zone committee" means the housing and transit  
6583 reinvestment zone committee described in Section [~~63N-3-605~~] 63N-23-102.
- 6584 (12) "Metropolitan planning organization" means the same as that term is defined in  
6585 Section 72-1-208.5.
- 6586 (13) "Mixed use development" means the same as that term is defined in Section [  
6587 ~~63N-3-603~~] 63N-23-101.
- 6588 (14) "Moderate income housing plan" means the same as that term is defined in Section

- 6589 11-41-102.
- 6590 (15) "Municipality" means the same as that term is defined in Section 10-1-104.
- 6591 (16) "Owner occupied" means private real property that is:
- 6592 (a) used for a single-family residential purpose; and
- 6593 (b) required to be occupied by the owner of the real property for no less than 25 years.
- 6594 (17) "Project area" means the same as that term is defined in Section 17C-1-102.
- 6595 (18)(a) "Project improvements" means site improvements and facilities that are:
- 6596 (i) planned and designed to provide service for development resulting from a
- 6597 development activity;
- 6598 (ii) necessary for the use and convenience of the occupants or users of development
- 6599 resulting from a development activity; and
- 6600 (iii) not identified or reimbursed as a system improvement.
- 6601 (b) "Project improvements" does not mean system improvements.
- 6602 (19) "State Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 6603 (20)(a) "System improvements" means existing and future public facilities that are
- 6604 designed to provide services to service areas within the community at large.
- 6605 (b) "System improvements" does not mean project improvements.
- 6606 (21)(a) "Tax increment" means the difference between:
- 6607 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 6608 the area within a first home investment zone designated in the first home
- 6609 investment zone proposal as the area from which tax increment is to be collected,
- 6610 using the current assessed value and each taxing entity's current certified tax rate
- 6611 as defined in Section 59-2-924; and
- 6612 (ii) the amount of property tax revenue that would be generated from that same area
- 6613 using the base taxable value and each taxing entity's current certified tax rate as
- 6614 defined in Section 59-2-924.
- 6615 (b) "Tax increment" does not include property tax revenue from:
- 6616 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 6617 or
- 6618 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 6619 (22) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 6620 (23) "Unencumbered annual community reinvestment agency revenue" means tax
- 6621 increment revenue received by the agency for purposes identified in Title 17C, Limited
- 6622 Purpose Local Government Entities - Community Reinvestment Agency Act, that:

6623 (a) have not been designated or restricted for future qualified uses as approved by the  
6624 agency board related to a specific project area; and

6625 (b) do not have a date certain by which the tax increment revenues will be used.

6626 Section 63. Section **63N-23-702**, which is renumbered from Section 63N-3-1602 is renumbered  
6627 and amended to read:

6628 **[63N-3-1602] 63N-23-702 (Effective 05/06/26). Applicability, requirements, and**  
6629 **limitations on a first home investment zone.**

6630 (1) A first home investment zone created in accordance with this part shall promote the  
6631 following objectives:

6632 (a) encouraging efficient development and opportunities for home ownership by  
6633 providing a variety of housing options, including affordable housing and for sale,  
6634 owner-occupied housing;

6635 (b) improving availability of housing options;

6636 (c) overcoming development impediments and market conditions that render a  
6637 development cost prohibitive absent the proposal and incentives;

6638 (d) conserving water resources through efficient land use;

6639 (e) improving air quality by reducing fuel consumption and motor vehicle trips;

6640 (f) encouraging transformative mixed-use development;

6641 (g) strategic land use and municipal planning in major transit investment corridors as  
6642 described in Subsection 10-20-404(2);

6643 (h) increasing access to employment and educational opportunities;

6644 (i) increasing access to child care; and

6645 (j) improving efficiencies in parking and transportation, including walkability of  
6646 communities, street and path interconnectivity within the proposed development and  
6647 connections to surrounding communities, and access to roadways, public  
6648 transportation, and active transportation.

6649 (2) In order to accomplish the objectives described in Subsection (1), a municipality or  
6650 county that initiates the process to create a first home investment zone as described in  
6651 this part shall ensure that the proposal for a first home investment zone includes:

6652 (a) subject to Subsection (3), a minimum of 30 housing units per acre:

6653 (i) in at least 51% of the developable area within the first home investment zone; and

6654 (ii) of which 50% ~~must~~ shall be owner occupied;

6655 (b) a mixed use development;

6656 (c) a requirement that at least 25% of homes within the first home investment zone

- 6657 remain owner occupied for at least 25 years from the date of original purchase;
- 6658 (d) for homes inside the first home investment zone, a requirement that at least 12% of
- 6659 the owner occupied homes and 12% of the homes that are not owner occupied are
- 6660 affordable housing;
- 6661 (e) a requirement that at least 20% of the extraterritorial homes are affordable housing;
- 6662 and
- 6663 (f) except for extraterritorial homes, the number of homes that result from multiplying
- 6664 the number of housing units described in Subsection (2)(a) by the developable area
- 6665 described in Subsection (2)(a)(i) may be intermingled with other mixed uses within
- 6666 the first home investment zone.
- 6667 (3)(a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection
- 6668 (2)(a), a first home investment zone may include an extraterritorial home to count
- 6669 toward the required density and owner-occupancy of the first home investment zone
- 6670 by:
- 6671 (i) adding the total number of extraterritorial homes related to the first home
- 6672 investment zone to the total number of homes within the first home investment
- 6673 zone; and
- 6674 (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of
- 6675 the total number of developable acres within the first home investment zone.
- 6676 (b) Extraterritorial homes may account for no more than half of the total homes to
- 6677 calculate density within a first home investment zone.
- 6678 (4)(a) If a municipality proposes a first home investment zone, the proposal shall comply
- 6679 with the limitations described in this Subsection (4).
- 6680 (b) A first home investment zone may not be less than 10 acres and no more than 100
- 6681 acres of developable area in size.
- 6682 (c)(i) Except as provided in Subsection (4)(c)(ii), a first home investment zone is
- 6683 required to be one contiguous area.
- 6684 (ii) While considering a first home investment zone proposal as described in Section [
- 6685 ~~63N-3-1605~~] 63N-23-704, the housing and transit reinvestment zone committee
- 6686 may consider and approve a first home investment zone that is not one contiguous
- 6687 area if:
- 6688 (A) the municipality provides evidence in the proposal showing that the deviation
- 6689 from the contiguity requirement will enhance the ability of the first home
- 6690 investment zone to achieve the objectives described in Subsection (1); and

- 6691 (B) the housing and transit reinvestment zone committee determines that the  
6692 deviation is reasonable and circumstances justify deviation from the contiguity  
6693 requirement.
- 6694 (iii) The first home investment zone area contiguity is not affected by roads or other  
6695 rights-of-way.
- 6696 (d)(i) A first home investment zone proposal may propose the capture of a maximum  
6697 of 60% of each taxing entity's tax increment above the base year for a term of no  
6698 more than 25 consecutive years within a 45-year period not to exceed the tax  
6699 increment amount approved in the first home investment zone proposal.
- 6700 (ii) A first home investment zone proposal may not propose or include triggering  
6701 more than three tax increment collection periods during the applicable 25-year  
6702 period.
- 6703 (iii) Subject to Subsection (4)(d)(iv), a municipality shall ensure that the required  
6704 affordable housing units are included proportionally in each phase of the first  
6705 home investment zone development.
- 6706 (iv) A municipality may allow a first home investment zone to be phased and  
6707 developed in a manner to provide more of the required affordable housing units in  
6708 early phases of development.
- 6709 (e) If a municipality proposes a first home investment zone, commencement of the  
6710 collection of tax increment, for all or a portion of the first home investment zone, is  
6711 triggered by providing notice as described in Subsection (5).
- 6712 (f) A municipality may restrict homes within a first home investment zone and related  
6713 extraterritorial homes from being used as a short-term rental.
- 6714 (g) A municipality shall ensure that affordable housing within a first home investment  
6715 zone and related extraterritorial homes that are reserved as affordable housing are  
6716 spread throughout the overall development.
- 6717 (h) A municipality shall ensure that at least 80% of extraterritorial homes included in a  
6718 first home investment zone proposal are single-family detached homes.
- 6719 (i) A municipality shall include in a first home investment zone proposal:
- 6720 (i) an affordable housing plan, which may include deed restrictions, to ensure the  
6721 affordable housing required in the proposal will continue to meet the definition of  
6722 affordable housing at least throughout the entire term of the first home investment  
6723 zone; and
- 6724 (ii) an owner occupancy plan, which may include deed restrictions, to ensure the

6725 owner occupancy requirements in the proposal will continue to meet the definition  
 6726 of owner occupancy at least throughout the entire term of the first home  
 6727 investment zone.

6728 (j) A municipality shall include in the first home investment zone proposal evidence to  
 6729 demonstrate how the first home investment zone proposal complies with the  
 6730 municipality's moderate income housing plan and general plan.

6731 (5) Notice of commencement of collection of tax increment shall be sent by mail or  
 6732 electronically to the following entities no later than January 1 of the year for which the  
 6733 tax increment collection is proposed to commence:

6734 (a) the State Tax Commission;

6735 (b) the State Board of Education;

6736 (c) the state auditor;

6737 (d) the auditor of the county in which the first home investment zone is located;

6738 (e) each taxing entity affected by the collection of tax increment from the first home  
 6739 investment zone;

6740 (f) the assessor of the county in which the first home investment zone is located; and

6741 (g) the Governor's Office of Economic Opportunity.

6742 (6) A first home investment zone proposal may not include a proposal to capture sales and  
 6743 use tax increment.

6744 (7) A municipality may not propose a first home investment zone in a county of the first  
 6745 class if the limitation described in Subsection [~~63N-3-603(7)(e)~~] 63N-23-201(7)(c) has  
 6746 been reached.

6747 (8) A municipality may not propose a first home investment zone in a location that is  
 6748 eligible for a housing and transit reinvestment zone.

6749 (9) A municipality may not propose a first home investment zone if the municipality's  
 6750 community reinvestment agency, based on the most recent annual comprehensive  
 6751 financial report, retains cash and cash equivalent assets of more than 20% of ongoing  
 6752 and unencumbered annual community reinvestment agency revenue.

6753 Section 64. Section **63N-23-703**, which is renumbered from Section 63N-3-1603 is renumbered  
 6754 and amended to read:

6755 **[~~63N-3-1603~~] 63N-23-703 (Effective 05/06/26). Process for a proposal of a first**  
 6756 **home investment zone.**

6757 (1) Subject to approval of the housing and transit reinvestment zone committee as described  
 6758 in Section [~~63N-3-1604~~] 63N-23-704, in order to create a first home investment zone, a

6759 municipality that has general land use authority over the first home investment zone  
6760 area, shall:

- 6761 (a) prepare a proposal for the first home investment zone that:
- 6762 (i) demonstrates that the proposed first home investment zone will meet the  
6763 objectives described in Subsection [~~63N-3-1602(1)~~] 63N-23-702(1);
  - 6764 (ii) explains how the municipality will achieve the requirements of Subsection [  
6765 ~~63N-3-1602(2)~~] 63N-23-702(2);
  - 6766 (iii) defines the specific infrastructure needs, if any, and proposed improvements;
  - 6767 (iv) demonstrates how the first home investment zone will ensure:
    - 6768 (A) sufficient pedestrian access to schools and other areas of community; and
    - 6769 (B) inclusion of child care facilities and access;
  - 6770 (v) defines the boundaries of the first home investment zone;
  - 6771 (vi) includes maps of the proposed first home investment zone to illustrate:
    - 6772 (A) proposed housing density within the first home investment zone;
    - 6773 (B) extraterritorial homes relevant to the first home investment zone, including  
6774 density of the development of extraterritorial homes; and
    - 6775 (C) existing zoning and proposed zoning changes related to the first home  
6776 investment zone;
  - 6777 (vii) identifies any development impediments that prevent the development from  
6778 being a market-rate investment and proposed strategies for addressing each one;
  - 6779 (viii) describes the proposed development plan, including the requirements described  
6780 in Subsections [~~63N-3-1602(2) and (4)~~] 63N-23-702(2) and (4);
  - 6781 (ix) establishes the collection period or periods to calculate the tax increment;
  - 6782 (x) describes projected maximum revenues generated and the amount of tax  
6783 increment capture from each taxing entity and proposed expenditures of revenue  
6784 derived from the first home investment zone;
  - 6785 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources  
6786 of revenue that can be used to reduce the finance gap;
  - 6787 (xii) proposes a finance schedule to align expected revenue with required financing  
6788 costs and payments;
  - 6789 (xiii) evaluates possible benefits to active transportation, public transportation  
6790 availability and utilization, street connectivity, and air quality; and
  - 6791 (xiv) provides a pro forma for the planned development that:
    - 6792 (A) satisfies the requirements described in Subsections [~~63N-3-1602(2) and (4)~~]

- 6793 63N-23-702(2) and (4); and
- 6794 (B) includes data showing the cost difference between what type of development  
6795 could feasibly be developed absent the first home investment zone tax  
6796 increment and the type of development that is proposed to be developed with  
6797 the first home investment zone tax increment;
- 6798 (b) submit the proposal to the relevant school district to discuss the requirements of the  
6799 proposal and whether the proposal provides the benefits and achieves the objectives  
6800 described in this part; and
- 6801 (c) submit the first home investment zone proposal to the Governor's Office of  
6802 Economic Opportunity.
- 6803 (2) As part of the proposal described in Subsection (1), a municipality shall:
- 6804 (a) study and evaluate possible impacts of a proposed first home investment zone on  
6805 parking and efficient use of land within the municipality and first home investment  
6806 zone; and
- 6807 (b) include in the first home investment zone proposal the findings of the study  
6808 described in Subsection (2)(a) and proposed strategies to efficiently address parking  
6809 impacts.
- 6810 (3)(a) After receiving the proposal as described in Subsection (1)(c), the Governor's  
6811 Office of Economic Opportunity shall:
- 6812 (i) within 14 days after the date on which the Governor's Office of Economic  
6813 Opportunity receives the proposal described in Subsection (1)(c), provide notice  
6814 of the proposal to all affected taxing entities, including the State Tax Commission,  
6815 cities, counties, school districts, metropolitan planning organizations, and the  
6816 county assessor and county auditor of the county in which the first home  
6817 investment zone is located; and
- 6818 (ii) at the expense of the proposing municipality as described in Subsection (5),  
6819 contract with an independent entity to:
- 6820 (A) perform the gap analysis described in Subsection (3)(b); and  
6821 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B)  
6822 and the feasibility of the proposed development absent the tax increment.
- 6823 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:
- 6824 (i) a description of the planned development;
- 6825 (ii) a market analysis relative to other comparable project developments included in  
6826 or adjacent to the municipality absent the proposed first home investment zone;

- 6827 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency  
 6828 of the proposal;
- 6829 (iv) an evaluation of the proposed tax increment capture needed to cover the system  
 6830 improvements and project improvements associated with the first home  
 6831 investment zone proposal and enable the proposed development to occur, and for  
 6832 the benefit of affordable housing projects; and
- 6833 (v) based on the market analysis and other findings, an opinion relative to the  
 6834 appropriate amount of potential public financing reasonably determined to be  
 6835 necessary to achieve the objectives described in Subsection [~~63N-3-1602(1)~~]  
 6836 63N-23-702(1).
- 6837 (c) After receiving notice from the Governor's Office of Economic Opportunity of a  
 6838 proposed first home investment zone as described in Subsection (3)(a)(i), the  
 6839 municipality, in consultation with the county assessor and the State Tax Commission,  
 6840 shall:
- 6841 (i) evaluate the feasibility of administering the tax implications of the proposal; and  
 6842 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any  
 6843 challenges in the administration of the proposal, or indicating that the county  
 6844 assessor can feasibly administer the proposal.
- 6845 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
 6846 municipality proposing the first home investment zone may:
- 6847 (a) amend the first home investment zone proposal based on the findings of the analysis  
 6848 described in Subsection (3)(b) and request that the Governor's Office of Economic  
 6849 Opportunity submit the amended first home investment zone proposal to the housing  
 6850 and transit reinvestment zone committee; or
- 6851 (b) request that the Governor's Office of Economic Opportunity submit the original first  
 6852 home investment zone proposal to the housing and transit reinvestment zone  
 6853 committee.
- 6854 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated  
 6855 credit, up to \$20,000 from a municipality for the costs of the gap analysis described  
 6856 in Subsection (3)(b).
- 6857 (b) The Governor's Office of Economic Opportunity may expend funds received from a  
 6858 municipality as dedicated credits to pay for the costs associated with the gap analysis  
 6859 described in Subsection (3)(b).
- 6860 Section 65. Section ~~63N-23-704~~, which is renumbered from Section 63N-3-1604 is renumbered

6861 and amended to read:

6862 **[63N-3-1604] 63N-23-704 (Effective 05/06/26). Consideration of proposals by**  
6863 **housing and transit reinvestment zone committee.**

6864 (1) A first home investment zone proposed under this part is subject to approval by the  
6865 housing and transit reinvestment zone committee.

6866 (2) After the Governor's Office of Economic Opportunity receives the results of the analysis  
6867 described in Section [63N-3-1603] 63N-23-703, and after the Governor's Office of  
6868 Economic Opportunity has received a request from the submitting municipality to  
6869 submit the first home investment zone proposal to the housing and transit reinvestment  
6870 zone committee, the Governor's Office of Economic Opportunity shall notify each of the  
6871 relevant entities of the formation of the housing and transit reinvestment zone committee  
6872 as described in Section [63N-3-605] 63N-23-102.

6873 (3)(a) The chair of the housing and transit reinvestment zone committee shall convene a  
6874 public meeting to consider the proposed first home investment zone in the same  
6875 manner as described in Section [63N-3-605] 63N-23-102.

6876 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title  
6877 52, Chapter 4, Open and Public Meetings Act.

6878 (4)(a) The proposing municipality shall present the first home investment zone proposal  
6879 to the housing and transit reinvestment zone committee in a public meeting.

6880 (b) The housing and transit reinvestment zone committee shall:

6881 (i) evaluate and verify whether the objectives and elements of a first home investment  
6882 zone described in Subsections [63N-3-1502(1), (2), and (4)] 63N-23-702(1), (2),  
6883 and (4) have been met; and

6884 (ii) evaluate the proposed first home investment zone relative to the analysis  
6885 described in Subsection [63N-3-1603(2)] 63N-23-703(2).

6886 (5)(a) Subject to Subsection (5)(b), the housing and transit reinvestment zone committee  
6887 may:

6888 (i) request changes to the first home investment zone proposal based on the analysis,  
6889 characteristics, and criteria described in Section [63N-3-1603] 63N-23-703; or

6890 (ii) vote to approve or deny the proposal.

6891 (b) Before the housing and transit reinvestment zone committee may approve the first  
6892 home investment zone proposal, the municipality proposing the first home  
6893 investment zone shall ensure that the area of the proposed first home investment zone  
6894 is zoned in such a manner to accommodate the requirements of a first home

6895 investment zone described in this section and the proposed development.

6896 (6) If a first home investment zone is approved by the committee:

6897 (a) the proposed first home investment zone is established according to the terms of the  
6898 first home investment zone proposal;

6899 (b) affected local taxing entities are required to participate according to the terms of the  
6900 first home investment zone proposal; and

6901 (c) each affected taxing entity is required to participate at the same rate.

6902 (7) A first home investment zone proposal may be amended by following the same  
6903 procedure as approving a first home investment zone proposal.

6904 Section 66. Section **63N-23-705**, which is renumbered from Section 63N-3-1605 is renumbered  
6905 and amended to read:

6906 **[63N-3-1605] 63N-23-705 (Effective 05/06/26). Notice requirements.**

6907 (1) In approving a first home investment zone proposal, the housing and transit  
6908 reinvestment zone committee shall follow the hearing and notice requirements for  
6909 proposing a first home investment zone as described in this section.

6910 (2) Within 30 days after the housing and transit reinvestment zone committee approves a  
6911 proposed first home investment zone, the municipality shall:

6912 (a) record with the recorder of the county in which the first home investment zone is  
6913 located a document containing:

6914 (i) a description of the land within the first home investment zone;

6915 (ii) a statement that the proposed first home investment zone has been approved; and

6916 (iii) the date of adoption;

6917 (b) transmit a copy of the description of the land within the first home investment zone  
6918 and an accurate map or plat indicating the boundaries of the first home investment  
6919 zone to the Utah Geospatial Resource Center created under Section 63A-16-505; and

6920 (c) transmit a copy of the approved first home investment zone proposal, map, and  
6921 description of the land within the first home investment zone, to:

6922 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
6923 part of the first home investment zone is located;

6924 (ii) the officer or officers performing the function of auditor or assessor for each  
6925 taxing entity that does not use the county assessment roll or collect the taxing  
6926 entity's taxes through the county;

6927 (iii) the legislative body or governing board of each taxing entity;

6928 (iv) the State Tax Commission; and

6929 (v) the State Board of Education.

6930 Section 67. Section **63N-23-706**, which is renumbered from Section 63N-3-1606 is renumbered  
6931 and amended to read:

6932 **[63N-3-1606] 63N-23-706 (Effective 05/06/26). Payment, use, and administration**  
6933 **of tax increment from a first home investment zone.**

6934 (1) A municipality may receive and use tax increment and first home investment zone funds  
6935 in accordance with this part.

6936 (2)(a) A county that collects property tax on property located within a first home  
6937 investment zone shall, in accordance with Section 59-2-1365, distribute to the  
6938 municipality any tax increment the municipality is authorized to receive up to the  
6939 maximum approved by the housing and transit reinvestment zone committee.

6940 (b)(i) Except as provided in Subsection (2)(b)(ii), tax increment paid to the  
6941 municipality are first home investment zone funds and shall be administered by  
6942 the municipality within which the first home investment zone is located.

6943 (ii) A municipality may contract with an agency, county, or a housing authority to  
6944 administer tax increment and the first home investment zone, ensure compliance  
6945 with first home investment zone requirements, and administer deed restrictions.

6946 (iii) Before an agency may receive first home investment zone funds from the  
6947 municipality, the municipality and the agency shall enter into an interlocal  
6948 agreement with terms that:

6949 (A) are consistent with the approval of the housing and transit reinvestment zone  
6950 committee; and

6951 (B) meet the requirements of Section [~~63N-3-1502~~] 63N-23-702.

6952 (3)(a) A municipality and the agency shall use first home investment zone funds for the  
6953 benefit of the first home investment zone and related extraterritorial housing.

6954 (b) If any first home investment zone funds will be used outside of the first home  
6955 investment zone there [~~must~~] shall be a finding in the approved proposal for a first  
6956 home investment zone that the use of the first home investment zone funds outside of  
6957 the first home investment zone will directly benefit the first home investment zone or  
6958 related extraterritorial homes.

6959 (4) In accordance with Subsection [~~63N-3-1502(4)(e)~~] 63N-23-702(4)(e), a municipality  
6960 shall use the first home investment zone funds to achieve the purposes described in  
6961 Subsections [~~63N-3-1502(1) and (2)~~] 63N-23-702(1) and (2), by paying all or part of the  
6962 costs associated with the first home investment zone and extraterritorial homes,

6963 including:

6964 (a) project improvements;

6965 (b) system improvements; and

6966 (c) the costs of the municipality to create and administer the first home investment zone,

6967 which may not exceed 2% of the total first home investment zone funds, plus the

6968 costs to complete the gap analysis described in [~~Subsection 63N-3-1603(2)~~] Section

6969 63N-23-703.

- 6970 (5) First home investment zone funds may be paid to a participant, if the agency and
- 6971 participant enter into a participation agreement which requires the participant to utilize
- 6972 the first home investment zone funds as allowed in this section.
- 6973 (6) First home investment zone funds may be used to pay all of the costs of bonds issued by
- 6974 the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
- 6975 including the cost to issue and repay the bonds including interest.
- 6976 (7) A municipality may create one or more public infrastructure districts within the city
- 6977 under Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
- 6978 first home investment zone funds to guarantee the payment of public infrastructure
- 6979 bonds issued by a public infrastructure district.

6980 Section 68. Section **63N-23-707**, which is renumbered from Section 63N-3-1607 is renumbered

6981 and amended to read:

6982 **[63N-3-1607] 63N-23-707 (Effective 05/06/26). Applicability to an existing first**

6983 **home investment zone or community reinvestment project.**

6984 If a parcel within a first home investment zone is included as an area that is part of a

6985 project area, as that term is defined in Section 17C-1-102, and created under Title 17C,

6986 Chapter 1, Agency Operations, that parcel may not be triggered for collection unless the

6987 project area funds collection period, as that term is defined in Section 17C-1-102, has expired.

6988 Section 69. Section **63N-23-708**, which is renumbered from Section 63N-3-1608 is renumbered

6989 and amended to read:

6990 **[63N-3-1608] 63N-23-708 (Effective 05/06/26). Tax increment protections.**

- 6991 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
- 6992 transit reinvestment zone committee creating a first home investment zone, a first home
- 6993 investment zone may suspend or terminate the collection of tax increment in a first home
- 6994 investment zone if the housing and transit reinvestment zone committee determines, by
- 6995 clear and convincing evidence, presented in a public meeting of the housing and transit
- 6996 reinvestment zone committee, that:

6997 (a) a substantial portion of the tax increment collected in the first home investment zone  
 6998 has not or will not be used for the purposes provided in Section [~~63N-3-1606~~]  
 6999 63N-23-706; and

7000 (b)(i) the first home investment zone has no indebtedness; or

7001 (ii) the first home investment zone has no binding financial obligations.

7002 (2) A first home investment zone may not collect tax increment in excess of the tax  
 7003 increment projections or limitations set forth in the first home investment zone proposal.

7004 (3) The agency administering the tax increment collected in a first home investment zone  
 7005 under Subsection [~~63N-3-1606(2)~~] 63N-23-706(2), shall have standing in a court with  
 7006 proper jurisdiction to enforce provisions of the first home investment zone proposal,  
 7007 participation agreements, and other agreements for the use of the tax increment collected.

7008 (4) The agency administering tax increment from a first home investment zone under  
 7009 Subsection [~~63N-3-1606(2)~~] 63N-23-706(2) shall follow the reporting requirements  
 7010 described in Section 17C-1-603 and the audit requirements described in Sections  
 7011 17C-1-604 and 17C-1-605.

7012 (5) For each first home investment zone collecting tax increment within a county, the  
 7013 county auditor shall follow the reporting requirement found in Section 17C-1-606.

7014 Section 70. Section **63N-23-709**, which is renumbered from Section 63N-3-1609 is renumbered  
 7015 and amended to read:

7016 **[~~63N-3-1609~~] 63N-23-709 (Effective 05/06/26). Boundary adjustments.**

7017 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a  
 7018 first home investment zone, the municipality administering the tax increment collected in the  
 7019 first home investment zone may make corresponding adjustments to the boundary of the first  
 7020 home investment zone.

7021 Section 71. Section **63N-23-801**, which is renumbered from Section 63N-3-1401 is renumbered  
 7022 and amended to read:

7023 **Part 8. Capital City Revitalization Zone**

7024 **[~~63N-3-1401~~] 63N-23-801 (Effective 05/06/26). Definitions.**

7025 As used in this part:

7026 (1) "Committee" means the Revitalization Zone Committee created in Section [~~63N-3-1407~~]  
 7027 63N-23-807.

7028 (2) "Franchise agreement" means a legally binding and valid agreement under which:

7029 (a) a major professional sports league has awarded a franchise to a franchise recipient;  
 7030 and

- 7031 (b) the major professional sports league team that is the subject of the agreement is  
 7032 playing, or will play, home games in a qualified stadium that exists or will be  
 7033 constructed within the project area.
- 7034 (3) "Local government" means the municipality in which the project area is located.
- 7035 (4) "Major professional sports league" means the National Basketball Association or the  
 7036 National Hockey League.
- 7037 (5) "Project area" means the area created and designated to receive funds and revenue  
 7038 according to the terms and requirements of this part.
- 7039 (6) "Project participant" means a person that is approved to participate in the use of public  
 7040 funds in a project area according to the procedures and requirements of this part.
- 7041 (7) "Qualified stadium" means a sports facility that:
- 7042 (a) provides seating for spectators in a number that is reasonably consistent with the  
 7043 capacity of other stadiums used by other teams in the major professional sports  
 7044 league;
- 7045 (b) is located within the project area; and
- 7046 (c)(i) is in active use as the home venue of a major professional sports league team; or  
 7047 (ii) in the case of a stadium that is proposed to be constructed or remodeled, will be  
 7048 the home venue of a major professional sports league.
- 7049 (8) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 7050 Section 72. Section **63N-23-802**, which is renumbered from Section 63N-3-1402 is renumbered  
 7051 and amended to read:
- 7052 **[63N-3-1402] 63N-23-802 (Effective 05/06/26). Project area.**
- 7053 (1) A local government may, according to the requirements and procedures of this part,  
 7054 create a project area for the use of revenue authorized under Section 59-12-402.5, which  
 7055 revenue shall be used only for the allowed purposes [~~under~~] described in Section [  
 7056 ~~63N-3-1403~~] 63N-23-803.
- 7057 (2) A project area created under this part shall:
- 7058 (a) be located entirely within the boundaries of the local government;
- 7059 (b) be no greater than 100 acres in area;
- 7060 (c) be roughly centered around, and include the entire property footprint of a currently  
 7061 existing qualified stadium;
- 7062 (d) include the entire property footprint of any qualified stadium that is planned to be  
 7063 built;
- 7064 (e) be contiguous; and

7065 (f) have boundaries that are reasonably compact in relation to [~~their~~] the project area  
7066 distance from the currently existing qualified stadium.

7067 Section 73. Section **63N-23-803**, which is renumbered from Section 63N-3-1403 is renumbered  
7068 and amended to read:

7069 **[63N-3-1403] 63N-23-803 (Effective 05/06/26). Allowable uses of funds.**

7070 (1) A local government shall use any funds or revenue provided under Section 59-12-402.5  
7071 within and for the direct benefit of the project area, and subject to the requirements of  
7072 this section.

7073 (2) In addition to the requirements of Subsection (1), the allowable uses for the funds and  
7074 revenue collected as authorized under this part are:

7075 (a) costs for, including debt service or the costs of bonds issued by the local government  
7076 or state:

7077 (i) paid to or for the benefit of a project participant for the construction or remodel of  
7078 a qualified stadium within the project area in accordance with Title 17C, Chapter  
7079 1, Part 5, Agency Bonds, including the cost to issue and repay bonds and interest;  
7080 and

7081 (ii) the construction, demolition, modification, or realignment of infrastructure or  
7082 structures within the project area for the purpose of:

7083 (A) complementing a qualified stadium and [~~its~~] the qualified stadium's associated  
7084 uses, including entertainment and recreational uses on land within the project  
7085 area; and

7086 (B) improvement, demolition, modification, realignment, or restoration of areas  
7087 within the project area for pedestrian and traffic flow, and for aesthetic,  
7088 entertainment, recreational, and safety purposes;

7089 (b) infrastructure and roads, including state roads, within the project area;

7090 (c) traffic mitigation costs within the project area;

7091 (d) law enforcement or public security needs within the project area;

7092 (e) land acquisition costs;

7093 (f) commercial development, housing development, and parking infrastructure within  
7094 the project area; and

7095 (g) costs of the local government to create a project area or participation agreement and  
7096 to administer the funds, which cost may not exceed 1% of the tax revenue collected  
7097 under Section 59-12-402.5.

7098 (3)(a) The amount of funds and revenue used for, or for the benefit of, the project

7099 participant shall be limited to a maximum dollar amount that shall be explicitly stated  
7100 in the participation agreement.

7101 (b) A project participant may not receive the benefit of funds or revenue in an amount  
7102 greater than the maximum dollar amount referred to in Subsection (3)(a).

7103 Section 74. Section **63N-23-804**, which is renumbered from Section 63N-3-1404 is renumbered  
7104 and amended to read:

7105 **[63N-3-1404] 63N-23-804 (Effective 05/06/26). Application for approval as a**  
7106 **project participant in a project area.**

7107 A person that seeks to have a local government create a project area under this part, and  
7108 to be a project participant within that project area, shall provide a local government with a  
7109 written application that certifies that the applicant:

7110 (1) is a party to a franchise agreement;

7111 (2) is or will be operating the team that is subject to the franchise agreement:

7112 (a) in an existing qualified stadium located within the project area to be created; or

7113 (b) in a new qualified stadium that will be located within the project area;

7114 (3) shows the existing and, as applicable, the proposed location and footprint of the  
7115 qualified stadium;

7116 (4) lists any public funds that are currently being received by, or are authorized to be  
7117 received by:

7118 (a) the applicant; or

7119 (b) any major professional sports league team that is owned or operated by the applicant;  
7120 and

7121 (5) any proposals or information related to the application, including specific details about  
7122 the franchise agreement or plans for a qualified stadium, a proposed boundary for the  
7123 project area, proposals for land or stadium ownership arrangements or stadium  
7124 revenue-sharing arrangements, or plans or requests for urban renewal or reconstruction.

7125 Section 75. Section **63N-23-805**, which is renumbered from Section 63N-3-1405 is renumbered  
7126 and amended to read:

7127 **[63N-3-1405] 63N-23-805 (Effective 05/06/26). Local government review --**  
7128 **Participation agreement requirements -- Proposed project area and proposed**  
7129 **participation agreement -- Zoning -- Deadline.**

7130 (1) Upon receipt of an application described in Section [63N-3-1404] 63N-23-804, a local  
7131 government shall review the application and, if the application is complete, may  
7132 negotiate with the applicant to develop:

- 7133 (a) a description of a proposed project area that meets the requirements of Section [  
7134 63N-3-1402] 63N-23-802; and
- 7135 (b) a proposed participation agreement with the applicant, which agreement shall  
7136 contain:
- 7137 (i) a map or description of the project area;
- 7138 (ii) a description of the type and extent of each type of tax or other revenue that  
7139 would be available to the applicant within the project area if the applicant is  
7140 approved as a project participant;
- 7141 (iii) the location and footprint of the qualified stadium, and if applicable, the location,  
7142 footprint, and design of any proposed future or remodeled qualified stadium;
- 7143 (iv) if a qualified stadium is to be constructed, remodeled, or replaced, requirements  
7144 and plans for the design, remodel, operation, and other terms related to the  
7145 existing or new qualified stadium;
- 7146 (v) a master plan that:
- 7147 (A) provides an overview of challenges and issues to be addressed within the  
7148 project area, including land use, infrastructure, economic issues, and public  
7149 safety issues;
- 7150 (B) provides a 30-year plan for the physical development and the ongoing  
7151 management of the project area, including maps, plats, charts, drawings, time  
7152 lines, and descriptive, explanatory, and other related information that supports  
7153 and demonstrates the plan; and
- 7154 (C) provides a specific plan for each of the following subject areas, each of which  
7155 shall include, to the extent possible, detailed and specific information on  
7156 projects and time lines for the named subject area, and where specific details  
7157 cannot be provided, provides a list of specific goals, planned outcomes, and  
7158 time lines for achieving those goals and outcomes:
- 7159 (I) a financial plan, including the planned sources, uses, distribution, and time  
7160 lines for the use of funds and revenue;
- 7161 (II) a land use plan, including designs, ownership, demolition, construction,  
7162 and time lines, including plans for modification of roads and infrastructure  
7163 layout, removal or construction of buildings, and creation of new spaces,  
7164 facilities, and landmarks;
- 7165 (III) a public asset plan, including plans for modifications, renovations, and use  
7166 scenarios for existing buildings and public assets within the project area,

- 7167 including buildings owned by a city or county, features, and other public  
 7168 assets that will be affected by revitalization of the project area;
- 7169 (IV) a public safety plan, including plans for mitigating crime and ensuring  
 7170 safety and physical security within the project area;
- 7171 (V) a homelessness mitigation plan, including plans to provide resources for  
 7172 homeless individuals and to mitigate and manage camping and other related  
 7173 social issues within the project area;
- 7174 (VI) a transportation plan, including plans to enable access to and from, and  
 7175 public transportation, vehicle, and pedestrian traffic flow within the project  
 7176 area; and
- 7177 (VII) a parking plan, including estimates for parking needs and plans for  
 7178 accommodating those needs within the project area;
- 7179 (vi) a provision that the local government may not provide, and that a project  
 7180 participant may not receive, a direct subsidy;
- 7181 (vii)(A) the maximum dollar amount that may be used for, or for the benefit of,  
 7182 the project participant, as required under Subsection [63N-3-1403(3)]  
 7183 63N-23-803(3); and
- 7184 (B) a clear description of what fund and revenue uses will or will not be  
 7185 considered for the benefit of the project participant and therefore subject to the  
 7186 limit required under Subsection [63N-3-1403(3)] 63N-23-803(3);
- 7187 (viii) terms, procedures, and remedies related to breach of a participation agreement,  
 7188 which shall contain:
- 7189 (A) specific descriptions of what constitutes breach of the participation agreement;
- 7190 (B) a requirement that access to funds ceases and that a project participant shall  
 7191 repay to the local government the full amount of revenue or funds received  
 7192 subject to Subsection [63N-3-1403(3)] 63N-23-803(3) if the major professional  
 7193 sports league team leaves or ceases to use a qualified stadium as [its] the major  
 7194 professional sports league team's exclusive home stadium, subject to any  
 7195 additional terms agreed to in the participation agreement;
- 7196 (C) a description of all remedies available to the local government in association  
 7197 with a breach; and
- 7198 (D) designation of a guarantor, security interests, or other measures to ensure  
 7199 repayment of revenue and funds [~~in the event of~~] if a breach occurs;
- 7200 (ix) procedures and penalties that apply [~~in the event that~~] if the local government or

- 7201 project participant fails to meet the requirements, goals, or objectives [set]  
 7202 described under Subsection (1)(b)(v);
- 7203 (x) an acknowledgment that the parties to the agreement are subject to the  
 7204 requirements of this part;
- 7205 (xi) any additional obligations, terms, or conditions mutually agreed upon by the  
 7206 local government and the project participant; and
- 7207 (xii) may contain:
- 7208 (A) any terms and conditions that affect a project participant's ability to receive or  
 7209 use project area funds;
- 7210 (B) any terms or agreements regarding the qualified stadium and [its] the qualified  
 7211 stadium's associated property, including ownership, management, maintenance,  
 7212 operation, revenue sharing, or other agreements;
- 7213 (C) terms, procedures, or remedies related to breach of a participation agreement;  
 7214 and
- 7215 (D) any other relevant agreement between the applicant and the local government.

7216 (2) Before finalizing a proposed project area under Subsection (3), a local government shall  
 7217 ensure that any zoning modifications or requirements within the project area are  
 7218 complete.

7219 (3) If the applicant and the local government develop a proposed project area and a  
 7220 proposed participation agreement as described in Subsection (1), the local government  
 7221 shall, no later than September 1, 2024, provide notice of the proposed agreement and  
 7222 provide a copy of the application, the proposed project area, and the proposed  
 7223 participation agreement to:

- 7224 (a) the legislative body of the local government; and  
 7225 (b) the Revitalization Zone Committee.

7226 Section 76. Section **63N-23-806**, which is renumbered from Section 63N-3-1406 is renumbered  
 7227 and amended to read:

7228 **[63N-3-1406] 63N-23-806 (Effective 05/06/26). Local government endorsement --**  
 7229 **Revitalization Zone Committee approval -- Final approval by local government --**  
 7230 **Imposition of tax.**

7231 (1)(a) The legislative body of the local government shall, no later than [~~the date that is~~]  
 7232 14 calendar days after the date [~~that~~] on which a notice of a proposed project area and  
 7233 proposed participation agreement is provided under Subsection [~~63N-3-1405(2)]~~  
 7234 63N-23-805(3), in a public meeting by a majority vote:

- 7235 (i) endorse the application by:
- 7236 (A) endorsing the proposed project area, with or without amendment; and
- 7237 (B) endorsing the proposed participation agreement, with or without amendment;
- 7238 or
- 7239 (ii) reject the application.
- 7240 (b) If the legislative body of the local government endorses the application, the
- 7241 legislative body shall provide notice of the endorsement to the Revitalization Zone
- 7242 Committee, and provide the committee with any amended project area or amended
- 7243 participation agreement.
- 7244 (c) If the legislative body of the local government rejects the application:
- 7245 (i) the legislative body shall provide notice of the rejection to the mayor of the local
- 7246 government; and
- 7247 (ii) the applicant and the local government may develop another proposed project
- 7248 area and proposed participation agreement and present those documents according
- 7249 to the procedures and requirements of Section ~~[63N-3-1405]~~ 63N-23-805.
- 7250 (2)(a) If the legislative body of the local government endorses the application under
- 7251 Subsection (1)~~[:]~~ ,
- 7252 ~~[(a) The]~~ the Revitalization Zone Committee shall, no later than 30 calendar days after
- 7253 the date ~~[that]~~ on which a notice of the local government's endorsement of an
- 7254 application is provided under Subsection (1)(b), in a public meeting by a majority
- 7255 vote:
- 7256 (i) approve or reject the endorsed project area; and
- 7257 (ii) approve or reject the endorsed project participation agreement.
- 7258 (b) If the committee approves the endorsed project area and the endorsed participation
- 7259 agreement:
- 7260 (i) the committee shall give notice of the approval to the mayor and the legislative
- 7261 body of the local government; and
- 7262 (ii) the legislative body of the local government may meet to consider final approval
- 7263 as provided under Subsection (3).
- 7264 (c) If the committee fails to approve the endorsed project area, the endorsed participation
- 7265 agreement, or both the project area and participation agreement:
- 7266 (i) the committee may adopt a statement or findings as to why the committee failed to
- 7267 provide ~~[its]~~ the committee's approval;
- 7268 (ii) the committee shall give notice of the failure to approve to the mayor and the

- 7269 legislative body of the local government; and
- 7270 (iii) the local government may:
- 7271 (A) develop another proposed project area and proposed participation agreement
- 7272 according to the procedures and requirements of Section [~~63N-3-1405~~]
- 7273 63N-23-805;
- 7274 (B) in a public meeting of the legislative body of the local government, review,
- 7275 amend, or endorse another project area or participation agreement according to
- 7276 the procedures and requirements of Subsection (1); or
- 7277 (C) take no further action on the application.

7278 (3) If the Revitalization Zone Committee approves the endorsed project area and the

7279 endorsed [~~public~~] project participation agreement under Subsection (2), the legislative

7280 body of the local government may, by a majority vote in a public meeting:

- 7281 (a) give final approval to the application by:
- 7282 (i) approving the project area in the form approved by the committee;
- 7283 (ii) approving the proposed participation agreement in the form approved by the
- 7284 committee; and
- 7285 (iii) designating the applicant as a project participant; or
- 7286 (b) reject the application.

- 7287 (4) After giving final approval to the application, the local government shall:
- 7288 (a) impose taxes or revenue sources that may be used within the project area, including
- 7289 taxes or funds authorized under Section 59-12-402.5; and
- 7290 (b) provide reports to the committee as required under [~~Subsection 63N-3-1408(2)~~]
- 7291 Section 63N-23-808.

7292 Section 77. Section **63N-23-807**, which is renumbered from Section 63N-3-1407 is renumbered

7293 and amended to read:

7294 **[~~63N-3-1407~~] 63N-23-807 (Effective 05/06/26). Revitalization Zone Committee --**

7295 **Creation -- Membership -- Staff.**

- 7296 (1) There is created the Revitalization Zone Committee to review the activities of, and
- 7297 advise a local government and project participants in a project area created under this
- 7298 part.
- 7299 (2) The committee consists of the following members:
- 7300 (a) two members of the Senate, appointed by the president of the Senate;
- 7301 (b) two members of the House of Representatives, appointed by the speaker of the House
- 7302 of Representatives; and

- 7303 (c) one individual appointed by the governor.
- 7304 (3)(a) The president of the Senate shall designate a member of the Senate appointed  
7305 under Subsection (2) as cochair of the committee.
- 7306 (b) The speaker of the House of Representatives shall designate a member of the House  
7307 of Representatives appointed under Subsection (2) as cochair of the committee.
- 7308 (4)(a) A majority of the members of the committee constitutes a quorum.
- 7309 (b) The action of a majority of a quorum constitutes action of the Revitalization Zone  
7310 Committee.
- 7311 (5) The committee shall meet to review an endorsed application as provided under Section [  
7312 ~~63N-3-1406~~] 63N-23-806.
- 7313 (6) The committee may meet, upon the agreement of both cochairs:
- 7314 (a) to review a report provided under [~~Subsection 63N-3-1408(2)~~] Section 63N-23-808;  
7315 (b) at the discretion of the cochairs; and  
7316 (c) at the request of a local government.
- 7317 (7) A legislative member of the committee shall be paid salary and expenses in accordance  
7318 with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, [~~Legislative~~]  
7319 Legislator Compensation.
- 7320 (8) A member who is not a legislator may not receive compensation or benefits for the  
7321 member's service, but may receive per diem and travel expenses as allowed in:
- 7322 (a) Section 63A-3-106;  
7323 (b) Section 63A-3-107; and  
7324 (c) rules made by the Division of Finance according to Sections 63A-3-106 and  
7325 63A-3-107.
- 7326 (9) The Office of Legislative Research and General Counsel shall:
- 7327 (a) provide staff support to the committee; and  
7328 (b) consult with the Office of the Legislative Fiscal Analyst on fiscal issues reviewed by  
7329 the committee.
- 7330 Section 78. Section **63N-23-808**, which is renumbered from Section 63N-3-1408 is renumbered  
7331 and amended to read:
- 7332 **[~~63N-3-1408~~] 63N-23-808 (Effective 05/06/26). Revitalization Zone Committee --**  
7333 **Duties -- Reporting requirements of local government -- Executive Appropriations**  
7334 **Committee.**
- 7335 (1) The Revitalization Zone Committee shall have the following duties:
- 7336 (a) to approve or reject an endorsed project area and an endorsed project participation

- 7337 agreement according to the procedures and requirements of Section [~~63N-3-1406~~]  
7338 63N-23-806;
- 7339 (b) to review reports that are issued by a local government in accordance with  
7340 Subsection (2);
- 7341 (c) to review the financial activities of a local government and project participants in  
7342 relation to a project area; and
- 7343 (d) to make recommendations to the Legislature regarding a project area and  
7344 participation agreement, requirements or procedures related to a project area, taxes or  
7345 public funds, or other matters relating to a project area or participation agreement.
- 7346 (2) A local government shall, after giving final approval to an application under Section [  
7347 ~~63N-3-1406~~] 63N-23-806, and each six months thereafter, or upon a request of the  
7348 committee, provide a report to the committee that contains:
- 7349 (a) a summary of the projects and uses that are currently underway or planned in relation  
7350 to the project area;
- 7351 (b) if not previously provided, or if modified, a copy of the project area and participation  
7352 agreement;
- 7353 (c) a detailed accounting of:
- 7354 (i) all public funds collected within the project area since the last report;
- 7355 (ii) all public funds provided to each project participant since the last report; and
- 7356 (iii) all public funds committed or spent, and a description of [~~their~~] the public funds'  
7357 use, since the last report;
- 7358 (d) the projected budget and time line for each project or use that is currently underway  
7359 or planned in relation to the project area; and
- 7360 (e) an accounting or a detailed summary of the financial impact of the project area on the  
7361 state and [~~its~~] the project area's residents.
- 7362 (3) At the discretion of the Executive Appropriations Committee of the Legislature, the  
7363 local government and the Revitalization Zone Committee shall provide an in-person  
7364 report to the Executive Appropriations Committee:
- 7365 (a) at least once per calendar year, that shall contain at least the following information:
- 7366 (i) a summary of the projects and uses that are currently underway or planned in  
7367 relation to the project area;
- 7368 (ii) a detailed accounting of:
- 7369 (A) all public funds collected within the project area since the last report;
- 7370 (B) all public funds provided to each project participant since the last report; and

- 7371 (C) all public funds committed or spent, and a description of [~~their~~] the public  
 7372 funds' use, since the last report;
- 7373 (iii) the projected budget and time line for each project or use that is currently  
 7374 underway or planned in relation to the project area;
- 7375 (iv) an accounting or a detailed summary of the financial impact of the project area  
 7376 on the state and [~~its~~] the project area's residents;
- 7377 (v) any recommendations or requests from the local government; and  
 7378 (vi) any recommendations or requests from the Revitalization Zone Committee;
- 7379 (b) after the local government provides a proposed project area and proposed  
 7380 participation agreement under Section [~~63N-3-1405~~] 63N-23-805; and
- 7381 (c) after the local government gives final approval to an application under Section [  
 7382 ~~63N-3-1406~~] 63N-23-806.

7383 (4)(a) As used in this Subsection (4), "replacement prosecutor" means a prosecutor pro  
 7384 tempore that the Utah Supreme Court is authorized to appoint under Utah [~~4-109~~]  
 7385 Constitution, Article VIII, Section 16.

7386 (b) The committee may, by majority vote in a public meeting, adopt a recommendation  
 7387 to the Utah Supreme Court that the Utah Supreme Court appoint a replacement  
 7388 prosecutor in a county of the first class to prosecute crimes within the project area in  
 7389 the place of the district attorney if the committee determines that the district attorney  
 7390 has failed or refused to adequately prosecute crimes within the project area.

7391 (c) If the Utah Supreme Court appoints a replacement prosecutor in response to a  
 7392 recommendation under this Subsection (4), the temporary prosecutor shall prosecute  
 7393 crimes within the project area in the place of the district attorney until the temporary  
 7394 prosecutor's appointment expires.

7395 Section 79. Section **63N-23-901**, which is renumbered from Section 11-13-227 is renumbered  
 7396 and amended to read:

7397 **Part 9. Transportation Reinvestment Zone**

7398 [~~11-13-227~~] **63N-23-901** (Effective 05/06/26). **Transportation reinvestment zones.**

7399 (1) Subject to the provisions of this part, any two or more public agencies may enter into an  
 7400 agreement [~~with one another~~] to create a transportation reinvestment zone as described  
 7401 in this section.

7402 (2) To create a transportation reinvestment zone, two or more public agencies, at least one  
 7403 of which has land use authority over the transportation reinvestment zone area, shall:

7404 (a) define the transportation infrastructure need and proposed improvement;

- 7405 (b) define the boundaries of the zone;
- 7406 (c) establish terms for sharing sales tax revenue among the members of the agreement;
- 7407 (d) establish a base year to calculate the increase of property tax revenue within the zone;
- 7408 (e) establish terms for sharing any increase in property tax revenue within the zone; and
- 7409 (f) before an agreement is approved as required in Section 11-13-202.5, hold a public
- 7410 hearing regarding the details of the proposed transportation reinvestment zone.
- 7411 (3) Any agreement to establish a transportation reinvestment zone is subject to the
- 7412 requirements of Sections 11-13-202, 11-13-202.5, 11-13-206, and 11-13-207.
- 7413 (4)(a) Each public agency that is party to an agreement under this section shall annually
- 7414 publish a report including a statement of the increased tax revenue and the
- 7415 expenditures made in accordance with the agreement.
- 7416 (b) Each public agency that is party to an agreement under this section shall transmit a
- 7417 copy of the report described in Subsection (4)(a) to the state auditor.
- 7418 (5) If any surplus revenue remains in a tax revenue account created as part of a
- 7419 transportation reinvestment zone agreement, the parties may use the surplus for other
- 7420 purposes as determined by agreement of the parties.
- 7421 (6)(a) An action taken under this section is not subject to:
- 7422 (i) Section 10-8-2;
- 7423 (ii) Title 10, Chapter 20, Municipal Land Use, Development, and Management Act;
- 7424 (iii) Title 17, Chapter 79, County Land Use, Development, and Management Act; or
- 7425 (iv) Section 17-78-103.
- 7426 (b) An ordinance, resolution, or agreement adopted under this title is not a land use
- 7427 regulation as defined in Sections 10-20-102 and 17-79-102.
- 7428 Section 80. Section **72-1-102** is amended to read:
- 7429 **72-1-102 (Effective 05/06/26). Definitions.**
- 7430 As used in this title:
- 7431 (1) "Circulator alley" means a publicly owned passageway:
- 7432 (a) with a right-of-way width of 20 feet or greater;
- 7433 (b) located within a master planned community;
- 7434 (c) established by the city having jurisdictional authority as part of the street network for
- 7435 traffic circulation that may also be used for:
- 7436 (i) garbage collection;
- 7437 (ii) access to residential garages; or
- 7438 (iii) access rear entrances to a commercial establishment; and

- 7439 (d) constructed with a bituminous or concrete pavement surface.
- 7440 (2) "Commission" means the Transportation Commission created under Section 72-1-301.
- 7441 (3) "Construction" means the construction, reconstruction, replacement, and improvement  
7442 of the highways, including the acquisition of rights-of-way and material sites.
- 7443 (4) "Department" means the Department of Transportation created in Section 72-1-201.
- 7444 (5) "Executive director" means the executive director of the department appointed under  
7445 Section 72-1-202.
- 7446 (6) "Farm tractor" [~~has the meaning set forth~~] means the same as that term is defined in  
7447 Section 41-1a-102.
- 7448 (7) "Federal aid primary highway" means that portion of connected main highways located  
7449 within this state officially designated by the department and approved by the United  
7450 States Secretary of Transportation under Title 23, Highways, U.S.C.
- 7451 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 7452 (9)(a) "Fixed guideway capital development" means a project to construct or reconstruct  
7453 a public transit fixed guideway facility that will add capacity to a fixed guideway  
7454 public transit facility.
- 7455 (b) "Fixed guideway capital development" includes:
- 7456 (i) a project to strategically double track commuter rail lines; and
- 7457 (ii) a project to develop and construct public transit facilities and related  
7458 infrastructure pertaining to the Point of the Mountain State Land Authority created  
7459 in Section 11-59-201.
- 7460 (10) "Greenfield" means the same as that term is defined in Section 17C-1-102.
- 7461 (11) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,  
7462 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned  
7463 to the public, or made public in an action for the partition of real property, including the  
7464 entire area within the right-of-way.
- 7465 (12) "Highway authority" means the department or the legislative, executive, or governing  
7466 body of a county or municipality.
- 7467 (13) "Housing and transit reinvestment zone" means the same as that term is defined in  
7468 Section [~~63N-3-602~~] 63N-23-101.
- 7469 (14) "Implement of husbandry" [~~has the meaning set forth~~] means the same as that term is  
7470 defined in Section 41-1a-102.
- 7471 (15) "Interstate system" means any highway officially designated by the department and  
7472 included as part of the national interstate and defense highways, as provided in the

- 7473 Federal Aid Highway Act of 1956 and any supplemental acts or amendments.
- 7474 (16) "Large public transit district" means the same as that term is defined in Section  
7475 17B-2a-802.
- 7476 (17) "Limited-access facility" means a highway especially designated for through traffic,  
7477 and over, from, or to which neither owners nor occupants of abutting lands nor other  
7478 persons have any right or easement, or have only a limited right or easement of access,  
7479 light, air, or view.
- 7480 (18) "Master planned community" means a land use development:  
7481 (a) designated by the city as a master planned community; and  
7482 (b) comprised of a single development agreement for a development larger than 500  
7483 acres.
- 7484 (19) "Motor vehicle" [~~has the same meaning set forth~~] means the same as that term is defined  
7485 in Section 41-1a-102.
- 7486 (20) "Municipality" [~~has the same meaning set forth~~] means the same as that term is defined  
7487 in Section 10-1-104.
- 7488 (21) "National highway systems highways" means that portion of connected main highways  
7489 located within this state officially designated by the department and approved by the  
7490 United States Secretary of Transportation under Title 23, Highways, U.S.C.
- 7491 (22)(a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and  
7492 maintained by the department where drivers, vehicles, and vehicle loads are checked  
7493 or inspected for compliance with state and federal laws as specified in Section  
7494 72-9-501.
- 7495 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
- 7496 (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform the duties  
7497 specified in Section 72-9-501.
- 7498 (24) "Public transit" means the same as that term is defined in Section 17B-2a-802.
- 7499 (25) "Public transit facility" means a fixed guideway, transit vehicle, transit station, depot,  
7500 passenger loading or unloading zone, parking lot, or other facility:  
7501 (a) leased by or operated by or on behalf of a public transit district; and  
7502 (b) related to the public transit services provided by the district, including:  
7503 (i) railway or other right-of-way;  
7504 (ii) railway line; and  
7505 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled  
7506 by a transit vehicle.

- 7507 (26) "Right-of-way" means real property or an interest in real property, usually in a strip,  
7508 acquired for or devoted to state transportation purposes.
- 7509 (27) "Sealed" does not [~~preclude~~] prevent the acceptance of electronically sealed and  
7510 submitted bids or proposals in addition to bids or proposals manually sealed and  
7511 submitted.
- 7512 (28) "Semitrailer" [~~has the meaning set forth~~] means the same as that term is defined in  
7513 Section 41-1a-102.
- 7514 (29) "SR" means state route and has the same meaning as state highway, as that term is  
7515 defined in this section.
- 7516 (30) "State highway" means those highways designated as state highways in [~~Title 72,~~  
7517 ~~Chapter 4, Designation of State Highways Act~~] Chapter 4, Designation of State  
7518 Highways Act.
- 7519 (31) "State transportation purposes" [~~has the meaning set forth~~] means the same as that term  
7520 is defined in Section 72-5-102.
- 7521 (32) "State transportation systems" means all streets, alleys, roads, highways, pathways, and  
7522 thoroughfares of any kind, including connected structures, airports, aerial corridor  
7523 infrastructure, spaceports, public transit facilities, and all other modes and forms of  
7524 conveyance used by the public.
- 7525 (33) "Trailer" [~~has the meaning set forth~~] means the same as that term is defined in Section  
7526 41-1a-102.
- 7527 (34)(a) "Transportation corridor" means the path or proposed path of a transportation  
7528 facility that exists or that may exist in the future.
- 7529 (b) "Transportation corridor" may include:
- 7530 (i) the land occupied or that may be occupied by a transportation facility; and  
7531 (ii) any other land that may be needed for expanding, operating, or controlling access  
7532 to the transportation facility.
- 7533 (35) "Transportation facility" means:
- 7534 (a) a highway; or  
7535 (b) a fixed guideway.
- 7536 (36) "Transportation reinvestment zone" means a transportation reinvestment zone created [  
7537 ~~pursuant to Section 11-13-227~~] in accordance with Section 63N-23-901.
- 7538 (37) "Truck tractor" [~~has the meaning set forth~~] means the same as that term is defined in  
7539 Section 41-1a-102.
- 7540 (38) "UDOT" means the Utah Department of Transportation.

7541 (39) "Vehicle" [~~has the same meaning set forth~~] means the same as that term is defined in  
7542 Section 41-1a-102.

7543 Section 81. Section **72-1-304** is amended to read:

7544 **72-1-304 (Effective 05/06/26). Written project prioritization process for new**  
7545 **transportation capacity projects -- Rulemaking.**

7546 (1)(a) The Transportation Commission, in consultation with the department and the  
7547 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a  
7548 written prioritization process for the prioritization of:

- 7549 (i) new transportation capacity projects that are or will be part of the state highway  
7550 system under Chapter 4, Part 1, State Highways;
- 7551 (ii) paved pedestrian or paved nonmotorized transportation projects described in  
7552 Section 72-2-124;
- 7553 (iii) public transit projects that directly add capacity to the public transit systems  
7554 within the state, not including facilities ancillary to the public transit system; and
- 7555 (iv) pedestrian or nonmotorized transportation projects that provide connection to a  
7556 public transit system.

7557 (b)(i) A local government or public transit district may nominate a project for  
7558 prioritization in accordance with the process established by the commission in rule.

7559 (ii) If a local government or public transit district nominates a project for  
7560 prioritization by the commission, the local government or public transit district  
7561 shall provide data and evidence to show that:

7562 (A) the project will advance the purposes and goals described in Section 72-1-211;

7563 (B) for a public transit project, the local government or public transit district has  
7564 an ongoing funding source for operations and maintenance of the proposed  
7565 development; and

7566 (C) the local government or public transit district will provide the percentage of  
7567 the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or  
7568 72-2-124(10)(e).

7569 (2) The following shall be included in the written prioritization process under Subsection (1):

7570 (a) a description of how the strategic initiatives of the department adopted under Section  
7571 72-1-211 are advanced by the written prioritization process;

7572 (b) a definition of the type of projects to which the written prioritization process applies;

7573 (c) specification of a weighted criteria system that is used to rank proposed projects and  
7574 how it will be used to determine which projects will be prioritized;

- 7575 (d) specification of the data that is necessary to apply the weighted ranking criteria; and  
 7576 (e) any other provisions the commission considers appropriate, which may include  
 7577 consideration of:
- 7578 (i) regional and statewide economic development impacts, including improved local  
 7579 access to:
    - 7580 (A) employment;
    - 7581 (B) educational facilities;
    - 7582 (C) recreation;
    - 7583 (D) commerce; and
    - 7584 (E) residential areas, including moderate income housing as demonstrated in the  
 7585 local government's or public transit district's general plan in accordance with  
 7586 Section 10-20-404 or 17-79-403;
  - 7587 (ii) the extent to which local land use plans relevant to a project support and  
 7588 accomplish the strategic initiatives adopted under Section 72-1-211; and
  - 7589 (iii) any matching funds provided by a political subdivision or public transit district  
 7590 in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii)  
 7591 and 72-2-124(10)(e).
- 7592 (3)(a) When prioritizing a public transit project that increases capacity, the commission:
- 7593 (i) may give priority consideration to projects that are part of a transit-oriented  
 7594 development or transit-supportive development as defined in Section 17B-2a-802;  
 7595 and
  - 7596 (ii) shall give priority consideration to projects that are within the boundaries of a  
 7597 housing and transit reinvestment zone created in accordance with Title 63N,  
 7598 Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- 7599 (b) When prioritizing a transportation project that increases capacity, the commission  
 7600 may give priority consideration to projects that are:
- 7601 (i) part of a transportation reinvestment zone created under Section [~~11-13-227~~  
 7602 63N-23-901] if:
    - 7603 (A) the state is a participant in the transportation reinvestment zone; or
    - 7604 (B) the commission finds that the transportation reinvestment zone provides a  
 7605 benefit to the state transportation system; or
  - 7606 (ii) within the boundaries of a housing and transit reinvestment zone created [  
 7607 pursuant to ~~Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone~~  
 7608 ~~Act~~] in accordance with Title 63N, Chapter 23, Part 2, Housing and Transit

7609                    Reinvestment Zone.

7610            (c) If the department receives a notice of prioritization for a municipality as described in  
7611            Subsection 10-21-202(5), or a notice of prioritization for a county as described in  
7612            Subsection 17-80-202(5), the commission may give priority consideration to  
7613            transportation projects that are within the boundaries of the municipality or the  
7614            unincorporated areas of the county until the department receives notification from the  
7615            Housing and Community Development Division within the Department of Workforce  
7616            Services that the municipality or county no longer qualifies for prioritization under  
7617            this Subsection (3)(c).

7618            (d) When prioritizing a transportation project described in Subsection (1)(a)(ii) or (iv),  
7619            the commission may give priority consideration to projects that improve connectivity  
7620            in accordance with Section 10-8-87.

7621            (4) In developing the written prioritization process, the commission:

7622            (a) shall seek and consider public comment by holding public meetings at locations  
7623            throughout the state; and

7624            (b) may not consider local matching dollars as provided under Section 72-2-123 unless  
7625            the state provides an equal opportunity to raise local matching dollars for state  
7626            highway improvements within each county.

7627            (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
7628            Transportation Commission, in consultation with the department, shall make rules  
7629            establishing the written prioritization process under Subsection (1).

7630            (6) The commission shall submit the proposed rules under this section to the Transportation  
7631            Interim Committee for review before taking final action on the proposed rules or any  
7632            proposed amendment to the rules described in Subsection (5).

7633            Section 82. Section **72-2-124** is amended to read:

7634            **72-2-124 (Effective 05/06/26) (Superseded 07/01/26). Transportation Investment**  
7635            **Fund of 2005.**

7636            (1) There is created a capital projects fund entitled the Transportation Investment Fund of  
7637            2005.

7638            (2) The fund consists of money generated from the following sources:

7639            (a) any voluntary contributions received for the maintenance, construction,  
7640            reconstruction, or renovation of state and federal highways;

7641            (b) appropriations made to the fund by the Legislature;

7642            (c) registration fees designated under Section 41-1a-1201;

- 7643 (d) the sales and use tax revenues deposited into the fund in accordance with Section  
7644 59-12-103;
- 7645 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 7646 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and  
7647 (g) revenue from bond proceeds described in Section 63B-34-101.
- 7648 (3)(a) The fund shall earn interest.
- 7649 (b) All interest earned on fund money shall be deposited into the fund.
- 7650 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund  
7651 money to pay:
- 7652 (i) the costs of maintenance, construction, reconstruction, or renovation to state and  
7653 federal highways prioritized by the Transportation Commission through the  
7654 prioritization process for new transportation capacity projects adopted under  
7655 Section 72-1-304;
- 7656 (ii) the costs of maintenance, construction, reconstruction, or renovation to the  
7657 highway projects described in Subsections 63B-18-401(2), (3), and (4);
- 7658 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in  
7659 Section 72-5-401;
- 7660 (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401  
7661 minus the costs paid from the County of the First Class Highway Projects Fund in  
7662 accordance with Subsection 72-2-121(4)(e);
- 7663 (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt  
7664 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the  
7665 amount certified by Salt Lake County in accordance with Subsection  
7666 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the  
7667 revenue bonds issued by Salt Lake County;
- 7668 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101  
7669 for projects prioritized in accordance with Section 72-2-125;
- 7670 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First  
7671 Class Highway Projects Fund created in Section 72-2-121 to be used for the  
7672 purposes described in Section 72-2-121;
- 7673 (viii) if a political subdivision provides a contribution equal to or greater than 40% of  
7674 the costs needed for construction, reconstruction, or renovation of paved  
7675 pedestrian or paved nonmotorized transportation for projects that:
- 7676 (A) mitigate traffic congestion on the state highway system;

- 7677 (B) are part of an active transportation plan approved by the department; and  
7678 (C) are prioritized by the commission through the prioritization process for new  
7679 transportation capacity projects adopted under Section 72-1-304;
- 7680 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,  
7681 reconstruction, or renovation of or improvement to the following projects:
- 7682 (A) the connector road between Main Street and 1600 North in the city of  
7683 Vineyard;
- 7684 (B) Geneva Road from University Parkway to 1800 South;
- 7685 (C) the SR-97 interchange at 5600 South on I-15;
- 7686 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to  
7687 South Jordan Parkway;
- 7688 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 7689 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 7690 (G) widening I-15 between mileposts 6 and 8;
- 7691 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 7692 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197  
7693 in Spanish Fork Canyon;
- 7694 (J) I-15 northbound between mileposts 43 and 56;
- 7695 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts  
7696 43 and 45.1;
- 7697 (L) east Zion SR-9 improvements;
- 7698 (M) Toquerville Parkway;
- 7699 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 7700 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,  
7701 for construction of an interchange on Bangerter Highway at 13400 South; and
- 7702 (P) an environmental impact study for Kimball Junction in Summit County;
- 7703 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project  
7704 costs based upon a statement of cash flow that the local jurisdiction where the  
7705 project is located provides to the department demonstrating the need for money  
7706 for the project, for the following projects in the following amounts:
- 7707 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 7708 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 7709 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 7710 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.

- 7711 40 between mile markers 7 and 10;
- 7712 (xi) \$13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way
- 7713 acquisition, construction, reconstruction, or renovation to connect Fingerhut Road
- 7714 over the railroad and to U.S. Highway 6;
- 7715 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from
- 7716 revenue deposited into the fund in accordance with Section 59-12-103, for the
- 7717 following projects:
- 7718 (A) \$3,000,000 for the department to perform an environmental study for the I-15
- 7719 Salem and Benjamin project; and
- 7720 (B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand
- 7721 Dunes Road project; and
- 7722 (xiii) for a fiscal year beginning on July 1, 2025, up to \$300,000,000 for the costs of
- 7723 right-of-way acquisition and construction for improvements on SR-89 in a county
- 7724 of the first class.
- 7725 (b) The executive director may use fund money to exchange for an equal or greater
- 7726 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 7727 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
- 7728 not commence until a right-of-way not owned by a federal agency that is required
- 7729 for the realignment and extension of U-111, as described in the department's 2023
- 7730 environmental study related to the project, is dedicated to the department.
- 7731 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
- 7732 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
- 7733 department may proceed with the project, except that the project will be limited to
- 7734 two lanes on U-111 from Herriman Parkway to 11800 South.
- 7735 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
- 7736 ineligibility for a municipality as described in Subsection 10-21-202(8), the executive
- 7737 director may not program fund money to a project prioritized by the commission
- 7738 under Section 72-1-304, including fund money from the Transit Transportation
- 7739 Investment Fund, within the boundaries of the municipality until the department
- 7740 receives notification from the Housing and Community Development Division within
- 7741 the Department of Workforce Services that ineligibility under this Subsection (5) no
- 7742 longer applies to the municipality.
- 7743 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
- 7744 director:

- 7745 (i) may program fund money in accordance with Subsection (4)(a) for a  
7746 limited-access facility or interchange connecting limited-access facilities;
- 7747 (ii) may not program fund money for the construction, reconstruction, or renovation  
7748 of an interchange on a limited-access facility;
- 7749 (iii) may program Transit Transportation Investment Fund money for a  
7750 multi-community fixed guideway public transportation project; and
- 7751 (iv) may not program Transit Transportation Investment Fund money for the  
7752 construction, reconstruction, or renovation of a station that is part of a fixed  
7753 guideway public transportation project.
- 7754 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive  
7755 director before July 1, 2022, for projects prioritized by the commission under Section  
7756 72-1-304.
- 7757 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of  
7758 ineligibility for a county as described in Subsection 17-80-202(8), the executive  
7759 director may not program fund money to a project prioritized by the commission  
7760 under Section 72-1-304, including fund money from the Transit Transportation  
7761 Investment Fund, within the boundaries of the unincorporated area of the county until  
7762 the department receives notification from the Housing and Community Development  
7763 Division within the Department of Workforce Services that ineligibility under this  
7764 Subsection (6) no longer applies to the county.
- 7765 (b) Within the boundaries of the unincorporated area of a county described in Subsection  
7766 (6)(a), the executive director:
- 7767 (i) may program fund money in accordance with Subsection (4)(a) for a  
7768 limited-access facility to a project prioritized by the commission under Section  
7769 72-1-304;
- 7770 (ii) may not program fund money for the construction, reconstruction, or renovation  
7771 of an interchange on a limited-access facility;
- 7772 (iii) may program Transit Transportation Investment Fund money for a  
7773 multi-community fixed guideway public transportation project; and
- 7774 (iv) may not program Transit Transportation Investment Fund money for the  
7775 construction, reconstruction, or renovation of a station that is part of a fixed  
7776 guideway public transportation project.
- 7777 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive  
7778 director before July 1, 2022, for projects prioritized by the commission under Section

- 7779 72-1-304.
- 7780 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in  
7781 any fiscal year, the department and the commission shall appear before the Executive  
7782 Appropriations Committee of the Legislature and present the amount of bond  
7783 proceeds that the department needs to provide funding for the projects identified in  
7784 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current  
7785 or next fiscal year.
- 7786 (b) The Executive Appropriations Committee of the Legislature shall review and  
7787 comment on the amount of bond proceeds needed to fund the projects.
- 7788 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount  
7789 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
7790 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt  
7791 service or sinking fund.
- 7792 (9) The executive director may only use money in the fund for corridor preservation as  
7793 described in Subsection (4)(a)(iii):
- 7794 (a) if the project has been prioritized by the commission, including the use of fund  
7795 money for corridor preservation; or
- 7796 (b) for a project that has not been prioritized by the commission, if the commission:
- 7797 (i) approves the use of fund money for the corridor preservation; and  
7798 (ii) finds that the use of fund money for corridor preservation will not result in any  
7799 delay to a project that has been prioritized by the commission.
- 7800 (10)(a) There is created in the Transportation Investment Fund of 2005 the Transit  
7801 Transportation Investment Fund.
- 7802 (b) The fund shall be funded by:
- 7803 (i) contributions deposited into the fund in accordance with Section 59-12-103;  
7804 (ii) appropriations into the account by the Legislature;  
7805 (iii) deposits of sales and use tax increment related to a housing and transit  
7806 reinvestment zone as described in Section [~~63N-3-610~~] 63N-23-206;  
7807 (iv) transfers of local option sales and use tax revenue as described in Subsection  
7808 59-12-2220(11)(b) or (c);  
7809 (v) private contributions; and  
7810 (vi) donations or grants from public or private entities.
- 7811 (c)(i) The fund shall earn interest.
- 7812 (ii) All interest earned on fund money shall be deposited into the fund.

- 7813 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:  
7814 (i) for public transit capital development of new capacity projects and fixed guideway  
7815 capital development projects to be used as prioritized by the commission through  
7816 the prioritization process adopted under Section 72-1-304;  
7817 (ii) to the department for oversight of a fixed guideway capital development project  
7818 for which the department has responsibility; or  
7819 (iii) up to \$500,000 per year, to be used for a public transit study.
- 7820 (e)(i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize  
7821 money from the fund for a public transit capital development project or pedestrian  
7822 or nonmotorized transportation project that provides connection to the public  
7823 transit system if the public transit district or political subdivision provides funds of  
7824 equal to or greater than 30% of the costs needed for the project.  
7825 (ii) A public transit district or political subdivision may use money derived from a  
7826 loan granted in accordance with Part 2, State Infrastructure Bank Fund, to provide  
7827 all or part of the 30% requirement described in Subsection (10)(e)(i) if:  
7828 (A) the loan is approved by the commission as required in Part 2, State  
7829 Infrastructure Bank Fund; and  
7830 (B) the proposed capital project has been prioritized by the commission [~~pursuant~~  
7831 ~~to~~] in accordance with Section 72-1-303.
- 7832 (f) Before July 1, 2022, the department and a large public transit district shall enter into  
7833 an agreement for a large public transit district to pay the department \$5,000,000 per  
7834 year for 15 years to be used to facilitate the purchase of zero emissions or low  
7835 emissions rail engines and trainsets for regional public transit rail systems.
- 7836 (g) For any revenue transferred into the fund in accordance with Subsection  
7837 59-12-2220(11)(b):  
7838 (i) the commission may prioritize money from the fund for public transit projects,  
7839 operations, or maintenance within the county of the first class; and  
7840 (ii) Subsection (10)(e) does not apply.
- 7841 (h) For any revenue transferred into the fund in accordance with Subsection  
7842 59-12-2220(11)(c):  
7843 (i) the commission may prioritize public transit projects, operations, or maintenance  
7844 in the county from which the revenue was generated; and  
7845 (ii) Subsection (10)(e) does not apply.
- 7846 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for

7847 the project described in Subsection (10)(e) does not apply to a public transit capital  
7848 development project or pedestrian or nonmotorized transportation project that the  
7849 department proposes.

7850 (j) In accordance with Part 4, Public Transit Innovation Grants, the commission may  
7851 prioritize money from the fund for public transit innovation grants, as defined in  
7852 Section 72-2-401, for public transit capital development projects requested by a  
7853 political subdivision within a public transit district.

7854 (11)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood  
7855 Canyons Transportation Investment Fund.

7856 (b) The fund shall be funded by:

7857 (i) money deposited into the fund in accordance with Section 59-12-103;

7858 (ii) appropriations into the account by the Legislature;

7859 (iii) private contributions; and

7860 (iv) donations or grants from public or private entities.

7861 (c)(i) The fund shall earn interest.

7862 (ii) All interest earned on fund money shall be deposited into the fund.

7863 (d) The Legislature may appropriate money from the fund for public transit or  
7864 transportation projects in the Cottonwood Canyons of Salt Lake County.

7865 (e) The department may use up to 2% of the revenue deposited into the account under  
7866 Subsection 59-12-103(7)(b) to contract with local governments as necessary for  
7867 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.

7868 (f) Beginning with fiscal year beginning on July 1, 2025, the department shall use any  
7869 sales and use tax growth over sales and use tax collections during the 2025 fiscal year  
7870 to fund projects to provide ingress and egress for a public transit hub, including  
7871 construction of the public transit hub, in the Big Cottonwood Canyon area.

7872 (12)(a) There is created in the Transportation Investment Fund of 2005 the Active  
7873 Transportation Investment Fund.

7874 (b) The fund shall be funded by:

7875 (i) money deposited into the fund in accordance with Section 59-12-103;

7876 (ii) appropriations into the account by the Legislature; and

7877 (iii) donations or grants from public or private entities.

7878 (c)(i) The fund shall earn interest.

7879 (ii) All interest earned on fund money shall be deposited into the fund.

7880 (d) The executive director may only use fund money to pay the costs needed for:

- 7881 (i) the planning, design, construction, maintenance, reconstruction, or renovation of  
7882 paved pedestrian or paved nonmotorized trail projects that:  
7883 (A) are prioritized by the commission through the prioritization process for new  
7884 transportation capacity projects adopted under Section 72-1-304;  
7885 (B) serve a regional purpose; and  
7886 (C) are part of an active transportation plan approved by the department or the  
7887 plan described in Subsection (12)(d)(ii);  
7888 (ii) the development of a plan for a statewide network of paved pedestrian or paved  
7889 nonmotorized trails that serve a regional purpose; and  
7890 (iii) the administration of the fund, including staff and overhead costs.
- 7891 (13)(a) As used in this Subsection (13), "commuter rail" means the same as that term is  
7892 defined in Section [~~63N-3-602~~] 63N-23-101.  
7893 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail  
7894 Subaccount.  
7895 (c) The subaccount shall be funded by:  
7896 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;  
7897 (ii) appropriations into the subaccount by the Legislature;  
7898 (iii) private contributions; and  
7899 (iv) donations or grants from public or private entities.  
7900 (d)(i) The subaccount shall earn interest.  
7901 (ii) All interest earned on money in the subaccount shall be deposited into the  
7902 subaccount.  
7903 (e) As prioritized by the commission through the prioritization process adopted under  
7904 Section 72-1-304 or as directed by the Legislature, the department may only use  
7905 money from the subaccount for projects that improve the state's commuter rail  
7906 infrastructure, including the building or improvement of grade-separated crossings  
7907 between commuter rail lines and public highways.  
7908 (f) Appropriations made in accordance with this section are nonlapsing in accordance  
7909 with Section 63J-1-602.1.  
7910 Section 83. Section **72-2-124** is amended to read:  
7911 **72-2-124 (Effective 07/01/26). Transportation Investment Fund of 2005.**  
7912 (1) There is created a capital projects fund entitled the Transportation Investment Fund of  
7913 2005.  
7914 (2) The fund consists of money generated from the following sources:

- 7915 (a) any voluntary contributions received for the maintenance, construction,  
 7916 reconstruction, or renovation of state and federal highways;
- 7917 (b) appropriations made to the fund by the Legislature;
- 7918 (c) registration fees designated under Section 41-1a-1201;
- 7919 (d) the sales and use tax revenues deposited into the fund in accordance with Section  
 7920 59-12-103;
- 7921 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 7922 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and
- 7923 (g) revenue from bond proceeds described in Section 63B-34-201.
- 7924 (3)(a) The fund shall earn interest.
- 7925 (b) All interest earned on fund money shall be deposited into the fund.
- 7926 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund  
 7927 money to pay:
- 7928 (i) the costs of maintenance, construction, reconstruction, or renovation to state and  
 7929 federal highways prioritized by the Transportation Commission through the  
 7930 prioritization process for new transportation capacity projects adopted under  
 7931 Section 72-1-304;
- 7932 (ii) the costs of maintenance, construction, reconstruction, or renovation to the  
 7933 highway projects described in Subsections 63B-18-401(2), (3), and (4);
- 7934 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in  
 7935 Section 72-5-401;
- 7936 (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401  
 7937 minus the costs paid from the County of the First Class Highway Projects Fund in  
 7938 accordance with Subsection 72-2-121(4)(e);
- 7939 (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt  
 7940 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the  
 7941 amount certified by Salt Lake County in accordance with Subsection  
 7942 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the  
 7943 revenue bonds issued by Salt Lake County;
- 7944 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101  
 7945 for projects prioritized in accordance with Section 72-2-125;
- 7946 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First  
 7947 Class Highway Projects Fund created in Section 72-2-121 to be used for the  
 7948 purposes described in Section 72-2-121;

- 7949 (viii) if a political subdivision provides a contribution equal to or greater than 40% of  
7950 the costs needed for construction, reconstruction, or renovation of paved  
7951 pedestrian or paved nonmotorized transportation for projects that:  
7952 (A) mitigate traffic congestion on the state highway system;  
7953 (B) are part of an active transportation plan approved by the department; and  
7954 (C) are prioritized by the commission through the prioritization process for new  
7955 transportation capacity projects adopted under Section 72-1-304;
- 7956 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,  
7957 reconstruction, or renovation of or improvement to the following projects:  
7958 (A) the connector road between Main Street and 1600 North in the city of  
7959 Vineyard;  
7960 (B) Geneva Road from University Parkway to 1800 South;  
7961 (C) the SR-97 interchange at 5600 South on I-15;  
7962 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to  
7963 South Jordan Parkway;  
7964 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;  
7965 (F) improvements to 1600 North in Orem from 1200 West to State Street;  
7966 (G) widening I-15 between mileposts 6 and 8;  
7967 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;  
7968 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197  
7969 in Spanish Fork Canyon;  
7970 (J) I-15 northbound between mileposts 43 and 56;  
7971 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts  
7972 43 and 45.1;  
7973 (L) east Zion SR-9 improvements;  
7974 (M) Toquerville Parkway;  
7975 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;  
7976 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,  
7977 for construction of an interchange on Bangerter Highway at 13400 South; and  
7978 (P) an environmental impact study for Kimball Junction in Summit County;
- 7979 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project  
7980 costs based upon a statement of cash flow that the local jurisdiction where the  
7981 project is located provides to the department demonstrating the need for money  
7982 for the project, for the following projects in the following amounts:

- 7983 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 7984 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 7985 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 7986 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
- 7987 40 between mile markers 7 and 10;
- 7988 (xi) \$13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way
- 7989 acquisition, construction, reconstruction, or renovation to connect Fingerhut Road
- 7990 over the railroad and to U.S. Highway 6;
- 7991 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from
- 7992 revenue deposited into the fund in accordance with Section 59-12-103, for the
- 7993 following projects:
- 7994 (A) \$3,000,000 for the department to perform an environmental study for the I-15
- 7995 Salem and Benjamin project; and
- 7996 (B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand
- 7997 Dunes Road project; and
- 7998 (xiii) for a fiscal year beginning on July 1, 2025, up to \$300,000,000 for the costs of
- 7999 right-of-way acquisition and construction for improvements on SR-89 in a county
- 8000 of the first class.
- 8001 (b) The executive director may use fund money to exchange for an equal or greater
- 8002 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 8003 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
- 8004 not commence until a right-of-way not owned by a federal agency that is required
- 8005 for the realignment and extension of U-111, as described in the department's 2023
- 8006 environmental study related to the project, is dedicated to the department.
- 8007 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
- 8008 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
- 8009 department may proceed with the project, except that the project will be limited to
- 8010 two lanes on U-111 from Herriman Parkway to 11800 South.
- 8011 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
- 8012 ineligibility for a municipality as described in Subsection 10-21-202(8), the executive
- 8013 director may not program fund money to a project prioritized by the commission
- 8014 under Section 72-1-304, including fund money from the Transit Transportation
- 8015 Investment Fund, within the boundaries of the municipality until the department
- 8016 receives notification from the Housing and Community Development Division within

- 8017 the Department of Workforce Services that ineligibility under this Subsection (5) no  
8018 longer applies to the municipality.
- 8019 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive  
8020 director:
- 8021 (i) may program fund money in accordance with Subsection (4)(a) for a  
8022 limited-access facility or interchange connecting limited-access facilities;
- 8023 (ii) may not program fund money for the construction, reconstruction, or renovation  
8024 of an interchange on a limited-access facility;
- 8025 (iii) may program Transit Transportation Investment Fund money for a  
8026 multi-community fixed guideway public transportation project; and
- 8027 (iv) may not program Transit Transportation Investment Fund money for the  
8028 construction, reconstruction, or renovation of a station that is part of a fixed  
8029 guideway public transportation project.
- 8030 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive  
8031 director before July 1, 2022, for projects prioritized by the commission under Section  
8032 72-1-304.
- 8033 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of  
8034 ineligibility for a county as described in Subsection 17-80-202(8), the executive  
8035 director may not program fund money to a project prioritized by the commission  
8036 under Section 72-1-304, including fund money from the Transit Transportation  
8037 Investment Fund, within the boundaries of the unincorporated area of the county until  
8038 the department receives notification from the Housing and Community Development  
8039 Division within the Department of Workforce Services that ineligibility under this  
8040 Subsection (6) no longer applies to the county.
- 8041 (b) Within the boundaries of the unincorporated area of a county described in Subsection  
8042 (6)(a), the executive director:
- 8043 (i) may program fund money in accordance with Subsection (4)(a) for a  
8044 limited-access facility to a project prioritized by the commission under Section  
8045 72-1-304;
- 8046 (ii) may not program fund money for the construction, reconstruction, or renovation  
8047 of an interchange on a limited-access facility;
- 8048 (iii) may program Transit Transportation Investment Fund money for a  
8049 multi-community fixed guideway public transportation project; and
- 8050 (iv) may not program Transit Transportation Investment Fund money for the

- 8051 construction, reconstruction, or renovation of a station that is part of a fixed  
8052 guideway public transportation project.
- 8053 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive  
8054 director before July 1, 2022, for projects prioritized by the commission under Section  
8055 72-1-304.
- 8056 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in  
8057 any fiscal year, the department and the commission shall appear before the Executive  
8058 Appropriations Committee of the Legislature and present the amount of bond  
8059 proceeds that the department needs to provide funding for the projects identified in  
8060 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current  
8061 or next fiscal year.
- 8062 (b) The Executive Appropriations Committee of the Legislature shall review and  
8063 comment on the amount of bond proceeds needed to fund the projects.
- 8064 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount  
8065 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
8066 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt  
8067 service or sinking fund.
- 8068 (9) The executive director may only use money in the fund for corridor preservation as  
8069 described in Subsection (4)(a)(iii):
- 8070 (a) if the project has been prioritized by the commission, including the use of fund  
8071 money for corridor preservation; or
- 8072 (b) for a project that has not been prioritized by the commission, if the commission:
- 8073 (i) approves the use of fund money for the corridor preservation; and
- 8074 (ii) finds that the use of fund money for corridor preservation will not result in any  
8075 delay to a project that has been prioritized by the commission.
- 8076 (10)(a) There is created in the Transportation Investment Fund of 2005 the Transit  
8077 Transportation Investment Fund.
- 8078 (b) The fund shall be funded by:
- 8079 (i) contributions deposited into the fund in accordance with Section 59-12-103;
- 8080 (ii) appropriations into the account by the Legislature;
- 8081 (iii) deposits of sales and use tax increment related to a housing and transit  
8082 reinvestment zone as described in Section [~~63N-3-610~~] 63N-23-206;
- 8083 (iv) transfers of local option sales and use tax revenue as described in Subsection  
8084 59-12-2220(11)(b) or (c);

- 8085 (v) private contributions; and
- 8086 (vi) donations or grants from public or private entities.
- 8087 (c)(i) The fund shall earn interest.
- 8088 (ii) All interest earned on fund money shall be deposited into the fund.
- 8089 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:
- 8090 (i) for public transit capital development of new capacity projects and fixed guideway
- 8091 capital development projects to be used as prioritized by the commission through
- 8092 the prioritization process adopted under Section 72-1-304;
- 8093 (ii) to the department for oversight of a fixed guideway capital development project
- 8094 for which the department has responsibility; or
- 8095 (iii) up to \$500,000 per year, to be used for a public transit study.
- 8096 (e)(i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize
- 8097 money from the fund for a public transit capital development project or pedestrian
- 8098 or nonmotorized transportation project that provides connection to the public
- 8099 transit system if the public transit district or political subdivision provides funds of
- 8100 equal to or greater than 30% of the costs needed for the project.
- 8101 (ii) A public transit district or political subdivision may use money derived from a
- 8102 loan granted in accordance with Part 2, State Infrastructure Bank Fund, to provide
- 8103 all or part of the 30% requirement described in Subsection (10)(e)(i) if:
- 8104 (A) the loan is approved by the commission as required in Part 2, State
- 8105 Infrastructure Bank Fund; and
- 8106 (B) the proposed capital project has been prioritized by the commission [~~pursuant~~
- 8107 ~~to~~] in accordance with Section 72-1-303.
- 8108 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 8109 an agreement for a large public transit district to pay the department \$5,000,000 per
- 8110 year for 15 years to be used to facilitate the purchase of zero emissions or low
- 8111 emissions rail engines and trainsets for regional public transit rail systems.
- 8112 (g) For any revenue transferred into the fund in accordance with Subsection
- 8113 59-12-2220(11)(b):
- 8114 (i) the commission may prioritize money from the fund for public transit projects,
- 8115 operations, or maintenance within the county of the first class; and
- 8116 (ii) Subsection (10)(e) does not apply.
- 8117 (h) For any revenue transferred into the fund in accordance with Subsection
- 8118 59-12-2220(11)(c):

- 8119 (i) the commission may prioritize public transit projects, operations, or maintenance  
8120 in the county from which the revenue was generated; and
- 8121 (ii) Subsection (10)(e) does not apply.
- 8122 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for  
8123 the project described in Subsection (10)(e) does not apply to a public transit capital  
8124 development project or pedestrian or nonmotorized transportation project that the  
8125 department proposes.
- 8126 (j) In accordance with Part 4, Public Transit Innovation Grants, the commission may  
8127 prioritize money from the fund for public transit innovation grants, as defined in  
8128 Section 72-2-401, for public transit capital development projects requested by a  
8129 political subdivision within a public transit district.
- 8130 (11)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood  
8131 Canyons Transportation Investment Fund.
- 8132 (b) The fund shall be funded by:
- 8133 (i) money deposited into the fund in accordance with Section 59-12-103;  
8134 (ii) appropriations into the account by the Legislature;  
8135 (iii) private contributions; and  
8136 (iv) donations or grants from public or private entities.
- 8137 (c)(i) The fund shall earn interest.
- 8138 (ii) All interest earned on fund money shall be deposited into the fund.
- 8139 (d) The Legislature may appropriate money from the fund for public transit or  
8140 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 8141 (e) The department may use up to 2% of the revenue deposited into the account under  
8142 Subsection 59-12-103(4)(f) to contract with local governments as necessary for  
8143 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.
- 8144 (f) Beginning with fiscal year beginning on July 1, 2025, the department shall use any  
8145 sales and use tax growth over sales and use tax collections during the 2025 fiscal year  
8146 to fund projects to provide ingress and egress for a public transit hub, including  
8147 construction of the public transit hub, in the Big Cottonwood Canyon area.
- 8148 (12)(a) There is created in the Transportation Investment Fund of 2005 the Active  
8149 Transportation Investment Fund.
- 8150 (b) The fund shall be funded by:
- 8151 (i) money deposited into the fund in accordance with Section 59-12-103;  
8152 (ii) appropriations into the account by the Legislature; and

- 8153 (iii) donations or grants from public or private entities.
- 8154 (c)(i) The fund shall earn interest.
- 8155 (ii) All interest earned on fund money shall be deposited into the fund.
- 8156 (d) The executive director may only use fund money to pay the costs needed for:
- 8157 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 8158 paved pedestrian or paved nonmotorized trail projects that:
- 8159 (A) are prioritized by the commission through the prioritization process for new
- 8160 transportation capacity projects adopted under Section 72-1-304;
- 8161 (B) serve a regional purpose; and
- 8162 (C) are part of an active transportation plan approved by the department or the
- 8163 plan described in Subsection (12)(d)(ii);
- 8164 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 8165 nonmotorized trails that serve a regional purpose; and
- 8166 (iii) the administration of the fund, including staff and overhead costs.
- 8167 (13)(a) As used in this Subsection (13), "commuter rail" means the same as that term is
- 8168 defined in Section [~~63N-3-602~~] 63N-23-101.
- 8169 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 8170 Subaccount.
- 8171 (c) The subaccount shall be funded by:
- 8172 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 8173 (ii) appropriations into the subaccount by the Legislature;
- 8174 (iii) private contributions; and
- 8175 (iv) donations or grants from public or private entities.
- 8176 (d)(i) The subaccount shall earn interest.
- 8177 (ii) All interest earned on money in the subaccount shall be deposited into the
- 8178 subaccount.
- 8179 (e) As prioritized by the commission through the prioritization process adopted under
- 8180 Section 72-1-304 or as directed by the Legislature, the department may only use
- 8181 money from the subaccount for projects that improve the state's commuter rail
- 8182 infrastructure, including the building or improvement of grade-separated crossings
- 8183 between commuter rail lines and public highways.
- 8184 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 8185 with Section 63J-1-602.1.
- 8186 Section 84. Section **72-2-201** is amended to read:

8187 **72-2-201 (Effective 05/06/26). Definitions.**

8188 As used in this part:

- 8189 (1) "Fund" means the State Infrastructure Bank Fund created under Section 72-2-202.
- 8190 (2) "Infrastructure assistance" means any use of fund money, except an infrastructure loan,  
8191 to provide financial assistance for transportation projects or publicly owned  
8192 infrastructure projects, including:
- 8193 (a) capital reserves and other security for bond or debt instrument financing; or  
8194 (b) any letters of credit, lines of credit, bond insurance, or loan guarantees obtained by a  
8195 public entity to finance transportation projects.
- 8196 (3) "Infrastructure loan" means a loan of fund money to finance a transportation project or  
8197 publicly owned infrastructure project.
- 8198 (4) "Public entity" means a state agency, county, municipality, special district, special  
8199 service district, an intergovernmental entity organized under state law, or the military  
8200 installation development authority created in Section 63H-1-201.
- 8201 (5) "Publicly owned infrastructure project" means a project to improve sewer or water  
8202 infrastructure that is owned by a public entity.
- 8203 (6) "Transportation project":
- 8204 (a) means a project:
- 8205 (i) to improve a state or local highway;
- 8206 (ii) to improve a public transportation facility or nonmotorized transportation facility;
- 8207 (iii) to construct or improve parking facilities;
- 8208 (iv) that is subject to a transportation reinvestment zone agreement [~~pursuant to~~  
8209 Section 11-13-227] in accordance with Section 63N-23-901 if the state is party to  
8210 the agreement; or
- 8211 (v) that is part of a housing and transit reinvestment zone created [~~pursuant to Title~~  
8212 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act] in  
8213 accordance with Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment  
8214 Zone;
- 8215 (b) includes the costs of acquisition, construction, reconstruction, rehabilitation,  
8216 equipping, and fixturing; and
- 8217 (c) may only include a project if the project is part of:
- 8218 (i) the statewide long range plan;
- 8219 (ii) a regional transportation plan of the area metropolitan planning organization if a  
8220 metropolitan planning organization exists for the area; or

8221 (iii) a local government general plan or economic development initiative.

8222 Section 85. Section **72-2-301** is amended to read:

8223 **72-2-301 (Effective 05/06/26). Definitions.**

8224 As used in this part:

- 8225 (1) "Fund" means the County of the First Class Infrastructure Bank Fund created under  
8226 Section 72-2-402.
- 8227 (2) "Infrastructure assistance" means any use of fund money, except an infrastructure loan,  
8228 to provide financial assistance for transportation projects or publicly owned  
8229 infrastructure projects, including:
- 8230 (a) capital reserves and other security for bond or debt instrument financing; or  
8231 (b) any letters of credit, lines of credit, bond insurance, or loan guarantees obtained by a  
8232 public entity to finance transportation projects.
- 8233 (3) "Infrastructure loan" means a loan of fund money to finance a transportation project or  
8234 publicly owned infrastructure project.
- 8235 (4) "Public entity" means a county of the first class or any of the following located within a  
8236 county of the first class:
- 8237 (a) a municipality;  
8238 (b) a special district;  
8239 (c) a special service district; or  
8240 (d) an intergovernmental entity organized under state law.
- 8241 (5) "Publicly owned infrastructure project" means a project to improve sewer or water  
8242 infrastructure that is owned by a public entity.
- 8243 (6) "Transportation project" means a project:
- 8244 (a) to improve a state or local highway;  
8245 (b) to improve a public transportation facility or nonmotorized transportation facility;  
8246 (c) to construct or improve parking facilities;  
8247 (d) that is subject to a transportation reinvestment zone agreement [~~pursuant to Section~~  
8248 44-13-227] in accordance with Section 63N-23-901 if the state is party to the  
8249 agreement; or  
8250 (e) that is part of a housing and transit reinvestment zone created [~~pursuant to Title 63N,~~  
8251 Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act] in accordance with  
8252 Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone.
- 8253 (7) "Transportation project" includes the costs of acquisition, construction, reconstruction,  
8254 rehabilitation, equipping, and fixturing.

8255 (8) "Transportation project" may only include a project if the project is part of:

8256 (a) the statewide long range plan;

8257 (b) a regional transportation plan of the area metropolitan planning organization if a  
8258 metropolitan planning organization exists for the area; or

8259 (c) a local government general plan or economic development initiative.

8260 Section 86. Section **72-5-117** is amended to read:

8261 **72-5-117 (Effective 05/06/26). Rulemaking for sale of real property -- Licensed**  
8262 **or certified appraisers -- Exceptions.**

8263 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if the  
8264 department buys, sells, or exchanges real property, the department shall make rules to  
8265 ensure that the value of the real property is congruent with the proposed price and other  
8266 terms of the purchase, sale, or exchange.

8267 (2) The rules:

8268 (a) shall establish procedures for determining the value of the real property;

8269 (b) may provide that an appraisal, as defined under Section 61-2g-102, demonstrates the  
8270 real property's value;

8271 (c) may require that the appraisal be completed by a state-certified general appraiser, as  
8272 defined under Section 61-2g-102;

8273 (d) may provide for the sale or exchange of real property, with or without charge, to a  
8274 large public transit district if the executive director enters into an agreement with the  
8275 large public transit district and determines that the real property:

8276 (i) is within the boundaries of a station area that has a station area plan certified by a  
8277 metropolitan planning organization in accordance with Section ~~10-21-203~~  
8278 63N-23-104;

8279 (ii) is part of a transit-oriented development or transit-supportive development as  
8280 defined in Section 17B-2a-802;

8281 (iii) is adjacent to a completed fixed guideway capital development that was overseen  
8282 by the department; or

8283 (iv) will only be used by the large public transit district in a manner that the executive  
8284 director determines will provide a benefit to the state transportation system; and

8285 (e) may provide for a sale of surplus real property to a state agency or an independent  
8286 entity, as defined in Section 63E-1-102, that administers public interests in housing  
8287 for a pre-entitlement appraised value the payment of which may be deferred until  
8288 after the development of owner-occupied housing.

8289 (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or to  
8290 an interest in real property:

8291 (a) that is under a contract or other written agreement before May 5, 2008; or

8292 (b) with a value of less than \$100,000, as estimated by the state agency.

8293 Section 87. Section **72-6-112.5** is amended to read:

8294 **72-6-112.5 (Effective 05/06/26). Definitions -- Nighttime highway construction**  
8295 **noise -- Exemptions -- Permits.**

8296 (1) As used in this section:

8297 (a) "Commuter rail" means the same as that term is defined in Section [63N-3-602]  
8298 63N-23-101.

8299 (b)(i) "Front row receptor" means a noise-sensitive residential receptor that is:

8300 (A) immediately adjacent to a transportation facility; or

8301 (B) within 800 feet of a transportation facility that is within a commercial or  
8302 industrialized area.

8303 (ii) "Front row receptor" includes a residence that is contiguous to a property  
8304 immediately adjacent to a transportation facility in a residential area.

8305 (c) "Nighttime construction" means highway or public transit facility construction  
8306 occurring between the hours of 10:00 p.m. and 7:00 a.m.

8307 (d) "Nuisance" means the same as that term is defined in Section 78B-6-1101.

8308 (e)(i) "Permitted activities" means activities occurring between the hours of 7:00 p.m.  
8309 and 7:00 a.m. that are related to and necessary for nighttime construction, whether  
8310 occurring at the construction site or at a gravel pit or other site for production of  
8311 raw materials, and includes:

8312 (A) loading and unloading of trucks;

8313 (B) asphalt mixing and hauling; and

8314 (C) concrete mixing and hauling.

8315 (ii) "Permitted activities" does not include:

8316 (A) blasting; or

8317 (B) crushing.

8318 (2) The following projects are exempt from any noise ordinance, regulation, or standard of  
8319 a local jurisdictional authority:

8320 (a) a state highway construction project conducted on a road where the normal posted  
8321 speed limit is 55 miles per hour or greater; or

8322 (b) a commuter rail construction project.

- 8323 (3) Except for a project described in Subsection (2), a state highway or a public transit  
8324 facility construction project is exempt from any noise ordinance, regulation, or standard  
8325 of a local jurisdictional authority if the department:
- 8326 (a) provides reasonable written notice at least 48 hours in advance of any required  
8327 nighttime construction to each residential dwelling located within front row receptors  
8328 of the activity;
- 8329 (b) determines a net community, including traveler community, benefit exists to conduct  
8330 nighttime highway construction after considering the following:
- 8331 (i) public health;
- 8332 (ii) project completion time;
- 8333 (iii) air quality;
- 8334 (iv) traffic;
- 8335 (v) economics;
- 8336 (vi) safety; and
- 8337 (vii) local jurisdiction concerns; and
- 8338 (c) institutes best management noise reduction practices, as determined by the  
8339 department, for front row receptors, in consultation with local government or the  
8340 local jurisdictional authority for all nighttime construction, which may include:
- 8341 (i) equipment maintenance;
- 8342 (ii) noise shielding;
- 8343 (iii) scheduling the most noise intrusive activities during the day; and
- 8344 (iv) other noise mitigation methods.
- 8345 (4)(a) Subject to Subsection (2) or (3), a state highway project or public transit facility  
8346 construction shall secure required noise permits from the local jurisdictional authority  
8347 to conduct nighttime construction.
- 8348 (b) To the extent practical, the department shall coordinate with the local jurisdictional  
8349 authority during the pre-construction phase of a project to address noise exemption  
8350 conditions.
- 8351 (5) A local jurisdictional authority shall issue a nighttime construction permit limited to  
8352 permitted activities if:
- 8353 (a) the applicant provides evidence that the permitted activities are directly related to and  
8354 necessary for a nighttime construction project for which the department has obtained  
8355 a noise permit from a local jurisdictional authority [~~pursuant to~~] in accordance with  
8356 Subsection (4); and

8357 (b) the local jurisdictional authority determines that any nuisance that may be caused by  
8358 the nighttime construction may be reasonably mitigated.

8359 (6) A local jurisdictional authority shall issue a nighttime construction noise permit without  
8360 additional requirements to the department at the request of the department or the  
8361 department's designated project agent if the requirements of Subsection (2) or (3) are  
8362 met.

8363 (7)(a) A local jurisdictional authority may request adjustments to a nighttime  
8364 construction permit to mitigate unreasonable noise disturbances caused by nighttime  
8365 construction or permitted activities.

8366 (b) If adjustments are requested as described in Subsection (7)(a), the nighttime  
8367 construction permit holder shall use best management noise reduction practices to  
8368 mitigate unreasonable noise disturbances.

8369 (8)(a) For the exemption provided in Subsection (3) and in accordance with Title 63G,  
8370 Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules  
8371 establishing procedures:

8372 (i) for a local jurisdictional authority or local government to appeal the decision of  
8373 the department to conduct nighttime construction; and

8374 (ii) for the local jurisdictional authority to request that the department enforce the  
8375 terms of a noise permit.

8376 (b) After review and upon receiving a written notice from a local jurisdictional authority  
8377 that the conditions for the noise exemption permit are not met, the department shall  
8378 take corrective action to ensure nighttime construction activities meet requirements  
8379 of the local permit.

8380 Section 88. **Repealer.**

8381 This bill repeals:

8382 Section **63N-3-601, Title.**

8383 Section 89. **Effective Date.**

8384 (1) Except as provided in Subsection (2), this bill takes effect on May 6, 2026.

8385 (2) The actions affecting the following sections take effect on July 1, 2026:

8386 (a) Section 59-12-103(Effective 07/01/26); and

8387 (b) Section 72-2-124(Effective 07/01/26).