

# HB0507S04 compared with HB0507S01

~~{Omitted text}~~ shows text that was in HB0507S01 but was omitted in HB0507S04  
inserted text shows text that was not in HB0507S01 but was inserted into HB0507S04

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1

**State Coordination of Regional and Local  
Economic Development Projects Amendments  
2026 GENERAL SESSION  
STATE OF UTAH  
Chief Sponsor: Calvin Roberts  
Senate Sponsor: Kirk A. Cullimore**



2

3 **LONG TITLE**

4 **General Description:**

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

7 **Highlighted Provisions:**

8 This bill:

- 9 ▶ defines terms and modifies definitions;
- 10 ▶ prohibits a political subdivision from providing an incentive to a large load {~~customer~~} data  
center, with exceptions;
- 12 ▶ establishes the State Reinvestment Restricted Account (account);
- 13 ▶ describes the potential uses for money in the account;
- 14 ▶ directs the Utah Inland Port Authority to deposit certain revenues into the account;
- 15 ▶ modifies certain requirements for a public infrastructure district;
- 16 ▶ provides a process for the dissolution of a public infrastructure district;
- 17 ▶

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requires the disclosure of the expected annual cost of a public infrastructure district's certified tax rate, as shown on the last equalized assessment rolls, in the conveyance of residential real property, if applicable;

- 20       ▶ creates the optional County Energy Excise Tax;
- 21       ▶ requires the State Tax Commission to deposit revenue, in certain circumstances, into the account;
- 23       ▶ provides that certain records related to economic development projects, including  
nondisclosure agreements, may be classified as protected records;
- 25       ▶ modifies the process for a person providing a record to a governmental entity to make a  
claim of confidentiality regarding the record;
- 27       ▶ modifies provisions governing the sharing of a protected record;
- 28       ▶ requires the risk manager to make rules to establish the limit of liability for damages from  
the intentional disclosure of a protected record;
- 30       ▶ provides that a housing and transit reinvestment zone, first home investment zone,  
convention center reinvestment zone, or home ownership promotion zone may not be created after  
January 1, 2028;
- 33       ▶ provides retrospective operation for certain provisions governing a housing and transit  
reinvestment zone, first home investment zone, and convention center reinvestment zone to May 4,  
2022;
- 36       ▶ requires the Political Subdivisions Interim Committee to create a working group and  
describes the membership of the working group;
- 23       ▶ creates a process for a county or city to propose a regionally significant development zone (zone)  
and for a committee to approve the creation of a zone;
- 25       ▶ authorizes a zone to capture and utilize certain forms of tax increment;
- 26       ▶ describes how a zone will be managed, including how a community reinvestment agency  
(agency) will manage zone funds, prepare zone budgets, conduct zone audits, and make biennial reports;
- 29       ▶ describes the circumstances in which an agency or a county treasurer shall transfer a percentage  
of zone revenue into the account;
- 31       ▶ { ~~provides that a housing and transit reinvestment zone, first home investment zone, home~~  
~~ownership promotion zone, or major sporting event venue zone may not be created after January~~  
~~1, 2028;~~ }
- 34       ▶

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modifies the prohibition on local government offering a financial incentive for an energy development project outside an electrical energy development zone; {and}

48       ▶ **coordinates this bill with H.B. 475, Development Planning and Coordination Amendments;**  
**and**

36       ▶ makes technical and conforming changes.

### 51 **Money Appropriated in this Bill:**

52       None

### 53 **Other Special Clauses:**

54       This bill provides coordination clauses.

55       This bill provides retrospective operation.

### 56 **Utah Code Sections Affected:**

57 **AMENDS:**

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

60       **11-41-102** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session,  
Chapter 16

62       **11-58-102** **(Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapters 53, 438 and 535

64       **11-58-602** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 459

65       **17-80-501** **(Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, First Special  
Session, Chapter 14

67       **17B-2a-1302** **(Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 388

68       **17C-1-102** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session,  
Chapter 16

70       **17C-1-409** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session,  
Chapter 16

72       **17C-1-603** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480

73       **17D-4-201** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347

74       **17D-4-202** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347

75       **17D-4-202.1** **(Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29

76       **17D-4-203** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 498

77       **17D-4-204** **(Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347

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- 78 **17D-4-303 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 347**
- 79 **59-1-306 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 258**
- 80 **59-2-924 (Effective 05/06/26), as last amended by Laws of Utah 2025, First Special Session,**  
Chapter 15
- 82 **63G-2-206 (Effective 05/06/26), as last amended by Laws of Utah 2019, Chapter 334**
- 83 **63G-2-305 (Effective 05/06/26), as last amended by Laws of Utah 2025, First Special Session,**  
**Chapter 17**
- 85 **63G-2-309 (Effective 05/06/26), as last amended by Laws of Utah 2025, First Special Session,**  
**Chapter 9**
- 87 **63G-2-802 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 188**
- 88 **63G-7-605 (Effective 05/06/26), as last amended by Laws of Utah 2021, Chapter 33**
- 89 **63I-2-263 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapters 182, 273**  
**and 277**
- 91 **63N-2-103 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 512**
- 92 **63N-3-602 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 29**
- 93 **63N-3-603 (Effective 05/06/26), as last amended by Laws of Utah 2025, First Special Session,**  
**Chapter 15**
- 95 **63N-3-604 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 29**
- 96 **63N-3-604.1 (Effective 05/06/26), as enacted by Laws of Utah 2025, Chapter 29**
- 97 **63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22), as last amended by Laws of Utah**  
2025, Chapter 29
- 99 **63N-3-607 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 404**
- 100 **63N-3-608 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 29**
- 101 **63N-3-611 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 29**
- 102 **63N-3-1603 (Effective 05/06/26), as enacted by Laws of Utah 2024, Chapter 537**
- 103 **63N-3-1609 (Effective 05/06/26), as enacted by Laws of Utah 2024, Chapter 537**
- 104 **79-6-1104 (Effective 05/06/26), as enacted by Laws of Utah 2025, Chapter 375**
- 105 ENACTS:
- 106 **11-41-201 (Effective 05/06/26), Utah Code Annotated 1953**
- 107 **11-41-202 (Effective 05/06/26), Utah Code Annotated 1953**

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108 11-58-607 (Effective 05/06/26), Utah Code Annotated 1953  
109 17C-6-101 (Effective 05/06/26), Utah Code Annotated 1953  
110 17C-6-102 (Effective 05/06/26), Utah Code Annotated 1953  
111 17C-6-201 (Effective 05/06/26), Utah Code Annotated 1953  
112 17C-6-202 (Effective 05/06/26), Utah Code Annotated 1953  
113 17C-6-203 (Effective 05/06/26), Utah Code Annotated 1953  
114 17C-6-301 (Effective 05/06/26), Utah Code Annotated 1953  
115 17C-6-401 (Effective 05/06/26), Utah Code Annotated 1953  
116 17C-6-402 (Effective 05/06/26), Utah Code Annotated 1953  
117 17C-6-403 (Effective 05/06/26), Utah Code Annotated 1953  
118 17C-6-404 (Effective 05/06/26), Utah Code Annotated 1953  
119 17D-4-401 (Effective 05/06/26), Utah Code Annotated 1953  
120 51-9-1001 (Effective 05/06/26), Utah Code Annotated 1953  
121 51-9-1002 (Effective 05/06/26), Utah Code Annotated 1953  
122 51-9-1003 (Effective 05/06/26), Utah Code Annotated 1953  
123 57-1-49 (Effective 05/06/26), Utah Code Annotated 1953  
124 59-35-101 (Effective 05/06/26), Utah Code Annotated 1953  
125 59-35-201 (Effective 05/06/26), Utah Code Annotated 1953  
126 59-35-202 (Effective 05/06/26), Utah Code Annotated 1953  
127 59-35-301 (Effective 05/06/26), Utah Code Annotated 1953  
128 63N-3a-101 (Effective 05/06/26), Utah Code Annotated 1953  
129 63N-3a-102 (Effective 05/06/26), Utah Code Annotated 1953  
130 63N-3a-103 (Effective 05/06/26), Utah Code Annotated 1953  
131 63N-3a-104 (Effective 05/06/26), Utah Code Annotated 1953  
132 63N-3a-105 (Effective 05/06/26), Utah Code Annotated 1953  
133 **63N-3a-106 (Effective 05/06/26), Utah Code Annotated 1953**

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134 63N-3a-201 (Effective 05/06/26), Utah Code Annotated 1953  
135 63N-3a-202 (Effective 05/06/26), Utah Code Annotated 1953  
136 63N-3a-203 (Effective 05/06/26), Utah Code Annotated 1953  
137 63N-3a-204 (Effective 05/06/26), Utah Code Annotated 1953  
138 63N-3a-205 (Effective 05/06/26), Utah Code Annotated 1953

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139 63N-3a-206 (Effective 05/06/26), Utah Code Annotated 1953  
140 63N-3a-207 (Effective 05/06/26), Utah Code Annotated 1953  
141 63N-3a-208 (Effective 05/06/26), Utah Code Annotated 1953  
142 63N-3a-301 (Effective 05/06/26), Utah Code Annotated 1953  
143 63N-3a-302 (Effective 05/06/26), Utah Code Annotated 1953  
144 63N-3a-303 (Effective 05/06/26), Utah Code Annotated 1953  
104 ~~{63N-3a-304, Utah Code Annotated 1953}~~  
145 63N-3a-401 (Effective 05/06/26), Utah Code Annotated 1953  
146 63N-3a-402 (Effective 05/06/26), Utah Code Annotated 1953  
147 63N-3a-403 (Effective 05/06/26), Utah Code Annotated 1953  
148 63N-3a-501 (Effective 05/06/26), Utah Code Annotated 1953

149 REPEALS:

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

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

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

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

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

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

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

117 (a) before January 1, 2028; and

118 (b) as described in this section.

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

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

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

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

126 (3)

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- (a) The municipality shall designate the home ownership promotion zone by resolution of the legislative body of the municipality, passed or adopted in a public meeting of the legislative body of the municipality, following:
- 129 (i) the recommendation of the municipality planning commission; and  
130 (ii) the notification requirements described in Section 10-21-503.
- 131 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership promotion zone created in accordance with this section meets the objectives and requirements in Section 10-21-502.
- 134 (c) The home ownership promotion zone is created on the effective date of the resolution described in Subsection (3)(a).
- 136 (4) If a home ownership promotion zone is created as described in this section:
- 137 (a) affected local taxing entities are required to participate according to the requirements of the home ownership promotion zone established by the municipality; and  
139 (b) each affected taxing entity is required to participate at the same rate.
- 140 (5) A home ownership promotion zone may be modified by the same manner it is created as described in Subsection (3).
- 142 (6) Within 30 days after the day on which the municipality creates the home ownership promotion zone as described in Subsection (3), the municipality shall:
- 144 (a) record with the recorder of the county in which the home ownership promotion zone is located a document containing:
- 146 (i) a description of the land within the home ownership promotion zone; and  
147 (ii) the date of creation of the home ownership promotion zone;
- 148 (b) transmit a copy of the description of the land within the home ownership promotion zone and an accurate map or plat indicating the boundaries of the home ownership promotion zone to the Utah Geospatial Resource Center created under Section 63A-16-505; and
- 152 (c) transmit a map and description of the land within the home ownership promotion zone to:
- 154 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any part of the home ownership promotion zone is located;
- 156 (ii) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;
- 159

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

161 (iv) the tax commission; and

162 (v) the State Board of Education.

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

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

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

### 168 **CHAPTER 41. Prohibited Local Economic Development Incentives**

#### 169 **Part 1. Prohibition on Retail Facility Incentive Payments Act**

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

As used in this [chapter] part:

172 (1) "Agreement" means an oral or written agreement between a public entity and a person.

173 (2) "Business entity" means a sole proprietorship, partnership, limited partnership, limited liability company, corporation, or other entity or association used to carry on a business for profit.

176 (3) "Determination of violation" means a determination by the Governor's Office of Economic Opportunity of substantial likelihood that a retail facility incentive payment has been made in violation of Section 11-41-103, in accordance with Section 11-41-104.

179 (4) "Environmental mitigation" means an action or activity intended to remedy known negative impacts to the environment.

181 (5) "Executive director" means the executive director of the Governor's Office of Economic Opportunity.

183 (6) "General plan" means the same as that term is defined in Section 23A-6-101.

184 (7) "Legislative body" means the same as that term is defined in:

185 (a) Section 10-20-102; or

186 (b) Section 17-79-102.

187 (8) "Mixed-use development" means development with mixed land uses, including housing.

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- 191 (9) "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.
- 192 (10) "Moderate income housing plan" means the moderate income housing plan element of a general  
193 plan.
- 194 (11) "Office" means the Governor's Office of Economic Opportunity.
- 195 (12) "Political subdivision" means any county, city, town, school district, special district, special service  
district, community reinvestment agency, or entity created by an interlocal agreement adopted under  
Chapter 13, Interlocal Cooperation Act.
- 196 (13) "Public entity" means:
- 197 (a) a political subdivision;
- 198 (b) a department, commission, board, council, agency, institution, officer, corporation, fund, division,  
199 office, committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of  
the executive branch of the state;
- 200 (c) an institution of higher education as defined in Section 53H-1-101;
- 201 (d) the Military Installation Development Authority created in Section 63H-1-201;
- 202 (e) the Utah Inland Port Authority created in Section 11-58-201; or
- 203 (f) the Point of the Mountain State Land Authority created in Section 11-59-201.
- 204 (14) "Public funds" means any money received by a public entity that is derived from:
- 205 (a) a sales and use tax authorized under Title 59, Chapter 12, Sales and Use Tax Act; or
- 206 (b) a property tax levy.
- 207 (15) "Public infrastructure" means:
- 208 (a) a public facility, as defined in Section 11-36a-102;
- 209 (b) a system improvement, as defined in Section 11-36a-102; or
- 210 (c) infrastructure developed with public funds included as part of an infrastructure master plan related to  
211 a general plan.
- 212 (16) "Retail facility" means any facility operated by a business entity for the primary purpose of making  
213 retail transactions.
- 214 (17) "Retail facility incentive payment" means a payment of public funds:
- 215 (a) to a person by a public entity;
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(b) for the development, construction, renovation, or operation of a retail facility within an area of the state; and

220 (c) in the form of:

221 (i) a payment;

222 (ii) a rebate;

223 (iii) a refund;

224 (iv) a subsidy; or

225 (v) any other similar incentive, award, or offset.

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

228 (19)

(a) "Small business" means a business entity that:

229 (i) has fewer than 30 full-time equivalent employees; and

230 (ii) maintains the business entity's principal office in the state.

231 (b) "Small business" does not include:

232 (i) a franchisee, as defined in 16 C.F.R. Sec. 436.1;

233 (ii) a dealer, as defined in Section 41-1a-102; or

234 (iii) a subsidiary or affiliate of another business entity that is not a small business.

278 Section 3. Section 3 is enacted to read:

280 **11-41-201. (Effective 05/06/26)Definitions.**

2. Prohibition on Tax Increment Incentives for Large Load { ~~Customers~~ } Data Centers Act

As used in this part:

239 (1) { ~~Incentive~~ } "Incentive" means a payment of public funds, funded by tax increment or personal property tax revenue:

240 (a) from a political subdivision to a person;

241 (b) for the development, construction, renovation, operating, or citing of a large load customer or qualifying data center within an area of the state; and

243 (c) in the form of:

244 (i) a payment, rebate, refund, subsidy, or other similar incentive, award, or offset; or

245 (ii) a payment of public funds for the development, construction, renovation, or operation of public infrastructure and improvements that wholly or primarily support a large load customer.

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- 248 (2) "Large load customer" means the same as that term is defined in Section 54-26-101.
- 293 (3) "Large load data center" means a large load customer that is also a qualifying data center.
- 249 (3){(4)} "Political subdivision" means any county, municipality, special district, special service district, public infrastructure district, community reinvestment agency, {~~or~~} entity created by an interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act, or regional economic development authority.
- 252 (4){(5)}
- (a) "Public infrastructure and improvements" means infrastructure, improvements, facilities, or buildings that:
- 254 (i)
- (A) benefit the public and are owned by a public entity or a utility; or
- 255 (B) benefit the public and are publicly maintained or operated by a public entity; or
- 256 (ii) are privately owned.
- 257 (b) "Public infrastructure and improvements" includes:
- 258 (i) facilities, lines, or systems that provide:
- 259 (A) water, chilled water, or steam; or
- 260 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy, microgrids, or telecommunications service; and
- 262 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking facilities, rail lines, intermodal facilities, multimodal facilities, and public transportation facilities.
- 312 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.
- 313 (7) "Regional economic development authority" means the same as that term is defined in Section 63N-3a-101.
- 265 (5){(8)} "Tax increment" means the same as that term is defined in Section 59-2-924.
- 316 Section 4. Section 4 is enacted to read:
- 317 **11-41-202. (Effective 05/06/26) Political subdivisions prohibited from providing incentives --**
- Exceptions.**
- 269 {(+) }
- (a){(1)} Beginning on {~~May~~} May 6, {~~2026~~} 2027, except as provided in Subsections {~~(1)(b) and (2)~~} (2) and (3), a political subdivision may not provide an incentive to a large load {~~customer~~} data center.

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- 321 (2)
- 271 (b){(a)} A municipality or county, or agency created by a municipality or county, may provide an  
incentive to a large load {customer} data center:
- 273 (i) only if the large load {customer} data center is located within a regionally significant development  
zone, as described in Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy  
Implications; and
- 276 (ii) with regionally significant development zone funds described in {Section 63N-3a-403} Subsection  
63N-3a-403(5).
- 328 (b) A regional economic development authority may provide an incentive to a large load data center:
- 330 (i) if the large load data center is located in a project area created by the regional economic  
development authority;
- 332 (ii) if the regional economic development authority's project area overlaps with a regionally significant  
development zone, as described in Subsection 63N-3a-208(7)(b); and
- 335 (iii) the incentive is funded by:
- 336 (A) regionally significant development zone funds described in Section 63N-3a-403 that have been  
shared with the regional economic development authority; or
- 339 (B) the regional economic development authority's project area funds, subject to a maximum cap of  
60% of property tax increment generated within the overlapping project area.
- 342 (c) A county that levies the county energy excise tax authorized in Section 59-35-201 may provide up  
to 80% of the revenue generated by the county energy excise tax as an incentive to a large load data  
center.
- 345 (d) A municipality that levies the municipal energy tax authorized in Title 10, Chapter 1, Part 3,  
Municipal Energy Sales and Use Tax Act, may provide up to 80% of the revenue generated by the  
municipal energy tax as an incentive to a large load data center.
- 278 (c){(e)} A {local} sales and use tax exemption described in Section 59-12-104 does not constitute an  
incentive.
- 280 (2){(3)} A political subdivision that entered into an agreement to provide an incentive to a large  
load {customer} data center, or has adopted a survey area resolution in accordance with Section  
17C-5-103 with intent to provide an incentive to a large load data center, before May 6, {2026}  
2027:
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(a) may continue to provide the incentive according to the terms of the political subdivision's agreement;

284 (b) may not extend the term of the agreement; and

285 (c) may not increase the value of the incentive under the agreement.

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

360 **11-58-102. (Effective 05/06/26)Definitions.**

As used in this chapter:

289 (1) "Authority" means the Utah Inland Port Authority, created in Section 11-58-201.

290 (2) "Authority jurisdictional land" means land within the authority boundary delineated:

291 (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah Inland Port Authority  
Amendments, 2018 Second Special Session; and

293 (b) beginning April 1, 2020, as provided in Subsection 11-58-202(3).

294 (3) "Base taxable value" means:

295 (a)

(i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the authority  
jurisdictional land, the taxable value of authority jurisdictional land in calendar year 2018; and

298 (ii) for an area described in Section 11-58-600.7, the taxable value of that area in calendar year 2017; or

300 (b) for a project area that consists of land outside the authority jurisdictional land, the taxable value  
of property within any portion of a project area, as designated by board resolution, from which the  
property tax differential will be collected, as shown upon the assessment roll last equalized before  
the year in which the authority adopts a project area plan for that area.

305 (4) "Board" means the authority's governing body, created in Section 11-58-301.

306 (5) "Business plan" means a plan designed to facilitate, encourage, and bring about development  
of the authority jurisdictional land to achieve the goals and objectives described in Subsection  
11-58-203(1), including the development and establishment of an inland port.

310 (6) "Contaminated land" means land:

311 (a) within a project area; and

312 (b) that contains hazardous materials, as defined in Section 19-6-302, hazardous substances, as defined  
in Section 19-6-302, or landfill material on, in, or under the land.

315 (7) "Development" means:

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- (a) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including public infrastructure and improvements; and
- 320 (b) the planning of, arranging for, or participation in any of the activities listed in Subsection (7)(a).  
322 (8) "Development project" means a project for the development of land within a project area.  
324 (9) "Distribution center" means a building that is:  
325 (a) used for the storage, sorting, and distribution of goods intended for sale; and  
326 (b) not associated with or operated in conjunction with an adjacent manufacturing facility.  
328 (10) "Inland port" means one or more sites that:  
329 (a) contain multimodal facilities, intermodal facilities, or other facilities that:  
330 (i) are related but may be separately owned and managed; and  
331 (ii) together are intended to:  
332 (A) allow global trade to be processed and altered by value-added services as goods move through the supply chain;  
334 (B) provide a regional merging point for transportation modes for the distribution of goods to and from ports and other locations in other regions;  
336 (C) provide cargo-handling services to allow freight consolidation and distribution, temporary storage, customs clearance, and connection between transport modes; and  
339 (D) provide international logistics and distribution services, including freight forwarding, customs brokerage, integrated logistics, and information systems; and  
342 (b) may include a satellite customs clearance terminal, an intermodal facility, a customs pre-clearance for international trade, or other facilities that facilitate, encourage, and enhance regional, national, and international trade.  
345 (11) "Inland port use" means a use of land:  
346 (a) for an inland port;  
347 (b) that directly implements or furthers the purposes of an inland port, as stated in Subsection (10);  
349 (c) that complements or supports the purposes of an inland port, as stated in Subsection (10); or  
351 (d) that depends upon the presence of the inland port for the viability of the use.  
352 (12) "Intermodal facility" means a facility for transferring containerized cargo between rail, truck, air, or other transportation modes.

354

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- (13) "Landfill material" means garbage, waste, debris, or other materials disposed of or placed in a landfill.
- 356 (14) "Multimodal facility" means a hub or other facility for trade combining any combination of rail, trucking, air cargo, and other transportation services.
- 358 (15) "Nonvoting member" means an individual appointed as a member of the board under Subsection 11-58-302(3) who does not have the power to vote on matters of authority business.
- 361 (16) "Project area" means:
- 362 (a) the authority jurisdictional land, subject to Section 11-58-605; or
- 363 (b) land outside the authority jurisdictional land, whether consisting of a single contiguous area or multiple noncontiguous areas, described in a project area plan or draft project area plan, where the development project set forth in the project area plan or draft project area plan takes place or is proposed to take place.
- 367 (17) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the project area.
- 369 (18) "Project area plan" means a written plan that, after its effective date, guides and controls the development within a project area.
- 371 (19) "Property tax" includes a privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.
- 373 (20) "Property tax differential":
- 374 (a) means the difference between:
- 375 (i) the amount of property tax revenues generated each tax year by all taxing entities from a project area, using the current assessed value of the property; and
- 377 (ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property; and
- 379 (b) does not include property tax revenue from:
- 380 (i) a county additional property tax or multicounty assessing and collecting levy imposed in accordance with Section 59-2-1602;
- 382 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330; or
- 384 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general obligation bond.
- 386 (21) "Public entity" means:
- 387 (a) the state, including each department, division, or other agency of the state; or

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- 388 (b) a county, city, town, school district, special district, special service district, interlocal cooperation  
entity, community reinvestment agency, or other political subdivision of the state, including the  
authority.
- 391 (22)
- (a) "Public infrastructure and improvements" means infrastructure, improvements, facilities, or  
buildings that:
- 393 (i)
- (A) benefit the public and are owned by a public entity or a utility; or
- 394 (B) benefit the public and are publicly maintained or operated by a public entity; or
- 395 (ii)
- (A) are privately owned;
- 396 (B) benefit the public;
- 397 (C) as determined by the board, provide a substantial benefit to the development and operation of a  
project area; and
- 399 (D) are built according to applicable county or municipal design and safety standards.
- 401 (b) "Public infrastructure and improvements" includes:
- 402 (i) facilities, lines, or systems that provide:
- 403 (A) water, chilled water, or steam; or
- 404 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy, microgrids, or  
telecommunications service;
- 406 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking facilities, rail lines,  
intermodal facilities, multimodal facilities, and public transportation facilities;
- 409 (iii) an inland port; and
- 410 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of a remediation  
project.
- 412 (23) "Reinvestment account" means the State Reinvestment Restricted Account created in Section  
51-9-1002.
- 414 (24) "Remediation" includes:
- 415 (a) activities for the cleanup, rehabilitation, and development of contaminated land; and
- 416 (b) acquiring an interest in land within a remediation project area.
- 417

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419 [(24)] (25) "Remediation differential" means property tax differential generated from a remediation  
420 project area.

419 [(25)] (26) "Remediation project" means a project for the remediation of contaminated land that:

421 (a) is owned by:

422 (i) the state or a department, division, or other instrumentality of the state;

423 (ii) an independent entity, as defined in Section 63E-1-102; or

424 (iii) a political subdivision of the state; and

425 (b) became contaminated land before the owner described in Subsection [(24)(a)] (26)(a) obtained  
ownership of the land.

427 [(26)] (27) "Remediation project area" means a project area consisting of contaminated land that is or is  
expected to become the subject of a remediation project.

429 [(27)] (28) "Shapefile" means the digital vector storage format for storing geometric location and  
associated attribute information.

431 [(28)] (29) "Taxable value" means the value of property as shown on the last equalized assessment roll.

433 [(29)] (30) "Taxing entity":

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

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

437 [(30)] (31) "Voting member" means an individual appointed or designated as a member of the board  
under Subsection 11-58-302(2).

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

513 **11-58-602. (Effective 05/06/26) Allowable uses of property tax differential and other funds.**

441 (1)

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

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

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

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

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- 450 (iv) to pay the cost of the installation and construction of public infrastructure and improvements  
within the project area from which the property tax differential funds were collected;
- 453 (v) to pay the cost of the installation of public infrastructure and improvements outside a project  
area if the board determines by resolution that the infrastructure and improvements are of  
benefit to the project area;
- 456 (vi) to pay to a community reinvestment agency for affordable housing, as provided in Subsection  
11-58-606(2);
- 458 (vii) to pay the principal and interest on bonds issued by the authority;
- 459 (viii) to pay the cost of acquiring land or an easement on land that is part of or adjacent to authority  
jurisdictional land:
- 461 (A) for the perpetual preservation of the land from development; and
- 462 (B) to provide a buffer area between authority jurisdictional land intended for development and land  
outside the boundary of the authority jurisdictional land; and
- 465 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development that:
- 467 (A) mitigates noise, air pollution, light pollution, surface and groundwater pollution, and other negative  
environmental impacts;
- 469 (B) mitigates traffic congestion; or
- 470 (C) uses high efficiency building construction and operation.
- 471 (b)
- (i)
- (A) The authority shall establish minimum mitigation and environmental standards that a  
landowner is required to meet to qualify for the use of property tax differential under Subsection  
(1)(a)(ix) in the landowner's development.
- 474 (B) Minimum mitigation and environmental standards established under Subsection (1)(b)(i)(A)  
shall include a standard prohibiting the use of property tax differential as a business recruitment  
incentive, as defined in Section 11-58-603, for new commercial or industrial development or an  
expansion of existing commercial or industrial development within the authority jurisdictional  
land if the new or expanded development will consume on an annual basis more than 200,000  
gallons of potable water per day.
- 481 (ii) In establishing minimum mitigation and environmental standards, the authority shall consult with:
- 483

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- (A) the municipality in which the development is expected to occur, for development expected to occur within a municipality; or
- 485 (B) the county in whose unincorporated area the development is expected to occur, for development expected to occur within the unincorporated area of a county.
- 488 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii) for a landowner's development in a project area unless the minimum mitigation and environmental standards are followed with respect to that landowner's development.
- 492 (2) The authority may use revenue generated from the operation of public infrastructure operated by the authority or improvements, including an intermodal facility, operated by the authority to:
- 495 (a) operate and maintain the infrastructure or improvements; and
- 496 (b) pay for authority operating expenses, including administrative, overhead, and legal expenses.
- 498 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the project area is final.
- 500 (4) ~~[The]~~ Subject to Subsection (7), the authority may not use property tax differential revenue collected from one project area for a development project within another project area.
- 503 (5)
- (a) The authority may use up to 10% of the general differential revenue generated from a project area to pay for affordable housing within or near the project area.
- 505 (b) In using general differential revenue described in Subsection (5)(a), the authority may provide general differential revenue generated from a project area to a non-profit housing fund, as defined in Section 17C-1-102:
- 508 (i) for that non-profit housing fund to assist low-income individuals and families who would qualify for income targeted housing to achieve homeownership, or retain homeownership, within a 15 mile radius of the project area that generated the general differential revenue, in accordance with the mission of the non-profit housing fund; and
- 513 (ii) pursuant to an agreement between the non-profit housing fund and the authority governing appropriate uses of general differential revenue.
- 515 (6) The authority may share general differential funds with a taxing entity that levies a property tax on land within the project area from which the general differential is generated.
- 518 (7)

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(a) For a project area adopted on or after September 30, 2026, the authority shall contribute at least 1% but no more than 5%, as determined by the board, of all tax differential revenue generated from the project area to the reinvestment account.

521 (b) In coordination with the authority, a county or municipality that is participating in a project area adopted before September 30, 2026, may designate a portion of the tax differential revenue generated in the project area that would otherwise be collected and used by the authority, not to exceed 5%, for contribution to the reinvestment account.

526 (c) The authority shall make a contribution described in this Subsection (7) annually or quarterly, as determined by the board.

602 Section 7. Section 7 is enacted to read:

603 **11-58-607. (Effective 05/06/26)Revenue sharing agreements.**

530 (1)

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

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

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

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

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

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

541 (2)

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

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

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

624 **17-80-501. (Effective 05/06/26)County designation of a home ownership promotion zone.**

551

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- (1) Subject to Sections 17-80-502 and 17-80-503, a county may create a home ownership promotion zone;
- 553 (a) before January 1, 2028; and
- 554 (b) as described in this section.
- 555 (2) A home ownership promotion zone created under this section:
- 556 (a) is an area of 10 contiguous unincorporated acres or less located entirely within the boundaries of the county, zoned for fewer than six housing units per acre before the creation of the home ownership promotion zone;
- 559 (b) shall be re-zoned for at least six housing units per acre; and
- 560 (c) may not be encumbered by any residential building permits as of the day on which the home ownership promotion zone is created.
- 562 (3)
- (a) The county shall designate the home ownership promotion zone by resolution of the legislative body of the county following:
- 564 (i) the recommendation of the county planning commission; and
- 565 (ii) the notification requirements described in Section 17-80-503.
- 566 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership promotion zone created in accordance with this section meets the objectives and requirements of Section 17-80-502.
- 569 (c) The home ownership promotion zone is created on the effective date of the resolution described in Subsection (3)(a).
- 571 (4) If a home ownership promotion zone is created as described in this section:
- 572 (a) affected local taxing entities are required to participate according to the requirements of the home ownership promotion zone established by the county; and
- 574 (b) each affected taxing entity is required to participate at the same rate.
- 575 (5) A home ownership promotion zone may be modified by the same manner it is created as described in Subsection (3).
- 577 (6) Within 30 days after the day on which the county creates the home ownership promotion zone as described in Subsection (3), the county shall:
- 579 (a) record with the recorder a document containing:
- 580 (i) a description of the land within the home ownership promotion zone; and

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- 581 (ii) the date of creation of the home ownership promotion zone;
- 582 (b) transmit a copy of the description of the land within the home ownership promotion zone and an accurate map or plat indicating the boundaries of the home ownership promotion zone to the Utah Geospatial Resource Center created under Section 63A-16-505; and
- 586 (c) transmit a map and description of the land within the home ownership promotion zone to:
- 588 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any part of the home ownership promotion zone is located;
- 590 (ii) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;
- 593 (iii) the legislative body or governing board of each taxing entity impacted by the home ownership promotion zone;
- 595 (iv) the tax commission; and
- 596 (v) the State Board of Education.
- 597 (7) A county may receive tax increment and use home ownership promotion zone funds as described in Section 17-80-504.
- 599 (8) A home ownership promotion zone created before January 1, 2028, continues to exist, as described in this part, and shall comply with the provisions of this part until dissolved.
- 676 Section 9. Section **17B-2a-1302** is amended to read:
- 677 **17B-2a-1302. (Effective 05/06/26)Provisions applicable to infrastructure financing district -- Exceptions -- Conflicting provisions -- Contract for administrative services.**
- 604 (1) An infrastructure financing district is governed by and has the powers stated in:
- 605 (a) this part; and
- 606 (b) Chapter 1, Provisions Applicable to All Special Districts, except as provided in [~~Subsection (1)~~ ~~(b)~~] Subsection (5).
- 608 (2)
- (a) Notwithstanding Subsection 17B-1-103(2)(f) and except as provided in Subsection (2)(b), an infrastructure financing district may issue bonds only as provided in Title 11, Chapter 42, Assessment Area Act, subject to Subsection [~~(2)(b)~~] (2)(c), and Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.
- 612 (b) If an infrastructure financing district is created to facilitate a regionally significant development zone, as described in Title 17C, Chapter 6, Regionally Significant Development Zone Act, the

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infrastructure financing district may issue negotiable bonds in accordance with Title 11, Chapter 14, Local Government Bonding Act, to pay all or part of the costs of acquiring, acquiring an interest in, improving, or extending any of the improvements, facilities, or property allowed under Section 11-14-103.

- 618 [(b)] (c) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act, apply to the use of funds from an assessment or an assessment bond for infrastructure operation and maintenance costs or for the cost of conducting economic promotion activities, those provisions do not apply to an infrastructure financing district.
- 622 [(e)] (d) Before a county or municipality's final inspection required for the issuance of a certificate of occupancy for a residential unit that is subject to an assessment levied by an infrastructure financing district under Title 11, Chapter 42, Assessment Area Act, the infrastructure financing district shall ensure that the assessment allocable to that unit is paid in full and that any assessment lien on that unit is satisfied and released.
- 628 (3) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district may not exercise the power of eminent domain.
- 630 (4) This part applies only to an infrastructure financing district.
- 631 (5) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All Special Districts, and a provision in this part, the provision in this part governs.
- 633 (6) An infrastructure financing district may contract with another governmental entity for the other governmental entity to provide administrative services to the infrastructure financing district.
- 713 Section 10. Section **17C-1-102** is amended to read:
- 714 **17C-1-102. (Effective 05/06/26)Definitions.**
- As used in this title:
- 639 (1) "Active project area" means a project area that has not been dissolved in accordance with Section 17C-1-702.
- 641 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that an agency is authorized to receive:
- 643 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3);
- 645 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax increment under Section 17C-1-406;

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- 647 (c) under a project area budget approved by a taxing entity committee; or  
648 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's tax increment.
- 650 (3) "Affordable housing" means housing owned or occupied by a low or moderate income family, as  
determined by resolution of the agency.
- 652 (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:
- 655 (a) that is a political subdivision of the state;  
656 (b) that is created to undertake or promote project area development as provided in this title;  
658 (c) that may, at the direction of the county or municipality that creates the agency, fulfill the duties  
described in Chapter 6, Regionally Significant Development Zones Act; and
- 661 [(e)] (d) whose geographic boundaries are coterminous with:
- 662 (i) for an agency created by a county, the unincorporated area of the county; and  
663 (ii) for an agency created by a municipality, the boundaries of the municipality.
- 664 (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:
- 667 (a) project area funds;  
668 (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;
- 671 (c) a contribution, loan, grant, or other financial assistance from any public or private source;  
673 (d) project area incremental revenue as defined in Section 17C-1-1001; or  
674 (e) property tax revenue as defined in Section 17C-1-1001.
- 675 (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.
- 678 (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.
- 679 (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.
- 682

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- (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during which the assessment roll is last equalized:
- 684 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan, before the project  
area plan's effective date;
- 686 (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:
- 689 (i) before the date on which the taxing entity committee approves the project area budget; or
- 691 (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;
- 694 (c) for a project on an inactive airport site, after the later of:
- 695 (i) the date on which the inactive airport site is sold for remediation and development; or
- 697 (ii) the date on which the airport that operated on the inactive airport site ceased operations; or
- 699 (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.
- 702 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum basic levy  
under Section 59-2-902.
- 704 (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.
- 705 (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.
- 709 (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.
- 712 (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.
- 717 (15) "Community" means a county or municipality.
- 718 (16) "Community development project area plan" means a project area plan adopted under Chapter 4,  
Part 1, Community Development Project Area Plan.

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- 720 (17) "Community legislative body" means the legislative body of the community that created the  
agency.
- 722 (18) "Community reinvestment project area plan" means a project area plan adopted under Chapter 5,  
Part 1, Community Reinvestment Project Area Plan.
- 724 (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.
- 727 (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.
- 730 (21) "Development impediment hearing" means a public hearing regarding whether a development  
impediment exists within a proposed:
- 732 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section 17C-2-302; or
- 734 (b) community reinvestment project area under Section 17C-5-404.
- 735 (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.
- 738 (23) "Economic development project area plan" means a project area plan adopted under Chapter 3, Part  
1, Economic Development Project Area Plan.
- 740 (24) "Fair share ratio" means the ratio derived by:
- 741 (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
- 745 (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.
- 749 (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~~] Sec. 5.403, as amended or as superseded by  
replacement regulations.

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- 752 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.
- 753 (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.
- 757 (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.
- 759 (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:
- 761 (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
- 764 (b) an agency's housing allocation.
- 765 (30)
- (a) "Inactive airport site" means land that:
- 766 (i) consists of at least 100 acres;
- 767 (ii) is occupied by an airport:
- 768 (A)
- (I) that is no longer in operation as an airport; or
- 769 (II)
- (Aa) that is scheduled to be decommissioned; and
- 770 (Bb) for which a replacement commercial service airport is under construction; and
- 772 (B) that is owned or was formerly owned and operated by a public entity; and
- 773 (iii) requires remediation because:
- 774 (A) of the presence of hazardous waste or solid waste; or
- 775 (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.
- 778 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land described in  
Subsection (30)(a).
- 780 (31)
- (a) "Inactive industrial site" means land that:
- 781 (i) consists of at least 1,000 acres;

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- 782 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial facility; and  
784 (iii) requires remediation because of the presence of hazardous waste or solid waste.
- 785 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land described in  
Subsection (31)(a).
- 787 (32) "Income targeted housing" means housing that is:  
788 (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  
791 (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.
- 793 (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.
- 797 (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.
- 799 (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:  
802 (i) a fire station;  
803 (ii) a police station;  
804 (iii) a city hall; or  
805 (iv) a court or other judicial building.
- 806 (b) "Local government building" does not include a building the primary purpose of which is cultural  
or recreational in nature.
- 808 (36) "Low-income individual" means the same as that term is defined in Section 35A-8-504.5.
- 810 (37) "Major transit investment corridor" means the same as that term is defined in Section 10-20-102.
- 812 (38) "Marginal value" means the difference between actual taxable value and base taxable value.
- 814 (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.
- 817 (40) "Municipality" means a city or town.
- 818 (41) "Non-profit housing fund" means:

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- 819 (a) an organization that meets the definition of "housing organization" in Section 35A-8-2401;
- 821 (b) a registered nonprofit that assists veterans or individuals who work in public service to achieve  
homeownership in the state;
- 823 (c) a registered nonprofit that:
- 824 (i) assists low-income individuals or families who would qualify for income targeted housing to achieve  
homeownership in the state; and
- 826 (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;
- 830 (d) a registered nonprofit that partners with a community to promote affordable housing for the  
workforce in that community; or
- 832 (e) a registered nonprofit established to administer housing programs on behalf of an association  
representing 10 or more counties in the state.
- 834 (42) "Participant" means one or more persons that enter into a participation agreement with an agency.
- 836 (43) "Participation agreement" means a written agreement between a person and an agency under  
Subsection 17C-1-202(5).
- 838 (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.
- 843 (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.
- 846 (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.
- 848 (47) "Private," with respect to real property, means property not owned by a public entity or any other  
governmental entity.
- 850 (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.

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(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:

- 856 (a) for an urban renewal project area, Section 17C-2-201;
- 857 (b) for an economic development project area, Section 17C-3-201;
- 858 (c) for a community development project area, Section 17C-4-204; or
- 859 (d) for a community reinvestment project area, Section 17C-5-302.

860 (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:

- 863 (a) promoting, creating, or retaining public or private jobs within the state or a community;
- 865 (b) providing office, manufacturing, warehousing, distribution, parking, or other facilities or improvements;
- 867 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or remediating environmental issues;
- 869 (d) providing residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to the structures or spaces;
- 872 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating existing structures;
- 874 (f) providing open space, including streets or other public grounds or space around buildings;
- 876 (g) providing public or private buildings, infrastructure, structures, or improvements;
- 877 (h) relocating a business;
- 878 (i) improving public or private recreation areas or other public grounds;
- 879 (j) eliminating a development impediment or the causes of a development impediment;
- 880 (k) redevelopment as defined under the law in effect before May 1, 2006; or
- 881 (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.

883 (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.

886 (52) "Project area funds collection period" means the period of time that:

- 887 (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

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- (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.
- 893 (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.
- 897 (54)
- (a) "Property tax" means each levy on an ad valorem basis on tangible or intangible personal or real property.
- 899 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege Tax.
- 901 (55) "Public entity" means:
- 902 (a) the United States, including an agency of the United States;
- 903 (b) the state, including any of the state's departments or agencies; or
- 904 (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.
- 907 (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.
- 912 (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.
- 915 (58) "Sales and use tax revenue" means revenue that is:
- 916 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act; and
- 917 (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.
- 918 (59) "Superfund site":
- 919 (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
- 922

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(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.

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

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

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

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

931 (62) "Taxable value" means:

932 (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;

934 (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

937 (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.

940 (63)

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

941 (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

946 (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.

949 (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:

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

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

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

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- 956 (a) levies a tax on property located within a project area; or  
957 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- 958 (65) "Taxing entity committee" means a committee representing the interests of taxing entities, created  
in accordance with Section 17C-1-402.
- 960 (66) "Unincorporated" means not within a municipality.
- 961 (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2, Part 1,  
Urban Renewal Project Area Plan.
- 963 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.
- 1041 Section 11. Section **17C-1-409** is amended to read:
- 1042 **17C-1-409. (Effective 05/06/26) Allowable uses of agency funds.**
- 966 (1)
- (a) An agency may use agency funds:
- 967 (i) for any purpose authorized under this title;
- 968 (ii) for administrative, overhead, legal, or other operating expenses of the agency, including  
consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B) or funding for a business  
resource center;
- 971 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all or part of:
- 973 (A) project area development in a project area, including environmental remediation activities occurring  
before or after adoption of the project area plan;
- 976 (B) housing-related expenditures, projects, or programs as described in Section 17C-1-411 or  
17C-1-412;
- 978 (C) an incentive or other consideration paid to a participant under a participation agreement, subject to  
Subsection (6);
- 980 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the installation and  
construction of any publicly owned building, facility, structure, landscaping, or other improvement  
within the project area from which the project area funds are collected; or
- 984 (E) the cost of the installation of publicly owned infrastructure and improvements outside the project  
area from which the project area funds are collected if the board and the community legislative body  
determine by resolution that the publicly owned infrastructure and improvements benefit the project  
area;

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(iv) in an urban renewal project area that includes some or all of an inactive industrial site and subject to Subsection (1)(e), to reimburse the Department of Transportation created under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:

- 992 (A) construction of a public road, bridge, or overpass;
- 993 (B) relocation of a railroad track within the urban renewal project area; or
- 994 (C) relocation of a railroad facility within the urban renewal project area;
- 995 (v) subject to Subsection (5), to transfer funds to a community that created the agency; or
- 997 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10, Agency Taxing Authority.
- 999 (b) The determination of the board and the community legislative body under Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
- 1001 (c) An agency may not use project area funds received from a taxing entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an economic development project area plan, or a community reinvestment project area plan without the community legislative body's consent.
- 1005 (d)
- (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a project area fund to another project area fund if:
- 1007 (A) the board approves; and
- 1008 (B) the community legislative body approves.
- 1009 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the projections for agency funds are sufficient to repay the loan amount.
- 1011 (iii) A loan described in this Subsection (1)(d) is not subject to Title 10, Chapter 5, Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities, Title 17, Chapter 63, Fiscal Authority and Processes, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts.
- 1015 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the reimbursement with:
- 1018 (i) the Department of Transportation; or
- 1019 (ii) a public transit district.

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- 1020 (f) Before an agency may use project area funds for agency-wide project development, as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing entity committee or each taxing entity party to an interlocal agreement with the agency.
- 1024 (2)
- (a) Sales and use tax revenue that an agency receives from a taxing entity is not subject to the prohibition or limitations of [~~Title 11, Chapter 41, Prohibition on Retail Facility Incentive Payments Act~~] Title 11, Chapter 41, Part 1, Prohibition on Retail Facility Incentive Payments ActPart 1, Prohibition on Retail Facility Incentive Payments Act.
- 1028 (b) An agency may use sales and use tax revenue that the agency receives under an interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the interlocal agreement.
- 1031 (3)
- (a) An agency may contract with the community that created the agency or another public entity to use agency funds to reimburse the cost of items authorized by this title to be paid by the agency that are paid by the community or other public entity.
- 1034 (b) If land is acquired or the cost of an improvement is paid by another public entity and the land or improvement is leased to the community, an agency may contract with and make reimbursement from agency funds to the community.
- 1037 (4) Notwithstanding any other provision of this title, an agency may not use 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, to construct a local government building unless the taxing entity committee or each taxing entity party to an interlocal agreement with the agency consents.
- 1042 (5) 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)(v), 17C-1-411(1)(d), and 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in Subsection 59-12-205(5).
- 1047 (6)
- (a) Before providing tax increment funding to a private participant pursuant to a participation agreement, an agency shall consult with the county treasurer of the county in which the agency operates to determine if:
- 1050 (i) the private participant is delinquent on property tax;
- 1051 (ii) the private participant is delinquent on privilege tax; or

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- 1052 (iii) the private participant is subject to a political subdivision lien for past due fees or charges.
- 1054 (b) If the county treasurer, in consultation with the agency, determines a participant is delinquent on property tax or privilege tax or subject to a political subdivision lien, the agency shall confirm whether the participation agreement between the agency and private participant includes a provision described in Subsection 17C-1-202(5)(d).
- 1058 (c) If authorized by the agency pursuant to a participation agreement, the county treasurer of the county in which the agency operates may provide tax increment funding that would otherwise be provided directly to the agency to provide to the private participant to:
- 1062 (i) the county, in the amount the private entity is delinquent for property tax or privilege tax; and
- 1064 (ii) the political subdivision holding the political subdivision lien, in the amount necessary to resolve the political subdivision lien.
- 1143 Section 12. Section **17C-1-603** is amended to read:
- 1144 **17C-1-603. (Effective 05/06/26)Reporting requirements -- Governor's Office of Economic Opportunity to maintain a database.**
- 1069 (1) As used in this section:
- 1070 (a) "Database" means the collection of electronic data described in Subsection (2)(a).
- 1071 (b) "Office" means the Governor's Office of Economic Opportunity.
- 1072 (c) "Office website" means a public website maintained by the office.
- 1073 (d) "Project area" means:
- 1074 (i) the same as that term is defined in Section 17C-1-102; and
- 1075 (ii) if applicable, a regionally significant development zone for which the agency is responsible, as described in Chapter 6, Regionally Significant Development Zones Act.
- 1078 (e) "Project area funds" means:
- 1079 (i) the same as that term is defined in Section 17C-1-102; and
- 1080 (ii) if applicable, regionally significant development zone revenue as described in Section 17C-6-202.
- 1082 (2) The office shall:
- 1083 (a) create and maintain electronic data to track information for each agency located within the state; and
- 1085 (b) make the database publicly accessible from the office website.
- 1086 (3)
- 1087 (a) The office may:
- (i) contract with a third party to create and maintain the database; and

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- 1088 (ii) charge a fee for a county, city, or agency to provide information to the database.
- 1089 (b) The office shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish a fee schedule for the fee described in Subsection (3)(a)(ii).
- 1092 (4) On or before June 30 of each year, an agency shall, for each active project area for which the project area funds collection period has not expired, submit to the office for inclusion in the database the following information:
- 1095 (a) an assessment of the change in marginal value, including:
- 1096 (i) the base year;
- 1097 (ii) the estimated current assessed value;
- 1098 (iii) the percentage change in marginal value; and
- 1099 (iv) a narrative description of the relative growth in assessed value;
- 1100 (b) the amount of project area funds the agency received and the amount of project area funds the agency spent for each year of the project area funds collection period, broken down by the applicable budget or funds analysis category described in Subsection (4)(d), including:
- 1104 (i) a comparison of the actual project area funds received and spent for each year to the amount of project area funds forecasted for each year when the project area was created, if available;
- 1107 (ii)
- (A) the agency's historical receipts and expenditures of project area funds, including the tax year for which the agency first received project area funds from the project area; or
- 1110 (B) if the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;
- 1113 (iii) a list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and
- 1116 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
- 1117 (c) a description of current and anticipated project area development, including:
- 1118 (i) a narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and
- 1121 (ii) other details of development within the project area, including:
- 1122 (A) the total developed acreage;
- 1123 (B) the total undeveloped acreage;
- 1124 (C) the percentage of residential development; and

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- 1125 (D) the total number of housing units authorized, if applicable;
- 1126 (d) the project area budget, if applicable, or other project area funds analyses, with receipts and expenditures categorized by the type of receipt and expenditure related to the development performed or to be performed under the project area plan, including:
- 1130 (i) each project area funds collection period, including:
- 1131 (A) the start and end date of the project area funds collection period; and
- 1132 (B) the number of years remaining in each project area funds collection period;
- 1133 (ii) the amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity, including:
- 1135 (A) the total dollar amount; and
- 1136 (B) the percentage of the total amount of project area funds generated within the project area;
- 1138 (iii) the remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and
- 1140 (iv) the amount of project area funds the agency is authorized to use to pay for the agency's administrative costs, as described in Subsection 17C-1-409(1), including:
- 1142 (A) the total dollar amount; and
- 1143 (B) the percentage of the total amount of all project area funds;
- 1144 (e) the estimated amount of project area funds that the agency is authorized to receive from the project area for the current calendar year;
- 1146 (f) the estimated amount of project area funds to be paid to the agency for the next calendar year;
- 1148 (g) a map of the project area;
- 1149 (h) a description of how the goals, policies, and purposes of the project area plan have been furthered during the preceding year; and
- 1151 (i) any other relevant information the agency elects to provide.
- 1152 (5) An agency with no active project area shall, no later than June 30 of each year until the agency is dissolved under Section 17C-1-701.5, submit a report to the office stating that the agency has no active project area.
- 1155 (6) Any information an agency submits in accordance with this section:
- 1156 (a) is for informational purposes only; and
- 1157 (b) does not alter the amount of project area funds that an agency is authorized to receive from a project area.

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- 1159 (7) The provisions of this section apply regardless of when the agency or project area is created.
- 1161 (8) On or before September 1 of each year, the office shall prepare and submit an annual written report to the Political Subdivisions Interim Committee that identifies the agencies that complied and the agencies that failed to comply with the reporting requirements of this section during the preceding reporting period.
- 1165 (9)
- (a) If, by September 30 of the year the information is due, the office does not receive the information that an agency is required to submit under Subsection (4), the office shall:
- 1168 (i) refer the noncompliant agency to the state auditor for review; and
- 1169 (ii) post a notice on the office website identifying the noncompliant agency and describing the agency's noncompliance.
- 1171 (b) If the office does not receive a report an agency is required to submit under Subsection (5), the office shall refer the noncompliant agency to the state auditor for review.
- 1174 (c) If, for two consecutive years, the office does not receive information an agency is required to submit under Subsection (4):
- 1176 (i) the office shall, no later than July 31 of the second consecutive year, notify the auditor and treasurer of the county in which the noncompliant agency is located of the agency's noncompliance; and
- 1179 (ii) upon receiving the notice described in Subsection (9)(c)(i), the county treasurer shall withhold from the agency 20% of the amount of tax increment the agency is otherwise entitled to receive.
- 1182 (d) If, after having funds withheld under Subsection (9)(c)(ii), an agency complies with Subsection (4):
- 1184 (i) the office shall notify the county auditor and treasurer that the agency has complied with the requirement of Subsection (4); and
- 1186 (ii) the county treasurer shall disburse the withheld funds to the agency.
- 1264 Section 13. Section **13** is enacted to read:
- 1267 **17C-6-101. (Effective 05/06/26)Definitions.**
6. Regionally Significant Development Zones Act
1. General Provisions
- As used in this chapter:
- 1192 (1) "Creating entity" means the political subdivision that proposes and receives approval for the creation of a zone under Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.

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- 1195 (2) "Enhanced development" means the same as that term is defined in Section 63N-3a-101.
- 1196 (3) "Financing district" means:
- 1197 (a) an infrastructure financing district created under Title 17B, Chapter 2a, Part 13, Infrastructure  
Financing District; or
- 1199 (b) a public infrastructure district created under Title 17D, Chapter 4, Public Infrastructure District Act.
- 1201 (4) "Impacted primary area" means the same as that term is defined in Section 63N-3a-101.
- 1202 (5) { "~~Major sporting event venue~~" } "Large load data center" means the same as that term is defined in  
Section { ~~63N-3a-101~~ } 11-41-201.
- 1204 (6) "Proposal" means the document approved by a committee as described in Title 63N, Chapter 3a,  
Part 2, Creation of Regionally Significant Development Zones.
- 1282 (7) "Public infrastructure and improvements" means the same as that term is defined in Subsections  
17D-4-102(14)(a)(i) and (ii), except the requirement in Subsection 17D-4-102(14)(a)(i)(C) that  
the acquisition or financing be expressly permitted by a governing document or agreement may be  
fulfilled by the agency described in Section 17C-6-102 or a financing district created by the agency.
- 1206 (7){(8)} "Zone" means a regionally significant development zone created under Title 63N, Chapter 3a,  
Part 2, Creation of Regionally Significant Development Zones.
- 1289 Section 14. Section 14 is enacted to read:
- 1290 **17C-6-102. (Effective 05/06/26) Agency to manage a regionally significant development**  
**zone.**
- 1210 (1)
- (a) Upon the approval of a zone, as described in Section 63N-3a-203, a creating entity shall designate  
the creating entity's agency as the entity responsible for:
- 1212 (i) the management of the zone;
- 1213 (ii) the development of the zone; and
- 1214 (iii) the fulfillment of any duties described in this chapter.
- 1215 (b) If one or more creating entities propose a zone, as described in Section 63N-3a-201 by entering into  
an interlocal agreement as described in Section 63N-3a-202, the interlocal agreement shall describe:
- 1218 (i) which agency is responsible for the management of the zone and zone revenue; or
- 1219 (ii) how each participating agency shall share responsibility for:
- 1220 (A) the management of the zone; and
- 1221 (B) zone revenue, as described in Part 2, Financing.

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- 1222 (2) A proposal, along with conditions established by the committee that approved the proposal under  
1223 Section 63N-3a-203, constitutes a governing document for the zone.
- 1224 (3)
- (a) The agency, in consultation with the creating entity, may create policies governing the development  
1225 of the zone if the policies:
- 1226 (i) conform with the proposal; and
- 1227 (ii) do not contradict any provision of the proposal or any condition established by the committee  
1228 that approved the proposal to create the zone.
- 1229 (b) If the agency and creating entity determine a modification to the proposal is required to pursue  
1230 the objectives of the zone, the creating entity shall submit a proposal to modify the regionally  
1231 significant development zone as described in Section 63N-3a-208.
- 1315 Section 15. Section 15 is enacted to read:
- 1317 **17C-6-201. (Effective 05/06/26)Energy tax -- Agency to study revenue generation options.**
2. Financing
- 1236 (1) A county that levies the county energy excise tax authorized by Title 59, Chapter 35, County Energy  
1237 Excise Tax Act, may provide revenue generated by the county energy excise tax to an agency for  
1238 use in a zone if the zone includes at least one {[high-impact consumer, as that term is defined in](#)  
1239 [Section 59-35-101](#)} large load data center.
- 1240 (2) An agency shall study options to generate additional revenue within a zone and provide  
1241 recommendations to the legislative body of the creating entity.
- 1325 Section 16. Section 16 is enacted to read:
- 1326 **17C-6-202. (Effective 05/06/26)Regionally significant development zone revenue.**
- 1244 (1) The following are approved revenue sources for a zone:
- 1245 (a) property tax increment or personal property tax, as described in Section 63N-3a-204; and
- 1247 (b) revenue, if any, an agency receives from a county as described in Section 17C-6-201.
- 1248 (2) Revenue described in Subsection (1):
- 1249 (a) is zone revenue;
- 1250 (b) shall be administered by the agency; and
- 1251 (c) may be expended as provided in this chapter.
- 1335 Section 17. Section 17 is enacted to read:
- 1336 **17C-6-203. (Effective 05/06/26)Allowable uses of zone revenue.**

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- 1254 (1) An agency that is assigned to manage a zone shall use zone revenue within:  
1255 (a) the zone; and  
1256 (b) an impacted primary area, if the agency finds that the use of the zone revenue will:  
1257 (i) directly benefit the zone; and  
1258 (ii) promote the objectives of the zone, as outlined in the proposal.  
1259 (2) An agency that receives zone revenue shall, subject to any requirement to remit revenue to the  
State Reinvestment Restricted Account as described in Title 63N, Chapter 3a, Part 2, Creation of  
Regionally Significant Development Zones, allocate zone revenue to:  
1262 (a) development in the zone, including, as applicable:  
1263 (i) income targeted housing costs;  
1264 (ii) structured parking;  
1265 (iii) enhanced development costs;  
1266 (iv) horizontal construction costs;  
1267 (v) vertical construction costs;  
1268 (vi) property acquisition costs;  
1269 ~~{(vii) {the costs of:}}~~  
1270 ~~{(A) {constructing, furnishing, maintaining, or operating a major sporting event venue; and}}~~  
1272 ~~{(B) {demolishing or remodeling an existing major sporting event venue, or portions of a major~~  
~~sporting event venue;}}~~  
1274 (viii) ~~{(vii)}~~ public infrastructure and improvements; and  
1275 (ix) ~~{(viii)}~~ realigning public infrastructure;  
1276 (b) public infrastructure and improvements in an impacted primary area, if any; and  
1277 (c) make the annual payment of principal, interest, premiums, and necessary reserves for any of the  
aggregate of bonds authorized under Subsection (3).  
1279 (3) An agency may issue bonds, or cause bonds to be issued, as permitted by law, to pay all or part of  
the costs incurred for the purposes described in Subsection (2), including the cost to issue and repay  
the bonds including interest and reserves.  
1282 (4) An agency may create one or more financing districts within the boundaries of the zone, and pledge  
and utilize zone funds to secure the payment of bonds issued by the created financing district.  
1285 (5) In addition to the purposes described in Subsection (2), an agency may use zone revenue to cover  
the costs of the agency to administer the zone, not to exceed:

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- 1287 (a) 3% of the total annual zone revenue; or
- 1288 (b) if the agency provides zone revenue to an entity through a participation agreement, 3% of the total annual zone revenue retained by the agency after providing zone revenue pursuant to the terms of the participation agreement.
- 1291 (6) At the request of a creating entity, an agency shall reimburse the creating entity the cost of conducting the pro forma analysis required for the proposal, as described in Section 63N-3a-202.
- 1294 (7) An agency may provide zone revenue to a person according to the terms of a participation agreement or an agreement described in Section 17C-6-301.
- 1374 Section 18. Section **18** is enacted to read:
- 1376 **17C-6-301. (Effective 05/06/26)Private-public partnerships for a zone.**
3. Partnership Agreements
- 1299 (1) A person that seeks to enter into a private-public partnership with an agency shall provide the agency with an application that:
- 1301 (a) demonstrates the applicant is qualified to operate, in whole or in part, a project within the zone; and
- 1303 (b) provides any additional information required by the creating entity or agency.
- 1304 (2) An agency may enter into a private-public partnership:
- 1305 (a) if, after reviewing the application described in Subsection (1), the agency determines a private-public partnership will promote the objectives of the zone; and
- 1307 (b) through an agreement described in this section.
- 1308 (3) An agreement to create a private-public partnership between a person and an agency may:
- 1310 (a) establish or recognize an ownership interest in the project for the person, in consideration of the person's financial investment in the project;
- 1312 (b) establish an ownership interest in the project for the agency or agency's creating entity, in consideration of the public's financial investment in the project; or
- 1314 (c) create a lease between the person and the agency.
- 1393 Section 19. Section **19** is enacted to read:
- 1395 **17C-6-401. (Effective 05/06/26)Regionally significant development zone budgets.**
4. Budgets, Audits, and Reports
- 1318 (1) An agency shall develop a budget for the zone in accordance with:
- 1319 (a) Chapter 1, Part 6, Agency Annual Report, Budget, and Audit Requirements; and
- 1320 (b) this section.

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- 1321 (2) An agency:  
1322 (a) may incorporate a zone budget into the agency's budget; and  
1323 (b) shall develop and present a zone budget as a separate agency budget item.

1402 Section 20. Section **20** is enacted to read:

1403 **17C-6-402. (Effective 05/06/26)Audits -- County auditor reports.**

- 1326 (1) An agency shall comply with the same auditing requirements that are described in Sections  
17C-1-604 and 17C-1-605 in regard to the regionally significant development zone.  
1329 (2) The county auditor for a county in which a zone is created shall prepare an annual report in  
accordance with Section 17C-1-606, the same as if the zone were a project area.

1409 Section 21. Section **21** is enacted to read:

1410 **17C-6-403. (Effective 05/06/26)Reporting.**

- 1333 (1) Beginning the second year after the effective date of a zone, an agency shall produce a biennial  
written report in accordance with this section no later than September 1.  
1335 (2) Notwithstanding Section 17C-1-609, the report described in Subsection (1) shall:  
1336 (a) describe the agency's progress in managing the zone and pursuing the objectives of the zone, as  
described in the proposal;  
1338 (b) describe any impediments to the continued development of the zone;  
1339 (c) describe the degree to which the development of the zone is complete;  
1340 (d) detail the amount of zone revenues received to date; and  
1341 (e) detail the amount of revenues the agency has spent on behalf of the zone to date.  
1342 (3) The agency shall provide the report described in this section to the Political Subdivisions Interim  
Committee.  
1344 (4) The report described in this section is in addition to the reporting requirements described in Section  
17C-1-603.

1424 Section 22. Section **22** is enacted to read:

1425 **17C-6-404. (Effective 05/06/26)Use of financing district.**

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

1430 Section 23. Section **17D-4-201** is amended to read:

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- 1431           **17D-4-201. (Effective 05/06/26)Creation -- Annexation or withdrawal of property.**  
1354           (1)
- (a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions Applicable to All Special Districts, a public infrastructure district may not be created unless a petition is filed with the creating entity that contains the signatures of 100% of surface property owners within the applicable area consenting to the creation of the public infrastructure district.
- 1360           (b)
- (i) As used in this Subsection (1)(b):
- 1361           (A) "Military land" means the same as that term is defined in Section 63H-1-102.  
1362           (B) "Project area" means the same as that term is defined in Section 63H-1-102.
- 1363           (ii) Notwithstanding Title 17B, Chapter 1, Part 2, Creation of a Special District, and any other provision of this chapter, a development authority may adopt a resolution creating a public infrastructure district if all owners of surface property proposed to be included within the public infrastructure district consent in writing to the creation of the public infrastructure district.
- 1368           (iii) For purposes of Subsection (1)(b)(ii), if the surface property proposed to be included within the public infrastructure district includes military land that is within a project area, the owner of the military land within the project area is the lessee of the military land.
- 1372           (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created as a subsidiary of the development authority that adopts the resolution creating the public infrastructure district.
- 1375           (2)
- (a) The following do not apply to the creation of a public infrastructure district:
- 1376           (i) Section 17B-1-203;  
1377           (ii) Section 17B-1-204;  
1378           (iii) Subsection 17B-1-208(2);  
1379           (iv) Section 17B-1-212; or  
1380           (v) Section 17B-1-214.
- 1381           (b) The protest period described in Section 17B-1-213 may be waived in whole or in part with the consent of 100% of the surface property owners within the applicable area approving the creation of the public infrastructure district.
- 1384

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- (c) If the protest period is waived under Subsection (2)(b), a resolution approving the creation of the public infrastructure district may be adopted in accordance with Subsection 17B-1-213(5).
- 1387 (d) A petition meeting the requirements of Subsection (1) may be certified under Section 17B-1-209.
- 1389 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the items required by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30 days of the day on which a resolution creating a public infrastructure district is adopted.
- 1393 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the boundaries of a public infrastructure district may be annexed into the public infrastructure district if the following requirements are met:
- 1396 [(a)
- (i) ~~adoption of resolutions of the board and the creating entity, each approving of the annexation; or]~~
- 1398 [(ii) ~~adoption of a resolution of the board to annex the area, provided that the governing document or creation resolution for the public infrastructure district authorizes the board to annex an area outside of the boundaries of the public infrastructure district without future consent of the creating entity; and]~~
- 1402 [(b)] (a) the board adopts a resolution approving the annexation;
- 1403 (b) the governing document or resolution creating the public infrastructure district authorizes the public infrastructure district to annex the proposed annexation area;
- 1405 (c) a petition is filed with the public infrastructure district that contains the signatures of 100% of surface property owners within the ~~[area proposed to be annexed]~~ proposed annexation area, demonstrating the surface property owners' consent to the annexation into the public infrastructure district[-] ;and
- 1409 (d) if the creating entity is a county or municipality and the proposed annexation area is outside the boundaries of the creating entity:
- 1411 (i) for an area that is unincorporated, the legislative body of the county where the area is located adopts a resolution approving the annexation; or
- 1413 (ii) for an area that is within the boundaries of a municipality, the legislative body of the municipality where the area is located adopts a resolution approving the annexation{;and}.
- 1495 (4)
- (a) {the proposed annexation area is contiguous to the area inside the boundaries of the public infrastructure district.}

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- 1418     {~~(4)~~}
- 1419     {~~(a)~~} Notwithstanding Title 17B, Chapter 1, Part 5, Withdrawal, property may be withdrawn from a public infrastructure district if the following requirements are met:
- 1420     (i)
- 1421     ~~[(A)]~~ adoption of ~~[resolutions]~~ a resolution of the board ~~[and the creating entity, each]~~ approving of the withdrawal; ~~[or]~~ and
- 1422     ~~[(B)]~~ ~~adoption of a resolution of the board to withdraw the property, provided that the governing document or creation resolution for the public infrastructure district authorizes the board to withdraw property from the public infrastructure district without further consent from the creating entity; and]~~
- 1426     (ii) a petition is filed with the public infrastructure district that contains the signatures of 100% of surface property owners within the area proposed to be withdrawn, demonstrating that the surface property owners consent to the withdrawal from the public infrastructure district.
- 1430     (b) If any bonds that the public infrastructure district issues are allocable to the area to be withdrawn remain unpaid at the time of the proposed withdrawal, the property remains subject to any taxes, fees, or assessments that the public infrastructure district imposes until the bonds or any associated refunding bonds are paid.
- 1434     (c) Upon meeting the requirements of Subsection (3) or (4)(a), the board shall:
- 1435     (i) within 30 days of the day on which a resolution is adopted or a petition is filed under Subsection (3) or (4)(a), file with the lieutenant governor:
- 1437     (A) a copy of a notice of impending boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
- 1439     (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
- 1441     (ii) comply with the requirements of Section 17B-1-512, except:
- 1442     (A) Subsections 17B-1-512(1)(b) and (c) do not apply; and
- 1443     (B) the time periods described in this section govern.
- 1444     (5) A creating entity may impose limitations on the powers of a public infrastructure district through the governing document.
- 1446     (6)
- 1447     (a) A public infrastructure district is separate and distinct from the creating entity.
- 1447     (b)

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- (i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the cost of accounting, audit reporting, and budget preparation, of a public infrastructure district:
- 1450 (A) is borne solely by the public infrastructure district; and
- 1451 (B) is not borne by the creating entity, by the state, or by any municipality, county, or other political subdivision.
- 1453 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing document may require:
- 1455 (A) the district applicant to bear the initial costs of the public infrastructure district; and
- 1457 (B) the public infrastructure district to reimburse the district applicant for the initial costs the creating entity bears.
- 1459 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from qualifying directly for an impact fee offset, credit, or refund under Title 11, Chapter 36a, Impact Fees Act, regarding any qualifying system improvements financed by the public infrastructure district.
- 1463 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure district:
- 1465 (i) is the sole responsibility of the public infrastructure district; and
- 1466 (ii) does not constitute a liability, judgment, or claim against the creating entity, the state, or any municipality, county, or other political subdivision.
- 1468 (d)
- (i)
- (A) The public infrastructure district solely bears the responsibility of any collection, enforcement, or foreclosure proceeding with regard to any fee or assessment the public infrastructure district imposes.
- 1471 (B) The creating entity does not bear the responsibility described in Subsection (6)(d)(i)(A).
- 1473 (ii) A public infrastructure district, and not the creating entity, shall undertake the enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in accordance with Title 11, Chapter 42, Assessment Area Act.
- 1476 (7) A creating entity may establish criteria in determining whether to approve or disapprove of the creation of a public infrastructure district, including:
- 1478 (a) historical performance of the district applicant;
- 1479 (b) compliance with the creating entity's master plan;
- 1480 (c) credit worthiness of the district applicant;
- 1481 (d) plan of finance of the public infrastructure district; and

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- 1482 (e) proposed development within the public infrastructure district.
- 1483 (8)
- (a) The creation of a public infrastructure district is subject to the sole discretion of the creating entity responsible for approving or rejecting the creation of the public infrastructure district.
- 1486 (b) The proposed creating entity bears no liability for rejecting the proposed creation of a public infrastructure district.
- 1566 Section 24. Section **17D-4-202** is amended to read:
- 1567 **17D-4-202. (Effective 05/06/26)Public infrastructure district board -- Governing document.**
- 1490 (1)
- (a) The legislative body or board of the creating entity shall ~~[appoint the initial members of the board of a public infrastructure district, in accordance with the governing document.]~~ approve the governing document for the public infrastructure district through resolution.
- 1494 (b) A governing document ~~[{ } approved by the legislative body or board of the creating entity may provide for] :~~
- 1496 (i) shall include the names of the initial members of the board;
- 1497 (ii) shall provide that, upon the lieutenant governor issuing a certificate of incorporation for the public infrastructure district, members of the board may be appointed in accordance with the terms of the governing document and this section; and
- 1501 (iii) may provide for the board of a public infrastructure district to, upon a vacancy on the board and subject to Subsection (4), appoint an individual to the board so long as the individual meets the requirements to serve on a public infrastructure district board described in this section.
- 1505 ~~[(e) For public infrastructure districts not described in Subsection (1)(b), and except as provided in Subsection (1)(d):]~~
- 1507 ~~[(i) if there is a vacancy on the board of a public infrastructure district, or a board member provides notice to the legislative body or board of the creating entity of the board member's intention to resign from the board, the legislative body or board of the creating entity shall appoint a replacement board member within 45 days from the day on which the vacancy first occurs or the board member provides notice of the board member's intent to resign; and]~~
- 1513 ~~[(ii) if a legislative body or board of the creating entity fails to fill a vacancy on the board within the time period described in Subsection (1)(e)(i), the board of the public infrastructure district may~~

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appoint an individual who is eligible to serve on the board according to the requirements of this section to fill the board vacancy.]

- 1517 [(d)] (c) If a public infrastructure district board position has transitioned from appointment to election,  
as described in Subsection (4), and an elected board position becomes vacant, the ~~[provisions of  
Section 20A-1-512 apply to fill the vacancy]~~ vacant board position shall be filled through the  
remainder of the term in the method provided in the governing document.
- 1522 (2)
- (a) Unless otherwise limited in the governing document and except as provided in Subsection (2)(b), the  
initial term of each member of the board is four years.
- 1524 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial board shall  
serve a six-year term so that, after the expiration of the initial term, the term of approximately half  
the board members expires every two years.
- 1527 (c) A board may elect that a majority of the board serve an initial term of six years.
- 1528 (d) After the initial term, the term of each member of the board is four years.
- 1529 (e) A member of the board who is appointed shall continue to serve on the board of the public  
infrastructure district until a replacement board member is appointed.
- 1531 (3)
- (a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required to be a resident within  
the boundaries of the public infrastructure district if:
- 1533 (i) all of the surface property owners consent to the waiver of the residency requirement in the  
petition requesting the creation of the public infrastructure district;
- 1536 (ii) there are no residents within the boundaries of the public infrastructure district;
- 1537 (iii) no qualified candidate timely files to be considered for appointment to the board; or
- 1539 (iv) no qualified individual files a declaration of candidacy for a board position in accordance with  
Subsection 17B-1-306(5).
- 1541 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the residency requirement  
in Subsection 17B-1-302(1)(b) is applicable to any board member elected for a division or board  
position that has transitioned from an appointed to an elected board member in accordance with this  
section.
- 1545 (c) An individual who is not a resident within the boundaries of the public infrastructure district may  
not serve as a board member unless the individual is:

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- 1547 (i) an owner of land or an agent or officer of the owner of land within the boundaries of the public  
infrastructure district; and
- 1549 (ii) a registered voter at the individual's primary residence.
- 1550 (d) If ~~[the creating entity determines that]~~ a public infrastructure district is not anticipated to have  
permanent residents within the public infrastructure district's boundaries, or is anticipated to be  
primarily composed of non-residential property or non-primary residential property, a governing  
document may allow the ~~[creating entity to continue]~~ board to appoint a property owner, or the  
agent of a property owner, to the public infrastructure district board.
- 1556 (e) A governing document may allow for a property owner to recommend a property owner or a  
property owner's agent for appointment to the public infrastructure district board in numbers  
proportional to the property owner's ownership of land, or value of land, within a public  
infrastructure district.
- 1560 (4)
- (a) A governing document may provide for a transition from ~~[legislative body]~~ appointment under  
Subsection (1) to a method of election by registered voters based upon milestones or events that the  
governing document identifies, including a milestone for each division or individual board position  
providing that when the milestone is reached:
- 1565 (i) for a division, the registered voters of the division elect a member of the board in place of an  
appointed member at the next municipal general election for the board position; or
- 1568 (ii) for an at large board position established in the governing document, the registered voters of the  
public infrastructure district elect a member of the board in place of an appointed member at the  
next municipal general election for the board position.
- 1572 (b) Regardless of whether a board member is elected under Subsection (4)(a), the position of each  
remaining board member shall continue to be appointed under Subsection (1) until the member's  
respective division or board position surpasses the density milestone described in the governing  
document.
- 1576 (5)
- (a) ~~[Subject to Subsection (5)(e), the]~~ For a public infrastructure district that has transitioned to a  
method of election as described in Subsection (4), the board may, in the board's discretion but  
no more frequently than every four years, reestablish the boundaries of each division so that

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each division that has reached a milestone specified in the governing document, as described in Subsection (4)(a), has, as nearly as possible, the same number of eligible voters.

1582 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall consider existing or  
potential developments within the divisions that, when completed, would increase or decrease the  
number of eligible voters within the division.

1586 [~~(e) The governing document may prohibit the board from reestablishing, without the consent of the  
creating entity, the division boundaries as described in Subsection (5)(a).]~~

1589 (6) A public infrastructure district may not compensate a board member for the member's service on the  
board under Section 17B-1-307 unless the board member is a resident within the boundaries of the  
public infrastructure district.

1592 (7) A governing document shall:

1593 (a) include a boundary description and a map of the public infrastructure district;

1594 (b) state the number of board members;

1595 (c) describe any divisions of the public infrastructure district;

1596 (d) establish any applicable property tax levy rate limit for the public infrastructure district;

1598 (e) establish any applicable limitation on the principal amount of indebtedness for the public  
infrastructure district;

1600 (f) describe the public infrastructure and improvements, facilities, or properties that the public  
infrastructure district is created to {facilitate} ~~construct, repair,~~ or {develop} ~~otherwise complete~~, as  
described in Section 17D-4-203; and

1603 [~~(f)~~] (g) include other information that the public infrastructure district or the creating entity determines  
to be necessary or advisable.

1605 (8)

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

1608 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy rate limitation  
requires the consent of 100% of surface property owners within the boundaries of the public  
infrastructure district.

1611 (9) A board member is not in violation of Section 67-16-9 if the board member:

1612

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(a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8 and files the disclosure with the creating entity:

1614 (i) before any appointment or election; and

1615 (ii) upon any significant change in the business relationship; and

1616 (b) conducts the affairs of the public infrastructure district in accordance with this title and any parameters described in the governing document.

1618 (10) Notwithstanding any other provision of this section, the governing document governs the number, appointment, eligibility for appointment, and terms of board members of a public infrastructure district created by the development authority.

1700 Section 25. Section **17D-4-202.1** is amended to read:

1701 **17D-4-202.1. (Effective 05/06/26)Convention center public infrastructure -- District board -- Petition and process requirements -- Governing document.**

1624 (1) As used in this section:

1625 (a) "City" means a municipality of the first class located in a county of the first class in which a convention center is located.

1627 (b) "County" means a county in which a convention center is located.

1628 (c) "Lessee" means a lessee of property within the proposed convention center public infrastructure district that leases the property from the city or county for a term of at least 10 years.

1631 (d)

(i) "Petitioner" means:

1632 (A) a surface property owner, a property owner, or lessee of property within a proposed convention center public infrastructure district's boundaries that initiates the formation of a convention center public infrastructure district; or

1635 (B) a surface property owner under this chapter, and Title 17B, Chapter 1, Provisions Applicable to All Special Districts, in relation to a convention center public infrastructure district.

1638 (ii) "Petitioner" does not include a city, county, or other public entity.

1639 (2) A convention center public infrastructure district shall be created in a city upon the submission of a petition in accordance with this part and shall have all the powers of a public infrastructure district under this chapter.

1642 (3) A convention center public infrastructure district may only be created within a city in which a convention center is located.

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- 1644 (4) The petition described in Subsection (2) shall:
- 1645 (a) include the governing document; and
- 1646 (b) for a petition to a city which has previously authorized revitalization taxes described in Section  
63N-3-1403, include as part of the governing document approval and authorization of an interlocal  
agreement pledging and securing the revitalization taxes for debt of the proposed convention center  
public infrastructure district.
- 1650 (5)
- (a) The process for creating a convention center public infrastructure district or a convention center  
public infrastructure district in a capital city shall be initiated by the submission of a petition and a  
governing document to the city, except that:
- 1653 (i) the city recorder shall certify the petition within 14 days from the day the petitioner submits the  
petition to the city recorder;
- 1655 (ii) if the city recorder fails to certify the petition within the time described in Subsection (5)(a)(i),  
the petition shall be considered certified; and
- 1657 (iii) within 30 days from the day that the petitioner submits the petition to the city recorder, or if  
the city and the petitioner have come to an agreement as described in Subsection (5)(b), the city  
shall adopt a resolution to approve:
- 1660 (A) the governing document the petitioner submitted with the petition; and
- 1661 (B) the creation of a convention center public infrastructure district or a convention center public  
infrastructure district in a capital city.
- 1663 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized terms of the  
petition, including the terms of an interlocal agreement, within a time period agreed upon by the city  
and petitioner.
- 1666 (6)
- (a) The boundaries of a convention center public infrastructure district shall be limited to an area within  
a one-half-mile radius of a convention center.
- 1668 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel may be  
included in the district.
- 1670 (7) A convention center public infrastructure district shall be subject to the following provisions  
regarding taxation and financing:
- 1672

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- (a) a convention center public infrastructure district may levy an administrative tax of up to 0.0005 per dollar of taxable value on taxable property within the district; and
- 1674 (b) the administrative tax shall be used exclusively for administrative expenses and may not be used for capital costs or debt payment.
- 1676 (8) A convention center public infrastructure district shall be governed by the governing document submitted and approved as described in this section.
- 1678 (9) The convention center public infrastructure board shall consist of five members to be appointed by the board in accordance with the governing document as follows:
- 1680 (a) three members shall be representatives of the petitioner and selected by the petitioner;
- 1681 (b) one member may be a representative of the city and selected by the mayor of the city; and
- 1683 (c) one member may be a representative of the county and selected by the mayor of the county.
- 1685 (10)
- (a) Except as provided in Subsection (10)(b), upon a vacancy or expiration of a term of a board member for a convention center public infrastructure district, the board shall appoint the replacement in the same manner as described in Subsection (9) for the unexpired period of the board member's term.
- 1689 (b) If a city or county mayor chooses not to select a member of the board as described in Subsection (9) (b) or (c), elects in writing to permanently abdicate the board seat, or chooses to vacate a member at any time, the petitioner shall select a member for the replacement who shall not be a representative of the city or county in which the convention center is located.
- 1694 (11)
- (a) A convention center public infrastructure district shall enter into an interlocal agreement with the relevant county that provides that, for any revenue that is transferred to the convention center public infrastructure district from a convention center reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall have approval authority for the expenditure of any revenue related to a convention center revitalization project, as that term is defined in Section 63N-3-602.
- 1701 (b) The approval authority described in Subsection (11)(a) does not include approval authority over:
- 1703 (i) any bonds or debt or related terms issued by the convention center public infrastructure district; or
- 1705 (ii) revenue subject to a participation agreement entered into pursuant to Title 63N, Chapter 3, Part 14, Capital City Revitalization Zone.
- 1786 Section 26. Section **17D-4-203** is amended to read:

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- 1787           **17D-4-203. (Effective 05/06/26)Public infrastructure district powers.**
- 1709           (1) A public infrastructure district has all of the authority conferred upon a special district under Section 17B-1-103.
- 1711           (2) A public infrastructure district may:
- 1712           (a) issue negotiable bonds to pay:
- 1713           (i) all or part of the costs of acquiring, acquiring an interest in, improving, or extending any of the improvements, facilities, or property allowed under Section 11-14-103;
- 1716           (ii) capital costs of improvements in an energy assessment area, as defined in Section 11-42a-102, and other related costs, against the funds that the public infrastructure district will receive because of an assessment in an energy assessment area;
- 1719           (iii) public improvements related to the provision of housing;
- 1720           (iv) capital costs related to public transportation;
- 1721           (v) for a public infrastructure district that is within or adjacent to a housing and transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, any and all costs to finance any public or privately owned improvements, which, in the discretion of the board of the public infrastructure district, promote the objectives described in Section 63N-3-603.1;
- 1726           (vi) the cost of acquiring or financing public infrastructure and improvements;
- 1727           (vii) for a public infrastructure district that is a subsidiary of or created by the Utah Inland Port Authority, the costs associated with a remediation project, as defined in Section 11-58-102;
- 1730           (viii) for a convention center public infrastructure district that is within or adjacent to a convention center reinvestment zone as defined in Section 63N-3-602, any or all of the costs to finance any public or privately owned improvements, including convention center-related improvements and arena improvements, which, in the discretion of the board of a convention center public infrastructure district, promote the objectives of the convention center reinvestment zone, as described in Section 63N-3-603.1;
- 1737           (ix) for a convention center public infrastructure district, the costs of financing a convention revitalization project, as the term is defined in Section 63N-3-602;
- 1739           (x) for a convention center public infrastructure district in a capital city that is within or adjacent to a convention center reinvestment zone in a capital city, as defined in Section 63N-3-602, any or all of the costs to financing any publicly owned improvements, including the cost of financing a convention center revitalization project in a capital city, as defined in Section 63N-3-602,

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convention center-related improvements, and publicly or privately owned improvements that directly serve the convention center, which, in the discretion of the board of the convention center public infrastructure district in a capital city, promote the objectives of the convention center reinvestment zone in a capital city, as described in Section 63N-3-603.1; and

- 1749 (xi) for a convention center public infrastructure district in a capital city that is within a capital city revitalization zone project area, as defined in Section 63N-3-1401, any allowed uses of funds or revenue provided for under Section 59-12-402.5, including eligible expenses consistent with the terms of the participation agreement, except that a convention center public infrastructure district in a capital city may not issue negotiable bonds serviced by the revitalization tax under Section 59-12-402.5 for privately owned improvements for more than the maximum dollar amount described in the participation agreement.
- 1757 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, provided that the interlocal agreement may not expand the powers of the public infrastructure district, within the limitations of Title 11, Chapter 13, Interlocal Cooperation Act, without the consent of the creating entity;
- 1761 (c) notwithstanding any other provision in code, acquire completed or partially completed improvements, including related design and consulting services and related work product, for fair market value as reasonably determined by[~~;~~]
- 1764 [(i) ~~the board;~~]
- 1765 [(ii) ~~the creating entity, if required in the governing document; or~~]
- 1766 [(iii)]    a surveyor or engineer that a public infrastructure district employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the improvements;
- 1769 (d) contract with the creating entity for the creating entity to provide administrative services on behalf of the public infrastructure district, when agreed to by both parties, in order to achieve cost savings and economic efficiencies, at the discretion of the creating entity;
- 1773 (e) for a public infrastructure district created by a development authority, or for a public infrastructure district created by a municipality and located in an urban renewal project area that includes some or all of an inactive industrial site:
- 1776 (i)  
(A) operate and maintain public infrastructure and improvements the district acquires or finances; and

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- 1778 (B) use fees, assessments, or taxes to pay for the operation and maintenance of those public  
infrastructure and improvements; ~~[and]~~
- 1780 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and
- 1860 (iii) notwithstanding Section 17D-4-303 and subject to Subsection (3), for an advanced manufacturing  
project or a critical mineral extraction project located on state-owned or development authority-  
owned land within an authority project area, levy a property tax at a rate not to exceed a rate that  
generates more revenue than required to pay the annual debt service of the bond plus administrative  
costs and issue unlimited general obligation bonds as may be authorized by an election as described  
in this chapter and approved by the authority board.
- 1781 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland Port Authority,  
pay for costs associated with a remediation project, as defined in Section 11-58-102, of the Utah  
Inland Port Authority.
- 1784 (3) For general obligation bonds described in Subsection (2)(e)(iii)(A), the principal amount of the  
bonds cannot exceed 75% of the market value of the project for which the bonds are issued after the  
project is constructed and operating, as estimated and approved by a majority of the board of the  
public infrastructure district.
- 1874 (4) A public infrastructure district created by the Utah Fairpark Area Investment and Restoration  
District, created in Section 11-70-201, may:
- 1786 (a) pay for the cost of the development and construction of a qualified stadium, as defined in Section  
11-70-101; and
- 1788 (b) pay for the cost of public infrastructure and improvements.
- 1879 Section 27. Section **17D-4-204** is amended to read:
- 1880 **17D-4-204. (Effective 05/06/26)Relation to other local entities.**
- 1791 (1) Notwithstanding the creation of a public infrastructure district, the creating entity and any other  
public entity, as applicable, retains all of the entity's authority over all zoning, planning, design  
specifications and approvals, and permitting within the public infrastructure district.
- 1795 (2) The inclusion of property within the boundaries of a public infrastructure district does not preclude  
the inclusion of the property within any other special district.
- 1797 (3)
- (a) All infrastructure that is connected to another public entity's system:
- 1798

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- (i) belongs to that public entity, regardless of inclusion within the boundaries of a public infrastructure district, unless the public infrastructure district and the public entity otherwise agree; and
- 1801 (ii) shall comply with the design, inspection requirements, and other standards of the public entity.
- 1803 (b) A public infrastructure district shall convey or transfer the infrastructure described in Subsection (3)
- (a) free of liens or financial encumbrances to the public entity at no cost to the public entity.
- 1806 (c) The conveyance, transfer, or dedication of infrastructure to a creating entity or a public entity in accordance with this section is not a financial benefit of the creating entity or public entity.
- 1809 (4)
- (a) No public entity or private person shall receive funds from any portion of a public infrastructure district's property tax revenue without a resolution of the public infrastructure district's board authorizing the public entity or private person to receive the funds.
- 1813 (b) Subsection (4)(a) does not apply to the county's expenses related to collecting property tax in accordance with Title 59, Chapter 2, [~~Part 12,~~]Property Tax Act.
- 1815 (c) Subsection (4)(a) applies notwithstanding any provision in:
- 1816 (i) Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act;
- 1818 (ii) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 1819 (iii) a statute governing a development authority created under Utah Constitution, Article XI; or
- 1821 (iv) a provision of code related to the collection, distribution, or sharing of tax increment revenue, incremental property tax increases, or actions related to the collection, distribution, or sharing of tax increment revenue or incremental property tax increases.
- 1915 Section 28. Section 17D-4-303 is amended to read:
- 1916 **17D-4-303. Limits on public infrastructure district property tax levy -- Notice requirements.**
- 1918 (1) [~~The~~] Except as provided in Subsections 17D-4-203(2)(e) and 63H-1-202(10), the property tax levy of a public infrastructure district, for all purposes, including payment of debt service on limited tax bonds, may not exceed .015 per dollar of taxable value of taxable property in the district.
- 1922 (2) The limitation described in Subsection (1) does not apply to the levy by the public infrastructure district to pay principal of and interest on a general obligation bond that the public infrastructure district issues.
- 1925 (3)

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- (a) Within 30 days after the day on which the lieutenant governor issues a certificate of incorporation for the public infrastructure district under Section 67-1a-6.5, the board shall record a notice with the recorder of the county in which property within the public infrastructure district is located.
- 1929 (b) The notice described in Subsection (3)(a) shall:
- 1930 (i) contain a description of the boundaries of the public infrastructure district;
- 1931 (ii) state that a copy of the governing document is on file at the office of the creating entity;
- 1933 (iii) state that the public infrastructure district may finance and repay infrastructure and other improvements through the levy of a property tax; and
- 1935 (iv) state the maximum rate that the public infrastructure district may levy.
- 1936 (c) The effective date of the public infrastructure district for purposes of assessing property tax is the day on which the notice is recorded in the office of the recorder of each county in which the public infrastructure district is located, as described in Section 59-2-305.5.
- 1940 (4) If the board fails to record a notice as described in Subsection (3):
- 1941 (a) the public infrastructure district is still created as of the day the lieutenant governor issues a certificate of incorporation for the public infrastructure district;
- 1943 (b) any bonds issued by the public infrastructure district are still valid; and
- 1944 (c) the public infrastructure district may not levy a tax or levy or collect a fee until the board records the notice described in Subsection (3).
- 1946 Section 29. Section **29** is enacted to read:
- 1948 **17D-4-401. (Effective 05/06/26) District dissolution.**
4. Dissolution
- 1828 (1) ~~{A}~~ The board of trustees of a public infrastructure district, other than a public infrastructure district created by a development authority that provides ongoing services, shall ~~{be dissolved after}~~ adopt a resolution to dissolve the public infrastructure once:
- 1952 (a) the public infrastructure district has paid all the public infrastructure district's debts;
- 1830 (a) ~~{(b)}~~ ~~{all of}~~ the public infrastructure district's ~~{bonded indebtedness and}~~ contractual obligations are satisfied or defeased; and
- 1832 (b) ~~{(c)}~~ except for public infrastructure and improvements, facilities, or properties that are privately owned, the public infrastructure and improvements, facilities, or properties described in the governing document, as required in Section 17D-4-202 , have been:
- 1834 (i) constructed, repaired, or otherwise completed; ~~{and}~~

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- 1958 (ii) accepted by the public entity as meeting the public entity's applicable development, design, and  
construction standards; and
- 1835 (ii){(iii)} transferred to the entity responsible for the maintenance and operation of the public  
infrastructure and improvement, facility, or property.
- 1837 (2) The board shall:
- 1838 (a) adopt a resolution approving the dissolution of the public infrastructure district within 30 days of the  
day on which the {requirements-} conditions of Subsection (1) are met; and
- 1840 ~~{(b) {notify the lieutenant governor of the dissolution.-}}~~
- 1965 (b) file with the lieutenant governor a notice of an impending boundary action, as defined in Section  
67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3), within 30 days of the day on  
which the board adopts a resolution described in Subsection (2)(a).
- 1969 (3) The board may use any assets of the public infrastructure district that remain after the requirements  
of Subsection (1) are met to pay costs associated with the dissolution process.
- 1841 (3){(4)} Upon the lieutenant governor's issuance of a certificate of dissolution under Section 67-1a-6.5:
- 1843 (a) the public infrastructure district is dissolved; and
- 1844 (b) the board shall:
- 1845 (i) if the public infrastructure district was located within the boundary of a single county, submit to the  
recorder of that county the original and a certified copy of the resolution described in Subsection (2)  
(a); or
- 1848 (ii) if the public infrastructure district was located within the boundaries of more than a single county:
- 1850 (A) submit to the recorder of one of those counties the original certificate of dissolution and a certified  
copy of the resolution described in Subsection (2)(a); and
- 1853 (B) submit to the recorder of each other county a certified copy of the certificate of dissolution and a  
certified copy of the resolution described in Subsection (2)(a).
- 1987 (5) If any assets of the public infrastructure district remain after the conditions of Subsection (1) are  
met and the costs described in Subsection (3) are paid, the board shall distribute the assets in the  
following order of priority:
- 1990 (a) if there is a readily identifiable connection between the remaining assets and a financial burden  
borne by the real property owners in the dissolved public infrastructure district, proportionately to  
those real property owners; and
- 1993 (b) the entity described in Subsection (1)(c)(ii).

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- 1994 Section 30. Section **30** is enacted to read:
- 1996 **51-9-1001. (Effective 05/06/26)Definitions.**
10. State Reinvestment Restricted Account
- As used in this part:
- 1860 (1) "Account" means the State Reinvestment Restricted Account created in Section 51-9-1002.
- 1862 (2) "Generational water infrastructure" means physical facilities or other physical assets designed to meet generational demands for water.
- 2002 Section 31. Section **31** is enacted to read:
- 2003 **51-9-1002. (Effective 05/06/26)State Reinvestment Restricted Account created.**
- 1866 (1) There is created within the General Fund a restricted account known as the "State Reinvestment Restricted Account."
- 1868 (2) The account shall consist of:
- 1869 (a) revenue deposited into the account in accordance with:
- 1870 (i) Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones; and
- 1872 (ii) Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy Implications;
- 1874 (b) revenue deposited into the account by the Utah Inland Port Authority in accordance with Sections 11-58-602 and 11-58-607;and
- 1876 ~~{(e) {revenue deposited into the account in accordance with Subsection 59-1-306(8); and} }~~
- 1877 (d){(c)} interest and earnings on money in the account.
- 1878 (3) The state treasurer shall invest the money in the fund according to Title 51, Chapter 7, State Money Management Act, except that interest or other earnings derived from those investments shall be deposited into the account.
- 2018 Section 32. Section **32** is enacted to read:
- 2019 **51-9-1003. (Effective 05/06/26)Authorized use of the State Reinvestment Restricted Account.**
- 1883 (1) Money in the account is to be used, subject to appropriation, for:
- 1884 (a) income tax relief;
- 1885 (b) development of generational water infrastructure;
- 1886 (c) facilitating preservation of the Great Salt Lake watershed, as described in Title 73, Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;
- 1888 (d) regionally significant transit development and regionally significant transit infrastructure; and

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- 1890 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy Act.
- 1892 (2) Money in the account that is derived from a local source may not be used in an area outside the area  
in which the money was generated unless the money is used for a purpose described in Subsection  
(1).
- 2033 Section 33. Section **33** is enacted to read:
- 2034 **57-1-49. (Effective 05/06/26)Disclosure of annual assessment to a public infrastructure**  
**district.**
- 1897 (1) As used in this section, "public infrastructure district" means an entity created as described in Title  
17D, Chapter 4, Public Infrastructure District Act.
- 1899 (2) In a conveyance of residential real property within the boundaries of a public infrastructure  
district, a seller or the seller's representative shall ensure that the expected annual cost of the public  
infrastructure district's final tax rate, as shown on the last equalized assessment rolls, is included in a  
disclosure document at or before closing.
- 2042 Section 34. Section **59-1-306** is amended to read:
- 2043 **59-1-306. (Effective 05/06/26)Definition -- State Tax Commission Administrative Charge**  
**Account -- Amount of administrative charge -- Deposit of revenue into the restricted account**  
**-- Interest deposited into General Fund -- Expenditure of money deposited into the restricted**  
**account.**
- 1908 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the commission  
administers under:
- 1910 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
- 1911 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 1912 (c) Section 19-6-714;
- 1913 (d) Section 19-6-805;
- 1914 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax Collection, or  
Chapter 12, Part 18, Additional State Sales and Use Tax Act;
- 1916 (f) Section 59-27-105;
- 1917 (g) Chapter 31, Cannabinoid Licensing and Tax Act;
- 1918 (h) Chapter 32, Local Impact Mitigation Tax Act;
- 1919 (i) Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax;
- 1920 (j) Chapter 35, County Energy Excise TaxAct;

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- 1921 ~~[(j)]~~ (k) Section 63H-1-205;
- 1922 ~~[(k)]~~ (l) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;~~[-or]~~
- 1923 ~~[(h)]~~ (m) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges; or
- 1925 ~~[(m)]~~ (n) Title 79, Chapter 6, ~~[Part 11]~~ Part 14, Energy Project Assessment.
- 1926 (2) There is created a restricted account within the General Fund known as the "State Tax Commission Administrative Charge Account."
- 1928 (3) Subject to the other provisions of this section, the restricted account shall consist of administrative charges the commission retains and deposits in accordance with this section.
- 1931 (4) For purposes of this section, the administrative charge is a percentage of revenue the commission collects from each qualifying tax, fee, or charge of not to exceed the lesser of:
- 1934 (a) 1.5%; or
- 1935 (b) an equal percentage of revenue the commission collects from each qualifying tax, fee, or charge sufficient to cover the cost to the commission of administering the qualifying taxes, fees, or charges.
- 1938 (5) The commission shall deposit an administrative charge into the restricted account.
- 1939 (6) Interest earned on the restricted account shall be deposited into the General Fund.
- 1940 (7) The commission shall expend money appropriated by the Legislature to the commission from the restricted account to administer qualifying taxes, fees, or charges or to offset general operational expenses.
- 1943 ~~{(8) If the administrative charge set by the commission is calculated under Subsection (4)(b), then the commission shall deposit the amount of revenue that equals the difference between the administrative charge that could be charged under Subsection (4)(a) and what is being charged under Subsection (4)(b) into the State Reinvestment Restricted Account created in Section 51-9-1002.}~~
- 2082 Section 35. Section **59-2-924** is amended to read:
- 2083 **59-2-924. (Effective 05/06/26)Definitions -- Report of valuation of property to county auditor and commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the commission.**
- 1953 (1) As used in this section:
- 1954 (a)
- (i) "Ad valorem property tax revenue" means revenue collected in accordance with this chapter.

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- 1956 (ii) "Ad valorem property tax revenue" does not include:
- 1957 (A) interest;
- 1958 (B) penalties;
- 1959 (C) collections from redemptions; or
- 1960 (D) revenue received by a taxing entity from personal property that is semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3, County Assessment.
- 1963 (b) "Adjusted tax increment" means the same as that term is defined in Section 17C-1-102.
- 1965 (c)
- (i) "Aggregate taxable value of all property taxed" means:
- 1966 (A) the aggregate taxable value of all real property a county assessor assesses in accordance with Part 3, County Assessment, for the current year;
- 1968 (B) the aggregate taxable value of all real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year; and
- 1971 (C) the aggregate year end taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls of the taxing entity.
- 1974 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year end taxable value of personal property that is:
- 1976 (A) semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3, County Assessment; and
- 1978 (B) contained on the prior year's tax rolls of the taxing entity.
- 1979 (d) "Base taxable value" means:
- 1980 (i) for an authority created under Section 11-58-201, the same as that term is defined in Section 11-58-102;
- 1982 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, the same as that term is defined in Section 11-59-207;
- 1984 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the same as that term is defined in Section 11-70-101;
- 1986 (iv) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;
- 1988

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- (v) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102;
- 1990 (vi) for a host local government, the same as that term is defined in Section 63N-2-502;
- 1992 (vii) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 1995 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 10-21-101 or Section 17-80-101;
- 2000 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 63N-3-1601;
- 2004 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the property tax base year, as that term is defined in Section 63N-3-1701;~~[-or]~~
- 2008 (xi) for an electrical energy development zone created under Section 79-6-1104, the value of the property within an electrical energy development zone, as shown on the assessment roll last equalized before the creation of the electrical development zone, as that term is defined in Section 79-6-1104~~[-]~~ ; or
- 2012 (xii) for a regionally significant development zone created under Section 63N-3a-203, the taxable value of the property within a regionally significant development zone boundary, as shown on the assessment roll last equalized during the base year, as that term is defined in Section 63N-3a-101.
- 2016 (e) "Centrally assessed benchmark value" means an amount equal to the average year end taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous three calendar years, adjusted for taxable value attributable to:
- 2020 (i) an annexation to a taxing entity;
- 2021 (ii) an incorrect allocation of taxable value of real or personal property the commission assesses in accordance with Part 2, Assessment of Property; or
- 2023 (iii) a change in value as a result of a change in the method of apportioning the value prescribed by the Legislature, a court, or the commission in an administrative rule or administrative order.

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- 2026 (f) "Centrally assessed industry" means the following industry classes the commission assesses in  
accordance with Part 2, Assessment of Property:
- 2028 (i) air carrier;
- 2029 (ii) coal;
- 2030 (iii) coal load out property;
- 2031 (iv) electric generation;
- 2032 (v) electric rural;
- 2033 (vi) electric utility;
- 2034 (vii) gas utility;
- 2035 (viii) ground access property;
- 2036 (ix) land only property;
- 2037 (x) liquid pipeline;
- 2038 (xi) metalliferous mining;
- 2039 (xii) nonmetalliferous mining;
- 2040 (xiii) oil and gas gathering;
- 2041 (xiv) oil and gas production;
- 2042 (xv) oil and gas water disposal;
- 2043 (xvi) railroad;
- 2044 (xvii) sand and gravel; and
- 2045 (xviii) uranium.
- 2046 (g)
- (i) "Centrally assessed new growth" means the greater of:
- 2047 (A) for each centrally assessed industry, zero; or
- 2048 (B) the amount calculated by subtracting the centrally assessed benchmark value for each centrally  
assessed industry, adjusted for prior year end incremental value, from the taxable value of  
real and personal property the commission assesses in accordance with Part 2, Assessment of  
Property, for each centrally assessed industry for the current year, adjusted for current year  
incremental value.
- 2054 (ii) "Centrally assessed new growth" does not include a change in value for a centrally assessed industry  
as a result of a change in the method of apportioning the value prescribed by the Legislature, a court,  
or the commission in an administrative rule or administrative order.

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- 2058 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property tax revenue for a  
taxing entity as was budgeted by that taxing entity for the prior year.
- 2060 (i) "Community reinvestment agency" means the same as that term is defined in Section 17C-1-102.
- 2062 (j) "Eligible new growth" means the greater of:
- 2063 (i) zero; or
- 2064 (ii) the sum of:
- 2065 (A) locally assessed new growth;
- 2066 (B) centrally assessed new growth; and
- 2067 (C) project area new growth or hotel property new growth.
- 2068 (k) "Host local government" means the same as that term is defined in Section 63N-2-502.
- 2070 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 2071 (m) "Hotel property new growth" means an amount equal to the incremental value that is no longer  
provided to a host local government as incremental property tax revenue.
- 2073 (n) "Incremental property tax revenue" means the same as that term is defined in Section 63N-2-502.
- 2075 (o) "Incremental value" means:
- 2076 (i) for an authority created under Section 11-58-201, the amount calculated by multiplying:
- 2078 (A) the difference between the taxable value and the base taxable value of the property that is located  
within a project area and on which property tax differential is collected; and
- 2081 (B) the number that represents the percentage of the property tax differential that is paid to the  
authority;
- 2083 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount  
calculated by multiplying:
- 2085 (A) the difference between the current assessed value of the property and the base taxable value; and
- 2087 (B) the number that represents the percentage of the property tax augmentation, as defined in Section  
11-59-207, that is paid to the Point of the Mountain State Land Authority;
- 2090 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the  
amount calculated by multiplying:
- 2092 (A) the difference between the taxable value for the current year and the base taxable value of the  
property that is located within a project area; and
- 2094 (B) the number that represents the percentage of enhanced property tax revenue, as defined in Section  
11-70-101;

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- 2096 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by multiplying:
- 2098 (A) the difference between the taxable value and the base taxable value of the property located within a project area and on which tax increment is collected; and
- 2101 (B) the number that represents the adjusted tax increment from that project area that is paid to the agency;
- 2103 (v) for an authority created under Section 63H-1-201, the amount calculated by multiplying:
- 2105 (A) the difference between the taxable value and the base taxable value of the property located within a project area and on which property tax allocation is collected; and
- 2108 (B) the number that represents the percentage of the property tax allocation from that project area that is paid to the authority;
- 2110 (vi) for a housing and transit reinvestment zone or convention center reinvestment zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:
- 2113 (A) the difference between the taxable value and the base taxable value of the property that is located within a housing and transit reinvestment zone or convention center reinvestment zone and on which tax increment is collected; and
- 2117 (B) the number that represents the percentage of the tax increment that is paid to the housing and transit reinvestment zone or convention center reinvestment zone;
- 2120 (vii) for a host local government, an amount calculated by multiplying:
- 2121 (A) the difference between the taxable value and the base taxable value of the hotel property on which incremental property tax revenue is collected; and
- 2123 (B) the number that represents the percentage of the incremental property tax revenue from that hotel property that is paid to the host local government;
- 2125 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 2128 (A) the difference between the taxable value and the base taxable value of the property that is located within a home ownership promotion zone and on which tax increment is collected; and
- 2131 (B) the number that represents the percentage of the tax increment that is paid to the home ownership promotion zone;
- 2133

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- (ix) for a first home investment zone created in accordance with Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 2135 (A) the difference between the taxable value and the base taxable value of the property that is located within a first home investment zone and on which tax increment is collected; and
- 2138 (B) the number that represents the percentage of the tax increment that is paid to the first home investment zone;
- 2140 (x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount calculated by multiplying:
- 2143 (A) the difference between the taxable value and the base taxable value of the property located within a qualified development zone for a major sporting event venue zone and upon which property tax increment is collected; and
- 2146 (B) the number that represents the percentage of tax increment that is paid to the major sporting event venue zone, as approved by a major sporting event venue zone committee described in Section 63N-1a-1706;[~~or~~]
- 2149 (xi) for an electrical energy development zone created under Section 79-6-1104, the amount calculated by multiplying:
- 2151 (A) the difference between the taxable value and the base taxable value of the property that is located within the electrical energy developmental zone; and
- 2153 (B) the number that represents the percentage of the tax increment that is paid to a community reinvestment agency and the Electrical Energy Development Investment Fund created in Section 79-6-1105[~~;~~] ; or
- 2156 (xii) for a regionally significant development zone created under Section 63N-3a-203, the amount calculated by multiplying:
- 2158 (A) the difference between the taxable value and the base taxable value of the property that is located within the regionally significant development zone; and
- 2160 (B) the number that represents the percentage of the tax increment that is paid to a creating entity's agency, as established by the committee in Section 63N-3a-204.
- 2162 (p)
- (i) "Locally assessed new growth" means the greater of:
- 2163 (A) zero; or
- 2164

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(B) the amount calculated by subtracting the year end taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the previous year, adjusted for prior year end incremental value from the taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted for current year incremental value.

- 2170 (ii) "Locally assessed new growth" does not include a change in:  
2171 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or another  
adjustment;  
2173 (B) assessed value based on whether a property is allowed a residential exemption for a primary  
residence under Section 59-2-103;  
2175 (C) assessed value based on whether a property is assessed under Part 5, Farmland Assessment Act; or  
2177 (D) assessed value based on whether a property is assessed under Part 17, Urban Farming Assessment  
Act.  
2179 (q) "Project area" means:  
2180 (i) for an authority created under Section 11-58-201, the same as that term is defined in Section  
11-58-102;  
2182 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the  
same as that term is defined in Section 11-70-101;  
2184 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section  
17C-1-102;  
2186 (iv) for an authority created under Section 63H-1-201, the same as that term is defined in Section  
63H-1-102;  
2188 (v) for a housing and transit reinvestment zone or convention center reinvestment zone created under  
Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is  
defined in Section 63N-3-602;  
2191 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership  
Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion  
Zone, the same as that term is defined in Section 10-21-101 or Section 17-80-101;  
2195 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home  
Investment Zone Act, the same as that term is defined in Section 63N-3-1601;[-øø]

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- (viii) for a major sporting event venue zone established under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, the qualified development zone, as defined in Section 63N-3-1701[.] ; or
- 2201 (ix) for a regionally significant development zone created under Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones, the qualified development zone, as defined in Section 63N-3a-204.
- 2204 (r) "Project area new growth" means:
- 2205 (i) for an authority created under Section 11-58-201, an amount equal to the incremental value that is no longer provided to an authority as property tax differential;
- 2208 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount equal to the incremental value that is no longer provided to the Point of the Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;
- 2212 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, an amount equal to the incremental value that is no longer provided to the Utah Fairpark Area Investment and Restoration District;
- 2215 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the incremental value that is no longer provided to an agency as tax increment;
- 2217 (v) for an authority created under Section 63H-1-201, an amount equal to the incremental value that is no longer provided to an authority as property tax allocation;
- 2220 (vi) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that is no longer provided to a housing and transit reinvestment zone or convention center reinvestment zone as tax increment;
- 2225 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, an amount equal to the incremental value that is no longer provided to a home ownership promotion zone as tax increment;
- 2229 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount equal to the incremental value that is no longer provided to a first home investment zone as tax increment;[-or]
- 2232

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- (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental value that is no longer provided to the creating entity of a major sporting event venue zone as property tax increment[-] ; or
- 2236 (x) for a regionally significant development zone created under Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones, an amount equal to the incremental value that is no longer provided to the creating entity's agency for the regionally significant development zone.
- 2240 (s) "Project area incremental revenue" means the same as that term is defined in Section 17C-1-1001.
- 2242 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 2243 (u) "Property tax differential" means the same as that term is defined in Sections 11-58-102 and 79-6-1104.
- 2245 (v) "Tax increment" means:
- 2246 (i) for a project created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;
- 2248 (ii) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as the term "property tax increment" is defined in Section 63N-3-602;
- 2252 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, the same as that term is defined in Section 10-21-101 or Section 17-80-101;
- 2256 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, the same as that term is defined in Section 63N-3-1601;[-~~or~~]
- 2259 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is defined in Section 63N-3-1701[-] ; or
- 2262 (vi) for a regionally significant development zone created under Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones, the same as the term "property tax increment" is defined in Section 63N-3a-101.
- 2265 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and the commission the following statements:
- 2267 (a) a statement containing the aggregate valuation of all taxable real property a county assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and
- 2270

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- (b) a statement containing the taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, from the prior year end values.
- 2273 (3) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:
- 2275 (a) the statements described in Subsections (2)(a) and (b);
- 2276 (b) an estimate of the revenue from personal property;
- 2277 (c) the certified tax rate; and
- 2278 (d) all forms necessary to submit a tax levy request.
- 2279 (4)
- (a) Except as otherwise provided in this section, the certified tax rate shall be calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 2282 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall calculate an amount as follows:
- 2284 (i) calculate for the taxing entity the difference between:
- 2285 (A) the aggregate taxable value of all property taxed; and
- 2286 (B) any adjustments for current year incremental value;
- 2287 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the average of the percentage net change in the value of taxable property for the equalization period for the three calendar years immediately preceding the current calendar year;
- 2292 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product of:
- 2294 (A) the amount calculated under Subsection (4)(b)(ii); and
- 2295 (B) the percentage of property taxes collected for the five calendar years immediately preceding the current calendar year; and
- 2297 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount determined by:
- 2299 (A) multiplying the percentage of property taxes collected for the five calendar years immediately preceding the current calendar year by eligible new growth; and
- 2302 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount calculated under Subsection (4)(b)(iii).
- 2304 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated as follows:
- 2306 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified tax rate is zero;

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- 2308 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 2309 (i) in a county of the first, second, or third class, the levy imposed for municipal-type services under  
Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services to Unincorporated Areas; and
- 2312 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county purposes and  
such other levies imposed solely for the municipal-type services identified in Section 17-78-501 and  
Subsection 17-63-101(23);
- 2315 (c) for a community reinvestment agency that received all or a portion of a taxing entity's project area  
incremental revenue in the prior year under Title 17C, Chapter 1, Part 10, Agency Taxing Authority,  
the certified tax rate is calculated as described in Subsection (4) except that the commission shall  
treat the total revenue transferred to the community reinvestment agency as ad valorem property tax  
revenue that the taxing entity budgeted for the prior year; and
- 2321 (d) for debt service voted on by the public, the certified tax rate is the actual levy imposed by that  
section, except that a certified tax rate for the following levies shall be calculated in accordance with  
Section 59-2-913 and this section:
- 2324 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- 2325 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative orders under  
Section 59-2-1602.
- 2327 (6)
- (a) A taxing entity may impose a judgment levy under Section 59-2-1328 or 59-2-1330 at a rate that is  
sufficient to generate only the revenue required to satisfy one or more eligible judgments.
- 2330 (b) The ad valorem property tax revenue generated by a judgment levy described in Subsection (6)(a)  
may not be considered in establishing a taxing entity's aggregate certified tax rate.
- 2333 (7)
- (a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 2334 (i) the taxable value of real property:
- 2335 (A) the county assessor assesses in accordance with Part 3, County Assessment; and
- 2337 (B) contained on the assessment roll;
- 2338 (ii) the year end taxable value of personal property:
- 2339 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 2340 (B) contained on the prior year's assessment roll; and
- 2341

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

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

2510 Section 36. Section 36 is enacted to read:

2512 **59-35-101. (Effective 05/06/26)Definitions.**

35. County Energy Excise Tax Act

As used in this chapter:

2380 (1) "Delivered value" means the fair market value of energy delivered for use and includes:

2381 (a) the value of the energy itself; and

2382 (b) any transportation, freight, customer demand charges, services charges, or other costs typically incurred in providing energy in usable form.

2384 (2) "Energy" means gas and electricity.

2385 (3) "Energy supplier" means a person supplying energy.

2386 (4) "High-impact consumer" means:

2387 (a) a large load customer; or

2388 (b) a qualifying data center.

2389 (5) "Large load customer" means the same as that term is defined in Section 54-26-101.

2390 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.

2391 (7) "Regional economic development authority" means:

2392 (a) the Military Installation Development Authority created in Section 63H-1-201;

2393 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; and

2394 (c) the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201.

2530 Section 37. Section 37 is enacted to read:

2531 **59-35-201. (Effective 05/06/26)County energy excise tax -- Rate -- Effective date -- Notice requirements.**

2399 (1) A county may levy an excise tax for the delivered value of energy upon a high-impact consumer located:

2401 (a) within the county; and

2402 (b) on unincorporated land.

2403 (2)

(a) Subject to Section 59-35-202, a county may impose the tax levied under Subsection (1) at a maximum rate of 6% of the delivered value of the energy to the high-impact consumer.

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- 2406 (b) A high-impact consumer that qualifies as both a large load customer and a qualifying data center is only subject to one excise tax described in this section.
- 2408 (3)
- (a) An energy supplier that delivers energy to a high-impact consumer is responsible for collecting and remitting a tax described in this section to the commission on a quarterly basis in the same manner that the energy supplier collects and remits sales and use tax.
- 2412 (b) For purposes of determining the point of sale for the delivered value of energy, the energy supplier shall use the location of the high-impact consumer's meter.
- 2414 (c) If an energy supplier passes along the cost of a tax imposed under this chapter to the high-impact consumer, the energy supplier shall indicate to the high-impact consumer that the tax is passed through by the energy supplier as a separately itemized charge.
- 2418 (4) A county that imposes or repeals the tax under this chapter, or modifies the rate of a tax imposed under this chapter, shall ensure county's action takes effect:
- 2420 (a) on the first day of a calendar quarter; and
- 2421 (b) after a 90-day period beginning on the date the county sends notice to the tax commission as described in Subsection (5).
- 2423 (5) A notice described in Subsection (4)(b) shall include:
- 2424 (a) that the county is imposing or repealing a tax under this chapter, or modifying the rate of a tax imposed under this chapter;
- 2426 (b) the tax rate, if applicable; and
- 2427 (c) the effective date of the tax.
- 2428 (6) A county excise tax imposed under this chapter is in addition to any sales and use tax imposed by the county under Title 59, Chapter 12, Sales and Use Tax Act.
- 2564 Section 38. Section **38** is enacted to read:
- 2565 **59-35-202. (Effective 05/06/26)High-impact consumers in certain project areas.**
- If a high-impact consumer is subject to a municipal energy sales and use tax, as described in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, that is levied by a regional land use economic development authority, the county may levy a tax described in Section 59-35-201 on the high-impact consumer only:
- 2436 (1) to the extent that the regional economic development authority does not levy the maximum rate described in Section 10-1-304; and

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- 2438 (2) at a rate that ensures the combined rate of the tax described in this section and the municipal energy  
2439 sales and use tax levied on the high-impact consumer does not exceed 6%.
- 2575 Section 39. Section 39 is enacted to read:
- 2576 **59-35-301. (Effective 05/06/26)Administration, collection, and enforcement -- Rulemaking.**
- 2443 (1) The commission shall administer, collect, and enforce a tax under this chapter in accordance with  
2444 Chapter 1, General Taxation Policies.
- 2445 (2) Subject to Section 59-1-306, the commission shall:
- 2446 (a) deposit 10% of the revenue the commission collects from a tax under this chapter into the State  
2447 Reinvestment Restricted Account created in Section 51-9-1002; and
- 2448 (b) distribute 90% of the revenue to the county that levied the tax.
- 2449 (3) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative  
2450 Rulemaking Act, about the delivered value of taxable energy.
- 2451 (4) The rules made under Subsection (3) shall:
- 2452 (a) provide that an arm's length sales price for taxable energy sold or used by a high-impact consumer  
2453 is the delivered value to the high-impact consumer, unless the sales price does not include some  
2454 portion of the taxable energy or component of delivered value; and
- 2455 (b) establish one or more default methods for determining the delivered value one time per calendar  
2456 year on or before January 31 for taxable energy when the commission determines that the sales price  
2457 does not accurately reflect delivered value.
- 2459 (5) In establishing a default method under Subsection (4)(b), the commission:
- 2460 (a) shall take into account quantity discounts and other reductions or increases in value that are  
2461 generally available in the marketplace for various grades or types of property and classes of  
2462 services; and
- 2463 (b) may consider:
- 2464 (i) generally applicable tariffs for various classes of utility services approved by the Public Service  
2465 Commission or other governmental entity;
- 2466 (ii) posted prices;
- 2467 (iii) spot-market prices;
- 2468 (iv) trade publications;
- 2469 (v) market data; and
- 2470 (vi) other information and data prescribed by the commission.

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2607 Section 40. Section 63G-2-206 is amended to read:

2608 **63G-2-206. Sharing records.**

- 2609 (1) A governmental entity may provide a record that is private, controlled, or protected to another  
governmental entity, a government-managed corporation, a political subdivision, the federal  
government, or another state if the requesting entity:
- 2612 (a) serves as a repository or archives for purposes of historical preservation, administrative  
maintenance, or destruction;
- 2614 (b) enforces, litigates, or investigates civil, criminal, or administrative law, and the record is necessary  
to a proceeding or investigation;
- 2616 (c) is authorized by state statute to conduct an audit and the record is needed for that purpose;
- 2618 (d) is one that collects information for presentence, probationary, or parole purposes; or
- 2619 (e)
- (i) is:
- 2620 (A) the Legislature;
- 2621 (B) a legislative committee;
- 2622 (C) a member of the Legislature; or
- 2623 (D) a legislative staff member acting at the request of the Legislature, a legislative committee, or a  
member of the Legislature; and
- 2625 (ii) requests the record in relation to the Legislature's duties including:
- 2626 (A) the preparation or review of a legislative proposal or legislation;
- 2627 (B) appropriations; or
- 2628 (C) an investigation or review conducted by the Legislature or a legislative committee.
- 2630 (2)
- (a) A governmental entity may provide a private, controlled, or protected record or record series to  
another governmental entity, a political subdivision, a government-managed corporation, the federal  
government, or another state if the requesting entity provides written assurance:
- 2634 (i) that the record or record series is necessary to the performance of the governmental entity's  
duties and functions;
- 2636 (ii) that the record or record series will be used for a purpose similar to the purpose for which the  
information in the record or record series was collected or obtained; and

2639

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- (iii) that the use of the record or record series produces a public benefit that is greater than or equal to the individual privacy right that protects the record or record series.
- 2642 (b) A governmental entity may provide a private, controlled, or protected record or record series to a contractor or a private provider according to the requirements of Subsection [~~(6)(b)~~] (7)(b).
- 2645 (3)
- (a) A governmental entity shall provide a private, controlled, or protected record to another governmental entity, a political subdivision, a government-managed corporation, the federal government, or another state if the requesting entity:
- 2648 (i) is entitled by law to inspect the record;
- 2649 (ii) is required to inspect the record as a condition of participating in a state or federal program or for receiving state or federal funds; or
- 2651 (iii) is an entity described in Subsection (1)(a), (b), (c), (d), or (e).
- 2652 (b) Subsection (3)(a)(iii) applies only if the record is a record described in Subsection 63G-2-305(4).
- 2654 (4) A record that is classified as protected as economic development information under Subsection 63G-2-305(2)(b):
- 2656 (a) may be provided by the governmental entity that possesses the record and classified the record as protected to another governmental entity in lieu of the second governmental entity entering into a nondisclosure agreement with the person that requested the record be treated as protected under Section 63G-2-309;
- 2660 (b) may be shared with the following entities when the entities are considering an economic development project:
- 2662 (i) the Governor's Office of Economic Opportunity;
- 2663 (ii) the Utah Inland Port Authority created in Section 11-58-201;
- 2664 (iii) the Military Installation Development Authority created in Section 63H-1-201;
- 2665 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;
- 2666 (v) the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201;
- 2668 (vi) a county where the economic development opportunity may take place or be sited; and
- 2670 (vii) a municipality where the economic development opportunity may take place or be sited;
- 2672 (c) remains protected when shared as described in this Subsection (4); and
- 2673 (d) shall be treated as a protected record by any governmental entity that receives the record in accordance with this Subsection (4).

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- 2675 (5) Before disclosing a record or record series under this section to another governmental entity, another state, the United States, a foreign government, or to a contractor or private provider, the originating governmental entity shall:
- 2678 (a) inform the recipient of the record's classification and the accompanying restrictions on access; and
- 2680 (b) if the recipient is not a governmental entity to which this chapter applies, obtain the recipient's written agreement which may be by mechanical or electronic transmission that it will abide by those restrictions on access unless a statute, federal regulation, or interstate agreement otherwise governs the sharing of the record or record series.
- 2684 ~~[(5)]~~ (6) A governmental entity may disclose a record to another state, the United States, or a foreign government for the reasons listed in Subsections (1) and (2) without complying with the procedures of Subsection (2) or ~~[(4)]~~ (5) if disclosure is authorized by executive agreement, treaty, federal statute, compact, federal regulation, or state statute.
- 2688 ~~[(6)]~~ (7)
- (a) Subject to Subsections ~~[(6)(b)]~~ (7)(b) and (c), an entity receiving a record under this section is subject to the same restrictions on disclosure of the record as the originating entity.
- 2691 (b) A contractor or a private provider may receive information under this section only if:
- 2692 (i) the contractor or private provider's use of the record or record series produces a public benefit that is greater than or equal to the individual privacy right that protects the record or record series;
- 2695 (ii) the record or record series it requests:
- 2696 (A) is necessary for the performance of a contract with a governmental entity;
- 2697 (B) will only be used for the performance of the contract with the governmental entity;
- 2699 (C) will not be disclosed to any other person; and
- 2700 (D) will not be used for advertising or solicitation purposes; and
- 2701 (iii) the contractor or private provider gives written assurance to the governmental entity that is providing the record or record series that ~~[it]~~ the contractor or private provider will adhere to the restrictions of this Subsection ~~[(6)(b)]~~ (7)(b).
- 2704 (c) The classification of a record already held by a governmental entity and the applicable restrictions on disclosure of that record are not affected by the governmental entity's receipt under this section of a record with a different classification that contains information that is also included in the previously held record.
- 2709

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[~~(7)~~] (8) Notwithstanding any other provision of this section, if a more specific court rule or order, state statute, federal statute, or federal regulation prohibits or requires sharing information, that rule, order, statute, or federal regulation controls.

2712 [~~(8)~~] (9)

(a) The following records may not be shared under this section:

2713 (i) records held by the Division of Oil, Gas, and Mining that pertain to any person and that are gathered under authority of Title 40, Chapter 6, Board and Division of Oil, Gas, and Mining;

2716 (ii) except as provided in Subsection [~~(8)(b)~~] (9)(b), records of publicly funded libraries as described in Subsection 63G-2-302(1)(c); and

2718 (iii) a record described in Section 63G-12-210.

2719 (b) A publicly funded library may share a record that is a private record under Subsection 63G-2-302(1)(c) with a law enforcement agency, as defined in Section 53-1-102, if:

2722 (i) the record is a video surveillance recording of the library premises; and

2723 (ii) the law enforcement agency certifies in writing that:

2724 (A) the law enforcement agency believes that the record will provide important information for a pending investigation into criminal or potentially criminal behavior; and

2727 (B) the law enforcement agency's receipt of the record will assist the agency to prevent imminent harm to an individual or imminent and substantial damage to property.

2730 [~~(9)~~] (10) Records that may evidence or relate to a violation of law may be disclosed to a government prosecutor, peace officer, or auditor.

2732 Section 41. Section 63G-2-305 is amended to read:

2733 **63G-2-305. Protected records.**

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

2735 (1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret [~~has provided~~] provides the governmental entity with the information specified in Section 63G-2-309;

2738 (2)

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

2740 [~~(a)~~] (i) disclosure of the information could reasonably be expected to result in unfair competitive injury to the person submitting the information or would impair the ability of the governmental entity to obtain necessary information in the future;

2743

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

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- 2774 (iii) a request for quotes;
- 2775 (iv) a grant; or
- 2776 (v) other similar document; or
- 2777 (b) an unsolicited proposal, as defined in Section 63G-6a-712;
- 2778 (7) information submitted to or by a governmental entity in response to a request for information, except, subject to Subsections (1) and (2), that this Subsection (7) does not restrict the right of a person to have access to the information, after:
- 2781 (a) a contract directly relating to the subject of the request for information has been awarded and signed by all parties; or
- 2783 (b)
- (i) a final determination is made not to enter into a contract that relates to the subject of the request for information; and
- 2785 (ii) at least two years have passed after the day on which the request for information is issued;
- 2787 (8) records that would identify real property or the appraisal or estimated value of real or personal property, including intellectual property, under consideration for public acquisition before any rights to the property are acquired unless:
- 2790 (a) public interest in obtaining access to the information is greater than or equal to the governmental entity's need to acquire the property on the best terms possible;
- 2792 (b) the information has already been disclosed to persons not employed by or under a duty of confidentiality to the entity;
- 2794 (c) in the case of records that would identify property, potential sellers of the described property have already learned of the governmental entity's plans to acquire the property;
- 2797 (d) in the case of records that would identify the appraisal or estimated value of property, the potential sellers have already learned of the governmental entity's estimated value of the property; or
- 2800 (e) the property under consideration for public acquisition is a single family residence and the governmental entity seeking to acquire the property has initiated negotiations to acquire the property as required under Section 78B-6-505;
- 2803 (9) records prepared in contemplation of sale, exchange, lease, rental, or other compensated transaction of real or personal property including intellectual property, which, if disclosed prior to completion of the transaction, would reveal the appraisal or estimated value of the subject property, unless:
- 2807

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- (a) the public interest in access is greater than or equal to the interests in restricting access, including the governmental entity's interest in maximizing the financial benefit of the transaction; or
- 2810 (b) when prepared by or on behalf of a governmental entity, appraisals or estimates of the value of the subject property have already been disclosed to persons not employed by or under a duty of confidentiality to the entity;
- 2813 (10) records created or maintained for civil, criminal, or administrative enforcement purposes or audit purposes, or for discipline, licensing, certification, or registration purposes, if release of the records:
- 2816 (a) reasonably could be expected to interfere with investigations undertaken for enforcement, discipline, licensing, certification, or registration purposes;
- 2818 (b) reasonably could be expected to interfere with audits, disciplinary, or enforcement proceedings;
- 2820 (c) would create a danger of depriving a person of a right to a fair trial or impartial hearing;
- 2822 (d) reasonably could be expected to disclose the identity of a source who is not generally known outside of government and, in the case of a record compiled in the course of an investigation, disclose information furnished by a source not generally known outside of government if disclosure would compromise the source; or
- 2826 (e) reasonably could be expected to disclose investigative or audit techniques, procedures, policies, or orders not generally known outside of government if disclosure would interfere with enforcement or audit efforts;
- 2829 (11) records the disclosure of which would jeopardize the life or safety of an individual;
- 2830 (12) records the disclosure of which would jeopardize the security of governmental property, governmental programs, or governmental recordkeeping systems from damage, theft, or other appropriation or use contrary to law or public policy;
- 2833 (13) records that, if disclosed, would jeopardize the security or safety of a correctional facility, or records relating to incarceration, treatment, probation, or parole, that would interfere with the control and supervision of an offender's incarceration, treatment, probation, or parole;
- 2837 (14) records that, if disclosed, would reveal recommendations made to the Board of Pardons and Parole by an employee of or contractor for the Department of Corrections, the Board of Pardons and Parole, or the Department of Health and Human Services that are based on the employee's or contractor's supervision, diagnosis, or treatment of any person within the board's jurisdiction;
- 2842 (15) records and audit workpapers that identify audit, collection, and operational procedures and methods used by the State Tax Commission, if disclosure would interfere with audits or collections;

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- 2845 (16) records of a governmental audit agency relating to an ongoing or planned audit until the final audit is released;
- 2847 (17) records that are subject to the attorney client privilege;
- 2848 (18) records prepared for or by an attorney, consultant, surety, indemnitor, insurer, employee, or agent of a governmental entity for, or in anticipation of, litigation or a judicial, quasi-judicial, or administrative proceeding;
- 2851 (19)
- (a)
- (i) personal files of a state legislator, including personal correspondence to or from a member of the Legislature; and
- 2853 (ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of legislative action or policy may not be classified as protected under this section; and
- 2856 (b)
- (i) an internal communication that is part of the deliberative process in connection with the preparation of legislation between:
- 2858 (A) members of a legislative body;
- 2859 (B) a member of a legislative body and a member of the legislative body's staff; or
- 2860 (C) members of a legislative body's staff; and
- 2861 (ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of legislative action or policy may not be classified as protected under this section;
- 2863 (20)
- (a) records in the custody or control of the Office of Legislative Research and General Counsel, that, if disclosed, would reveal a particular legislator's contemplated legislation or contemplated course of action before the legislator has elected to support the legislation or course of action, or made the legislation or course of action public; and
- 2868 (b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the Office of Legislative Research and General Counsel is a public document unless a legislator asks that the records requesting the legislation be maintained as protected records until such time as the legislator elects to make the legislation or course of action public;
- 2873 (21) a research request from a legislator to a legislative staff member and research findings prepared in response to the request;

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- 2875 (22) drafts, unless otherwise classified as public;
- 2876 (23) records concerning a governmental entity's strategy about:
- 2877 (a) collective bargaining; or
- 2878 (b) imminent or pending litigation;
- 2879 (24) records of investigations of loss occurrences and analyses of loss occurrences that may be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the Uninsured Employers' Fund, or similar divisions in other governmental entities;
- 2882 (25) records, other than personnel evaluations, that contain a personal recommendation concerning an individual if disclosure would constitute a clearly unwarranted invasion of personal privacy, or disclosure is not in the public interest;
- 2885 (26) records that reveal the location of historic, prehistoric, paleontological, or biological resources that if known would jeopardize the security of those resources or of valuable historic, scientific, educational, or cultural information;
- 2888 (27) records of independent state agencies if the disclosure of the records would conflict with the fiduciary obligations of the agency;
- 2890 (28) records of an institution of higher education defined in Section 53H-1-101 regarding tenure evaluations, appointments, applications for admissions, retention decisions, and promotions, which could be properly discussed in a meeting closed in accordance with Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final decisions about tenure, appointments, retention, promotions, or those students admitted, may not be classified as protected under this section;
- 2896 (29) records of the governor's office, including budget recommendations, legislative proposals, and policy statements, that if disclosed would reveal the governor's contemplated policies or contemplated courses of action before the governor has implemented or rejected those policies or courses of action or made them public;
- 2900 (30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis, revenue estimates, and fiscal notes of proposed legislation before issuance of the final recommendations in these areas;
- 2903 (31) records provided by the United States or by a government entity outside the state that are given to the governmental entity with a requirement that they be managed as protected records if the providing entity certifies that the record would not be subject to public disclosure if retained by it;

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- 2907 (32) transcripts, minutes, recordings, or reports of the closed portion of a meeting of a public body  
except as provided in Section 52-4-206;
- 2909 (33) records that would reveal the contents of settlement negotiations but not including final settlements  
or empirical data to the extent that they are not otherwise exempt from disclosure;
- 2912 (34) memoranda prepared by staff and used in the decision-making process by an administrative law  
judge, a member of the Board of Pardons and Parole, or a member of any other body charged by law  
with performing a quasi-judicial function;
- 2915 (35) records that would reveal negotiations regarding assistance or incentives offered by or requested  
from a governmental entity for the purpose of encouraging a person to expand or locate a business  
in Utah, but only if disclosure would result in actual economic harm to the person or place the  
governmental entity at a competitive disadvantage, but this section may not be used to restrict access  
to a record evidencing a final contract;
- 2920 (36) materials to which access must be limited for purposes of securing or maintaining the  
governmental entity's proprietary protection of intellectual property rights including patents,  
copyrights, and trade secrets;
- 2923 (37) the name of a donor or a prospective donor to a governmental entity, including an institution of  
higher education defined in Section 53H-1-101, and other information concerning the donation that  
could reasonably be expected to reveal the identity of the donor, provided that:
- 2927 (a) the donor requests anonymity in writing;
- 2928 (b) any terms, conditions, restrictions, or privileges relating to the donation may not be classified  
protected by the governmental entity under this Subsection (37); and
- 2930 (c) except for an institution of higher education defined in Section 53H-1-101, the governmental unit  
to which the donation is made is primarily engaged in educational, charitable, or artistic endeavors,  
and has no regulatory or legislative authority over the donor, a member of the donor's immediate  
family, or any entity owned or controlled by the donor or the donor's immediate family;
- 2935 (38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;
- 2936 (39) a notification of workers' compensation insurance coverage described in Section 34A-2-205;
- 2938 (40) subject to Subsections (40)(g) and (h), the following records of an institution of higher education  
defined in Section 53H-1-101, which have been developed, discovered, disclosed to, or received by  
or on behalf of faculty, staff, employees, or students of the institution:
- 2942 (a) unpublished lecture notes;

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- 2943 (b) unpublished notes, data, and information:
- 2944 (i) relating to research; and
- 2945 (ii) of:
- 2946 (A) the institution of higher education defined in Section 53H-1-101; or
- 2947 (B) a sponsor of sponsored research;
- 2948 (c) unpublished manuscripts;
- 2949 (d) creative works in process;
- 2950 (e) scholarly correspondence; [~~and~~]
- 2951 (f) confidential information contained in research proposals;
- 2952 (g) this Subsection (40) may not be construed to prohibit disclosure of public information required pursuant to Subsection 53H-14-202(2)(a) or (b); and
- 2954 (h) this Subsection (40) may not be construed to affect the ownership of a record;
- 2955 (41)
- (a) records in the custody or control of the Office of the Legislative Auditor General that would reveal the name of a particular legislator who requests a legislative audit prior to the date that audit is completed and made public; and
- 2958 (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the Office of the Legislative Auditor General is a public document unless the legislator asks that the records in the custody or control of the Office of the Legislative Auditor General that would reveal the name of a particular legislator who requests a legislative audit be maintained as protected records until the audit is completed and made public;
- 2964 (42) records that provide detail as to the location of an explosive, including a map or other document that indicates the location of:
- 2966 (a) a production facility; or
- 2967 (b) a magazine;
- 2968 (43) information contained in the statewide database of the Division of Aging and Adult Services created by Section 26B-6-210;
- 2970 (44) information contained in the Licensing Information System described in Title 80, Chapter 2, Child Welfare Services;
- 2972 (45) information regarding National Guard operations or activities in support of the National Guard's federal mission;

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- 2974 (46) records provided by any pawn or secondhand business to a law enforcement agency or to the  
central database in compliance with Title 13, Chapter 32a, Pawnshop, Secondhand Merchandise,  
and Catalytic Converter Transaction Information Act;
- 2977 (47) information regarding food security, risk, and vulnerability assessments performed by the  
Department of Agriculture and Food;
- 2979 (48) except to the extent that the record is exempt from this chapter [~~pursuant to~~] in accordance with  
Section 63G-2-106, records related to an emergency plan or program, a copy of which is provided to  
or prepared or maintained by the Division of Emergency Management, and the disclosure of which  
would jeopardize:
- 2983 (a) the safety of the general public; or
- 2984 (b) the security of:
- 2985 (i) governmental property;
- 2986 (ii) governmental programs; or
- 2987 (iii) the property of a private person who provides the Division of Emergency Management  
information;
- 2989 (49) records of the Department of Agriculture and Food that provides for the identification, tracing, or  
control of livestock diseases, including any program established under Title 4, Chapter 24, Utah  
Livestock Brand and Anti-Theft Act, or Title 4, Chapter 31, Control of Animal Disease;
- 2993 (50) as provided in Section 26B-2-709:
- 2994 (a) information or records held by the Department of Health and Human Services related to a complaint  
regarding a provider, program, or facility which the department is unable to substantiate; and
- 2997 (b) information or records related to a complaint received by the Department of Health and Human  
Services from an anonymous complainant regarding a provider, program, or facility;
- 3000 (51) unless otherwise classified as public under Section 63G-2-301 and except as provided under  
Section 41-1a-116, an individual's home address, home telephone number, or personal mobile phone  
number, if:
- 3003 (a) the individual is required to provide the information in order to comply with a law, ordinance, rule,  
or order of a government entity; and
- 3005 (b) the subject of the record has a reasonable expectation that this information will be kept confidential  
due to:
- 3007 (i) the nature of the law, ordinance, rule, or order; and

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- 3008 (ii) the individual complying with the law, ordinance, rule, or order;
- 3009 (52) the portion of the following documents that contains a candidate's residential or mailing address, if the candidate provides to the filing officer another address or phone number where the candidate may be contacted:
- 3012 (a) a declaration of candidacy, a nomination petition, or a certificate of nomination, described in Section 20A-9-201, 20A-9-202, 20A-9-203, 20A-9-404, 20A-9-405, 20A-9-408, 20A-9-408.5, 20A-9-502, or 20A-9-601;
- 3015 (b) an affidavit of impecuniosity, described in Section 20A-9-201; or
- 3016 (c) a notice of intent to gather signatures for candidacy, described in Section 20A-9-408;
- 3017 (53) the name, home address, work addresses, and telephone numbers of an individual that is engaged in, or that provides goods or services for, medical or scientific research that is:
- 3019 (a) conducted within the state system of higher education, as described in Section 53H-1-102; and
- 3021 (b) conducted using animals;
- 3022 (54) in accordance with Section 78A-12-203, any record of the Judicial Performance Evaluation Commission concerning an individual commissioner's vote, in relation to whether a judge meets or exceeds minimum performance standards under Subsection 78A-12-203(4), and information disclosed under Subsection 78A-12-203(5)(e);
- 3026 (55) information collected and a report prepared by the Judicial Performance Evaluation Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12, Judicial Performance Evaluation Commission Act, requires disclosure of, or makes public, the information or report;
- 3030 (56) records provided or received by the Public Lands Policy Coordinating Office in furtherance of any contract or other agreement made in accordance with Section 63L-11-202;
- 3033 (57) information requested by and provided to the 911 Division under Section 63H-7a-302;
- 3034 (58) in accordance with Section 73-10-33:
- 3035 (a) a management plan for a water conveyance facility in the possession of the Division of Water Resources or the Board of Water Resources; or
- 3037 (b) an outline of an emergency response plan in possession of the state or a county or municipality;
- 3039 (59) the following records in the custody or control of the Office of Inspector General of Medicaid Services, created in Section 63A-13-201:
- 3041 (a) records that would disclose information relating to allegations of personal misconduct, gross mismanagement, or illegal activity of a person if the information or allegation cannot be

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corroborated by the Office of Inspector General of Medicaid Services through other documents or evidence, and the records relating to the allegation are not relied upon by the Office of Inspector General of Medicaid Services in preparing a final investigation report or final audit report;

- 3047 (b) records and audit workpapers to the extent they would disclose the identity of a person who, during the course of an investigation or audit, communicated the existence of any Medicaid fraud, waste, or abuse, or a violation or suspected violation of a law, rule, or regulation adopted under the laws of this state, a political subdivision of the state, or any recognized entity of the United States, if the information was disclosed on the condition that the identity of the person be protected;
- 3054 (c) before the time that an investigation or audit is completed and the final investigation or final audit report is released, records or drafts circulated to a person who is not an employee or head of a governmental entity for the person's response or information;
- 3057 (d) records that would disclose an outline or part of any investigation, audit survey plan, or audit program; or
- 3059 (e) requests for an investigation or audit, if disclosure would risk circumvention of an investigation or audit;
- 3061 (60) records that reveal methods used by the Office of Inspector General of Medicaid Services, the fraud unit, or the Department of Health and Human Services, to discover Medicaid fraud, waste, or abuse;
- 3064 (61) information provided to the Department of Health and Human Services or the Division of Professional Licensing under Subsections 58-67-304(3) and (4) and Subsections 58-68-304(3) and (4);
- 3067 (62) a record described in Section 63G-12-210;
- 3068 (63) captured plate data that is obtained through an automatic license plate reader system used by a governmental entity as authorized in Section 41-6a-2003;
- 3070 (64) an audio or video recording created by a body-worn camera, as that term is defined in Section 77-7a-103, that records sound or images inside a hospital or health care facility as those terms are defined in Section 78B-3-403, inside a clinic of a health care provider, as that term is defined in Section 78B-3-403, or inside a human [servicee] services program as that term is defined in Section 26B-2-101, except for recordings that:
- 3075 (a) depict the commission of an alleged crime;
- 3076

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- 3078 (b) record any encounter between a law enforcement officer and a person that results in death or bodily injury, or includes an instance when an officer fires a weapon;
- 3080 (c) record any encounter that is the subject of a complaint or a legal proceeding against a law enforcement officer or law enforcement agency;
- 3082 (d) contain an officer involved critical incident as defined in Subsection 76-2-408(1)(f); or
- 3084 (e) have been requested for reclassification as a public record by a subject or authorized agent of a subject featured in the recording;
- 3086 (65) a record pertaining to the search process for a president of an institution of higher education described in Section 53H-3-302;
- 3087 (66) an audio recording that is:
- 3090 (a) produced by an audio recording device that is used in conjunction with a device or piece of equipment designed or intended for resuscitating an individual or for treating an individual with a life-threatening condition;
- 3093 (b) produced during an emergency event when an individual employed to provide law enforcement, fire protection, paramedic, emergency medical, or other first responder service:
- 3095 (i) is responding to an individual needing resuscitation or with a life-threatening condition; and
- 3097 (ii) uses a device or piece of equipment designed or intended for resuscitating an individual or for treating an individual with a life-threatening condition; and
- 3099 (c) intended and used for purposes of training emergency responders how to improve their response to an emergency situation;
- 3103 (67) records submitted by or prepared in relation to an applicant seeking a recommendation by the Research and General Counsel Subcommittee, the Budget Subcommittee, or the Legislative Audit Subcommittee, established under Section 36-12-8, for an employment position with the Legislature;
- 3104 (68) work papers as defined in Section 31A-2-204;
- 3106 (69) a record made available to Adult Protective Services or a law enforcement agency under Section 61-1-206;
- 3108 (70) a record submitted to the Insurance Department in accordance with Section 31A-37-201;
- 3109 (71) a record described in Section 31A-37-503;
- 3111 (72) any record created by the Division of Professional Licensing as a result of Subsection 58-37f-304(5) or 58-37f-702(2)(a)(ii);

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- (73) a record described in Section 72-16-306 that relates to the reporting of an injury involving an amusement ride;
- 3113 (74) except as provided in Subsection 63G-2-305.5(1), the signature of an individual on a political petition, or on a request to withdraw a signature from a political petition, including a petition or request described in the following titles:
- 3116 (a) Title 10, Utah Municipal Code;
- 3117 (b) Title 17, Counties;
- 3118 (c) Title 17B, Limited Purpose Local Government Entities - Special Districts;
- 3119 (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and
- 3120 (e) Title 20A, Election Code;
- 3121 (75) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in a voter registration record;
- 3123 (76) except as provided in Subsection 63G-2-305.5(3), any signature, other than a signature described in Subsection (74) or (75), in the custody of the lieutenant governor or a local political subdivision collected or held under, or in relation to, Title 20A, Election Code;
- 3126 (77) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part 5, Victims Guidelines for Prosecutors Act;
- 3128 (78) a record submitted to the Insurance Department under Section 31A-48-103;
- 3129 (79) personal information, as defined in Section 63G-26-102, to the extent disclosure is prohibited under Section 63G-26-103;
- 3131 (80) an image taken of an individual during the process of booking the individual into jail, unless:
- 3133 (a) the individual is convicted of a criminal offense based upon the conduct for which the individual was incarcerated at the time the image was taken;
- 3135 (b) a law enforcement agency releases or disseminates the image:
- 3136 (i) after determining that the individual is a fugitive or an imminent threat to an individual or to public safety and releasing or disseminating the image will assist in apprehending the individual or reducing or eliminating the threat; or
- 3139 (ii) to a potential witness or other individual with direct knowledge of events relevant to a criminal investigation or criminal proceeding for the purpose of identifying or locating an individual in connection with the criminal investigation or criminal proceeding;
- 3143

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- (c) a judge orders the release or dissemination of the image based on a finding that the release or dissemination is in furtherance of a legitimate law enforcement interest; or
- 3145 (d) the image is displayed to a person who is permitted to view the image under Section 17-72-802;
- 3147 (81) a record:
- 3148 (a) concerning an interstate claim to the use of waters in the Colorado River system;
- 3149 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a representative from another state or the federal government as provided in Section 63M-14-205; and
- 3152 (c) the disclosure of which would:
- 3153 (i) reveal a legal strategy relating to the state's claim to the use of the water in the Colorado River system;
- 3155 (ii) harm the ability of the Colorado River Authority of Utah or river commissioner to negotiate the best terms and conditions regarding the use of water in the Colorado River system; or
- 3158 (iii) give an advantage to another state or to the federal government in negotiations regarding the use of water in the Colorado River system;
- 3160 (82) any part of an application described in Section 63N-16-201 that the Governor's Office of Economic Opportunity determines is nonpublic, confidential information that if disclosed would result in actual economic harm to the applicant, but this Subsection (82) may not be used to restrict access to a record evidencing a final contract or approval decision;
- 3165 (83) the following records of a drinking water or wastewater facility:
- 3166 (a) an engineering or architectural drawing of the drinking water or wastewater facility; and
- 3168 (b) except as provided in Section 63G-2-106, a record detailing tools or processes the drinking water or wastewater facility uses to secure, or prohibit access to, the records described in Subsection (83)(a);
- 3171 (84) a statement that an employee of a governmental entity provides to the governmental entity as part of the governmental entity's personnel or administrative investigation into potential misconduct involving the employee if the governmental entity:
- 3174 (a) requires the statement under threat of employment disciplinary action, including possible termination of employment, for the employee's refusal to provide the statement; and
- 3177 (b) provides the employee assurance that the statement cannot be used against the employee in any criminal proceeding;
- 3179 (85) any part of an application for a Utah Fits All Scholarship account described in Section 53F-6-402 or other information identifying a scholarship student as defined in Section 53F-6-401;

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- 3182 (86) a record:
- 3183 (a) concerning a claim to the use of waters in the Great Salt Lake;
- 3184 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a person concerning  
the claim, including a representative from another state or the federal government; and
- 3187 (c) the disclosure of which would:
- 3188 (i) reveal a legal strategy relating to the state's claim to the use of the water in the Great Salt Lake;
- 3190 (ii) harm the ability of the Great Salt Lake commissioner to negotiate the best terms and conditions  
regarding the use of water in the Great Salt Lake; or
- 3192 (iii) give an advantage to another person including another state or to the federal government in  
negotiations regarding the use of water in the Great Salt Lake;
- 3194 (87) a consumer complaint described in Section 13-2-11, unless the consumer complaint is reclassified  
as public as described in Subsection [~~13-2-11(4)~~] 13-2-11(3);
- 3196 (88) a record of the Utah water agent, appointed under Section 73-10g-702:
- 3197 (a) concerning a claim to the use of waters;
- 3198 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a representative  
from another state, a tribe, the federal government, or other government entity as provided in Title  
73, Chapter 10g, Part 7, Utah Water Agent; and
- 3202 (c) the disclosure of which would:
- 3203 (i) reveal a legal strategy relating to the state's claim to the use of the water;
- 3204 (ii) harm the ability of the Utah water agent to negotiate the best terms and conditions regarding the use  
of water; or
- 3206 (iii) give an advantage to another state, a tribe, the federal government, or other government entity in  
negotiations regarding the use of water; and
- 3208 (89) a record created or maintained for an investigation of the Prosecutor Conduct Commission, created  
in Section 63M-7-1102, that contains any personal identifying information of a prosecuting attorney,  
including:
- 3211 (a) a complaint, or a document that is submitted or created for a complaint, received by the Prosecutor  
Conduct Commission; or
- 3213 (b) a finding by the Prosecutor Conduct Commission.

Section 42. Section 63G-2-309 is amended to read:

**63G-2-309. Confidentiality claims.**

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- 3216 (1)
- (a)
- (i) Any person who provides to a governmental entity a record that the person believes should be protected under Subsection 63G-2-305(1) or (2) or both Subsections 63G-2-305(1) and (2) shall provide with the record, or within a reasonable amount of time after providing the record:
- 3220 (A) a written claim of business confidentiality; and
- 3221 (B) a concise statement of reasons supporting the claim of business confidentiality.
- 3222 (ii) Any of the following who provides to an institution of higher education defined in Section 53H-1-101 a record that the person or governmental entity believes should be protected under [~~Subsection 63G-2-305(40)(a)(ii) or (vi) or both Subsections 63G-2-305(40)(a)(ii) and (vi)] Subsection 63G-2-305(40) shall provide the institution within the state system of higher education a written claim of business confidentiality in accordance with Section 53H-14-204:~~
- 3228 (A) a person;
- 3229 (B) a federal governmental entity;
- 3230 (C) a state governmental entity; or
- 3231 (D) a local governmental entity.
- 3232 (b) A person or governmental entity who complies with this Subsection (1) shall be notified by the governmental entity to whom the request for a record is made if:
- 3234 (i) a record claimed to be protected under one of the following is classified public:
- 3235 (A) Subsection 63G-2-305(1);
- 3236 (B) Subsection 63G-2-305(2);
- 3237 (C) Subsection [~~63G-2-305(40)(a)(ii)] 63G-2-305(40); or~~
- 3238 [~~(D) Subsection 63G-2-305(40)(a)(vi); or~~
- 3239 [~~(E)~~] (D) a combination of the provisions described in Subsections (1)(b)(i)(A) through [~~(D)~~] (C); or
- 3241 (ii) the governmental entity to whom the request for a record is made determines that the record claimed to be protected under a provision listed in Subsection (1)(b)(i) should be released after balancing interests under Subsection 63G-2-201(5)(b) or 63G-2-401(6).
- 3245 (c) A person who makes a claim of business confidentiality under this Subsection (1) shall protect, defend, and indemnify the governmental entity that retains the record, and all staff and employees of the governmental entity from and against any claims, liability, or damages resulting from or

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arising from a denial of access to the record as a protected record based on the claim of business confidentiality.

- 3250 (2)
- (a) Except as provided in Subsection (2)(b) or by court order, the governmental entity to whom the request for a record is made may not disclose a record claimed to be protected under a provision listed in Subsection (1)(b)(i) but which the governmental entity or the director of the Government Records Office determines should be disclosed until the period in which to bring an appeal expires or the end of the appeals process, including judicial appeal.
- 3256 (b) Subsection (2)(a) does not apply where the claimant, after notice, has waived the claim by not appealing or intervening before the director of the Government Records Office.
- 3259 (3) Disclosure or acquisition of information under this chapter does not constitute misappropriation under Subsection 13-24-2(2).

Section 43. Section 63G-2-802 is amended to read:

**63G-2-802. Injunction -- Attorney fees and costs.**

- 3263 (1) As used in this section, "defending party" means:
- 3264 (a) a governmental entity or political subdivision:
- 3265 (i) whose access denial is the subject of a petition for judicial review under Section 63G-2-404; and
- 3267 (ii) that defends the access denial in an action for judicial review under Section 63G-2-404; or
- 3269 (b) a person, other than the governmental entity or political subdivision described in Subsection (1) (a), that is party to the action for judicial review in opposition to disclosure of the record that is the subject of judicial review.
- 3272 (2)
- (a) If a protected record is shared as described in Subsection 63G-2-206(4) and the protected record is intentionally disclosed, or about to be intentionally disclosed, the person who requested the record be protected under Section 63G-2-309 may bring an action against the governmental entity that intentionally disclosed, or is about to intentionally disclose, as described in this section.
- 3277 (b) A person described in Subsection (2)(a) may seek and obtain:
- 3278 (i) injunctive relief to stop the improper disclosure of the protected record; and
- 3279 (ii) damages for an improper disclosure, subject to the limits set by rule in accordance with Subsection 63G-7-605(5).

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(3) A district court in this state may enjoin any governmental entity or political subdivision that violates or proposes to violate the provisions of this chapter.

3283 [~~(3)~~] (4)

(a) Subject to Subsection [~~(6)~~] (7), a district court may assess against a defending party reasonable attorney fees and costs reasonably incurred in connection with a judicial appeal to determine whether a requester is entitled access to records under a records request, if:

3287 (i) the requester substantially prevails; and

3288 (ii) the court finds that the defending party acted in bad faith.

3289 (b) Subject to Subsection [~~(6)~~] (7), in determining whether to award attorney fees or costs to a requester under this section, the court shall consider:

3291 (i) the public benefit derived from the case;

3292 (ii) the nature of the requester's interest in the records; and

3293 (iii) whether the defending party's actions had a reasonable basis.

3294 (c) A court may not award attorney fees or costs to a requester under this section if the purpose of the litigation is primarily to benefit the requester's financial or commercial interest.

3297 [~~(4)~~] (5) Neither attorney fees nor costs may be awarded for fees or costs incurred during administrative proceedings.

3299 [~~(5)~~] (6) A district court may assess against a requester reasonable attorney fees and costs reasonably incurred in connection with a judicial appeal to determine whether the requester is entitled to access to records under a records request, if:

3302 (a) the defending party substantially prevails; and

3303 (b) the court finds that the requester acted in bad faith.

3304 [~~(6)~~] (7) A court may award to a requester attorney fees and costs incurred in connection with appeals to district courts under Subsection [~~63G-2-404(2)~~] 63G-2-404(3) only if the attorney fees and costs were incurred 20 or more days after the day on which the requester provided to the governmental entity, political subdivision, or other person against which the requester seeks an award of attorney fees and costs, an adequate explanation in writing of the basis for the requester's position, regardless of whether the explanation is a part of or outside an administrative or court proceeding.

3311 [~~(7)~~] (8) Except for the waiver of immunity in Subsection 63G-7-301(2)(e), a claim for attorney fees or costs as provided in this section is not subject to Chapter 7, Governmental Immunity Act of Utah.

3314 Section 44. Section 63G-7-605 is amended to read:

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- 3315           **63G-7-605. Adjustments to limitation of judgment amounts.**
- 3316           (1) As used in this section:
- 3317           (a) "Adjusted consumer price factor" means what the consumer price index would be without the  
              medical care component and the medical services component.
- 3319           (b) "Aggregate limit" means the limit on the aggregate amount of personal injury damages claims from  
              a single occurrence, as provided in Subsection 63G-7-604(1)(d).
- 3321           (c) "Applicable index" means:
- 3322           (i) the consumer price index, for a calculation of the percentage change in the consumer price index;
- 3324           (ii) the adjusted consumer price factor, for a calculation of the percentage change in the adjusted  
              consumer price factor;
- 3326           (iii) the medical care component, for a calculation of the percentage change in the medical care  
              component; or
- 3328           (iv) the medical services component, for a calculation of the percentage change in the medical services  
              component.
- 3330           (d) "Base applicable index" means an applicable index for the year that is three years before the year in  
              which the legislative fiscal analyst calculates new limits under this section.
- 3333           (e) "Consumer [~~price index~~] Price Index" means the annual index reported by the United States Bureau  
              of Labor Statistics for consumer prices for all urban consumers, not seasonally adjusted.
- 3336           (f) "Individual limit" means the limit on the amount of a judgment for damages for personal injury, as  
              provided in Subsection 63G-7-604(1)(a).
- 3338           (g) "Latest aggregate limit" means the aggregate limit, as last adjusted by the risk manager under this  
              section.
- 3340           (h) "Latest individual limit" means the individual limit, as last adjusted by the risk manager under this  
              section.
- 3342           (i) "Latest property damage limit" means the property damage limit, as last adjusted by the risk manager  
              under this section.
- 3344           (j) "Medical care component" means the medical care sub-index of the consumer price index.
- 3346           (k) "Medical services component" means the medical care services sub-index of the consumer price  
              index.
- 3348

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- (l) "Percentage change" means the amount of change between the base applicable index and the applicable index for the year before the year in which the legislative fiscal analyst calculates new limits under this section, expressed as a percentage of the base applicable index.
- 3352 (m) "Property damage limit" means the limit on the amount of a judgment for property damage, as provided in Subsection 63G-7-604(1)(c).
- 3354 (n) "Risk manager" means the state risk manager appointed under Section 63A-4-101.5.
- 3355 (2) Each even-numbered year, the legislative fiscal analyst shall, subject to Subsection (3):
- 3356 (a) calculate a new individual limit by adding to the latest individual limit the sum of:
- 3357 (i) 66.5% of the latest individual limit, multiplied by the percentage change in the adjusted consumer price factor;
- 3359 (ii) 16.75% of the latest individual limit, multiplied by the percentage change in the medical care component; and
- 3361 (iii) 16.75% of the latest individual limit, multiplied by the percentage change in the medical services component;
- 3363 (b) calculate a new aggregate limit by adding to the latest aggregate limit the sum of:
- 3364 (i) 66.5% of the latest aggregate limit, multiplied by the percentage change in the adjusted consumer price factor;
- 3366 (ii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the medical care component; and
- 3368 (iii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the medical services component;
- 3370 (c) calculate a new property damage limit by adding to the latest property damage limit the amount of the latest property damage limit multiplied by the percentage change in the consumer price index;
- 3373 (d) round up to the nearest \$100 the individual limit, aggregate limit, and property damage limit calculated under Subsections (2)(a), (b), and (c); and
- 3375 (e) no later than May 1, communicate the newly calculated limits under Subsections (2)(a), (b), and (c) to the risk manager.
- 3377 (3) The newly calculated individual limit, aggregate limit, or property damage limit under Subsection (2) may not be less than the amount of the limit before the new calculation under Subsection (2).
- 3380 (4)

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(a) Each even-numbered year, the risk manager shall make rules, to become effective no later than July 1 of that year, that establish a new individual limit, aggregate limit, and property damage limit, as calculated under Subsection (2).

3383 (b) A newly calculated individual limit, aggregate limit, or property damage limit under this section has prospective effect only from the date the rules establishing the new limit take effect.

3386 (c) An individual limit, aggregate limit, or property damage limit, as newly calculated under this section, applies only to a claim for injury or loss that occurs after the effective date of the rules that establish the newly calculated limit.

3389 (5) The risk manager shall make rules by no later than July 1, 2026, and thereafter each July 1 of even-numbered years, that establish the limit of liability for damages resulting from the disclosure of a protected record as provided in Subsection 63G-2-802(2).

3392 Section 45. Section 63I-2-263 is amended to read:

3393 **63I-2-263. Repeal dates: Titles 63A through 63O.**

3394 (1) Title 63A, Chapter 2, Part 5, Educational Interpretation and Translation Services Procurement Advisory Council is repealed July 1, 2025.

3396 (2) Section 63A-5b-807, Eminent domain of unincorporated city owned land, is repealed January 1, 2027.

3398 (3) Section 63A-17-806, Definitions -- Infant at Work Pilot Program -- Administration -- Report, is repealed June 30, 2026.

3400 (4) Section 63C-1-103, Appointment and terms of boards, committees, councils, and commissions transitioning on October 1, 2024, or December 31, 2024, is repealed July 1, 2025.

3403 (5) Section 63C-1-104, Appointment and terms of boards transitioning on October 1, 2024, is repealed January 1, 2025.

3405 (6) Subsection 63G-6a-802(1)(e), regarding a procurement for a presidential debate, is repealed January 1, 2025.

3407 (7) Subsection 63G-6a-802(3)(b)(iii), regarding a procurement for a presidential debate, is repealed January 1, 2025.

3409 (8) Subsection 63H-7a-403(2)(b), regarding the charge to maintain the public safety communications network, is repealed July 1, 2033.

3411 (9) Subsection 63J-1-602.2(30), regarding funding the Enterprise Zone Act, is repealed December 31, 2026.

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3413 (10) Subsection 63J-1-602.2(46), regarding appropriations to the State Tax Commission for deferral  
reimbursements, is repealed July 1, 2027.

3415 (11) Section 63M-7-221, Expungement working group, is repealed April 30, 2025.

3416 (12) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed December 31, 2026.

3417 (13) Subsection 63N-3a-201(3)(c), regarding a county legislative body making certain findings  
regarding proposed economic development projects, is repealed July 1, 2027.

3419 Section 46. Section 63N-2-103 is amended to read:

3420 **63N-2-103. Definitions.**

As used in this part:

3422 (1)

(a) "Business entity" means a person that enters into a written agreement with the office to initiate a new commercial project in Utah that will qualify the person to receive a tax credit under Section 59-7-614.2 or 59-10-1107.

3425 (b) With respect to a tax credit authorized by the office in accordance with Subsection 63N-2-104.3(2), "business entity" includes a nonprofit entity.

3427 (2) "Commercial or industrial zone" means an area zoned agricultural, commercial, industrial, manufacturing, business park, research park, or other appropriate business related use in a general plan that contemplates future growth.

3430 (3) "Development zone" means an economic development zone created under Section 63N-2-104.

3432 (4) "Local government entity" means:

3433 (a) a county, city, or town[-];

3434 (b) for state-owned land, a development authority statutorily authorized to manage the land; or

3436 (c) for development authority-owned land, the development authority.

3437 (5) "New commercial project" means an economic development opportunity that:

3438 (a) involves a targeted industry; or

3439 (b) is located within:

3440 (i) a county of the third, fourth, fifth, or sixth class; or

3441 (ii) a municipality that has a population of 10,000 or less and the municipality is located within a county of the second class.

3443 (6) "Remote work opportunity" means a new commercial project that:

3444

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(a) does not require a physical office in the state where employees associated with the new commercial project are required to work; and

3446 (b) requires employees associated with the new commercial project to:

3447 (i) work remotely from a location within the state; and

3448 (ii) maintain residency in the state.

3449 (7) "Significant capital investment" means an investment in capital or fixed assets, which may include real property, personal property, and other fixtures related to a new commercial project that represents an expansion of existing operations in the state or that increases the business entity's existing workforce in the state.

3453 (8) "Tax credit" means an economic development tax credit created by Section 59-7-614.2 or 59-10-1107.

3455 (9) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit certificate for a taxable year.

3457 (10) "Tax credit certificate" means a certificate issued by the office that:

3458 (a) lists the name of the business entity to which the office authorizes a tax credit;

3459 (b) lists the business entity's taxpayer identification number;

3460 (c) lists the amount of tax credit that the office authorizes the business entity for the taxable year; and

3462 (d) may include other information as determined by the office.

3463 (11) "Written agreement" means a written agreement entered into between the office and a business entity under Section 63N-2-104.2.

3465 Section 47. Section 63N-3-602 is amended to read:

3466 **63N-3-602. Definitions.**

As used in this part:

3468 (1) "Affordable housing" means housing occupied or reserved for occupancy by households with a gross household income:

3470 (a) equal to or less than 80% of the county median gross income for households of the same size, in certain circumstances as provided in this part; or

3472 (b) equal to or less than 60% of the county median gross income for households of the same size, in certain circumstances as provided in this part.

3474 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

3475

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- (3) "Base taxable value" means a property's taxable value as shown upon the assessment roll last equalized during the base year.
- 3477 [~~(4) "Base year" means, for each property tax increment collection period triggered within a proposed housing and transit reinvestment zone or convention center reinvestment zone project area, the calendar year prior to the calendar year the property tax increment begins to be collected for the parcels that are in a project that is triggered for that collection period.]~~
- 3482 (4) "Base year" means:
- 3483 (a)
- 3484 (i) the calendar year in which the committee approves the zone; or
- 3487 (ii) a calendar year the committee establishes in approving the zone, which may not be a calendar year more than five years from the year in which the committee approves the zone; or
- 3489 (b) for a convention center reinvestment zone in a capital city, the year ending December 31, 2023.
- 3492 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and efficient service that may include dedicated lanes, busways, traffic signal priority, off-board fare collection, elevated platforms, and enhanced stations.
- 3496 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal that is specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan and in phase one of the relevant public transit district's adopted long-range transit plan:
- 3497 (a) along an existing bus rapid transit line; or
- 3498 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 3499 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 3501 (8)
- 3503 (a) "Commuter rail" means a regional passenger rail transit facility operated by a large public transit district.
- 3507 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public transit district.
- 3503 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan and in phase one of the relevant public transit district's adopted long-range transit plan:
- 3507 (a) along an existing commuter rail line;

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- 3508 (b) along an extension to an existing commuter rail line or new commuter rail line;
- 3509 (c) along a fixed guideway extension from an existing commuter rail line; or
- 3510 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an existing commuter rail station.
- 3512 (10) "Convention center" means a convention center owned by a county of the first class within a city of the first class.
- 3514 (11) "Convention center revitalization project" means a project within a city of the first class within a county of the first class for the revitalization, activation, and modernization of a convention center and the surrounding area, including projects meeting the objectives described in Section 63N-3-603.1.
- 3518 (12) "Convention center reinvestment zone" means a convention center reinvestment zone created under this part.
- 3520 (13)
- (a) "Developable area" means the portion of land within a housing and transit reinvestment zone available for development and construction of business and residential uses.
- 3523 (b) "Developable area" does not include portions of land within a housing and transit reinvestment zone that are allocated to:
- 3525 (i) parks;
- 3526 (ii) recreation facilities;
- 3527 (iii) open space;
- 3528 (iv) trails;
- 3529 (v) publicly-owned roadway facilities; or
- 3530 (vi) other public facilities.
- 3531 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more individuals living together, as a single housekeeping unit normally having cooking, living, sanitary, and sleeping facilities.
- 3534 (15) "Eligible municipality" means a city that:
- 3535 (a)
- (i) is the county seat of a county of the first class; or
- 3536 (ii) a city of the first class located in a county of the first class; and
- 3537 (b) has a convention center within the boundary of the city.

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- 3538 (16) "Enhanced development" means the construction of mixed uses including housing, commercial uses, and related facilities.
- 3540 (17) "Enhanced development costs" means extra costs associated with structured parking costs, vertical construction costs, horizontal construction costs, life safety costs, structural costs, conveyor or elevator costs, and other costs incurred due to the increased height of buildings or enhanced development.
- 3544 (18) "First home investment zone" means the same as that term is defined in Section 63N-3-1601.
- 3546 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 3547 (20) "Horizontal construction costs" means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in the housing and transit reinvestment zone.
- 3550 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment zone created pursuant to this part.
- 3552 (22) "Housing and transit reinvestment zone committee" means a housing and transit reinvestment zone committee created pursuant to Section 63N-3-605.
- 3554 (23) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
- 3556 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed rails:
- 3558 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 3559 (b) that may cross streets at grade; and
- 3560 (c) that may share parts of surface streets.
- 3561 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan and in phase one of the relevant public transit district's adopted long-range plan:
- 3565 (a) along an existing light rail line; or
- 3566 (b) along an extension to an existing light rail line or new light rail line.
- 3567 (26) "Metropolitan planning organization" means the same as that term is defined in Section 72-1-208.5.
- 3569 (27) "Mixed use development" means development with a mix of:
- 3570 (a) multi-family residential use; and
- 3571 (b) at least one additional land use, which shall be a significant part of the overall development.

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- 3573 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 3574 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 3575 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102, except that  
the agency may not provide and the person may not receive a direct subsidy.
- 3577 (31) "Project" means a housing and transit reinvestment zone or convention center reinvestment zone  
created under this part.
- 3579 (32)
- (a) "Property tax increment" means the difference between:
- 3580 (i) the amount of property tax revenue generated each tax year by a taxing entity from the area  
within a housing and transit reinvestment zone or convention center reinvestment zone  
designated in the applicable reinvestment zone proposal as the area from which tax increment is  
to be collected, using the current assessed value and each taxing entity's current certified tax rate  
as defined in Section 59-2-924; and
- 3586 (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.
- 3589 (b) "Property tax increment" does not include property tax revenue from:
- 3590 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 3591 (ii) a county additional property tax described in Subsection 59-2-1602(4); or
- 3592 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 3593 (33) "Public transit county" means a county that has created a small public transit district.
- 3594 (34) "Public transit hub" means a public transit depot or station where four or more routes serving  
separate parts of the county-created transit district stop to transfer riders between routes.
- 3597 (35) "Sales and use tax base year" means:
- 3598 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by the first year  
pertaining to the tax imposed in Section 59-12-103 after the sales and use tax boundary for a  
housing and transit reinvestment zone is established; or
- 3601 (b) for a convention center reinvestment zone, a sales and use tax year determined by the year specified  
in the approved proposal for a convention center reinvestment zone, pertaining to the taxes:
- 3604 (i) imposed under Section 59-12-103;
- 3605 (ii) imposed by a city of the first class in a county of the first class under Title 59, Chapter 12, Part 2,  
Local Sales and Use Tax Act;

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- 3607 (iii) imposed by a city of the first class in a county of the first class under Section 59-12-402.1;
- 3609 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 3610 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local Option Sales and  
Use Taxes for Transportation Act.
- 3612 (36) "Sales and use tax boundary" means:
- 3613 (a) for a housing and transit reinvestment zone, a boundary created as described in Section 63N-3-604,  
based on state sales and use tax collection boundaries that correspond as closely as reasonably  
practicable to the housing and transit reinvestment zone boundary; or
- 3617 (b) for a convention center reinvestment zone, a boundary created as described in Section 63N-3-604.1,  
based on state sales and use tax collection boundaries that correspond as closely as reasonably  
practicable to the convention center reinvestment zone boundary.
- 3621 (37) "Sales and use tax increment" means:
- 3622 (a) for a housing and transit reinvestment zone, the difference between:
- 3623 (i) the amount of state sales and use tax revenue generated each year following the sales and use tax  
base year by the sales and use tax from the area within a housing and transit reinvestment zone  
designated in the housing and transit reinvestment zone proposal as the area from which sales and  
use tax increment is to be collected; and
- 3628 (ii) the amount of state sales and use tax revenue that was generated from that same area during the  
sales and use tax base year; or
- 3630 (b) for a convention center reinvestment zone, the difference between:
- 3631 (i) the amount of sales and use tax revenue generated each year following the sales and use tax base  
year by the sales and use tax from the area within a convention center reinvestment zone designated  
in the convention center reinvestment zone proposal as the area from which sales and use tax  
increment is to be collected; and
- 3635 (ii) the amount of sales and use tax revenue that was generated from that same area during the sales and  
use tax base year.
- 3637 (38) "Sales and use tax revenue" means:
- 3638 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax imposed under  
Section 59-12-103; or
- 3640 (b) for a convention center reinvestment zone, revenue that is generated from:
- 3641 (i) the sales and use taxes imposed under Section 59-12-103; and

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- 3642 (ii) the sales and use taxes:
- 3643 (A) imposed by a city of the first class in a county of the first class under Title 59, Chapter 12, Part 2,  
Local Sales and Use Tax Act;
- 3645 (B) imposed by a city of the first class in a county of the first class under Section 59-12-402.1;
- 3647 (C) imposed by a county of the first class under Section 59-12-1102; and
- 3648 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local Option Sales and  
Use Taxes for Transportation Act.

3650 (39) "Small public transit district" means the same as that term is defined in Section 17B-2a-802.

3652 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

3653 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

3654 (42) "Vertical construction costs" means the additional costs associated with construction above  
four stories and structured parking to achieve enhanced development in the housing and transit  
reinvestment zone.

3657 Section 48. Section 63N-3-603 is amended to read:

3658 **63N-3-603. Applicability, requirements, and limitations on a housing and transit  
reinvestment zone.**

- 3660 (1) A housing and transit reinvestment zone proposal created under this part shall demonstrate how the  
proposal addresses the following objectives:
- 3662 (a) higher utilization of public transit;
- 3663 (b) increasing availability of housing, including affordable housing, and fulfillment of moderate income  
housing plans;
- 3665 (c) promoting and encouraging development of owner-occupied housing;
- 3666 (d) improving efficiencies in parking and transportation, including walkability of communities near  
public transit facilities;
- 3668 (e) overcoming development impediments and market conditions that render a development cost  
prohibitive absent the proposal and incentives;
- 3670 (f) conserving water resources through efficient land use;
- 3671 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3672 (h) encouraging transformative mixed-use development and investment in transportation and public  
transit infrastructure in strategic areas;

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- (i) strategic land use and municipal planning in major transit investment corridors as described in Subsection 10-20-404(2);
- 3676 (j) increasing access to employment and educational opportunities; and
- 3677 (k) increasing access to child care.
- 3678 (2)
- (a) In order to accomplish the objectives described in Subsection (1), a municipality or public transit county that initiates the process to create a housing and transit reinvestment zone as described in this part shall ensure that the proposal for a housing and transit reinvestment zone includes:
  - 3682 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units within the housing and transit reinvestment zone are affordable housing units, with:
    - 3685 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the county median gross income for households of the same size; and
    - 3688 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 60% of the county median gross income for households of the same size;
  - 3691 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone shall include:
    - 3693 (A) at least 51% of the developable area within a housing and transit reinvestment zone as residential uses; and
    - 3695 (B) an average of at least 50 dwelling units per acre within the acreage of the housing and transit reinvestment zone dedicated to residential uses;
    - 3697 (iii) mixed-use development; and
    - 3698 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have more than one bedroom.
- 3700 (b)
  - (i) If a housing and transit reinvestment zone is phased, a municipality or public transit county shall ensure that a housing and transit reinvestment zone is phased and developed to provide the required 12% of affordable housing units in each phase of development.
  - 3704 (ii) A municipality or public transit county may allow a housing and transit reinvestment zone to be phased and developed in a manner to provide more of the required affordable housing units in early phases of development.

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- 3707 (iii) A municipality or public transit county shall include in a housing and transit reinvestment zone proposal an affordable housing plan, which may include deed restrictions, to ensure the affordable housing required in the proposal will continue to meet the definition of affordable housing at least throughout the entire term of the housing and transit reinvestment zone.
- 3712 (c) For a housing and transit reinvestment zone proposed by a public transit county at a public transit hub, or for a housing and transit reinvestment zone proposed by a municipality at a bus rapid transit station, the housing and transit reinvestment zone shall include:
- 3716 (i) at least 51% of the developable area within a housing and transit reinvestment zone as residential uses; and
- 3718 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing and transit reinvestment zone dedicated to residential uses.
- 3720 (3) A municipality or public transit county that, at the time the housing and transit reinvestment zone proposal is approved by the housing and transit reinvestment zone committee, meets the affordable housing guidelines of the United States Department of Housing and Urban Development at 60% area median income is exempt from the requirement described in Subsection (2)(a).
- 3725 (4)
- (a) A municipality may only propose a housing and transit reinvestment zone at a commuter rail station, and a public transit county may only propose a housing and transit reinvestment zone at a public transit hub, that:
- 3728 (i) subject to Subsection (5)(a):
- 3729 (A)
- (I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality, does not exceed a 1/3 mile radius of a commuter rail station;
- 3731 (II) for a municipality that is a city of the first or second class that is within a county of the first or second class, with an opportunity zone created in accordance with Section 1400Z-1, Internal Revenue Code, does not exceed a 1/2 mile radius of a commuter rail station located within the opportunity zone; or
- 3736 (III) for a public transit county, does not exceed a 1/3 mile radius of a public transit hub; and
- 3738 (B) has a total area of no more than 125 noncontiguous acres;
- 3739 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each taxing entity's property tax increment above the base year for a term of no more than 25 consecutive

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years on each parcel within a 45-year period not to exceed the property tax increment amount approved in the housing and transit reinvestment zone proposal; and

3744 (iii) the commencement of collection of property tax increment, for all or a portion of the housing and transit reinvestment zone project area, shall be triggered by providing notice as described in Subsection (6), but a housing and transit reinvestment zone proposal may not propose or include triggering more than three property tax increment collection periods for the same project during the applicable 45-year period.

3750 (b) A municipality or public transit county may only propose a housing and transit reinvestment zone at a light rail station or bus rapid transit station that:

3752 (i) subject to Subsection (5):

3753 (A) does not exceed[;]

3754 [~~(I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e),~~] a 1/4 mile radius of a bus rapid transit station or light rail station; and

3756 [~~(II) for a municipality that is a city of the first class with a population greater than 150,000 that is within a county of the first class, a 1/2 mile radius of a light rail station located in an opportunity zone created in accordance with Section~~

3760 ~~1400Z-1, Internal Revenue Code; or]~~

3761 [~~(III) a 1/2 mile radius of a light rail station located within a master-planned development of 500 acres or more; and]~~

3763 (B) has a total area of no more than 100 noncontiguous acres;

3764 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a maximum of 80% of each taxing entity's property tax increment above the base year for a term of no more than 15 consecutive years on each parcel within a 30-year period not to exceed the property tax increment amount approved in the housing and transit reinvestment zone proposal; and

3769 (iii) the commencement of collection of property tax increment, for all or a portion of the housing and transit reinvestment zone project area, shall be triggered by providing notice as described in Subsection (6), but a housing and transit reinvestment zone proposal may not propose or include triggering more than three property tax increment collection periods for the same project during the applicable 30-year period.

3775 (c) For a housing and transit reinvestment zone proposed by a public transit county at a public transit hub, or for a housing and transit reinvestment zone proposed by a municipality at a bus rapid

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transit station, if the proposed housing density within the housing and transit reinvestment zone is between 39 and 49 dwelling units per acre, the maximum capture of each taxing entity's property tax increment above the base year is 60%.

- 3781 ~~[(d) A municipality that is a city of the first class with a population greater than 150,000 in a county of the first class as described in Subsections (4)(a)(i)(A)(II) and (4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within an opportunity zone.]~~
- 3785 ~~[(e)]~~ (d)
- (i) Subject to Subsection ~~[(4)(e)(ii)]~~ (4)(d)(ii), the radius restrictions described in Subsection (4)(b)(i) do not apply, and a housing and transit reinvestment zone may extend to an area between two or three light rail or bus rapid transit stations located within a city of the third class or fourth class if the ~~[two]~~ light rail stations or bus rapid transit stations are within a .95 mile distance on the same light rail line or dedicated offset bus lane.
- 3791 (ii) If a housing and transit reinvestment zone is extended to accommodate ~~[two]~~ multiple light rail stations or bus rapid transit stations as described in Subsection ~~[(4)(e)(i)]~~ (4)(d)(i):
- 3794 (A) the housing and transit reinvestment zone is limited to a total area not to exceed 100 noncontiguous acres; and
- 3796 (B) the housing and transit reinvestment zone may not exceed a 1/4 mile radius from the light rail or bus rapid transit stations or any point on the light rail line or dedicated offset bus line between the two stations.
- 3799 (iii) If a housing and transit reinvestment zone is extended to accommodate three light rail or bus rapid transit stations as described in Subsection (4)(d)(i):
- 3801 (A) the housing and transit reinvestment zone is limited to a total area not to exceed 250 noncontiguous acres;
- 3803 (B) the housing and transit reinvestment zone may not exceed a one-quarter mile radius from the light rail or bus rapid transit stations or any point on the light rail line or dedicated offset bus line between the three stations; and
- 3806 (C) the housing and transit reinvestment zone shall be counted as two for purposes of Subsection (7).
- 3808 ~~[(f)]~~ (e) If a parcel within the housing and transit reinvestment zone is included as an area that is part of a project area, as that term is defined in Section 17C-1-102, and created under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for collection unless the project area funds collection period, as that term is defined in Section 17C-1-102, has expired.

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- 3813 (5)
- (a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel is intersected by the relevant radius limitation, the full parcel may be included as part of the housing and transit reinvestment zone area and will not count against the limitations described in Subsection (4)(a)(i).
- 3817 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit station, if a parcel is intersected by the relevant radius limitation, the full parcel may be included as part of the housing and transit reinvestment zone area and will not count against the limitations described in Subsection (4)(b)(i).
- 3821 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.
- 3822 (6)
- (a) The notice of commencement of collection of property tax increment required in Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the following entities no later than December 31 of the year before the year for which the property tax increment collection is proposed to commence:
- 3826 (i) the State Tax Commission;
- 3827 (ii) the State Board of Education;
- 3828 (iii) the state auditor;
- 3829 (iv) the auditor of the county in which the housing and transit reinvestment zone is located;
- 3831 (v) each taxing entity affected by the collection of property tax increment from the housing and transit reinvestment zone; and
- 3833 (vi) the Governor's Office of Economic Opportunity.
- 3834 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until the date on which the housing and transit reinvestment zone proposal is approved by the housing and transit reinvestment zone committee.
- 3837 (c)
- (i) For a convention center reinvestment zone in a capital city, a municipality or public infrastructure district may submit a notice of commencement of collection of property tax increment for each separate parcel or subarea within the convention center reinvestment zone in a capital city.
- 3841 (ii) The collection of property tax increment described in Subsection (6)(c)(i) shall commence no later than five years from the day the convention center reinvestment zone in a capital city proposal is approved.

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- 3844 (7)
- (a) The maximum number of housing and transit reinvestment zones at light rail stations, not including a convention center reinvestment zone, is eight in any given county.
- 3847 (b) Within a county of the first class, the maximum number of housing and transit reinvestment zones at bus rapid transit stations is three.
- 3849 (c) Within a county of the first class, the maximum total combined number of housing and transit reinvestment zones described in Subsections (7)(a) and (b) and first home investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 3852 (8)
- (a) For purposes of this Subsection (8), "entitlement agreement" means:
- 3853 (i) a land use application;
- 3854 (ii) a rezone petition; or
- 3855 (iii) a request, petition, or application to:
- 3856 (A) enact or approve a development agreement; or
- 3857 (B) to amend or modify a development agreement.
- 3858 (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101, that has created a small public transit district on or before January 1, 2022.
- 3860 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped property within an unincorporated county shall have the right to develop and build a mixed-use development if:
- 3863 (i) the owner has submitted an entitlement agreement to the county on or before December 31, 2022, and is within a 1/3 mile radius of a public transit hub in a county described in Subsection (8)(b), including parcels that are intersected by the 1/3 mile radius; and
- 3867 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement agreement described in Subsection (8)(c)(i) by ordinance before December 31, 2022.
- 3870 (d) The mixed use development described in Subsection (8)(c) shall include the following:
- 3872 (i)
- (A)
- (I) a maximum number of dwelling units equal to 30 multiplied by the total acres of developable area within the mixed-use development dedicated exclusively to residential use; or
- 3875 (II) a maximum number of dwelling units equal to 15 multiplied by the total acres of the mixed-use development; and

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- 3877 (B) at least 33% of the dwelling units as affordable housing;
- 3878 (ii) commercial uses, including office, retail, educational, and healthcare in support of the mixed-use development constituting no more than 1/3 of the total planned gross building square footage of the subject parcels; and
- 3881 (iii) any other infrastructure element necessary or reasonable to support the mixed-use development, including:
- 3883 (A) parking infrastructure;
- 3884 (B) streets;
- 3885 (C) sidewalks;
- 3886 (D) parks; and
- 3887 (E) trails.
- 3888 (e)
- (i) The mixed-use development described in this Subsection (8) may qualify for a housing and transit reinvestment zone described in Subsection (4)(a).
- 3890 (ii) The county described in Subsection (8)(b) may propose a housing and transit reinvestment zone in accordance with this part, if the housing and transit reinvestment zone includes:
- 3893 (A)
- (I) an average of at least 30 dwelling units per acre within the acreage of the housing and transit reinvestment zone dedicated to residential use; or
- 3895 (II) a minimum number of 14 dwelling units per acre on average within the acreage of the housing and transit reinvestment zone; and
- 3897 (B) at least 33% of the dwelling units as affordable housing units.
- 3898 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or requirement that prevents or creates development impediments to the development of a mixed-use development as described in this Subsection (8).
- 3901 (g) A county action to approve or implement the development of a mixed-use development as described in this Subsection (8) shall constitute an administrative action taken by the county and does not require county legislative action.

3904 Section 49. Section **63N-3-604** is amended to read:

3905 **63N-3-604. (Effective 05/06/26)Process for a proposal of a housing and transit reinvestment zone -- Analysis.**

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- 2474 (1) [~~Subject~~] On or before December 31, 2027, and subject to approval of the housing and transit  
reinvestment zone committee as described in Section 63N-3-605, in order to create a housing and  
transit reinvestment zone, a municipality or public transit county that has general land use authority  
over the housing and transit reinvestment zone area, shall:
- 2479 (a) prepare a proposal for the housing and transit reinvestment zone that:
- 2480 (i) demonstrates that the proposed housing and transit reinvestment zone will meet the objectives  
described in Subsection 63N-3-603(1);
- 2482 (ii) explains how the municipality or public transit county will achieve the requirements of Subsection  
63N-3-603(2)(a)(i);
- 2484 (iii) defines the specific transportation infrastructure needs, if any, and proposed improvements and  
estimated budgets;
- 2486 (iv) defines the boundaries of:
- 2487 (A) the housing and transit reinvestment zone; and
- 2488 (B) the sales and use tax boundary corresponding to the housing and transit reinvestment zone  
boundary, as described in Section 63N-3-610;
- 2490 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:
- 2491 (A) the proposed boundary and radius from a public transit hub;
- 2492 (B) proposed housing density within the housing and transit reinvestment zone; and
- 2494 (C) existing zoning and proposed zoning changes related to the housing and transit reinvestment zone;
- 2496 (vi) identifies any development impediments that prevent the development from being a market-rate  
investment, including proposed strategies and estimated budgets for addressing each one;
- 2499 (vii) describes the proposed development plan and estimated budgets, including the requirements  
described in Subsections 63N-3-603(2) and (4);
- 2501 (viii) establishes a base year and collection period to calculate the property tax increment within the  
housing and transit reinvestment zone;
- 2503 (ix) establishes a sales and use tax base year to calculate the sales and use tax increment within the  
housing and transit reinvestment zone in accordance with Section 63N-3-610;
- 2506 (x) describes projected maximum revenues generated and the amount of property tax increment capture  
from each taxing entity and proposed expenditures of revenue derived from the housing and transit  
reinvestment zone;
- 2509

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- (xi) includes an analysis of other applicable or eligible incentives, grants, or sources of revenue that can be used to reduce the finance gap;
- 2511 (xii) estimates budgets and evaluates possible benefits to active and public transportation availability and impacts on air quality;
- 2513 (xiii) proposes a finance schedule to align expected revenue with required financing costs and payments;
- 2515 (xiv) provides a pro-forma for the planned development that:
- 2516 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4);
- 2517 (B) includes data showing the cost difference between what type of development could feasibly be developed absent the housing and transit reinvestment zone property tax increment and the type of development that is proposed to be developed with the housing and transit reinvestment zone property tax increment; and
- 2522 (C) provides estimated budgets and construction costs, anticipated revenue, financing, expenses, and other sources and uses of funds for the project area; and
- 2525 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail station, or bus rapid transit station that is proposed and not in public transit service operation as of the date of submission of the proposal, demonstrates that the proposed station is:
- 2529 (A) included as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan and in phase one of the relevant public transit district's adopted long-range plan; and
- 2532 (B) reasonably anticipated to be constructed in the near future; and
- 2533 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office of Economic Opportunity.
- 2535 (2) As part of the proposal described in Subsection (1), a municipality or public transit county shall study and evaluate possible impacts of a proposed housing and transit reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 2538 (3)
- (a) After receiving the proposal as described in Subsection (1)(b), the Governor's Office of Economic Opportunity shall:
- 2540 (i) within 14 days after the date on which the Governor's Office of Economic Opportunity receives the proposal described in Subsection (1)(b), provide notice of the proposal to all affected taxing

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entities, including the Tax Commission, cities, counties, school districts, metropolitan planning organizations, and the county assessor and county auditor of the county in which the housing and transit reinvestment zone is located; and

- 2546 (ii) at the expense of the proposing municipality or public transit county as described in Subsection (5), contract with an independent entity to perform the financial gap analysis described in Subsection (3)(b).
- 2549 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 2550 (i) a description of the planned development;
- 2551 (ii) a market analysis relative to other comparable project developments included in or adjacent to the municipality or public transit county absent the proposed housing and transit reinvestment zone;
- 2554 (iii) an evaluation of the proposal to and a determination of the adequacy and efficiency of the proposal;
- 2556 (iv) an evaluation of the proposed increment capture needed to cover the enhanced development costs associated with the housing and transit reinvestment zone proposal and enable the proposed development to occur; and
- 2559 (v) based on the market analysis and other findings, an opinion relative to the appropriate amount of potential public financing reasonably determined to be necessary to achieve the objectives described in Subsection 63N-3-603(1).
- 2562 (c) After receiving notice from the Governor's Office of Economic Opportunity of a proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i), the State Tax Commission shall:
- 2565 (i) evaluate the feasibility of administering the tax implications of the proposal; and
- 2566 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the administration of the proposal, or indicating that the Tax Commission can feasibly administer the proposal.
- 2569 (4) After receiving the results from the analysis described in Subsection (3)(b), the municipality or public transit county proposing the housing and transit reinvestment zone may:
- 2572 (a) amend the housing and transit reinvestment zone proposal based on the findings of the analysis described in Subsection (3)(b) and request that the Governor's Office of Economic Opportunity submit the amended housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee; or
- 2576 (b) request that the Governor's Office of Economic Opportunity submit the original housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee.

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- 2579 (5)
- (a) The Governor's Office of Economic Opportunity may accept, as a dedicated credit, up to \$20,000 from a municipality or public transit county for the costs of the gap analysis described in Subsection (3)(b).
- 2582 (b) The Governor's Office of Economic Opportunity may expend funds received from a municipality or public transit county as dedicated credits to pay for the costs associated with the gap analysis described in Subsection (3)(b).
- 2585 (6)
- (a) Beginning January 1, 2028:
- 2586 (i) a municipality or public transit county may not propose a housing and transit reinvestment zone;
- 2588 (ii) a municipality or public transit county may amend a housing and transit reinvestment zone proposal, as described in Subsection (4), if the proposal is pending review or approval on December 31, 2027; and
- 2591 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties described in Subsection (3) or (5) in regard to a proposal for a housing and transit reinvestment zone unless the proposal is pending review or approval on December 31, 2027.
- 2595 (b) Subsection (6)(a) does not impact housing and transit reinvestment zones that are in existence on January 1, 2028.
- 4030 Section 50. Section 63N-3-604.1 is amended to read:
- 4031 **63N-3-604.1. Process for proposing a convention center reinvestment zone.**
- 4033 (1) ~~[To]~~ On or before December 31, 2027, to create a convention center reinvestment zone under this part, the Governor's Office of Economic Opportunity shall, after consulting with and giving notice to the related eligible municipality and county, provide a proposal for a convention center reinvestment zone to the housing and transit reinvestment zone committee.
- 4038 (2)
- (a) The Governor's Office of Economic Opportunity shall ensure that a proposal for the creation of a convention center reinvestment zone includes the following information and data that:
- 4041 (i) defines the boundary of the proposed convention center reinvestment zone;
- 4042 (ii) describes generally the proposed development plan;
- 4043 (iii) identifies a base year and collection period to calculate the property tax increment within the convention center reinvestment zone;

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- 4045 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment within the  
convention center reinvestment zone in accordance with Section 63N-3-610.1;
- 4048 (v) provides estimated project and investment objectives for the convention center reinvestment  
zone; and
- 4050 (vi) outlines generally the impacts on transportation in and around the proposed convention center  
reinvestment zone.
- 4052 (b) For a convention center reinvestment zone in a capital city, the proposal described in Subsection  
(2)(a) shall also provide estimated budgets and construction costs, anticipated revenue, financing,  
expenses, and other sources and uses of funds for the project area.
- 4056 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
- 4057 (i) a convention center;
- 4058 (ii) a publicly owned entertainment venue;
- 4059 (iii) parking; and
- 4060 (iv) infrastructure related to the project.
- 4061 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center reinvestment  
zone shall demonstrate how the information and data provided in the proposal pursuant to  
Subsection (2) furthers the objectives described in Section 63N-3-603.1 and is in the public interest.
- 4065 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of Economic  
Opportunity shall provide notice of the proposal to all affected taxing entities, including the State  
Tax Commission, cities, counties, school districts, metropolitan planning organizations, and the  
county assessor and county auditor of the county in which the convention center reinvestment zone  
is located.
- 4070 (5) After receiving notice from the Governor's Office of Economic Opportunity of a proposed  
convention center reinvestment zone as described in Subsection (4), the Tax Commission shall,  
within 14 days:
- 4073 (a) evaluate the feasibility of administering the tax implications of the proposal; and
- 4074 (b) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the  
administration of the proposal, or indicating that the State Tax Commission can feasibly administer  
the proposal.
- 4077 (6) Beginning January 1, 2028, the Governor's Office of Economic Opportunity may not propose, and  
the committee may not consider, the creation of a convention center reinvestment zone.

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- 4080 Section 51. Section **63N-3-605** is amended to read:
- 4081 **63N-3-605. (Effective 05/06/26) (Applies beginning 05/04/22)Housing and transit**
- reinvestment zone committee -- Creation.**
- 2599 (1) [Føø] On or before December 31, 2027, for any housing and transit reinvestment zone proposed  
under this part, or for a first home investment zone proposed in accordance with Part 16, First Home  
Investment Zone Act, there is created a housing and transit reinvestment zone committee with  
membership described in Subsection (2).
- 2603 (2) Each housing and transit reinvestment zone committee shall consist of the following members:
- 2605 (a) one representative from the Governor's Office of Economic Opportunity, designated by the  
executive director of the Governor's Office of Economic Opportunity;
- 2607 (b) one representative from each municipality that is a party to the proposed housing and transit  
reinvestment zone or first home investment zone, designated by the chief executive officer of each  
respective municipality;
- 2610 (c) a member of the Transportation Commission created in Section 72-1-301;
- 2611 (d) a member of the board of trustees of a large public transit district;
- 2612 (e) one individual from the Office of the State Treasurer, designated by the state treasurer;
- 2614 (f) two members designated by the president of the Senate;
- 2615 (g) two members designated by the speaker of the House of Representatives;
- 2616 (h) one member designated by the chief executive officer of each county affected by the housing and  
transit reinvestment zone or first home investment zone;
- 2618 (i) two representatives designated by the school superintendent from the school district affected by the  
housing and transit reinvestment zone or first home investment zone; and
- 2621 (j) one representative, representing the largest participating local taxing entity, after the municipality,  
county, and school district.
- 2623 (3) The individual designated by the Governor's Office of Economic Opportunity as described in  
Subsection (2)(a) shall serve as chair of the housing and transit reinvestment zone committee.
- 2626 (4)
- (a) A majority of the members of the housing and transit reinvestment zone committee constitutes a  
quorum of the housing and transit reinvestment zone committee.
- 2629 (b) An action by a majority of a quorum of the housing and transit reinvestment zone committee is an  
action of the housing and transit reinvestment zone committee.

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- 2631 (5)
- (a) After the Governor's Office of Economic Opportunity receives the results of the analysis described in Section 63N-3-604, and after the Governor's Office of Economic Opportunity has received a request from the submitting municipality or public transit county to submit the housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee, the Governor's Office of Economic Opportunity shall notify each of the entities described in Subsection (2) of the formation of the housing and transit reinvestment zone committee.
- 2638 (b) For a first home investment zone, the housing and transit reinvestment zone committee shall follow the procedures described in Section 63N-3-1604.
- 2640 (6)
- (a) The chair of the housing and transit reinvestment zone committee shall convene a public meeting to consider the proposed housing and transit reinvestment zone.
- 2642 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title 52, Chapter 4, Open and Public Meetings Act.
- 2644 (7)
- (a) The proposing municipality or public transit county shall present the housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee in a public meeting.
- 2647 (b) The housing and transit reinvestment zone committee shall, for a housing and transit reinvestment zone proposal:
- 2649 (i) evaluate and verify whether the elements of a housing and transit reinvestment zone described in Subsections 63N-3-603(2) and (4) have been met; and
- 2651 (ii) evaluate the proposed housing and transit reinvestment zone relative to the analysis described in Subsection 63N-3-604(2).
- 2653 (c) The housing and transit reinvestment zone committee shall, for a convention center reinvestment zone proposal, evaluate and verify whether the objectives of a convention center reinvestment zone described in Section 63N-3-603.1 have been met.
- 2657 (8)
- (a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee may:
- 2659 (i)

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- (A) for a housing and transit reinvestment zone, request changes to the housing and transit reinvestment zone proposal based on the analysis, characteristics, and criteria described in Section 63N-3-604; or
- 2662 (B) for a convention center reinvestment zone, request changes to the convention center reinvestment zone proposal based on the characteristics and criteria described in Sections 63N-3-603.1 and 63N-3-604.1; or
- 2665 (ii) subject to Subsection (12), vote to approve or deny the proposal.
- 2666 (b) Before the housing and transit reinvestment zone committee may approve the housing and transit reinvestment zone proposal, the municipality or public transit county proposing the housing and transit reinvestment zone shall ensure that the area of the proposed housing and transit reinvestment zone is zoned in such a manner to accommodate the requirements of a housing and transit reinvestment zone described in this section and the proposed development.
- 2672 (9)
- (a) If a housing and transit reinvestment zone is approved by the committee:
- 2673 (a) (i) the proposed housing and transit reinvestment zone is established according to the terms of the housing and transit reinvestment zone proposal;
- 2675 (b) (ii) affected local taxing entities are required to participate according to the terms of the housing and transit reinvestment zone proposal; and
- 2677 (c) (iii) each affected taxing entity is required to participate at the same rate.
- 4162 (b) If a zone is approved by the committee, the proposing municipality or public transit county shall:
- 4164 (i) enter into an agreement with the relevant property owners identifying the density necessary to implement the approved proposal;
- 4166 (ii) enter into an entitlement agreement, development agreement, or participation agreement with the property owners within the zone as soon as reasonably possible to implement the approved proposal; and
- 4169 (iii) if the proposing municipality or public transit county have not entered into one or more of the agreements described in Subsection (9)(b)(ii) within two years of the approval of the proposal, submit a written report to the committee describing the status of:
- 4173 (A) the agreement required by Subsection (9)(b)(ii) and an explanation of the status; and
- 4175 (B) related land use regulations to implement the approved proposal.
- 2678 (10) A housing and transit reinvestment zone proposal may be amended by following the same procedure as approving a housing and transit reinvestment zone proposal, except the proposing

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municipality or public transit county is not required to submit an additional pro forma analysis unless requested by the office of the committee.

- 2680 (11)
- (a) The approval for a convention center reinvestment zone in a capital city may be completed with a condition that the relevant municipality also create a public infrastructure district as provided in Subsection 63N-3-607(8)(b).
- 2683 (b) The approval described in Subsection (11)(a) shall verify that the requirements and limitations on use of funds is limited to the conditions described under Subsections 63N-3-604.1(2)(b) and (c).
- 2686 (12)
- (a) Beginning January 1, 2028, the committee may not approve a proposal for a housing and transit reinvestment zone {or} , a first home investment zone, or a convention center reinvestment zone unless the proposal was pending on December 31, 2027.
- 2689 (b) Housing and transit reinvestment zones that are in existence on January 1, 2028, continue to exist and shall comply with the relevant requirements of this part until the housing and transit reinvestment zone is dissolved.
- 4192 (c) First home investment zones that are in existence on January 1, 2028, continue to exist and shall comply with the relevant requirements of this part until the first home investment zone is dissolved.
- 4195 (d) Convention center reinvestment zones that are in existence on January 1, 2028, continue to exist and shall comply with the relevant requirements of this part until the convention center reinvestment zone is dissolved.
- 4198 Section 52. Section 63N-3-607 is amended to read:
- 4199 **63N-3-607. Payment, use, and administration of revenue from a housing and transit reinvestment zone.**
- 4201 (1) In accordance with this part:
- 4202 (a) a municipality or public transit county may receive and use property tax increment and housing and transit reinvestment zone funds;
- 4204 (b)
- (i) a public infrastructure district shall use the funds from a convention center reinvestment zone in a capital city within or for the benefit of a convention center reinvestment zone in a capital city; and
- 4207 (ii) funds from a convention center reinvestment zone in a capital city may be used outside of the capital city convention center reinvestment zone if the use meets the objectives described in Section

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63N-3-603.1 and is determined by the board of the public infrastructure district to be a direct benefit to the convention center reinvestment zone in a capital city; and

- 4212 (c) a municipality or a public infrastructure district may receive and use property tax increment and convention center reinvestment zone funds for a convention center reinvestment zone that is not within a capital city.
- 4215 (2)
- (a) Except as provided in Subsection (3), a county that collects property tax on property located within a housing and transit reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the municipality or public transit county any property tax increment the municipality or public transit county is authorized to receive up to the maximum approved by the housing and transit reinvestment zone committee.
- 4221 (b) Property tax increment distributed to a municipality or public transit county in accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality or public transit county.
- 4224 (c)
- (i) Property tax increment paid to the municipality or public transit county are housing and transit reinvestment zone funds and shall be administered by an agency created by the municipality or public transit county within which the housing and transit reinvestment zone is located.
- 4228 (ii) Before an agency may receive housing and transit reinvestment zone funds from the municipality or public transit county, the municipality or public transit county and the agency shall enter into an interlocal agreement with terms that:
- 4231 (A) are consistent with the approval of the housing and transit reinvestment zone committee; and
- 4233 (B) meet the requirements of Section 63N-3-603 or, for a convention center reinvestment zone, the requirements of Section 63N-3-603.1.
- 4235 (3)
- (a) A county that collects property tax on property located within a convention center reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the relevant public infrastructure district created by the eligible municipality any property tax increment the public infrastructure district is authorized to receive up to the amounts approved by the housing and transit reinvestment zone committee.
- 4240 (b) Property tax increment distributed to a public infrastructure district in accordance with Subsection (3)(a) is not revenue of the taxing entity or municipality.

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

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- 4272 (b) A municipality or public transit county may not use more than 1% of the total housing and transit  
reinvestment zone funds to pay costs described in Subsection (5)(a)(viii).
- 4275 (c) A public infrastructure district shall use convention center reinvestment zone funds to achieve the  
purposes described in Section 63N-3-603.1.
- 4277 (d)
- (i) As used in this Subsection (5)(d), "extraterritorial affordable housing" means affordable housing, as  
affordable housing is defined in Section 63N-3-1601, that:
- 4279 (A) is located within the municipality proposing the housing and transit reinvestment zone but  
outside the boundary of the housing and transit reinvestment zone;
- 4282 (B) is part of a development with a density of at least six units per acre;
- 4283 (C) is required to be owner occupied for no less than 25 years; and
- 4284 (D) has not been issued a building permit by the municipality as of the date of the approval of the  
housing and transit reinvestment zone.
- 4286 (ii) A municipality or public transit county may use housing and transit reinvestment zone funds on  
extraterritorial affordable housing costs if the municipality or public transit county satisfies the  
requirement to make a finding that the action will benefit the housing and transit reinvestment zone,  
as described under Subsection (4)(b).
- 4291 (iii) One hundred percent of extraterritorial affordable housing shall meet the affordable housing  
requirements described in Section 63N-3-1602.
- 4293 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency and  
participant enter into a participation agreement that requires the participant to utilize the housing and  
transit reinvestment zone funds as allowed in this section.
- 4296 (7)
- (a) Housing and transit reinvestment zone funds may be used to pay all of the costs of bonds issued by  
the municipality or public transit county in accordance with Title 17C, Chapter 1, Part 5, Agency  
Bonds, including the cost to issue and repay the bonds including interest.
- 4300 (b) Convention center reinvestment zone funds may be used to pay all of the costs of debt incurred by  
the public infrastructure district, including the cost to issue and repay the debt including interest.
- 4303 (8)
- (a) A municipality or public transit county may create one or more public infrastructure districts  
within the housing and transit reinvestment zone under Title 17D, Chapter 4, Public Infrastructure

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District Act, and pledge and utilize the housing and transit reinvestment zone funds to guarantee the payment of public infrastructure bonds issued by a public infrastructure district.

- 4308 (b) An eligible municipality that is a capital city shall create one or more public infrastructure districts within the convention center reinvestment zone under Title 17D, Chapter 4, Public Infrastructure District Act, and the convention center reinvestment zone funds may be used to pay all or any portion of debt incurred by the public infrastructure district, including the cost to issue and repay the debt including interest.

4314 Section 53. Section 63N-3-608 is amended to read:

4315 **63N-3-608. Applicability to an existing community reinvestment project.**

- 4317 (1) For a housing and transit reinvestment zone created under this part that overlaps any portion of an existing inactive industrial site community reinvestment project area plan created in accordance with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act:

- 4321 (a) if the community reinvestment project area plan captures less than 80% of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area plan, the housing and transit reinvestment zone may capture the difference between:

4325 (i) 80%; and

4326 (ii) the percentage of property tax increment captured pursuant to the community reinvestment project area plan; and

- 4328 (b) if a community reinvestment project area plan expires before the housing and transit reinvestment zone, the housing and transit reinvestment zone may capture the property tax increment allocated to the community reinvestment project area plan for any remaining portion of the term of the housing and transit reinvestment zone and the base year shall be updated in accordance with Subsection 63N-3-602(4).

- 4333 (2) For a convention center reinvestment zone created under this part that overlaps any portion of an existing community reinvestment project area created in accordance with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act:

- 4337 (a) if the community reinvestment project area captures less than 100% of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area, the convention center reinvestment zone may capture the difference between:

4341 (i) 100%; and

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4342 (ii) the percentage of property tax increment captured pursuant to the community reinvestment project  
area for each taxing entity; and

4344 (b) if a community reinvestment project area plan expires before the convention center reinvestment  
zone, the convention center reinvestment zone may capture the property tax increment allocated to  
the community reinvestment project area for any remaining portion of the term of the convention  
center reinvestment zone with the base year relating back to the base year established by the  
community reinvestment project area.

4350 (3) A zone that overlaps any portion of an existing community reinvestment project may capture up to  
the maximum allowable increment of the increment generated above the zone base year.

4353 Section 54. Section 63N-3-611 is amended to read:

4354 **63N-3-611. Boundary adjustments -- Governing law.**

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

4361 (1)

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

4367 (b) If an area is excluded from or bisected by the radius requirements described in this part, a boundary  
adjustment to include or exclude the area is permitted if:

4369 (i) the committee or office, if applicable, determines that inclusion or exclusion has a reasonable nexus  
to advancing the objectives described in Section 63N-3-603;

4371 (ii) the adjustment does not include a parcel that is located entirely outside a one-half mile radius from a  
bus rapid transit or light rail station, or a two-third mile radius from a commuter rail station; and

4374

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(iii) any acreage included in a housing and transit reinvestment zone under this section is offset by an exclusion of acreage such that the total acreage approved by the committee does not exceed the maximum in Section 63N-3-603.

4377 (2)

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

4380 (b)

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

4383 (ii) The property tax increment collection described in Subsection (2)(b)(i) shall use the base year of 2023 and commence no later than five years from the day that the convention center reinvestment zone in a capital city proposal is approved.

4386 (3)

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

4390 (b) Notwithstanding Subsection (3)(a), an approved housing and transit reinvestment zone proposal submitted before May 1, 2024, shall be governed by the base year defined in code before January 1, 2023.

4393 Section 55. Section **63N-3-1603** is amended to read:

4394 **63N-3-1603. (Effective 05/06/26)Process for a proposal of a first home investment zone.**

2694 (1) [~~Subject-~~] On or before December 31, 2027, and subject to approval of the housing and transit reinvestment zone committee as described in Section 63N-3-1604, in order to create a first home investment zone, a municipality that has general land use authority over the first home investment zone area, shall:

2698 (a) prepare a proposal for the first home investment zone that:

2699 (i) demonstrates that the proposed first home investment zone will meet the objectives described in Subsection 63N-3-1602(1);

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- 2701 (ii) explains how the municipality will achieve the requirements of Subsection 63N-3-1602(2);
- 2703 (iii) defines the specific infrastructure needs, if any, and proposed improvements;
- 2704 (iv) demonstrates how the first home investment zone will ensure:
- 2705 (A) sufficient pedestrian access to schools and other areas of community; and
- 2706 (B) inclusion of child care facilities and access;
- 2707 (v) defines the boundaries of the first home investment zone;
- 2708 (vi) includes maps of the proposed first home investment zone to illustrate:
- 2709 (A) proposed housing density within the first home investment zone;
- 2710 (B) extraterritorial homes relevant to the first home investment zone, including density of the  
development of extraterritorial homes; and
- 2712 (C) existing zoning and proposed zoning changes related to the first home investment zone;
- 2714 (vii) identifies any development impediments that prevent the development from being a market-rate  
investment and proposed strategies for addressing each one;
- 2716 (viii) describes the proposed development plan, including the requirements described in Subsections  
63N-3-1602(2) and (4);
- 2718 (ix) establishes the collection period or periods to calculate the tax increment;
- 2719 (x) describes projected maximum revenues generated and the amount of tax increment capture from  
each taxing entity and proposed expenditures of revenue derived from the first home investment  
zone;
- 2722 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources of revenue that can  
be used to reduce the finance gap;
- 2724 (xii) proposes a finance schedule to align expected revenue with required financing costs and payments;
- 2726 (xiii) evaluates possible benefits to active transportation, public transportation availability and  
utilization, street connectivity, and air quality; and
- 2728 (xiv) provides a pro forma for the planned development that:
- 2729 (A) satisfies the requirements described in Subsections 63N-3-1602(2) and (4); and
- 2730 (B) includes data showing the cost difference between what type of development could feasibly be  
developed absent the first home investment zone tax increment and the type of development that is  
proposed to be developed with the first home investment zone tax increment;
- 2734 (b) submit the proposal to the relevant school district to discuss the requirements of the proposal and  
whether the proposal provides the benefits and achieves the objectives described in this part; and

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- 2737 (c) submit the first home investment zone proposal to the Governor's Office of Economic Opportunity.
- 2739 (2) As part of the proposal described in Subsection (1), a municipality shall:
- 2740 (a) study and evaluate possible impacts of a proposed first home investment zone on parking and  
efficient use of land within the municipality and first home investment zone; and
- 2743 (b) include in the first home investment zone proposal the findings of the study described in Subsection  
(2)(a) and proposed strategies to efficiently address parking impacts.
- 2746 (3)
- (a) After receiving the proposal as described in Subsection (1)(c), the Governor's Office of Economic  
Opportunity shall:
- 2748 (i) within 14 days after the date on which the Governor's Office of Economic Opportunity receives  
the proposal described in Subsection (1)(c), provide notice of the proposal to all affected taxing  
entities, including the State Tax Commission, cities, counties, school districts, metropolitan  
planning organizations, and the county assessor and county auditor of the county in which the  
first home investment zone is located; and
- 2754 (ii) at the expense of the proposing municipality as described in Subsection (5), contract with an  
independent entity to:
- 2756 (A) perform the gap analysis described in Subsection (3)(b); and
- 2757 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B) and the feasibility of  
the proposed development absent the tax increment.
- 2759 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:
- 2760 (i) a description of the planned development;
- 2761 (ii) a market analysis relative to other comparable project developments included in or adjacent to the  
municipality absent the proposed first home investment zone;
- 2763 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency of the proposal;
- 2765 (iv) an evaluation of the proposed tax increment capture needed to cover the system improvements  
and project improvements associated with the first home investment zone proposal and enable the  
proposed development to occur, and for the benefit of affordable housing projects; and
- 2769 (v) based on the market analysis and other findings, an opinion relative to the appropriate amount of  
potential public financing reasonably determined to be necessary to achieve the objectives described  
in Subsection 63N-3-1602(1).

2772

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(c) After receiving notice from the Governor's Office of Economic Opportunity of a proposed first home investment zone as described in Subsection (3)(a)(i), the municipality, in consultation with the county assessor and the State Tax Commission, shall:

2776 (i) evaluate the feasibility of administering the tax implications of the proposal; and

2777 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the administration of the proposal, or indicating that the county assessor can feasibly administer the proposal.

2780 (4) After receiving the results from the analysis described in Subsection (3)(b), the municipality proposing the first home investment zone may:

2782 (a) amend the first home investment zone proposal based on the findings of the analysis described in Subsection (3)(b) and request that the Governor's Office of Economic Opportunity submit the amended first home investment zone proposal to the housing and transit reinvestment zone committee; or

2786 (b) request that the Governor's Office of Economic Opportunity submit the original first home investment zone proposal to the housing and transit reinvestment zone committee.

2789 (5)

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

2792 (b) The Governor's Office of Economic Opportunity may expend funds received from a municipality as dedicated credits to pay for the costs associated with the gap analysis described in Subsection (3)(b).

2795 {~~(6)~~ }

(a)(6) Beginning January 1, 2028:

2796 (i)(a) a municipality may not propose a first home investment zone;

2797 (ii)(b) a municipality may amend a first home investment zone proposal, as described in Subsection (4), if the proposal was pending on December 31, 2027; and

2799 (iii)(c) the Governor's Office of Economic Opportunity may not fulfill the duties described in Subsection (3) or (5) in regard to a proposal for a first home investment zone unless the proposal was pending on December 31, 2027.

2802 {~~(b)~~ } {~~First home investment zones that are in existence on January 1, 2028, continue to exist and shall comply with the relevant requirements of this part until the housing and transit reinvestment zone is dissolved.~~ }

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4504 Section 56. Section 63N-3-1609 is amended to read:

4505 **63N-3-1609. Boundary adjustments.**

- 4506 (1) If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a first home investment zone, the municipality administering the tax increment collected in the first home investment zone may make corresponding adjustments to the boundary of the first home investment zone.
- 4510 (2) Subject to the requirements under this part, and after the housing and transit reinvestment zone committee approves a first home investment zone proposal in accordance with Section 63N-3-1604, the office shall consult with the relevant county assessor to determine a boundary adjustment to parcel boundaries relevant to a first home investment zone.
- 4515 (3) A parcel may only be triggered for property tax increment collection on the legal parcel boundary drawn at the time the parcel is triggered for property tax increment collection.

4517 Section 57. Section 57 is enacted to read:

4520 **63N-3a-101. (Effective 05/06/26) Definitions.**

3a. Coordination of Regional Economic Development Activity

1. General Provisions

As used in this chapter:

2810 (1) "Affordable housing" means:

- 2811 (a) for homes that are not {owner-occupied} owner-occupied, housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the county median gross income for households of the same size; or
- 2814 (b)
- (i) for homes that are {owner-occupied} owner-occupied, housing {that is priced at 80} occupied or reserved for occupancy by households with a gross household income equal to or less than 120% of the {county median home price} median gross income for households of the same size in the county in which the housing is located; or
- 2816 (ii) for homes that are {owner-occupied} owner-occupied, housing that is priced at 80% of the zip code median home price if:
- 2818 (A) the proposal demonstrates that a deviation from the county median home price will achieve the objectives described in Section 63N-3a-103; and
- 2820 (B) the zip code median home price is based upon county property tax assessment data.

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- 2822 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 2823 (3) "Base taxable value" means a property's taxable value as shown upon the assessment roll last equalized during the base year.
- 2825 (4) "Base year" means {~~the calendar year~~} :
- 2826 (a) the calendar year in which the committee approves a regionally significant development zone; or
- 2827 (b) {~~established by~~} a calendar year that the committee {~~in approving~~} establishes when the committee approves a regionally significant development zone, which {~~shall~~} may not be a calendar year more than five years from the year {~~before property tax increment collection is triggered~~} in which the committee approves the regionally significant development zone.
- 2829 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and efficient service that may include dedicated lanes, busways, traffic signal priority, off-board fare collection, elevated platforms, and enhanced stations.
- 2832 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal that is specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan:
- 2835 (a) along an existing bus rapid transit line; or
- 2836 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 2837 (7) "Committee" means the increment financing committee created in Section 63N-3a-102.
- 2838 (8)
- (a) "Commuter rail" means a regional passenger rail transit facility operated by a large public transit district.
- 2840 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public transit district.
- 2842 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan {~~and in phase one of the relevant public transit district's adopted long-range transit plan~~} :
- 2846 (a) along an existing commuter rail line;
- 2847 (b) along an extension to an existing commuter rail line or new commuter rail line;
- 2848 (c) along a fixed guideway extension from an existing commuter rail line; or
- 2849 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an existing commuter rail station.

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- 2851 (10) "Creating entity" means:
- 2852 (a) a municipality; or
- 2853 (b) a county.
- 2854 (11)
- (a) "Developable area" means the portion of land within a zone available for development and construction of uses that met the relevant objectives described in Part 3, Specific Provisions for Certain Zones.
- 2857 (b) "Developable area" does not include portions of land within a zone intended for development that are allocated to:
- 2859 (i) parks;
- 2860 (ii) open spaces;
- 2861 (iii) trails;
- 2862 (iv) parking;
- 2863 (v) roadway facilities; or
- 2864 (vi) other public facilities.
- 2865 (12) "Dwelling unit" means one or more rooms arranged for the use of one or more individuals living together, as a single housekeeping unit, with cooking, living, sanitary, and sleeping facilities.
- 2868 (13) "Enhanced development" means the construction of mixed uses including housing, commercial, recreational, and related facilities.
- 2870 (14) "Enhanced development costs" means extra costs associated with structured parking costs, vertical construction costs, horizontal construction costs, life safety costs, structural costs, conveyor or elevator costs, and other costs incurred due to the increased height of buildings or enhanced development.
- 2874 (15) "Extraterritorial home" means a dwelling that is included as part of a proposal that:
- 2875 (a) is located within the municipality making the proposal but outside the boundary of the proposed project area;
- 2877 (b) is part of a development with a density of at least six units per acre;
- 2878 (c) is not located within an existing project area, a housing and transit reinvestment zone, a first home investment zone, or an area that could be included in a housing and transit reinvestment zone or a first home investment zone;
- 2881

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- (d) has not been issued a building permit by the municipality as of the date of the approval of the project area; and
- 2883 (e) is required to be owner occupied for no less than 25 years.
- 2884 (16) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 2885 (17) "High-density residential" means a minimum of 30 residential units per acre.
- 2886 (18) "Home" means a dwelling unit.
- 2887 (19) "Horizontal construction costs" means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in a regionally significant development zone.
- 2890 (20) "Impacted primary area" means land described in a proposal:
- 2891 (a) outside of a proposed zone boundary; and
- 2892 (b) that is crucial to one or more aspects of the development of the zone.
- 2893 (21) "Increment financing" means a public entity's utilization of:
- 2894 (a) property tax increment; or
- 2895 (b) any other portion of public revenue that is calculated using a base year and revenue growth following the base year, if the public revenue is authorized for use by a committee.
- 2898 (22) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
- 2900 (23) "Light rail" means a passenger rail public transit system with right-of-way and fixed rails:
- 2902 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 2903 (b) that may cross streets at grade; and
- 2904 (c) that may share parts of surface streets.
- 2905 (24) "Light rail station" means an existing station, stop, or terminal or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan:
- 2908 (a) along an existing light rail line; or
- 2909 (b) along an extension to an existing light rail line or new light rail line.
- 2910 {~~(25) {"Major sporting event venue" means the same as that term is defined in Section 63N-3-1701.} }~~}
- 2912 (26){~~(25)~~} "Metropolitan planning organization" means the same as that term is defined in Section 72-1-208.5.
- 2914 (27){~~(26)~~} "Mixed use development" means development with a mix of:
- 2915 (a) multi-family residential use; and

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- 2916 (b) at least one additional land use, which shall be a significant portion of the overall development.
- 2918 (28){(27)} "Moderate income housing" means residential units where a household whose income is no more than 80% of the area median income is able to occupy the housing unit paying no more than 30% of the household's income for gross housing costs, including utilities.
- 2922 (29){(28)} "Municipality" means the same as that term is defined in Section 10-1-104.
- 2923 (30){(29)} "Notification of increment financing" means a document, physical or electronic, provided by a regional economic development authority to the office describing the regional economic development authority's intent to trigger and utilize one or more forms of increment financing.
- 2927 (31){(30)}
- (a) "Owner occupied" means private real property that is:
- 2928 (i) used for a single-family residential purpose; and
- 2929 (ii) occupied by the owner of the real property.
- 2930 (b) "Owner occupied" includes real property that is used for a multi-family residential purpose if each dwelling unit on the real property is occupied by the owner of the dwelling unit.
- 2933 (32){(31)} "Participant" means the same as that term is defined in Section 17C-1-102.
- 2934 (33){(32)} "Participation agreement" means the same as that term is defined in Section 17C-1-102, except that the agency may not provide and the person may not receive a direct subsidy.
- 2936 (34){(33)} "Project" means the enterprise to be pursued through the proposal of a regionally significant development zone.
- 2938 (35){(34)}
- (a) "Project improvements" means site improvements and facilities that are:
- 2939 (i) planned and designed to provide service for development resulting from a development activity;
- 2941 (ii) necessary for the use and convenience of the occupants or users of development resulting from a development activity; and
- 2943 (iii) not identified or reimbursed as a system improvement.
- 2944 (b) "Project improvements" does not mean system improvements.
- 2945 (36){(35)}
- (a) "Property tax increment" means the difference between:
- 2946 (i) the amount of property tax revenue generated each tax year by all taxing entities, except as provided in Subsection (36)(b), from within a regionally significant development zone, using

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the current assessed value and each taxing entity's current certified tax rate as defined in Section 59-2-924; and

- 2950 (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.
- 2953 (b) "Property tax increment" does not include property tax revenue from:
- 2954 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 2955 (ii) a county additional property tax described in Subsection 59-2-1602(4);
- 2956 (iii) a levy imposed by a public infrastructure district as described in Section 17D-4-303; or
- 2958 (iv) a public library fund levy described in Subsection 9-7-501(2).
- 2959 (37){(36)} "Proposal" means a document, physical or electronic, developed by a creating entity:
- 2960 (a) outlining the need for the creation of a regionally significant development zone;
- 2961 (b) explaining whether the zone is proposed to create:
- 2962 (i) a regionally significant transit-oriented development, as described in Section 63N-3a-301;
- 2964 (ii) a regionally significant first home village, as described in Section 63N-3a-302;
- 2965 ~~{(iii) {a regionally significant major sporting event venue, as described in Section 63N-3a-303; and} }~~
- 2967 (iv){(iii)} a regionally significant economic development opportunity, as described in Section  
{63N-3a-304} 63N-3a-303;
- 2969 (c) describing how the relevant objectives would be achieved by the creation of the regionally  
significant development zone;
- 2971 (d) describing the boundaries of the proposed regionally significant development zone;
- 2972 (e) describing the impacted primary area, if any, of a proposed regionally significant development zone;  
and
- 2974 (f) that is submitted to a committee.
- 2975 (38){(37)} "Public transit county" means a county that has created a small public transit district.
- 2976 (39){(38)} "Public transit hub" means a public transit depot or station where four or more routes  
serving separate parts of the county-created transit district stop to transfer riders between routes.
- 2979 (40){(39)} "Qualified development zone" means the property within a project area, and, if applicable,  
the impacted primary area, as approved by the committee.
- 2981 (41){(40)} "Regional economic development authority" means:
- 2982 (a) the Utah Inland Port Authority created in Section 11-58-201;
- 2983 (b) the Point of the Mountain Land Use Authority created in Section 11-59-201;

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- 2984 (c) the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201; or  
2986 (d) the Military Installation Development Authority created in Section 63H-1-201.  
2987 (42){(41)}
- (a) "Regionally significant development zone" means an area:  
2988 (i) created as described in Part 2, Creation of Regionally Significant Development Zones;  
2990 (ii) governed as described in Title 17C, Chapter 6, Regionally Significant Development Zone Act;  
and  
2992 (iii) in which a creating entity is able to promote efficient use of transit, housing affordability, or  
regional economic growth.
- 2994 (43){(42)} "Small public transit district" means the same as that term is defined in Section 17B-2a-802.  
2996 (44){(43)}
- (a) "System improvements" means existing and future public facilities that are designed to provide  
services to service areas within the community at large.  
2998 (b) "System improvements" does not mean project improvements.  
2999 (45){(44)} "Tax commission" means the State Tax Commission created in Section 59-1-201.  
3000 (46){(45)} "Taxing entity" means the same as that term is defined in Section 17C-1-102.  
3001 (47){(46)}
- (a) "Tax increment" means the difference between:  
3002 (i) the amount of tax revenue generated each tax year from a particular revenue source by all taxing  
entities within a particular area after an established base year; and  
3005 (ii) the amount of revenue that would be generated from the same particular revenue source and  
from the same particular area during the established base year.  
3007 (b) "Tax increment" includes tax differential, property tax allocation, enhanced property tax revenue,  
property tax augmentation, or any other term that meets the definition described in Subsection (47)  
(a).
- 3010 (48){(47)} "Transportation system" means:  
3011 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including connected structures;  
3013 (b) an airport or aerial transit infrastructure;  
3014 (c) a light rail and light rail station;  
3015 (d) a public transit facility; or  
3016 (e) any other modes or forms of conveyance used by the public.

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- 3017 (49){(48)} "Vertical construction costs" means the additional costs associated with construction above  
4732 four stories and structured parking to achieve enhanced development in a project area.  
4733 Section 58. Section 58 is enacted to read:  
4733 **63N-3a-102. (Effective 05/06/26) Increment authorization committee -- Creation.**  
3022 (1) For any project proposed under this chapter that requires the use of tax increment, there is created an  
3025 increment authorization committee with membership described in Subsection (2).  
3026 (2) Each increment authorization committee shall consist of the following members:  
3026 (a) the executive director or the executive director's designee;  
3027 (b) the executive director of the Department of Transportation created in Section 72-1-201 or the  
3029 executive director's designee;  
3031 (c) one individual from the Office of the State Treasurer, designated by the state treasurer;  
3032 (d) two members designated by the president of the Senate;  
3033 (e) two members designated by the speaker of the House of Representatives;  
3035 (f) one representative representing the largest participating local taxing entity by population, after the  
3036 creating entity ~~and other than a water conservancy district~~, in the proposed zone;  
3035 (g) one representative from the creating entity; and  
3036 (h)  
3038 (i) if a proposal addresses affordable housing, moderate income housing, or addresses a regionally  
3040 significant first home village:  
3042 (A) one representative from the office, designated by the executive director, who works on housing  
3044 policy; and  
3045 (B) two representatives designated by the school superintendent from the largest school district by  
3046 student population affected by the proposal;  
3047 (ii) if a proposal addresses a regionally significant transit-oriented zone, one member appointed by the  
3048 governor:  
3049 (A) from the Transportation Committee created in Section 72-1-301; or  
3050 (B) a member of the board of trustees of a large public transit district;  
3051 ~~{(iii) {if a proposal addresses a major sporting event venue that will be used during an Olympic Games,~~  
3052 ~~one member of the executive committee for the Salt Lake City-Utah Committee for the Games;}-}~~

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~~{(iv) {if a proposal addresses a major sporting event venue that will not be used during an Olympic Games, one individual with expertise in a professional sports industry, appointed by the governor; and}}~~

3052 (v) {(iii)} if a proposal addresses a regionally significant economic development opportunity that is not  
described in Subsections (2)(h)(i) ~~{through (iv)}~~ and (ii):

3054 (A) the director of the Office of Energy Development created in Section 79-6-401; and

3056 (B) any individual with relevant expertise appointed by the governor.

3057 (3) A majority of committee members constitutes a quorum.

3058 (4) A majority vote of a quorum constitutes action by the committee.

4766 Section 59. Section **59** is enacted to read:

4767 **63N-3a-103. (Effective 05/06/26)Executive director duties -- Contracting.**

3061 (1) In addition to the duties described in Section 63N-1a-303, the executive director shall coordinate the use of increment financing to achieve the state's long-term housing and economic development goals while balancing the need of local communities to protect tax base and continue to provide essential services to a growing population.

3065 (2) Following the office's evaluation of a proposal, as described in Section 63N-3a-202, the executive director shall:

3067 (a) determine whether the proposal demonstrates broad regional benefits to the state and the state's residents, including the provision of affordable housing, enhancing statewide infrastructure, or contributing to economic resilience;

3070 (b) evaluate the proposal by considering:

3071 (i) the impact of proposed increment financing on residents; and

3072 (ii) existing uses of increment in the proposed area; and

3073 (c) provide the proposal, with the executive director's determination and recommendation, to the committee for consideration.

3075 (3) The executive director shall:

3076 (a) coordinate a committee's evaluation of a proposal; and

3077 (b) maintain active communication with regional economic development authorities regarding increment financing.

3079 (4)

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

3083 ~~{(b) {A regional economic development authority may not perform the duties described in Subsection (4)(a) in regard to a proposal if the regional economic development authority is directly financially impacted by the proposal.}}~~

3086 (c) ~~{(b)}~~ An independent consultant contracted to assist the office under Subsection (4)(a) may not advise the creating entity or any party with a financial stake in the proposed regionally significant development zone.

4794 Section 60. Section **60** is enacted to read:

4795 **63N-3a-104. (Effective 05/06/26) Maximum number of zones per county.**

3091 (1) As used in this section, "increment zone" means:

3092 (a) a housing and transit reinvestment zone;

3093 (b) a convention center reinvestment zone;

3094 (c) a first homes investment zone;

3095 (d) a home ownership promotion zone;

3096 (e) a major sporting event venue zone; and

3097 (f) an electrical energy development zone.

4803 (2) In any given county:

3098 (2) ~~{(a)}~~ ~~{In any given county,}~~ the maximum number of increment zones at light rail stations, not including a convention center reinvestment zone, is eight~~{.}~~; and

4806 (b) the maximum number of regionally significant development zones created as described in Part 2, Creation of Regionally Significant Development Zones, is eight.

3100 (3) ~~{Within}~~ In addition to the caps described in Subsection (2), within a county of the first class, as classified under Section 17-60-104:

3101 (a) the maximum number of housing and transit reinvestment zones at bus rapid transit stations is three;

3103 (b) the maximum total combined number of housing and transit reinvestment zones and first home investment zones is 11; and

3105 (c) the maximum total combined number of increment zones, not including a convention center reinvestment zone, is 14.

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4816 Section 61. Section **61** is enacted to read:

4817 **63N-3a-105. (Effective 05/06/26)Rulemaking.**

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

4820 Section 62. Section **62** is enacted to read:

4821 **63N-3a-106. Political Subdivisions Interim Committee working group.**

4823 (1) The Political Subdivisions Interim Committee shall convene a working group as described in this section by no later than May 30, 2026, to:

4825 (a) study tax increment financing; and

4826 (b) make a recommendation to the Political Subdivisions Interim Committee by no later than November 1, 2026, regarding caps on the maximum percentage of tax increment or the maximum amount of revenue to be generated and utilized through tax increment financing.

4830 (2) The chairs of the interim committee shall jointly designate members of the working group described in Subsection (1) as follows:

4832 (a) three legislators from the membership of the interim committee, one of whom shall be a member of the Senate;

4834 (b) one individual recommended by the Utah League of Cities and Towns who represents the interests of municipalities;

4836 (c) one individual recommended by the Utah Association of Counties who represents the interests of counties;

4838 (d) one individual who represents the interests of school districts; and

4839 (e) one individual who represents the tax commission.

4840 (3) The office and the Office of Legislative Research and General Counsel shall provide staff support to the working group.

4842 Section 63. Section **63** is enacted to read:

4844 **63N-3a-201. (Effective 05/06/26)Process to propose -- Advance consultation -- Proposal requirements -- Consultation and public comment required -- Office review.**

2. Creation of Regionally Significant Development Zones

3115 (1)

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

3117 (i) within the jurisdictional boundaries of the creating entity; and

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- 3118           (ii) as provided in this section.
- 3119           (b) One or more creating entities may jointly propose a regionally significant development zone, and be  
3122           treated as a single creating entity for the purposes of this part, if:
- 3122           (i) the creating entities first enter an interlocal agreement governing how the creating entities shall  
3124           manage the zone, if approved; or
- 3124           (ii) the creating entities include a proposed interlocal agreement the creating entities will enter upon  
3126           approval of the zone.
- 3126           (c) An interlocal agreement described in Subsection (1)(b) shall meet the requirements of Section  
3128           17C-6-102.
- 3128           (2) Before a creating entity may submit a proposal to the office as described in this section:
- 3129           (a) the legislative body of the creating entity shall:
- 3130           (i) submit a draft of the proposal to every school district that would be impacted by the creation of a  
3133           regionally significant development zone, as described in the proposal, to discuss the requirements of  
3135           the proposal;
- 3133           (ii) provide a school district described in Subsection (2)(a)(i) no less than 30 calendar days to offer the  
3137           creating entity feedback on the draft proposal; and
- 3135           (iii)
- 3137           (A) hold a public meeting **and receive public comment** on the proposal to create a regionally significant  
3139           development zone; and
- 3137           (B) provide notice of the public meeting as a class A notice as described in Section 63G-30-102 for at  
3139           least 10 days;
- 3139           (b) if the creating entity is a municipality, the municipal legislative body shall:
- 3140           (i) submit a draft of the proposal to the county legislative body where the proposed regionally  
3142           significant development zone is located; and
- 3142           (ii) provide the county no less than 30 days to offer the creating entity feedback on the draft proposal,  
3145           including a finding of whether the county legislative body considers the proposed project regionally  
3148           significant; and
- 3145           (c) submit a draft of the proposal to every affected local taxing entity that will be required to participate  
3148           in the regionally significant development zone at least 30 days before the creating entity submits a  
3148           proposal to the office.
- 3148           (3)

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- 3150 (a) A creating entity shall include any feedback or public comment received under Subsection (2) in a proposal submitted to the office.
- 4883 (b) A creating entity may provide the public entity's response to any feedback or public comment described in Subsection (3)(a) along with the proposal.
- 4885 (c) If a county legislative body makes a finding under Subsection (2)(b)(ii) that a proposed project is not regionally significant:
- 4887 (i) the municipal creating entity may submit a proposal to the office as described in this section; and
- (ii) if the proposal is for a regionally significant economic development opportunity described in Section 63N-3a-303, the committee may approve the proposal, but notwithstanding the requirement in Section 63N-3a-203 that all affected taxing entities participate at the same rate, the county's participation in property tax increment is limited to a maximum of 40%.
- 3152 (4) A creating entity shall submit a proposal to the office in a form and manner determined by the office.
- 3154 (5) A proposal made under this chapter shall:
- 3155 (a) demonstrate how the proposed zone addresses:
- 3156 (i) for a regionally significant transit-oriented development, the objectives and requirements described in Section 63N-3a-301;
- 3158 (ii) for a regionally significant first home village, the objectives and requirements described in Section 63N-3a-302; or
- 3160 ~~{(iii) {for a regionally significant major sporting event venue, the objectives and requirements described in Section 63N-3a-303; and} }~~
- 3162 (iv){~~(iii)~~} for a regionally significant economic development opportunity, the objectives and requirements described in Section {~~63N-3a-304~~} 63N-3a-303;
- 3164 (b) describe the development impediments and market conditions that render a development cost prohibitive absent the financial incentives described in this chapter and for which the creating entity requests approval to utilize in the proposal;
- 3167 (c) include a pro forma analysis that includes data showing the cost difference between:
- 3168 (i) what type of redevelopment or development could feasibly occur without the creation of a regionally significant development zone; and
- 3170

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- (ii) the type of redevelopment or development that is proposed to occur with the creation of a regionally significant development zone and the accompanying regionally significant development zone revenue; and
- 3173 (d) include any other information the office requires by rule.
- 3174 (6) A proposal may include a request to capture property tax increment, the entirety of personal property tax revenue, or both.
- 3176 (7) A regionally significant development zone may not be smaller than 10 acres.
- 3177 (8)
- (a) After receiving a proposal, the office shall:
- 3178 {~~(i) {provide notice of the proposal to all affected taxing entities, including the tax commission, municipalities, counties, school districts, and special districts;}~~}
- 3180 (ii){(i)} provide notice of the proposal to any impacted metropolitan planning organizations;
- 3182 (iii){(ii)} provide notice of the proposal to the county assessor and county auditor of every county in which a proposed regionally significant development zone would be wholly or partially located;
- 3185 (iv){(iii)} evaluate the feasibility of administering the tax implications of the proposal;
- 3186 (v){(iv)} evaluate the pro forma analysis included in the proposal; and
- 3187 (vi){(v)} following the evaluations described in Subsections {~~(8)(a)(iv)~~} (8)(a)(iii) and {~~(v)~~} (iv), provide any findings the office makes to the creating entity.
- 3189 (b) In conducting the evaluations described in Subsections {~~(8)(a)(iv)~~} (8)(a)(iii) and {~~(v)~~} (iv), the office:
- 3190 (i) shall consult with the tax commission and the relevant county assessor and county auditor; and
- 3192 (ii) may consult with an independent consultant{~~, regional land use authority, or political subdivision~~} as described in Section 63N-3a-103.
- 3194 (c)
- (i) The office shall provide any findings following the evaluations described in Subsections {~~(8)(a)(iv)~~} (8)(a)(iii) and {~~(v)~~} (iv) to the creating entity.
- 3196 (ii) After receiving the findings described in Subsection {~~(8)(b)(vi)~~} (8)(a)(v), the creating entity may:
- 3198 (A) amend the proposal and request the office submit the amended proposal to the committee; or
- 3200 (B) request the office submit the original proposal to the committee.
- 3201 (9) If the office determines a proposal meets the requirements of this section, the office shall:

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- 3203 (a) notify the creating entity;
- 3204 (b) provide the proposal to the executive director for the executive director's evaluation and  
recommendation, as described in Section 63N-3a-103; and
- 3206 (c) notify the relevant individuals described in Section 63N-3a-102 that an increment financing  
committee is convened to consider a proposal.
- 4943 Section 64. Section **64** is enacted to read:
- 4944 **63N-3a-202. (Effective 05/06/26) Committee consideration of a proposal.**
- 3210 (1) The proposing creating entity shall present the proposal to the committee in a public meeting.
- 3212 (2) Before voting to approve or deny a proposal, the committee shall evaluate and verify whether the  
proposal adequately addresses relevant objectives and requirements described in Part 3, Specific  
Provisions.
- 3215 (3) In considering a proposal, a committee may request any information from a creating entity needed  
to make a determination about whether to approve or deny a proposal, or approve a proposal with  
modifications, including a description of the proposed uses of funds and how funds will be used to  
support public projects related to the regionally significant development zone.
- 3220 (4) The committee may:
- 3221 (a) request changes to the proposal;
- 3222 (b) vote to approve the proposal, with or without modifications to the proposal; or
- 3223 (c) vote to deny the proposal.
- 3224 (5) If the committee votes to approve the proposal, with or without modifications, the committee shall:
- 3226 (a) fulfill the requirements of Section 63N-3a-203; and
- 3227 (b) establish any parameters described in Section 63N-3a-204.
- 4963 Section 65. Section **65** is enacted to read:
- 4964 **63N-3a-203. (Effective 05/06/26) Approval process -- Creation of a regionally significant**  
**development zone -- Boundaries.**
- 3231 (1) If the committee votes to approve a proposal, as described in Section 63N-3a-202:
- 3232 (a) a regionally significant development zone is created as of the effective date and subject to the  
governance requirements described in Section 63N-3a-206;
- 3234 (b) affected local taxing entities are required to participate according to the terms approved by the  
committee; and
- 3236

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- (c) subject to Subsection 63N-3a-201(3)(c), each affected taxing entity is required to participate at the same rate.
- 3237 (2)
- (a) The effective date of a regionally significant development zone is the later of:
- 3238 (i) January 1 following the approval of the proposal, if the committee approves the proposal on or  
before September 30; or
- 3240 (ii) January 1 following the year after the year in which the committee approves the proposal.
- 3242 (b) A creating entity may not trigger the collection of tax increment within a regionally significant  
development zone before the effective date.
- 3244 (3) In approving a proposal, the committee shall establish:
- 3245 (a) the qualified development zone boundary for the purpose of calculating property tax increment;
- 3247 (b) { ~~for each proposed source of tax increment other than property tax,~~ } the maximum number of  
consecutive years a creating entity's agency may collect and use increment, not to exceed 25 years;  
and
- 3250 (c) the maximum amount of tax increment revenue, in total and from each proposed source, that may be  
captured in the regionally significant development zone.
- 3252 (4)
- (a) In accordance with Section 63N-3a-204, for any proposal requesting approval of the use of property  
tax increment, the committee shall also establish:
- 3254 (i) the property tax base year;
- 3255 (ii) the percentage of property tax increment allowed to be captured within and used on behalf  
of a regionally significant development zone, not to exceed the limits described in Section  
63N-3a-204; and
- 3258 (iii) the maximum amount of property tax increment revenue that an agency may collect for a  
regionally significant development zone.
- 3260 (b) The base taxable value of land within a regionally significant development zone is determined as of  
January 1 of the base year established by the committee under Subsection (4)(a).
- 3263 (c)
- (i) Except as provided in Subsection (4)(c)(ii), a creating entity may propose, and a committee may  
approve, the diversion of all the revenue attributed to personal property tax generated within a

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regionally significant development zone to the regionally significant development zone for a period not to exceed 25 years.

- 3267 (ii) A creating entity proposing a zone described in Part 4, Regionally Significant Zones with Energy Implications, shall propose the diversion of all the revenue attributed to personal property tax generated within a regionally significant development zone to the regionally significant development zone for a period not to exceed 25 years.
- 3272 (d) In accordance with Section 63N-3a-204 and except as provided in Section 63N-3a-403, for a proposal requesting approval of the use of property tax increment or personal property tax diversion, the committee shall establish a percentage of revenue that the creating entity's agency shall transfer to the state treasurer for deposit into the State Reinvestment Restricted Account created in Section 51-9-1002, which shall be at least 5% but no more than 25% of the total annual revenue an agency receives from property tax sources described in this Subsection (4).
- 3279 (5) Within 30 days after the committee approves a proposal, the creating entity shall:
- 3280 (a) record with the recorder of the county in which the regionally significant development zone is located a document containing:
- 3282 (i) a description of the land within the regionally significant development zone and, if applicable, primary project area;
- 3284 (ii) the approval date; and
- 3285 (iii) the effective date;
- 3286 (b) transmit a copy of the description of the land within the regionally significant development zone and an accurate map or plat indicating the boundaries of the regionally significant development zone, and if applicable, primary project area to the Utah Geospatial Resource Center created under Section 63A-16-505; and
- 3290 (c) transmit a copy of the approved regionally significant development zone proposal, map, and legal description of the regionally significant development zone, and if applicable, primary project area, to:
- 3293 (i) the auditor, recorder, attorney, surveyor, treasurer, and assessor of the county in which any part of the regionally significant development zone is located;
- 3295 (ii) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;

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(iii) the legislative body or governing board of each taxing entity affected by the regionally significant development zone;

3300 (iv) the tax commission; and

3301 (v) the State Board of Education.

3302 (6) Within 90 days after the committee approves a proposal, the committee shall provide to the tax commission:

3304 (a) a statement that the regionally significant development zone is established under this part;

3306 (b) the approval date of the proposal and the effective date of the regionally significant development zone;

3308 (c) the qualified development zone boundary, if applicable; and

3309 (d) any information about the regionally significant development zone requested by the commission.

5046 Section 66. Section **66** is enacted to read:

5047 **63N-3a-204. (Effective 05/06/26)Property tax increment -- Personal property tax revenue diversion -- Remittance to the State Reinvestment Restricted Account.**

3314 (1) As used in this section, "designated remitting percentage" means the percentage of property tax increment revenue established by the committee as described in Subsection 63N-3a-203(4).

3317 (2)

(a) A creating entity may propose a qualified development zone boundary that includes a project area and an impacted primary area.

3319 (b) The committee may establish a qualified development zone boundary that includes:

3320 (i) a project area only; or

3321 (ii) a project area and a proposed impacted primary area.

3322 (3) A creating entity's agency may receive, remit, and use property tax increment in accordance with this section and as described in Title 17C, Chapter 6, Regionally Significant Development Zones Act.

3325 (4) The creating entity or creating entity's agency:

3326 (a) may trigger the collection of property tax increment by parcel; and

3327 (b) shall send notice of commencement of collection of property tax increment to the following entities by no later than October 1 of the year before the year in which property tax increment collection is proposed to commence:

3330 (i) the tax commission;

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- 3331 (ii) the State Board of Education;
- 3332 (iii) the state auditor;
- 3333 (iv) the county auditor and county assessor of each county within the qualified development zone boundary;
- 3335 (v) each taxing entity to be affected by collection of property tax within the qualified development zone boundary; and
- 3337 (vi) the office.
- 3338 (5)
- (a) A county that collects property tax on property located within a qualified development zone boundary shall, in accordance with Section 59-2-1365, distribute to the creating entity's agency:
- 3341 (i) the percentage of property tax increment established by the committee as described in Subsection 63N-3a-203(4), not to exceed:
- 3343 (A) 70% for a regionally significant transit-oriented zone;
- 3344 (B) 70% for a regionally significant first home village;and
- 3345 ~~{(C) {60% for a regionally significant major sporting event venue; or} }~~
- 3346 (D){(C)} 60% for a regionally significant economic development opportunity; and
- 3347 (ii) ~~{all}~~ if applicable, the percentage of ~~{the}~~ personal property tax revenue generated within the boundary, ~~{if approved}~~ as established by the committee under Subsection 63N-3a-203(4).
- 3349 (b) Property tax revenue distributed to a creating entity's agency in accordance with this Subsection (5):
- 3351 (i) is not revenue of the taxing entity, the creating entity, or the creating entity's agency; and
- 3353 (ii) constitutes regionally significant development zone funds and shall be administered as described in Section 17C-6-203.
- 3355 (6) The creating entity's agency may receive property tax increment within a qualified development zone boundary for:
- 3357 (a) up to 25 total years, subject to any limit established by the committee under Subsection 63N-3a-203(4); and
- 3359 (b) no longer than 40 years after the effective date of the regionally significant development zone.
- 3361 (7) No later than March 1, the agency for a regionally significant development zone shall transfer the established remitting percentage of revenue collected in the previous calendar year to the state treasurer for deposit into the State Reinvestment Restricted Account created in Section 51-9-1002.
- 3365

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(8) Once the maximum amount of property tax increment has been distributed to the creating entity's agency, as established by the committee in Subsection 63N-3a-203(4), the county that collects property tax on property located within a qualified development zone boundary is no longer obligated to distribute property tax increment generated within the qualified development zone boundary or personal property tax revenue to the creating entity's agency.

5105 Section 67. Section **67** is enacted to read:

5106 **63N-3a-205. (Effective 05/06/26) Compliance with terms of approved proposal required --**  
**Modifications to a regionally significant development zone -- Boundary adjustments.**

3374 (1) If a regionally significant development zone is approved by the committee and created as described in Section 63N-3a-203:

3376 (a) the regionally significant development zone is created according to the terms:

3377 (i) of the approved proposal, or modified approved proposal; and

3378 (ii) established by the committee as described in this part; and

3379 (b) the creating entity or the creating entity's agency shall enter into an {interlocal} entitlement agreement, development agreement, or participation agreement as necessary or required to implement the approved proposal and any established terms.

3382 (2) Any aspect of a regionally significant development zone, including the approved use of zone revenue or the boundary of the qualified development zone, may be amended by following the same procedure as making a proposal under Section 63N-3a-201, except the creating entity is not required to submit an additional pro forma analysis unless requested by the office or the committee.

3387 (3) If the relevant county assessor or county auditor adjusts parcel or lot boundaries relevant to a regionally significant development zone, the creating entity may make corresponding adjustments to the qualified development zone.

5125 Section 68. Section **68** is enacted to read:

5126 **63N-3a-206. (Effective 05/06/26) Triggering increment collection.**

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

5131 Section 69. Section **69** is enacted to read:

5132

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

- 3399 (1) A creating entity shall designate an agency to:  
3400 (a) administer the regionally significant development zone;  
3401 (b) promote the objectives for the regionally significant development zone; and  
3402 (c) be the custodian of regionally significant development zone revenue, as described in Title 17C,  
Chapter 6, Regionally Significant Development Zones Act.
- 3404 (2) An agency may share regionally significant development zone revenue with another governmental  
entity or a private party as described in this section.
- 3406 (3) Before a governmental entity that is not an agency may receive regionally significant development  
zone revenue from the creating entity, the creating entity or creating entity's agency and the  
governmental entity shall enter into an agreement governing the use of the revenue, consistent with  
this chapter and Title 17C, Chapter 6, Regionally Significant Development Zones Act.
- 3411 (4) Before a private party may receive regionally significant development zone revenue, the creating  
entity or creating entity's agency and the private party shall enter into an agreement governing the  
use of the revenue, consistent with this chapter and Title 17C, Chapter 6, Regionally Significant  
Development Zones Act.
- 3415 (5) A creating entity's agency shall use and be responsible for regionally significant development zone  
revenue as described in Section 17C-6-203.
- 3417 (6) The creating entity of a regionally significant development zone shall be responsible for:  
3418 (a) tracking revenue received by the creating entity on behalf of the regionally significant development  
zone; and  
3420 (b) reporting to the county auditor and tax commission if the creating entity receives the maximum  
amount of tax increment revenue from any source, as established by the committee under Section  
63N-3a-203.

5158 Section 70. Section **70** is enacted to read:

5159 **63N-3a-208. (Effective 05/06/26) Applicability to an existing project area.**

- 3425 (1) As used in this section, "maximum allowable increment" means the percent of property tax  
increment a regionally significant development zone is authorized to capture and utilize, as  
established by the committee under this chapter.

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

3432 ~~{(3) {If a regionally significant development zone overlaps any portion of an existing inactive industrial site community reinvestment project area plan created in accordance with Title 17C, Limited Purpose Local Government Entities – Community Reinvestment Agency Act:} }~~

3436 ~~{(a) {except as provided in Subsection (5), if the community reinvestment project area plan captures less than the maximum allowable increment of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area plan, the regionally significant development zone may capture the difference between:} }~~

3441 ~~{(i) {the maximum allowable increment; and} }~~

3442 ~~{(ii) {the percentage of property tax increment captured pursuant to the community reinvestment project area plan; and} }~~

3444 ~~{(b) {if a community reinvestment project area plan expires before the regionally significant development zone is created, the regionally significant development zone may capture the property tax increment allocated to the community reinvestment project area plan for any remaining portion of the term of the regionally significant development zone.} }~~

3449 ~~(4){(3)}~~

(a) Except as provided in Subsection ~~{(4)(b)}~~ (3)(b), a regionally significant development zone may not overlap a housing and transit reinvestment zone or a first home investment zone.

3452 (b) Subject to Subsection ~~{(5)}~~ (4), a regionally significant development zone may overlap a housing and transit reinvestment zone or a first home investment zone if:

3454 (i) the regionally significant development zone does not collect property tax increment for the area overlapping with the housing and transit reinvestment zone or the first home investment zone; or

3457 (ii) the regionally significant development zone does not collect property tax increment for the area overlapping with the housing and transit reinvestment zone or the first home investment zone until the collection period for the housing and transit reinvestment zone's collection of property tax increment or the first home investment zone's collection of property tax increment has ended.

3462 (5){(4)}

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- 3468 (a) If a community reinvestment project area plan captures less than maximum allowable increment of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area plan, because the agency and relevant taxing entities agreed to capture a lower percentage or agreed to exclude a taxing entity from the community reinvestment project area plan, Subsection (3)(a) does not apply.
- 3473 (b) If, at the creation of a housing and transit reinvestment zone or a first home investment zone, the taxing entities agreed that tax increment collection would end on a certain date or after a certain number of years, Subsection ~~{(4)(b)}~~ (3)(b) does not apply unless the taxing entities that were involved in the agreement affirmatively agree to participate in the regionally significant development zone tax increment collection.
- 5192 ~~{(6) {A regionally significant development zone that overlaps any portion of an existing community reinvestment project that includes a retail facility with a gross sales floor area of more than 140,000 square feet may capture up to the maximum allowable increment of the increment generated above the regionally significant development zone base year if the development includes at least one housing unit for every 1,250 square feet of retail space within the development.}}~~
- 3479 (7){(a)} ~~{A}~~ Except as provided in Subsection (5)(b), a regionally significant development zone may not overlap project areas created by the:
- 3480 (a){(i)} Military Installation Development Authority described in Subsection 63H-1-102(17);
- 3481 (b){(ii)} Utah Fairpark Area Investment and Restoration District described in Subsection 11-70-101(24); or
- 3483 (c){(iii)} Utah Inland Port Authority project area described in Subsection 11-58-102(16).
- 5199 (b) A creating entity may propose, and the committee may approve, a regionally significant development zone that overlaps with a project area if:
- 5201 (i) the regional economic development authority that created the project area consents to the creation of the regionally significant development zone; and
- 5203 (ii) no more than 60% of tax increment is captured and used by the creating entity's agency and the regional economic development authority in combination in any given year.
- 5206 Section 71. Section 71 is enacted to read:
- 5208 **63N-3a-301. (Effective 05/06/26)Provisions specific to a regionally significant transit-oriented development.**

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### 3. Specific Provisions for Certain Zones

- 3488 (1) A proposal to create a regionally significant development zone that qualifies as a regionally significant transit-oriented development, as described in this section, shall demonstrate how the proposal addresses the following objectives:
- 3491 (a) higher utilization of public transit;
- 3492 (b) increasing availability of housing, including affordable housing;
- 3493 (c) promoting and encouraging development of owner-occupied housing;
- 3494 (d) improving efficiencies in parking and transportation, including walkability of communities near public transit facilities;
- 3496 (e) overcoming development impediments and market conditions that render a development cost prohibitive absent the proposal and incentives;
- 3498 (f) conserving water resources through efficient land use;
- 3499 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3500 (h) encouraging mixed-use development and investment in transportation and public transit infrastructure in strategic areas;
- 3502 (i) strategic land use and municipal planning in major transit investment corridors as described in Subsection 10-20-404(2);
- 3504 (j) increasing access to employment and educational opportunities; and
- 3505 (k) increasing access to child care.
- 3506 (2) To accomplish the objectives described in Subsection (1), a creating entity that proposes a regionally significant transit-oriented development as described in this section shall ensure that the proposal includes:
- 3509 (a) except as provided in Subsection (3), at least 12% of the proposed dwelling units within the zone are affordable housing units, with:
- 3511 (i) up to 9% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the county median gross income for households of the same size; and
- 3514 (ii) at least 3% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 60% of the county median gross income for households of the same size; and

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(b) except as provided in Subsection (4), at least 51% of the developable area within a zone be dedicated to residential uses and:

3519 (i) an average of at least 50 dwelling units per acre within the acreage of the zone dedicated to residential uses;

3521 (ii) mixed-use development within the zone; and

3522 (iii) a mix of dwelling units to ensure that at least 25% of the dwelling units have more than one bedroom.

3524 (3)

(a) If the projects within a regionally significant transit-oriented development are developed in phases, a creating entity and agency shall ensure that each phase is developed to provide the required 12% of affordable housing units.

3527 (b) A creating entity may allow a regionally significant transit development to be phased and developed in a manner to provide more of the required affordable housing units in early phases of development.

3530 (c) A creating entity shall include in a proposal an affordable housing plan, which may include deed restrictions, to ensure the affordable housing required in the proposal will continue to meet the definition of affordable housing at least throughout the entire term of the zone.

3534 (d) If the creating entity meets the affordable housing guidelines of the United States Department of Housing and Urban Development at 60% area median income at the time the regionally significant transit-oriented development proposal is approved by the committee, the creating entity is exempt from the percentage requirements described in Subsection (2)(a).

3539 (4) For a regionally significant transit-oriented development proposed to be located at a public transit hub or a bus rapid transit station, the regionally significant transit-oriented development shall include:

3542 (a) at least 51% of the developable area within a zone as residential uses; and

3543 (b) an average of at least 50 dwelling units per acre within the acreage of the zone dedicated to residential uses.

5267 Section 72. Section 72 is enacted to read:

5268 **63N-3a-302. (Effective 05/06/26)Provisions specific to a regionally significant first home**  
**village.**

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- (1) A proposal to create a regionally significant development zone that qualifies as a regionally significant first home village, as described in this section, shall demonstrate how the proposal addresses the following objectives:
- 3550 (a) improving efficiencies in parking and transportation, including walkability of communities near public transit facilities, street and path interconnectivity within the proposed development and connections to surrounding communities, and access to roadways, public transportation, and active transportation;
- 3554 (b) improving availability of housing options;
- 3555 (c) overcoming development impediments and market conditions that render a development cost prohibitive absent the proposal and incentives;
- 3557 (d) conserving water resources through efficient land use;
- 3558 (e) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3559 (f) encouraging mixed-use development;
- 3560 (g) strategic land use and municipal planning in major transit investment corridors;
- 3561 (h) increasing access to employment and educational opportunities;
- 3562 (i) increasing access to child care; and
- 3563 (j) improving efficiencies in parking and transportation, including walkability of communities, street and path interconnectivity within the proposed development and connections to surrounding communities, and access to roadways, public transportation, and active transportation.
- 3567 (2)
- (a) To promote the creation of walkable communities, a regionally significant first home village development shall be anchored by a core of high-density residential and mixed residential-commercial uses, including opportunities for shopping, child care, and employment.
- 3571 (b) To accomplish the objectives described in Subsection (1), a creating entity shall ensure that the proposal for a regionally significant first home village includes:
- 3573 (i) subject to Subsection (3), a minimum of 30 housing units per acre:
- 3574 (A) in at least 51% of the developable area within the first home investment zone; and
- 3576 (B) of which 50% must be owner occupied;
- 3577 (ii) a mixed use development;
- 3578 (iii) a requirement that at least 25% of homes within the zone remain owner occupied for at least 25 years from the date of original purchase;

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- 3580 (iv) for homes inside the zone, a requirement that at least 12% of the owner occupied homes and 12%  
of the homes that are not owner occupied qualify as affordable housing; and
- 3583 (v) a requirement that at least 20% of the extraterritorial homes are affordable housing.
- 3585 (3)
- (a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection (2), a regionally  
significant first home village may include an extraterritorial home to count toward density and  
owner-occupancy requirements by:
- 3588 (i) adding the total number of extraterritorial homes related to the regionally significant first home  
village to the total number of homes within the regionally significant first home village; and
- 3591 (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of the total number  
of developable acres within the regionally significant first home village.
- 3594 (b) Extraterritorial homes may account for no more than half of the total homes to calculate density  
within a first home village.
- 3596 (4) For a condominium building that is part of a regionally significant first home village development  
for purposes of meeting the requirement to have a minimum of 30 housing units per acre, the  
requirement that 50% of housing units be owner occupied applies beginning one year after the day  
on which the condominium building is complete and receives a certificate of occupancy from the  
relevant local land use authority.
- 5324 Section 73. Section 73 is enacted to read:
- 5325 **63N-3a-303. (Effective 05/06/26)Provisions specific to a {major sporting event venue**  
**development} regionally significant economic development opportunity.**
- 3603 ~~{(+) {A regionally significant development zone that qualifies as a major sporting event venue~~  
~~development, as described in this section, shall promote the following objectives:} }~~
- 3605 ~~{(a) {redevelopment of existing but aging major sporting event venues;} }~~
- 3606 ~~{(b) {development of new major sporting event venues;} }~~
- 3607 ~~{(c) {development of infrastructure supporting a major sporting event venue;} }~~
- 3608 ~~{(d) {increased utilization of public transportation when accessing a major sporting event venue;} }~~
- 3610 ~~{(e) {improved efficiencies in parking and transportation with the goal of increasing walkability~~  
~~between a major sporting event venue and a public transit station;} }~~
- 3612 ~~{(f) {commercial development, or mixed commercial-residential development, in areas near a major~~  
~~sporting event venue;} }~~

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- 3614 {~~(g) {improving air quality by reducing fuel consumption and motor vehicle trips; and}~~}
- 3615 {~~(h) {increasing tourism activity.}~~}
- 3616 (2){~~(1)~~} A creating entity {~~may not propose~~} with general land use authority over an area may submit a proposal that does not qualify under Section 63N-3a-301 or 63N-3a-302 as a regionally significant {development zone to pursue a major sporting event venue } economic development {~~unless the owner of the major sporting event venue, as applicable, provides written consent~~} opportunity.
- 3619 {~~(3) {A proposal for a major sporting event venue development shall:}~~}
- 3620 {~~(a) {identify if the proposal is to redevelop an existing but aging major sporting event venue, develop a new major sporting event venue, or both redevelop an existing but aging major sporting event venue and develop a new major sporting event venue;}~~}
- 3623 {~~(b) {demonstrate that the zone will meet the objectives described in Subsection (1);}~~}
- 3624 {~~(e) {define specific infrastructure needs, if any, and proposed improvements to the proposed zone;}~~}
- 3626 {~~(d) {demonstrate how the major sporting event venue development will:}~~}
- 3627 {~~(i) {ensure sufficient traffic control;}~~}
- 3628 {~~(ii) {provide multiple avenues for spectators or participants to access the major sporting event venue, including public transit; and}~~}
- 3630 {~~(iii) {promote increased visitation to and recreation in the major sporting event venue;}~~}
- 3631 {~~(e) {identify any impediments to the development of a new major sporting event venue, or impediments to refurbishing an existing major sporting event venue, and proposed strategies for addressing each one;}~~}
- 3634 {~~(f) {describe the proposed development or refurbishment to a sporting event venue, including estimated costs;}~~}
- 3636 {~~(g) {describe projected maximum revenues generated within the zone by each permitted source of revenue described in Section 17C-6-201;}~~}
- 3638 {~~(h) {describe proposed expenditures of revenue generated within the zone;}~~}
- 3639 {~~(i) {include an analysis of other applicable or eligible incentives, grants, or sources of revenue that can be used to reduce any finance gap between generated revenue and estimated costs;}~~}
- 3642 {~~(j) }~~}
- {~~(i) {describe any known opportunities for private-public partnership in developing, refurbishing, operating, or managing a major sporting event venue, as described in Section 17C-6-301; or}~~}
- 3645

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{(ii) {describe a strategy to pursue private-public partnership in developing or refurbishing a major sporting event venue; and}-}

3647 {(k) {evaluate possible benefits to active transportation, public transportation availability and utilization, street connectivity, and air quality.}-}

5330 (2) A proposal for a regionally significant economic development opportunity shall demonstrate the likelihood that the project will constitute a significant capital investment, as that term is defined in Section 63N-2-103.

5333 (3) If a proposal for a regionally significant economic development opportunity involves a large load customer, as that term is defined in Section 54-26-101, or a qualifying data center, as that term is defined in Section 59-12-102, the proposal shall comply with Part 4, Regionally Significant Zones with Energy Implications.

5337 (4) The executive director and office shall establish additional criteria by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a regionally significant economic development opportunity.

3649 Section 58. Section **58** is enacted to read:

3650 **63N-3a-304. Provisions specific to a regionally significant economic development opportunity.**

3652 (1) A creating entity with general land use authority over an area may submit a proposal that does not qualify under Sections 63N-3a-301 through 303 as a regionally significant development opportunity.

3655 (2) A proposal for a regionally significant economic development opportunity shall demonstrate the likelihood that the project will constitute a significant capital investment, as that term is defined in Section 63N-2-103.

3658 (3) If a proposal for a regionally significant economic development opportunity involves a large load customer, as that term is defined in Section 54-26-101, or a qualifying data center, as that term is defined in Section 59-12-102, the proposal shall comply with Part 4, Regionally Significant Zones with Energy Implications.

3662 (4) The executive director and office shall establish additional criteria by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a regionally significant development opportunity.

5340 Section 74. Section **74** is enacted to read:

5342 **63N-3a-401. (Effective 05/06/26)Definitions.**

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### 4. Regionally Significant Zones with Energy Implications

As used in this part:

- 3669 (1) "Incentive" means the same as that term is defined in Section 11-41-201.
- 3670 {~~(2) {"Maximum allowable increment" means the percent of property tax increment a regionally~~  
~~significant development zone is authorized to capture and utilize, as established by the committee~~  
~~under this chapter.}~~}
- 5345 (2) "Large load data center" means the same as that term is defined in Section 11-41-201.
- 5346 (3) "Reinvestment account" means the State Reinvestment Restricted Account created in Section  
51-9-1002.
- 3673 (3){~~(4)~~ "Zone" means a regionally significant development zone that includes, or is proposed to  
include{:}, a large load data center.
- 3675 {~~(a) {a large load customer, as that term is defined in Section 54-26-101; or}~~}
- 3676 {~~(b) {a qualifying data center, as that term is defined in Section 59-12-102.}~~}
- 5350 Section 75. Section **75** is enacted to read:
- 5351 **63N-3a-402. (Effective 05/06/26)Incentives prohibited -- Exception.**
- 3679 (1)
- (a) Except as provided in Subsection (1)(b), a county or municipality may not offer an incentive for a  
large load {customer or a qualifying} data center that is not located within a zone.
- 3682 (b) Subsection (1)(a) does not apply to:
- 3683 (i) a project area established before May 6, {2026} 2027; or
- 3684 (ii) an agreement between a county or municipality and a private entity that was executed before May 6,  
{2026} 2027.
- 3686 (2) In addition to the requirements described in Part 2, Creation of Regionally Significant Development  
Zones, a creating entity that proposes a zone shall include in the proposal:
- 3688 (a) a description of the proposed boundaries of the zone;
- 3689 (b) an assessment of existing electrical energy infrastructure within and proximate to the proposed zone;
- 3691 (c) a development plan that includes:
- 3692 (i) anticipated infrastructure improvements;
- 3693 (ii) projected economic benefits to the countyor municipality; and
- 3694 (iii) evidence of local support, as applicable; and
- 3695 (d) any other information required by the committee.

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- 3696 (3) A proposal for a zone described in this part:
- 3697 (a) shall include the diversion of all personal property tax revenue generated within the zone, as  
described in Subsection 63N-3a-203(4)(c)(ii); and
- 5371 (b) may include a request to:
- 3699 (b){ (i) } { may include a request to } capture up to 60% of the property tax increment generated within  
the zone{ - } ; and
- 5373 (ii) divert up to 100% of personal property tax revenue generated within the zone.
- 3701 (4) A proposed zone may not overlap with:
- 3702 (a) a project area designated by a community reinvestment agency; or
- 3703 (b) a project area created by the Utah Inland Port Authority or the Military Installation Development  
Authority.
- 5378 Section 76. Section **76** is enacted to read:
- 5379 **63N-3a-403. (Effective 05/06/26) Committee consideration of a zone with energy**  
**implications.**
- 3707 (1) The committee shall approve an application for a zone designation if the application demonstrates  
that:
- 3709 (a) the proposed zone includes land suitable for a large load { customer or qualifying } data center based  
on:
- 3711 (i) access to electrical energy resources; and
- 3712 (ii) adequate water supply; and
- 3713 (b) the proposed development plan:
- 3714 (i) aligns with the state's regional and statewide economic development objectives;
- 3715 (ii) includes realistic timelines and milestones;
- 3716 (iii) identifies specific infrastructure improvements; and
- 3717 (iv) quantifies projected economic benefits to the residents who live near the zone.
- 3718 (2)
- (a) The committee shall establish the percentage of property tax increment and a regionally significant  
development zone is authorized to capture and utilize{ - } as described in Subsection 63N-3a-203(4),  
including establishing the percentage of property tax increment that shall be deposited into the  
reinvestment account.
- 5395

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- (b) If the committee approves a proposal to divert personal property tax revenue, the committee shall establish:
- 5397 (i) the percentage of personal property tax revenue that shall be diverted to the county or municipality that creates the zone; and
- 5399 (ii) the remitting percentage that the county treasurer shall deposit into the reinvestment account.
- 3721 (b){(c)} The remitting percentage of property tax increment revenue for a zone described in this part is established in Subsection (3).
- 3723 (3) Beginning January 1 following the designation of a zone as described in this section, the county treasurer shall:
- 3725 (a) transfer {all} the percentage, established by the committee under Subsection (2)(b)(i), of revenue attributed to personal property tax within the zone to the agency managing the zone;
- 5408 (b) transfer the remitting percentage, established by the committee under Subsection (2)(b)(ii), of revenue attributed to personal property tax within the zone into the reinvestment account;
- 3727 (b){(c)} transfer {90%} the percentage of {the maximum allowable increment} property tax increment, as established by the committee under Subsection (2)(a), generated within the zone to the zone's creating entity;
- 3729 (c){(d)} deposit {10% of the maximum allowable} the percentage of tax increment {generated within} established under Subsection (2)(a) for deposit into the {zone} reinvestment account into the {State Reinvestment Restricted Account created in Section 51-9-1002} reinvestment account; and
- 3731 (d){(e)} make the distributions required under this Subsection (3):
- 3732 (i) at the same time as regular annual property tax distributions; and
- 3733 (ii) using the same method as other property tax distributions.
- 3734 (4) A county or municipality that receives {property tax increment} revenue under Subsection (3) may:
- 3735 (a) transfer revenue to the agency managing the zone, to be used as regionally significant development zone revenue as described in Title 17C, Chapter 6, Regionally Significant Development Zones Act;
- 5422 (b) transfer revenue to a regional economic development authority with a project area that overlaps the zone, as described in Subsection 63N-3a-208(7)(b), in accordance with an agreement between the county or municipality and the regional economic development authority;
- 3738 (b){(c)} subject to Subsection (5), use the revenue to provide an incentive;
- 3739 (c){(d)} use the revenue to facilitate infrastructure development, including electrical energy infrastructure development and water infrastructure development; and

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- 3741 (d){(e)} use the revenue to support workforce development programs within the county or municipality.  
5431 (5)  
(a) Beginning May 6, 2027, a county or municipality, or a regional economic development authority that shares zone revenue with a county or municipality, may only provide an incentive to a large load data center from the revenue the county or municipality receives, or that is shared with the regional economic development authority, of up to 80% of the diverted personal property tax revenue as described under Subsection (3).
- 5437 (b) Notwithstanding Subsection (5)(a):  
5438 (i) a county that levies the county energy excise tax authorized in Section 59-35-201 may offer up to 80% of the revenue the county collects annually from the county energy excise tax as an incentive for a large load data center, as described in Section 11-41-202; and  
5442 (ii) a municipality that levies the municipal energy tax authorized in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the revenue generated by the municipal energy tax as an incentive to a large load data center, as described in Section 11-41-202.
- 3743 (5){(6)} Nothing in this section authorizes a political subdivision other than one described in Subsection (4) or (5) to offer an incentive to a large load {customer or qualifying} data center, as described in Title 11, Chapter 41, Part 2, Prohibition on Tax Increment Incentives for Large Load {Customers-} Data Centers Act.
- 5450 Section 77. Section **77** is enacted to read:  
5452 **63N-3a-501. (Effective 05/06/26)Reporting.**  
5. Reporting
- 3750 (1) After the effective date of a regionally significant development zone, as described in Section 63N-3a-203, the creating entity shall provide a written report, no later than August 1, on the creating entity's and creating entity's agency's activities to implement the objectives of the regionally significant development zone to the executive director.
- 3754 (2) The executive director shall annually provide a written report, no later than October 1, summarizing all reports received under Subsection (1) and including any recommendations to the Legislature for statutory changes to this chapter, to the Economic Development and Workforce Services Interim Committee.
- 5461 Section 78. Section **79-6-1104** is amended to read:  
5462

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### 79-6-1104. (Effective 05/06/26)Electrical energy development zones -- Property tax differential.

- 3760 (1) As used in this section:
- 3761 (a) "Base taxable value" means the value of property within an electrical energy development zone, as shown on the assessment roll last equalized before the creation of the electrical energy development zone.
- 3764 (b) "Community reinvestment agency" means the same as that term is defined in Section 17C-1-102.
- 3766 (c) "Community reinvestment project area" means the same as that term is defined in Section 17C-1-102.
- 3768 (d) "Municipal power project" means an electrical energy project that:
- 3769 (i) is operated by or on behalf of a municipality; and
- 3770 (ii) exclusively serves customers within that municipality's jurisdictional boundaries.
- 3771 (e) "Property tax differential" means the difference between:
- 3772 (i) the amount of property tax revenues generated each tax year by all taxing entities from an electrical energy development zone, using the current assessed value of the property; and
- 3775 (ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property.
- 3777 (f) "~~[State land use]~~ Regional economic development authority" means:
- 3778 (i) the Utah Inland Port Authority created in Section 11-58-201;
- 3779 (ii) the Military Installation Development Authority created in Section 63H-1-201;
- 3780 (iii) the School and Institutional Trust Lands Administration created in Section 53C-1-201; or
- 3782 (iv) any other land use authority created by the state that has jurisdiction over state lands.
- 3784 (2)
- (a) Except as provided in Subsection (2)(b), a county or municipality may not offer financial incentives for a baseload electrical energy project that is not located within a designated electrical energy development zone.
- 3787 (b) Subsection (2)(a) does not apply to:
- 3788 (i) financial incentives offered for:
- 3789 (A) a municipal power project;~~[-or]~~
- 3790 (B) an electrical energy project that exclusively utilizes intermittent resources; or
- 3791 (C) an electrical energy project that is not a nuclear energy project; or

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- 3792 (ii) an electrical energy project for which a project area plan has been approved before July 1, 2026.
- 3794 (3) A county or municipality may:
- 3795 (a) pass a resolution declaring an intent to establish within the county or municipality boundaries an energy development zone;
- 3797 (b) enter into an interlocal agreement with the council outlining each parties' responsibilities relating to an energy development zone; and
- 3799 (c) apply to the council for the designation of an electrical energy development zone by submitting:
- 3801 (i) a description of the proposed boundaries of the electrical energy development zone;
- 3803 (ii) an assessment of existing electrical energy infrastructure within and proximate to the proposed electrical energy development zone;
- 3805 (iii) a development plan that includes:
- 3806 (A) proposed electrical energy development projects;
- 3807 (B) anticipated infrastructure improvements;
- 3808 (C) projected economic benefits to the county; and
- 3809 (D) evidence of local support including any interlocal agreement entered into between the county or municipality and the council, as applicable;
- 3811 (iv) if the applicant is a municipality, evidence of coordination with the county in which the proposed electrical energy development zone is located, including any interlocal agreement entered into between the county or municipality and the council, as applicable;
- 3815 (v) if the applicant is a county and any portion of the proposed electrical energy development zone is within the boundaries of a municipality, evidence of an agreement with the municipality regarding the establishment of the electrical energy development zone; and
- 3819 (vi) any other information required by the council.
- 3820 (4) A ~~[state land use]~~ regional economic development authority may:
- 3821 (a) propose an electrical energy development zone within lands under [its] the regional economic development authority's jurisdiction; and
- 3823 (b) apply to the council for the designation of an electrical energy development zone by submitting:
- 3825 (i) a description of the proposed boundaries of the electrical energy development zone;
- 3827 (ii) an assessment of existing electrical energy infrastructure within and proximate to the proposed electrical energy development zone;
- 3829 (iii) a development plan that includes:

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- 3830 (A) proposed electrical energy development projects;
- 3831 (B) anticipated infrastructure improvements; and
- 3832 (C) projected economic benefits;
- 3833 (iv) evidence that the proposed zone is consistent with applicable land use plans and regulations; and
- 3835 (v) any other information required by the council.
- 3836 (5) The council shall:
- 3837 (a) approve an application for electrical energy development zone designation if the application demonstrates:
- 3839 (i) the proposed electrical energy development zone includes land suitable for electrical energy development based on:
- 3841 (A) access to electrical energy resources;
- 3842 (B) proximity to existing or planned transmission infrastructure;
- 3843 (C) adequate transportation access; and
- 3844 (D) sufficient land area for proposed development; and
- 3845 (ii) the development plan:
- 3846 (A) aligns with state energy policy under Section 79-6-301;
- 3847 (B) includes realistic timelines and milestones;
- 3848 (C) identifies specific infrastructure improvements; and
- 3849 (D) quantifies projected economic benefits;
- 3850 (b) make a determination on an application within 60 days of submission;
- 3851 (c) provide written notice to the county or municipality explaining the basis for approval or denial;
- 3853 (d) if an electrical energy development zone overlaps with an area designated by a community reinvestment agency as a community reinvestment project area as of May 7, 2025, enter into an agreement with the community reinvestment agency to determine the percentage division of the property tax differential between:
- 3857 (i) the Electrical Energy Development Investment Fund; and
- 3858 (ii) the community reinvestment agency; and
- 3859 (e) if an electrical energy development zone overlaps with an inland port project, enter into an agreement with the Utah Inland Port Authority to determine the percentage division of the property tax differential between:
- 3862 (i) the Electrical Energy Development Investment Fund; and

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- 3863 (ii) the Utah Inland Port Authority created in Section 11-58-201.
- 3864 (6) Within 30 days after the council designates an electrical energy development zone:
- 3865 (a) the county auditor shall certify to the council the base taxable value of property within the electrical  
energy development zone; and
- 3867 (b) the county shall transmit to the council copies of the property tax assessment rolls for all property  
within the electrical energy development zone.
- 3869 (7)
- (a) Each year, the county auditor shall:
- 3870 (i) determine the amount of the property tax differential for the electrical energy development zone  
by comparing:
- 3872 (A) the current assessed value of property within the electrical energy development zone; and
- 3874 (B) the base taxable value of property within the electrical energy development zone;
- 3876 (ii) inform the county treasurer of the property tax differential amount; and
- 3877 (iii) provide notice to the council of the amount calculated under this Subsection (7)(a).
- 3879 (b) The county treasurer shall transfer the property tax differential to the council for deposit into the  
Electrical Energy Development Investment Fund created in Section 79-6-1105, subject to any  
agreements entered into under Subsections (5)(d) and (5)(e).
- 3882 (c) The county treasurer shall make distributions required under this section:
- 3883 (i) at the same time as regular annual property tax distributions; and
- 3884 (ii) using the same method as other property tax distributions.
- 3885 (8) For property tax differential not subject to Subsection (5)(d) the council may enter into agreements  
with taxing entities regarding the allocation of the property tax differential.

5591 Section 79. **Repealer.**

This Bill Repeals:

5592 This bill repeals:

5593 Section **11-41-101, Title.**

5594 Section 80. **Effective date.**

Effective Date.

This bill takes effect on May 6, 2026.

5596 Section 81. **Retrospective Operation.**

Section 63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22) has retrospective

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operation to May 4, 2022.

5599

### Section 82. **Coordinating H.B. 507 with H.B. 475.**

If H.B. 507, State Coordination of Regional and Local Economic Development Projects Amendments, and H.B. 475, Development Planning and Coordination Amendments, both pass and become law, the Legislature intends that, on May 6, 2026, Subsection 63G-2-206(4) enacted in H.B. 507 be amended to read:

"(4) A record that is classified as protected as economic development information under Subsection 63G-2-305(2)(b):

(a) may be provided by the governmental entity that possesses the record and classified the record as protected to another governmental entity in lieu of the second governmental entity entering into a nondisclosure agreement with the person that requested the record be treated as protected under Section 63G-2-309;

(b) may be shared with the following entities when the entities are considering an economic development project:

(i) the Governor's Office of Economic Development;

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

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

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

(v) the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201;

(vi) the Economic Development Council created in Section 63N-1a-501;

(vii) a county where the economic development opportunity may take place or be sited;

and

(viii) a municipality where the economic development opportunity may take place or be sited;

(c) remains protected when shared as described in this Subsection (4); and

(d) shall be treated as a protected record by any governmental entity that receives the record in accordance with this Subsection (4)."

3-6-26 2:20 PM