HB0068S04 compared with HB0068S01

~~{Omitted text}~~ shows text that was in HB0068S01 but was omitted in HB0068S04
inserted text shows text that was not in HB0068S01 but was inserted into HB0068S04

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

1 **Housing and Community Development Amendments**

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Calvin Roberts

Senate Sponsor:Lincoln Fillmore

2

3 **LONG TITLE**

4 **General Description:**

5 This bill creates the Division of Housing and Community Development within the

6 Governor's Office of Economic Opportunity.

7 **Highlighted Provisions:**

8 This bill:

9 ‣ creates the Division of Housing and Community Development (HCD) within the Governor's Office of Economic Opportunity by enacting, renumbering, and amending certain provisions from the Housing and Community Development Division within the Department of Workforce Services and the Governor's Office of Planning and Budget to HCD;

14 ‣ defines terms;

15 ‣ creates the {~~deputy director~~} state housing coordinator (housing coordinator) position within HCD, who is appointed by the governor with the advice and consent of the Senate;

17 ‣ renames the Housing and Community Development Division within the Department of Workforce Services to the Division of Community Services within the Department of Workforce Services;

HB0068S01

20 ‣ repeals certain obsolete sections of code;
21 ‣ repeals certain sections of code to consolidate with other code sections;
22 ‣ repeals the Commission on Housing Affordability;
23 ‣ requires coordination between the {~~deputy director~~} housing coordinator of HCD and the Utah Housing Corporation (UHC) under certain circumstances;
25 ‣ amends the required fields of expertise of public trustees appointed to the UHC board of trustees;
27 ‣ moves the Homeless Housing and Services Grant Program from the Office of Homeless Services into HCD; {~~and~~}
29 ‣ **requires recipients of certain state or state-administered funds to report certain data to HCD; and**
29 ‣ makes technical and conforming changes.
32 **Money Appropriated in this Bill:**
33 ‣ This bill transfers funds from the Governor's Office - Governor's Office Operations to the
34 Governor's Office of Economic Opportunity, Division of Housing and Community
35 Development in the amount of $345,000 for fiscal year 2027.
36 **Other Special Clauses:**
37 None
38 **Utah Code Sections Affected:**
39 AMENDS:
40 **9-9-104.5** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as last amended by Laws of Utah 2020, Chapter 233
41 **10-21-101** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 15
43 **10-21-201** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as enacted by Laws of Utah 2025, First Special Session, Chapter 15
45 **10-21-202** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 15
47 **10-21-203** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 15
49 **11-13-103** **~~{(Effective 07/01/26)}~~(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 187

50 **17-80-101** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 14

52 **17-80-201** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as enacted by Laws of Utah 2025, First Special Session, Chapter 14

54 **17-80-202** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 14

56 **17B-1-612** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 15

57 **17C-1-102** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

59 **17C-1-412** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 459

60 **26B-3-209** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2023, Chapter 306

62 **35A-1-202** ~~**{(Effective 07/01/26)}**~~ ~~**{(Partially Repealed 07/01/26)}**~~**(Effective 05/06/26) (Partially Repealed 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 441

64 **35A-3-103** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 441

65 **35A-3-309** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 221

66 **35A-8-101** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 406

67 **35A-8-201** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2012, Chapter 212

69 **35A-8-202** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

71 **35A-8-1003** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2012, Chapter 212

73 **35A-8-1009** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2017, Chapter 223

74 **35A-16-203 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 530**

75 **53C-3-203** ~~{(Effective 07/01/26)}~~ ~~{(Partially Repealed 07/01/30)}~~**(Effective 05/06/26)** **(Partially Repealed 07/01/30)**, as last amended by Laws of Utah 2020, Chapter 234

77 **59-2-1101** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

79 **59-5-116** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 401

80 **59-5-119** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 401

81 **59-12-2220** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

83 **59-21-1** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 339

84 **59-21-2 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 113**

85 **63A-3-205** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 105

86 **63B-1b-102** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 105

87 **63B-1b-202** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapters 362, 451

89 **63C-25-101** ~~{(Effective 07/01/26)}~~ ~~{(Repealed 07/01/27)}~~**(Effective 05/06/26)** **(Repealed 07/01/27)**, as last amended by Laws of Utah 2025, Chapter 105

91 **63H-8-201** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 391

92 **63H-8-203** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2015, Chapter 226

94 **63L-11-402** ~~{(Effective 07/01/26)}~~ ~~{(Repealed 07/01/27)}~~**(Effective 05/06/26)** **(Repealed 07/01/27)**, as last amended by Laws of Utah 2025, Chapter 140

96 **72-1-215** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 268

97 **72-1-304** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

99 **72-2-124** ~~{(Effective 07/01/26)}~~**(Effective 07/01/26) (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

101 **73-10c-3** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 335

102 ENACTS:

103 **63N-22-101** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, Utah Code Annotated 1953

104 **63N-22-102** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, Utah Code Annotated 1953

105 **63N-22-103** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, Utah Code Annotated 1953

106 **63N-22-901 (Effective 05/06/26), Utah Code Annotated 1953**

107 RENUMBERS AND AMENDS:

108 **63N-22-104** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 63J-4-402, as last amended by Laws of Utah 2025, First Special Session, Chapter 15)

110 **63N-22-201** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-803, as last amended by Laws of Utah 2025, First Special Session, Chapter 15)

112 **63N-22-202** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-804, as last amended by Laws of Utah 2025, First Special Session, Chapters 15, 16)

114 **63N-22-203** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-805, as last amended by Laws of Utah 2024, Chapter 438)

116 **63N-22-301** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-501, as last amended by Laws of Utah 2017, Chapter 279)

118 **63N-22-302** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-502, as renumbered and amended by Laws of Utah 2012, Chapter 212)

120 **63N-22-303** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-503, as last amended by Laws of Utah 2024, Chapter 431)

122 **63N-22-304** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-504, as last amended by Laws of Utah 2024, Chapter 413)

124 **63N-22-305** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-505, as last amended by Laws of Utah 2025, Chapter 464)

126 **63N-22-306** ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-506, as last amended by Laws of Utah 2017, Chapter 279)

128

63N-22-307 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-507, as last amended by Laws of Utah 2016, Chapter 131)

63N-22-308 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-507.5, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-309 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-508, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-310 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-509, as last amended by Laws of Utah 2024, Chapter 381)

63N-22-311 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-509.5, as enacted by Laws of Utah 2022, Chapter 406)

63N-22-312 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-510, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-313 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-511, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-314 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-512, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-315 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-513, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-316 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2401, as last amended by Laws of Utah 2024, Chapter 413)

63N-22-401 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2102, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-402 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2103, as last amended by Laws of Utah 2024, Chapter 529)

63N-22-403 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2104, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-404 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2105, as last amended by Laws of Utah 2022, Chapters 68, 406)

63N-22-405 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2106, as last amended by Laws of Utah 2022, Chapter 406)

63N-22-406 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2107, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-407 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2108, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-408 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2109, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-409 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-2110, as renumbered and amended by Laws of Utah 2018, Chapter 182)

63N-22-501 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-301, as last amended by Laws of Utah 2025, Chapter 261)

63N-22-502 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-302, as last amended by Laws of Utah 2025, Chapter 277)

63N-22-503 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-303, as renumbered and amended by Laws of Utah 2012, Chapter 212)

63N-22-504 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-304, as last amended by Laws of Utah 2024, Chapter 529)

63N-22-505 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-305, as last amended by Laws of Utah 2021, Chapter 339)

63N-22-506 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-307, as last amended by Laws of Utah 2021, Chapter 339)

63N-22-507 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-308, as last amended by Laws of Utah 2025, Chapter 451)

63N-22-508 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-309, as last amended by Laws of Utah 2025, Chapter 451)

63N-22-509 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-310, as last amended by Laws of Utah 2025, Chapter 261)

63N-22-601 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1601, as last amended by Laws of Utah 2019, Chapter 136)

63N-22-602 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1602, as last amended by Laws of Utah 2025, Chapter 261)

63N-22-603 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1603, as renumbered and amended by Laws of Utah 2012, Chapter 212)

63N-22-604 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1604, as last amended by Laws of Utah 2019, Chapter 136)

63N-22-605 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1606, as renumbered and amended by Laws of Utah 2012, Chapter 212)

63N-22-606 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1607, as last amended by Laws of Utah 2014, Chapter 371)

63N-22-701 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1702, as last amended by Laws of Utah 2019, Chapter 136)

63N-22-702 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1703, as last amended by Laws of Utah 2025, Chapter 261)

63N-22-703 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1704, as last amended by Laws of Utah 2025, Chapter 261)

63N-22-704 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1705, as last amended by Laws of Utah 2016, Chapter 348)

63N-22-705 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1706, as renumbered and amended by Laws of Utah 2012, Chapter 212)

63N-22-706 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-8-1707, as last amended by Laws of Utah 2019, Chapter 136)

63N-22-801 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-16-601, as enacted by Laws of Utah 2022, Chapter 467)

63N-22-802 ~~{(Effective 07/01/26)}~~**(Effective 05/06/26)**, (Renumbered from 35A-16-602, as last amended by Laws of Utah 2025, Chapter 530)

REPEALS:

35A-8-306 (Effective 05/06/26), as last amended by Laws of Utah 2019, Chapter 89

35A-8-504.5 (Effective 05/06/26), as enacted by Laws of Utah 2021, Chapter 102

35A-8-504.6 (Effective 05/06/26), as enacted by Laws of Utah 2025, Chapter 464

35A-8-801 (Effective 05/06/26), as renumbered and amended by Laws of Utah 2012, Chapter 212

35A-8-802 (Effective 05/06/26), as renumbered and amended by Laws of Utah 2012, Chapter 212

35A-8-901 (Effective 05/06/26), as last amended by Laws of Utah 2022, Chapter 335

221 **35A-8-1605 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2012, Chapter 212
223 **35A-8-1608 (Effective 05/06/26)**, as last amended by Laws of Utah 2014, Chapter 241
224 **35A-8-1708 (Effective 05/06/26)**, as last amended by Laws of Utah 2014, Chapter 371
225 **35A-8-2101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2018, Chapter 182
227 **35A-8-2201 (Effective 05/06/26)**, as last amended by Laws of Utah 2020, Chapter 268
228 **35A-8-2202 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 118
229 **35A-8-2203 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 512
230 **35A-8-2204 (Effective 05/06/26)**, as last amended by Laws of Utah 2020, Chapter 268
231

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232 *Be it enacted by the Legislature of the state of Utah:*
233 Section 1. Section **9-9-104.5** is amended to read:
234 **9-9-104.5. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Meetings with Tribal Leaders and Native American Indian organizations.**
231 (1) The division shall meet regularly with:
232 (a) elected officials of Indian Tribal Nations located in whole or in part in the state; or
233 (b) individuals designated by elected officials of the Indian Tribal Nations described in Subsection (1)(a).
235 (2)
(a) Subject to Section 9-9-104.6, at least six times each year, the division shall coordinate and attend a joint meeting of the representatives of tribal governments listed in Subsection (2)(b) for the purpose of coordinating the efforts of state and tribal governments in meeting the needs of the Native American Indians residing in Utah.
240 (b)
(i) The representatives to be included in the meeting described in Subsection (2)(a) shall be elected officials, serve as representatives for [~~their~~] the entire elected term, and be selected as follows:
243 (A) an elected Navajo Nation council delegate who resides in Utah or Arizona and represents at least one Utah Navajo Chapter, as defined in Section [~~35A-8-1702~~] 63N-22-701, selected by the [~~President~~] president of the Navajo Nation;
246 (B) an elected official of the Ute Indian Tribe of the Uintah and Ouray Reservation selected by the Uintah and Ouray Tribal Business Committee;
248

(C) an elected official of the Paiute Indian Tribe of Utah selected by the Paiute Indian Tribe of Utah Tribal Council;

250 (D) an elected official of the Northwestern Band of the Shoshone Nation that resides in Utah or Idaho selected by the Northwestern Band of the Shoshone Nation Tribal Council;

253 (E) an elected official of the Confederated Tribes of the Goshute selected by the Confederated Tribes of the Goshute Reservation Tribal Council;

255 (F) an elected official of the Skull Valley Band of Goshute Indians selected by the Skull Valley Band of Goshute Indian Tribal Executive Committee;

257 (G) an elected official of the Ute Mountain Ute Tribe that resides in Utah or Colorado selected by the Ute Mountain Ute Tribal Council; and

259 (H) an elected official of the San Juan Southern Paiute Tribe, residing in Utah or Arizona, selected by the San Juan Southern Paiute Tribal Council.

261 (ii) Notwithstanding Subsection (2)(b)(i), if an elected official of an Indian Tribal Nation provides notice to the division, the Indian Tribal Nation may designate an individual other than the elected official selected under Subsection (2)(b)(i) to represent the Indian Tribal Nation at an individual meeting held under Subsection (2)(a).

266 (iii) A majority of members listed in Subsection (2)(b)(i) constitutes a quorum for purposes of a meeting held under Subsection (2)(a). An action of a majority of members present when a quorum is present constitutes action of the representatives for purposes of a meeting described in Subsection (2)(a).

270 (c)

(i) A meeting held in accordance with Subsection (2)(a) is subject to Title 52, Chapter 4, Open and Public Meetings Act.

272 (ii) A meeting of representatives listed in Subsection (2)(b) is not subject to the requirements of Title 52, Chapter 4, Open and Public Meetings Act[~~, notwithstanding whether it~~] , whether the meeting is held on the same day as a meeting held in accordance with Subsection (2)(a) if:

276 (A) the division does not coordinate the meeting described in this Subsection (2)(c)(ii);

278 (B) no state agency participates in the meeting described in this Subsection (2)(c)(ii);

280 (C) a representative receives no per diem or expenses under this section for attending the meeting described in this Subsection (2)(c)(ii) that is in addition to any per diem or expenses the

representative receives under Subsection (2)(d) for attending a meeting described in Subsection (2)(a); and

284 (D) the meeting described in this Subsection (2)(c)(ii) is not held:

285 (I) after a meeting described in Subsection (2)(a) begins; and

286 (II) before the meeting described in Subsection (2)(c)(ii)(D)(I) adjourns.

287 (d) A representative of a tribal government that attends a meeting held in accordance with Subsection (2)(a) may not receive compensation or benefits for the representative's service, but may receive per diem and travel expenses in accordance with:

291 (i) Section 63A-3-106;

292 (ii) Section 63A-3-107; and

293 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

295 (e) For a meeting described in Subsection (2)(a), only the individuals described in Subsection (2)(b) may receive per diem and expenses, as provided in Subsection (2)(d).

298 (3) The division may meet as necessary with Native American Indian groups other than tribal governments representing the interests of Native American Indians who are citizens of the state residing on or off reservation land.

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

307 **10-21-101. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

304 (1) "Affordable housing" means housing offered for sale at 80% or less of the median county home price for housing of that type.

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

307 (3) "Applicable metropolitan planning organization" means the metropolitan planning organization that has jurisdiction over the area in which a fixed guideway public transit station is located.

310 (4) "Applicable public transit district" means the public transit district, as defined in Section 17B-2a-802, of which a fixed guideway public transit station is included.

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

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

317 (7) "Division" means the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity.

320 (8) "Existing fixed guideway public transit station" means a fixed guideway public transit station for which construction begins before June 1, 2022.

322 (9) "Fixed guideway" means the same as that term is defined in Section 59-12-102.

323 (10) "Home ownership promotion zone" means a home ownership promotion zone created in accordance with this part.

325 (11) "Implementation plan" means the implementation plan adopted as part of the moderate income housing element of a specified municipality's general plan as provided in Subsection 10-21-201(4).

328 (12) "Initial report" or "initial moderate income housing report" means the one-time report described in Subsection 10-21-202(1).

330 (13) "Internal accessory dwelling unit" means an accessory dwelling unit created:

331 (a) within a primary dwelling;

332 (b) within the footprint of the primary dwelling described in Subsection (13)(a) at the time the internal accessory dwelling unit is created; and

334 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.

335 (14) "Moderate income housing strategy" means a strategy described in Subsection 10-21-201(3)(a)(iii).

337 (15) "New fixed guideway public transit station" means a fixed guideway public transit station for which construction begins on or after June 1, 2022.

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

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

341 (18)

(a) "Primary dwelling" means a single-family dwelling that:

342 (i) is detached; and

343 (ii) is occupied as the primary residence of the owner of record.

344 (b) "Primary dwelling" includes a garage if the garage:

345 (i) is a habitable space; and

346 (ii) is connected to the primary dwelling by a common wall.

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

348 (20) "Qualifying land use petition" means a petition:

349 (a) that involves land located within a station area for an existing public transit station that provides rail services;

351 (b) that involves land located within a station area for which the municipality has not yet satisfied the requirements of Subsection 10-21-203(1)(a);

353 (c) that proposes the development of an area greater than five contiguous acres, with no less than 51% of the acreage within the station area;

355 (d) that would require the municipality to amend the municipality's general plan or change a zoning designation for the land use application to be approved;

357 (e) that would require a higher density than the density currently allowed by the municipality;

359 (f) that proposes the construction of new residential units, at least 10% of which are dedicated to moderate income housing; and

361 (g) for which the land use applicant requests the municipality to initiate the process of satisfying the requirements of Subsection 10-21-203(1)(a) for the station area in which the development is proposed, subject to Subsection 10-21-203(2)(d).

364 (21) "Report" means an initial report or a subsequent progress report.

365 (22) "Specified municipality" means:

366 (a) a city of the first, second, third, or fourth class; or

367 (b) a city of the fifth class with a population of 5,000 or more, if the city is located within a county of the first, second, or third class.

369 (23)

(a) "Station area" means:

370 (i) for a fixed guideway public transit station that provides rail services, the area within a one-half mile radius of the center of the fixed guideway public transit station platform; or

373 (ii) for a fixed guideway public transit station that provides bus services only, the area within a one-fourth mile radius of the center of the fixed guideway public transit station platform.

376 (b) "Station area" includes any parcel bisected by the radius limitation described in [~~Subsection (a)(i) or (ii)~~] Subsection (23)(a)(i) or (ii).

378 (24) "Station area plan" means a plan that:

379 (a) establishes a vision, and the actions needed to implement that vision, for the development of land within a station area; and

381 (b) is developed and adopted in accordance with this section.

382 (25) "Subsequent progress report" means the annual report described in Subsection 10-21-202(2).
384 (26) "System improvements" means the same as that term is defined in Section 11-36a-102.
385 (27) "Tax commission" means the State Tax Commission created in Section 59-1-201.
386 (28)
(a) "Tax increment" means the difference between:
387 (i) the amount of property tax revenue generated each tax year by a taxing entity from the area within a home ownership promotion zone, using the current assessed value and each taxing entity's current certified tax rate as defined in Section 59-2-924; and
391 (ii) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity's current certified tax rate as defined in Section 59-2-924.
394 (b) "Tax increment" does not include property revenue from:
395 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2); or
397 (ii) a county additional property tax described in Subsection 59-2-1602(4).
398 (29) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
404 Section 3. Section **10-21-201** is amended to read:
405 **10-21-201. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing plan required.**
401 (1) A moderate income housing element of a general plan shall include a moderate income housing plan that meets the requirements of this section.
403 (2) A moderate income housing plan:
404 (a) shall provide a realistic opportunity to meet the need for additional moderate income housing within the municipality during the next five years;
406 (b) for a municipality that is not a specified municipality, may include a recommendation to implement three or more of the moderate income housing strategies described in Subsection (3)(a)(iii);
409 (c) for a specified municipality that does not have a fixed guideway public transit station, shall include a recommendation to implement three or more of the moderate income housing strategies described in Subsection (3)(a)(iii) or at least one of the moderate income housing strategies described in Subsections (3)(a)(iii)(X) through (CC);
414 (d) for a specified municipality that has a fixed guideway public transit station, shall include:
416 (i) a recommendation to implement five or more of the moderate income housing strategies described in Subsection (3)(a)(iii), of which one shall be the moderate income housing strategy described

in Subsection (3)(a)(iii)(U) and one shall be a moderate income housing strategy described in Subsection (3)(a)(iii)(G) or (H); or

420 (ii) a recommendation to implement the moderate income housing strategy described in Subsection (3)(a)(iii)(U), one of the moderate income housing strategies described in Subsections (3)(a)(iii)(X) through (CC), and one moderate income housing strategy described in Subsection (3)(a)(iii); and

424 (e) for a specified municipality shall include an implementation plan as provided in Subsection (4).

426 (3)

(a) In drafting the moderate income housing element, the planning commission:

427 (i) shall consider the Legislature's determination that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:

430 (A) to meet the needs of people of various income levels living, working, or desiring to live or work in the community; and

432 (B) to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life;

434 (ii) for a municipality that is not a specified municipality, may include, and for a specified municipality shall include, an analysis of how the municipality will provide a realistic opportunity for the development of moderate income housing within the next five years; and

438 (iii) for a municipality that is not a specified municipality, may include, and for a specified municipality shall include, a recommendation to implement the required number of any of the following moderate income housing strategies as specified in Subsection (2):

442 (A) rezone for densities necessary to facilitate the production of moderate income housing;

444 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate income housing;

446 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing;

448 (D) identify and utilize general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the municipality for the construction or rehabilitation of moderate income housing;

451 (E) create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones;

453

(F) zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers;

456 (G) amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors;

459 (H) amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities;

463 (I) amend land use regulations to allow for single room occupancy developments;

464 (J) implement zoning incentives for moderate income units in new developments;

465 (K) preserve existing and new moderate income housing and subsidized units by utilizing a landlord incentive program, providing for deed restricted units through a grant program[~~, or, notwithstanding Section 10-21-301,~~] or establishing a housing loss mitigation fund;

469 (L) reduce, waive, or eliminate impact fees related to moderate income housing;

470 (M) demonstrate creation of, or participation in, a community land trust program for moderate income housing;

472 (N) implement a mortgage assistance program for employees of the municipality, an employer that provides contracted services to the municipality, or any other public employer that operates within the municipality;

475 (O) apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within the Utah Housing Corporation's funding capacity, an entity that applies for affordable housing programs administered by[~~ the Department of Workforce Services~~] the Division of Housing and Community Development within the Governor's Office of Economic Opportunity, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing;

488

(P) demonstrate utilization of a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing;

492 (Q) eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 10-21-101;

494 (R) create a program to transfer development rights for moderate income housing;

495 (S) ratify a joint acquisition agreement with another local political subdivision for the purpose of combining resources to acquire property for moderate income housing;

498 (T) develop a moderate income housing project for residents who are disabled or 55 years old or older;

500 (U) develop and adopt a station area plan in accordance with Section 10-21-203;

501 (V) create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with detached single-family residential dwellings and located in walkable communities within residential or mixed-use zones;

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

511 (X) create a housing and transit reinvestment zone in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;

513 (Y) create a home ownership promotion zone in accordance with Part 5, Home Ownership Promotion Zone for Municipalities;

515 (Z) create a first home investment zone in accordance with Title 63N, Chapter 3, Part 16, First Home Investment Zone Act;

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

520 (BB) adopt or approve a qualifying affordable home ownership density bonus for single-family residential units, as described in Section 10-21-401; and

522 (CC) adopt or approve a qualifying affordable home ownership density bonus for multi-family residential units, as described in Section 10-21-402; and

524

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

527 (4)

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

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

533 (i) identify specific measures and benchmarks for implementing each moderate income housing strategy selected by the municipality, whether one-time or ongoing; and

536 (ii) provide flexibility for the municipality to make adjustments as needed.

542 Section 4. Section **10-21-202** is amended to read:

543 **10-21-202. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing report -- Contents -- Prioritization for funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

541 (1)

(a) The legislative body of a specified municipality shall submit an initial moderate income housing report to the division.

543 (b)

(i) This Subsection (1)(b) applies to a municipality that is not a specified municipality as of January 1, 2023.

545 (ii) As of January 1, if a municipality changes from one class to another or grows in population to qualify as a specified municipality, the municipality shall submit an initial plan to the division on or before August 1 of the first calendar year beginning on January 1 in which the municipality qualifies as a specified municipality.

550 (c) The initial report shall:

551 (i) identify each moderate income housing strategy selected by the specified municipality for continued, ongoing, or one-time implementation, restating the exact language used to describe the moderate income housing strategy; and

554 (ii) include an implementation plan.

555 (2)

(a) After the division approves a specified municipality's initial report under this section, the specified municipality shall, as an administrative act, annually submit to the division a subsequent progress report on or before August 1 of each year after the year in which the specified municipality is required to submit the initial report.

559 (b) The subsequent progress report shall include:

560 (i) subject to Subsection (2)(c), a description of each action, whether one-time or ongoing, taken by the specified municipality during the previous 12-month period to implement the moderate income housing strategies identified in the initial report for implementation;

564 (ii) a description of each land use regulation or land use decision made by the specified municipality during the previous 12-month period to implement the moderate income housing strategies, including an explanation of how the land use regulation or land use decision supports the specified municipality's efforts to implement the moderate income housing strategies;

569 (iii) a description of any barriers encountered by the specified municipality in the previous 12-month period in implementing the moderate income housing strategies;

572 (iv) information regarding the number of internal and external or detached accessory dwelling units located within the specified municipality for which the specified municipality:

575 (A) issued a building permit to construct; or

576 (B) issued a business license or comparable license or permit to rent;

577 (v) the number of residential dwelling units that have been entitled that have not received a building permit as of the submission date of the progress report;

579 (vi) shapefiles, or website links if shapefiles are not available, to current maps and tables related to zoning;

581 (vii) a description of how the market has responded to the selected moderate income housing strategies, including the number of entitled moderate income housing units or other relevant data; and

584 (viii) any recommendations on how the state can support the specified municipality in implementing the moderate income housing strategies.

586 (c) For purposes of describing actions taken by a specified municipality under Subsection (2)(b)(i), the specified municipality may include an ongoing action taken by the specified municipality before the 12-month reporting period applicable to the subsequent progress report if the specified municipality:

590

(i) has already adopted an ordinance, approved a land use application, made an investment, or approved an agreement or financing that substantially promotes the implementation of a moderate income housing strategy identified in the initial report; and

594 (ii) demonstrates in the subsequent progress report that the action taken under Subsection (2)(c)(i) is relevant to making meaningful progress towards the specified municipality's implementation plan.

597 (d) A specified municipality's report shall be in a form:

598 (i) approved by the division; and

599 (ii) made available by the division on or before May 1 of the year in which the report is required.

601 (3) Within 90 days after the day on which the division receives a specified municipality's report, the division shall:

603 (a) post the report on the division's website;

604 (b) send a copy of the report to the Department of Transportation, the Governor's Office of Planning and Budget, the association of governments in which the specified municipality is located, and, if the specified municipality is located within the boundaries of a metropolitan planning organization, the appropriate metropolitan planning organization; and

609 (c) subject to Subsection (4), review the report to determine compliance with this section.

610 (4)

(a) An initial report complies with this section if the report:

611 (i) includes the information required under Subsection (1)(c);

612 (ii) demonstrates to the division that the specified municipality made plans to implement:

614 (A) three or more moderate income housing strategies if the specified municipality does not have a fixed guideway public transit station; or

616 (B) if the specified municipality has a fixed guideway public transit station:

617 (I) five or more of the moderate income housing strategies described in Subsection 10-21-201(3)(a)(iii), of which one shall be the moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(U) and one shall be a moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(G) or (H); or

622 (II) the moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(U), one of the moderate income housing strategies described in Subsections 10-21-201(3)(a)(iii)(X) through (CC), and one moderate income strategy described in Subsection 10-21-201(3)(a)(iii); and

626 (iii) is in a form approved by the division.

627 (b) A subsequent progress report complies with this section if the report:
628 (i) demonstrates to the division that the specified municipality made plans to implement:
630 (A) three or more moderate income housing strategies if the specified municipality does not have a fixed guideway public transit station; or
632 (B) if the specified municipality has a fixed guideway public transit station:
633 (I) five or more of the moderate income housing strategies described in Subsection 10-21-201(3)(a)(iii), of which one shall be the moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(U) and one shall be a moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(G) or (H); or
638 (II) the moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii)(U), one of the moderate income housing strategies described in Subsections 10-21-201(3)(a)(iii)(X) through (CC), and one moderate income housing strategy described in Subsection 10-21-201(3)(a)(iii);
643 (ii) is in a form approved by the division; and
644 (iii) provides sufficient information for the division to:
645 (A) assess the specified municipality's progress in implementing the moderate income housing strategies;
647 (B) monitor compliance with the specified municipality's implementation plan;
648 (C) identify a clear correlation between the specified municipality's land use regulations and land use decisions and the specified municipality's efforts to implement the moderate income housing strategies;
651 (D) identify how the market has responded to the specified municipality's selected moderate income housing strategies; and
653 (E) identify any barriers encountered by the specified municipality in implementing the selected moderate income housing strategies.
655 (c)
(i) Notwithstanding the requirements of Subsection (4)(a)(ii)(A) or (b)(i)(A), if a specified municipality without a fixed guideway public transit station implements or is implementing, by ordinance or development agreement, one of the following moderate income housing strategies, the division shall consider that one moderate income housing strategy to be the equivalent of three moderate income housing strategies:
661 (A) a housing and transit reinvestment zone, as described in Subsection 10-21-201(3)(a)(iii)(X);

663 (B) a home ownership promotion zone, as described in Subsection 10-21-201(3)(a)(iii)(Y);
665 (C) a first home investment zone, described in Subsection 10-21-201(3)(a)(iii)(Z);
666 (D) the approval of a project described in Subsection 10-21-201(3)(a)(iii)(AA);
667 (E) a qualifying affordable home ownership density bonus for single-family residential units, as described in Subsection 10-21-201(3)(a)(iii)(BB); or
669 (F) a qualifying affordable home ownership density bonus for multi-family residential units, as described in Subsection 10-21-201(3)(a)(iii)(CC).
671 (ii) If the division considers one moderate income housing strategy described in Subsection (4)(c)(i) as the equivalent of three moderate income housing strategies, the division shall also consider the specified municipality compliant with the reporting requirement described in this section for:
675 (A) the year in which the specified municipality submits the initial report or subsequent report; and
677 (B) two subsequent reporting years.
678 (5)
(a) A specified municipality qualifies for priority consideration under this Subsection (5) if the specified municipality's report:
680 (i) complies with this section; and
681 (ii) demonstrates to the division that the specified municipality made plans to implement:
683 (A) five or more moderate income housing strategies if the specified municipality does not have a fixed guideway public transit station; or
685 (B) six or more moderate income housing strategies if the specified municipality has a fixed guideway public transit station.
687 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c), give priority consideration to transportation projects located within the boundaries of a specified municipality described in Subsection (5)(a) until the Department of Transportation receives notice from the division under Subsection (5)(e).
691 (c) Upon determining that a specified municipality qualifies for priority consideration under this Subsection (5), the division shall send a notice of prioritization to the legislative body of the specified municipality and the Department of Transportation.
694 (d) The notice described in Subsection (5)(c) shall:
695 (i) name the specified municipality that qualifies for priority consideration;
696

(ii) describe the funds or projects for which the specified municipality qualifies to receive priority consideration; and

698 (iii) state the basis for the division's determination that the specified municipality qualifies for priority consideration.

700 (e) The division shall notify the legislative body of a specified municipality and the Department of Transportation in writing if the division determines that the specified municipality no longer qualifies for priority consideration under this Subsection (5).

703 (6)

(a) If the division, after reviewing a specified municipality's report, determines that the report does not comply with this section, the division shall send a notice of noncompliance to the legislative body of the specified municipality.

706 (b) A specified municipality that receives a notice of noncompliance may:

707 (i) cure each deficiency in the report within 90 days after the day on which the notice of noncompliance is sent; or

709 (ii) request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent.

711 (c) The notice described in Subsection (6)(a) shall:

712 (i) describe each deficiency in the report and the actions needed to cure each deficiency;

714 (ii) state that the specified municipality has an opportunity to:

715 (A) submit to the division a corrected report that cures each deficiency in the report within 90 days after the day on which the notice of compliance is sent; or

717 (B) submit to the division a request for an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent; and

720 (iii) state that failure to take action under Subsection (6)(c)(ii) will result in the specified municipality's ineligibility for funds under Subsection (8).

722 (d) For purposes of curing the deficiencies in a report under this Subsection (6), if the action needed to cure the deficiency as described by the division requires the specified municipality to make a legislative change, the specified municipality may cure the deficiency by making that legislative change within the 90-day cure period.

726 (e)

(i) If a specified municipality submits to the division a corrected report in accordance with Subsection (6)(b)(i) and the division determines that the corrected report does not comply with this section, the division shall send a second notice of noncompliance to the legislative body of the specified municipality within 30 days after the day on which the corrected report is submitted.

732 (ii) A specified municipality that receives a second notice of noncompliance may submit to the division a request for an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent.

736 (iii) The notice described in Subsection (6)(e)(i) shall:

737 (A) state that the specified municipality has an opportunity to submit to the division a request for an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent; and

741 (B) state that failure to take action under Subsection (6)(e)(iii)(A) will result in the specified municipality's ineligibility for funds under Subsection (8).

743 (7)

(a) A specified municipality that receives a notice of noncompliance under Subsection (6)(a) or (6)(e)(i) may request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent.

747 (b) Within 90 days after the day on which the division receives a request for an appeal, an appeal board consisting of the following three members shall review and issue a written decision on the appeal:

750 (i) one individual appointed by the Utah League of Cities and Towns;

751 (ii) one individual appointed by the Utah Homebuilders Association; and

752 (iii) one individual appointed by the presiding member of the association of governments, established in accordance with an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, of which the specified municipality is a member.

756 (c) The written decision of the appeal board shall either uphold or reverse the division's determination of noncompliance.

758 (d) The appeal board's written decision on the appeal is final.

759 (8)

(a) A specified municipality is ineligible for funds under this Subsection (8) if:

760 (i) the specified municipality fails to submit a report to the division;

761

(ii) after submitting a report to the division, the division determines that the report does not comply with this section and the specified municipality fails to:

763 (A) cure each deficiency in the report within 90 days after the day on which the notice of noncompliance is sent; or

765 (B) request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent;

767 (iii) after submitting to the division a corrected report to cure the deficiencies in a previously submitted report, the division determines that the corrected report does not comply with this section and the specified municipality fails to request an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent; or

772 (iv) after submitting a request for an appeal under Subsection (7), the appeal board issues a written decision upholding the division's determination of noncompliance.

774 (b) The following apply to a specified municipality described in Subsection (8)(a) until the division provides notice under Subsection (8)(e):

776 (i) the executive director of the Department of Transportation may not program funds from the Transportation Investment Fund of 2005, including the Transit Transportation Investment Fund, to projects located within the boundaries of the specified municipality in accordance with Subsection 72-2-124(5);

780 (ii) beginning with a report submitted in 2024, the specified municipality shall pay a fee to the Olene Walker Housing Loan Fund in the amount of $250 per day that the specified municipality:

783 (A) fails to submit the report to the division in accordance with this section, beginning the day after the day on which the report was due; or

785 (B) fails to cure the deficiencies in the report, beginning the day after the day by which the cure was required to occur as described in the notice of noncompliance under Subsection (6); and

788 (iii) beginning with the report submitted in 2025, the specified municipality shall pay a fee to the Olene Walker Housing Loan Fund in the amount of $500 per day that the specified municipality, in a consecutive year:

791 (A) fails to submit the report to the division in accordance with this section, beginning the day after the day on which the report was due; or

793

(B) fails to cure the deficiencies in the report, beginning the day after the day by which the cure was required to occur as described in the notice of noncompliance under Subsection (6).

796 (c) Upon determining that a specified municipality is ineligible for funds under this Subsection (8), and is required to pay a fee under Subsection (8)(b), if applicable, the division shall send a notice of ineligibility to the legislative body of the specified municipality, the Department of Transportation, the State Tax Commission, and the Governor's Office of Planning and Budget.

801 (d) The notice described in Subsection (8)(c) shall:

802 (i) name the specified municipality that is ineligible for funds;

803 (ii) describe the funds for which the specified municipality is ineligible to receive;

804 (iii) describe the fee the specified municipality is required to pay under Subsection (8)(b), if applicable; and

806 (iv) state the basis for the division's determination that the specified municipality is ineligible for funds.

808 (e) The division shall notify the legislative body of a specified municipality and the Department of Transportation in writing if the division determines that the provisions of this Subsection (8) no longer apply to the specified municipality.

811 (f) The division may not determine that a specified municipality that is required to pay a fee under Subsection (8)(b) is in compliance with the reporting requirements of this section until the specified municipality pays all outstanding fees required under Subsection (8)(b) to the Olene Walker Housing Loan Fund, created [~~under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund~~] in Section 63N-22-302.

816 (9) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 10-20-405(4)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

824 Section 5. Section **10-21-203** is amended to read:

825 **10-21-203. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Station area plan requirements -- Contents -- Review and certification by applicable metropolitan planning organization.**

822 (1)

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

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

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

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

828 (i)

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

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

837 (ii)

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

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

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

849 (2)

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

853 (b) Except as provided in Subsections (2)(c) and (d), a municipality that has an existing fixed guideway public transit station located within the municipality's boundaries shall satisfy the requirements of Subsection (1)(a) for the station area surrounding the existing fixed guideway public transit station on or before December 31, 2025.

857 (c) If a municipality has more than four existing fixed guideway public transit stations located within the municipality's boundaries, the municipality shall:

859 (i) on or before December 31, 2025, satisfy the requirements of Subsection (1)(a) for four or more station areas located within the municipality; and

861 (ii) on or before December 31 of each year thereafter, satisfy the requirements of Subsection (1)(a) for no less than two station areas located within the municipality until the municipality has satisfied the requirements of Subsection (1)(a) for each station area located within the municipality.

865 (d)

(i) Subject to Subsection (2)(d)(ii):

866 (A) if a municipality receives a complete qualifying land use petition on or before July 1, 2022, the municipality shall satisfy the requirements of Subsection (1)(a) for the station area in which the development is proposed on or before July 1, 2023; and

870 (B) if a municipality receives a complete qualifying land use petition after July 1, 2022, the municipality shall satisfy the requirements of Subsection (1)(a) for the station area in which the development is proposed within a 12-month period beginning on the first day of the month immediately following the month in which the qualifying land use petition is submitted to the municipality, and shall notify the applicable metropolitan planning organization of the receipt of the qualified land use petition within 45 days of the date of receipt.

878 (ii)

(A) A municipality is not required to satisfy the requirements of Subsection (1)(a) for more than two station areas under Subsection (2)(d)(i) within any 12-month period.

881 (B) If a municipality receives more than two complete qualifying land use petitions on or before July 1, 2022, the municipality shall select two station areas for which the municipality will satisfy the requirements of Subsection (1)(a) in accordance with Subsection (2)(d)(i)(A).

885 (iii) A municipality shall process on a first priority basis a land use application, including an application for a building permit, if:

887 (A) the land use application is for a residential use within a station area for which the municipality has not satisfied the requirements of Subsection (1)(a); and

889 (B) the municipality would be required to change a zoning designation for the land use application to be approved.

891 (e) Notwithstanding Subsections (2)(a) through (d), the time period for satisfying the requirements of Subsection (1)(a) for a station area may be extended once for a period of 12 months if:

894

(i) the municipality demonstrates to the applicable metropolitan planning organization that conditions exist that make satisfying the requirements of Subsection (1)(a) within the required time period infeasible, despite the municipality's good faith efforts; and

898 (ii) the applicable metropolitan planning organization certifies to the municipality in writing that the municipality satisfied the demonstration in Subsection (2)(e)(i).

900 (3)

(a) Except as provided in Subsection (3)(b), if a station area is included within the boundaries of more than one municipality, each municipality with jurisdiction over the station area shall satisfy the requirements of Subsection (1)(a) for the portion of the station area over which the municipality has jurisdiction.

904 (b) Two or more municipalities with jurisdiction over a station area may coordinate to develop a shared station area plan for the entire station area.

906 (4) A municipality that has more than one fixed guideway public transit station located within the municipality may, through an integrated process, develop station area plans for multiple station areas if the station areas are within close proximity of each other.

909 (5)

(a) A municipality that is required to develop and adopt a station area plan under this section may request technical assistance from the applicable metropolitan planning organization.

912 (b) An applicable metropolitan planning organization that receives funds from the Governor's Office of Economic Opportunity under Section 63N-3-113 shall, when utilizing the funds, give priority consideration to requests for technical assistance for station area plans required under Subsection (2)(d).

916 (6)

(a) A station area plan shall promote the following objectives within the station area:

917 (i) increasing the availability and affordability of housing, including moderate income housing;

919 (ii) promoting sustainable environmental conditions;

920 (iii) enhancing access to opportunities; and

921 (iv) increasing transportation choices and connections.

922 (b)

(i) To promote the objective described in Subsection (6)(a)(i), a municipality may consider implementing the following actions:

924 (A) aligning the station area plan with the moderate income housing element of the municipality's general plan;
926 (B) providing for densities necessary to facilitate the development of moderate income housing;
928 (C) providing for affordable costs of living in connection with housing, transportation, and parking; or
930 (D) any other similar action that promotes the objective described in Subsection (6)(a)(i).
932 (ii) To promote the objective described in Subsection (6)(a)(ii), a municipality may consider implementing the following actions:
934 (A) conserving water resources through efficient land use;
935 (B) improving air quality by reducing fuel consumption and motor vehicle trips;
936 (C) establishing parks, open spaces, and recreational opportunities; or
937 (D) any other similar action that promotes the objective described in Subsection (6)(a)(ii).
939 (iii) To promote the objective described in Subsection (6)(a)(iii), a municipality may consider the following actions:
941 (A) maintaining and improving the connections between housing, transit, employment, education, recreation, and commerce;
943 (B) encouraging mixed-use development;
944 (C) enabling employment and educational opportunities within the station area;
945 (D) encouraging and promoting enhanced broadband connectivity; or
946 (E) any other similar action that promotes the objective described in Subsection (6)(a)(iii).
948 (iv) To promote the objective described in Subsection (6)(a)(iv), a municipality may consider the following:
950 (A) supporting investment in infrastructure for all modes of transportation;
951 (B) increasing utilization of public transit;
952 (C) encouraging safe streets through the designation of pedestrian walkways and bicycle lanes;
954 (D) encouraging manageable and reliable traffic conditions;
955 (E) aligning the station area plan with the regional transportation plan of the applicable metropolitan planning organization; or
957 (F) any other similar action that promotes the objective described in Subsection (6)(a)(iv).
959 (7) A station area plan shall include the following components:
960 (a) a station area vision that:

961 (i) is consistent with Subsection (6); and
962 (ii) describes the following:
963 (A) opportunities for the development of land within the station area under existing conditions;
965 (B) constraints on the development of land within the station area under existing conditions;
967 (C) the municipality's objectives for the transportation system within the station area and the future transportation system that meets those objectives;
969 (D) the municipality's objectives for land uses within the station area and the future land uses that meet those objectives;
971 (E) the municipality's objectives for public and open spaces within the station area and the future public and open spaces that meet those objectives; and
973 (F) the municipality's objectives for the development of land within the station area and the future development standards that meet those objectives;
975 (b) a map that depicts:
976 (i) the station area;
977 (ii) the area within the station area to which the station area plan applies, provided that the station area plan may apply to areas outside the station area, and the station area plan is not required to apply to the entire station area; and
980 (iii) the area where each action is needed to implement the station area plan;
981 (c) an implementation plan that identifies and describes each action needed within the next five years to implement the station area plan, and the party responsible for taking each action, including any actions to:
984 (i) modify land use regulations;
985 (ii) make infrastructure improvements;
986 (iii) modify deeds or other relevant legal documents;
987 (iv) secure funding or develop funding strategies;
988 (v) establish design standards for development within the station area; or
989 (vi) provide environmental remediation;
990 (d) a statement that explains how the station area plan promotes the objectives described in Subsection (6)(a); and
992

(e) as an alternative or supplement to the requirements of Subsection (6) or this Subsection (7), and for purposes of Subsection (1)(b)(ii), a statement that describes any conditions that would make the following impracticable:

995 (i) promoting the objectives described in Subsection (6)(a); or

996 (ii) satisfying the requirements of this Subsection (7).

997 (8) A municipality shall develop a station area plan with the involvement of all relevant stakeholders that have an interest in the station area through public outreach and community engagement, including:

1000 (a) other impacted communities;

1001 (b) the applicable public transit district;

1002 (c) the applicable metropolitan planning organization;

1003 (d) the Department of Transportation;

1004 (e) owners of property within the station area; and

1005 (f) the municipality's residents and business owners.

1006 (9)

(a) A municipality that is required to develop and adopt a station area plan for a station area under this section shall submit to the applicable metropolitan planning organization and the applicable public transit district documentation evidencing that the municipality has satisfied the requirement of Subsection (1)(a)(i) for the station area, including:

1011 (i) a station area plan; or

1012 (ii) a resolution adopted under Subsection (1)(b)(i) or (ii).

1013 (b) The applicable metropolitan planning organization, in consultation with the applicable public transit district, shall:

1015 (i) review the documentation submitted under Subsection (9)(a) to determine the municipality's compliance with this section; and

1017 (ii) provide written certification to the municipality if the applicable metropolitan planning organization determines that the municipality has satisfied the requirement of Subsection (1)(a)(i) for the station area.

1020 (c) The municipality shall include the certification described in Subsection (9)(b)(ii) in the municipality's report to the [~~Department of Workforce Services~~] Division of Housing and

Community Development within the Governor's Office of Economic Opportunity under Section 10-21-202.

1024 (10)

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

1029 (b) The report described in Subsection (10)(a) shall:

1030 (i) contain the status of advancing the station area plan objectives, including, if applicable, actions described in the implementation plan required in Subsection (7)(c); and

1033 (ii) identify potential actions over the next five years that would advance the station area plan objectives.

1035 (c) If a municipality has multiple certified station area plans, the municipality may consolidate the reports required in Subsection (10)(a) for the purpose of submitting reports to the metropolitan planning organization.

1043 Section 6. Section **11-13-103** is amended to read:

1044 **11-13-103.** ~~**{(Effective 07/01/26)}**~~**(Effective 05/06/26)Definitions.**

As used in this chapter:

1041 (1)

(a) "Additional project capacity" means electric generating capacity provided by a generating unit that first produces electricity on or after May 6, 2002, and that is constructed or installed at or adjacent to the site of a project that first produced electricity before May 6, 2002, regardless of whether:

1045 (i) the owners of the new generating unit are the same as or different from the owner of the project; and

1047 (ii) the purchasers of electricity from the new generating unit are the same as or different from the purchasers of electricity from the project.

1049 (b) "Additional project capacity" does not mean or include replacement project capacity.

1050 (2) "Board" means the Permanent Community Impact Fund Board created by Section [~~35A-8-304~~] 63N-22-504, and [~~its~~] the board's successors.

1052 (3) "Candidate" means one or more of:

1053 (a) the state;

1054 (b) a county, municipality, school district, special district, special service district, or other political subdivision of the state; and

1056 (c) a prosecution district.

1057 (4) "Commercial project entity" means a project entity, defined in Subsection (18), that:

1058 (a) has no taxing authority; and

1059 (b) is not supported in whole or in part by and does not expend or disburse tax revenues.

1060 (5) "Direct impacts" means an increase in the need for public facilities or services that is attributable to the project or facilities providing additional project capacity, except impacts resulting from the construction or operation of a facility that is:

1063 (a) owned by an owner other than the owner of the project or of the facilities providing additional project capacity; and

1065 (b) used to furnish fuel, construction, or operation materials for use in the project.

1066 (6) "Electric interlocal entity" means an interlocal entity described in Subsection 11-13-203(3).

1068 (7) "Energy services interlocal entity" means an interlocal entity that is described in Subsection 11-13-203(4).

1070 (8)

(a) "Estimated electric requirements," when used with respect to a qualified energy services interlocal entity, includes any of the following that meets the requirements of Subsection (8)(b):

1073 (i) generation capacity;

1074 (ii) generation output; or

1075 (iii) an electric energy production facility.

1076 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements" if [~~it~~] the item is needed by the qualified energy services interlocal entity to perform the qualified energy services interlocal entity's contractual or legal obligations to any of[~~ its~~] the qualified energy services interlocal entity's members.

1080 (9)

(a) "Facilities providing replacement project capacity" means facilities that have been, are being, or are proposed to be constructed, reconstructed, converted, repowered, acquired, leased, used, or installed to provide replacement project capacity.

1084

(b) "Facilities providing replacement project capacity" includes facilities that have been, are being, or are proposed to be constructed, reconstructed, converted, repowered, acquired, leased, used, or installed:

1087 (i) to support and facilitate the construction, reconstruction, conversion, repowering, installation, financing, operation, management, or use of replacement project capacity; or

1090 (ii) for the distribution of power generated from existing capacity or replacement project capacity to facilities located on real property in which the project entity that owns the project has an ownership, leasehold, right-of-way, or permitted interest.

1094 (10) "Governing authority" means a governing board or joint administrator.

1095 (11)

(a) "Governing board" means the body established in reliance on the authority provided under Subsection 11-13-206(1)(b) to govern an interlocal entity.

1097 (b) "Governing board" includes a board of directors described in an agreement, as amended, that creates a project entity.

1099 (c) "Governing board" does not include a board as defined in Subsection (2).

1100 (12) "Interlocal entity" means:

1101 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal entity; or

1103 (b) a separate legal or administrative entity created under Section 11-13-205.

1104 (13) "Joint administrator" means an administrator or joint board described in Section 11-13-207 to administer a joint or cooperative undertaking.

1106 (14) "Joint or cooperative undertaking" means an undertaking described in Section 11-13-207 that is not conducted by an interlocal entity.

1108 (15) "Member" means a public agency that, with another public agency, creates an interlocal entity under Section 11-13-203.

1110 (16) "Out-of-state public agency" means a public agency as defined in Subsection (19)(c), (d), or (e).

1112 (17)

(a) "Project":

1113 (i) means an electric generation and transmission facility owned by a Utah interlocal entity or an electric interlocal entity; and

1115 (ii) includes fuel facilities, fuel production facilities, fuel transportation facilities, energy storage facilities, or water facilities that are:

1117 (A) owned by that Utah interlocal entity or electric interlocal entity; and
1118 (B) required for the generation and transmission facility.
1119 (b) "Project" includes a project entity's ownership interest in:
1120 (i) facilities that provide additional project capacity;
1121 (ii) facilities providing replacement project capacity;
1122 (iii) additional generating, transmission, fuel, fuel transportation, water, or other facilities added to a project; and
1124 (iv) a Utah interlocal energy hub, as defined in Section 11-13-602.
1125 (18) "Project entity" means a Utah interlocal entity or an electric interlocal entity that owns a project as defined in this section.
1127 (19) "Public agency" means:
1128 (a) a city, town, county, school district, special district, special service district, an interlocal entity, or other political subdivision of the state;
1130 (b) the state or any department, division, or agency of the state;
1131 (c) any agency of the United States;
1132 (d) any political subdivision or agency of another state or the District of Columbia including any interlocal cooperation or joint powers agency formed under the authority of the law of the other state or the District of Columbia; or
1135 (e) any Indian tribe, band, nation, or other organized group or community which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.
1138 (20) "Public agency insurance mutual" means the same as that term is defined in Subsection 31A-1-103(7).
1140 (21) "Qualified energy services interlocal entity" means an energy services interlocal entity that at the time that the energy services interlocal entity acquires[~~ its~~] the energy services interlocal entity's interest in facilities providing additional project capacity has at least five members that are Utah public agencies.
1144 (22) "Replacement project capacity" means electric generating capacity or transmission capacity that:
1146 (a) replaces all or a portion of the existing electric generating or transmission capacity of a project; and
1148 (b) is provided by a facility that is on, adjacent to, in proximity to, or interconnected with the site of a project, regardless of whether:

1150 (i) the capacity replacing existing capacity is less than or exceeds the generating or transmission capacity of the project existing before installation of the capacity replacing existing capacity;

1153 (ii) the capacity replacing existing capacity is owned by the project entity that is the owner of the project, a segment established by the project entity, or a person with whom the project entity or a segment established by the project entity has contracted; or

1157 (iii) the facility that provides the capacity replacing existing capacity is constructed, reconstructed, converted, repowered, acquired, leased, used, or installed before or after any actual or anticipated reduction or modification to existing capacity of the project.

1161 (23) "Reserve fund" means the same as that term is defined in Subsection 31A-1-103(7).

1162 (24) "Transportation reinvestment zone" means an area created by two or more public agencies by interlocal agreement to capture increased property or sales tax revenue generated by a transportation infrastructure project as described in Section 11-13-227.

1165 (25) "Utah interlocal entity":

1166 (a) means an interlocal entity described in Subsection 11-13-203(2); and

1167 (b) includes a separate legal or administrative entity created under Laws of Utah 1977, Chapter 47, Section 3, as amended.

1169 (26) "Utah public agency" means a public agency under Subsection (19)(a) or (b).

1175 Section 7. Section **17-80-101** is amended to read:

1176 **17-80-101. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

1173 (1) "Affordable housing" means housing offered for sale at 80% or less of the median county home price for housing of that type.

1175 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

1176 (3) "Base taxable value" means a property's taxable value as shown upon the assessment roll last equalized during the base year.

1178 (4) "Base year" means, for a proposed home ownership promotion zone area, a year beginning the first day of the calendar quarter determined by the last equalized tax roll before the adoption of the home ownership promotion zone.

1181 (5) "Division" means the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity.

1184 (6) "Home ownership promotion zone" means a home ownership promotion zone created in accordance with this part.

1186 (7) "Implementation plan" means the implementation plan adopted as part of the moderate income housing element of a specified county's general plan.

1188 (8) "Initial report" means the one-time moderate income housing report described in Subsection 17-80-202(1).

1190 (9) "Internal accessory dwelling unit" means an accessory dwelling unit created:

1191 (a) within a primary dwelling;

1192 (b) within the footprint of the detached primary dwelling at the time the internal accessory dwelling unit is created; and

1194 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.

1195 (10) "Moderate income housing strategy" means a strategy described in Section 17-80-201.

1196 (11) "Participant" means the same as that term is defined in Section 17C-1-102.

1197 (12) "Participation agreement" means the same as that term is defined in Section 17C-1-102.

1198 (13)

(a) "Primary dwelling" means a single-family dwelling that:

1199 (i) is detached; and

1200 (ii) is occupied as the primary residence of the owner of record.

1201 (b) "Primary dwelling" includes a garage if the garage:

1202 (i) is a habitable space; and

1203 (ii) is connected to the primary dwelling by a common wall.

1204 (14) "Project improvements" means the same as that term is defined in Section 11-36a-102.

1205 (15) "Report" means an initial report or a subsequent report described in Section 17-80-202.

1206 (16) "Specified county" means a county of the first, second, or third class, which has a population of more than 5,000 in the county's unincorporated areas.

1208 (17) "Subsequent progress report" means the annual moderate income housing report described in Section 17-80-202.

1210 (18) "System improvements" means the same as that term is defined in Section 11-36a-102.

1211 (19) "Tax commission" means the State Tax Commission created in Section 59-1-201.

1212 (20)

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

1213 (i) the amount of property tax revenue generated each tax year by a taxing entity from the area within a home ownership promotion zone, using the current assessed value and each taxing entity's current certified tax rate as defined in Section 59-2-924; and

1217 (ii) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity's current certified tax rate as defined in Section 59-2-924.

1220 (b) "Tax increment" does not include property revenue from:

1221 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2); or

1223 (ii) a county additional property tax described in Subsection 59-2-1602(4).

1224 (21) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

1230 Section 8. Section **17-80-201** is amended to read:

1231 **17-80-201. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing plan required.**

1227 (1) A moderate income housing element of a general plan shall include a moderate income housing element that meets the requirements of this section.

1229 (2) For a specified county, as defined in Section 17-80-101, a moderate income housing element shall:

1231 (a) provide a realistic opportunity to meet the need for additional moderate income housing within the next five years;

1233 (b) select three or more moderate income housing strategies described in Subsections (3)(a)(ii)(A) through (V), or at least one moderate income housing strategy described in Subsections (3)(a)(ii)(W) through (BB), for implementation; and

1236 (c) include an implementation plan as provided in Subsection (4).

1237 (3)

(a) In drafting the moderate income housing element, the county planning commission shall:

1239 (i) consider the Legislature's determination that counties should facilitate a reasonable opportunity for a variety of housing, including moderate income housing:

1242 (A) to meet the needs of people of various income levels living, working, or desiring to live or work in the community; and

1244 (B) to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life; and

1246

(ii) include an analysis of how the county will provide a realistic opportunity for the development of moderate income housing within the planning horizon, including a recommendation to implement three or more of the following moderate income housing strategies:

1250 (A) rezone for densities necessary to facilitate the production of moderate income housing;

1252 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate income housing;

1254 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing;

1256 (D) identify and utilize county general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the county for the construction or rehabilitation of moderate income housing;

1259 (E) create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones;

1261 (F) zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones, commercial centers, or employment centers;

1263 (G) amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors;

1266 (H) amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities;

1270 (I) amend land use regulations to allow for single room occupancy developments;

1271 (J) implement zoning incentives for moderate income units in new developments;

1272 (K) preserve existing and new moderate income housing and subsidized units by utilizing a landlord incentive program, providing for deed restricted units through a grant program, or establishing a housing loss mitigation fund;

1275 (L) reduce, waive, or eliminate impact fees related to moderate income housing;

1276 (M) demonstrate creation of, or participation in, a community land trust program for moderate income housing;

1278 (N) implement a mortgage assistance program for employees of the county, an employer that provides contracted services for the county, or any other public employer that operates within the county;

1281

(O) apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the [~~Department of Workforce Services~~] the Division of Housing and Community Development within the Governor's Office of Economic Opportunity, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing;

1291 (P) demonstrate utilization of a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing;

1295 (Q) eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 17-79-611;

1297 (R) create a program to transfer development rights for moderate income housing;

1298 (S) ratify a joint acquisition agreement with another local political subdivision for the purpose of combining resources to acquire property for moderate income housing;

1301 (T) develop a moderate income housing project for residents who are disabled or 55 years old or older;

1303 (U) create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with detached single-family residential dwellings and located in walkable communities within residential or mixed-use zones;

1307 (V) demonstrate implementation of any other program or strategy to address the housing needs of residents of the county who earn less than 80% of the area median income, including the dedication of a local funding source to moderate income housing or the adoption of a land use ordinance that requires 10% or more of new residential development in a residential zone be dedicated to moderate income housing;

1313 (W) create a housing and transit reinvestment zone in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;

1315 (X) create a home ownership investment zone in accordance with Part 5, Home Ownership Promotion Zone;

1317 (Y) create a first home investment zone in accordance with Title 63N, Chapter 3, Part 16, First Home Investment Zone Act;

1319 (Z) approve a project that receives funding from, or qualifies to receive funding from, the Utah Homes Investment Program created in Title 51, Chapter 12, Utah Homes Investment Program;

1322 (AA) adopt or approve a qualifying affordable home ownership density bonus for single-family residential units, as described in Section 17-80-401; and

1324 (BB) adopt or approve an affordable home ownership density bonus for multi-family residential units, as described in Section 17-80-402.

1326 (b) The planning commission shall identify each moderate income housing strategy recommended to the legislative body for implementation by restating the exact language used to describe the strategy in Subsection (3)(a)(ii).

1329 (4)

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

1334 (b) The timeline described in Subsection (4)(a) shall:

1335 (i) identify specific measures and benchmarks for implementing each moderate income housing strategy selected by the county; and

1337 (ii) provide flexibility for the county to make adjustments as needed.

1343 Section 9. Section **17-80-202** is amended to read:

1344 **17-80-202. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing report -- Contents -- Prioritization for funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

1342 (1)

(a) The legislative body of a specified county shall annually submit an initial report to the division.

1344 (b)

(i) This Subsection (1)(b) applies to a county that is not a specified county as of January 1, 2023.

1346 (ii) As of January 1, if a county changes from one class to another or grows in population to qualify as a specified county, the county shall submit an initial plan to the division on or before August 1 of the first calendar year beginning on January 1 in which the county qualifies as a specified county.

1350 (c) The initial report shall:

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(i) identify each moderate income housing strategy selected by the specified county for continued, ongoing, or one-time implementation, using the exact language used to describe the moderate income housing strategy; and

1354 (ii) include an implementation plan.

1355 (2)

(a) After the division approves a specified county's initial report under this section, the specified county shall, as an administrative act, annually submit to the division a subsequent progress report on or before August 1 of each year after the year in which the specified county is required to submit the initial report.

1359 (b) The subsequent progress report shall include:

1360 (i) subject to Subsection (2)(c), a description of each action, whether one-time or ongoing, taken by the specified county during the previous 12-month period to implement the moderate income housing strategies identified in the initial report for implementation;

1364 (ii) a description of each land use regulation or land use decision made by the specified county during the previous 12-month period to implement the moderate income housing strategies, including an explanation of how the land use regulation or land use decision supports the specified county's efforts to implement the moderate income housing strategies;

1369 (iii) a description of any barriers encountered by the specified county in the previous 12-month period in implementing the moderate income housing strategies;

1371 (iv) the number of residential dwelling units that have been entitled that have not received a building permit as of the submission date of the progress report;

1373 (v) shapefiles, or website links if shapefiles are not available, to current maps and tables related to zoning;

1375 (vi) information regarding the number of internal and external or detached accessory dwelling units located within the specified county for which the specified county:

1377 (A) issued a building permit to construct; or

1378 (B) issued a business license or comparable license or permit to rent;

1379 (vii) a description of how the market has responded to the selected moderate income housing strategies, including the number of entitled moderate income housing units or other relevant data; and

1382 (viii) any recommendations on how the state can support the specified county in implementing the moderate income housing strategies.

1384 (c) For purposes of describing actions taken by a specified county under Subsection (2)(b)(i), the specified county may include an ongoing action taken by the specified county before the 12-month reporting period applicable to the subsequent progress report if the specified county:

1388 (i) has already adopted an ordinance, approved a land use application, made an investment, or approved an agreement or financing that substantially promotes the implementation of a moderate income housing strategy identified in the initial report; and

1392 (ii) demonstrates in the subsequent progress report that the action taken under Subsection (2)(b)(i) is relevant to making meaningful progress towards the specified county's implementation plan.

1395 (d) A specified county's report shall be in a form:

1396 (i) approved by the division; and

1397 (ii) made available by the division on or before May 1 of the year in which the report is required.

1399 (3) Within 90 days after the day on which the division receives a specified county's report, the division shall:

1401 (a) post the report on the division's website;

1402 (b) send a copy of the report to the Department of Transportation, the Governor's Office of Planning and Budget, the association of governments in which the specified county is located, and, if the unincorporated area of the specified county is located within the boundaries of a metropolitan planning organization, the appropriate metropolitan planning organization; and

1407 (c) subject to Subsection (4), review the report to determine compliance with this section.

1408 (4)

(a) An initial report complies with this section if the report:

1409 (i) includes the information required under Subsection (1)(c);

1410 (ii) demonstrates to the division that the specified county made plans to implement three or more moderate income housing strategies described in Subsections 17-80-201(3)(a)(ii)(A) through (V) or at least one moderate income housing strategy described in Subsections 17-80-201(3)(a)(ii)(W) through (BB); and

1414 (iii) is in a form approved by the division.

1415 (b) A subsequent progress report complies with this section if the report:

1416 (i) demonstrates to the division that the specified county made plans to implement or is implementing three or more moderate income housing strategies described in Subsections 17-80-201(3)(a)(ii)(A)

though (V) or at least one moderate income housing strategy described in Subsections 17-80-201(3)(a)(ii)(W) through (BB);

1420 (ii) is in a form approved by the division; and

1421 (iii) provides sufficient information for the division to:

1422 (A) assess the specified county's progress in implementing the moderate income housing strategies;

1424 (B) monitor compliance with the specified county's implementation plan;

1425 (C) identify a clear correlation between the specified county's land use decisions and efforts to implement the moderate income housing strategies;

1427 (D) identify how the market has responded to the specified county's selected moderate income housing strategies; and

1429 (E) identify any barriers encountered by the specified county in implementing the selected moderate income housing strategies.

1431 (c) If a specified county initial report or subsequent progress report demonstrates the county plans to implement or is implementing at least one moderate income housing strategy described in Subsections 17-80-201(3)(a)(ii)(W) through (BB), the division shall also consider the specified county compliant with the reporting requirement described in this section for:

1436 (i) the year in which the specified county submits the report; and

1437 (ii) two subsequent reporting years.

1438 (5)

(a) A specified county qualifies for priority consideration under this Subsection (5) if the specified county's report:

1440 (i) complies with this section; and

1441 (ii) demonstrates to the division that the specified county made plans to implement five or more moderate income housing strategies.

1443 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c), give priority consideration to transportation projects located within the unincorporated areas of a specified county described in Subsection (5)(a) until the Department of Transportation receives notice from the division under Subsection (5)(e).

1448 (c) Upon determining that a specified county qualifies for priority consideration under this Subsection (5), the division shall send a notice of prioritization to the legislative body of the specified county and the Department of Transportation.

1451 (d) The notice described in Subsection (5)(c) shall:
1452 (i) name the specified county that qualifies for priority consideration;
1453 (ii) describe the funds or projects for which the specified county qualifies to receive priority consideration; and
1455 (iii) state the basis for the division's determination that the specified county qualifies for priority consideration.
1457 (e) The division shall notify the legislative body of a specified county and the Department of Transportation in writing if the division determines that the specified county no longer qualifies for priority consideration under this Subsection (5).
1460 (6)
(a) If the division, after reviewing a specified county's report, determines that the report does not comply with this section, the division shall send a notice of noncompliance to the legislative body of the specified county.
1463 (b) A specified county that receives a notice of noncompliance may:
1464 (i) cure each deficiency in the report within 90 days after the day on which the notice of noncompliance is sent; or
1466 (ii) request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent.
1468 (c) The notice described in Subsection (6)(a) shall:
1469 (i) describe each deficiency in the report and the actions needed to cure each deficiency;
1471 (ii) state that the specified county has an opportunity to:
1472 (A) submit to the division a corrected report that cures each deficiency in the report within 90 days after the day on which the notice of noncompliance is sent; or
1475 (B) submit to the division a request for an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent; and
1478 (iii) state that failure to take action under Subsection (6)(c)(ii) will result in the specified county's ineligibility for funds and fees owed under Subsection (8).
1480 (d) For purposes of curing the deficiencies in a report under this Subsection (6), if the action needed to cure the deficiency as described by the division requires the specified county to make a legislative change, the specified county may cure the deficiency by making that legislative change within the 90-day cure period.

1484 (e)

(i) If a specified county submits to the division a corrected report in accordance with Subsection (6)(b)(i), and the division determines that the corrected report does not comply with this section, the division shall send a second notice of noncompliance to the legislative body of the specified county.

1488 (ii) A specified county that receives a second notice of noncompliance may request an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent.

1491 (iii) The notice described in Subsection (6)(e)(i) shall:

1492 (A) state that the specified county has an opportunity to submit to the division a request for an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent; and

1495 (B) state that failure to take action under Subsection (6)(e)(iii)(A) will result in the specified county's ineligibility for funds under Subsection (8).

1497 (7)

(a) A specified county that receives a notice of noncompliance under Subsection (6)(a) or (6)(e)(i) may request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent.

1500 (b) Within 90 days after the day on which the division receives a request for an appeal, an appeal board consisting of the following three members shall review and issue a written decision on the appeal:

1503 (i) one individual appointed by the Utah Association of Counties;

1504 (ii) one individual appointed by the Utah Homebuilders Association; and

1505 (iii) one individual appointed by the presiding member of the association of governments, established in accordance with an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, of which the specified county is a member.

1509 (c) The written decision of the appeal board shall either uphold or reverse the division's determination of noncompliance.

1511 (d) The appeal board's written decision on the appeal is final.

1512 (8)

(a) A specified county is ineligible for funds and owes a fee under this Subsection (8) if:

1514 (i) the specified county fails to submit a report to the division;

1515

(ii) after submitting a report to the division, the division determines that the report does not comply with this section and the specified county fails to:

1517 (A) cure each deficiency in the report within 90 days after the day on which the notice of noncompliance is sent; or

1519 (B) request an appeal of the division's determination of noncompliance within 10 days after the day on which the notice of noncompliance is sent;

1521 (iii) after submitting to the division a corrected report to cure the deficiencies in a previously submitted report, the division determines that the corrected report does not comply with this section and the specified county fails to request an appeal of the division's determination of noncompliance within 10 days after the day on which the second notice of noncompliance is sent; or

1526 (iv) after submitting a request for an appeal under Subsection (7), the appeal board issues a written decision upholding the division's determination of noncompliance.

1528 (b) The following apply to a specified county described in Subsection (8)(a) until the division provides notice under Subsection (8)(e):

1530 (i) the executive director of the Department of Transportation may not program funds from the Transportation Investment Fund of 2005, including the Transit Transportation Investment Fund, to projects located within the unincorporated areas of the specified county in accordance with Subsection 72-2-124(6);

1534 (ii) beginning with the report submitted in 2024, the specified county shall pay a fee to the Olene Walker Housing Loan Fund in the amount of $250 per day that the specified county:

1537 (A) fails to submit the report to the division in accordance with this section, beginning the day after the day on which the report was due; or

1539 (B) fails to cure the deficiencies in the report, beginning the day after the day by which the cure was required to occur as described in the notice of noncompliance under Subsection (6); and

1542 (iii) beginning with the report submitted in 2025, the specified county shall pay a fee to the Olene Walker Housing Loan Fund in the amount of $500 per day that the specified county, for a consecutive year:

1545 (A) fails to submit the report to the division in accordance with this section, beginning the day after the day on which the report was due; or

1547

(B) fails to cure the deficiencies in the report, beginning the day after the day by which the cure was required to occur as described in the notice of noncompliance under Subsection (6).

1550 (c) Upon determining that a specified county is ineligible for funds under this Subsection (8), and is required to pay a fee under Subsection (8)(b), if applicable, the division shall send a notice of ineligibility to the legislative body of the specified county, the Department of Transportation, the State Tax Commission, and the Governor's Office of Planning and Budget.

1555 (d) The notice described in Subsection (8)(c) shall:

1556 (i) name the specified county that is ineligible for funds;

1557 (ii) describe the funds for which the specified county is ineligible to receive;

1558 (iii) describe the fee the specified county is required to pay under Subsection (8)(b), if applicable; and

1560 (iv) state the basis for the division's determination that the specified county is ineligible for funds.

1562 (e) The division shall notify the legislative body of a specified county and the Department of Transportation in writing if the division determines that the provisions of this Subsection (8) no longer apply to the specified county.

1565 (f) The division may not determine that a specified county that is required to pay a fee under Subsection (8)(b) is in compliance with the reporting requirements of this section until the specified county pays all outstanding fees required under Subsection (8)(b) to the Olene Walker Housing Loan Fund, created [~~under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund~~] in Section 63N-22-302.

1570 (9) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 17-79-404(5)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

1578 Section 10. Section **17B-1-612** is amended to read:

1579 **17B-1-612. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Accumulated fund balances -- Limitations -- Excess balances -- Unanticipated excess of revenues -- Reserves for capital projects.**

1576 (1)

(a) A special district may accumulate retained earnings or fund balances, as appropriate, in any fund.

1578 (b) For the general fund only, a special district may only use an accumulated fund balance to:

1580 (i) provide working capital to finance expenditures from the beginning of the budget year until general property taxes or other applicable revenues are collected, subject to Subsection (1)(c);

1583 (ii) provide a resource to meet emergency expenditures under Section 17B-1-623; and

1584 (iii) cover a pending year-end excess of expenditures over revenues from an unavoidable shortfall in revenues, subject to Subsection (1)(d).

1586 (c) Subsection (1)(b)(i) does not authorize a special district to appropriate a fund balance for budgeting purposes, except as provided in Subsection (4).

1588 (d) Subsection (1)(b)(iii) does not authorize a special district to appropriate a fund balance to avoid an operating deficit during a budget year except:

1590 (i) as provided under Subsection (4); or

1591 (ii) for emergency purposes under Section 17B-1-623.

1592 (2)

(a) Except as provided in Subsection (2)(b), the accumulation of a fund balance in the general fund may not exceed the most recently adopted general fund budget, plus 100% of the current year's property tax.

1595 (b) Notwithstanding Subsection (2)(a), a special district may accumulate in the general fund mineral lease revenue that the special district receives from the United States under the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et seq., through a distribution under:

1599 (i) [~~Title 35A, Chapter 8, Part 3, Community Impact Fund Act~~] Title 63N, Chapter 22, Part 5, Community Impact Fund; or

1601 (ii) Title 59, Chapter 21, Mineral Lease Funds.

1602 (3) If the fund balance at the close of any fiscal year exceeds the amount permitted under Subsection (2), the district shall appropriate the excess in accordance with Section 17B-1-613.

1605 (4) A special district may utilize any fund balance in excess of 5% of the total revenues of the general fund for budget purposes.

1607 (5)

(a) Within a capital projects fund, the board of trustees may, in any budget year, appropriate from estimated revenue or fund balance to a reserve for capital projects for the purpose of financing future specific capital projects, including new construction, capital repairs, replacement, and maintenance, under a formal long-range capital plan that the board of trustees adopts.

1612 (b) A special district may allow a reserve amount under Subsection (5)(a) to accumulate from year to year until the accumulated total is sufficient to permit economical expenditure for the specified purposes.

1615

(c) A special district may disburse from a reserve account under Subsection (5)(a) only by a budget appropriation that the special district adopts in accordance with this part.

1617 (d) A special district shall ensure that the expenditures from the appropriation budget accounts described in this Subsection (5) conform to all requirements of this part relating to execution and control of budgets.

1625 Section 11. Section **17C-1-102** is amended to read:

1626 **17C-1-102. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this title:

1623 (1) "Active project area" means a project area that has not been dissolved in accordance with Section 17C-1-702.

1625 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that an agency is authorized to receive:

1627 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3);

1629 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax increment under Section 17C-1-406;

1631 (c) under a project area budget approved by a taxing entity committee; or

1632 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's tax increment.

1634 (3) "Affordable housing" means housing owned or occupied by a low or moderate income family, as determined by resolution of the agency.

1636 (4) "Agency" or "community reinvestment agency" means a separate body corporate and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community development and renewal agency under previous law:

1639 (a) that is a political subdivision of the state;

1640 (b) that is created to undertake or promote project area development as provided in this title; and

1642 (c) whose geographic boundaries are coterminous with:

1643 (i) for an agency created by a county, the unincorporated area of the county; and

1644 (ii) for an agency created by a municipality, the boundaries of the municipality.

1645 (5) "Agency funds" means money that an agency collects or receives for agency operations, implementing a project area plan or an implementation plan as defined in Section 17C-1-1001, or other agency purposes, including:

1648 (a) project area funds;
1649 (b) income, proceeds, revenue, or property derived from or held in connection with the agency's undertaking and implementation of project area development or agency-wide project development as defined in Section 17C-1-1001;
1652 (c) a contribution, loan, grant, or other financial assistance from any public or private source;
1654 (d) project area incremental revenue as defined in Section 17C-1-1001; or
1655 (e) property tax revenue as defined in Section 17C-1-1001.
1656 (6) "Annual income" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.
1659 (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.
1660 (8) "Base taxable value" means, unless otherwise adjusted in accordance with provisions of this title, a property's taxable value as shown upon the assessment roll last equalized during the base year.
1663 (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during which the assessment roll is last equalized:
1665 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan, before the project area plan's effective date;
1667 (b) for a post-June 30, 1993, urban renewal or economic development project area plan, or a community reinvestment project area plan that is subject to a taxing entity committee:
1670 (i) before the date on which the taxing entity committee approves the project area budget; or
1672 (ii) if taxing entity committee approval is not required for the project area budget, before the date on which the community legislative body adopts the project area plan;
1675 (c) for a project on an inactive airport site, after the later of:
1676 (i) the date on which the inactive airport site is sold for remediation and development; or
1678 (ii) the date on which the airport that operated on the inactive airport site ceased operations; or
1680 (d) for a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement, as described in the interlocal agreement.
1683 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum basic levy under Section 59-2-902.
1685 (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.
1686

(12) "Budget hearing" means the public hearing on a proposed project area budget required under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection 17C-3-201(2)(d) for an economic development project area budget, or Subsection 17C-5-302(2)(e) for a community reinvestment project area budget.

1690 (13) "Closed military base" means land within a former military base that the Defense Base Closure and Realignment Commission has voted to close or realign when that action has been sustained by the president of the United States and Congress.

1693 (14) "Combined incremental value" means the combined total of all incremental values from all project areas, except project areas that contain some or all of a military installation or inactive industrial site, within the agency's boundaries under project area plans and project area budgets at the time that a project area budget for a new project area is being considered.

1698 (15) "Community" means a county or municipality.

1699 (16) "Community development project area plan" means a project area plan adopted under Chapter 4, Part 1, Community Development Project Area Plan.

1701 (17) "Community legislative body" means the legislative body of the community that created the agency.

1703 (18) "Community reinvestment project area plan" means a project area plan adopted under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

1705 (19) "Contest" means to file a written complaint in a court with jurisdiction under Title 78A, Judiciary and Judicial Administration, and in a county in which the agency is located if the action is filed in the district court.

1708 (20) "Development impediment" means a condition of an area that meets the requirements described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405 for a community reinvestment project area.

1711 (21) "Development impediment hearing" means a public hearing regarding whether a development impediment exists within a proposed:

1713 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section 17C-2-302; or

1715 (b) community reinvestment project area under Section 17C-5-404.

1716 (22) "Development impediment study" means a study to determine whether a development impediment exists within a survey area as described in Section 17C-2-301 for an urban renewal project area or Section 17C-5-403 for a community reinvestment project area.

1719 (23) "Economic development project area plan" means a project area plan adopted under Chapter 3, Part 1, Economic Development Project Area Plan.

1721 (24) "Fair share ratio" means the ratio derived by:

1722 (a) for a municipality, comparing the percentage of all housing units within the municipality that are publicly subsidized income targeted housing units to the percentage of all housing units within the county in which the municipality is located that are publicly subsidized income targeted housing units; or

1726 (b) for the unincorporated part of a county, comparing the percentage of all housing units within the unincorporated county that are publicly subsidized income targeted housing units to the percentage of all housing units within the whole county that are publicly subsidized income targeted housing units.

1730 (25) "Family" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by replacement regulations.

1733 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.

1734 (27) "Hazardous waste" means any substance defined, regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the environment, under state or federal law or regulation.

1738 (28) "Housing allocation" means project area funds allocated for housing under Section 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.

1740 (29) "Housing fund" means a fund created by an agency for purposes described in Section 17C-1-411 or 17C-1-412 that is comprised of:

1742 (a) project area funds, project area incremental revenue as defined in Section 17C-1-1001, or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes described in Section 17C-1-411; or

1745 (b) an agency's housing allocation.

1746 (30)

(a) "Inactive airport site" means land that:

1747 (i) consists of at least 100 acres;

1748 (ii) is occupied by an airport:

1749 (A)

(I) that is no longer in operation as an airport; or

1750 (II)

(Aa) that is scheduled to be decommissioned; and

1751 (Bb) for which a replacement commercial service airport is under construction; and

1753 (B) that is owned or was formerly owned and operated by a public entity; and

1754 (iii) requires remediation because:

1755 (A) of the presence of hazardous waste or solid waste; or

1756 (B) the site lacks sufficient public infrastructure and facilities, including public roads, electric service, water system, and sewer system, needed to support development of the site.

1759 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land described in Subsection (30)(a).

1761 (31)

(a) "Inactive industrial site" means land that:

1762 (i) consists of at least 1,000 acres;

1763 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial facility; and

1765 (iii) requires remediation because of the presence of hazardous waste or solid waste.

1766 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land described in Subsection (31)(a).

1768 (32) "Income targeted housing" means housing that is:

1769 (a) owned and occupied by a family whose annual income is at or below 120% of the median annual income for a family within the county in which the housing is located; or

1772 (b) occupied by a family whose annual income is at or below 80% of the median annual income for a family within the county in which the housing is located.

1774 (33) "Incremental value" means a figure derived by multiplying the marginal value of the property located within a project area on which tax increment is collected by a number that represents the adjusted tax increment from that project area that is paid to the agency.

1778 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, [~~established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund~~] created in Section 63N-22-303.

1781 (35)

(a) " Local government building" means a building owned and operated by a community for the primary purpose of providing one or more primary community functions, including:

1784 (i) a fire station;
1785 (ii) a police station;
1786 (iii) a city hall; or
1787 (iv) a court or other judicial building.
1788 (b) " Local government building" does not include a building the primary purpose of which is cultural or recreational in nature.
1790 (36) "Low-income individual" means the same as that term is defined in Section [~~35A-8-504.5~~] 63N-22-101.
1792 (37) "Major transit investment corridor" means the same as that term is defined in Section 10-20-102.
1794 (38) "Marginal value" means the difference between actual taxable value and base taxable value.
1796 (39) "Military installation project area" means a project area or a portion of a project area located within a federal military installation ordered closed by the federal Defense Base Realignment and Closure Commission.
1799 (40) "Municipality" means a city or town.
1800 (41) "Non-profit housing fund" means:
1801 (a) an organization that meets the definition of "housing organization" in Section [~~35A-8-2401~~] 63N-22-316;
1803 (b) a registered nonprofit that assists veterans or individuals who work in public service to achieve homeownership in the state;
1805 (c) a registered nonprofit that:
1806 (i) assists low-income individuals or families who would qualify for income targeted housing to achieve homeownership in the state; and
1808 (ii) provides direct support to help a low-income individual or a family eligible for income targeted housing to retain ownership of a home, including through rehabilitation services, lending for rehabilitation, or foreclosure mitigation counseling that results in retention of the home, refinancing, or a reverse mortgage;
1812 (d) a registered nonprofit that partners with a community to promote affordable housing for the workforce in that community; or
1814 (e) a registered nonprofit established to administer housing programs on behalf of an association representing 10 or more counties in the state.
1816 (42) "Participant" means one or more persons that enter into a participation agreement with an agency.

1818 (43) "Participation agreement" means a written agreement between a person and an agency under Subsection 17C-1-202(5).

1820 (44) "Plan hearing" means the public hearing on a proposed project area plan required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection 17C-3-102(1)(d) for an economic development project area plan, Subsection 17C-4-102(1)(d) for a community development project area plan, or Subsection 17C-5-104(3)(e) for a community reinvestment project area plan.

1825 (45) "Post-June 30, 1993, project area plan" means a project area plan adopted on or after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the project area plan's adoption.

1828 (46) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1, 1993, whether or not amended subsequent to the project area plan's adoption.

1830 (47) "Private," with respect to real property, means property not owned by a public entity or any other governmental entity.

1832 (48) "Project area" means the geographic area described in a project area plan within which the project area development described in the project area plan takes place or is proposed to take place.

1835 (49) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a project area prepared in accordance with:

1838 (a) for an urban renewal project area, Section 17C-2-201;

1839 (b) for an economic development project area, Section 17C-3-201;

1840 (c) for a community development project area, Section 17C-4-204; or

1841 (d) for a community reinvestment project area, Section 17C-5-302.

1842 (50) "Project area development" means activity within a project area that, as determined by the board, encourages, promotes, or provides development or redevelopment for the purpose of implementing a project area plan, including:

1845 (a) promoting, creating, or retaining public or private jobs within the state or a community;

1847 (b) providing office, manufacturing, warehousing, distribution, parking, or other facilities or improvements;

1849 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or remediating environmental issues;

1851 (d) providing residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to the structures or spaces;

1854 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating existing structures;
1856 (f) providing open space, including streets or other public grounds or space around buildings;
1858 (g) providing public or private buildings, infrastructure, structures, or improvements;
1859 (h) relocating a business;
1860 (i) improving public or private recreation areas or other public grounds;
1861 (j) eliminating a development impediment or the causes of a development impediment;
1862 (k) redevelopment as defined under the law in effect before May 1, 2006; or
1863 (l) any activity described in this Subsection (50) outside of a project area that the board determines to be a benefit to the project area.
1865 (51) "Project area funds" means tax increment or sales and use tax revenue that an agency receives under a project area budget adopted by a taxing entity committee or an interlocal agreement.
1868 (52) "Project area funds collection period" means the period of time that:
1869 (a) begins the day on which the first payment of project area funds is distributed to an agency under a project area budget approved by a taxing entity committee or an interlocal agreement; and
1872 (b) ends the day on which the last payment of project area funds is distributed to an agency under a project area budget approved by a taxing entity committee or an interlocal agreement.
1875 (53) "Project area plan" means an urban renewal project area plan, an economic development project area plan, a community development project area plan, or a community reinvestment project area plan that, after the project area plan's effective date, guides and controls the project area development.
1879 (54)
(a) "Property tax" means each levy on an ad valorem basis on tangible or intangible personal or real property.
1881 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege Tax.
1883 (55) "Public entity" means:
1884 (a) the United States, including an agency of the United States;
1885 (b) the state, including any of the state's departments or agencies; or
1886 (c) a political subdivision of the state, including a county, municipality, school district, special district, special service district, community reinvestment agency, or interlocal cooperation entity.
1889 (56) "Publicly owned infrastructure and improvements" means water, sewer, storm drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets, roads, curb,

gutter, sidewalk, walkways, parking facilities, public transportation facilities, or other facilities, infrastructure, and improvements benefitting the public and to be publicly owned or publicly maintained or operated.

1894 (57) "Record property owner" or "record owner of property" means the owner of real property, as shown on the records of the county in which the property is located, to whom the property's tax notice is sent.

1897 (58) "Sales and use tax revenue" means revenue that is:

1898 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act; and

1899 (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.

1900 (59) "Superfund site":

1901 (a) means an area included in the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

1904 (b) includes an area formerly included in the National Priorities List, as described in Subsection (59)(a), but removed from the list following remediation that leaves on site the waste that caused the area to be included in the National Priorities List.

1907 (60) "Survey area" means a geographic area designated for study by a survey area resolution to determine whether:

1909 (a) one or more project areas within the survey area are feasible; or

1910 (b) a development impediment exists within the survey area.

1911 (61) "Survey area resolution" means a resolution adopted by a board that designates a survey area.

1913 (62) "Taxable value" means:

1914 (a) the taxable value of all real property a county assessor assesses in accordance with Title 59, Chapter 2, Part 3, County Assessment, for the current year;

1916 (b) the taxable value of all real and personal property the commission assesses in accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and

1919 (c) the year end taxable value of all personal property a county assessor assesses in accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's tax rolls of the taxing entity.

1922 (63)

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

1923

(i) the amount of property tax revenue generated each tax year by a taxing entity from the area within a project area designated in the project area plan as the area from which tax increment is to be collected, using the current assessed value of the property and each taxing entity's current certified tax rate as defined in Section 59-2-924; and

1928 (ii) the amount of property tax revenue that would be generated from that same area using the base taxable value of the property and each taxing entity's current certified tax rate as defined in Section 59-2-924.

1931 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

1933 (i) the project area plan was adopted before May 4, 1993, whether or not the project area plan was subsequently amended; and

1935 (ii) the taxes were pledged to support bond indebtedness or other contractual obligations of the agency.

1937 (64) "Taxing entity" means a public entity that:

1938 (a) levies a tax on property located within a project area; or

1939 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.

1940 (65) "Taxing entity committee" means a committee representing the interests of taxing entities, created in accordance with Section 17C-1-402.

1942 (66) "Unincorporated" means not within a municipality.

1943 (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2, Part 1, Urban Renewal Project Area Plan.

1945 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.

1951 Section 12. Section **17C-1-412** is amended to read:

1952 **17C-1-412. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Use of housing allocation -- Separate accounting required -- Issuance of bonds for housing -- Action to compel agency to provide housing allocation.**

1950 (1)

(a) An agency shall use the agency's housing allocation to:

1951 (i) pay part or all of the cost of land or construction of income targeted housing within the boundary of the agency, if practicable in a mixed income development or area;

1954 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the boundary of the agency;

1956 (iii) lend, grant, or contribute money to a person, public entity, housing authority, private entity or business, or nonprofit corporation for income targeted housing within the boundary of the agency;

1959 (iv) plan or otherwise promote income targeted housing within the boundary of the agency;

1961 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where a board has determined that a development impediment exists;

1965 (vi) replace housing units lost as a result of the project area development;

1966 (vii) make payments on or establish a reserve fund for bonds:

1967 (A) issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and

1969 (B) all or part of the proceeds of which are used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

1971 (viii) if the community's fair share ratio at the time of the first adoption of the project area budget is at least 1.1 to 1.0, make payments on bonds:

1973 (A) that were previously issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and

1975 (B) all or part of the proceeds of which were used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

1977 (ix) relocate mobile home park residents displaced by project area development;

1978 (x) subject to Subsection (7), transfer funds to a community that created the agency; or

1980 (xi) pay for or make a contribution toward the acquisition, construction, or rehabilitation of housing that:

1982 (A) is located in the same county as the agency;

1983 (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit college or university; and

1985 (C) only students of the relevant college or university, including the students' immediate families, occupy.

1987 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or any portion of the agency's housing allocation to:

1989 (i) the community for use as described in Subsection (1)(a);

1990 (ii) a housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community;

1992 (iii) a housing authority established by the county in which the agency is located for providing:

1994 (A) income targeted housing within the county;

1995 (B) permanent housing, permanent supportive housing, or a transitional facility, as defined in Section 35A-5-302, within the county; or

1997 (C) homeless assistance within the county;

1998 (iv) the Olene Walker Housing Loan Fund, [~~established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund~~] created in Section 63N-22-302, for use in providing income targeted housing within the community;

2001 (v) pay for or make a contribution toward the acquisition, construction, or rehabilitation of income targeted housing that is outside of the community if the housing is located along or near a major transit investment corridor that services the community and the related project has been approved by the community in which the housing is or will be located;

2006 (vi) pay for or make a contribution toward the acquisition, construction, or rehabilitation of income targeted housing that is outside of the boundary of the agency if there is an interlocal agreement between the agency and the receiving community;

2010 (vii) pay for or make a contribution toward the expansion of child care facilities within the boundary of the agency, provided that any recipient of funds from the agency's housing allocation reports annually to the agency on how the funds were used; or

2014 (viii) a non-profit housing fund, for use in assisting individuals or families within the community to achieve homeownership or retain homeownership, in accordance with:

2017 (A) the mission of the non-profit housing fund; and

2018 (B) a written agreement between the non-profit housing fund and the agency, governing appropriate uses of housing allocation funds.

2020 (2)

(a) An agency may combine all or any portion of the agency's housing allocation with all or any portion of one or more additional agency's housing allocations if the agencies execute an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

2024

(b) An agency that has entered into an interlocal agreement as described in Subsection (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation meets the requirements for at least one agency that is a party to the interlocal agreement.

2028 (3) The agency shall create a housing fund and separately account for the agency's housing allocation, together with all interest earned by the housing allocation and all payments or repayments for loans, advances, or grants from the housing allocation.

2031 (4) An agency may:

2032 (a) issue bonds to finance a housing-related project under this section, including the payment of principal and interest upon advances for surveys and plans or preliminary loans; and

2035 (b) issue refunding bonds for the payment or retirement of bonds under Subsection (4)(a) previously issued by the agency.

2037 (5)

(a) Except as provided in Subsection (5)(b), an agency shall allocate money to the housing fund each year in which the agency receives sufficient tax increment to make a housing allocation required by the project area budget.

2040 (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.

2041 (6)

(a) Except as provided in Subsection (5)(b), if an agency fails to provide a housing allocation in accordance with the project area budget and the housing plan adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the agency to provide the housing allocation.

2045 (b) In an action under Subsection (6)(a), the court:

2046 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that the action was frivolous; and

2048 (ii) may not award the agency the agency's attorney fees, unless the court finds that the action was frivolous.

2050 (7) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in Subsection 59-12-205(5).

2055

(8) An agency shall spend, encumber, or allot the money contributed to the housing fund under Subsection (5)(a) within six years from the day on which the agency first receives the money.

2063 Section 13. Section **26B-3-209** is amended to read:

2064 **26B-3-209. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Medicaid long-term support services housing coordinator.**

2061 (1) There is created within the Medicaid program a full-time-equivalent position of Medicaid long-term support services housing coordinator.

2063 (2) The coordinator shall help Medicaid recipients receive long-term support services in a home or other community-based setting rather than in a nursing home or other institutional setting by:

2066 (a) working with municipalities, counties, the [~~Housing and Community Development Division~~] Division of Community Services within the Department of Workforce Services, the Division of Housing and Community Development within the Governor's Office of Economic Opportunity, and others to identify community-based settings available to recipients;

2071 (b) working with the same entities to promote the development, construction, and availability of additional community-based settings;

2073 (c) training Medicaid case managers and support coordinators on how to help Medicaid recipients move from an institutional setting to a community-based setting; and

2075 (d) performing other related duties.

2081 Section 14. Section **35A-1-202** is amended to read:

2082 **35A-1-202. ~~{(Effective 07/01/26)}~~ ~~{(Partially Repealed 07/01/26)}~~(Effective 05/06/26) (Partially Repealed 07/01/26)Divisions -- Creation -- Duties -- Workforce Appeals Board, councils, Child Care Advisory Committee, and economic service areas.**

2080 (1) There is created within the department the following divisions:

2081 (a) the Workforce Development Division to administer the development and implementation of employment assistance programs;

2083 (b) the Workforce Research and Analysis Division;

2084 (c) the Unemployment Insurance Division to administer Chapter 4, Employment Security Act;

2086 (d) the Eligibility Services Division to administer public assistance eligibility;

2087 (e) the Division of Adjudication to adjudicate claims or actions in accordance with this title;

2089 (f) the [~~Housing and Community Development Division~~] Division of Community Services, which is described in Sections 35A-8-201 and 35A-8-202;

2091 (g) the Utah State Office of Rehabilitation, which is described in Section 35A-13-103;
2092 (h) the Office of Homeless Services, which is described in Section 35A-16-202;
2093 (i) the Office of Child Care, which is described in Sections 35A-3-202 and 35A-3-203; and
2095 (j) the Refugee Services Office, which is described in Chapter 3, Part 8, Refugee Services.
2097 (2) In addition to the divisions created under Subsection (1), within the department are the following:
2099 (a) the Workforce Appeals Board created in Section 35A-1-205;
2100 (b) the State Workforce Development Board created in Section 35A-1-206;
2101 (c) the Employment Advisory Council created in Section 35A-4-502;
2102 (d) the Child Care Advisory Committee created in Section 35A-3-205; and
2103 (e) the economic service areas created in accordance with Chapter 2, Economic Service Areas.
2110 Section 15. Section **35A-3-103** is amended to read:
2111 **35A-3-103. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Department responsibilities.**
The department shall:
2108 (1) administer public assistance programs assigned by the Legislature and the governor;
2109 (2) determine eligibility for public assistance programs in accordance with the requirements of this chapter;
2111 (3) cooperate with the federal government in the administration of public assistance programs;
2113 (4) administer state employment services;
2114 (5) provide for the compilation of necessary or desirable information, statistics, and reports;
2115 (6) perform other duties and functions required by law;
2116 (7) monitor the application of eligibility policy;
2117 (8) develop personnel training programs for effective and efficient operation of the programs administered by the department;
2119 (9) provide refugee resettlement services in accordance with Section 35A-3-803;
2120 (10) provide child care assistance for children in accordance with Part 2, Office of Child Care;
2122 (11) provide services that enable an applicant or recipient to qualify for affordable housing in cooperation with:
2124 (a) the Utah Housing Corporation;
2125 (b) the [~~Housing and Community Development Division~~] Division of Community Services;
2127 (c) the Division of Housing and Community Development within the Governor's Office of Economic Opportunity; and

2129 [~~(c)~~] (d) local housing authorities;

2130 (12) administer the Medicaid Eligibility Quality Control function in accordance with 42 C.F.R. Sec. 431.812; and

2132 (13) conduct non-clinical eligibility hearings and issue final decisions in adjudicative proceedings, including expedited appeals as defined in 42 C.F.R. Sec. 431.224, for medical assistance eligibility under:

2135 (a) Title 26B, Chapter 3, Health Care - Administration and Assistance; or

2136 (b) Title 26B, Chapter 3, Part 9, Utah Children's Health Insurance Program.

2142 Section 16. Section **35A-3-309** is amended to read:

2143 **35A-3-309. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Information regarding home ownership.**

2139 (1) The department shall provide information and service coordination to assist an applicant in obtaining affordable housing.

2141 (2) The information and services may include:

2142 (a) information from the Utah Housing Corporation[~~ and~~] , the [~~Housing and Community Development Division~~] Division of Community Services, and the Division of Housing and Community Development within the Governor's Office of Economic Opportunity regarding special housing programs, including programs for first-time home buyers and individuals with low and moderate incomes and the eligibility requirements for those programs;

2148 (b) referrals to programs operated by volunteers from the real estate industry that assist applicants in obtaining affordable housing, including information on home ownership, down payments, closing costs, and credit requirements; and

2151 (c) referrals to housing programs operated by municipalities, counties, local housing authorities, and nonprofit housing organizations that assist individuals in obtaining affordable housing, including first-time home ownership.

2159 Section 17. Section **35A-8-101** is amended to read:

2160 **35A-8-101. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this chapter:

2157 (1) "Accessible housing" means housing which has been constructed or modified to be accessible, as described in the State Construction Code or an approved code under Title 15A, State Construction and Fire Codes Act.

2160 (2) "Director" means the director of the division.

2161 (3) "Division" means the [~~Housing and Community Development Division~~] Division of Community Services.

2163 [~~(4) "Moderate income housing" means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the housing is located.~~]

2166 [~~(5) "Moderate income housing unit" means a housing unit that qualifies as moderate income housing.~~]

2173 Section 18. Section **35A-8-201** is amended to read:

2174 **35A-8-201. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Division of Community Services.**

The [~~Housing and Community Development~~]Division of Community Services is under the administration and general supervision of the director.

2177 Section 19. Section **35A-8-202** is amended to read:

2178 **35A-8-202. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Powers and duties of division.**

2174 (1) The division shall:

2175 (a) assist local governments and citizens in the planning, development, and maintenance of necessary public infrastructure and services;

2177 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional planning commissions, area-wide clearinghouses, zoning commissions, parks or recreation boards, community development groups, community action agencies, and other agencies created for the purpose of aiding and encouraging an orderly, productive, and coordinated development of the state and [~~its~~] the state's political subdivisions;

2183 (c) assist the governor in coordinating the activities of state agencies which have an impact on the solution of community development problems and the implementation of community plans;

2186 (d) serve as a clearinghouse for information, data, and other materials which may be helpful to local governments in discharging [~~their~~] local government responsibilities and provide information on available federal and state financial and technical assistance;

2190 (e) carry out continuing studies and analyses of the problems faced by communities within the state and develop such recommendations for administrative or legislative action as appear necessary;

2193 (f) assist the Division of Housing and Community Development within the Governor's Office of Economic Opportunity in funding affordable housing;

2195

(g) support economic development activities through grants, loans, and direct programs financial assistance;

2197 (h) certify project funding at the local level in conformance with federal, state, and other requirements;

2199 (i) utilize the capabilities and facilities of public and private universities and colleges within the state in carrying out [~~its~~] the division's functions; and

2201 (j) assist and support local governments, community action agencies, and citizens in the planning, development, and maintenance of home weatherization, energy efficiency, and antipoverty activities.

2204 (2) The division may:

2205 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal Funds Procedures Act, seek federal grants, loans, or participation in federal programs; and

2207 (b) if any federal program requires the expenditure of state funds as a condition to participation by the state in any fund, property, or service, with the governor's approval, expend whatever funds are necessary out of the money provided by the Legislature for the use of the department[~~;~~] .

2211 [~~(c) in accordance with Part 9, Domestic Violence Shelters, assist in developing, constructing, and improving shelters for victims of domestic violence, as described in Section 77-36-1, through loans and grants to nonprofit and governmental entities;~~]

2214 [~~(d) assist, when requested by a county or municipality, in the development of accessible housing; and~~]

2216 [~~(e) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding the form and content of a moderate income housing report, as described in Sections 10-21-202 and 17-80-202, to:~~]

2219 [~~(i) ensure consistency across reporting political subdivisions; and~~]

2220 [~~(ii) promote better potential analysis of report data.~~]

2226 Section 20. Section **35A-8-1003** is amended to read:

2227 **35A-8-1003. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)State Community Services Office created -- Purpose.**

2224 (1) There is created within the [~~Housing and Community Development Division~~] Division of Community Services the State Community Services Office.

2226 (2) The office shall strengthen communities by reducing poverty and improving the quality of life for low-income persons in this state.

2233 Section 21. Section **35A-8-1009** is amended to read:

2234 **35A-8-1009. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Qualified Emergency Food Agencies Fund -- Expenditure of revenues.**

2231 (1) As used in this section:

2232 (a) "Association of governments" means the following created under the authority of Title 11, Chapter 13, Interlocal Cooperation Act:

2234 (i) an association of governments; or

2235 (ii) a regional council that acts as an association of governments.

2236 (b) "Food and food ingredients" means the same as that term is defined in Section 59-12-102.

2238 (c) "Qualified emergency food agency" means an organization that:

2239 (i) is:

2240 (A) exempt from federal income taxation under Section 501(c)(3), Internal Revenue Code;

2242 (B) an association of governments; or

2243 (C) a food pantry operated by a municipality located within the state;

2244 (ii) as part of [~~its~~] the organization's activities, operates a program that has as the program's primary purpose to:

2246 (A) warehouse and distribute food to other agencies and organizations providing food and food ingredients to low-income persons; or

2248 (B) provide food and food ingredients directly to low-income persons; and

2249 (iii) the office determines to be a qualified emergency food agency.

2250 (2) There is created an expendable special revenue fund known as the Qualified Emergency Food Agencies Fund.

2252 (3)

(a) The Qualified Emergency Food Agencies Fund shall be funded by the sales and use tax revenues described in:

2254 (i) Section 59-12-103;

2255 (ii) Section 59-12-204; and

2256 (iii) Section 59-12-1102.

2257 (b) Any interest earned on the Qualified Emergency Food Agencies Fund shall be deposited into the General Fund.

2259 (4) The office shall for a fiscal year distribute money deposited into the Qualified Emergency Food Agencies Fund to qualified emergency food agencies within the state as provided in this section.

2262 (5) A qualified emergency food agency shall file an application with the office before the qualified emergency food agency may receive a distribution under this section.

2264 (6) A qualified emergency food agency may expend a distribution received in accordance with this section only for a purpose related to:

2266 (a) warehousing and distributing food and food ingredients to other agencies and organizations providing food and food ingredients to low-income persons; or

2268 (b) providing food and food ingredients directly to low-income persons.

2269 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the [~~Housing and Community Development Division~~] Division of Community Services may make rules providing procedures for implementing the distributions required by this section, including:

2273 (a) standards for determining and verifying the amount of a distribution that a qualified emergency food agency may receive;

2275 (b) procedures for a qualified emergency food agency to apply for a distribution, including the frequency with which a qualified emergency food agency may apply for a distribution; and

2278 (c) consistent with Subsection (1)(c), determining whether an entity is a qualified emergency food agency.

2285 Section 22. Section **35A-16-203** is amended to read:

2286 **35A-16-203. Powers and duties of the coordinator.**

2287 (1) The coordinator shall:

2288 (a) coordinate the provision of homeless services in the state;

2289 (b) in cooperation with the board, develop and maintain a comprehensive annual budget and overview of all homeless services available in the state, which homeless services budget shall receive final approval by the board;

2292 (c) in cooperation with the board, create a statewide strategic plan to minimize homelessness in the state, which strategic plan shall receive final approval by the board;

2295 (d) in cooperation with the board, oversee funding provided for the provision of homeless services, which funding shall receive final approval by the board, including funding from the:

2298 (i) Pamela Atkinson Homeless Account created in Section 35A-16-301;

2299 (ii) Homeless to Housing Reform Restricted Account created in Section 35A-16-303; and

2301 (iii) Homeless Shelter Cities Mitigation Restricted Account created in Section 35A-16-402;

2303 (e) provide administrative support to and serve as a member of the board;

2304 (f) at the governor's request, report directly to the governor on issues regarding homelessness in the state and the provision of homeless services in the state; and

2306 (g) report directly to the president of the Senate and the speaker of the House of Representatives at least twice each year on issues regarding homelessness in the state and the provision of homeless services in the state.

2309 (2) The coordinator, in cooperation with the board, shall ensure that the homeless services budget described in Subsection (1)(b) includes an overview and coordination plan for all funding sources for homeless services in the state, including from state agencies, continuum of care organizations, housing authorities, local governments, federal sources, and private organizations.

2314 (3) The coordinator, in cooperation with the board and taking into account the metrics established and data reported in accordance with Section 35A-16-211, shall ensure that the strategic plan described in Subsection (1)(c):

2317 (a) outlines specific goals and measurable benchmarks for minimizing homelessness in the state and for coordinating services for individuals experiencing homelessness among all service providers in the state;

2320 (b) identifies best practices or innovative strategies and recommends improvements to the provision of services to individuals experiencing homelessness in the state to ensure the services are provided in a safe, cost-effective, and efficient manner;

2323 (c) identifies best practices or innovative strategies and recommends improvements in coordinating the delivery of services to the variety of populations experiencing homelessness in the state, including through the use of electronic databases and improved data sharing among all service providers in the state;

2327 (d) identifies gaps and recommends solutions in the delivery of services to the variety of populations experiencing homelessness in the state; and

2329 (e) takes into consideration the success of the HOME Court Pilot Program established in Section 26B-5-382.

2331 (4) In overseeing funding for the provision of homeless services as described in Subsection (1)(d), the coordinator:

2333 (a) shall prioritize the funding of programs and providers that have a documented history of successfully reducing the number of individuals experiencing homelessness, reducing the time

individuals spend experiencing homelessness, moving individuals experiencing homelessness to permanent housing, or reducing the number of individuals who return to experiencing homelessness;

2338 (b) except for a program or provider providing services to victims of domestic violence, may not approve funding to a program or provider that does not enter into a written agreement with the office to collect and share HMIS data regarding the provision of services to individuals experiencing homelessness so that the provision of services can be coordinated among state agencies, local governments, and private organizations; and

2344 (c) if the board has approved a funding formula developed by the steering committee, as described in Section 35A-16-205:

2346 (i) except as provided in Subsection (4)(c)(ii), shall utilize that funding formula in disbursing funds for the provision of homeless services; and

2348 (ii) shall ensure that any federal funds not subject to the funding formula are disbursed in accordance with any applicable federal requirements.

2350 (5) In cooperation with the board, the coordinator shall update the annual statewide budget and the strategic plan described in this section on an annual basis.

2352 (6)

(a) On or before October 1, the coordinator shall provide a written report to the department for inclusion in the department's annual written report described in Section 35A-1-109.

2355 (b) The written report shall include:

2356 (i) the homeless services budget;

2357 (ii) the strategic plan;

2358 (iii) recommendations regarding improvements to coordinating and providing services to individuals experiencing homelessness in the state;

2360 (iv) in coordination with the board, a complete accounting of the office's disbursement of funds during the previous fiscal year from:

2362 (A) the Pamela Atkinson Homeless Account created in Section 35A-16-301;

2363 (B) the Homeless to Housing Reform Restricted Account created in Section 35A-16-303;

2365 (C) the Homeless Shelter Cities Mitigation Restricted Account created in Section 35A-16-402;

2367 (D) the COVID-19 Homeless Housing and Services Grant Program created in Section [~~35A-16-602~~] 63N-22-802; and

2369 (E) any other grant program created in statute that is administered by the office; and

2371 (v) the data described in Section 35A-16-211.

2372 Section 23. Section **53C-3-203** is amended to read:

2373 **53C-3-203.** ~~**{(Effective 07/01/26)} {(Partially Repealed 07/01/30)}**~~**(Effective 05/06/26) (Partially Repealed 07/01/30)Land Exchange Distribution Account.**

2283 (1) As used in this section, "account" means the Land Exchange Distribution Account created in Subsection (2)(a).

2285 (2)

(a) There is created within the General Fund a restricted account known as the Land Exchange Distribution Account.

2287 (b) The account shall consist of revenue deposited in the account as required by Section 53C-3-202.

2289 (3)

(a) The state treasurer shall invest money in the account according to Title 51, Chapter 7, State Money Management Act.

2291 (b) The Division of Finance shall deposit interest or other earnings derived from investment of account money into the General Fund.

2293 (4) The Legislature shall annually appropriate from the account in the following order:

2294 (a) $1,000,000 to the Constitutional Defense Restricted Account created in Section 63C-4a-402; and

2296 (b) from the deposits to the account remaining after the appropriation in Subsection (4)(a), the following amounts:

2298 (i) 55% of the deposits to counties in amounts proportionate to the amounts of mineral revenue generated from the acquired land, exchanged land, acquired mineral interests, or exchanged mineral interests located in each county, to be used to mitigate the impacts caused by mineral development;

2302 (ii) 25% of the deposits to counties in amounts proportionate to the total surface and mineral acreage within each county that was conveyed to the United States under the agreement or an exchange, to be used to mitigate the loss of mineral development opportunities resulting from the agreement or exchange;

2306 (iii) 1.68% of the deposits to the State Board of Education, to be used for education research and experimentation in the use of staff and facilities designed to improve the quality of education in Utah;

2309 (iv) 1.66% of the deposits to the Geological Survey, to be used for natural resources development in the state;

2311 (v) 1.66% of the deposits to the Water Research Laboratory at Utah State University, to be used for water development in the state;

2313 (vi) 11% of the deposits to the Constitutional Defense Restricted Account created in Section 63C-4a-402;

2315 (vii) 1% of the deposits to the Geological Survey, to be used for test wells and other hydrologic studies in the West Desert; and

2317 (viii) 3% of the deposits to the Permanent Community Impact Fund created in Section [~~35A-8-303~~] 63N-22-503, to be used for grants to political subdivisions of the state to mitigate the impacts resulting from the development or use of school and institutional trust lands.

2321 (5) The administration shall make recommendations to the Permanent Community Impact Fund Board for the Permanent Community Impact Fund Board's consideration when awarding the grants described in Subsection (4)(b)(viii).

2416 Section 24. Section **59-2-1101** is amended to read:

2417 **59-2-1101. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions -- Exemption of certain property -- Proportional payments for certain property -- Exception -- County legislative body authority to adopt rules or ordinances.**

2328 (1) As used in this section:

2329 (a) "Charitable purposes" means:

2330 (i) for property used as a nonprofit hospital or a nursing home, the standards outlined in Howell v. County Board of Cache County ex rel. IHC Hospitals, Inc., 881 P.2d 880 (Utah 1994); and

2333 (ii) for property other than property described in Subsection (1)(a)(i), providing a gift to the community.

2335 (b) "Compliance period" means a period equal to 15 taxable years beginning with the first taxable year for which the taxpayer claims a tax credit under Section 42, Internal Revenue Code, or Section 59-7-607 or 59-10-1010.

2338 (c)

(i) "Educational purposes" means purposes carried on by an educational organization that normally:

2340 (A) maintains a regular faculty and curriculum; and

2341 (B) has a regularly enrolled body of pupils and students.

2342 (ii) "Educational purposes" includes:

2343

(A) the physical or mental teaching, training, or conditioning of competitive athletes by a national governing body of sport recognized by the United States Olympic and Paralympic Committee that qualifies as being tax exempt under Section 501(c)(3), Internal Revenue Code; and

2347 (B) an activity in support of or incidental to the teaching, training, or conditioning described in this Subsection (1)(c)(ii).

2349 (d) "Exclusive use exemption" means a property tax exemption under Subsection (3)(a)(iv), for property owned by a nonprofit entity used exclusively for one or more of the following purposes:

2352 (i) religious purposes;

2353 (ii) charitable purposes; or

2354 (iii) educational purposes.

2355 (e)

(i) "Farm machinery and equipment" means tractors, milking equipment and storage and cooling facilities, feed handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage tools, scales, combines, spreaders, sprayers, haying equipment, including balers and cubers, and any other machinery or equipment used primarily for agricultural purposes.

2360 (ii) "Farm machinery and equipment" does not include vehicles required to be registered with the Motor Vehicle Division or vehicles or other equipment used for business purposes other than farming.

2363 (f) "Gift to the community" means:

2364 (i) the lessening of a government burden; or

2365 (ii)

(A) the provision of a significant service to others without immediate expectation of material reward;

2367 (B) the use of the property is supported to a material degree by donations and gifts including volunteer service;

2369 (C) the recipients of the charitable activities provided on the property are not required to pay for the assistance received, in whole or in part, except that if in part, to a material degree;

2372 (D) the beneficiaries of the charitable activities provided on the property are unrestricted or, if restricted, the restriction bears a reasonable relationship to the charitable objectives of the nonprofit entity that owns the property; and

2375 (E) any commercial activities provided on the property are subordinate or incidental to charitable activities provided on the property.

2377

(g) "Government exemption" means a property tax exemption provided under Subsection (3)(a)(i), (ii), or (iii).

2379 (h)

(i) "Nonprofit entity" means an entity:

2380 (A) that is organized on a nonprofit basis, that dedicates the entity's property to the entity's nonprofit purpose, and that makes no dividend or other form of financial benefit available to a private interest;

2383 (B) for which, upon dissolution, the entity's assets are distributable only for exempt purposes under state law or to the government for a public purpose; and

2385 (C) for which none of the net earnings or donations made to the entity inure to the benefit of private shareholders or other individuals, as the private inurement standard has been interpreted under Section 501(c)(3), Internal Revenue Code.

2388 (ii) "Nonprofit entity" includes an entity:

2389 (A) if the entity is treated as a disregarded entity for federal income tax purposes and wholly owned by, and controlled under the direction of, a nonprofit entity; and

2392 (B) for which none of the net earnings and profits of the entity inure to the benefit of any person other than a nonprofit entity.

2394 (iii) "Nonprofit entity" includes an entity that is not an entity described in Subsection (1)(h)(i) if the entity jointly owns a property that:

2396 (A) is used for the purpose of providing permanent supportive housing;

2397 (B) has an owner that is an entity described in Subsection (1)(h)(i) or that is a housing authority that operates the permanent supportive housing;

2399 (C) has an owner that receives public funding from a federal, state, or local government entity to provide support services and rental subsidies to the permanent supportive housing;

2402 (D) is intended to be transferred at or before the end of the compliance period to an entity described in Subsection (1)(h)(i) or a housing authority that will continue to operate the property as permanent supportive housing; and

2405 (E) has been certified by the Utah Housing Corporation as meeting the requirements described in Subsections (1)(h)(iii)(A) through (D).

2407 (iv) "Nonprofit entity" includes an entity that is not an entity described in Subsection (1)(h)(i) if:

2409

(A) the entity is a housing organization as defined in [~~Subsection 35A-8-2401(1)(a)~~] Section 63N-22-316; and

2411 (B) the entity is owned by an entity described in Subsection (1)(h)(i) or a housing authority.

2413 (i) "Permanent supportive housing" means a housing facility that:

2414 (i) provides supportive services;

2415 (ii) makes a 15-year commitment to provide rent subsidies to tenants of the housing facility when the housing facility is placed in service;

2417 (iii) receives an allocation of federal low-income housing tax credits in accordance with 26 U.S.C. Sec. 42; and

2419 (iv) leases each unit to a tenant:

2420 (A) who, immediately before leasing the housing, was homeless as defined in 24 C.F.R. 583.5; and

2422 (B) whose rent is capped at no more than 30% of the tenant's household income.

2423 (j)

(i) "Property of" means property that an entity listed in Subsection (3)(a)(ii) or (iii) has a legal right to possess.

2425 (ii) "Property of" includes a lease of real property if:

2426 (A) the property is wholly leased to a state or political subdivision entity listed in Subsection (3)(a)(ii) or (iii) under a triple net lease; and

2428 (B) the lease is in effect for the entire calendar year.

2429 (k) "Supportive service" means a service that is an eligible cost under 24 C.F.R. 578.53.

2430 (l) "Triple net lease" means a lease agreement under which the lessee is responsible for the real estate taxes, building insurance, and maintenance of the property separate from and in addition to the rental price.

2433 (2)

(a) Except as provided in Subsection (2)(b), an exemption under this part may be allowed only if the claimant is the owner of the property as of January 1 of the year the exemption is claimed.

2436 (b) A claimant shall collect and pay a proportional tax based upon the length of time that the property was not owned by the claimant if:

2438 (i) the claimant is a federal, state, or political subdivision entity described in Subsection (3)(a)(i), (ii), or (iii); or

2440 (ii) in accordance with Subsection (3)(a)(iv):

2441 (A) the claimant is a nonprofit entity; and
2442 (B) the property is used exclusively for religious, charitable, or educational purposes.
2444 (3)
(a) The following property is exempt from taxation:
2445 (i) property exempt under the laws of the United States;
2446 (ii) property of:
2447 (A) the state;
2448 (B) school districts; and
2449 (C) public libraries;
2450 (iii) except as provided in Title 11, Chapter 13, Interlocal Cooperation Act, property of:
2452 (A) counties;
2453 (B) cities;
2454 (C) towns;
2455 (D) special districts;
2456 (E) special service districts; and
2457 (F) all other political subdivisions of the state;
2458 (iv) except as provided in Subsection (6) or (7), property owned by a nonprofit entity used exclusively for one or more of the following purposes:
2460 (A) religious purposes;
2461 (B) charitable purposes; or
2462 (C) educational purposes;
2463 (v) places of burial not held or used for private or corporate benefit;
2464 (vi) farm machinery and equipment;
2465 (vii) a high tunnel, as defined in Section 10-20-613;
2466 (viii) intangible property; and
2467 (ix) the ownership interest of an out-of-state public agency, as defined in Section 11-13-103:
2469 (A) if that ownership interest is in property providing additional project capacity, as defined in Section 11-13-103; and
2471 (B) on which a fee in lieu of ad valorem property tax is payable under Section 11-13-302.
2473

(b) For purposes of a property tax exemption for property of school districts under Subsection (3)(a)(ii)(B), a charter school under Title 53G, Chapter 5, Charter Schools, is considered to be a school district.

2476 (4) Subject to Subsection (5), if property that is allowed an exclusive use exemption or a government exemption ceases to qualify for the exemption because of a change in the ownership of the property:

2479 (a) the new owner of the property shall pay a proportional tax based upon the period of time:

2481 (i) beginning on the day that the new owner acquired the property; and

2482 (ii) ending on the last day of the calendar year during which the new owner acquired the property; and

2484 (b) the new owner of the property and the person from whom the new owner acquires the property shall notify the county assessor, in writing, of the change in ownership of the property within 30 days from the day that the new owner acquires the property.

2487 (5) Notwithstanding Subsection (4)(a), the proportional tax described in Subsection (4)(a):

2488 (a) is subject to any exclusive use exemption or government exemption that the property is entitled to under the new ownership of the property; and

2490 (b) applies only to property that is acquired after December 31, 2005.

2491 (6)

(a) A property may not receive an exemption under Subsection (3)(a)(iv) if:

2492 (i) the nonprofit entity that owns the property participates in or intervenes in any political campaign on behalf of or in opposition to any candidate for public office, including the publishing or distribution of statements; or

2495 (ii) a substantial part of the activities of the nonprofit entity that owns the property consists of carrying on propaganda or otherwise attempting to influence legislation, except as provided under Subsection 501(h), Internal Revenue Code.

2498 (b) Whether a nonprofit entity is engaged in an activity described in Subsection (6)(a) shall be determined using the standards described in Section 501, Internal Revenue Code.

2501 (7) A property may not receive an exemption under Subsection (3)(a)(iv) if:

2502 (a) the property is used for a purpose that is not religious, charitable, or educational; and

2503 (b) the use for a purpose that is not religious, charitable, or educational is more than de minimis.

2505 (8) A county legislative body may adopt rules or ordinances to:

2506 (a) effectuate an exemption under this part; and

2507 (b) designate one or more persons to perform the functions given to the county under this part.

2509 (9) If a person is dissatisfied with an exemption decision made under designated decision-making authority as described in Subsection (8)(b), that person may appeal the decision to the commission under Section 59-2-1006.

2604 Section 25. Section **59-5-116** is amended to read:

2605 **59-5-116. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Disposition of certain taxes collected on Ute Indian land.**

2515 (1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin Revitalization Fund [~~established in~~] created in Section [~~35A-8-1602~~] 63N-22-602:

2517 (a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

2519 (i) for which production began on or before June 30, 1995; and

2520 (ii) attributable to interests:

2521 (A) held in trust by the United States for the Tribe and [~~its~~] the Tribe's members; or

2522 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);

2523 (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

2525 (i) for which production began on or after July 1, 1995; and

2526 (ii) attributable to interests:

2527 (A) held in trust by the United States for the Tribe and [~~its~~] the Tribe's members; or

2528 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and

2529 (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

2531 (i) for which production began on or after January 1, 2001; and

2532 (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land Restoration Act, Pub. L. No. 106-398, Sec. 3303.

2534 (2)

(a) The maximum amount deposited in the Uintah Basin Revitalization Fund may not exceed:

2536 (i) $3,000,000 in fiscal year 2005-06;

2537 (ii) $5,000,000 in fiscal year 2006-07;

2538 (iii) $6,000,000 in fiscal years 2007-08 and 2008-09; and

2539

(iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the commission as described in Subsection (2)(b).

2541 (b)

(i) The commission shall increase or decrease the dollar amount described in Subsection (2)(a)(iii) by a percentage equal to the percentage difference between the consumer price index for the preceding calendar year and the consumer price index for calendar year 2008; and

2545 (ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar amount to the nearest whole dollar.

2547 (c) For purposes of this Subsection (2), "consumer price index" is as described in Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal Revenue Code.

2550 (d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be credited as provided in Sections 51-9-305, 51-9-306, 51-9-307, and 59-5-115.

2644 Section 26. Section **59-5-119** is amended to read:

2645 **59-5-119. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Disposition of certain taxes collected on Navajo Nation land located in Utah.**

2555 (1) Except as provided in Subsection (2), there shall be deposited into the Navajo Revitalization Fund [~~established~~] created in Section [~~35A-8-1704~~] 63N-22-703 for taxes imposed under this part beginning on July 1, 1997:

2558 (a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

2560 (i) for which production began on or before June 30, 1996; and

2561 (ii) attributable to interests in Utah held in trust by the United States for the Navajo Nation and [~~its~~] the Navajo Nation's members; and

2563 (b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

2565 (i) for which production began on or after July 1, 1996; and

2566 (ii) attributable to interests in Utah held in trust by the United States for the Navajo Nation and [~~its~~] the Navajo Nation's members.

2568 (2)

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

2570 (i) $2,000,000 in fiscal year 2006-07; and

2571 (ii) $3,000,000 for fiscal years beginning with fiscal year 2007-08.

2572

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

2666 Section 27. Section **59-12-2220** is amended to read:

2667 **59-12-2220. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)County option sales and use tax to fund highways or a system for public transit -- Base -- Rate.**

2577 (1) Subject to the other provisions of this part and subject to the requirements of this section, the following counties may impose a sales and use tax under this section:

2579 (a) a county legislative body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county if:

2582 (i) the entire boundary of a county is annexed into a large public transit district; and

2583 (ii) the maximum amount of sales and use tax authorizations allowed in accordance with Section 59-12-2203 and authorized under the following sections has been imposed:

2586 (A) Section 59-12-2213;

2587 (B) Section 59-12-2214;

2588 (C) Section 59-12-2215;

2589 (D) Section 59-12-2216;

2590 (E) Section 59-12-2217;

2591 (F) Section 59-12-2218; and

2592 (G) Section 59-12-2219;

2593 (b) if the county is not annexed into a large public transit district, the county legislative body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county if:

2597 (i) the county is an eligible political subdivision; or

2598 (ii) a city or town within the boundary of the county is an eligible political subdivision; or

2600 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county.

2603 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a county legislative body that imposes a sales and use tax under this section may impose the tax at a rate of .2%.

2606 (3)

(a) The commission shall distribute sales and use tax revenue collected under this section as determined by a county legislative body as described in Subsection (3)(b).

2608 (b) If a county legislative body imposes a sales and use tax as described in this section, the county legislative body may elect to impose a sales and use tax revenue distribution as described in Subsection (4), (5), (6), or (7), depending on the class of county, and presence and type of a public transit provider in the county.

2612 (4) Subject to Subsection (11), and after application of Subsection 59-12-2206(5), if a county legislative body imposes a sales and use tax as described in this section, and the entire boundary of the county is annexed into a large public transit district, and the county is a county of the first class, the commission shall distribute the sales and use tax revenue as follows:

2617 (a) .10% to a public transit district as described in Subsection (11);

2618 (b) .05% to the cities and towns as provided in Subsection (8); and

2619 (c) .05% to the county legislative body.

2620 (5) Subject to Subsection (11), if a county legislative body imposes a sales and use tax as described in this section and the entire boundary of the county is annexed into a large public transit district, and the county is a county not described in Subsection (4), the commission shall distribute the sales and use tax revenue as follows:

2624 (a) .10% to a public transit district as described in Subsection (11);

2625 (b) .05% to the cities and towns as provided in Subsection (8); and

2626 (c) .05% to the county legislative body.

2627 (6)

(a) Except as provided in Subsection (14)(c), if the entire boundary of a county that imposes a sales and use tax as described in this section is not annexed into a single public transit district, but a city or town within the county is annexed into a single public transit district, or if the city or town is an eligible political subdivision, the commission shall distribute the sales and use tax revenue collected within the county as provided in Subsection (6)(b) or (c).

2633 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is annexed into the single public transit district, or an eligible political subdivision, the commission shall distribute the sales and use tax revenue collected within the portion of the county that is within a public transit district or eligible political subdivision as follows:

2638 (i) .05% to a public transit provider as described in Subsection (11);
2639 (ii) .075% to the cities and towns as provided in Subsection (8); and
2640 (iii) .075% to the county legislative body.
2641 (c) Except as provided in Subsection (14)(c), for a city, town, or portion of the county described in Subsection (6)(a) that is not annexed into a single public transit district or eligible political subdivision in the county, the commission shall distribute the sales and use tax revenue collected within that portion of the county as follows:
2645 (i) .08% to the cities and towns as provided in Subsection (8); and
2646 (ii) .12% to the county legislative body.
2647 (7) For a county without a public transit service that imposes a sales and use tax as described in this section, the commission shall distribute the sales and use tax revenue collected within the county as follows:
2650 (a) .08% to the cities and towns as provided in Subsection (8); and
2651 (b) .12% to the county legislative body.
2652 (8)
(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:
2654 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the percentage that the population of each unincorporated area, city, or town bears to the total population of all of the counties that impose a tax under this section; and
2660 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.
2665 (b)
(i) Population for purposes of this Subsection (8) shall be based on, to the extent not otherwise required by federal law:
2667 (A) the most recent estimate from the Utah Population Committee created in Section 63C-20-103; or

2669 (B) if the Utah Population Committee estimate is not available for each municipality and unincorporated area, the adjusted sub-county population estimate provided by the Utah Population Committee in accordance with Section 63C-20-104.

2673 (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.

2676 (c)

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

2684 (ii) Beginning on January 1, 2024, if the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity determines that a county is ineligible for funds in accordance with Subsection 17-80-202(6), beginning the first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that county would have received under Subsection (8)(a) to counties to which Subsection 17-80-202(6) does not apply.

2692 (9) If a public transit service is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit provider that the public transit service has been organized.

2697 (10)

(a) Except as provided in Subsections (10)(b) and (c), a county, city, or town that received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii), (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in Section 59-12-2212.2.

2701

(b) If a county described in Subsection (1)(a) that is a county of the first class imposes the sales and use tax authorized in this section, the county may also use funds distributed in accordance with Subsection (4)(c) for public safety purposes.

2704 (c) In addition to the purposes described in Subsections (10)(a) and (b), for a city relevant to a project area, as that term is defined in Section 63N-3-1401, an allowable use of revenue from a sales and use tax under this section includes the revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center.

2709 (11)

(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit as described in this section may be used for capital expenses and service delivery expenses of:

2712 (i) a public transit district;

2713 (ii) an eligible political subdivision; or

2714 (iii) another entity providing a service for public transit or a transit facility within the relevant county, as those terms are defined in Section 17B-2a-802.

2716 (b)

(i)

(A) If a county of the first class imposes a sales and use tax described in this section, beginning on the date on which the county imposes the sales and use tax under this section, and for a three-year period after at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or until June 30, 2030, whichever comes first, revenue designated for public transit within a county of the first class as described in Subsection (4)(a) shall be transferred to the County of the First Class Highway Projects Fund created in Section 72-2-121.

2724 (B) Revenue deposited into the County of the First Class Highway Projects Fund created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be used for public transit innovation grants as provided in Title 72, Chapter 2, Part 4, Public Transit Innovation Grants.

2728 (ii) If a county of the first class imposes a sales and use tax described in this section, beginning on the day three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or beginning on July 1, 2030, whichever comes first, for revenue designated for public transit as described in Subsection (4)(a):

2733

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

2736 (B) 50% of the revenue from a sales and use tax imposed under this section in a county of the first class shall be transferred to the Transit Transportation Investment Fund created in Subsection 72-2-124(9).

2739 (c)

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

2748 (ii) If a county that is not a county of the first class for which the entire boundary of the county is annexed into a large public transit district imposes a sales and use tax described in this section, beginning on the day three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or beginning on July 1, 2030, whichever comes first, for the revenue that is designated for public transit in Subsection (5)(a):

2754 (A) 50% shall be transferred to the Transit Transportation Investment Fund created in Subsection 72-2-124(9); and

2756 (B) 50% shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).

2758 (d) Except as provided in Subsection [~~(13)(c)~~] (14)(c), for a county that imposes a sales and use tax under this section, for revenue designated for public transit as described in Subsection (6)(b)(i), the revenue shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).

2762 (12) A large public transit district shall send notice to the commission at least 90 days before the earlier of:

2764 (a) the date that is three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section; or

2766 (b) June 30, 2030.

2767 (13) For a city described in Subsection (10)(c), during the bondable term of a revitalization project described in Subsection (10)(c), the city shall transfer at least 50%, and may transfer up to 100%, of any revenue the city receives from a distribution under Subsection (4)(b) to a convention center public infrastructure district created in accordance with Section 17D-4-202.1 for revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center as permitted in Subsection (10)(c).

2774 (14)

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

2777 (b) If a county passes an ordinance to impose a sales and use tax as described in this section, the sales and use tax shall take effect on the first day of the calendar quarter after a 90-day period that begins on the date the commission receives written notice from the county of the passage of the ordinance.

2781 (c) A county that imposed the local option sales and use tax described in this section before January 1, 2023, may maintain that county's distribution allocation in place as of January 1, 2023.

2784 (15)

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

2788 (b) The limitation under Subsection (15)(a) does not apply to a designated transportation or public transit capital or reserve account a county, city, or town established before the date the tax becomes effective.

2883 Section 28. Section **59-21-1** is amended to read:

2884 **59-21-1. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Disposition of federal mineral lease money -- Priority to political subdivisions impacted by mineral development -- Disposition of mineral bonus payments -- Appropriation of money attributable to royalties from extraction of minerals on federal land located within boundaries of Grand Staircase-Escalante National Monument.**

2797 (1) Except as provided in Subsections (2) through (4), all money received from the United States under the provisions of the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et seq., shall:

2800 (a) be deposited in the Mineral Lease Account of the General Fund; and

2801 (b) be appropriated by the Legislature giving priority to those subdivisions of the state socially or economically impacted by development of minerals leased under the Mineral Lands Leasing Act, for:

2804 (i) planning;

2805 (ii) construction and maintenance of public facilities; and

2806 (iii) provision of public services.

2807 (2) Seventy percent of money received from federal mineral lease bonus payments shall be deposited into the Permanent Community Impact Fund and shall be used [~~as provided in Title 35A, Chapter 8, Part 3, Community Impact Fund Act~~] in accordance with Title 63N, Chapter 22, Part 5, Community Impact Fund.

2811 (3) Thirty percent of money received from federal mineral lease bonus payments shall be deposited in the Mineral Bonus Account created by Subsection 59-21-2(1) and appropriated as provided in that subsection.

2814 (4)

(a) For purposes of this Subsection (4):

2815 (i) the "boundaries of the Grand Staircase-Escalante National Monument" means the boundaries:

2817 (A) established by Presidential Proclamation No. 6920, 61 Fed. Reg. 50,223 (1996); and

2819 (B) modified by:

2820 (I) Pub. L. No. 105-335, 112 Stat. 3139; and

2821 (II) Pub. L. No. 105-355, 112 Stat. 3247; and

2822 (ii) a special service district, school district, or federal land is considered to be located within the boundaries of the Grand Staircase-Escalante National Monument if a portion of the special service district, school district, or federal land is located within the boundaries described in Subsection (4)(a)(i).

2826 (b) Beginning on July 1, 1999, the Legislature shall appropriate, as provided in Subsections (4)(c) through (g), money received from the United States that is attributable to royalties from the extraction of minerals on federal land that, on September 18, 1996, was located within the boundaries of the Grand Staircase-Escalante National Monument.

2831 (c) The Legislature shall annually appropriate 40% of the money described in Subsection (4)(b) to the Division of Finance to be distributed by the Division of Finance to special service districts that are:

2834 (i) established by counties under Title 17D, Chapter 1, Special Service District Act;

2835 (ii) socially or economically impacted by the development of minerals under the Mineral Lands Leasing Act; and

2837 (iii) located within the boundaries of the Grand Staircase-Escalante National Monument.

2839 (d) The Division of Finance shall distribute the money described in Subsection (4)(c) in amounts proportionate to the amount of federal mineral lease money generated by the county in which a special service district is located.

2842 (e) The Legislature shall annually appropriate 40% of the money described in Subsection (4)(b) to the State Board of Education to be distributed equally to school districts that are:

2845 (i) socially or economically impacted by the development of minerals under the Mineral Lands Leasing Act; and

2847 (ii) located within the boundaries of the Grand Staircase-Escalante National Monument.

2849 (f) The Legislature shall annually appropriate 2.25% of the money described in Subsection (4)(b) to the Utah Geological Survey to facilitate the development of energy and mineral resources in counties that are:

2852 (i) socially or economically impacted by the development of minerals under the Mineral Lands Leasing Act; and

2854 (ii) located within the boundaries of the Grand Staircase-Escalante National Monument.

2856 (g) Seventeen and three-fourths percent of the money described in Subsection (4)(b) shall be deposited annually into the State School Fund established by Utah Constitution Article X, Section 5.

2951 Section 29. Section **59-21-2** is amended to read:

2952 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus Account money -- Mineral Lease Account created -- Contents -- Appropriation of money from Mineral Lease Account.**

2955 (1)

(a) There is created a restricted account within the General Fund known as the "Mineral Bonus Account."

2957 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments deposited pursuant to Subsection 59-21-1(3).

2959 (c) The Legislature shall make appropriations from the Mineral Bonus Account in accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

2962 (d) The state treasurer shall:
2963 (i) invest the money in the Mineral Bonus Account by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and
2965 (ii) deposit all interest or other earnings derived from the account into the Mineral Bonus Account.
2967 (e) The Division of Finance shall, beginning on July 1, 2017, annually deposit 30% of mineral lease bonus payments deposited under Subsection (1)(b) from the previous fiscal year into the Utah Wildfire Fund created in Section 65A-8-217, up to $2,000,000 but not to exceed 20% of the amount expended in the previous fiscal year from the Utah Wildfire Fund.
2972 (2)
(a) There is created a restricted account within the General Fund known as the "Mineral Lease Account."
2974 (b) The Mineral Lease Account consists of federal mineral lease money deposited pursuant to Subsection 59-21-1(1).
2976 (c) The Legislature shall make appropriations from the Mineral Lease Account as provided in Subsection 59-21-1(1) and this Subsection (2).
2978 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the Mineral Lease Account to the Permanent Community Impact Fund established by Section [~~35A-8-303~~] 63N-22-503.
2981 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral Lease Account to the State Board of Education, to be used for education research and experimentation in the use of staff and facilities designed to improve the quality of education in Utah.
2985 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral Lease Account to the Utah Geological Survey Restricted Account, created in Section 79-3-403, to be used by the Utah Geological Survey for activities carried on by the Utah Geological Survey having as a purpose the development and exploitation of natural resources in the state.
2990 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used for activities carried on by the laboratory having as a purpose the development and exploitation of water resources in the state.
2994 (h)
(i) The Legislature shall annually appropriate to the Division of Finance 40% of all deposits made to the Mineral Lease Account to be distributed as provided in Subsection (2)(h)(ii) to:
2997 (A) counties;

2998 (B) special service districts established:
2999 (I) by counties;
3000 (II) under Title 17D, Chapter 1, Special Service District Act; and
3001 (III) for the purpose of constructing, repairing, or maintaining roads; or
3002 (C) special service districts established:
3003 (I) by counties;
3004 (II) under Title 17D, Chapter 1, Special Service District Act; and
3005 (III) for other purposes authorized by statute.
3006 (ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):
3007 (A) in amounts proportionate to the amount of mineral lease money generated by each county; and
3009 (B) to a county or special service district established by a county under Title 17D, Chapter 1, Special Service District Act, as determined by the county legislative body.
3012 (i)
(i) The Legislature shall annually appropriate 5% of all deposits made to the Mineral Lease Account to the Department of Workforce Services to be distributed to:
3015 (A) special service districts established:
3016 (I) by counties;
3017 (II) under Title 17D, Chapter 1, Special Service District Act; and
3018 (III) for the purpose of constructing, repairing, or maintaining roads; or
3019 (B) special service districts established:
3020 (I) by counties;
3021 (II) under Title 17D, Chapter 1, Special Service District Act; and
3022 (III) for other purposes authorized by statute.
3023 (ii) The Department of Workforce Services may distribute the amounts described in Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1, Special Service District Act, by counties:
3026 (A) of the third, fourth, fifth, or sixth class;
3027 (B) in which 4.5% or less of the mineral lease money within the state is generated; and
3029 (C) that are significantly socially or economically impacted as provided in Subsection (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et seq.
3032

(iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C) shall be as a result of:

3034 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons as defined in Section 59-5-101;

3036 (B) the employment of persons residing within the county in hydrocarbon extraction, including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

3039 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

3040 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to special service districts established by counties under Title 17D, Chapter 1, Special Service District Act, the Department of Workforce Services shall:

3043 (A)

(I) allocate 50% of the appropriations equally among the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

3045 (II) allocate 50% of the appropriations based on the ratio that the population of each county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

3049 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the allocated revenues to special service districts established by the counties under Title 17D, Chapter 1, Special Service District Act, as determined by the executive director of the Department of Workforce Services after consulting with the county legislative bodies of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

3055 (v) The executive director of the Department of Workforce Services:

3056 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii) and (iii);

3058 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service districts established by counties under Title 17D, Chapter 1, Special Service District Act, that meet the requirements of Subsections (2)(i)(ii) and (iii); and

3061 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, may make rules:

3063 (I) providing a procedure for making the distributions under this Subsection (2)(i) to special service districts; and

3065 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

3066 (j)

(i) The Legislature shall annually make the following appropriations from the Mineral Lease Account:

3068 (A) an amount equal to 52 cents multiplied by the number of acres of school or institutional trust lands, lands owned by the Division of State Parks or the Division of Outdoor Recreation, and lands owned by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each county in which those lands are located;

3073 (B) to each county in which school or institutional trust lands are transferred to the federal government after December 31, 1992, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between 52 cents per acre and the per acre payment made to that county in the most recent payment under the federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal payment was equal to or exceeded the 52 cents per acre, in which case a payment under this Subsection (2)(j)(i)(B) may not be made for the transferred lands;

3081 (C) to each county in which federal lands, which are entitlement lands under the federal in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between the most recent per acre payment made under the federal payment in lieu of taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for the transferred land; and

3089 (D) to a county of the fifth or sixth class, an amount equal to the product of:

3090 (I) $1,000; and

3091 (II) the number of residences described in Subsection (2)(j)(iv) that are located within the county.

3093 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the county legislative body, distribute the money or a portion of the money to:

3095 (A) special service districts established by the county under Title 17D, Chapter 1, Special Service District Act;

3097 (B) school districts; or

3098 (C) public institutions of higher education.

3099 (iii)

(A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the Division of Finance shall increase or decrease the amounts per acre provided for in Subsections (2)(j)(i)(A) through (C)

by the average annual change in the Consumer Price Index for all urban consumers published by the Department of Labor.

3104 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average annual change in the Consumer Price Index for all urban consumers published by the Department of Labor.

3108 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

3109 (A) owned by:

3110 (I) the Division of State Parks;

3111 (II) the Division of Outdoor Recreation; or

3112 (III) the Division of Wildlife Resources;

3113 (B) located on lands that are owned by:

3114 (I) the Division of State Parks;

3115 (II) the Division of Outdoor Recreation; or

3116 (III) the Division of Wildlife Resources; and

3117 (C) are not subject to taxation under:

3118 (I) Chapter 2, Property Tax Act; or

3119 (II) Chapter 4, Privilege Tax.

3120 (k) The Legislature shall annually appropriate to the Permanent Community Impact Fund all deposits remaining in the Mineral Lease Account after making the appropriations provided for in Subsections (2)(d) through (j).

3123 (3)

(a) Each agency, board, institution of higher education, and political subdivision receiving money under this chapter shall provide the Legislature, through the Office of the Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual basis.

3127 (b) The accounting required under Subsection (3)(a) shall:

3128 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the current fiscal year, and planned expenditures for the following fiscal year; and

3130 (ii) be reviewed by the Economic and Community Development Appropriations Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary Procedures Act.

3133 Section 30. Section **63A-3-205** is amended to read:

3134

63A-3-205. {(Effective 07/01/26)}(Effective 05/06/26)Revolving loan funds -- Standards and procedures.

2862 (1) As used in this section, "revolving loan fund" means:

2863 (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;

2865 (b) the Water Resources Construction Fund, created in Section 73-10-8;

2866 (c) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and Emission Reduction Technology Program Act;

2868 (d) the Water Development Security Fund and [~~its~~] the Water Development Security Fund's subaccounts, created in Section 73-10c-5;

2870 (e) the Agriculture Resource Development Fund, created in Section 4-18-106;

2871 (f) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

2872 (g) the Permanent Community Impact Fund, created in Section [~~35A-8-303~~] 63N-22-503;

2873 (h) the Petroleum Storage Tank Fund, created in Section 19-6-409;

2874 (i) the Uintah Basin Revitalization Fund, created in Section [~~35A-8-1602~~] 63N-22-602;

2875 (j) the Navajo Revitalization Fund, created in Section [~~35A-8-1704~~] 63N-22-703; and

2876 (k) the Energy Efficiency Fund, created in Section 11-45-201.

2877 (2) The division shall for each revolving loan fund make rules establishing standards and procedures governing:

2879 (a) payment schedules and due dates;

2880 (b) interest rate effective dates;

2881 (c) loan documentation requirements; and

2882 (d) interest rate calculation requirements.

3157 Section 31. Section **63B-1b-102** is amended to read:

3158 **63B-1b-102. {(Effective 07/01/26)}(Effective 05/06/26)Definitions.**

As used in this chapter:

2886 (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness representing loans or grants made by an authorizing agency.

2888 (2) "Authorized official" means the state treasurer or other person authorized by a bond document to perform the required action.

2890 (3) "Authorizing agency" means the board, person, or unit with legal responsibility for administering and managing revolving loan funds.

2892 (4) "Bond document" means:
2893 (a) a resolution of the commission; or
2894 (b) an indenture or other similar document authorized by the commission that authorizes and secures outstanding revenue bonds from time to time.
2896 (5) "Commission" means the State Bonding Commission, created in Section 63B-1-201.
2897 (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.
2898 (7) "Revolving Loan Funds" means:
2899 (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;
2901 (b) the Water Resources Construction Fund, created in Section 73-10-8;
2902 (c) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and Emission Reduction Technology Program Act;
2904 (d) the Water Development Security Fund and [~~its~~] the Water Development Security Fund's subaccounts, created in Section 73-10c-5;
2906 (e) the Agriculture Resource Development Fund, created in Section 4-18-106;
2907 (f) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;
2908 (g) the Permanent Community Impact Fund, created in Section [~~35A-8-303~~] 63N-22-503;
2909 (h) the Petroleum Storage Tank Fund, created in Section 19-6-409; and
2910 (i) the State Infrastructure Bank Fund, created in Section 72-2-202.
3185 Section 32. Section **63B-1b-202** is amended to read:
3186 **63B-1b-202. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Custodial officer -- Powers and duties.**
2913 (1)
(a) There is created within the Division of Finance an officer responsible for the care, custody, safekeeping, collection, and accounting of all bonds, notes, contracts, trust documents, and other evidences of indebtedness:
2916 (i) owned or administered by the state or [~~any of its agencies~~] an agency of the state; and
2918 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
2919 (b) Notwithstanding Subsection (1)(a), the officer described in Subsection (1)(a) is not responsible for the care, custody, safekeeping, collection, and accounting of a bond, note, contract, trust document, or other evidence of indebtedness relating to the:
2922 (i) Agriculture Resource Development Fund, created in Section 4-18-106;

2923 (ii) Utah Rural Rehabilitation Fund, created in Section 4-19-105;
2924 (iii) Petroleum Storage Tank Fund, created in Section 19-6-409;
2925 (iv) Olene Walker Housing Loan Fund, created in Section [~~35A-8-502~~] 63N-22-302;
2926 (v) Brownfields Fund, created in Section 19-8-120; and
2927 (vi) Rural Opportunity Fund, created in Section 63N-4-805.
2928 (2)
(a) Each authorizing agency shall deliver to [~~this~~] the officer for the officer's care, custody, safekeeping, collection, and accounting all bonds, notes, contracts, trust documents, and other evidences of indebtedness:
2931 (i) owned or administered by the state or [~~any of its agencies~~] an agency of the state; and
2933 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
2934 (b) [~~This~~] The officer shall:
2935 (i) establish systems, programs, and facilities for the care, custody, safekeeping, collection, and accounting for the bonds, notes, contracts, trust documents, and other evidences of indebtedness submitted to the officer under this Subsection (2); and
2939 (ii) [~~shall~~]make available updated reports to each authorizing agency as to the status of loans under [~~their~~] each authorizing agency's authority.
2941 (3) The officer described in Section 63B-1b-201 shall deliver to the officer described in Subsection (1)(a) for the care, custody, safekeeping, collection, and accounting by the officer described in Subsection (1)(a) of all bonds, notes, contracts, trust documents, and other evidences of indebtedness closed as provided in Subsection 63B-1b-201(2)(b).
3219 Section 33. Section **63C-25-101** is amended to read:
3220 **63C-25-101. ~~{(Effective 07/01/26)}~~ ~~{(Repealed 07/01/27)}~~(Effective 05/06/26) (Repealed 07/01/27)Definitions.**
As used in this chapter:
2948 (1) "Authority" means the same as that term is defined in Section 63B-1-303.
2949 (2) "Bond" means the same as that term is defined in Section 63B-1-101.
2950 (3)
(a) "Bonding government entity" means the state or any entity that is authorized to issue bonds under any provision of state law.
2952 (b) "Bonding government entity" includes:

2953 (i) a bonding political subdivision; and
2954 (ii) a public infrastructure district that is authorized to issue bonds either directly, or through the authority of a bonding political subdivision or other governmental entity.
2957 (4) "Bonding political subdivision" means:
2958 (a) the Utah Inland Port Authority, created in Section 11-58-201;
2959 (b) the Military Installation Development Authority, created in Section 63H-1-201;
2960 (c) the Point of the Mountain State Land Authority, created in Section 11-59-201;
2961 (d) the Utah Lake Authority, created in Section 11-65-201;
2962 (e) the State Fair Park Authority, created in Section 11-68-201; or
2963 (f) the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.
2965 (5) "Commission" means the State Finance Review Commission created in Section 63C-25-201.
2967 (6) "Concessionaire" means a person who:
2968 (a) operates, finances, maintains, or constructs a government facility under a contract with a bonding political subdivision; and
2970 (b) is not a bonding government entity.
2971 (7) "Concessionaire contract" means a contract:
2972 (a) between a bonding government entity and a concessionaire for the operation, finance, maintenance, or construction of a government facility;
2974 (b) that authorizes the concessionaire to operate the government facility for a term of five years or longer, including any extension of the contract; and
2976 (c) in which all or some of the annual source of payment to the concessionaire comes from state funds provided to the bonding government entity.
2978 (8) "Creating entity" means the same as that term is defined in Section 17D-4-102.
2979 (9) "Government facility" means infrastructure, improvements, or a building that:
2980 (a) costs more than $5,000,000 to construct; and
2981 (b) has a useful life greater than five years.
2982 (10) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
2984 (11) "Loan entity" means the board, person, unit, or agency with legal responsibility for making a loan from a revolving loan fund.
2986 (12) "Obligation" means the same as that term is defined in Section 63B-1-303.
2987

(13) "Parameters resolution" means a resolution of a bonding government entity that sets forth for proposed bonds:

2989 (a) the maximum:

2990 (i) amount of bonds;

2991 (ii) term; and

2992 (iii) interest rate; and

2993 (b) the expected security for the bonds.

2994 (14) "Public infrastructure district" means a public infrastructure district created under Title 17D, Chapter 4, Public Infrastructure District Act.

2996 (15) "Revolving loan fund" means:

2997 (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;

2999 (b) the Water Resources Construction Fund, created in Section 73-10-8;

3000 (c) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and Emission Reduction Technology Program Act;

3002 (d) the Water Development Security Fund and [~~its~~] the Water Development Security Fund's subaccounts, created in Section 73-10c-5;

3004 (e) the Agriculture Resource Development Fund, created in Section 4-18-106;

3005 (f) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

3006 (g) the Permanent Community Impact Fund, created in Section [~~35A-8-303~~] 63N-22-503;

3007 (h) the Petroleum Storage Tank Fund, created in Section 19-6-409;

3008 (i) the School Building Revolving Account, created in Section 53F-9-206;

3009 (j) the State Infrastructure Bank Fund, created in Section 72-2-202;

3010 (k) the Uintah Basin Revitalization Fund, created in Section [~~35A-8-1602~~] 63N-22-602;

3011 (l) the Navajo Revitalization Fund, created in Section [~~35A-8-1704~~] 63N-22-703;

3012 (m) the Energy Efficiency Fund, created in Section 11-45-201;

3013 (n) the Brownfields Fund, created in Section 19-8-120;

3014 (o) any of the enterprise revolving loan funds created in Section 63A-3-402: and

3015 (p) any other revolving loan fund created in statute where the borrower from the revolving loan fund is a public non-profit entity or political subdivision, including a fund listed in Section 63A-3-205, from which a loan entity is authorized to make a loan.

3019 (16)

(a) "State funds" means an appropriation by the Legislature identified as coming from the General Fund or Education Fund.

3021 (b) "State funds" does not include:

3022 (i) a revolving loan fund; or

3023 (ii) revenues received by a bonding political subdivision from:

3024 (A) a tax levied by the bonding political subdivision;

3025 (B) a fee assessed by the bonding political subdivision; or

3026 (C) operation of the bonding political subdivision's government facility.

3301 Section 34. Section **63H-8-201** is amended to read:

3302 **63H-8-201. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Creation -- Trustees -- Terms -- Vacancies -- Chair -- Powers -- Quorum -- Per diem and expenses -- Annual conflict of interest disclosure statement -- Penalties.**

3031 (1)

(a) There is created an independent body politic and corporate, constituting a public corporation, known as the "Utah Housing Corporation."

3033 (b) The corporation may also be known and do business as the:

3034 (i) Utah Housing Finance Association; and

3035 (ii) Utah Housing Finance Agency in connection with a contract entered into when that was the corporation's legal name.

3037 (c) No other entity may use the names described in Subsections (1)(a) and (b) without the express approval of the corporation.

3039 (2) The corporation is governed by a board of trustees composed of the following nine trustees:

3041 (a) [~~the~~ {[} ~~executive~~{]} ~~deputy~~} ~~director of the~~ {[} ~~Department of Workforce Services or the executive director's designee~~] the state housing coordinator of the Division of Housing and Community Development within the Governor's Office of Economic Opportunity;

3044 (b) the commissioner of the Department of Financial Institutions or the commissioner's designee;

3046 (c) the state treasurer or the treasurer's designee; and

3047 [~~(d) six public trustees, who are private citizens of the state, as follows:~~]

3048 [~~(i) two people who represent the mortgage lending industry;~~]

3049 [~~(ii) two people who represent the home building and real estate industry; and~~]

3050 [~~(iii) two people who represent the public at large.~~]

3051 (d) six public trustees, all of whom are private citizens of the state, appointed by the governor, and who shall have expertise in the following industries or related fields of:

3053 (i) housing;

3054 (ii) finance;

3055 (iii) banking; or

3056 (iv) real estate development.

3057 (3) The governor shall:

3058 (a) appoint the six public trustees of the corporation with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies; and

3060 (b) ensure that among the six public trustees, no more than two [~~are from the same county and all are residents of the state~~] are from the same industry described in Subsections (2)(d)(i) through (iv).

3063 (4)

(a) Except as required by Subsection (4)(b), the governor shall appoint the six public trustees to terms of office of four years each.

3065 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of corporation trustees are staggered so that approximately half of the board is appointed every two years.

3069 (5)

(a) A public trustee of the corporation may be removed from office for cause either by the governor or by an affirmative vote of six trustees of the corporation.

3071 (b) When a vacancy occurs in the board of trustees for any reason, the replacement shall be appointed for the unexpired term.

3073 (c) A public trustee shall hold office for the term of appointment and until the trustee's successor has been appointed and qualified.

3075 (d) A public trustee is eligible for reappointment but may not serve more than two full consecutive terms.

3077 (6)

(a) The governor shall select the chair of the corporation.

3078 (b) The trustees shall elect from among [~~their number~~] the trustees a vice chair and other officers [~~they~~] the trustees may determine.

3080 (7)

(a) Five trustees of the corporation constitute a quorum for transaction of business.

3081 (b) An affirmative vote of at least five trustees is necessary for any action to be taken by the corporation.

3083 (c) A vacancy in the board of trustees does not [~~impair the right of a quorum to exercise all rights and perform all~~] prevent a quorum from exercising the rights and performing the duties of the corporation.

3086 (8) A trustee may not receive compensation or benefits for the trustee's service, but may receive per diem and travel expenses in accordance with:

3088 (a) Section 63A-3-106;

3089 (b) Section 63A-3-107; and

3090 (c) rules made by the Division of Finance [~~according to~~] in accordance with Sections 63A-3-106 and 63A-3-107.

3092 (9) A trustee shall, no sooner than January 1 and no later than January 31 of each year during which the trustee holds office on the board of trustees:

3094 (a) prepare a written conflict of interest disclosure statement that contains a response to each item of information described in Subsection 20A-11-1604(6); and

3096 (b) submit the written disclosure statement to the administrator or clerk of the board of trustees.

3098 (10)

(a) No later than 10 business days after the date on which the trustee submits the written disclosure statement described in Subsection (9) to the administrator or clerk of the board of trustees, the administrator or clerk shall:

3101 (i) post a copy of the written disclosure statement on the corporation's website; and

3102 (ii) provide the lieutenant governor with a link to the electronic posting described in Subsection (10)(a)(i).

3104 (b) The administrator or clerk shall ensure that the trustee's written disclosure statement remains posted on the corporation's website until the trustee leaves office.

3106 (11) The administrator or clerk of the board of trustees shall take the action described in Subsection (12) if:

3108 (a) a trustee fails to timely file the written disclosure statement described in Subsection (9); or

3110 (b) a submitted written disclosure statement does not comply with the requirements of Subsection 20A-11-1604(6).

3112 (12) If a circumstance described in Subsection (11) occurs, the administrator or clerk of the board of trustees shall, within five days after the day on which the administrator or clerk determines that a violation occurred, notify the trustee of the violation and direct the trustee to submit an amended written disclosure statement correcting the problem.

3116 (13)

(a) It is unlawful for a trustee to fail to submit or amend a written disclosure statement within seven days after the day on which the trustee receives the notice described in Subsection (12).

3119 (b) A trustee who violates Subsection (13)(a) is guilty of a class B misdemeanor.

3120 (c) The administrator or clerk of the board of trustees shall report a violation of Subsection (13)(a) to the attorney general.

3122 (d) In addition to the criminal penalty described in Subsection (13)(b), the administrator or clerk of the board of trustees shall impose a civil fine of $100 against a member who violates Subsection (13)(a).

3125 (14) The administrator or clerk of the board shall deposit a fine collected under this section into the corporation's account to pay for the costs of administering this section.

3127 (15) In addition to the written disclosure statement described in Subsection (9), a trustee described in Subsection (2)(d) shall also comply with the conflict of interest provisions described in Section 63G-24-301.

3404 Section 35. Section **63H-8-203** is amended to read:

3405 **63H-8-203. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)President and chief executive officer -- Secretary-treasurer -- Powers and duties -- Power to employ experts -- Power to employ independent legal counsel.**

3134 (1)

(a)

(i) The trustees shall appoint a president who is the chief executive officer of the corporation.

3136 (ii) The president:

3137 (A) may not be a trustee of the corporation;

3138 (B) serves at the pleasure of the trustees; and

3139 (C) shall receive compensation as set by the trustees.

3140 (b) The president, who shall also be the secretary-treasurer, shall:

3141 (i) establish bank accounts and other monetary investments in the name of the corporation; and

3143 (ii) administer, manage, and direct the affairs and activities of the corporation in accordance with the policies, control, and direction of the trustees.

3145 (c) The president shall approve all accounts for salaries, allowable expenses of the corporation, or of any corporation employee or consultant, and expenses incidental to the operation of the corporation.

3148 (d) The president shall perform any other duties as may be directed by the trustees in carrying out this chapter.

3150 (2)

(a) The president shall:

3151 (i) attend the meetings of the corporation;

3152 (ii) keep a record of the proceedings of the corporation; and

3153 (iii) maintain and be custodian of:

3154 (A) books, documents, and papers filed with the corporation;

3155 (B) the minute book or journal of the corporation; and

3156 (C) the corporation's official seal.

3157 (b) The president may cause copies to be made of minutes and other records and documents of the corporation and may give certificates under seal of the corporation to the effect that those copies are true copies, and a person dealing with the corporation may rely upon those certificates.

3161 (3)

(a) The corporation may employ or engage technical experts, independent professionals and consultants, and other officers, agents, or employees, permanent or temporary, as it considers necessary to carry out the efficient operation of the corporation, and shall determine their qualifications, duties, and compensation.

3165 (b) The trustees may delegate to one or more of the corporation's agents, representatives, or employees administrative duties that the trustees consider proper.

3167 (4) The corporation may employ and retain independent legal counsel.

3168 (5) The corporation shall coordinate with the Division of Housing and Community Development within the Governor's Office of Economic Opportunity to assist the corporation in meeting the corporation's purposes described in this chapter.

3445 Section 36. Section **63L-11-402** is amended to read:

3446 **63L-11-402. ~~{(Effective 07/01/26)}~~ ~~{(Repealed 07/01/27)}~~(Effective 05/06/26) (Repealed 07/01/27)Membership -- Terms -- Chair -- Expenses.**

3174 (1) The Resource Development Coordinating Committee consists of the following 26 members:
3176 (a) the state science advisor;
3177 (b) a representative from the Department of Agriculture and Food appointed by the commissioner of the Department of Agriculture and Food;
3179 (c) a representative from the Department of Cultural and Community Engagement appointed by the executive director of the Department of Cultural and Community Engagement;
3182 (d) a representative from the Department of Environmental Quality appointed by the executive director of the Department of Environmental Quality;
3184 (e) a representative from the Department of Natural Resources appointed by the executive director of the Department of Natural Resources;
3186 (f) a representative from the Department of Transportation appointed by the executive director of the Department of Transportation;
3188 (g) a representative from the Governor's Office of Economic Opportunity appointed by the director of the Governor's Office of Economic Opportunity;
3190 (h) a representative from the [~~Housing and Community Development Division~~] Division of Community Services appointed by the director of the [~~Housing and Community Development Division~~] Division of Community Services;
3193 (i) a representative from the Utah Historical Society appointed by the director of the Utah Historical Society;
3195 (j) a representative from the Division of Air Quality appointed by the director of the Division of Air Quality;
3197 (k) a representative from the Division of Drinking Water appointed by the director of the Division of Drinking Water;
3199 (l) a representative from the Division of Environmental Response and Remediation appointed by the director of the Division of Environmental Response and Remediation;
3202 (m) a representative from the Division of Waste Management and Radiation Control appointed by the director of the Division of Waste Management and Radiation Control;
3205 (n) a representative from the Division of Water Quality appointed by the director of the Division of Water Quality;
3207 (o) a representative from the Division of Oil, Gas, and Mining appointed by the director of the Division of Oil, Gas, and Mining;

3209 (p) a representative from the Division of Parks appointed by the director of the Division of Parks;

3211 (q) a representative from the Division of Outdoor Recreation appointed by the director of the Division of Outdoor Recreation;

3213 (r) a representative from the Division of Forestry, Fire, and State Lands appointed by the director of the Division of Forestry, Fire, and State Lands;

3215 (s) a representative from the Utah Geological Survey appointed by the director of the Utah Geological Survey;

3217 (t) a representative from the Division of Water Resources appointed by the director of the Division of Water Resources;

3219 (u) a representative from the Division of Water Rights appointed by the director of the Division of Water Rights;

3221 (v) a representative from the Division of Wildlife Resources appointed by the director of the Division of Wildlife Resources;

3223 (w) a representative from the School and Institutional Trust Lands Administration appointed by the director of the School and Institutional Trust Lands Administration;

3225 (x) a representative from the Division of Facilities Construction and Management appointed by the director of the Division of Facilities Construction and Management;

3227 (y) a representative from the Division of Emergency Management appointed by the director of the Division of Emergency Management; and

3229 (z) a representative from the Division of Conservation, created under Section 4-46-401, appointed by the director of the Division of Conservation.

3231 (2)

(a) As particular issues require, the coordinating committee may, by majority vote of the members present, appoint additional temporary members to serve as ex officio voting members.

3234 (b) [~~Those~~] The ex officio members described under Subsection (2)(a) may discuss and vote on the issue or issues for which [~~they were~~] the ex officio member is appointed.

3236 (3) A chair shall be selected by a vote of 14 committee members with the concurrence of the advisor.

3238 (4) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

3240 (a) Sections 63A-3-106 and 63A-3-107; and

3241

(b) rules made by the Division of Finance [~~pursuant to~~] in accordance with Sections 63A-3-106 and 63A-3-107.

3517 Section 37. Section **37** is enacted to read:

3520 **63N-22-101. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Definitions.**

22. Division of Housing and Community Development

1. General Provisions

As used in this chapter:

3248 (1) "Accessible housing" means housing which has been constructed or modified to be accessible, as described in the State Construction Code or an approved code under Title 15A, State Construction and Fire Codes Act.

3251 {~~(2)~~ {~~"Deputy director" means the deputy director of the Division of Housing and Community Development.}~~ }

3253 (3){(2)} "Division" means the Division of Housing and Community Development.

3526 (3) "Housing coordinator" means the state housing coordinator of the Division of Housing and Community Development.

3254 (4) "Low-income individual" means an individual whose household income is less than 80% of the area median income.

3256 (5) "Moderate income housing" means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the housing is located.

3259 (6) "Moderate income housing unit" means a housing unit that qualifies as moderate income housing.

3535 Section 38. Section **38** is enacted to read:

3536 **63N-22-102. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Division of Housing and Community Development -- Creation -- Responsibilities.**

3264 (1) There is created the Division of Housing and Community Development within the Governor's Office of Economic Opportunity.

3266 (2) The division shall be under the authority of the {~~deputy director~~} state housing coordinator.

3267 (3) The division shall:

3268 (a) create the state housing plan, as described in Section 63N-22-104;

3269 (b) assist housing authorities in carrying out the housing authority's responsibilities under Title 35A, Chapter 8, Part 4, Housing Authorities;

3271 (c) assist, when requested by a county or municipality, in the development of accessible housing;

3273 (d) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding the form and content of a moderate income housing report in accordance with Title 10, Chapter 21, Municipalities and Housing Supply and Title 17, Chapter 80, Counties and Housing Supply, to:

3277 (i) ensure consistency across reporting political subdivisions; and

3278 (ii) promote better potential analysis of report data;

3279 (e) analyze the housing data received by political subdivisions; and

3280 (f) no later than November 1 of each year, provide a report with the analyses of the housing data the division collects to the Economic Development and Workforce Services Interim Committee and the Political Subdivisions Interim Committee.

3557 Section 39. Section **39** is enacted to read:

3558 **63N-22-103. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Division of Housing and Community Development {~~deputy director~~} state housing coordinator appointment, functions, and duties.**

3286 (1)

(a) The governor, with the advice and consent of the Senate, shall appoint a {~~deputy director~~} state housing coordinator of the Division of Housing and Community Development to perform the functions and duties described in this section.

3289 (b) The {~~deputy director~~} housing coordinator serves at the pleasure of and under the direction of the governor.

3290 (c) The salary of the {~~deputy director~~} housing coordinator shall be established by the governor within the salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

3293 (2) The {~~deputy director~~} housing coordinator shall:

3294 (a) act as the governor's adviser on state housing matters;

3295 (b) counsel with the authorized representatives of the Department of Transportation, the Division of Facilities Construction and Management, the Department of Health and Human Services, the Department of Workforce Services, the Labor Commission, the Department of Natural Resources, the School and Institutional Trust Lands Administration, the Utah Housing Corporation, and other proper persons concerning state housing matters;

3301 (c) when designated to do so by the governor, receive funds made available to the state by the federal government;

3303 (d) provide information and cooperate with the Legislature or legislative committees in conducting housing studies;

3305 (e) cooperate and exchange information with federal agencies and local, metropolitan, or regional agencies as necessary to assist with federal, state, regional, metropolitan, and local housing programs;

3308 (f) make recommendations to the governor that the {~~deputy director~~ } housing coordinator considers advisable for the proper development and coordination of housing for the state; and

3310 (g) assist in the interpretation of housing projections and analyses with respect to future growth needs.

3312 (3) The {~~deputy director~~ } housing coordinator may:

3313 (a) assist city, county, metropolitan, and regional planning agencies in performing local, metropolitan, and regional planning, subject to Subsection (4); and

3315 (b) conduct, or coordinate with stakeholders to conduct public meetings or hearings to:

3316 (i) encourage maximum public understanding of {~~and~~ } an agreement with the factual data and assumptions upon which housing projections and analyses are based; and

3318 (ii) receive suggestions as to the types of housing projections and analyses that are needed.

3320 (4) In performing the duties described in Subsection (3), to the extent possible, the {~~deputy director~~ } housing coordinator or the {~~deputy director's~~ } housing coordinator's designee shall recognize and promote the plans, policies, programs, processes, and desired outcomes of the city, county, metropolitan, or regional planning agency that the {~~deputy director~~ } housing coordinator or the {~~deputy director's~~ } housing coordinator's designee is assisting.

3324 (5) In assisting in the preparation of housing plans, policies, programs, or processes related to the management or use of federal lands or natural resources on federal lands in the state, the {~~deputy director~~ } housing coordinator shall coordinate with the Public Lands Policy Coordinating Office created in Section 63L-11-201.

3604 Section 40. Section **63N-22-104** is renumbered and amended to read:

3606 **[~~63J-4-402]~~ 63N-22-104. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)State housing plan.**

3331 (1) The [~~office~~] division shall develop a state housing plan by December 31, 2025.

3332 (2)

(a) The [~~office~~] division shall partner with the Legislature, municipal and county governments, the home building industry and related stakeholders, and the general public in the development of the state housing plan described in Subsection (1).

3335 (b) In developing the state housing plan, the [~~office~~] division may develop regional housing plans within the state housing plan.
3337 (3) The state housing plan shall:
3338 (a) prioritize collaboration over preemption and collaboration across private and public sectors;
3340 (b) promote a holistic and regional approach to housing;
3341 (c) enable connected communities and center-based development;
3342 (d) acknowledge cross-issue policy alignment;
3343 (e) maintain a long-range vision;
3344 (f) promote opportunity and inclusivity;
3345 (g) recognize complex market forces; and
3346 (h) consider rural and urban contexts.
3347 (4) The state housing plan shall include data and metrics:
3348 (a) about actual and potential housing production;
3349 (b) about actual and potential infrastructure capacity, maintenance, and development; and
3350 (c) allowing the [~~office~~] division to measure success of the state housing plan over time.
3351 (5) In gathering data and developing metrics, the [~~office may~~] division shall analyze moderate income housing reports received by the [~~Division of Housing and Community Development~~] division and:
3354 (a) determine which, if any, of the moderate income housing strategies described in Sections 10-21-201 and 17-80-201 are correlated with an increase in the supply of moderate income housing, either built or entitled to be built, in the political subdivision that implements the moderate income housing strategy; and
3358 (b) draw conclusions regarding any data trends identified by the [~~office~~] division as meaningful or significant.
3360 (6) By no later than October 1 of each year, the [~~office~~] division shall provide a written report on the development and implementation of the state housing plan to the Economic Development and Workforce Services Interim Committee and the Political Subdivisions Interim Committee.
3640 Section 41. Section **63N-22-201** is renumbered and amended to read:
3366

Part 2. Housing Coordination and Planning

3643 **[~~35A-8-803~~] 63N-22-201. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Division -- Functions.**
3368 (1) In addition to any other functions the governor or Legislature may assign:
3369 (a) the division shall:

3370 (i) provide a clearinghouse of information for federal, state, and local housing assistance programs;

3372 (ii) establish, in cooperation with political subdivisions, model plans and management methods to encourage or provide for the development of affordable housing that may be adopted by political subdivisions by reference;

3375 (iii) undertake, in cooperation with political subdivisions, a realistic assessment of problems relating to housing needs, such as:

3377 (A) inadequate supply of dwellings;

3378 (B) substandard dwellings; and

3379 (C) inability of medium and low income families to obtain adequate housing;

3380 (iv) provide the information obtained under Subsection (1)(a)(iii) to:

3381 (A) political subdivisions;

3382 (B) real estate developers;

3383 (C) builders;

3384 (D) lending institutions;

3385 (E) affordable housing advocates; and

3386 (F) others having use for the information;

3387 (v) advise political subdivisions of serious housing problems existing within [~~their~~] the political subdivision's jurisdiction that require concerted public action for solution;

3390 (vi) assist political subdivisions in defining housing objectives and in preparing for adoption a plan of action covering a five-year period designed to accomplish housing objectives within [~~their~~] the political subdivision's jurisdiction;

3393 (vii) for municipalities or counties required to submit an annual moderate income housing report to the [~~department~~] division as described in Section 10-21-202 or 17-80-202:

3396 (A) assist in the creation of the reports; and

3397 (B) review the reports to meet the requirements of Sections 10-21-202 and 17-80-202;

3399 (viii) establish and maintain a database of moderate income housing units located within the state; and

3401 (ix) [~~on or before December 1, 2022, develop and submit to the Commission on Housing Affordability a methodology for determining whether a municipality or county is taking sufficient measures to protect and promote moderate income housing in accordance with the provisions of Sections 10-21-201 and 17-80-201; and~~] coordinate with Utah Housing Corporation to assist the division in the administration of housing programs within the state; and

3407 (b) subject to Subsection (2), and within legislative appropriations, the division, in cooperation with the Department of Workforce Services and the Utah Housing Corporation, may accept for and on behalf of, and bind the state to, any federal housing or homeless program in which the state is invited, permitted, or authorized to participate in the distribution, disbursement, or administration of any funds or service advanced, offered, or contributed in whole or in part by the federal government.

3413 (2) The administration of any federal housing program in which the state is invited, permitted, or authorized to participate in distribution, disbursement, or administration of funds or services, except those administered by the Utah Housing Corporation, is governed by Sections [~~35A-8-501~~] 63N-22-301 through [~~35A-8-508~~] 63N-22-309.

3417 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the [~~department~~] division shall make rules describing the review process for moderate income housing reports described in Subsection (1)(a)(vii).

3696 Section 42. Section **63N-22-202** is renumbered and amended to read:

3698 **[~~35A-8-804]~~ 63N-22-202. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing plan coordination.**

3424 (1) Within appropriations from the Legislature, the division shall establish a program to assist municipalities to comply with the moderate income housing requirements described in Section 10-21-201 and counties to comply with the moderate income housing requirements described in Section 17-80-201.

3428 (2) Assistance under this section may include:

3429 (a) financial assistance for the cost of developing a plan for low and moderate income housing;

3431 (b) information on how to meet present and prospective needs for low and moderate income housing; and

3433 (c) technical advice and consultation on how to facilitate the creation of low and moderate income housing.

3435 (3) The division shall submit an annual report to the [~~department~~] office regarding the scope, amount, and type of assistance provided to municipalities and counties under this section, including the number of low and moderate income housing units constructed or rehabilitated within the state, for inclusion in the [~~department's~~] office's annual written report described in Section [~~35A-1-109~~] 63N-1a-306.

3716 Section 43. Section **63N-22-203** is renumbered and amended to read:

3718 **~~[35A-8-805]~~ 63N-22-203. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Moderate income housing plan reporting requirements.**

3444 (1) As used in this section:

3445 (a) "Affordable housing" means, as determined by the [~~department~~] division, the number of housing units within a county or municipality where a household whose income is at or below 50% of area median income is able to live in a unit without spending more than 30% of [~~their~~] the household's income on housing costs.

3449 (b) "County" means the unincorporated area of a county.

3450 (c) "Low-income housing" means, as determined by the [~~department~~] division, the number of Section 42, Internal Revenue Code, housing units within a county or municipality.

3453 (d) "Municipality" means a city or town.

3454 (2)

(a) On or before October 1 of each year, the division shall provide a report to the [~~department~~] office for inclusion in the [~~department's~~] office's annual report described in Section [~~35A-1-109~~] 63N-1a-306.

3457 (b) The report shall include:

3458 (i) an estimate of how many affordable housing units and how many low-income housing units are available in each county and municipality in the state;

3460 (ii) a determination of the percentage of affordable housing available in each county and municipality in the state as compared to the statewide average;

3462 (iii) a determination of the percentage of low-income housing available in each county and municipality in the state as compared to the statewide average; and

3464 (iv) a description of how information in the report was calculated.

3741 Section 44. Section **63N-22-301** is renumbered and amended to read:

3467

Part 3. Housing Supply and Service Programs

3744 **~~[35A-8-501]~~ 63N-22-301. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

3470 (1) "Affordable housing" means housing occupied or reserved for occupancy by households whose incomes are at or below certain income requirements at rental rates affordable to such households.

3473 (2) "Board" means the Housing Board created by this part.

3474 (3) "Fund" means the Olene Walker Housing Loan Fund created by this part.

3475 (4)

(a) "Housing sponsor" means a person who constructs, develops, rehabilitates, purchases, or owns a housing development that is or will be subject to legally enforceable restrictive covenants that require the housing development to provide, at least in part, affordable housing.

3479 (b) "Housing sponsor" may include:

3480 (i) a local public body;

3481 (ii) a nonprofit, limited profit, or for profit corporation;

3482 (iii) a limited partnership;

3483 (iv) a limited liability company;

3484 (v) a joint venture;

3485 (vi) a subsidiary of the Utah Housing Corporation;

3486 (vii) a cooperative;

3487 (viii) a mutual housing organization;

3488 (ix) a local government;

3489 (x) a local housing authority;

3490 (xi) a regional or statewide nonprofit housing or assistance organization; or

3491 (xii) any other entity that helps provide affordable housing.

3492 (5) "Rural" means a county in the state other than Utah, Salt Lake, Davis, or Weber.

3769 Section 45. Section **63N-22-302** is renumbered and amended to read:

3771 **[35A-8-502] 63N-22-302. {(Effective 07/01/26)}(Effective 05/06/26)Olene Walker Housing Loan Fund -- Creation -- Administration.**

3497 (1)

(a) There is created an enterprise fund known as the Olene Walker Housing Loan Fund, administered by the [executive{] deputy} director or the {[} executive{] deputy} director's designee] housing coordinator or the housing coordinator's designee.

3500 (b) The [department] division is the administrator of the fund.

3501 (2) There shall be deposited into the fund:

3502 (a) grants, paybacks, bonuses, entitlements, and other money received by the [department] division from the federal government to preserve, rehabilitate, build, restore, or renew housing or for other activities authorized by the fund;

3505 (b) transfers, grants, gifts, bequests, and money made available from any source to implement this part; and

3507 (c) money appropriated to the fund by the Legislature.

3508 (3) The money in the fund shall be invested by the state treasurer according to the procedures and requirements of Title 51, Chapter 7, State Money Management Act, except that all interest or other earnings derived from money in the fund shall be deposited in the fund.

3788 Section 46. Section **63N-22-303** is renumbered and amended to read:

3790 **~~[35A-8-503]~~ 63N-22-303. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Housing loan fund board -- Duties -- Expenses.**

3516 (1) There is created the Olene Walker Housing Loan Fund Board.

3517 (2) The board is composed of 14 voting members.

3518 (a) The governor shall appoint the following members to four-year terms:

3519 (i) two members from local governments, of which:

3520 (A) one member shall be a locally elected official who resides in a county of the first or second class; and

3522 (B) one member shall be a locally elected official who resides in a county of the third, fourth, fifth, or sixth class;

3524 (ii) two members from the mortgage lending community, of which:

3525 (A) one member shall have expertise in single-family mortgage lending; and

3526 (B) one member shall have expertise in multi-family mortgage lending;

3527 (iii) one member from real estate sales interests;

3528 (iv) two members from home builders interests, of which:

3529 (A) one member shall have expertise in single-family residential construction; and

3530 (B) one member shall have expertise in multi-family residential construction;

3531 (v) one member from rental housing interests;

3532 (vi) two members from housing advocacy interests, of which:

3533 (A) one member who resides within any area in a county of the first or second class; and

3535 (B) one member who resides within any area in a county of the third, fourth, fifth, or sixth class;

3537 (vii) one member of the manufactured housing interest;

3538 (viii) one member with expertise in transit-oriented developments;

3539 (ix) one member who represents rural interests; and

3540 (x) one member who represents the interests of modular housing.

3541

(b) The[{deputy }director or the {deputy }director's] housing coordinator or the housing coordinator's designee serves as the secretary of the board.

3543 (c) The members of the board shall annually elect a chair from among the voting membership of the board.

3545 (3)

(a) Notwithstanding the requirements of Subsection (2), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board members are staggered so that approximately half of the board is appointed every two years.

3549 (b) When a vacancy occurs in the membership for any reason, the replacement is appointed for the unexpired term.

3551 (4)

(a) The board shall:

3552 (i) meet regularly, at least quarterly to conduct business of the board, on dates fixed by the board;

3554 (ii) meet twice per year, with at least one of the meetings in a rural area of the state, to provide information to and receive input from the public regarding the state's housing policies and needs;

3557 (iii) keep minutes of [its] board meetings; and

3558 (iv) comply with the procedures and requirements of Title 52, Chapter 4, Open and Public Meetings Act.

3560 (b) Seven members of the board constitute a quorum, and the governor, the chair, or a majority of the board may call a meeting of the board.

3562 (5) The board shall:

3563 (a) review the housing needs in the state;

3564 (b) determine the relevant operational aspects of any grant, loan, or revenue collection program established under the authority of this chapter;

3566 (c) determine the means to implement the policies and goals of this chapter;

3567 (d) select specific projects to receive grant or loan money; and

3568 (e) determine how fund money shall be allocated and distributed.

3569 (6) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

3571 (a) Section 63A-3-106;

3572 (b) Section 63A-3-107; and

3573 (c) rules made by the Division of Finance [~~pursuant to~~] in accordance with Sections 63A-3-106 and 63A-3-107.

3851 Section 47. Section **63N-22-304** is renumbered and amended to read:

3853 **[~~35A-8-504]~~ 63N-22-304. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Distribution of fund money.**

3578 (1) As used in this section:

3579 (a) "Community" means the same as that term is defined in Section 17C-1-102.

3580 (b) "Income targeted housing" means the same as that term is defined in Section 17C-1-102.

3582 (2) [~~The~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] The housing coordinator shall:

3583 (a) make grants and loans from the fund for any of the activities authorized by Section [~~35A-8-505~~] 63N-22-305, as directed by the board;

3585 (b) establish the criteria with the approval of the board by which loans and grants will be made; and

3587 (c) determine with the approval of the board the order in which projects will be funded.

3588 (3) [~~The~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] The housing coordinator shall distribute, as directed by the board, any federal money contained in the fund according to the procedures, conditions, and restrictions placed upon the use of the money by the federal government.

3591 (4) [~~The~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] The housing coordinator shall distribute, as directed by the board, any funds received under Section 17C-1-412 to pay the costs of providing income targeted housing within the community that created the community reinvestment agency under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act.

3595 (5) Except for federal money, money received under Section 17C-1-412, and money appropriated for use in accordance with Section [~~35A-8-2105~~] 63N-22-404, [~~the~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] the housing coordinator shall distribute, as directed by the board, money in the fund according to the following requirements:

3599 (a) [~~the~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] the housing coordinator shall distribute at least 70% of the money in the fund to benefit persons whose annual income is at or below 50% of the median family income for the state;

3602 (b) [~~the~~ {[} ~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] the housing coordinator may use up to 6% of the revenues of the fund, including any appropriation to the fund, to offset [~~department~~] division or board administrative expenses;

3605 (c) [~~the~~ {[} ~~executive~~ {] ~~deputy~~ }~~director~~] the housing coordinator shall distribute any remaining money in the fund to benefit persons whose annual income is at or below 80% of the median family income for the state; and

3608 (d) [~~if the~~ {[} ~~executive~~ {] ~~deputy~~ }~~director or the~~ {[} ~~executive~~ {] ~~deputy~~ }~~director's~~] if the housing coordinator or the housing coordinator's designee makes a loan in accordance with this section, the interest rate of the loan shall be based on the borrower's ability to pay.

3611 (6) [~~The~~ {[} ~~executive~~ {] ~~deputy~~ }~~director~~] the housing coordinator may, with the approval of the board:

3612 (a) enact rules to establish procedures for the grant and loan process by following the procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and

3615 (b) service or contract, under Title 63G, Chapter 6a, Utah Procurement Code, for the servicing of loans made by the fund.

3894 Section 48. Section **63N-22-305** is renumbered and amended to read:

3896 **~~[35A-8-505]~~ 63N-22-305. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Activities authorized to receive fund money -- Powers of the {~~deputy director~~} state housing coordinator.**

At the direction of the board, the [~~executive~~ {] ~~deputy~~ }~~director~~] housing coordinator may:

3622 (1) provide fund money to any of the following activities:

3623 (a) the acquisition, rehabilitation, or new construction of low-income housing units;

3624 (b) matching funds for social services projects directly related to providing housing for special-need renters in assisted projects;

3626 (c) the development and construction of accessible housing designed for low-income persons;

3628 (d) the construction or improvement of a shelter or transitional housing facility that provides services intended to prevent or minimize homelessness among members of a specific homeless subpopulation;

3631 (e) the purchase of an existing facility to provide temporary or transitional housing for the homeless in an area that does not require rezoning before providing such temporary or transitional housing;

3634 (f) the purchase of land that will be used as the site of low-income housing units;

3635 (g) the preservation of existing affordable housing units for low-income persons;

3636 [~~(h) providing loan guarantees under the two-year pilot program established in Section 35A-8-504.5;~~]

3638 [~~(i) distribute funds to a qualifying applicant under the subordinate shared appreciation mortgage loan program established in Section 35A-8-504.6;~~]

3640 [~~(j)~~] (h) the award of predevelopment grants in accordance with Section [~~35A-8-507.5~~] 63N-22-308;

3642 [~~(k)~~] (i) the creation or financial support of a mediation program for landlords and tenants designed to minimize the loss of housing for low-income persons, which program may include:

3645 (i) funding for the hiring or training of mediators;

3646 (ii) connecting landlords and tenants with mediation services; and

3647 (iii) providing a limited amount of gap funding to assist a tenant in making a good faith payment towards attorney fees, damages, or other costs associated with eviction proceedings or avoiding eviction proceedings; and

3650 [~~(l)~~] (j) other activities that will assist in minimizing homelessness or improving the availability or quality of housing in the state for low-income persons; and

3652 (2) do any act necessary or convenient to the exercise of the powers granted by this part or reasonably implied from those granted powers, including:

3654 (a) making or executing contracts and other instruments necessary or convenient for the performance of the [~~executive~~{~~]~~ ~~deputy~~} ~~director~~] housing coordinator and board's duties and the exercise of the [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator and board's powers and functions under this part, including contracts or agreements for the servicing and originating of mortgage loans;

3658 (b) procuring insurance against a loss in connection with property or other assets held by the fund, including mortgage loans, in amounts and from insurers it considers desirable;

3661 (c) entering into agreements with a department, agency, or instrumentality of the United States or this state and with mortgagors and mortgage lenders for the purpose of planning and regulating and providing for the financing and refinancing, purchase, construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale, or other disposition of residential housing undertaken with the assistance of the [~~department~~] division under this part;

3667 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate, repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or personal property obtained by the fund due to the default on a mortgage loan held by the fund in preparation for disposition of the property, taking assignments of leases and rentals, proceeding with foreclosure actions, and taking other actions necessary or incidental to the performance of [~~its~~] the {~~deputy director~~ } housing coordinator and board's duties; and

3674 (e) selling, at a public or private sale, with public bidding, a mortgage or other obligation held by the fund.

3954 Section 49. Section **63N-22-306** is renumbered and amended to read:

3956 **[35A-8-506] 63N-22-306. {(Effective 07/01/26)}(Effective 05/06/26)Authority of the {deputy director} state housing coordinator.**

The [executive{]} {deputy }director] housing coordinator, with the approval of the board, may grant

or lend fund

money to a housing sponsor.

3960 Section 50. Section **63N-22-307** is renumbered and amended to read:

3962 **[35A-8-507] 63N-22-307. {(Effective 07/01/26)}(Effective 05/06/26)Application process and priorities.**

3684 (1)

(a) In each calendar year that money is available from the fund for distribution by the [executive {] deputy }director] housing coordinator under the direction of the board, the [executive {] deputy }director] housing coordinator shall, at least once in that year, announce a grant and loan application period by sending notice to interested persons.

3688 (b) The [executive {] deputy }director] housing coordinator shall accept applications that are received in a timely manner.

3690 (2) The [executive {] deputy }director] housing coordinator shall give priority to applications for projects and activities in the following order:

3692 (a) first, to applications for projects and activities intended to minimize homelessness;

3693 (b) second, to applications for projects and activities that use existing privately owned housing stock, including privately owned housing stock purchased by a nonprofit public development authority; and

3696 (c) third, to all other applications.

3697 (3) Within each level of priority described in Subsection (2), the [executive {] deputy }director] housing coordinator shall give preference to applications that demonstrate the following:

3699 (a) a high degree of leverage with other sources of financing;

3700 (b) high recipient contributions to total project costs, including allied contributions from other sources such as professional, craft, and trade services and lender interest rate subsidies;

3703 (c) high local government project contributions in the form of infrastructure improvements, or other assistance;

3705 (d) projects that encourage ownership, management, and other project-related responsibility opportunities;

3707 (e) projects that demonstrate a strong probability of serving the original target group or income level for a period of at least 15 years;

3709 (f) projects where the applicant has demonstrated the ability, stability, and resources to complete the project;

3711 (g) projects that appear to serve the greatest need;

3712 (h) projects that provide housing for persons and families with the lowest income;

3713 (i) projects that promote economic development benefits;

3714 (j) projects that align with a local government plan to address housing and homeless services; and

3716 (k) projects that would mitigate or correct existing health, safety, or welfare problems.

3717 (4) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator may give consideration to projects that increase the supply of accessible housing.

3998 Section 51. Section **63N-22-308** is renumbered and amended to read:

4000 **~~[35A-8-507.5]~~ 63N-22-308. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Predevelopment grants.**

3722 (1) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator may, under the direction of the board, award one or more predevelopment grants to a nonprofit or for-profit entity:

3724 (a) in preparation for a project that:

3725 (i) involves the construction of moderate income housing units; and

3726 (ii) is located within:

3727 (A) a city of the fifth or sixth class, or a town, in a rural area of the state; or

3728 (B) any municipality or unincorporated area in a county of the fourth, fifth, or sixth class; and

3730 (b) in an amount of no more than $50,000 per project.

3731 (2) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator shall, under the direction of the board, award each predevelopment grant in accordance with the provisions of this section and the provisions related to grant applications, grant awards, and reporting requirements in this part.

3735 (3) The recipient of a predevelopment grant:

3736 (a) may use grant funds to offset the predevelopment funds needed to prepare for the construction of low-income housing units, including market studies, surveys, environmental and impact studies, technical assistance, and preliminary architecture, engineering, or legal work; and

3740 (b) may not use grant funds to pay for staff salaries or construction costs.

3741 (4) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator shall, under the direction of the board, prioritize the awarding of a predevelopment grant for a project that is located within:

3743 (a) a county of the fifth or sixth class; and

3744 (b) an area that has underdeveloped infrastructure, as demonstrated by at least two of the following:

3746 (i) limited or no availability of natural gas;

3747 (ii) limited or no availability of a sewer system;

3748 (iii) limited or no availability of broadband Internet;

3749 (iv) unpaved residential streets; or

3750 (v) limited local construction professionals, vendors, or services.

4030 Section 52. Section **63N-22-309** is renumbered and amended to read:

4032 **~~[35A-8-508]~~ 63N-22-309. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Annual accounting.**

3754 (1) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator shall monitor the activities of recipients of grants and loans issued under this part on a yearly basis to ensure compliance with the terms and conditions imposed on the recipient by the [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator with the approval of the board or by this part.

3758 (2) Beginning July 1, 2021, an entity that receives any money from the fund under this part shall provide the [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator with an annual accounting of how the money the entity received from the fund has been spent.

3761 (3) The [~~executive~~ {~~]~~ ~~deputy~~ }~~director~~] housing coordinator shall make an annual report to the board accounting for the expenditures authorized by the board.

3763 (4) The board shall submit a report to the [~~department~~] office for inclusion in the annual written report described in Section [~~35A-1-109~~] 63N-1a-306:

3765 (a) accounting for expenditures authorized by the board; and

3766 (b) evaluating the effectiveness of the program.

4046 Section 53. Section **63N-22-310** is renumbered and amended to read:

4048 **~~[35A-8-509]~~ 63N-22-310. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Economic Revitalization and Investment Fund.**

3771 (1) There is created an enterprise fund known as the "Economic Revitalization and Investment Fund."

3773 (2) The Economic Revitalization and Investment Fund consists of money from the following:

3775 (a) money appropriated to the account by the Legislature;

3776 (b) private contributions;

3777 (c) donations or grants from public or private entities; and

3778 (d) money returned to the [~~department~~] division under [~~Subsection 35A-8-512(3)(a)~~] Section 63N-22-314.

3780 (3) The Economic Revitalization and Investment Fund shall earn interest, which shall be deposited into the Economic Revitalization and Investment Fund.

3782 (4) The [~~executive~~ {]} ~~director~~] housing coordinator may distribute money from the Economic Revitalization and Investment Fund to one or more projects that:

3784 (a) include affordable housing units for households whose income is no more than 30% of the area median income for households of the same size in the county or municipality where the project is located; and

3787 (b) have been approved by the board in accordance with Section [~~35A-8-510~~] 63N-22-312.

3789 (5)

(a) A housing sponsor may apply to the [~~department~~] division to receive a distribution in accordance with Subsection (4).

3791 (b) The application shall include:

3792 (i) the location of the project;

3793 (ii) the number, size, and tenant income requirements of affordable housing units described in Subsection (4)(a) that will be included in the project; and

3795 (iii) a written commitment to enter into a deed restriction that reserves for a period of 30 years the affordable housing units described in Subsection (5)(b)(ii) or [~~their~~] the affordable housing unit equivalent for occupancy by households that meet the income requirements described in Subsection (5)(b)(ii).

3799 (c) The commitment in Subsection (5)(b)(iii) shall be considered met if a housing unit is:

3800 (i) occupied or reserved for occupancy by a household whose income is no more than 30% of the area median income for households of the same size in the county or municipality where the project is located; or

3803 (ii) occupied by a household whose income is no more than 60% of the area median income for households of the same size in the county or municipality where the project is located if that household met the income requirement described in Subsection (4)(a) when the household originally entered into the lease agreement for the housing unit.

3808 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the [~~department~~] division may make additional rules providing procedures for a person to apply to the [~~department~~] division to receive a distribution described in Subsection (4).

3811 (6) The [~~executive~~ {] ~~deputy~~ }~~director~~] housing coordinator may expend up to 3% of the revenues of the Economic Revitalization and Investment Fund, including any appropriation to the Economic Revitalization and Investment Fund, to offset [~~department~~] division or board administrative expenses.

4094 Section 54. Section **63N-22-311** is renumbered and amended to read:

4096 **[~~35A-8-509.5~~] 63N-22-311. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Rural Housing Fund.**

3818 (1) There is created an enterprise fund known as the "Rural Housing Fund."

3819 (2) The Rural Housing Fund consists of money from the following:

3820 (a) money appropriated to the account by the Legislature;

3821 (b) private contributions;

3822 (c) donations or grants from public or private entities; and

3823 (d) money returned to the [~~department~~] division under [~~Subsection 35A-8-512(3)(b)~~] Section 63N-22-314.

3825 (3) The Rural Housing Fund shall earn interest, which shall be deposited into the Rural Housing Fund.

3827 (4) Subject to appropriation, the [~~executive~~ {] ~~deputy~~ }~~director~~] housing coordinator may expend funds in the Rural Housing Fund to provide loans for projects that:

3829 (a) are located within:

3830 (i) a county of the third, fourth, fifth, or sixth class; or

3831 (ii) a municipality in a county of the second class with a population of 10,000 or less;

3832 (b) include moderate income housing units; and

3833 (c) have been approved by the board in accordance with Section [~~35A-8-510~~] 63N-22-312.

3834 (5)

(a) A housing sponsor may apply to the [~~department~~] division to receive a loan under this section.

3836 (b) An application under Subsection (5)(a) shall specify:

3837 (i) the location of the project;

3838 (ii) the number, size, and income requirements of moderate income housing units that will be included in the project; and

3840

(iii) a written commitment to enter into a deed restriction that reserves for a period of 50 years the moderate income housing units described in Subsection (5)(b)(ii).

3842 (c) A commitment under Subsection (5)(b)(iii) shall be considered satisfied if a housing unit is occupied by a household that met the income requirement for moderate income housing when the household originally entered into the lease agreement for the housing unit.

3846 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the [~~department~~] division may make rules establishing procedures and requirements for housing sponsors to apply for and receive loans under this section.

3849 (6) The [~~executive~~ {] ~~deputy~~ }~~director~~] housing coordinator may expend up to 3% of the revenues of the Rural Housing Fund, including any appropriation to the Rural Housing Fund, to offset [~~department~~] division or board administrative expenses.

4131 Section 55. Section **63N-22-312** is renumbered and amended to read:

4133 **[~~35A-8-510~~] 63N-22-312. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Housing loan fund board approval.**

3855 (1) The board shall review the project applications described in [~~Subsections 35A-8-509(5) and 35A-8-509.5(5)~~] Sections 63N-22-310 and 63N-22-311.

3857 (2)

(a) The board may approve a project that meets the requirements of [~~Subsections 35A-8-509(4) and (5)~~] Section 63N-22-310 to receive funds from the Economic Revitalization and Investment Fund.

3860 (b) The board may approve a project that meets the requirements of [~~Subsections 35A-8-509.5(4) and (5)~~] Section 63N-22-311 to receive funds from the Rural Housing Fund.

3863 (3) The board shall give preference to projects:

3864 (a) that include significant additional or matching funds from an individual, private organization, or local government entity;

3866 (b) that include significant contributions by the applicant to total project costs, including contributions secured by the applicant from other sources such as professional, craft, and trade services and lender interest rate subsidies;

3869 (c) with significant local government contributions in the form of infrastructure, improvements, or other assistance;

3871 (d) where the applicant has demonstrated the ability, stability, and resources to complete the project;

3873 (e) that will serve the greatest need;

3874 (f) that promote economic development benefits;

3875 (g) that allow integration into a local government housing plan;

3876 (h) that would mitigate or correct existing health, safety, or welfare concerns; or

3877 (i) that remedy a gap in the supply of and demand for affordable housing.

4157 Section 56. Section **63N-22-313** is renumbered and amended to read:

4159 **[35A-8-511] 63N-22-313. {(Effective 07/01/26)}(Effective 05/06/26)Activities authorized to receive account money.**

The [executive {] deputy }director] housing coordinator may distribute funds from the Economic Revitalization

and Investment Fund and the Rural Housing Fund for any of the following

activities

undertaken as part of an approved project:

3885 (1) the acquisition, rehabilitation, or new construction of a building that includes moderate income housing units;

3887 (2) the purchase of land for the construction of a building that will include moderate income housing units; or

3889 (3) pre-development work, including planning, studies, design, and site work for a building that will include moderate income housing units.

4170 Section 57. Section **63N-22-314** is renumbered and amended to read:

4172 **[35A-8-512] 63N-22-314. {(Effective 07/01/26)}(Effective 05/06/26)Repayment of funds.**

3894 (1) Upon the earlier of 30 years from the date an approved project is placed in service or the sale or transfer of the affordable housing units acquired, constructed, or rehabilitated as part of an approved project funded under Subsection [35A-8-511(1)] 63N-22-313(1), the housing sponsor shall remit to the [department] division:

3898 (a) the total amount of money distributed by the [department] division to the housing sponsor for the project; and

3900 (b) an additional amount of money determined by contract with the [department] division prior to the initial disbursement of money.

3902 (2) Any claim arising under Subsection (1) is a lien against the real property funded under this chapter.

3904 (3)

(a) Any money returned to the [~~department~~] division under Subsection (1) from a housing sponsor that received funds from the Economic Revitalization and Investment Fund shall be deposited in the Economic Revitalization and Investment Fund.

3908 (b) Any money returned to the [~~department~~] division under Subsection (1) from a housing sponsor that received funds from the Rural Housing Fund shall be deposited in the Rural Housing Fund.

4190 Section 58. Section **63N-22-315** is renumbered and amended to read:

4192 **~~[35A-8-513]~~ 63N-22-315. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Annual accounting.**

3914 (1) The [~~executive {] deputy }director~~] housing coordinator shall monitor the activities of recipients of funds from the Economic Revitalization and Investment Fund and the Rural Housing Fund on a yearly basis to ensure compliance with the terms and conditions imposed on the recipient by the [~~executive {] deputy }director~~] housing coordinator with the approval of the board.

3918 (2)

(a) A housing sponsor that receives funds from the Economic Revitalization and Investment Fund shall provide the [~~executive {] deputy }director~~] housing coordinator with an annual accounting of how the money the entity received from the Economic Revitalization and Investment Fund has been spent and evidence that the commitment described in [~~Subsection 35A-8-509(5)~~] Section 63N-22-310 has been met.

3923 (b) A housing sponsor that receives funds from the Rural Housing Fund shall provide the [~~executive {] deputy }director~~] housing coordinator with an annual accounting of how the money the entity received from the Rural Housing Fund has been spent and evidence that the commitment described in [~~Subsection 35A-8-509.5(5)~~] Section 63N-22-311 has been met.

3928 (3) The [~~executive {] deputy }director~~] housing coordinator shall make an annual report to the board accounting for the expenditures authorized by the board under the Economic Revitalization and Investment Fund and the Rural Housing Fund.

3931 (4) The board shall submit a report to the [~~department~~] office for inclusion in the annual written report described in Section [~~35A-1-109~~] 63N-1a-306 that includes:

3933 (a) an accounting for expenditures authorized by the board; and

3934 (b) an evaluation of the effectiveness of each program.

4216 Section 59. Section **63N-22-316** is renumbered and amended to read:

4218 **~~[35A-8-2401]~~ 63N-22-316. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Pass-through funding agreements -- Accounting for expenditures of a housing organization.**

3939 (1) As used in this section:
3940 (a) "Housing organization" means an entity that:
3941 (i) manages a portfolio of investments;
3942 (ii) is dedicated to the preservation, enhancement, improvement, and rehabilitation of affordable housing through property investment; and
3944 (iii) is controlled by a registered nonprofit.
3945 (b) "Pass-through funding" means state money appropriated by the Legislature to the [~~department~~] division with the intent that the [~~department~~] division grant or otherwise disburse the state money to a third party.
3948 (c) "Rural" means the same as that term is defined in Section [~~35A-8-501~~] 63N-22-301.
3949 (2)
(a) This section applies to funds appropriated by the Legislature to the [~~department~~] division for pass-through to a housing organization.
3951 (b) The [~~department~~] division shall ensure that pass-through funding granted or distributed before May 1, 2024 to a housing organization is subject to an agreement as described in this section, either through amending existing agreements or canceling existing agreements and issuing new agreements.
3955 (3)
(a) The [~~department~~] division shall create agreements governing the use of pass-through funding as described in this section.
3957 (b) Before a housing organization may accept pass-through funding [~~pursuant to~~] in accordance with this section, the entity shall enter into an agreement with the [~~department~~] division governing the use of pass-through funding.
3960 (4) An agreement for pass-through funding shall require, at a minimum:
3961 (a) the housing organization match pass-through funding with private funding at no less than a 70% private, 30% state split;
3963 (b) all pass-through funding be used by the housing organization to invest in housing units that are rented at rates affordable to households with an annual income at or below 80% of the area median income for a family within the county in which the housing is located;
3967

(c) that 50% of pass-through funding be used by the housing organization to invest in housing units that are rented at rates affordable to households with an annual income at or below 50% of the area median income for a family within the county in which the housing is located;

3971 (d) that at least 30% of pass-through funding be used by the housing organization to invest in housing units that are located in a rural county;

3973 (e) that any property purchased with pass-through funding be subject to a deed restriction for a minimum of 40 years to ensure the property remains a rental property affordable to households as described in Subsection (4)(b);

3976 (f) that returns on investment generated by pass-through funding shall be reinvested by the housing organization the same as if the returns on investment are pass-through funding; and

3979 (g) that the housing organization shall provide the division with the following information at the end of each fiscal year:

3981 (i) the housing organization's annual audit, including:

3982 (A) a third-party independent auditor's findings on the housing organization's compliance with this section and the terms of the housing organization's agreement for pass-through funding; and

3985 (B) the audited financial statements for a legal entity used by the housing organization to carry out activities authorized by this section;

3987 (ii) allocation of pass-through funds by county and housing type;

3988 (iii) progress and status of funded projects; and

3989 (iv) impact of pass-through funds on the availability of affordable housing across the state and by region.

3991 (5) The [~~department~~] division shall include in the annual written report described in Section [~~35A-1-109~~] 63N-1a-306 a report accounting for the expenditures authorized by a housing organization [~~pursuant to~~] in accordance with an agreement with the [~~department~~] division.

4275 Section 60. Section **63N-22-401** is renumbered and amended to read:

3996

Part 4. Private Activity Bonds

4278 **~~[35A-8-2102]~~ 63N-22-401. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

3999 (1) "Allocated volume cap" means a volume cap for which:

4000 (a) a certificate of allocation is in effect; or

4001 (b) bonds have been issued.

4002 (2) "Allotment accounts" means the various accounts created in Section [~~35A-8-2106~~] 63N-22-405.

4004 (3) "Board of review" means the Private Activity Bond Review Board created in Section [~~35A-8-2103~~] 63N-22-402.

4006 (4) "Bond" means any obligation for which an allocation of volume cap is required by the code.

4008 (5) "Code" means the Internal Revenue Code of 1986, as amended, and any related Internal Revenue Service regulations.

4010 (6) "Form 8038" means the Department of the Treasury tax form 8038 (OMB No. 1545-0720) or any other federal tax form or other method of reporting required by the Department of the Treasury under Section 149(e) of the code.

4013 (7) "Issuing authority" means:

4014 (a) any county, city, or town in the state;

4015 (b) any not-for-profit corporation or joint agency, or other entity acting on behalf of one or more counties, cities, towns, or any combination of these;

4017 (c) the state; or

4018 (d) any other entity authorized to issue bonds under state law.

4019 (8) "State" means the state of Utah and any [~~of its~~] state agencies, institutions, and divisions authorized to issue bonds or certificates under state law.

4021 (9) "Volume cap" means the private activity bond volume cap for the state as computed under Section 146 of the code.

4023 (10) "Year" means each calendar year.

4305 Section 61. Section **63N-22-402** is renumbered and amended to read:

4307 **[~~35A-8-2103~~] 63N-22-402. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Private Activity Bond Review Board.**

4028 (1) There is created within the [~~department~~] division the Private Activity Bond Review Board, composed of the following 11 members:

4030 (a)

(i) [~~the~~ {[} ~~executive~~ {]} ~~deputy~~ }~~director~~ {[} ~~of the department~~ {]} ~~or the~~ {[} ~~executive~~ {]} ~~deputy~~ }~~director's designee~~] the housing coordinator or the housing coordinator's designee;

4032 (ii) the executive director [~~of the Governor's Office of Economic Opportunity~~]or the executive director's designee;

4034 (iii) the state treasurer or the state treasurer's designee;

4035 (iv) the chair of the Utah Board of Higher Education or the chair's designee; and

4036 (v) the chair of the Utah Housing Corporation or the chair's designee; and

4037 (b) six local government members who are:

4038 (i) three elected or appointed county officials, nominated by the Utah Association of Counties and appointed or reappointed by the governor with the advice and consent of the Senate and in accordance with Title 63G, Chapter 24, Part 2, Vacancies; and

4042 (ii) three elected or appointed municipal officials, nominated by the Utah League of Cities and Towns and appointed or reappointed by the governor with the advice and consent of the Senate and in accordance with Title 63G, Chapter 24, Part 2, Vacancies.

4046 (2)

(a) Except as required by Subsection (2)(b), the terms of office for the local government members of the board of review shall be four-year terms.

4048 (b) Notwithstanding the requirements of Subsection (2)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board of review members are staggered so that approximately half of the board of review is appointed every two years.

4052 (c) Members may be reappointed only once.

4053 (3)

(a) If a local government member ceases to be an elected or appointed official of the city or county the member is appointed to represent, that membership on the board of review terminates immediately and there shall be a vacancy in the membership.

4056 (b) When a vacancy occurs in the local government membership for any reason:

4057 (i) the Utah Association of Counties or the Utah League of Cities and Towns shall, within 30 days after the date of the vacancy, nominate an official described in Subsection (1)(b)(i) or (ii), as applicable, to fill the vacancy; and

4060 (ii) the governor shall, with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies, appoint the nominee for the unexpired term.

4063 (4)

(a) The chair of the board of review is the [~~executive director of the department or the executive~~{] ~~deputy director or the~~} {~~deputy~~ }~~director's~~] housing coordinator or the housing coordinator's designee.

4065 (b) The chair is [~~nonvoting except in the case of a tie vote~~] a nonvoting member, except that the chair may vote to break a tie vote between the voting members.

4067 (5) Six members of the board of review constitute a quorum.

4068 (6) Formal action by the board of review requires a majority vote of a quorum.

4069 (7) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

4071 (a) Section 63A-3-106;

4072 (b) Section 63A-3-107; and

4073 (c) rules made by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

4074 (8) The chair of the board of review serves as the state official designated under state law to make certifications required to be made under Section 146 of the code including the certification required by Section 149(e)(2)(F) of the code.

4077 (9) A member appointed to fill a position described in Subsection (1)(b) shall comply with the conflict of interest provisions described in Title 63G, Chapter 24, Part 3, Conflicts of Interest.

4361 Section 62. Section **63N-22-403** is renumbered and amended to read:

4363 **~~[35A-8-2104]~~ 63N-22-403. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Powers, functions, and duties of the board of review.**

The board of review shall:

4085 (1) make, subject to the limitations of the code, allocations of volume cap to issuing authorities;

4087 (2) determine the amount of volume cap to be allocated with respect to approved applications;

4089 (3) maintain a record of all applications filed by issuing authorities under Section [~~35A-8-2105~~] 63N-22-404 and all certificates of allocation issued under Section [~~35A-8-2107~~] 63N-22-406;

4092 (4) maintain a record of all bonds issued by issuing authorities during each year;

4093 (5) determine the amount of volume cap to be treated as a carryforward under Section 146(f) of the code and allocate this carryforward to one or more qualified carryforward purposes;

4096 (6) make available upon reasonable request a certified copy of all or any part of the records maintained by the board of review under this part or a summary of them, including information relating to the volume cap for each year and any amounts available for allocation under this part;

4100 (7) make rules for the allocation of volume cap under this part; and

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(8) charge reasonable fees for the performance of duties prescribed by this part, including application, filing, and processing fees.

4384 Section 63. Section **63N-22-404** is renumbered and amended to read:

4386 **[35A-8-2105] 63N-22-404. {(Effective 07/01/26)}(Effective 05/06/26)Allocation of volume cap.**

4106 (1)

(a) Subject to Subsection (1)(b), the volume cap for each year shall be distributed by the board of review to the allotment accounts as described in Section [35A-8-2106] 63N-22-405.

4109 (b) The board of review may distribute up to 50% of each increase in the volume cap for use in development that occurs in quality growth areas, depending upon the board's analysis of the relative need for additional volume cap between development in quality growth areas and the allotment accounts under Section [35A-8-2106] 63N-22-405.

4114 (2) To obtain an allocation of the volume cap, issuing authorities shall submit to the board of review an application containing information required by the procedures and processes of the board of review.

4117 (3)

(a) The board of review shall establish criteria for making allocations of volume cap that are consistent with the purposes of the code and this part.

4119 (b) In making an allocation of volume cap the board of review shall consider the following:

4121 (i) the principal amount of the bonds proposed to be issued;

4122 (ii) the nature and the location of the project or the type of program;

4123 (iii) the likelihood that the bonds will be sold and the timeframe of bond issuance;

4124 (iv) whether the project or program could obtain adequate financing without an allocation of volume cap;

4126 (v) the degree to which an allocation of volume cap is required for the project or program to proceed or continue;

4128 (vi) the social, health, economic, and educational effects of the project or program on the local community and state as a whole;

4130 (vii) the anticipated economic development created or retained within the local community and the state as a whole;

4132 (viii) the anticipated number of jobs, both temporary and permanent, created or retained within the local community and the state as a whole; and

4134 (ix) if the project is a residential rental project, the degree to which the residential rental project:
4136 (A) targets lower income populations; and
4137 (B) is accessible housing.
4138 (4) The board of review shall provide evidence of an allocation of volume cap by issuing a certificate in accordance with Section [~~35A-8-2107~~] 63N-22-406.
4140 (5)
(a) Subject to Subsection (5)(c), from January 1 to June 30 of each year, the board of review shall set aside at least 50% of the Small Issue Bond Account that may only be allocated to manufacturing projects.
4143 (b) Subject to Subsection (5)(c), from July 1 to August 15 of each year, the board of review shall set aside at least 50% of the Pool Account that may only be allocated to manufacturing projects.
4146 (c) The board of review is not required to set aside any unused volume cap under Subsection [~~35A-8-2106(2)(c)~~] 63N-22-405(2)(c) to satisfy the requirements of Subsection (5)(a) or (b).
4430 Section 64. Section **63N-22-405** is renumbered and amended to read:
4432 **[~~35A-8-2106]~~ 63N-22-405. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Allotment accounts.**
4152 (1) There are created the following allotment accounts:
4153 (a) the Single Family Housing Account, for which eligible issuing authorities are those authorized under the code and state statute to issue qualified mortgage bonds under Section 143 of the code;
4156 (b) the Student Loan Account, for which eligible issuing authorities are those authorized under the code and state statute to issue qualified student loan bonds under Section 144(b) of the code;
4159 (c) the Small Issue Bond Account, for which eligible issuing authorities are those authorized under the code and state statute to issue:
4161 (i) qualified small issue bonds under Section 144(a) of the code;
4162 (ii) qualified exempt facility bonds for qualified residential rental projects under Section 142(d) of the code; or
4164 (iii) qualified redevelopment bonds under Section 144(c) of the code;
4165 (d) the Exempt Facilities Account, for which eligible issuing authorities are those authorized under the code and state statute to issue any bonds requiring an allocation of volume cap other than for purposes described in Subsection (1)(a), (b), or (c);
4168 (e) the Pool Account, for which eligible issuing authorities are those authorized under the code and state statute to issue any bonds requiring an allocation of volume cap; and

4171 (f) the Carryforward Account, for which eligible issuing authorities are those with projects or programs qualifying under Section 146(f) of the code.

4173 (2)

(a) The volume cap shall be distributed to the allotment accounts on January 1 of each year on the following basis:

4175 (i) 42% to the Single Family Housing Account;

4176 (ii) 33% to the Student Loan Account;

4177 (iii) 1% to the Exempt Facilities Account; and

4178 (iv) 24% to the Small Issue Bond Account.

4179 (b) From July 1 to September 30 of each year, the board of review may transfer any unallocated volume cap from the Exempt Facilities Account or the Small Issue Bond Account to the Pool Account.

4182 (c) Upon written notification by the issuing authorities eligible for volume cap allocation from the Single Family Housing Account or the Student Loan Account that all or a portion of volume cap distributed into that allotment account will not be used, the board of review may transfer the unused volume cap to any other allotment account.

4186 (d) From October 1 to the third Friday of December of each year, the board of review shall transfer all unallocated volume cap into the Pool Account.

4188 (e) On the third Saturday of December of each year, the board of review shall transfer uncollected volume cap, or allocated volume cap for which bonds have not been issued prior to the third Saturday of December, into the Carryforward Account.

4191 (f) If the authority to issue bonds designated in any allotment account is rescinded by amendment to the code, the board of review may transfer any unallocated volume cap from that allotment account to any other allotment account.

4475 Section 65. Section **63N-22-406** is renumbered and amended to read:

4477 **~~[35A-8-2107]~~ 63N-22-406. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Certificates of allocation.**

4197 (1)

(a) After an allocation of volume cap for a project or program is approved by the board of review, the board of review shall issue a numbered certificate of allocation stating the amount of the allocation, the allotment account for which the allocation is being made, and the expiration date of the allocation.

4201 (b) The certificates of allocation shall be mailed to the issuing authority within 10 working days of the date of approval.

4203 (c) Bonds are not entitled to any allocation of the volume cap unless the issuing authority received a certificate of allocation with respect to the bonds.

4205 (d)

(i) Certificates of allocation shall remain in effect for a period of 90 days from the date of approval.

4207 (ii) If bonds for which a certificate has been approved are not issued within the 90-day period, the certificate of allocation is void and volume cap shall be returned to the applicable allotment account for reallocation by the board of review.

4211 (2)

(a) An issuing authority receiving an allocation of volume cap from the Carryforward Account shall receive a certificate of allocation similar to the certificates of allocation described in Subsection (1) from the board of review stating the amount of allocation from the Carryforward Account that has been allocated to the issuing authority and the expiration of the allocation.

4216 (b)

(i) If in the judgment of the board of review an issuing authority or a person or entity responsible for a project or program receiving an allocation from the Carryforward Account does not proceed with diligence in providing for the issuance of the bonds with respect to the project or program, and because of the lack of diligence the volume cap cannot be used, the board of review may exclude from the board of review's consideration for a given period of time, determined by the board of review, an application of the issuing authority, person, or entity.

4223 (ii) The board of review may, at any time, review and modify the board of review's decisions relating to the exclusion described in this Subsection (2)(b).

4506 Section 66. Section **63N-22-407** is renumbered and amended to read:

4508 **~~[35A-8-2108]~~ 63N-22-407. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Issuing authorities -- Limitations -- Duties.**

4229 (1)

(a) Notwithstanding any law to the contrary, an issuing authority issuing bonds without a certificate of allocation issued under Section [~~35A-8-2107~~] 63N-22-406, or an issuing authority issuing bonds after the expiration of a certificate of allocation, is not entitled to an allocation of the volume cap for those bonds.

4233 (b) An issuing authority issuing bonds in excess of the amount set forth in the related certificate of allocation is not entitled to an allocation of the volume cap for the excess.

4236 (2) Each issuing authority shall:

4237 (a) advise the board of review, within 15 days after the issuance of bonds, of the principal amount of bonds issued under each certificate of allocation by delivering to the board of review a copy of the Form 8038 that was delivered or shall be delivered to the Internal Revenue Service in connection with the bonds, or, if no Form 8038 is required to be delivered to the Internal Revenue Service, a completed copy of a Form 8038 prepared for the board of review with respect to the bonds; and

4243 (b) if all or a stated portion of the bonds for which a certificate of allocation was received will not be issued, advise the board of review in writing, within 15 days of the earlier of:

4246 (i) the final decision not to issue all or a stated portion of the bonds; or

4247 (ii) the expiration of the certificate of allocation.

4248 (3) Failure by an issuing authority to notify the board of review under Subsection (2), including failure to timely deliver a Form 8038, may, in the sole discretion of the board of review, result in the board of review denying further consideration of applications from the issuing authority.

4533 Section 67. Section **63N-22-408** is renumbered and amended to read:

4535 **~~[35A-8-2109]~~ 63N-22-408. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Procedures -- Adjudicative proceedings.**

The board of review shall comply with the procedures and requirements of Title 63G, Chapter 4, Administrative Procedures Act, in the board of review's adjudicative proceedings.

4539 Section 68. Section **63N-22-409** is renumbered and amended to read:

4541 **~~[35A-8-2110]~~ 63N-22-409. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Duties of the division.**

4261 (1) The [~~department~~] division is recognized as an issuing authority, as defined in Section [~~35A-8-2102~~] 63N-22-401, entitled to issue bonds from the Small Issue Bond Account created in Subsection [~~35A-8-2106(1)(c)~~] 63N-22-405(1)(c) as a part of the state's private activity bond volume cap authorized by the Internal Revenue Code and computed under Section 146, Internal Revenue Code.

4266 (2) To promote and encourage the issuance of bonds from the Small Issue Bond Account for manufacturing projects, the [~~department~~] division may:

4268 (a) develop campaigns and materials that inform qualified small manufacturing businesses about the existence of the program and the application process;

4270 (b) assist small businesses in applying for and qualifying for these bonds; and

4271 (c) develop strategies to lower the cost to small businesses of applying for and qualifying for these bonds, including making arrangements with financial advisors, underwriters, bond counsel, and other professionals involved in the issuance process to provide services at a reduced rate when the [~~department~~] division can provide such service providers with a high volume of applicants or issues.

4557 Section 69. Section **63N-22-501** is renumbered and amended to read:

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4560 **~~[35A-8-301]~~ 63N-22-501. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Legislative policy.**

4280 (1) Funds received by the state from federal mineral lease revenues under Section 59-21-2, bonus payments on federal oil shale lease tracts U-A and U-B, and all other bonus payments on federal mineral leases are to be used for planning, construction and maintenance of public facilities, and provision of public service, subject to the limitations provided for in Section 35 of the Mineral Leasing Act of 1920 (41 Stat. 450, 30 U.S.C. Sec. 191).

4286 (2) To the extent allowed under the Mineral Leasing Act, any ambiguity as to whether a particular use of the lease revenue and bonus payments described in Subsection (1) is a permissible use under this part shall be resolved in favor of upholding the use.

4289 (3) Priority for the use of the funds described in Subsection (1) shall be given to those communities designated as impacted by the development of natural resources covered by the Mineral Leasing Act.

4292 (4) The policy of this state is to promote cooperation and coordination between the state and the state's agencies and political subdivisions with individuals, firms, and business organizations engaged in the development of the natural resources of this state.

4576 Section 70. Section **63N-22-502** is renumbered and amended to read:

4578 **~~[35A-8-302]~~ 63N-22-502. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

4299 (1) "Bonus payments" means that portion of the bonus payments received by the United States government under the Leasing Act paid to the state under Section 35 of the Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those payments.

4303 (2) "Impact board" means the Permanent Community Impact Fund Board created under Section [~~35A-8-304~~] 63N-22-504.

4305 (3) "Impact fund" means the Permanent Community Impact Fund established by this chapter.

4307 (4) "Interlocal agency" means a legal or administrative entity created by a subdivision or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal Cooperation Act.

4310 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et seq.

4311 (6) "Qualifying sales and use tax distribution reduction" means that, for the calendar year beginning on January 1, 2008, the total sales and use tax distributions a city received under Section 59-12-205 were reduced by at least 15% from the total sales and use tax distributions the city received under Section 59-12-205 for the calendar year beginning on January 1, 2007.

4316 (7)

(a) "Planning" means any of the following performed by or on behalf of the state, a subdivision, or an interlocal agency:

4318 (i) a study, analysis, plan, or survey; or

4319 (ii) activities necessary to obtain a permit or land use approval, including review to determine the need, cost, or feasibility of obtaining a permit or land use approval.

4321 (b) "Planning" includes:

4322 (i) the preparation of maps and guidelines;

4323 (ii) land use planning;

4324 (iii) a study or analysis of:

4325 (A) the social or economic impacts associated with natural resource development;

4326 (B) the demand for the transportation of individuals or goods;

4327 (C) state, regional, and local development and growth;

4328 (D) population and employment;

4329 (E) development related to natural resources; and

4330 (F) as related to any other activity described in this Subsection (7), engineering, financial analysis, legal analysis, or any other analysis helpful to the state, subdivision, or interlocal agency; and

4333 (iv) any activity described in this Subsection (7) regardless of whether the activity is for a public facility or a public service.

4335 (8) "Public facility" means a facility:

4336 (a) in whole or in part, owned, controlled, or operated by the state, a subdivision, or an interlocal agency; and

4338 (b) that serves a public purpose.

4339 (9)

(a) "Public service" means a service that:

4340 (i) is provided, in whole or in part, by or on behalf of the state, a subdivision, or an interlocal agency; and

4342 (ii) serves a public purpose.

4343 (b) "Public service" includes:

4344 (i) a service described in Subsection (9)(a) regardless of whether the service is provided in connection with a public facility;

4346 (ii) the cost of providing a service described in Subsection (9)(a), including administrative costs, wages, and legal fees; and

4348 (iii) a contract with a public postsecondary institution to fund research, education, or a public service program.

4350 (10) "Subdivision" means a county, city, town, county service area, special service district, special improvement district, water conservancy district, water improvement district, sewer improvement district, housing authority, building authority, school district, or public postsecondary institution organized under the laws of this state.

4354 (11)

(a) "Throughput infrastructure project" means the following facilities, whether located within, partially within, or outside of the state:

4356 (i) a bulk commodities ocean terminal;

4357 (ii) a pipeline for the transportation of liquid or gaseous hydrocarbons;

4358 (iii) electric transmission lines and ancillary facilities;

4359 (iv) a shortline freight railroad and ancillary facilities;

4360 (v) a plant or facility for storing, distributing, or producing hydrogen, including the liquification of hydrogen, for use as a fuel in zero emission motor vehicles, for electricity generation, or for industrial use;

4363 (vi) a plant for the production of zero emission hydrogen fueled trucks; or

4364 (vii) a mining facility described in Subsection [~~35A-8-309(9)~~] 63N-22-508(9).

4365 (b) "Throughput infrastructure project" includes:

4366 (i) an ownership interest or a joint or undivided ownership interest in a facility;

4367 (ii) a membership interest in the owner of a facility; or

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(iii) a contractual right, whether secured or unsecured, to use all or a portion of the throughput, transportation, or transmission capacity of a facility.

4651 Section 71. Section **63N-22-503** is renumbered and amended to read:

4653 **~~[35A-8-303]~~ 63N-22-503. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Permanent Community Impact Fund -- Deposits and contents -- Use of fund money.**

4374 (1) There is created an enterprise fund entitled the "Permanent Community Impact Fund."

4375 (2) The fund consists of:

4376 (a) all amounts appropriated to the impact fund under Section 59-21-2;

4377 (b) bonus payments deposited to the impact fund under Subsection 59-21-1(2);

4378 (c) all amounts appropriated to the impact fund under Section 53C-3-203;

4379 (d) all amounts received for the repayment of loans made by the impact board under this chapter; and

4381 (e) all other money appropriated or otherwise made available to the impact fund by the Legislature.

4383 (3) The state treasurer shall:

4384 (a) invest the money in the impact fund by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and

4386 (b) deposit all interest or other earnings derived from those investments into the impact fund.

4388 (4) The amounts in the impact fund available for loans, grants, administrative costs, or other purposes of this part shall be limited to that which the Legislature appropriates for these purposes.

4391 (5) Federal mineral lease revenue received by the state under the Leasing Act that is deposited into the impact fund shall be used:

4393 (a) in a manner consistent with the provisions of:

4394 (i) the Leasing Act; and

4395 (ii) this part; and

4396 (b) for loans, grants, or both to state agencies or subdivisions that are socially or economically impacted by the leasing of minerals under the Leasing Act.

4398 (6) The money described in Subsection (2)(c) shall be used for grants to political subdivisions of the state to mitigate the impacts resulting from the development or use of school and institutional trust lands.

4682 Section 72. Section **63N-22-504** is renumbered and amended to read:

4684 **~~[35A-8-304]~~ 63N-22-504. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Permanent Community Impact Fund Board.**

4405 (1) There is created within the [~~department~~] division the Permanent Community Impact Fund Board composed of 11 members as follows:

4407 (a) the state treasurer or the state treasurer's designee;

4408 (b) the chair of the Transportation Commission or the chair's designee;

4409 (c) the executive director of the Governor's Office of Planning and Budget or the executive director's designee;

4411 (d) a locally elected official who resides in Carbon, Emery, Grand, or San Juan County;

4412 (e) a locally elected official who resides in Juab, Millard, Sanpete, Sevier, Piute, or Wayne County;

4414 (f) a locally elected official who resides in Duchesne, Daggett, or Uintah County;

4415 (g) a locally elected official who resides in Beaver, Iron, Washington, Garfield, or Kane County;

4417 (h) a locally elected official from the county that:

4418 (i) produced the most mineral lease money related to oil extraction during the four-year period immediately preceding the term of appointment, as determined by the [~~department~~] division at the end of each term; and

4421 (ii) does not already have a representative on the impact board;

4422 (i) a locally elected official from the county that:

4423 (i) produced the most mineral lease money related to natural gas extraction during the four-year period immediately preceding the term of appointment, as determined by the [~~department~~] division at the end of each term; and

4426 (ii) does not already have a representative on the impact board;

4427 (j) a locally elected official from the county that:

4428 (i) produced the most mineral lease money related to coal extraction during the four-year period immediately preceding the term of appointment, as determined by the [~~department~~] division at the end of each term; and

4431 (ii) does not already have a representative on the impact board; and

4432 (k) an individual who resides in a county of the third, fourth, fifth, or sixth class, appointed by the governor with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies.

4435 (2)

(a) The members specified under Subsections (1)(d) through (j) may not reside in the same county and shall be:

4437 (i) nominated by the Board of Directors of the Southeastern Association of Local Governments, the Six County Association of Governments, the Uintah Basin Association of Governments, and the Five County Association of Governments, respectively, except that the members specified under Subsections (1)(h) through (j) shall be nominated by the Board of Directors of the Association of Governments from the region of the state in which the county is located; and

4443 (ii) appointed by the governor with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies.

4445 (b) Except as required by Subsection (2)(c), as terms of current board members expire, the governor shall appoint each new member or reappointed member to a four-year term.

4448 (c) Notwithstanding the requirements of Subsection (2)(b), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board members are staggered so that approximately half of the board is appointed every two years.

4452 (d) When a vacancy occurs in the membership for any reason, the replacement shall be appointed for the unexpired term.

4454 (3) When the governor makes a new appointment or reappointment under Subsection (2)(b), or a vacancy appointment under Subsection (2)(d), the governor's new appointment, reappointment, or vacancy appointment shall be made with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies.

4458 (4) The terms of office for the members specified under Subsections (1)(a) through (c) shall run concurrently with the term of office for the commission, department, or office from which each member comes.

4461 (5)

(a) The member specified under Subsection (1)(k) is the chair of the impact board.

4462 (b) The chair of the impact board is responsible for the call and conduct of meetings.

4463 (6) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

4465 (a) Section 63A-3-106;

4466 (b) Section 63A-3-107; and

4467 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

4469 (7) A member described in Subsections (1)(d) through (k) shall comply with the conflict of interest provisions described in Title 63G, Chapter 24, Part 3, Conflicts of Interest.

4471 (8)

(a) A majority of the members of the impact board constitutes a quorum.

4472 (b) Action by a majority vote of a quorum of the impact board constitutes action by the impact board.

4474 (9) The [~~department~~] division shall provide staff support to the impact board.

4756 Section 73. Section **63N-22-505** is renumbered and amended to read:

4758 **[~~35A-8-305]~~ 63N-22-505. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Powers, functions, and duties of the impact board.**

4479 (1) The impact board shall:

4480 (a) [~~make~~] award grants and loans from the amounts appropriated by the Legislature out of the impact fund to state agencies, subdivisions, and interlocal agencies that are or may be socially or economically impacted, directly or indirectly, by mineral resource development for:

4484 (i) planning;

4485 (ii) construction and maintenance of public facilities; and

4486 (iii) provision of public services;

4487 (b) establish the criteria by which the loans and grants will be [~~made~~] awarded;

4488 (c) determine the order in which projects will be funded;

4489 (d) in [~~conjunction~~] cooperation with other agencies of the state, subdivisions, or interlocal agencies, conduct studies, investigations, and research into the effects of proposed mineral resource development projects upon local communities;

4492 (e) sue and be sued in accordance with applicable law;

4493 (f) qualify for, accept, and administer grants, gifts, loans, or other funds from:

4494 (i) the federal government; and

4495 (ii) other sources, public or private; and

4496 (g) perform other duties [~~assigned to it~~] required under Sections 11-13-306 and 11-13-307.

4497 (2)

(a) [~~Money,~~] Subject to Subsection (2)(b), money, including all loan repayments and interest, in the impact fund [~~derived~~] received from bonus payments may be used for any [~~of the purposes set forth~~] purpose described in Subsection (1)(a).

4500 (b) [~~but~~] Money received under Subsection (2)(a) may only be given in the form of interest bearing loans to be paid back into the impact fund by the agency, subdivision, or interlocal agency.

4503

(3) The impact board may [~~make~~] award a grant or loan under Subsection (1) [~~regardless of~~] whether the activity results in more than one impact or outcome, including an increase in natural resource development or an increase in economic development.

4506 (4) If the public service described in Subsection (1)(a) is a contract with a public postsecondary institution described in Subsection [~~35A-8-302(9)(b)(iii)~~] 63N-22-502(9)(b)(iii), the contract shall be:

4509 (a) based on an application to the impact board from the impacted county; and

4510 (b) approved by the county legislative body.

4511 (5) The impact board may:

4512 (a) appoint, when appropriate, a hearing examiner or administrative law judge with authority to conduct hearings, make determinations, and enter appropriate findings of facts, conclusions of law, and orders under authority of the impact board in accordance with Sections 11-13-306 and 11-13-307;

4516 (b) appoint additional professional and administrative staff necessary to perform the impact board's duties under Sections 11-13-306 and 11-13-307;

4518 (c) make independent studies regarding matters submitted to the impact board under Sections 11-13-306 and 11-13-307 that the impact board, in the impact board's discretion, considers necessary, which studies shall be made a part of the record and may be considered in the impact board's determination; and

4522 (d) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement this part.

4805 Section 74. Section **63N-22-506** is renumbered and amended to read:

4807 **[~~35A-8-307~~] 63N-22-506. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Impact fund administered by impact board -- Eligibility for assistance -- Review by board -- Administration costs -- Annual report.**

4529 (1)

(a) The impact board shall:

4530 (i) administer the impact fund in a manner that will keep a portion of the impact fund revolving;

4532 (ii) determine provisions for repayment of loans;

4533 (iii) establish criteria for determining eligibility for assistance under this part; and

4534 (iv) consider recommendations from the School and Institutional Trust Lands Administration when awarding a grant described in Subsection [~~35A-8-303(6)~~] 63N-22-503(6).

4537 (b)

(i) The criteria for awarding loans or grants made from funds described in Subsection [~~35A-8-303(5)~~] 63N-22-503(5) shall be consistent with the requirements of Subsection [~~35A-8-303(5)~~] 63N-22-503(5).

4540 (ii) The criteria for awarding grants made from funds described in Subsection [~~35A-8-303(2)(c)~~] 63N-22-503(2)(c) shall be consistent with the requirements of Subsection [~~35A-8-303(6)~~] 63N-22-503(6).

4543 (c) In order to receive assistance under this part, subdivisions and interlocal agencies shall submit formal applications containing the information [~~that the impact board requires~~] required by the impact board.

4546 (2) In determining eligibility for loans and grants under this part, the impact board shall consider the following:

4548 (a) the subdivision's or interlocal agency's current mineral lease production;

4549 (b) the feasibility of the actual development or the increased development of a resource that may impact the subdivision or interlocal agency directly or indirectly;

4551 (c) current taxes being paid by the subdivision's or interlocal agency's residents;

4552 (d) the borrowing capacity of the subdivision or interlocal agency, including:

4553 (i) the subdivision's or interlocal agency's ability and willingness to sell bonds or other securities in the open market; and

4555 (ii) the subdivision's or interlocal agency's current and authorized indebtedness;

4556 (e) all possible additional sources of state and local revenue, including utility user charges;

4558 (f) the availability of federal assistance funds;

4559 (g) probable growth of population due to actual or prospective natural resource development in an area;

4561 (h) existing public facilities and services;

4562 (i) the extent of the expected direct or indirect impact upon public facilities and public services of the actual or prospective natural resource development in an area; and

4564 (j) the extent of industry participation in an impact alleviation plan, either as [~~specified~~] described in Title 63M, Chapter 5, Resource Development Act, or otherwise.

4566 (3) The impact board may not fund an education project that [~~could otherwise~~] may have reasonably been funded by a school district through a program of annual budgeting, capital budgeting, bonded indebtedness, or special assessments.

4569 (4) The impact board may restructure all or part of the agency's or subdivision's liability to repay loans for extenuating circumstances.

4571 (5) The impact board shall:

4572 (a) review the proposed uses of the impact fund for loans or grants before approving [~~them~~] the loan or grant and may condition [~~its~~]approval on whatever assurances the impact board considers necessary to ensure that proceeds of the loan or grant will be used in accordance with the Leasing Act and this part; and

4576 (b) ensure that each loan specifies the terms for repayment and is evidenced by general obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate subdivision or interlocal agency issued to the impact board [~~under whatever authority for the issuance of those bonds, notes, or obligations exists at the time of the loan~~] by the appropriate authorizing authority that existed at the time of the loan.

4582 (6) The impact board shall allocate from the impact fund to the [~~department~~] division those funds that are appropriated by the Legislature for the administration of the impact fund, [~~but this amount may not~~] not to exceed 2% of the annual receipts to the impact fund.

4585 (7) [~~The department shall include in the annual written report described in Section 35A-1-109, the number and type of loans and grants made as well as a list of subdivisions and interlocal agencies that received this assistance.~~] The division shall submit a report to the office for inclusion in the annual written report described in Section 63N-1a-306, the number and type of loan or grant awarded and the subdivision or interlocal agency that received a loan or grant award under this section.

4872 Section 75. Section **63N-22-507** is renumbered and amended to read:

4874 **[~~35A-8-308~~] 63N-22-507. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Throughput Infrastructure Fund.**

4594 (1) There is created an enterprise fund known as the "Throughput Infrastructure Fund."

4595 (2) The fund consists of money generated from the following revenue sources:

4596 (a) amounts transferred to the fund by statute;

4597 (b) [~~any~~]voluntary contributions received;

4598 (c) appropriations made to the fund by the Legislature;

4599 (d) the amounts received from the repayment of loans made by the impact board under Section [~~35A-8-309~~] 63N-22-508; and

4601 (e) interest or other earnings deposited under Subsection (3).

4602 (3) The state treasurer shall:

4603 (a) invest the money in the fund [~~by following the procedures and requirements of~~] in accordance with Title 51, Chapter 7, State Money Management Act; and

4605 (b) deposit the interest or other earnings [~~derived from those investments into the fund~~] into the fund that are received from the investments described in Subsection (3)(a).

4888 Section 76. Section **63N-22-508** is renumbered and amended to read:

4890 **[~~35A-8-309~~] 63N-22-508. {~~(Effective 07/01/26)~~}(Effective 05/06/26)Throughput Infrastructure Fund administered by impact board -- Uses -- Review by board -- Annual report -- First project.**

4612 (1) The impact board shall:

4613 (a) make grants and loans from the Throughput Infrastructure Fund created in Section [~~35A-8-308~~] 63N-22-507 for a throughput infrastructure project;

4615 (b) use money transferred to the Throughput Infrastructure Fund in accordance with statute to provide a loan or grant to finance the cost of acquisition or construction of a throughput infrastructure project to one or more local political subdivisions, including a Utah interlocal agency created under Title 11, Chapter 13, Interlocal Cooperation Act;

4620 (c) administer the Throughput Infrastructure Fund in a manner that will keep a portion of the fund revolving;

4622 (d) determine provisions for repayment of loans;

4623 (e) establish criteria for awarding loans and grants; and

4624 (f) establish criteria for determining eligibility for assistance under this section.

4625 (2) The cost of acquisition or construction of a throughput infrastructure project includes amounts for working capital, reserves, transaction costs, and other amounts determined by the impact board to be allocable to a throughput infrastructure project.

4628 (3) The impact board may restructure or forgive all or part of a local political subdivision's or interlocal agency's obligation to repay loans for extenuating circumstances.

4630 (4) To receive assistance under this section, a local political subdivision or an interlocal agency shall submit a formal application containing the information [~~that the impact board requires~~] required by the impact board.

4633 (5)

(a) The impact board shall:

4634 (i) review the proposed uses of the Throughput Infrastructure Fund for a loan or grant before approving the loan or grant and may condition [~~its~~]approval on whatever assurances the impact board considers necessary to ensure that proceeds of the loan or grant will be used in accordance with this section;

4638 (ii) ensure that each loan specifies terms for interest deferments, accruals, and scheduled principal repayment; and

4640 (iii) ensure that repayment terms are evidenced by bonds, notes, or other obligations of the appropriate local political subdivision or interlocal agency issued to the impact board and payable from the net revenues of a throughput infrastructure project.

4644 (b) An instrument described in Subsection (5)(a)(iii) may be:

4645 (i) non-recourse to the local political subdivision or interlocal agency; and

4646 (ii) limited to a pledge of the net revenues from a throughput infrastructure project.

4647 (6)

(a) Subject to the restriction in Subsection (6)(b), the impact board shall allocate from the Throughput Infrastructure Fund to the board those amounts that are appropriated by the Legislature for the administration of the Throughput Infrastructure Fund.

4650 (b) The amount described in Subsection (6)(a) may not exceed 2% of the annual receipts to the Throughput Infrastructure Fund.

4652 (7) [~~The board shall include in the annual written report described in Section 35A-1-109:~~]

4653 [~~(a) the number and type of loans and grants made under this section; and~~] shall submit a report to the office for inclusion in the annual written report described in Section 63N-1a-306, the number and type of loan or grant awarded and the subdivision or interlocal agency that received a loan or grant award under this section.

4657 [~~(b) a list of local political subdivisions or interlocal agencies that received assistance under this section.~~] The impact board

4659 (8)

(a) The first throughput infrastructure project funded by the impact board shall be a bulk commodities ocean terminal project financed through a mixture of grant and loans, of which no less than 20% of the project costs funded by the impact board is grants.

4663

(b) Upon receipt of an application from an interlocal agency for a bulk commodities ocean terminal project, the impact board shall:

4665 (i) grant up to 2% of the money in the Throughput Infrastructure Fund to the interlocal agency to pay or reimburse costs incurred by the interlocal agency preliminary to [~~its~~] the interlocal agency's acquisition of the throughput infrastructure project; and

4669 (ii) fund the interlocal agency's application if the application meets all criteria established by the impact board.

4671 (9) Notwithstanding Subsection (8) and following the procedures of this section, the impact board may issue a grant or loan for a throughput infrastructure project other than a bulk commodities ocean terminal project if the throughput infrastructure project:

4674 (a) is funded from the interest or other earnings deposited into the Throughput Infrastructure Fund;

4676 (b) is applied for by a political subdivision or interlocal agency to be distributed to a private entity described in Subsection (9)(c); and

4678 (c) is engaged in by a private entity if the private entity:

4679 (i) has the required permits to engage in mining fluorspar or gallium;

4680 (ii) will engage in the mining activity in a community within the state that is economically impacted by the Leasing Act;

4682 (iii) will draw money from the loan or grant by no later than two years from the day on which the impact board awards the loan or grant; and

4684 (iv) agrees to reimburse the Throughput Infrastructure Fund in staggered payments during a period beginning three years from the day on which the impact board approves the loan or grant and ending seven years from the day on which the impact board approves the loan or grant.

4969 Section 77. Section **63N-22-509** is renumbered and amended to read:

4971 **~~[35A-8-310]~~ 63N-22-509. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Application -- Retroactivity.**

4691 (1) The provisions of Laws of Utah 2021, Chapter 339, apply to any claim for which a court of competent jurisdiction has not issued a final unappealable judgment or order.

4693 (2) The Legislature finds that the provisions of Laws of Utah 2021, Chapter 339:

4694 (a) do not enlarge, eliminate, or destroy vested rights; and

4695 (b) clarify application of the law.

4977 Section 78. Section **63N-22-601** is renumbered and amended to read:

4698 **Part 6. Uintah Basin Revitalizatin Revitalization Fund**

4980 **~~[35A-8-1601]~~ 63N-22-601. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

4701 (1) "Board" means the Uintah Basin Revitalization Fund Board.

4702 (2) "Capital projects" means expenditures for land, improvements on the land, and equipment intended to have long-term beneficial use.

4704 (3) "County" means:

4705 (a) Duchesne County; or

4706 (b) Uintah County.

4707 (4) "Division" means the [~~Housing and Community Development Division~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity.

4710 (5) "Revitalization Fund" means the Uintah Basin Revitalization Fund.

4711 (6) "Tribe" means the Ute Indian Tribe of the Uintah and Ouray Reservation.

4993 Section 79. Section **63N-22-602** is renumbered and amended to read:

4995 **~~[35A-8-1602]~~ 63N-22-602. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Uintah Basin Revitalization Fund.**

4715 (1) In order to maximize the long-term benefit of severance taxes derived from lands held in trust by the United States for the Tribe and the Tribe's members by fostering funding mechanisms that will, consistent with sound financial practices, result in the greatest use of financial resources for the greatest number of citizens of the Uintah Basin, and in order to promote cooperation and coordination between the state, [~~its~~] the state's political subdivisions, Indian tribes, and individuals, firms, and business organizations engaged in the development of oil and gas interests held in trust for the Tribe and the Tribe's members, there is created an expendable special revenue fund entitled the "Uintah Basin Revitalization Fund."

4724 (2) The fund consists of all money deposited [~~to~~] into the Revitalization Fund under this part and Section 59-5-116.

4726 (3)

(a) The Revitalization Fund shall earn interest.

4727 (b) All interest earned on fund money shall be deposited into the fund.

4728 (4)

(a) Money required to be deposited into the Uintah Basin Revitalization Fund under Section 59-5-116 shall be deposited into the Uintah Basin Revitalization Fund if a business or activity fee or tax based on gross receipts has not been imposed by a county or the Tribe on oil and gas activities.

4732 (b) Nothing in this section prohibits a county from imposing a charge described in this Subsection (4) with respect to any gathering, transmission, or local distribution pipeline in which the county owns an interest.

4735 (c) Nothing in this section prohibits the Tribe from imposing a charge described in this Subsection (4) with respect to any gathering, transmission, or local distribution pipeline in which the Tribe owns an interest.

5019 Section 80. Section **63N-22-603** is renumbered and amended to read:

5021 **~~[35A-8-1603]~~ 63N-22-603. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Uintah Basin Revitalization Fund Board.**

4742 (1) There is created within the division the Revitalization Board composed of five members as follows:

4744 (a) the governor or his designee;

4745 (b) a Uintah County commissioner;

4746 (c) a Duchesne County commissioner; and

4747 (d) two representatives of the Business Committee of the Tribe.

4748 (2) The terms of office for the members of the board shall run concurrently with the terms of office for the governor, commissioners, and Business Committee of the Tribe.

4750 (3) The governor, or [~~his~~] the governor's designee, shall be the chair of the board.

4751 (4) Four board members are a quorum.

4752 (5) All decisions of the board require four affirmative votes.

4753 (6) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

4755 (a) Section 63A-3-106;

4756 (b) Section 63A-3-107; and

4757 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

5040 Section 81. Section **63N-22-604** is renumbered and amended to read:

5042 **~~[35A-8-1604]~~ 63N-22-604. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Powers, functions, and duties of the revitalization fund board.**

4763 (1) The board shall:

4764 (a) subject to the other provisions of this part and an agreement entered into under Title 11, Chapter 13, Interlocal Cooperation Act, among the state, the counties, and the Tribe, make recommendations to the division for grants and loans from the revitalization fund to county agencies and the Tribe that are or may be socially or economically impacted, directly or indirectly, by mineral resource development;

4769 (b) establish procedures for application for and award of grants and loans including:

4770 (i) eligibility criteria;

4771 (ii) subject to Subsection [~~35A-8-1606(2)(b)~~] 63N-22-605(2)(b), a preference that capital projects, including subsidized and low-income housing, and other one-time need projects and programs have priority over other projects;

4774 (iii) a preference for projects and programs that are associated with the geographic area where the oil and gas were produced; and

4776 (iv) coordination of projects and programs with other projects and programs funded by federal, state, and local governmental entities;

4778 (c) determine the order in which projects will be funded;

4779 (d) allocate the amount to be distributed from the revitalization fund for grants or loans to each county and the Tribe during a fiscal year as follows:

4781 (i) up to and including the first $3,000,000 that is approved for distribution by the board during a fiscal year, the board may allocate the amount in accordance with the interlocal agreement described by Subsection (1)(a), except that the board may not allocate less than 75% of the amount under the interlocal agreement to the Tribe unless the interlocal agreement is further modified by statute; and

4786 (ii) beginning with fiscal year 2007-08, any amount approved for distribution by the board during that fiscal year in excess of $3,000,000 shall be allocated equally amongst each county and the Tribe so that each receives [~~1/3~~] one-third of the amount approved for distribution by the board in excess of $3,000,000;

4790 (e) qualify for, accept, and administer grants, gifts, loans, or other funds from the federal government and from other sources, public or private; [~~and~~]

4792 (f) perform other duties assigned to [~~it~~] the board under the interlocal agreement described in Subsection (1)(a) that are not prohibited by law or otherwise modified by this part[~~.~~] ; and

4795 (g) comply with the procedures and requirements of Title 51, Chapter 7, State Money Management Act, and Title 52, Chapter 4, Open and Public Meetings Act.

4797 (2) The board shall ensure that loan repayments and interest are deposited into the revitalization fund.
4799 (3) The interlocal agreement described in Subsection (1)(a) shall be consistent with[~~ the following statutes, including any subsequent amendments to those statutes~~]:
4801 (a) this part;
4802 (b) Title 11, Chapter 13, Interlocal Cooperation Act;
4803 (c) Section 59-5-116; and
4804 (d) any other applicable provision of [~~this Utah Code~~] state law.
4805 (4) The board may:
4806 (a) appoint a hearing examiner or administrative law judge with authority to conduct any hearings, make determinations, and enter appropriate findings of facts, conclusions of law, and orders in accordance with Title 11, Chapter 13, Interlocal Cooperation Act; and
4810 (b) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement this part.
5093 Section 82. Section **63N-22-605** is renumbered and amended to read:
5095 **[~~35A-8-1606]~~ 63N-22-605. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Eligibility for assistance -- Applications -- Review by board -- Terms -- Security.**
4816 (1) [~~Counties or the Tribe that wish to receive loans or grants from the board shall submit formal applications to the board containing the information required by the board.~~] To receive a loan or grant under this part, a county or the Tribe shall submit an application to the board that contains the information required by the board.
4820 (2) The board may not fund:
4821 (a) start-up or operational costs of private business ventures; and
4822 (b) general operating budgets of the counties or the Tribe, except that the Tribe may use a grant or loan to fund costs associated with the management and administration of energy or mineral development on:
4825 (i) lands held in trust by the United States for the Tribe and [~~its~~] the Tribe's members; or
4827 (ii) lands owned by the Tribe.
4828 (3)
(a) The board shall review each application for a loan or grant before approving [~~it~~] a loan or grant application.
4830

(b) The board may approve a loan or grant [~~applications~~] application subject to the applicant's compliance with [~~certain~~] {-} the conditions established by the board.

4832 (c) The board shall:

4833 (i) ensure that each loan specifies the terms for repayment; and

4834 (ii) secure the loans by proceeds from any general obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate subdivision.

5117 Section 83. Section **63N-22-606** is renumbered and amended to read:

5119 **[~~35A-8-1607~~] 63N-22-606. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Division to distribute money -- Annual report -- Administration costs.**

4840 (1) The division shall distribute loan and grant money if the loan or grant is approved by the board.

4842 (2) [~~The division shall provide an annual report to the department concerning the number and type of loans and grants made as well as a list of recipients of this assistance for inclusion in the department's annual written report described in Section 35A-1-109~~] The division shall submit a report to the office for inclusion in the annual written report described in Section 63N-1a-306, the number and type of loan or grant awarded and a list of recipients that received a loan or grant award under this part.

4848 (3) The division, with board approval, may use fund money for the administration of the fund, [~~but this amount may~~]not to exceed 2% of the annual receipts to the fund.

5131 Section 84. Section **63N-22-701** is renumbered and amended to read:

4852

Part 7. Navaho Revitalization Fund

5134 **[~~35A-8-1702~~] 63N-22-701. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Definitions.**

As used in this part:

4855 (1) "Board" means the Navajo Revitalization Fund Board.

4856 (2) "Capital project" means an expenditure for land, improvements on the land, or equipment intended to have long-term beneficial use.

4858 (3) "Division" means the [~~Housing and Community Development Division~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity.

4861 (4) "Eligible entity" means:

4862 (a) the Navajo Nation;

4863 (b) a department or division of the Navajo Nation;

4864 (c) a Utah Navajo Chapter;

4865 (d) the Navajo Utah Commission;
4866 (e) an agency of the state or a political subdivision of the state; or
4867 (f) a nonprofit corporation.
4868 (5) "Navajo Utah Commission" means the commission created by Resolution IGRJN-134-92 of the Intergovernmental Relations Committee of the Navajo Nation Council.
4871 (6) "Revitalization fund" means the Navajo Revitalization Fund.
4872 (7) "Utah Navajo Chapter" means any of the following chapters of the Navajo Nation:
4873 (a) Aneth Chapter;
4874 (b) Dennehotso Chapter;
4875 (c) Mexican Water Chapter;
4876 (d) Navajo Mountain Chapter;
4877 (e) Oljato Chapter;
4878 (f) Red Mesa Chapter; and
4879 (g) Teec Nos Pos Chapter.
5161 Section 85. Section **63N-22-702** is renumbered and amended to read:
5163 **[35A-8-1703] 63N-22-702. {(Effective 07/01/26)}(Effective 05/06/26)Purpose.**
The purpose of this part is to:
4884 (1) maximize the long-term benefit of state severance taxes derived from lands in Utah held in trust by the United States for the Navajo Nation and [its] the Navajo Nation members by fostering funding mechanisms that will, consistent with sound financial practices, result in the greatest use of financial resources for the greatest number of citizens of San Juan County; and
4889 (2) promote cooperation and coordination between the state, [its] the state's political subdivisions, Indian tribes, and individuals, firms, and business organizations engaged in the development of oil and gas interests in Utah held in trust by the United States for the Navajo Nation and [its] the Navajo Nation members.
5174 Section 86. Section **63N-22-703** is renumbered and amended to read:
5176 **[35A-8-1704] 63N-22-703. {(Effective 07/01/26)}(Effective 05/06/26)Navajo Revitalization Fund.**
4896 (1)
(a) There is created an expendable special revenue fund called the "Navajo Revitalization Fund."
4898 (b) The revitalization fund shall consist of:

4899 (i) money deposited to the revitalization fund under this part;
4900 (ii) money deposited to the revitalization fund under Section 59-5-119; and
4901 (iii) any loan repayment or interest on a loan issued under this part.
4902 (2)
(a) The revitalization fund shall earn interest.
4903 (b) The interest earned on revitalization fund money shall be deposited into the fund.
4904 (3) Beginning for fiscal year 2010-11, the division may use revitalization fund money for the administration of the revitalization fund, [~~but this amount may not~~] not to exceed 4% of the annual receipts to the revitalization fund.
4907 (4) The fund:
4908 (a) consists of state severance tax money to be spent at the discretion of the state; and
4909 (b) does not constitute a trust fund.
5191 Section 87. Section **63N-22-704** is renumbered and amended to read:
5193 **~~[35A-8-1705]~~ 63N-22-704. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Navajo Revitalization Fund Board.**
4914 (1) There is created within the division the Navajo Revitalization Fund Board composed of five members as follows:
4916 (a) the governor or the governor's designee;
4917 (b) the two members of the San Juan County commission whose districts include portions of the Navajo Reservation;
4919 (c) the chair of the Navajo Utah Commission or a member of the commission designated by the chair of the Navajo Utah Commission; and
4921 (d) beginning July 1, 2008, a president of a Utah Navajo Chapter or an individual designated by the president under an annual rotation system of Utah Navajo Chapters as follows:
4924 (i) the president of a Utah Navajo Chapter shall serve for one year;
4925 (ii) the Utah Navajo Chapter is rotated in alphabetical order as provided in Subsection [~~35A-8-1702(7)~~] 63N-22-701(7), except that the rotation will begin on July 1, 2008, with the Dennehotso Chapter; and
4928 (iii) if the president of a Utah Navajo Chapter under Subsection (1)(d)(ii) is the same individual as the individual listed in Subsection (1)(c):
4930 (A) that Utah Navajo Chapter is skipped as part of [~~that~~] the annual rotation; and

4931 (B) the president of the next Utah Navajo Chapter in the alphabetical rotation shall serve on the board.

4933 (2) The term of office for a member of the board described in Subsections (1)(a) through (c) runs concurrently with the term of office for the governor, county commissioner, or member of the Navajo Utah Commission.

4936 (3)

(a) The governor, or the governor's designee, [~~is~~] shall be the chair of the board.

4937 (b) The chair shall call necessary meetings.

4938 (4) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

4940 (a) Section 63A-3-106;

4941 (b) Section 63A-3-107; and

4942 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

4944 (5) The per diem and travel expenses permitted under Subsection (4) may be included as costs of administration of the revitalization fund.

4946 (6) Four board members are a quorum.

4947 (7) An affirmative vote of each member of the board present at a meeting when a quorum is present is required for a board decision related to money in or disbursed from the revitalization fund.

5231 Section 88. Section **63N-22-705** is renumbered and amended to read:

5233 **~~[35A-8-1706]~~ 63N-22-705. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Powers, functions, and duties of the revitalization fund board.**

4954 (1) The board shall:

4955 (a) direct the division regarding grants and loans from the revitalization fund to eligible entities to serve persons that are or may be socially or economically impacted, directly or indirectly, by mineral resource development;

4958 (b) establish procedures for application for an award of grants and loans including eligibility criteria;

4960 (c) coordinate projects and programs with other projects and programs funded by federal, state, and local government entities;

4962 (d) determine the order in which projects will be funded; and

4963 (e) be subject to the procedures and requirements under Title 52, Chapter 4, Open and Public Meetings Act.

4965 (2) The board may:

4966 (a) qualify for, accept, and administer grants, gifts, loans, or other funds from the federal government and from other sources, public or private; and

4968 (b) make rules, [~~under~~] in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, [~~if necessary to perform its responsibilities~~] to implement this part.

5251 Section 89. Section **63N-22-706** is renumbered and amended to read:

5253 **[~~35A-8-1707]~~ 63N-22-706. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Revitalization fund administered by board -- Eligibility for assistance -- Review by board -- Restrictions on loans and grants -- Division to distribute money -- Annual report.**

4975 (1)

{~~[~~(a) }[~~If an eligible entity wishes to receive a loan or grant from the board, the eligible~~] To receive a loan or grant under this part, an eligible entity shall [~~file an application with the board~~] submit an application to the board that contains the information required by the board.

4979 {~~[~~(b){~~]~~} {~~(a)}~~ } The board shall review an application for a loan or grant [~~filed~~] submitted under Subsection (1)(a) before approving the loan or grant.

4981 {~~[~~(c){~~]~~} {~~(b)}~~ } The board may approve a loan or grant application subject to the applicant's compliance with the one or more conditions established by the board.

4983 (2) In determining whether an eligible entity may receive a loan or grant, the board shall give priority to:

4985 (a) a capital project or infrastructure, including:

4986 (i) electrical power;

4987 (ii) water; and

4988 (iii) a one time need project;

4989 (b) a housing project that consists of:

4990 (i) the purchase of new housing;

4991 (ii) the construction of new housing; or

4992 (iii) a significant remodeling of existing housing; or

4993 (c) a matching educational endowment that:

4994 (i) promotes economic development within the Utah portion of the Navajo Reservation;

4996 (ii) promotes the preservation of Navajo culture, history, and language; or

4997 (iii) supports a postsecondary educational opportunity for a Navajo student enrolled in a course or program taught within the Utah portion of the Navajo Reservation.

4999 (3) A loan or grant issued under this part may not fund:
5000 (a) a start-up or operational cost of a private business venture;
5001 (b) a general operating budget of an eligible entity; or
5002 (c) a project that will operate or be located outside of the Navajo Reservation in San Juan County, Utah, except for an educational endowment approved by the board under Subsection (2)(c).
5005 (4)
(a) The board may not approve a loan unless the loan:
5006 (i) specifies the terms for repayment; and
5007 (ii) is secured by proceeds from a general obligation, special assessment, or revenue bond, note, or other obligation.
5009 (b) The division shall deposit a loan repayment or interest on a loan issued under this part into the revitalization fund.
5011 (5) The board shall give a priority to a loan or grant if the loan or grant includes matching money or in-kind services from:
5013 (a) the Navajo Nation;
5014 (b) San Juan County;
5015 (c) the state;
5016 (d) the federal government;
5017 (e) a Utah Navajo Chapter; or
5018 (f) other private or public organization.
5019 (6) The division shall distribute loan and grant money:
5020 (a) if the loan or grant is approved by the board;
5021 (b) in accordance with the instructions of the board, except that the board may not instruct that money be distributed in a manner:
5023 (i) inconsistent with this part; or
5024 (ii) in violation of a rule or procedure of the department; and
5025 (c) [~~in the case of a loan~~] <u>if the distribution is a loan</u>, in accordance with Section 63A-3-205.
5027 <u>(7) The division shall submit a report to the office for inclusion in the annual written report described in Section 63N-1a-306, the number and type of loan or grant awarded and a list of recipients that received a loan or grant award under this part.</u>
5311 Section 90. Section **63N-22-801** is renumbered and amended to read:

5032 **Part 8. Homeless Housing and Services Grant Program**

5314 **[35A-16-601] 63N-22-801. {(Effective 07/01/26)}(Effective 05/06/26)Definitions.**

As used in this part:

5035 (1) "COVID-19" means:

5036 (a) severe acute respiratory syndrome coronavirus 2; or

5037 (b) the disease caused by severe acute respiratory syndrome coronavirus 2.

5038 (2) "COVID-19 emergency" means the spread of COVID-19 that the World Health Organization declared a pandemic on March 11, 2020.

5040 (3) "Grant program" means the COVID-19 Homeless Housing and Services Grant Program established in Section [35A-16-602] 63N-22-802.

5323 Section 91. Section **63N-22-802** is renumbered and amended to read:

5325 **[35A-16-602] 63N-22-802. {(Effective 07/01/26)}(Effective 05/06/26)COVID-19 Homeless Housing and Services Grant Program.**

5046 (1) There is established the COVID-19 Homeless Housing and Services Grant Program, a competitive grant program administered by the office and funded in accordance with 42 U.S.C. Sec. 802.

5049 (2) The office shall distribute money to fund one or more projects that:

5050 (a) include affordable housing units for households:

5051 (i) whose income is no more than 30% of the area median income for households of the same size in the county or municipality where the project is located;

5053 (ii) at rental rates no greater than 30% of the income described in Subsection (2)(a)(i) for a household of:

5055 (A) one person if the unit is an efficiency unit;

5056 (B) two people if the unit is a one-bedroom unit;

5057 (C) four people if the unit is a two-bedroom unit;

5058 (D) five people if the unit is a three-bedroom unit;

5059 (E) six people if the unit is a four-bedroom unit; or

5060 (F) eight people if the unit is a five-bedroom or larger unit; and

5061 (iii) that have been impacted by the COVID-19 emergency in accordance with 42 U.S.C. Sec. 802; and

5063 (b) have been approved by the board.

5064 (3) The office shall:

5065 (a) administer the grant program, including:

5066 (i) reviewing grant applications and making recommendations to the board; and
5067 (ii) distributing grant money to approved grant recipients; and
5068 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to administer the program, including:
5070 (i) grant application requirements;
5071 (ii) procedures to approve a grant; and
5072 (iii) procedures for distributing money to grant recipients.
5073 (4) Except as provided in Subsection (5), when reviewing an application for approval, the board shall consider:
5075 (a) an applicant's rental income plan;
5076 (b) proposed case management and service plans for households;
5077 (c) any matching funds proposed by an applicant;
5078 (d) proposed restrictions, including deed restrictions, and the duration of restrictions on housing units to facilitate long-term assistance to households;
5080 (e) whether use of funds for the proposed project complies with 42 U.S.C. Sec. 802; and
5081 (f) any other considerations as adopted by the board.
5082 (5) A licensed residential, vocational and life skills program, as defined in Section 13-53-102, is exempt from the requirements described in Subsections (4)(a), (b), and (f).
5084 (6) A grant award under this section shall comply with the requirements of 42 U.S.C. Sec. 802.
5367 Section 92. Section **92** is enacted to read:
5368 **Part 9. Fund Reporting Requirements**
5369 **63N-22-901. State funds or state-administered federal funds reporting requirements.**
5371 (1) As used in this section:
5372 (a) "Affordable housing project" means housing that is constructed, developed, or rehabilitated for occupancy by low and moderate income individuals whose incomes are at or below certain income requirements.
5375 (b) "Housing sponsor" means the same as that term is defined in Section 63N-22-301.
5376 (c)
(i) "Project investments" means the total amount of state funds or state-administered federal funds awarded to a housing sponsor for the purposes of an affordable housing project.
5379 (ii) "Project investments" includes:

5380 (A) a housing sponsor's matching funds or leveraged contributions for an affordable housing project if the matching funds or leveraged contributions are required as a condition for an award of state funds or state-administered federal funds for an affordable housing project;

5384 (B) housing tax incentives, administered by the Utah Housing Corporation in accordance with Title 63H, Chapter 8, Utah Housing Corporation Act, that are provided to a housing sponsor for an affordable housing project; or

5387 (C) any other type of incentive, credit, or financial assistance provided to a housing sponsor by a state agency or political subdivision for an affordable housing project.

5390 (2)

(a) Except as provided in Subsection (2)(b) or (c), on or before September 1 of each year, a housing sponsor that receives state funds or state-administered federal funds for the purposes of an affordable housing project shall provide a written report to the division of:

5394 (i) a summary of the housing sponsor's project investments;

5395 (ii) the location of the affordable housing project;

5396 (iii) the number of affordable housing units built;

5397 (iv) the area median income served by the affordable housing project;

5398 (v) the number of units deed restricted, including the period of the deed restriction; and

5400 (vi) the amount of unspent state funds or state-administered federal funds.

5401 (b) If an affordable housing project is not completed before the written report described in Subsection (2)(a) is due, a housing sponsor shall provide a written report to the division on the housing sponsor's progress and status towards the affordable housing project and project investments.

5405 (c) If a housing sponsor is required to report on the housing sponsor's compliance with the terms and conditions of a state or state-administered federal affordable housing program as a condition of the receipt of program funds, the housing sponsor shall submit the required information described in this Subsection (3)(c) to the division for inclusion in the written report described in Subsection (2)(a).

5410 (3) The division shall submit a summary of the written reports received under Subsection (2) to the office for inclusion in the annual written report described in Section 63N-1a-306.

5412 Section 93. Section **72-1-215** is amended to read:

5413 **72-1-215. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Affordable housing study.**

5088

(1) As used in this section, "moderate income housing unit" means a housing unit that has an appraised value that would allow, as estimated by the department, a household whose income is no more than 80% of the area median income to occupy the housing unit paying no more than 30% of the household's income for gross housing costs, including utilities.

5093 (2) On or before September 15, the department shall provide a written report to the Economic Development and Workforce Services Interim Committee [~~and to the Commission on Housing Affordability created in Section 35A-8-2201~~] and the Political Subdivisions Interim Committee that describes:

5097 (a) the total number of housing units that were permanently vacated or destroyed as a result of department action in the previous fiscal year, including separate subtotals describing the total number of housing units with one bedroom, two bedrooms, three bedrooms, and four or more bedrooms, which were permanently vacated or destroyed as a result of department action in the previous fiscal year; and

5102 (b) the total number of moderate income housing units that were permanently vacated or destroyed as a result of department action in the previous fiscal year, including separate subtotals describing the total number of moderate income housing units with one bedroom, two bedrooms, three bedrooms, and four or more bedrooms, which were permanently vacated or destroyed as a result of department action in the previous fiscal year.

5434 Section 94. Section **72-1-304** is amended to read:

5435 **72-1-304. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Written project prioritization process for new transportation capacity projects -- Rulemaking.**

5111 (1)

(a) The Transportation Commission, in consultation with the department and the metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a written prioritization process for the prioritization of:

5114 (i) new transportation capacity projects that are or will be part of the state highway system under Chapter 4, Part 1, State Highways;

5116 (ii) paved pedestrian or paved nonmotorized transportation projects described in Section 72-2-124;

5118 (iii) public transit projects that directly add capacity to the public transit systems within the state, not including facilities ancillary to the public transit system; and

5120

(iv) pedestrian or nonmotorized transportation projects that provide connection to a public transit system.

5122 (b)

(i) A local government or public transit district may nominate a project for prioritization in accordance with the process established by the commission in rule.

5124 (ii) If a local government or public transit district nominates a project for prioritization by the commission, the local government or public transit district shall provide data and evidence to show that:

5127 (A) the project will advance the purposes and goals described in Section 72-1-211;

5128 (B) for a public transit project, the local government or public transit district has an ongoing funding source for operations and maintenance of the proposed development; and

5131 (C) the local government or public transit district will provide the percentage of the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(10)(e).

5134 (2) The following shall be included in the written prioritization process under Subsection (1):

5135 (a) a description of how the strategic initiatives of the department adopted under Section 72-1-211 are advanced by the written prioritization process;

5137 (b) a definition of the type of projects to which the written prioritization process applies;

5138 (c) specification of a weighted criteria system that is used to rank proposed projects and how it will be used to determine which projects will be prioritized;

5140 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

5141 (e) any other provisions the commission considers appropriate, which may include consideration of:

5143 (i) regional and statewide economic development impacts, including improved local access to:

5145 (A) employment;

5146 (B) educational facilities;

5147 (C) recreation;

5148 (D) commerce; and

5149 (E) residential areas, including moderate income housing as demonstrated in the local government's or public transit district's general plan in accordance with Section 10-20-404 or 17-79-403;

5152 (ii) the extent to which local land use plans relevant to a project support and accomplish the strategic initiatives adopted under Section 72-1-211; and

5154

(iii) any matching funds provided by a political subdivision or public transit district in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii) and 72-2-124(10)(e).

5157 (3)

(a) When prioritizing a public transit project that increases capacity, the commission:

5158 (i) may give priority consideration to projects that are part of a transit-oriented development or transit-supportive development as defined in Section 17B-2a-802; and

5161 (ii) shall give priority consideration to projects that are within the boundaries of a housing and transit reinvestment zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

5164 (b) When prioritizing a transportation project that increases capacity, the commission may give priority consideration to projects that are:

5166 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:

5167 (A) the state is a participant in the transportation reinvestment zone; or

5168 (B) the commission finds that the transportation reinvestment zone provides a benefit to the state transportation system; or

5170 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

5172 (c) If the department receives a notice of prioritization for a municipality as described in Subsection 10-21-202(5), or a notice of prioritization for a county as described in Subsection 17-80-202(5), the commission may give priority consideration to transportation projects that are within the boundaries of the municipality or the unincorporated areas of the county until the department receives notification from the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity that the municipality or county no longer qualifies for prioritization under this Subsection (3)(c).

5181 (d) When prioritizing a transportation project described in Subsection (1)(a)(ii) or (iv), the commission may give priority consideration to projects that improve connectivity in accordance with Section 10-8-87.

5184 (4) In developing the written prioritization process, the commission:

5185 (a) shall seek and consider public comment by holding public meetings at locations throughout the state; and

5187 (b) may not consider local matching dollars as provided under Section 72-2-123 unless the state provides an equal opportunity to raise local matching dollars for state highway improvements within each county.

5190 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the Transportation Commission, in consultation with the department, shall make rules establishing the written prioritization process under Subsection (1).

5193 (6) The commission shall submit the proposed rules under this section to the Transportation Interim Committee for review before taking final action on the proposed rules or any proposed amendment to the rules described in Subsection (5).

5522 Section 95. Section **72-2-124** is amended to read:

5523 **72-2-124. ~~{(Effective 07/01/26)}~~(Effective 07/01/26) (Effective 05/06/26)Transportation Investment Fund of 2005.**

5198 (1) There is created a capital projects fund entitled the Transportation Investment Fund of 2005.

5200 (2) The fund consists of money generated from the following sources:

5201 (a) any voluntary contributions received for the maintenance, construction, reconstruction, or renovation of state and federal highways;

5203 (b) appropriations made to the fund by the Legislature;

5204 (c) registration fees designated under Section 41-1a-1201;

5205 (d) the sales and use tax revenues deposited into the fund in accordance with Section 59-12-103;

5207 (e) revenues transferred to the fund in accordance with Section 72-2-106;

5208 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and

5209 (g) revenue from bond proceeds described in Section 63B-34-201.

5210 (3)

(a) The fund shall earn interest.

5211 (b) All interest earned on fund money shall be deposited into the fund.

5212 (4)

(a) Except as provided in Subsection (4)(b), the executive director may only use fund money to pay:

5214 (i) the costs of maintenance, construction, reconstruction, or renovation to state and federal highways prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

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(ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects described in Subsections 63B-18-401(2), (3), and (4);

5220 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in Section 72-5-401;

5222 (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 minus the costs paid from the County of the First Class Highway Projects Fund in accordance with Subsection 72-2-121(4)(e);

5225 (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the debt service on $30,000,000 of the revenue bonds issued by Salt Lake County;

5230 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects prioritized in accordance with Section 72-2-125;

5232 (vii) for fiscal year 2015-16 only, to transfer $25,000,000 to the County of the First Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described in Section 72-2-121;

5235 (viii) if a political subdivision provides a contribution equal to or greater than 40% of the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved nonmotorized transportation for projects that:

5238 (A) mitigate traffic congestion on the state highway system;

5239 (B) are part of an active transportation plan approved by the department; and

5240 (C) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

5242 (ix) $705,000,000 for the costs of right-of-way acquisition, construction, reconstruction, or renovation of or improvement to the following projects:

5244 (A) the connector road between Main Street and 1600 North in the city of Vineyard;

5246 (B) Geneva Road from University Parkway to 1800 South;

5247 (C) the SR-97 interchange at 5600 South on I-15;

5248 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to South Jordan Parkway;

5250 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;

5251 (F) improvements to 1600 North in Orem from 1200 West to State Street;

5252 (G) widening I-15 between mileposts 6 and 8;
5253 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
5254 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in Spanish Fork Canyon;
5256 (J) I-15 northbound between mileposts 43 and 56;
5257 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43 and 45.1;
5259 (L) east Zion SR-9 improvements;
5260 (M) Toquerville Parkway;
5261 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
5262 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for construction of an interchange on Bangerter Highway at 13400 South; and
5264 (P) an environmental impact study for Kimball Junction in Summit County;
5265 (x) $28,000,000 as pass-through funds, to be distributed as necessary to pay project costs based upon a statement of cash flow that the local jurisdiction where the project is located provides to the department demonstrating the need for money for the project, for the following projects in the following amounts:
5269 (A) $5,000,000 for Payson Main Street repair and replacement;
5270 (B) $8,000,000 for a Bluffdale 14600 South railroad bypass;
5271 (C) $5,000,000 for improvements to 4700 South in Taylorsville; and
5272 (D) $10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40 between mile markers 7 and 10;
5274 (xi) $13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way acquisition, construction, reconstruction, or renovation to connect Fingerhut Road over the railroad and to U.S. Highway 6;
5277 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from revenue deposited into the fund in accordance with Section 59-12-103, for the following projects:
5280 (A) $3,000,000 for the department to perform an environmental study for the I-15 Salem and Benjamin project; and
5282 (B) $2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand Dunes Road project; and
5284

(xiii) for a fiscal year beginning on July 1, 2025, up to $300,000,000 for the costs of right-of-way acquisition and construction for improvements on SR-89 in a county of the first class.

5287 (b) The executive director may use fund money to exchange for an equal or greater amount of federal transportation funds to be used as provided in Subsection (4)(a).

5289 (c)

(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may not commence until a right-of-way not owned by a federal agency that is required for the realignment and extension of U-111, as described in the department's 2023 environmental study related to the project, is dedicated to the department.

5293 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the project as described in Subsection (4)(c)(i) on or before October 1, 2024, the department may proceed with the project, except that the project will be limited to two lanes on U-111 from Herriman Parkway to 11800 South.

5297 (5)

(a) Except as provided in Subsection (5)(b), if the department receives a notice of ineligibility for a municipality as described in Subsection 10-21-202(8), the executive director may not program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of the municipality until the department receives notification from the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity that ineligibility under this Subsection (5) no longer applies to the municipality.

5306 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive director:

5308 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility or interchange connecting limited-access facilities;

5310 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;

5312 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and

5314

(iv) may not program Transit Transportation Investment Fund money for the construction, reconstruction, or renovation of a station that is part of a fixed guideway public transportation project.

5317 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.

5320 (6)

(a) Except as provided in Subsection (6)(b), if the department receives a notice of ineligibility for a county as described in Subsection 17-80-202(8), the executive director may not program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of the unincorporated area of the county until the department receives notification from the [~~Housing and Community Development Division within the Department of Workforce Services~~] Division of Housing and Community Development within the Governor's Office of Economic Opportunity that ineligibility under this Subsection (6) no longer applies to the county.

5329 (b) Within the boundaries of the unincorporated area of a county described in Subsection (6)(a), the executive director:

5331 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility to a project prioritized by the commission under Section 72-1-304;

5334 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;

5336 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and

5338 (iv) may not program Transit Transportation Investment Fund money for the construction, reconstruction, or renovation of a station that is part of a fixed guideway public transportation project.

5341 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.

5344 (7)

(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in any fiscal year, the department and the commission shall appear before the Executive Appropriations Committee of the Legislature and present the amount of bond proceeds that the department needs to provide funding

for the projects identified in Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

5350 (b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.

5352 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or sinking fund.

5356 (9) The executive director may only use money in the fund for corridor preservation as described in Subsection (4)(a)(iii):

5358 (a) if the project has been prioritized by the commission, including the use of fund money for corridor preservation; or

5360 (b) for a project that has not been prioritized by the commission, if the commission:

5361 (i) approves the use of fund money for the corridor preservation; and

5362 (ii) finds that the use of fund money for corridor preservation will not result in any delay to a project that has been prioritized by the commission.

5364 (10)

(a) There is created in the Transportation Investment Fund of 2005 the Transit Transportation Investment Fund.

5366 (b) The fund shall be funded by:

5367 (i) contributions deposited into the fund in accordance with Section 59-12-103;

5368 (ii) appropriations into the account by the Legislature;

5369 (iii) deposits of sales and use tax increment related to a housing and transit reinvestment zone as described in Section 63N-3-610;

5371 (iv) transfers of local option sales and use tax revenue as described in Subsection 59-12-2220(11)(b) or (c);

5373 (v) private contributions; and

5374 (vi) donations or grants from public or private entities.

5375 (c)

(i) The fund shall earn interest.

5376 (ii) All interest earned on fund money shall be deposited into the fund.

5377 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:

5378 (i) for public transit capital development of new capacity projects and fixed guideway capital development projects to be used as prioritized by the commission through the prioritization process adopted under Section 72-1-304;

5381 (ii) to the department for oversight of a fixed guideway capital development project for which the department has responsibility; or

5383 (iii) up to $500,000 per year, to be used for a public transit study.

5384 (e)

(i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize money from the fund for a public transit capital development project or pedestrian or nonmotorized transportation project that provides connection to the public transit system if the public transit district or political subdivision provides funds of equal to or greater than 30% of the costs needed for the project.

5389 (ii) A public transit district or political subdivision may use money derived from a loan granted in accordance with Part 2, State Infrastructure Bank Fund, to provide all or part of the 30% requirement described in Subsection (10)(e)(i) if:

5392 (A) the loan is approved by the commission as required in Part 2, State Infrastructure Bank Fund; and

5394 (B) the proposed capital project has been prioritized by the commission pursuant to Section 72-1-303.

5396 (f) Before July 1, 2022, the department and a large public transit district shall enter into an agreement for a large public transit district to pay the department $5,000,000 per year for 15 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and trainsets for regional public transit rail systems.

5400 (g) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(b):

5402 (i) the commission may prioritize money from the fund for public transit projects, operations, or maintenance within the county of the first class; and

5404 (ii) Subsection (10)(e) does not apply.

5405 (h) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(c):

5407 (i) the commission may prioritize public transit projects, operations, or maintenance in the county from which the revenue was generated; and

5409 (ii) Subsection (10)(e) does not apply.

5410 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for the project described in Subsection (10)(e) does not apply to a public transit capital development project or pedestrian or nonmotorized transportation project that the department proposes.

5414 (j) In accordance with Part 4, Public Transit Innovation Grants, the commission may prioritize money from the fund for public transit innovation grants, as defined in Section 72-2-401, for public transit capital development projects requested by a political subdivision within a public transit district.

5418 (11)

(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood Canyons Transportation Investment Fund.

5420 (b) The fund shall be funded by:

5421 (i) money deposited into the fund in accordance with Section 59-12-103;

5422 (ii) appropriations into the account by the Legislature;

5423 (iii) private contributions; and

5424 (iv) donations or grants from public or private entities.

5425 (c)

(i) The fund shall earn interest.

5426 (ii) All interest earned on fund money shall be deposited into the fund.

5427 (d) The Legislature may appropriate money from the fund for public transit or transportation projects in the Cottonwood Canyons of Salt Lake County.

5429 (e) The department may use up to 2% of the revenue deposited into the account under Subsection 59-12-103(4)(f) to contract with local governments as necessary for public safety enforcement related to the Cottonwood Canyons of Salt Lake County.

5432 (f) Beginning with fiscal year beginning on July 1, 2025, the department shall use any sales and use tax growth over sales and use tax collections during the 2025 fiscal year to fund projects to provide ingress and egress for a public transit hub, including construction of the public transit hub, in the Big Cottonwood Canyon area.

5436 (12)

(a) There is created in the Transportation Investment Fund of 2005 the Active Transportation Investment Fund.

5438 (b) The fund shall be funded by:

5439 (i) money deposited into the fund in accordance with Section 59-12-103;

5440 (ii) appropriations into the account by the Legislature; and

5441 (iii) donations or grants from public or private entities.

5442 (c)

(i) The fund shall earn interest.

5443 (ii) All interest earned on fund money shall be deposited into the fund.

5444 (d) The executive director may only use fund money to pay the costs needed for:

5445 (i) the planning, design, construction, maintenance, reconstruction, or renovation of paved pedestrian or paved nonmotorized trail projects that:

5447 (A) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

5449 (B) serve a regional purpose; and

5450 (C) are part of an active transportation plan approved by the department or the plan described in Subsection (12)(d)(ii);

5452 (ii) the development of a plan for a statewide network of paved pedestrian or paved nonmotorized trails that serve a regional purpose; and

5454 (iii) the administration of the fund, including staff and overhead costs.

5455 (13)

(a) As used in this Subsection (13), "commuter rail" means the same as that term is defined in Section 63N-3-602.

5457 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail Subaccount.

5459 (c) The subaccount shall be funded by:

5460 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;

5461 (ii) appropriations into the subaccount by the Legislature;

5462 (iii) private contributions; and

5463 (iv) donations or grants from public or private entities.

5464 (d)

(i) The subaccount shall earn interest.

5465 (ii) All interest earned on money in the subaccount shall be deposited into the subaccount.

5467 (e) As prioritized by the commission through the prioritization process adopted under Section 72-1-304 or as directed by the Legislature, the department may only use money from the subaccount for projects that improve the state's commuter rail infrastructure, including the building or improvement of grade-separated crossings between commuter rail lines and public highways.

5472 (f) Appropriations made in accordance with this section are nonlapsing in accordance with Section 63J-1-602.1.

5801 Section 96. Section **73-10c-3** is amended to read:

5802 **73-10c-3. ~~{(Effective 07/01/26)}~~(Effective 05/06/26)Water Development Coordinating Council created -- Purpose -- Members.**

5477 (1)

(a) There is created within the Department of Natural Resources a Water Development Coordinating Council. The council is comprised of:

5479 (i) the director of the Division of Water Resources;

5480 (ii) the executive secretary of the Water Quality Board;

5481 (iii) the executive secretary of the Drinking Water Board;

5482 (iv) the director of the [~~Housing and Community Development Division~~] Division of Community Services or the director's designee;

5484 (v) the state treasurer or the state treasurer's designee;

5485 (vi) the commissioner of the Department of Agriculture and Food, or the commissioner's designee; and

5487 (vii) an individual appointed by the governor with the advice and consent of the Senate who is:

5489 (A) familiar with water infrastructure projects, including planning, financing, construction, or operation; and

5491 (B) employed by a water conservancy district that is subject to the asset management criteria [~~of~~] described in Section 17B-2a-1010.

5493 (b) The council shall choose a chair and vice chair from among the council's own members, except the chair and vice chair may not be from the same department.

5495 (c) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

5497 (i) Section 63A-3-106;

5498 (ii) Section 63A-3-107; and

5499 (iii) rules made by the Division of Finance [~~pursuant to~~] in accordance with Sections 63A-3-106 and 63A-3-107.

5501 (2) The purposes of the council are to:

5502 (a) coordinate the use and application of the money available to the state to give financial assistance to political subdivisions of this state so as to promote the conservation, development, treatment, restoration, and protection of the waters of this state;

5506 (b) promote the coordination of the financial assistance programs administered by the state and the use of the financing alternative most economically advantageous to the state and [~~its~~] the political subdivisions of the state;

5509 (c) promote the consideration by the Board of Water Resources, Drinking Water Board, and Water Quality Board of regional solutions to the water and wastewater needs of individual political subdivisions of this state;

5512 (d) assess the adequacy and needs of the state and [~~its~~] the political subdivisions [~~with respect to~~] of the state concerning water-related infrastructures and advise the governor and the Legislature on those funding needs;

5515 (e) conduct reviews and reports on water-related infrastructure issues as directed by statute;

5517 (f) engage in planning and prioritization of water infrastructure projects in accordance with Chapter 10g, Part 6, Planning and Prioritization; and

5519 (g) expend money from the Water Infrastructure Fund in accordance with Section 73-10g-107.

5848 Section 97. **Repealer.**

This Bill Repeals:

5849 This bill repeals:

5850 Section **35A-8-306, Powers.**

5851 Section **35A-8-504.5, Low-income ADU loan guarantee pilot program.**

5852 Section **35A-8-504.6, Subordinate shared appreciation loan program.**

5853 Section **35A-8-801, Title.**

5854 Section **35A-8-802, Legislative policy and purpose.**

5855 Section **35A-8-901, Assistance to domestic violence shelters -- Rulemaking authority.**

5856 Section **35A-8-1605, Powers.**

5857 Section **35A-8-1608, Deposits into fund.**

5858 Section **35A-8-1708, Annual report.**

5859 Section **35A-8-2101, Title -- Purpose.**

5860 Section **35A-8-2201, Definitions.**

5861 Section **35A-8-2202, Commission on Housing Affordability.**

5862 Section **35A-8-2203, Duties of the commission.**

5863 Section **35A-8-2204, Annual report.**

5864 Section 98. **FY 2027 Appropriations.**

5865 The following sums of money are appropriated for the fiscal year beginning July 1,
5866 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for
5867 fiscal year 2027.
5868 Subsection 98(a). **Operating and Capital Budgets**
5869 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
5870 Legislature appropriates the following sums of money from the funds or accounts indicated for
5871 the use and support of the government of the state of Utah.
5872 ITEM 1 To Governor's Office of Economic Opportunity - Division of Housing and
5873 Community Development
5874 From General Fund 345,000
5875 Schedule of Programs:
5876 Division of Housing and Community Development 345,000
5878 ITEM 2 To Governor's Office - Governor's Office Operations
5879 From General Fund (345,000)
5880 Schedule of Programs:
5881 Administration (345,000)
5882 Section 99. **Effective date.**
Effective Date.
This bill takes effect on {~~July 1,~~ } May 6, 2026.
2-25-26 2:16 PM