Nuclear Reprocessing Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derrin R. Owens

House Sponsor: Carl R. Albrecht

LONG TITLE

General Description:

This bill modifies provisions relating to energy development.

Highlighted Provisions:

This bill:

- authorizes the Office of Energy Development (office) to coordinate with public and private entities regarding nuclear fuel recycling facility development in the state;
- authorizes the office to serve as a liaison between private entities and local communities regarding nuclear fuel recycling facility development;
- authorizes the Utah Energy Council (council) to provide strategic guidance and conduct preliminary assessments for nuclear fuel recycling facility development;
- requires the office to report on nuclear fuel recycling coordination activities as part of the office's existing annual report;
- requires the council to report on nuclear fuel recycling recommendations as part of the council's existing annual report;
- authorizes the office to pursue development of a Nuclear Lifecycle Innovation Campus (campus);
- requires the office to analyze state laws and rules for barriers to hosting a campus and report findings; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

79-6-401 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapters 140, 159

79-6-405 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 258

79-6-1103 (Effective 05/06/26), as enacted by Laws of Utah 2025, Chapter 375

79-6-1106 (Effective 05/06/26), as enacted by Laws of Utah 2025, Chapter 375

79-6-1202 (Effective 05/06/26) (Repealed 07/01/27), as enacted by Laws of Utah 2025, Chapter 375

ENACTS:

79-6-1501 (Effective 05/06/26), Utah Code Annotated 1953

79-6-1502 (Effective 05/06/26), Utah Code Annotated 1953

79-6-1503 (Effective 05/06/26), Utah Code Annotated 1953

79-6-1504 (Effective 05/06/26), Utah Code Annotated 1953

79-6-1505 (Effective 05/06/26), Utah Code Annotated 1953

79-6-1506 (Effective 05/06/26), Utah Code Annotated 1953

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

Section 1. Section **79-6-401** is amended to read:

79-6-401 (Effective 05/06/26). Office of Energy Development -- Creation -- Director -- Purpose -- Rulemaking regarding confidential information -- Fees -- Transition for employees.

(1) There is created an Office of Energy Development within the Department of Natural Resources to be administered by a director.

(2)(a) The governor shall appoint the director with the advice and consent of the Senate.

(b) The director shall:

(i) have demonstrated the necessary administrative and professional ability through education and experience to efficiently and effectively manage the office's affairs;

(ii) serve at the pleasure of the governor; and

(iii) report to the executive director on matters concerning the office as the executive director may require.

(3) The purposes of the office are to:

(a) serve as the primary resource for advancing energy and mineral development in the state;

(b) implement:

(i) the state energy policy under Section 79-6-301; and

(ii) the governor's energy and mineral development goals and objectives;

(c) advance energy education, outreach, and research, including the creation of elementary, higher education, and technical college energy education programs;

(d) promote energy and mineral development workforce initiatives;

(e) support collaborative research initiatives targeted at Utah-specific energy and mineral development;

(f) in coordination with the Department of Environmental Quality and other relevant state agencies:

(i) develop effective policy strategies to advocate for and protect the state's interests relating to federal energy and environmental entities, programs, and regulations;

(ii) participate in the federal environmental rulemaking process by:

(A) advocating for positive reform of federal energy and environmental regulations and permitting;

(B) coordinating with other states to develop joint advocacy strategies; and

(C) conducting other government relations efforts; and

(iii) direct the funding of legal efforts to combat federal overreach and unreasonable delays regarding energy and environmental permitting;[~~and~~]

(g) fund the development of detailed and accurate forecasts of the state's long-term energy supply and demand, including a baseline projection of expected supply and demand and analysis of potential alternative scenarios[~~.~~] ; and

(h) coordinate with public and private entities regarding nuclear fuel recycling facility development in the state as provided in Part 15, Nuclear Energy Development.

(4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds Procedures Act, the office may:

(a) seek federal grants or loans;

(b) seek to participate in federal programs; and

(c) in accordance with applicable federal program guidelines, administer federally funded state energy programs.

(5) The office shall perform the duties required by Sections 11-42a-106, 59-5-302, 59-7-614.7, and 59-10-1029, Part 5, Alternative Energy Development Tax Credit Act, and Part 6, High Cost Infrastructure Development Tax Credit Act.

(6)(a) For purposes of administering this section, the office may make rules, by following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as confidential, and not as a public record, information that the office receives from any

source.

(b) The office shall maintain information the office receives from any source at the level of confidentiality assigned by the source.

(7) The office may charge application, filing, and processing fees in amounts determined by the office in accordance with Section 63J-1-504 as dedicated credits for performing office duties described in this part.

(8)(a) An employee of the office on April 30, 2024, is an at-will employee.

(b) For an employee described in Subsection (8)(a) who was employed by the office on April 30, 2024, the employee shall have the same salary and benefit options an employee had when the office was part of the office of the governor.

(c) An employee of the office hired on or after May 1, 2024, shall receive compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

(9)(a) The office shall prepare a strategic energy plan to achieve the state's energy policy, including:

(i) technological and infrastructure innovation needed to meet future energy demand including:

(A) energy production technologies;

(B) battery and storage technologies;

(C) smart grid technologies;

(D) energy efficiency technologies; and

(E) any other developing energy technology, energy infrastructure planning, or investments that will assist the state in meeting energy demand;

(ii) the state's efficient use and development of:

(A) energy resources, including natural gas, coal, clean coal, hydrogen, oil, oil shale, and oil sands;

(B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass, biofuel, and hydroelectric;

(C) nuclear power; and

(D) earth minerals;

(iii) areas of energy-related academic research;

(iv) specific areas of workforce development necessary for an evolving energy industry;

(v) the development of partnerships with national laboratories; and

(vi) a proposed state budget for economic development and investment.

(b) In preparing the strategic energy plan, the office shall:

(i) consult with stakeholders, including representatives from:

(A) energy companies in the state;

(B) private and public institutions of higher education within the state conducting energy-related research; and

(C) other state agencies; and

(ii) use modeling and industry standard data to:

(A) define the energy services required by a growing economy;

(B) calculate energy needs;

(C) develop state strategy for energy transportation, including transmission lines, pipelines, and other infrastructure needs;

(D) optimize investments to meet energy needs at the least cost and least risk while meeting the policy outlined in this section;

(E) address state needs and investments through a prospective 30-year period, divided into five-year working plans; and

(F) update the plan at least every two years.

(c) The office shall report annually to the Public Utilities, Energy, and Technology Interim Committee on or before the October interim meeting describing:

(i) progress towards creation and implementation of the strategic energy plan;

(ii) the plan's compliance with the state energy policy; and

(iii) a proposed budget for the office to continue development of the strategic energy plan.

(10) The director shall:

(a) annually review and propose updates to the state's energy policy, as contained in Section 79-6-301;

(b) promote as the governor considers necessary:

(i) the development of cost-effective energy resources both renewable and nonrenewable; and

(ii) educational programs, including programs supporting conservation and energy efficiency measures;

(c) coordinate across state agencies to assure consistency with state energy policy, including:

(i) working with the State Energy Program to promote access to federal assistance for energy-related projects for state agencies and members of the public;

(ii) working with the Division of Emergency Management to assist the governor in carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10, Energy Emergency Powers of the Governor Act;

(iii) participating in the annual review of the energy emergency plan and the maintenance of the energy emergency plan and a current list of contact persons required by Section 53-2a-902; and

(iv) identifying and proposing measures necessary to facilitate low-income consumers' access to energy services;

(d) coordinate with the Division of Emergency Management ongoing activities designed to test an energy emergency plan to ensure coordination and information sharing among state agencies and political subdivisions in the state, public utilities and other energy suppliers, and other relevant public sector persons as required by Sections 53-2a-902, 53-2a-1004, 53-2a-1008, and 53-2a-1010;

(e) coordinate with requisite state agencies to study:

(i) the creation of a centralized state repository for energy-related information;

(ii) methods for streamlining state review and approval processes for energy-related projects; and

(iii) the development of multistate energy transmission and transportation infrastructure;

(f) coordinate energy-related regulatory processes within the state;

(g) compile, and make available to the public, information about federal, state, and local approval requirements for energy-related projects;

(h) act as the state's advocate before federal and local authorities for energy-related infrastructure projects or coordinate with the appropriate state agency; and

(i) help promote the Division of Facilities Construction and Management's measures to improve energy efficiency in state buildings.

(11) The director has standing to testify on behalf of the governor at the Public Service Commission created in Section 54-1-1.

(12) The office shall include best practices in developing actionable goals and recommendations as part of preparing and updating every two years the strategic energy plan required under Subsection (9).

(13) The office shall maintain and regularly update a public website that provides an accessible dashboard of relevant metrics and reports and makes available the data used to create the strategic energy plan.

Section 2. Section **79-6-405** is amended to read:

79-6-405 (Effective 05/06/26). Reports -- Study.

(1) The director shall report annually to the Public Utilities, Energy, and Technology Interim Committee.

(2) The report required in Subsection (1) shall:

(a) summarize the status and development of the state's energy resources;

(b) summarize the activities and accomplishments of the office;

(c) address the director's activities under this part;

(d) recommend any energy-related executive or legislative action the director or office considers beneficial to the state, including updates to the state energy policy under Section 79-6-301;[~~and~~]

(e) address long-term energy planning required under Subsection [~~79-6-401(10).~~] 79-6-401(9); and

(f) address the office's activities under Part 15, Nuclear Energy Development.

(3)(a) The office shall study the impacts of the following on energy costs in the state:

(i) Title 59, Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax; and

(ii) Part [~~11~~] 14, Energy Project Assessment.

(b) The director shall report the office's findings regarding the study required under this Subsection (3) to the Public Utilities, Energy, and Technology Interim Committee by no later than the 2026 November interim meeting[~~of the Public Utilities, Energy, and Technology Interim Committee~~].

Section 3. Section **79-6-1103** is amended to read:

79-6-1103 (Effective 05/06/26). Council powers and duties.

(1) The council shall:

(a) coordinate and facilitate electrical energy project development, including:

(i) site identification and permitting;

(ii) early site preparation work;

(iii) infrastructure improvements;

(iv) project financing assistance; and

(v) stakeholder coordination;

(b) assess and facilitate electrical energy infrastructure development by:

(i) evaluating infrastructure needs and opportunities;

(ii) coordinating with transmission and pipeline developers;

(iii) supporting utility planning efforts; and

(iv) coordinating with federal agencies;

(c) establish and implement:

(i) strategic plans for energy development;

(ii) frameworks for stakeholder engagement;

(iii) processes for designating electrical energy development zones; and

(iv) criteria for evaluating proposed electrical energy development zones;

(d) review and approve:

(i) research project proposals from the board; and

(ii) funding allocations recommended by the board;

(e) consult with state land use authorities regarding:

(i) identification of state lands suitable for electrical energy development;

(ii) designation of electrical energy development zones; and

(iii) opportunities for coordinated development of electrical energy projects on state lands;

(f) administer the Electrical Energy Development Investment Fund created in Section 79-6-1105;

(g) make recommendations regarding electrical energy policy to state and local governments;

(h) identify and recommend solutions to barriers affecting electrical energy development;

(i) assess and address potential public health impacts of electrical energy development zones;

(j) enter into contracts necessary to fulfill the council's duties;

(k) report annually by October 31 to the Public Utilities, Energy, and Technology Interim Committee and the Natural Resources, Agriculture, and Environment Interim Committee regarding:

(i) the council's activities;

(ii) energy development opportunities;

(iii) infrastructure needs;

(iv) the status of designated electrical energy development zones;

(v) recommendations for how the property tax differential revenue collected under Section 79-6-1104 should be divided and distributed between the state, counties, and municipalities;

(vi) investment decisions made by the council;[~~and~~]

(vii) recommended policy changes; and

(viii) recommendations regarding nuclear fuel recycling facility development;

(l) create and implement a strategic plan for a decommissioned asset, taking into consideration:

(i) the state energy policy, as provided in Section 79-6-301;

(ii) reliability of electrical generation; and

(iii) economic viability;

(m) establish policies and procedures for the management of a decommissioned asset;

(n) administer contracts for the management and operations of a decommissioned asset;

(o) enter into contracts necessary for the operation and management of a decommissioned asset;

(p) acquire, hold, and dispose of property related to a decommissioned asset;

(q) select an operator for a decommissioned asset as provided in Section 79-6-1107; and

(r) report annually to the Legislative Management Committee regarding:

(i) the status and progress of the asset transfer;

(ii) operational and financial status of the asset under council control;

(iii) status of the operator contract;

(iv) environmental compliance status; and

(v) recommendations for legislation.

(2) The council shall negotiate with the applicable county or municipality regarding the distribution of property tax differential revenue collected under Section 79-6-1104.

(3) Any portion of the property tax differential that is not distributed to the council shall be distributed to the applicable county or municipality for impact mitigation and affordable housing.

(4)(a) The portion of the property tax differential that is distributed to the municipality shall be used for:

(i) at least 10% of the total distribution shall be used for affordable housing programs; and

(ii) the remaining portion shall be used to mitigate impacts within the municipality resulting from electrical energy development.

(b) The portion of the property tax differential that is distributed to the county shall be used for:

(i) at least 10% of the total distribution shall be placed in a registered non-profit established to administer housing programs on behalf of an association representing 10 or more counties in the state; and

(ii) the remaining portion shall be used to mitigate impacts within the county resulting from electrical energy development.

(5) If the council acquires a project entity asset under Section 11-13-318, the council shall enter into an agreement with the project entity that:

(a) provides for the transfer, disposition, and future operation of the asset; and

(b) ensures the transfer, disposition, and future operation does not interfere with the project entity's ownership or operation of electrical generation facilities powered by natural gas, hydrogen, or a combination of natural gas and hydrogen.

Section 4. Section **79-6-1106** is amended to read:

79-6-1106 (Effective 05/06/26). Authorized uses of fund money.

(1) The council may use fund money to:

(a) facilitate electrical energy infrastructure development within the state, including:

(i) transmission and distribution lines;

(ii) pipeline development;

(iii) energy storage facilities;

(iv) generation facilities;

(v) related infrastructure; and

(vi) to fund research, site selection, permitting, public outreach, and other activities related to the development of nuclear energy;

(b) provide matching funds for federal energy development grants;

(c) support energy workforce development programs;

(d) provide incentives for electrical energy development projects;[~~and~~]

(e) pay for administrative expenses related to the council's duties[~~.~~] ; and

(f) provide project financing and matching grants for entities participating in a campus as described in Section 79-6-1504.

(2) Fund money derived from the radioactive waste facility expansion tax revenue collected under Section 59-24-103.8 is prioritized for activities related to the development of nuclear energy.

Section 5. Section **79-6-1202** is amended to read:

79-6-1202 (Effective 05/06/26) (Repealed 07/01/27). Consortium duties.

(1) The consortium shall:

(a) provide knowledge and expertise to assist the office regarding nuclear energy technologies, safety, and development; and

(b) develop recommendations regarding policy pertaining to:

(i) nuclear energy development in the state;

(ii) incentives for nuclear energy related industries in the state including industrial process applications and other beneficial uses of nuclear technology;

(iii) partnerships between entities engaged in or supporting nuclear energy development, including public and private sector collaboration; and

(iv) the appropriate regulatory framework for nuclear energy development in the state.

(2) The office, in consultation with the consortium and the Division of Waste Management and Radiation Control, shall conduct a comprehensive analysis of the Utah Code and the Utah Administrative Code to identify any provision that would inhibit the state's ability to host a campus described in Section 79-6-1504.

(3) The analysis required under Subsection (2) shall evaluate barriers related to:

(a) the siting and operation of facilities for the full nuclear fuel lifecycle;

(b) the co-location of advanced manufacturing, data centers, or high-heat industrial processes with nuclear power generation;

(c) potential conflicts between state radiation control regulations in Title 19, Chapter 3, Radiation Control Act, and federal Nuclear Regulatory Commission standards for advanced reactor types; and

(d) state-level permitting timelines that may impede deployment of advanced nuclear technologies.

(4) On or before October 31, 2026, the office shall submit a report to the Public Utilities, Energy, and Technology Interim Committee that includes:

(a) a summary of the findings from the analysis described in Subsection (2);

(b) specific recommendations for legislative or rule changes to remove identified barriers; and

(c) a proposed framework for creating a nuclear innovation zone to provide streamlined regulatory oversight for a campus.

(5) The office shall report annually on duties performed by the consortium on or before November 30 to the Public Utilities, Energy, and Technology Interim Committee.

Section 6. Section **79-6-1501** is enacted to read:

Part 15. Nuclear Energy Development

79-6-1501 (Effective 05/06/26). Definitions.

As used in this part:

(1) "Campus" means the Nuclear Lifecycle Innovation Campus described in Section 79-6-1504.

(2) "Consortium" means the Nuclear Energy Consortium created in Section 79-6-1201.

(3) "Council" means the Utah Energy Council established in Section 79-6-1101.

(4) "Federal agency" means the United States Department of Energy, the United States Nuclear Regulatory Commission, or another federal agency with jurisdiction over nuclear fuel recycling facilities.

(5) "Nuclear fuel recycling" means the processing of spent nuclear fuel to recover usable materials.

(6) "Nuclear fuel recycling facility" means a facility designed to process spent nuclear fuel to recover reusable materials.

(7) "Office" means the Office of Energy Development created in Section 79-6-401.

(8)(a) "Preliminary assessment" means a general evaluation of potential opportunities for nuclear fuel recycling facility development in the state, including:

(i) identification of general geographic areas that may be suitable based on existing infrastructure, transportation access, and land use compatibility;

(ii) coordination with private entities, federal agencies, and local communities;

(iii) evaluation of potential economic benefits; and

(iv) identification of policy or regulatory barriers.

(b) "Preliminary assessment" does not include:

(i) site-specific engineering or design work;

(ii) federal licensing activities or applications;

(iii) detailed feasibility studies; or

(iv) site characterization studies.

(9) "Private entity" means a person engaged in or seeking to engage in the development of a nuclear fuel recycling facility in the state.

Section 7. Section **79-6-1502** is enacted to read:

79-6-1502 (Effective 05/06/26). Nuclear fuel recycling facilitation -- Office duties.

(1) The office shall facilitate nuclear fuel recycling facility development in the state by:

(a) coordinating with private entities interested in developing nuclear fuel recycling facilities in the state;

(b) coordinating with federal agencies regarding:

(i) federal regulatory requirements for nuclear fuel recycling facilities;

(ii) federal funding opportunities for nuclear fuel recycling facility development; and

(iii) potential partnerships between the state and federal agencies;

(c) serving as a liaison between private entities and local communities regarding nuclear

fuel recycling facility development opportunities;

(d) convening meetings and discussions among:

(i) private entities;

(ii) federal agencies;

(iii) local governments; and

(iv) other stakeholders;

(e) promoting the state's advantages for nuclear fuel recycling facility development to private entities and federal agencies; and

(f) identifying and communicating to the Legislature, the council, and private entities potential barriers to nuclear fuel recycling facility development in the state.

(2) The office may enter into memoranda of understanding or other agreements with federal agencies to facilitate coordination regarding nuclear fuel recycling facility development in the state.

Section 8. Section **79-6-1503** is enacted to read:

79-6-1503 (Effective 05/06/26). Strategic planning and evaluation.

In consultation with the council and the consortium, the office shall:

(1) provide strategic guidance regarding nuclear fuel recycling facility development in the state;

(2) conduct preliminary assessments of nuclear fuel recycling facility development opportunities in the state; and

(3) evaluate expressions of interest from private entities regarding nuclear fuel recycling facility development in the state.

Section 9. Section **79-6-1504** is enacted to read:

79-6-1504 (Effective 05/06/26). Utah Nuclear Lifecycle Innovation Campus authorization and scope.

(1) The office, in consultation with relevant state agencies, may discuss with the United States Department of Energy the potential for the state to host a campus as described in the January 28, 2026, Request for Information issued by the United States Department of Energy, entitled "Request for Information on Establishment of Nuclear Lifecycle Innovation Campuses."

(2) The scope of the campus may include:

(a) facilities for fuel fabrication, uranium conversion and enrichment, and the reprocessing of used nuclear fuel;

(b) deployment of advanced modular reactors and micro-reactors;

(c) development of secure, long-term pathways for used nuclear material consistent with national security and environmental safety standards; and

(d) co-located users and providers of campus products, such as isotopes, heat, or nuclear supply chain manufacturing.

Section 10. Section **79-6-1505** is enacted to read:

79-6-1505 (Effective 05/06/26). Campus funding.

(1) The council, in consultation with the office, may utilize the Electrical Energy Development Investment Fund created in Section 79-6-1105 to provide project financing and matching grants for entities participating in the campus.

(2) Funding made available from the federal government for development of a campus in Utah shall be deposited into the Electrical Energy Development Investment Fund created in Section 79-6-1105.

Section 11. Section **79-6-1506** is enacted to read:

79-6-1506 (Effective 05/06/26). Campus strategic priorities and reporting.

(1) Development of a campus within the state, including the reprocessing and storage of used nuclear fuel, presents an important opportunity to drive economic growth and enhance American energy independence.

(2) The office shall pursue the development of a campus and shall:

(a) prioritize collaboration with technical colleges and universities in the state to create nuclear-specific workforce programs;

(b) engage willing communities to develop consent-based siting for campus elements;

(c) develop a safe and efficient transportation strategy for campus materials, in accordance with applicable state and federal regulation;

(d) coordinate with industry to identify best practices for effective campus construction and long-term operation;

(e) utilize proliferation-resistant technologies and material handling strategies; and

(f) coordinate closely with the United States Department of Energy, the United States Nuclear Regulatory Commission, and the Department of Environmental Quality to ensure the safe and efficient permitting and oversight of any campus.

(3) The director shall report annually on or before October 1 to the Public Utilities, Energy, and Technology Interim Committee on the status of the application to the United States Department of Energy and any subsequent activities the office engages in associated with or resulting from the application.

(4) The director of the Division of Waste Management and Radiation Control shall oversee

the safe and efficient regulatory oversight of any campus under applicable federal requirements and state laws and report annually to the Public Utilities, Energy, and Technology Interim Committee on development and execution of regulatory responsibilities associated with any campus located in the state.

Section 12. **Effective Date.**

This bill takes effect on May 6, 2026.