

Scott D. Sandall proposes the following substitute bill:

Great Salt Lake Related Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Raymond P. Ward

Senate Sponsor: Scott D. Sandall

LONG TITLE

General Description:

This bill addresses activities that benefit the Great Salt Lake.

Highlighted Provisions:

This bill:

- directs revenue generated by the brine shrimp tax to the Sovereign Lands Management Account instead of the Species Protection Account;
 - modifies a provision concerning calculation of severance tax related to certain Great Salt Lake extraction operators;
 - addresses the timing of certification of information related to severance taxes and certain Great Salt Lake extraction operators;
 - provides for the deposit of proceeds from a judgment, settlement, or compromise into the Sovereign Lands Management Account;
 - provides for how the revenue in the Sovereign Lands Management Account is to be spent;
- and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

23A-3-214 (Effective 07/01/27), as last amended by Laws of Utah 2025, Chapter 258

59-5-202 (Effective 05/06/26) (Applies beginning 01/01/25), as last amended by Laws of Utah 2024, Chapter 25

29 **59-5-207 (Effective 05/06/26) (Applies beginning 01/01/25)**, as last amended by Laws of
 30 Utah 2024, Chapter 25
 31 **59-23-4 (Effective 07/01/27)**, as last amended by Laws of Utah 2024, Chapter 88
 32 **65A-5-1 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 277
 33 **65A-17-306 (Effective 05/06/26) (Applies beginning 01/01/25)**, as enacted by Laws of
 34 Utah 2024, Chapter 25

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

37 Section 1. Section **23A-3-214** is amended to read:

38 **23A-3-214 (Effective 07/01/27). Species Protection Account -- Reporting.**

- 39 (1) There is created within the General Fund a restricted account known as the "Species
 40 Protection Account."
 41 (2) The Species Protection Account shall consist of:
 42 (a) revenue remitted by a county to the Division of Finance in accordance with:
 43 (i) ~~[Title 17, Chapter 56]~~ Title 17E, Chapter 4, Part 2, Species Protection Funding
 44 Act; or
 45 (ii) Section 59-2-924.5;
 46 ~~[(b) revenue generated by the brine shrimp tax provided for in Title 59, Chapter 23,~~
 47 ~~Brine Shrimp Royalty Act;]~~
 48 ~~[(c)]~~ (b) tax revenue deposited into the Species Protection Account in accordance with
 49 Section 59-24-105;
 50 ~~[(d)]~~ (c) tax revenue collected in accordance with Title 59, ~~[Chapter 32]~~ Chapter 33, Wind
 51 or Solar Electric Generation Facility Capacity Tax;
 52 ~~[(e)]~~ (d) revenue collected in accordance with Title 79, Chapter 6, ~~[Part 11]~~ Part 14,
 53 Energy Project Assessment; and
 54 ~~[(f)]~~ (e) interest earned on money in the Species Protection Account.
 55 (3) Money in the Species Protection Account may be appropriated by the Legislature to:
 56 (a) develop and implement species status assessments and species protection measures;
 57 (b) obtain biological opinions of proposed species protection measures;
 58 (c) conduct studies, investigations, and research into the effects of proposed species
 59 protection measures;
 60 (d) verify species protection proposals that are not based on valid biological data;
 61 (e) implement Great Salt Lake wetlands mitigation projects in connection with the
 62 western transportation corridor; and

63 (f) pay for the state's voluntary contributions to the Utah Reclamation Mitigation and
 64 Conservation Account under the Central Utah Project Completion Act, Pub. L. No.
 65 102-575, Titles II-VI, 106 Stat. 4605-4655[; and] .

66 [~~(g) pay for expenses of the State Tax Commission under Title 59, Chapter 23, Brine
 67 Shrimp Royalty Act.~~]

68 (4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished by the
 69 state or, in an appropriation act, the Legislature may authorize the department to award
 70 grants to political subdivisions of the state to accomplish those purposes.

71 (5) Money in the Species Protection Account may not be used to develop or implement a
 72 habitat conservation plan required under federal law unless the federal government pays
 73 for at least 1/3 of the habitat conservation plan costs.

74 (6) The division shall report to the Natural Resources, Agriculture, and Environmental
 75 Quality Appropriations Subcommittee by no later than November 30, 2026, concerning:

76 (a) the amount of revenue deposited into the Species Protection Account under each
 77 revenue source outlined in Subsection (2); and

78 (b) how the division spent the money deposited.

79 Section 2. Section **59-5-202** is amended to read:

80 **59-5-202 (Effective 05/06/26) (Applies beginning 01/01/25). Severance tax -- Rate**
 81 **-- Computation -- Annual exemption.**

82 (1) A person engaged in the business of mining or extracting metalliferous minerals in this
 83 state shall pay to the state a severance tax equal to 2.6% of the taxable value of all
 84 metals or metalliferous minerals sold or otherwise disposed of.

85 (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a
 86 sale, and the finished metals or the recoverable units of finished metals from the
 87 metalliferous minerals shipped are subject to the severance tax. If the metals or
 88 metalliferous minerals are stockpiled, the tax is not applicable until they are sold or
 89 shipped out of state. For purposes of the tax imposed by this chapter, uranium
 90 concentrates shall be considered to be finished metals. The owner of the metals or
 91 metalliferous minerals that are stockpiled shall report to the commission annually, in a
 92 form acceptable to the commission, the amount of metalliferous minerals so stockpiled.
 93 Metals or metalliferous minerals that are stockpiled for more than two years, however,
 94 are subject to the severance tax.

95 (3) An annual exemption from the payment of the tax imposed by this chapter upon the first
 96 \$50,000 in gross value of the metalliferous mineral is allowed to each mine.

- 97 (4) These taxes are in addition to all other taxes provided by law and are delinquent, unless
98 otherwise deferred, on June 1 next succeeding the calendar year when the metalliferous
99 mineral is produced and sold or delivered.
- 100 (5)(a) As used in this Subsection (5):
- 101 (i) "Great Salt Lake element or mineral" means a metalliferous mineral, metal, ore,
102 chloride compound, potash, or salt mined or extracted from the brines of the Great
103 Salt Lake.
- 104 (ii) "Great Salt Lake elevation" means the same as that term is defined in Section
105 65A-17-101.
- 106 (iii) "Great Salt Lake extraction operator" means a person who is engaged in the
107 business of mining or extracting Great Salt Lake elements or minerals or
108 metalliferous compounds from the brine of the Great Salt Lake.
- 109 (iv) For purposes of each tax imposed under Subsection (5)(b), "incremental revenue"
110 means the difference between the sum of the revenue collected for the fiscal year
111 from each of the tax rates imposed under Subsection (5)(b) and the revenue
112 collected for the fiscal year from the tax rate imposed under Subsection (1).
- 113 (v) "Metalliferous compound" means a metalliferous mineral or a chloride compound
114 or salt containing a metalliferous mineral.
- 115 (b) Notwithstanding the exclusion for chloride compounds or salts from the definition of
116 metalliferous minerals under Section 59-5-201 and in lieu of the severance tax
117 imposed under Subsection (1), beginning with calendar year 2025, a Great Salt Lake
118 extraction operator shall pay to the state a severance tax in accordance with the
119 following:
- 120 (i) for a Great Salt Lake extraction operator that is not a party or a third-party
121 beneficiary to a voluntary agreement for water rights with an approved beneficial
122 use by a division as defined in Section 73-3-30, a severance tax equal to 7.8% of
123 the taxable value of Great Salt Lake elements or minerals or metalliferous
124 compounds sold or otherwise disposed of;
- 125 (ii) for a Great Salt Lake extraction operator that is not a party or a third-party
126 beneficiary to a voluntary agreement for water rights with an approved beneficial
127 use by a division as defined in Section 73-3-30, but does not use evaporative
128 concentrations of Great Salt Lake brines in any stage of the extractive process, a
129 severance tax equal to 2.6% of the taxable value of Great Salt Lake elements or
130 minerals or metalliferous compounds sold or otherwise disposed of; ~~or~~

- 131 (iii) for a Great Salt Lake extraction operator that is a party or a third-party
132 beneficiary to a voluntary agreement for water rights with an approved beneficial
133 use by a division as defined in Section 73-3-30 or beginning with calendar year
134 2025, for a Great Salt Lake extraction operator that enters a voluntary agreement
135 with the state relating to water rights owned by the state:
- 136 (A) a severance tax equal to 2.6% of the taxable value of Great Salt Lake elements
137 or minerals sold or otherwise disposed of, if the Great Salt Lake elements or
138 minerals are extracted during a calendar year when the Great Salt Lake
139 elevation recorded [~~pursuant to~~] in accordance with Section 65A-17-306 was at
140 or above 4,198 feet in the prior calendar year; or
- 141 (B) a severance tax does not apply to the taxable value of Great Salt Lake
142 elements or minerals sold or otherwise disposed of, if those Great Salt Lake
143 elements or minerals are sold or otherwise disposed of in a calendar year when
144 the Great Salt Lake elevation recorded [~~pursuant to~~] in accordance with Section
145 65A-17-306 was below 4,198 feet in the prior calendar year; [~~and~~] or
- 146 (iv) notwithstanding Subsection (5)(b)(iii), for a Great Salt Lake extraction operator
147 that is a party or third-party beneficiary to a voluntary agreement for water rights
148 with an approved beneficial use by a division as defined in Section 73-3-30, a
149 severance tax equal to 2.6% of the taxable value of a metalliferous compound sold
150 or otherwise disposed of under a royalty agreement issued under Subsection
151 65A-6-4(2)(d), entered into on or after May 1, 2024.
- 152 (c)(i) Subject to Subsection (5)(c)(ii), the Division of Finance shall deposit the
153 incremental revenue in accordance with Section 51-9-305.
- 154 (ii) The Division of Finance shall consider the incremental revenue required to be
155 deposited under Subsection (5)(c)(i) to be the first revenue collected under this
156 chapter for the fiscal year.
- 157 (iii) The Division of Finance shall deposit the incremental revenue that remains after
158 making the deposit required by Subsection (5)(c)(i) into the Sovereign Lands
159 Management Account created in Section 65A-5-1.
- 160 (d) This Subsection (5) may not be interpreted to:
- 161 (i) excuse a person from paying a severance tax in accordance with the other
162 provisions of this part; or
- 163 (ii) void a mineral lease or royalty agreement.
- 164 (e) A person extracting metalliferous minerals, including a metalliferous compound,

165 from the brine of the Great Salt Lake is subject to the payment of a royalty agreement
166 under Section 65A-6-4 and the payment of a severance tax under this part.

167 Section 3. Section **59-5-207** is amended to read:

168 **59-5-207 (Effective 05/06/26) (Applies beginning 01/01/25). Date tax due --**

169 **Extensions -- Installment payments -- Penalty on delinquencies -- Audit.**

170 (1) The tax imposed by this chapter is due and payable on or before June 1 of the year next
171 succeeding the calendar year when the mineral is produced and sold or delivered.

172 (2) The commission may, for good cause shown upon a written application by the taxpayer,
173 extend the time of payment of the whole or any part of the tax for a period not to exceed
174 six months. If an extension is granted, interest at the rate and in the manner prescribed
175 in Section 59-1-402 shall be charged and added to the amount of the deferred payment
176 of the tax.

177 (3) Every taxpayer subject to this chapter whose total tax obligation for the preceding
178 calendar year was \$3,000 or more shall pay the taxes assessed under this chapter in
179 quarterly installments. Each installment shall be based on the estimated gross value
180 received by the taxpayer during the quarter preceding the date on which the installment
181 is due.

182 (4) The quarterly installments are due as follows:

183 (a) for January 1 through March 31, on or before June 1;

184 (b) for April 1 through June 30, on or before September 1;

185 (c) for July 1 through September 30, on or before December 1; and

186 (d) for October 1 through December 31, on or before March 1 of the next year.

187 (5)(a) If the taxpayer fails to report and pay any tax when due, the taxpayer is subject to
188 the penalties provided under Section 59-1-401, unless otherwise provided in
189 Subsection (6).

190 (b) An underpayment exists if less than 80% of the tax due for a quarter is paid.

191 (6) The penalty for failure to pay the tax due or underpayment of tax may not be assessed if
192 the taxpayer's quarterly tax installment payment equals 25% of the tax reported and paid
193 by the taxpayer for the preceding taxable year.

194 (7) There shall be no interest added to any estimated tax payments subject to a penalty
195 under this section.

196 (8) The commission may conduct audits to determine whether any tax is owed under this
197 section.

198 (9) [~~For~~] Subject to Subsection 65A-17-306(7), for purposes of a Great Salt Lake extraction

199 operator under Subsection 59-5-202(5), the Division of Forestry, Fire, and State Lands
200 shall provide the commission by January 15 of each year the information required by
201 Section 65A-17-306, that the commission shall use to determine the amount due and
202 payable on June 1 of the year next succeeding the calendar year.

203 Section 4. Section **59-23-4** is amended to read:

204 **59-23-4 (Effective 07/01/27). Brine shrimp royalty -- Royalty rate -- Commission**
205 **to prepare billing statement -- Deposit of revenue.**

206 (1) A person shall pay for each tax year a brine shrimp royalty of 3.25 cents multiplied by
207 the total number of pounds of unprocessed brine shrimp eggs that the person harvests
208 within the state during the tax year.

209 (2)(a) A person that harvests unprocessed brine shrimp eggs shall report to the Division
210 of Wildlife Resources the total number of pounds of unprocessed brine shrimp eggs
211 harvested by that person for that tax year on or before the February 15 immediately
212 following the last day of that tax year.

213 (b) The Division of Wildlife Resources shall provide the following information to the
214 commission on or before the March 1 immediately following the last day of a tax
215 year:

216 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that
217 tax year; and

218 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:

219 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by
220 that person for that tax year; and

221 (B) a current billing address for that person; and

222 (iii) any additional information required by the commission.

223 (c)(i) The commission shall prepare and mail a billing statement to each person that
224 harvested unprocessed brine shrimp eggs in a tax year by the March 30
225 immediately following the last day of a tax year.

226 (ii) The billing statement under Subsection (2)(c)(i) shall specify:

227 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by
228 that person for that tax year;

229 (B) the brine shrimp royalty that the person owes; and

230 (C) the date that the brine shrimp royalty payment is due as provided in Section
231 59-23-5.

232 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

233 commission may make rules prescribing the information required under Subsection
234 (2)(b)(iii).

235 (3) Revenue generated by the brine shrimp royalty shall be deposited [~~as follows:~~]

236 [(a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
237 the Sovereign Lands Management Account created in Section 65A-5-1; and]

238 [(b) the remainder of the revenue generated by the brine shrimp royalty shall be
239 deposited in the Species Protection Account created in Section 23A-3-214] into the
240 Sovereign Lands Management Account created in Section 65A-5-1.

241 Section 5. Section **65A-5-1** is amended to read:

242 **65A-5-1 (Effective 07/01/26). Sovereign Lands Management Account.**

243 (1) There is created within the General Fund a restricted account known as the "Sovereign
244 Lands Management Account."

245 (2) The Sovereign Lands Management Account shall consist of the following:

246 (a) the revenues derived from sovereign lands, except for revenues deposited into the
247 Great Salt Lake Account under Section 73-32-304;

248 (b) that portion of the revenues derived from mineral leases on other lands managed by
249 the division necessary to recover management costs;

250 (c) revenues derived from the Great Salt Lake Preservation support special group license
251 plate [~~described in Sections 41-1a-418 and 41-1a-422~~] created in accordance with
252 Title 41, Chapter 1a, Part 16, Sponsored Special Group License Plates;

253 (d) fees deposited by the division;

254 (e) amounts deposited into the account in accordance with Section 59-23-4; [~~and~~]

255 (f) amounts deposited into the account in accordance with Section 59-5-202[~~;~~] ; and

256 (g) money received by the Department of Natural Resources or the division as a result of
257 any judgment, settlement, or compromise of claims pertaining to ownership of
258 sovereign lands in proximity to the Great Salt Lake.

259 (3)(a) The expenditures of the division relating directly to the management of sovereign
260 lands shall be funded by appropriation by the Legislature from the Sovereign Lands
261 Management Account or other sources.

262 (b) Money in the Sovereign Lands Management Account may be used only for the direct
263 benefit of sovereign lands, including the management of sovereign lands.

264 (c) In appropriating money from the Sovereign Lands Management Account, the
265 Legislature shall prefer appropriations that benefit the sovereign land from which the
266 money is derived unless compelling circumstances require that money be

267 appropriated for sovereign land other than the sovereign land from which the money
268 is derived.

269 (d) The proceeds described in Subsection (2)(g) shall be spent in accordance with the
270 terms of the judgment, settlement, or compromise entered into by the state.

271 (4)(a) ~~[The]~~ On or before June 30, 2027, the division shall use the amount deposited into
272 the ~~[account]~~ Sovereign Lands Management Account under Subsection (2)(e) for the
273 Great Salt Lake as described in Section 65A-17-201 as directed by the Great Salt
274 Lake Advisory Council created in Section 73-32-302.

275 (b) On or after July 1, 2027, the division shall use the amount deposited into the
276 Sovereign Lands Management Account under Subsection (2)(e) as follows:

277 (i) the division shall expend \$125,000 as directed by the Great Salt Lake Advisory
278 Council created in Section 73-32-302 for the benefit of the Great Salt Lake; and

279 (ii) the division shall expend the remainder of the amount deposited under Subsection
280 (2)(e) to benefit the Great Salt Lake by:

281 (A) leasing a water right for water to be deposited into the Great Salt Lake; or

282 (B) funding a project that directly benefits or maintains the health of the Great Salt
283 Lake brine shrimp population.

284 Section 6. Section **65A-17-306** is amended to read:

285 **65A-17-306 (Effective 05/06/26) (Applies beginning 01/01/25). Certification of**
286 **eligibility for tax rates.**

287 (1) As used in this section:

288 (a) "Great Salt Lake element or mineral" means the same as that term is defined in
289 Subsection 59-5-202(5).

290 (b) "Great Salt Lake extraction operator" means the same as that term is defined in
291 Subsection 59-5-202(5).

292 (2)(a) ~~[A]~~ Subject to Subsection (7), a Great Salt Lake extraction operator shall by no
293 later than December 31 of each year certify to the division for purposes of
294 determining a severance tax imposed under Subsection 59-5-202(5) during the next
295 succeeding calendar year, the information listed in Subsection (2)(b).

296 (b) The Great Salt Lake extraction operator shall certify the following for the calendar
297 year ending on the date the Great Salt Lake extraction operator submits the
298 certification for purposes of determining a severance tax imposed during the next
299 succeeding calendar year:

300 (i) the Great Salt Lake extraction operator's name;

- 301 (ii) the Great Salt Lake extraction operator's tax identification number;
- 302 (iii) whether at the time a Great Salt Lake element or mineral is extracted, the Great
303 Salt Lake extraction operator is a party or a third-party beneficiary to a voluntary
304 agreement for water rights with an approved beneficial use by a division as
305 defined in Section 73-3-30;
- 306 (iv) if the Great Salt Lake extraction operator is not a party or third-party beneficiary
307 to a voluntary agreement for water rights with an approved beneficial use by a
308 division as defined in Section 73-3-30, whether the Great Salt Lake extraction
309 operator uses evaporative concentrations of Great Salt Lake brines in any stage of
310 the Great Salt Lake extraction operator's extractive process;
- 311 (v) whether the Great Salt Lake extraction operator extracted a Great Salt Lake
312 element or mineral when the Great Salt Lake elevation recorded under Subsection
313 (3) is at or above 4,198 feet, and what the Great Salt Lake element or mineral
314 extracted was; and
- 315 (vi) other information as determined by the division by rule made in accordance with
316 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 317 (c) A Great Salt Lake extraction operator shall submit the certification on a form
318 provided by the division and approved by the State Tax Commission.
- 319 (3) The division shall record the Great Salt Lake elevation for purposes of this section and
320 Subsection 59-5-202(5) as of June 15 to be applied during the next succeeding calendar
321 year.
- 322 (4) ~~[The-]~~ Subject to Subsection (7), the division shall forward to the State Tax Commission
323 by no later than January 15 of the year for which the severance tax shall be determined:
- 324 (a) the Great Salt Lake elevation level recorded under Subsection (3);
- 325 (b) a list of the Great Salt Lake extraction operators who are subject to a severance tax
326 under Subsection 59-5-202(5);
- 327 (c) the Great Salt Lake extraction operator's tax identification number for each Great
328 Salt Lake extraction operator listed in Subsection (4)(b); and
- 329 (d) for each Great Salt Lake extraction operator subject to a severance tax under
330 Subsection 59-5-202(5):
- 331 (i) each Great Salt Lake element or mineral or metalliferous compound extracted by
332 the Great Salt Lake extraction operator that is subject to the severance tax; and
- 333 (ii) the rate of severance tax that is to be imposed under Subsection 59-5-202(5).
- 334 (5) The division may audit a certification submitted under this section for completeness and

335 accuracy.

336 (6) The division may take an enforcement action against a Great Salt Lake extraction
337 operator who violates this section.

338 (7) For the tax year 2025 and tax year 2026:

339 (a) a Great Salt Lake extraction operator that enters a voluntary agreement with the state
340 related to water rights owned by the state may make the certification required by
341 Subsection (2) on or before May 15, 2026; and

342 (b) the division shall forward to the State Tax Commission an updated report required
343 under Subsection (4) by no later than June 1, 2026, to reflect the certification made
344 by a Great Salt Lake extraction operator described in Subsection (7)(a).

345 Section 7. **Effective Date.**

346 (1) Except as provided in Subsections (2)-(3), this bill takes effect May 6, 2026.

347 (2) The actions affecting Section 65A-5-1 (Effective 07/01/26) take effect on July 1, 2026.

348 (3) The actions affecting the following sections take effect on July 1, 2027:

349 (a) Section 23A-3-214 (Effective 07/01/27); and

350 (b) Section 59-23-4 (Effective 07/01/27).

351 Section 8. **Retrospective operation.**

352 The following sections have retrospective operation to January 1, 2025:

353 (1) Section 59-5-202 (Effective 05/06/26) (Applies beginning 01/01/25);

354 (2) Section 59-5-207 (Effective 05/06/26) (Applies beginning 01/01/25); and

355 (3) Section 65A-17-306 (Effective 05/06/26) (Applies beginning 01/01/25).