

Calvin Roberts proposes the following substitute bill:

**State Coordination of Regional and Local  
Economic Development Projects Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Calvin Roberts**

Senate Sponsor:

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- defines terms and modifies definitions;
- prohibits a political subdivision from providing an incentive to a large load customer, with exceptions;
- establishes the State Reinvestment Restricted Account (account);
- describes the potential uses for money in the account;
- directs the Utah Inland Port Authority to deposit certain revenues into the account;
- modifies certain requirements for a public infrastructure district;
- provides a process for the dissolution of a public infrastructure district;
- 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;
- creates the optional County Energy Excise Tax;
- requires the State Tax Commission to deposit revenue, in certain circumstances, into the account;
- 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;
- authorizes a zone to capture and utilize certain forms of tax increment;
- 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

- 28 biennial reports;
- 29     ▸ describes the circumstances in which an agency shall transfer a percentage of zone
- 30 revenue into the account;
- 31     ▸ provides that a housing and transit reinvestment zone, first home investment zone, home
- 32 ownership promotion zone, or major sporting event venue zone may not be created after
- 33 January 1, 2028;
- 34     ▸ modifies the prohibition on local government offering a financial incentive for an energy
- 35 development project outside an electrical energy development zone; and
- 36     ▸ makes technical and conforming changes.

37 **Money Appropriated in this Bill:**

38 None

39 **Other Special Clauses:**

40 None

41 **Utah Code Sections Affected:**

42 **AMENDS:**

43 **10-21-501**, as renumbered and amended by Laws of Utah 2025, First Special Session,  
44 Chapter 15

45 **11-41-102**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

46 **11-58-102**, as last amended by Laws of Utah 2024, Chapters 53, 438 and 535

47 **11-58-602**, as last amended by Laws of Utah 2025, Chapter 459

48 **17-80-501**, as renumbered and amended by Laws of Utah 2025, First Special Session,  
49 Chapter 14

50 **17B-2a-1302**, as enacted by Laws of Utah 2024, Chapter 388

51 **17C-1-102**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

52 **17C-1-409**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

53 **17C-1-603**, as last amended by Laws of Utah 2025, Chapter 480

54 **17D-4-201**, as last amended by Laws of Utah 2025, Chapter 347

55 **17D-4-202**, as last amended by Laws of Utah 2025, Chapter 347

56 **17D-4-202.1**, as enacted by Laws of Utah 2025, Chapter 29

57 **17D-4-203**, as last amended by Laws of Utah 2025, Chapter 498

58 **17D-4-204**, as last amended by Laws of Utah 2025, Chapter 347

59 **59-1-306**, as last amended by Laws of Utah 2025, Chapter 258

60 **59-2-924**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

61 **63N-3-604**, as last amended by Laws of Utah 2025, Chapter 29

62           **63N-3-605**, as last amended by Laws of Utah 2025, Chapter 29

63           **63N-3-1603**, as enacted by Laws of Utah 2024, Chapter 537

64           **79-6-1104**, as enacted by Laws of Utah 2025, Chapter 375

65    ENACTS:

66           **11-41-201**, Utah Code Annotated 1953

67           **11-41-202**, Utah Code Annotated 1953

68           **11-58-607**, Utah Code Annotated 1953

69           **17C-6-101**, Utah Code Annotated 1953

70           **17C-6-102**, Utah Code Annotated 1953

71           **17C-6-201**, Utah Code Annotated 1953

72           **17C-6-202**, Utah Code Annotated 1953

73           **17C-6-203**, Utah Code Annotated 1953

74           **17C-6-301**, Utah Code Annotated 1953

75           **17C-6-401**, Utah Code Annotated 1953

76           **17C-6-402**, Utah Code Annotated 1953

77           **17C-6-403**, Utah Code Annotated 1953

78           **17C-6-404**, Utah Code Annotated 1953

79           **17D-4-401**, Utah Code Annotated 1953

80           **51-9-1001**, Utah Code Annotated 1953

81           **51-9-1002**, Utah Code Annotated 1953

82           **51-9-1003**, Utah Code Annotated 1953

83           **57-1-49**, Utah Code Annotated 1953

84           **59-35-101**, Utah Code Annotated 1953

85           **59-35-201**, Utah Code Annotated 1953

86           **59-35-202**, Utah Code Annotated 1953

87           **59-35-301**, Utah Code Annotated 1953

88           **63N-3a-101**, Utah Code Annotated 1953

89           **63N-3a-102**, Utah Code Annotated 1953

90           **63N-3a-103**, Utah Code Annotated 1953

91           **63N-3a-104**, Utah Code Annotated 1953

92           **63N-3a-105**, Utah Code Annotated 1953

93           **63N-3a-201**, Utah Code Annotated 1953

94           **63N-3a-202**, Utah Code Annotated 1953

95           **63N-3a-203**, Utah Code Annotated 1953

- 96           **63N-3a-204**, Utah Code Annotated 1953
- 97           **63N-3a-205**, Utah Code Annotated 1953
- 98           **63N-3a-206**, Utah Code Annotated 1953
- 99           **63N-3a-207**, Utah Code Annotated 1953
- 100          **63N-3a-208**, Utah Code Annotated 1953
- 101          **63N-3a-301**, Utah Code Annotated 1953
- 102          **63N-3a-302**, Utah Code Annotated 1953
- 103          **63N-3a-303**, Utah Code Annotated 1953
- 104          **63N-3a-304**, Utah Code Annotated 1953
- 105          **63N-3a-401**, Utah Code Annotated 1953
- 106          **63N-3a-402**, Utah Code Annotated 1953
- 107          **63N-3a-403**, Utah Code Annotated 1953
- 108          **63N-3a-501**, Utah Code Annotated 1953

REPEALS:

**11-41-101**, as enacted by Laws of Utah 2004, Chapter 283

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

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

**10-21-501 . Municipal designation of a home ownership promotion zone.**

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

(a) before January 1, 2028; and

(b) as described in this section.

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

(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;

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

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

(3)(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:

(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  
132 promotion zone created in accordance with this section meets the objectives and  
133 requirements in Section 10-21-502.
- 134 (c) The home ownership promotion zone is created on the effective date of the resolution  
135 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  
138 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  
141 described in Subsection (3).
- 142 (6) Within 30 days after the day on which the municipality creates the home ownership  
143 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  
145 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  
149 zone and an accurate map or plat indicating the boundaries of the home ownership  
150 promotion zone to the Utah Geospatial Resource Center created under Section  
151 63A-16-505; and
- 152 (c) transmit a map and description of the land within the home ownership promotion  
153 zone to:
- 154 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
155 part of the home ownership promotion zone is located;
- 156 (ii) the officer or officers performing the function of auditor or assessor for each  
157 taxing entity that does not use the county assessment roll or collect the taxing  
158 entity's taxes through the county;
- 159 (iii) the legislative body or governing board of each taxing entity impacted by the  
160 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

164 funds as described in Section 10-21-504.

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

167 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**

170 **11-41-102 . Definitions.**

171 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  
 174 liability company, corporation, or other entity or association used to carry on a business  
 175 for profit.

176 (3) "Determination of violation" means a determination by the Governor's Office of  
 177 Economic Opportunity of substantial likelihood that a retail facility incentive payment  
 178 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  
 180 negative impacts to the environment.

181 (5) "Executive director" means the executive director of the Governor's Office of Economic  
 182 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.

188 (9) "Moderate income housing" means housing occupied or reserved for occupancy by  
 189 households with a gross household income equal to or less than 80% of the median gross  
 190 income for households of the same size in the county in which the housing is located.

191 (10) "Moderate income housing plan" means the moderate income housing plan element of  
 192 a general plan.

193 (11) "Office" means the Governor's Office of Economic Opportunity.

194 (12) "Political subdivision" means any county, city, town, school district, special district,  
 195 special service district, community reinvestment agency, or entity created by an  
 196 interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act.

- 197 (13) "Public entity" means:
- 198 (a) a political subdivision;
- 199 (b) a department, commission, board, council, agency, institution, officer, corporation,
- 200 fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or
- 201 other administrative unit of the executive branch of the state;
- 202 (c) an institution of higher education as defined in Section 53H-1-101;
- 203 (d) the Military Installation Development Authority created in Section 63H-1-201;
- 204 (e) the Utah Inland Port Authority created in Section 11-58-201; or
- 205 (f) the Point of the Mountain State Land Authority created in Section 11-59-201.
- 206 (14) "Public funds" means any money received by a public entity that is derived from:
- 207 (a) a sales and use tax authorized under Title 59, Chapter 12, Sales and Use Tax Act; or
- 208 (b) a property tax levy.
- 209 (15) "Public infrastructure" means:
- 210 (a) a public facility, as defined in Section 11-36a-102;
- 211 (b) a system improvement, as defined in Section 11-36a-102; or
- 212 (c) infrastructure developed with public funds included as part of an infrastructure
- 213 master plan related to a general plan.
- 214 (16) "Retail facility" means any facility operated by a business entity for the primary
- 215 purpose of making retail transactions.
- 216 (17) "Retail facility incentive payment" means a payment of public funds:
- 217 (a) to a person by a public entity;
- 218 (b) for the development, construction, renovation, or operation of a retail facility within
- 219 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,
- 227 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.

235 Section 3. Section **11-41-201** is enacted to read:

236 **Part 2. Prohibition on Tax Increment Incentives for Large Load Customers Act**

237 **11-41-201 . Definitions.**

238 As used in this part:

- 239 (1) "Incentive" means a payment of public funds, funded by tax increment:
- 240 (a) from a political subdivision to a person;
- 241 (b) for the development, construction, renovation, operating, or citing of a large load
- 242 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
- 246 operation of public infrastructure and improvements that wholly or primarily
- 247 support a large load customer.
- 248 (2) "Large load customer" means the same as that term is defined in Section 54-26-101.
- 249 (3) "Political subdivision" means any county, municipality, special district, special service
- 250 district, public infrastructure district, community reinvestment agency, or entity created
- 251 by an interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act.
- 252 (4)(a) "Public infrastructure and improvements" means infrastructure, improvements,
- 253 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,
- 261 microgrids, or telecommunications service; and
- 262 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
- 263 facilities, rail lines, intermodal facilities, multimodal facilities, and public
- 264 transportation facilities.

265 (5) "Tax increment" means the same as that term is defined in Section 59-2-924.

266 Section 4. Section **11-41-202** is enacted to read:

267 **11-41-202 . Political subdivisions prohibited from providing incentives --**

268 **Exceptions.**

269 (1)(a) Beginning on May 6, 2026, except as provided in Subsections (1)(b) and (2), a  
270 political subdivision may not provide an incentive to a large load customer.

271 (b) A municipality or county, or agency created by a municipality or county, may  
272 provide an incentive to a large load customer:

273 (i) only if the large load customer is located within a regionally significant  
274 development zone, as described in Title 63N, Chapter 3a, Part 4, Regionally  
275 Significant Zones with Energy Implications; and

276 (ii) with regionally significant development zone funds described in Section  
277 63N-3a-403.

278 (c) A local sales and use tax exemption described in Section 59-12-104 does not  
279 constitute an incentive.

280 (2) A political subdivision that entered into an agreement to provide an incentive to a large  
281 load customer before May 6, 2026:

282 (a) may continue to provide the incentive according to the terms of the political  
283 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.

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

287 **11-58-102 . Definitions.**

288 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  
292 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  
296 authority jurisdictional land, the taxable value of authority jurisdictional land in  
297 calendar year 2018; and

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

- 299 calendar year 2017; or
- 300 (b) for a project area that consists of land outside the authority jurisdictional land, the  
301 taxable value of property within any portion of a project area, as designated by board  
302 resolution, from which the property tax differential will be collected, as shown upon  
303 the assessment roll last equalized before the year in which the authority adopts a  
304 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  
307 development of the authority jurisdictional land to achieve the goals and objectives  
308 described in Subsection 11-58-203(1), including the development and establishment of  
309 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  
313 substances, as defined in Section 19-6-302, or landfill material on, in, or under the  
314 land.
- 315 (7) "Development" means:
- 316 (a) the demolition, construction, reconstruction, modification, expansion, or  
317 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,  
318 recreational amenity, or other facility, including public infrastructure and  
319 improvements; and
- 320 (b) the planning of, arranging for, or participation in any of the activities listed in  
321 Subsection (7)(a).
- 322 (8) "Development project" means a project for the development of land within a project  
323 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  
327 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

- 333 goods move through the supply chain;
- 334 (B) provide a regional merging point for transportation modes for the distribution  
335 of goods to and from ports and other locations in other regions;
- 336 (C) provide cargo-handling services to allow freight consolidation and  
337 distribution, temporary storage, customs clearance, and connection between  
338 transport modes; and
- 339 (D) provide international logistics and distribution services, including freight  
340 forwarding, customs brokerage, integrated logistics, and information systems;  
341 and
- 342 (b) may include a satellite customs clearance terminal, an intermodal facility, a customs  
343 pre-clearance for international trade, or other facilities that facilitate, encourage, and  
344 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  
348 Subsection (10);
- 349 (c) that complements or supports the purposes of an inland port, as stated in Subsection  
350 (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,  
353 truck, air, or other transportation modes.
- 354 (13) "Landfill material" means garbage, waste, debris, or other materials disposed of or  
355 placed in a landfill.
- 356 (14) "Multimodal facility" means a hub or other facility for trade combining any  
357 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  
359 Subsection 11-58-302(3) who does not have the power to vote on matters of authority  
360 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  
364 contiguous area or multiple noncontiguous areas, described in a project area plan or  
365 draft project area plan, where the development project set forth in the project area  
366 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  
368 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  
370 controls the development within a project area.
- 371 (19) "Property tax" includes a privilege tax and each levy on an ad valorem basis on  
372 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  
376 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  
378 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  
381 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;  
383 or
- 384 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general  
385 obligation bond.
- 386 (21) "Public entity" means:
- 387 (a) the state, including each department, division, or other agency of the state; or
- 388 (b) a county, city, town, school district, special district, special service district, interlocal  
389 cooperation entity, community reinvestment agency, or other political subdivision of  
390 the state, including the authority.
- 391 (22)(a) "Public infrastructure and improvements" means infrastructure, improvements,  
392 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  
398 and operation of a project area; and
- 399 (D) are built according to applicable county or municipal design and safety  
400 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,
- 405 microgrids, or telecommunications service;
- 406 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
- 407 facilities, rail lines, intermodal facilities, multimodal facilities, and public
- 408 transportation facilities;
- 409 (iii) an inland port; and
- 410 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of
- 411 a remediation project.
- 412 (23) "Reinvestment account" means the State Reinvestment Restricted Account created in
- 413 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 [~~(24)~~] (25) "Remediation differential" means property tax differential generated from a
- 418 remediation project area.
- 419 [~~(25)~~] (26) "Remediation project" means a project for the remediation of contaminated land
- 420 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)
- 426 obtained ownership of the land.
- 427 [~~(26)~~] (27) "Remediation project area" means a project area consisting of contaminated land
- 428 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
- 430 location and associated attribute information.
- 431 [~~(28)~~] (29) "Taxable value" means the value of property as shown on the last equalized
- 432 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  
436 17D, Chapter 4, Public Infrastructure District Act.

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

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

440 **11-58-602 . Allowable uses of property tax differential and other funds.**

441 (1)(a) The authority may use money from property tax differential, money the authority  
442 receives from the state, money the authority receives under Subsection  
443 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  
446 the authority;
- 447 (iii) to pay for, including financing or refinancing, all or part of the development of  
448 land within or adjacent to a project area, including assisting the ongoing operation  
449 of a development or facility within or adjacent to the project area;
- 450 (iv) to pay the cost of the installation and construction of public infrastructure and  
451 improvements within the project area from which the property tax differential  
452 funds were collected;
- 453 (v) to pay the cost of the installation of public infrastructure and improvements  
454 outside a project area if the board determines by resolution that the infrastructure  
455 and improvements are of benefit to the project area;
- 456 (vi) to pay to a community reinvestment agency for affordable housing, as provided  
457 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  
460 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  
463 development and land outside the boundary of the authority jurisdictional land;
  - 464 and
- 465 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development  
466 that:
  - 467 (A) mitigates noise, air pollution, light pollution, surface and groundwater  
468 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  
472 standards that a landowner is required to meet to qualify for the use of property  
473 tax differential under Subsection (1)(a)(ix) in the landowner's development.
- 474 (B) Minimum mitigation and environmental standards established under  
475 Subsection (1)(b)(i)(A) shall include a standard prohibiting the use of property  
476 tax differential as a business recruitment incentive, as defined in Section  
477 11-58-603, for new commercial or industrial development or an expansion of  
478 existing commercial or industrial development within the authority  
479 jurisdictional land if the new or expanded development will consume on an  
480 annual basis more than 200,000 gallons of potable water per day.
- 481 (ii) In establishing minimum mitigation and environmental standards, the authority  
482 shall consult with:
- 483 (A) the municipality in which the development is expected to occur, for  
484 development expected to occur within a municipality; or  
485 (B) the county in whose unincorporated area the development is expected to  
486 occur, for development expected to occur within the unincorporated area of a  
487 county.
- 488 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)  
489 for a landowner's development in a project area unless the minimum mitigation  
490 and environmental standards are followed with respect to that landowner's  
491 development.
- 492 (2) The authority may use revenue generated from the operation of public infrastructure  
493 operated by the authority or improvements, including an intermodal facility, operated by  
494 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  
497 expenses.
- 498 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the  
499 project area is final.
- 500 (4) ~~[The]~~ Subject to Subsection (7), the authority may not use property tax differential  
501 revenue collected from one project area for a development project within another project  
502 area.

- 503 (5)(a) The authority may use up to 10% of the general differential revenue generated  
 504 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  
 506 may provide general differential revenue generated from a project area to a non-profit  
 507 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  
 509 would qualify for income targeted housing to achieve homeownership, or retain  
 510 homeownership, within a 15 mile radius of the project area that generated the  
 511 general differential revenue, in accordance with the mission of the non-profit  
 512 housing fund; and
- 513 (ii) pursuant to an agreement between the non-profit housing fund and the authority  
 514 governing appropriate uses of general differential revenue.
- 515 (6) The authority may share general differential funds with a taxing entity that levies a  
 516 property tax on land within the project area from which the general differential is  
 517 generated.
- 518 (7)(a) For a project area adopted on or after September 30, 2026, the authority shall  
 519 contribute at least 1% but no more than 5%, as determined by the board, of all tax  
 520 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  
 522 project area adopted before September 30, 2026, may designate a portion of the tax  
 523 differential revenue generated in the project area that would otherwise be collected  
 524 and used by the authority, not to exceed 5%, for contribution to the reinvestment  
 525 account.
- 526 (c) The authority shall make a contribution described in this Subsection (7) annually or  
 527 quarterly, as determined by the board.
- 528 Section 7. Section **11-58-607** is enacted to read:
- 529 **11-58-607 . Revenue sharing agreements.**
- 530 (1)(a) Whenever a private entity's real estate development is supported by funding from  
 531 the authority, authority staff may negotiate and enter into a revenue sharing  
 532 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  
 535 that the private entity agrees to provide to the authority for contribution into the  
 536 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  
540                    authority.

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

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

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

550           **17-80-501 . County designation of a home ownership promotion zone.**

551   (1) Subject to Sections 17-80-502 and 17-80-503, a county may create a home ownership  
552           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  
557               boundaries of the county, zoned for fewer than six housing units per acre before the  
558               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  
561               the home ownership promotion zone is created.

562   (3)(a) The county shall designate the home ownership promotion zone by resolution of  
563           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  
567           promotion zone created in accordance with this section meets the objectives and  
568           requirements of Section 17-80-502.

569   (c) The home ownership promotion zone is created on the effective date of the resolution  
570           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  
 573 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  
 576 described in Subsection (3).
- 577 (6) Within 30 days after the day on which the county creates the home ownership  
 578 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  
 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  
 583 zone and an accurate map or plat indicating the boundaries of the home ownership  
 584 promotion zone to the Utah Geospatial Resource Center created under Section  
 585 63A-16-505; and  
 586 (c) transmit a map and description of the land within the home ownership promotion  
 587 zone to:  
 588 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
 589 part of the home ownership promotion zone is located;  
 590 (ii) the officer or officers performing the function of auditor or assessor for each  
 591 taxing entity that does not use the county assessment roll or collect the taxing  
 592 entity's taxes through the county;  
 593 (iii) the legislative body or governing board of each taxing entity impacted by the  
 594 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  
 598 described in Section 17-80-504.
- 599 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,  
 600 as described in this part, and shall comply with the provisions of this part until dissolved.  
 601 Section 9. Section **17B-2a-1302** is amended to read:  
 602 **17B-2a-1302 . Provisions applicable to infrastructure financing district --**  
 603 **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 [  
607 ~~Subsection (1)(b)] Subsection (5).~~
- 608 (2)(a) Notwithstanding Subsection 17B-1-103(2)(f) and except as provided in  
609 Subsection (2)(b), an infrastructure financing district may issue bonds only as  
610 provided in Title 11, Chapter 42, Assessment Area Act, subject to Subsection (2)(b),  
611 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  
613 development zone, as described in Title 17C, Chapter 6, Regionally Significant  
614 Development Zone Act, the infrastructure financing district may issue negotiable  
615 bonds to pay all or part of the costs of acquiring, acquiring an interest in, improving,  
616 or extending any of the improvements, facilities, or property allowed under Section  
617 11-14-103.
- 618 [(b)] (c) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act,  
619 apply to the use of funds from an assessment or an assessment bond for infrastructure  
620 operation and maintenance costs or for the cost of conducting economic promotion  
621 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  
623 certificate of occupancy for a residential unit that is subject to an assessment levied  
624 by an infrastructure financing district under Title 11, Chapter 42, Assessment Area  
625 Act, the infrastructure financing district shall ensure that the assessment allocable to  
626 that unit is paid in full and that any assessment lien on that unit is satisfied and  
627 released.
- 628 (3) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district may  
629 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  
632 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  
634 the other governmental entity to provide administrative services to the infrastructure  
635 financing district.

636 Section 10. Section **17C-1-102** is amended to read:

637 **17C-1-102 . Definitions.**

638 As used in this title:

- 639 (1) "Active project area" means a project area that has not been dissolved in accordance  
640 with Section 17C-1-702.
- 641 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that  
642 an agency is authorized to receive:
- 643 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax  
644 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  
646 increment under Section 17C-1-406;
- 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  
649 tax increment.
- 650 (3) "Affordable housing" means housing owned or occupied by a low or moderate income  
651 family, as determined by resolution of the agency.
- 652 (4) "Agency" or "community reinvestment agency" means a separate body corporate and  
653 politic, created under Section 17C-1-201.5 or as a redevelopment agency or community  
654 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  
657 title;
- 658 (c) that may, at the direction of the county or municipality that creates the agency, fulfill  
659 the duties described in Chapter 6, Regionally Significant Development Zones Act;  
660 and
- 661 [(+) (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,  
665 implementing a project area plan or an implementation plan as defined in Section  
666 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  
669 agency's undertaking and implementation of project area development or  
670 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  
672 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  
676 States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as  
677 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  
680 this title, a property's taxable value as shown upon the assessment roll last equalized  
681 during the base year.
- 682 (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during  
683 which the assessment roll is last equalized:
- 684 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,  
685 before the project area plan's effective date;
- 686 (b) for a post-June 30, 1993, urban renewal or economic development project area plan,  
687 or a community reinvestment project area plan that is subject to a taxing entity  
688 committee:
- 689 (i) before the date on which the taxing entity committee approves the project area  
690 budget; or
- 691 (ii) if taxing entity committee approval is not required for the project area budget,  
692 before the date on which the community legislative body adopts the project area  
693 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  
696 development; or
- 697 (ii) the date on which the airport that operated on the inactive airport site ceased  
698 operations; or
- 699 (d) for a community development project area plan or a community reinvestment project  
700 area plan that is subject to an interlocal agreement, as described in the interlocal  
701 agreement.
- 702 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum  
703 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  
706 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection

- 707 17C-3-201(2)(d) for an economic development project area budget, or Subsection  
708 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  
710 Closure and Realignment Commission has voted to close or realign when that action has  
711 been sustained by the president of the United States and Congress.
- 712 (14) "Combined incremental value" means the combined total of all incremental values  
713 from all project areas, except project areas that contain some or all of a military  
714 installation or inactive industrial site, within the agency's boundaries under project area  
715 plans and project area budgets at the time that a project area budget for a new project  
716 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  
719 Chapter 4, Part 1, Community Development Project Area Plan.
- 720 (17) "Community legislative body" means the legislative body of the community that  
721 created the agency.
- 722 (18) "Community reinvestment project area plan" means a project area plan adopted under  
723 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  
725 78A, Judiciary and Judicial Administration, and in a county in which the agency is  
726 located if the action is filed in the district court.
- 727 (20) "Development impediment" means a condition of an area that meets the requirements  
728 described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405  
729 for a community reinvestment project area.
- 730 (21) "Development impediment hearing" means a public hearing regarding whether a  
731 development impediment exists within a proposed:
- 732 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section  
733 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  
736 impediment exists within a survey area as described in Section 17C-2-301 for an urban  
737 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  
739 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  
 742 municipality that are publicly subsidized income targeted housing units to the  
 743 percentage of all housing units within the county in which the municipality is located  
 744 that are publicly subsidized income targeted housing units; or
- 745 (b) for the unincorporated part of a county, comparing the percentage of all housing  
 746 units within the unincorporated county that are publicly subsidized income targeted  
 747 housing units to the percentage of all housing units within the whole county that are  
 748 publicly subsidized income targeted housing units.
- 749 (25) "Family" means the same as that term is defined in regulations of the United States  
 750 Department of Housing and Urban Development, 24 C.F.R. [~~Section~~] Sec. 5.403, as  
 751 amended or as superseded by replacement regulations.
- 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  
 754 substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or  
 755 toxic substance, or identified as hazardous to human health or the environment, under  
 756 state or federal law or regulation.
- 757 (28) "Housing allocation" means project area funds allocated for housing under Section  
 758 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  
 760 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,  
 762 or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes  
 763 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  
 771 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  
776 roads, electric service, water system, and sewer system, needed to support  
777 development of the site.
- 778 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land  
779 described in Subsection (30)(a).
- 780 (31)(a) "Inactive industrial site" means land that:
- 781 (i) consists of at least 1,000 acres;
- 782 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial  
783 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  
786 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  
789 median annual income for a family within the county in which the housing is located;  
790 or
- 791 (b) occupied by a family whose annual income is at or below 80% of the median annual  
792 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  
794 property located within a project area on which tax increment is collected by a number  
795 that represents the adjusted tax increment from that project area that is paid to the  
796 agency.
- 797 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established  
798 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  
800 community for the primary purpose of providing one or more primary community  
801 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  
807 which is cultural or recreational in nature.
- 808 (36) "Low-income individual" means the same as that term is defined in Section

- 809 35A-8-504.5.
- 810 (37) "Major transit investment corridor" means the same as that term is defined in Section  
811 10-20-102.
- 812 (38) "Marginal value" means the difference between actual taxable value and base taxable  
813 value.
- 814 (39) "Military installation project area" means a project area or a portion of a project area  
815 located within a federal military installation ordered closed by the federal Defense Base  
816 Realignment and Closure Commission.
- 817 (40) "Municipality" means a city or town.
- 818 (41) "Non-profit housing fund" means:
- 819 (a) an organization that meets the definition of "housing organization" in Section  
820 35A-8-2401;
- 821 (b) a registered nonprofit that assists veterans or individuals who work in public service  
822 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  
825 housing to achieve homeownership in the state; and
- 826 (ii) provides direct support to help a low-income individual or a family eligible for  
827 income targeted housing to retain ownership of a home, including through  
828 rehabilitation services, lending for rehabilitation, or foreclosure mitigation  
829 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  
831 for the workforce in that community; or
- 832 (e) a registered nonprofit established to administer housing programs on behalf of an  
833 association representing 10 or more counties in the state.
- 834 (42) "Participant" means one or more persons that enter into a participation agreement with  
835 an agency.
- 836 (43) "Participation agreement" means a written agreement between a person and an agency  
837 under Subsection 17C-1-202(5).
- 838 (44) "Plan hearing" means the public hearing on a proposed project area plan required  
839 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection  
840 17C-3-102(1)(d) for an economic development project area plan, Subsection  
841 17C-4-102(1)(d) for a community development project area plan, or Subsection  
842 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  
844 July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the  
845 project area plan's adoption.
- 846 (46) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1,  
847 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  
849 any other governmental entity.
- 850 (48) "Project area" means the geographic area described in a project area plan within which  
851 the project area development described in the project area plan takes place or is  
852 proposed to take place.
- 853 (49) "Project area budget" means a multiyear projection of annual or cumulative revenues  
854 and expenses and other fiscal matters pertaining to a project area prepared in accordance  
855 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  
861 the board, encourages, promotes, or provides development or redevelopment for the  
862 purpose of implementing a project area plan, including:
- 863 (a) promoting, creating, or retaining public or private jobs within the state or a  
864 community;
  - 865 (b) providing office, manufacturing, warehousing, distribution, parking, or other  
866 facilities or improvements;
  - 867 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or  
868 remediating environmental issues;
  - 869 (d) providing residential, commercial, industrial, public, or other structures or spaces,  
870 including recreational and other facilities incidental or appurtenant to the structures  
871 or spaces;
  - 872 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating  
873 existing structures;
  - 874 (f) providing open space, including streets or other public grounds or space around  
875 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
- 882 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
- 884 receives under a project area budget adopted by a taxing entity committee or an
- 885 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
- 888 agency under a project area budget approved by a taxing entity committee or an
- 889 interlocal agreement; and
- 890 (b) ends the day on which the last payment of project area funds is distributed to an
- 891 agency under a project area budget approved by a taxing entity committee or an
- 892 interlocal agreement.
- 893 (53) "Project area plan" means an urban renewal project area plan, an economic
- 894 development project area plan, a community development project area plan, or a
- 895 community reinvestment project area plan that, after the project area plan's effective
- 896 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
- 898 personal or real property.
- 899 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
- 900 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,
- 905 special district, special service district, community reinvestment agency, or interlocal
- 906 cooperation entity.
- 907 (56) "Publicly owned infrastructure and improvements" means water, sewer, storm
- 908 drainage, electrical, natural gas, telecommunication, or other similar systems and lines,
- 909 streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation
- 910 facilities, or other facilities, infrastructure, and improvements benefitting the public and

- 911 to be publicly owned or publicly maintained or operated.
- 912 (57) "Record property owner" or "record owner of property" means the owner of real  
913 property, as shown on the records of the county in which the property is located, to  
914 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  
920 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec.  
921 9605; and
- 922 (b) includes an area formerly included in the National Priorities List, as described in  
923 Subsection (59)(a), but removed from the list following remediation that leaves on  
924 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  
926 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  
930 survey area.
- 931 (62) "Taxable value" means:
- 932 (a) the taxable value of all real property a county assessor assesses in accordance with  
933 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  
935 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current  
936 year; and
- 937 (c) the year end taxable value of all personal property a county assessor assesses in  
938 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the  
939 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  
942 the area within a project area designated in the project area plan as the area from  
943 which tax increment is to be collected, using the current assessed value of the  
944 property and each taxing entity's current certified tax rate as defined in Section

- 945 59-2-924; and
- 946 (ii) the amount of property tax revenue that would be generated from that same area
- 947 using the base taxable value of the property and each taxing entity's current
- 948 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
- 950 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
- 952 area plan was subsequently amended; and
- 953 (ii) the taxes were pledged to support bond indebtedness or other contractual
- 954 obligations of the agency.
- 955 (64) "Taxing entity" means a public entity that:
- 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
- 959 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,
- 962 Part 1, Urban Renewal Project Area Plan.
- 963 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.
- 964 Section 11. Section **17C-1-409** is amended to read:
- 965 **17C-1-409 . 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,
- 969 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B)
- 970 or funding for a business resource center;
- 971 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all
- 972 or part of:
- 973 (A) project area development in a project area, including environmental
- 974 remediation activities occurring before or after adoption of the project area
- 975 plan;
- 976 (B) housing-related expenditures, projects, or programs as described in Section
- 977 17C-1-411 or 17C-1-412;
- 978 (C) an incentive or other consideration paid to a participant under a participation

- 979 agreement, subject to Subsection (6);
- 980 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of
- 981 the installation and construction of any publicly owned building, facility,
- 982 structure, landscaping, or other improvement within the project area from
- 983 which the project area funds are collected; or
- 984 (E) the cost of the installation of publicly owned infrastructure and improvements
- 985 outside the project area from which the project area funds are collected if the
- 986 board and the community legislative body determine by resolution that the
- 987 publicly owned infrastructure and improvements benefit the project area;
- 988 (iv) in an urban renewal project area that includes some or all of an inactive industrial
- 989 site and subject to Subsection (1)(e), to reimburse the Department of
- 990 Transportation created under Section 72-1-201, or a public transit district created
- 991 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
- 996 agency; or
- 997 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,
- 998 Agency Taxing Authority.
- 999 (b) The determination of the board and the community legislative body under Subsection
- 1000 (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
- 1002 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan,
- 1003 an economic development project area plan, or a community reinvestment project
- 1004 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
- 1006 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
- 1010 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,
- 1012 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform

- 1013 Fiscal Procedures Act for Utah Cities, Title 17, Chapter 63, Fiscal Authority and  
1014 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  
1016 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of  
1017 the reimbursement with:
- 1018 (i) the Department of Transportation; or  
1019 (ii) a public transit district.
- 1020 (f) Before an agency may use project area funds for agency-wide project development,  
1021 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing  
1022 entity committee or each taxing entity party to an interlocal agreement with the  
1023 agency.
- 1024 (2)(a) Sales and use tax revenue that an agency receives from a taxing entity is not  
1025 subject to the prohibition or limitations of [~~Title 11, Chapter 41, Prohibition on Retail~~  
1026 ~~Facility Incentive Payments Act~~] Title 11, Chapter 41, Part 1, Prohibition on Retail  
1027 Facility Incentive Payments Act.
- 1028 (b) An agency may use sales and use tax revenue that the agency receives under an  
1029 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized  
1030 in the interlocal agreement.
- 1031 (3)(a) An agency may contract with the community that created the agency or another  
1032 public entity to use agency funds to reimburse the cost of items authorized by this  
1033 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  
1035 the land or improvement is leased to the community, an agency may contract with  
1036 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  
1038 funds, project area incremental revenue as defined in Section 17C-1-1001, or property  
1039 tax revenue as defined in Section 17C-1-1001, to construct a local government building  
1040 unless the taxing entity committee or each taxing entity party to an interlocal agreement  
1041 with the agency consents.
- 1042 (5) For the purpose of offsetting the community's annual local contribution to the Homeless  
1043 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a  
1044 calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and  
1045 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as  
1046 defined in Subsection 59-12-205(5).

- 1047 (6)(a) Before providing tax increment funding to a private participant pursuant to a  
 1048 participation agreement, an agency shall consult with the county treasurer of the  
 1049 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
  - 1052 (iii) the private participant is subject to a political subdivision lien for past due fees or  
 1053 charges.
- 1054 (b) If the county treasurer, in consultation with the agency, determines a participant is  
 1055 delinquent on property tax or privilege tax or subject to a political subdivision lien,  
 1056 the agency shall confirm whether the participation agreement between the agency and  
 1057 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  
 1059 treasurer of the county in which the agency operates may provide tax increment  
 1060 funding that would otherwise be provided directly to the agency to provide to the  
 1061 private participant to:
- 1062 (i) the county, in the amount the private entity is delinquent for property tax or  
 1063 privilege tax; and
  - 1064 (ii) the political subdivision holding the political subdivision lien, in the amount  
 1065 necessary to resolve the political subdivision lien.

1066 Section 12. Section **17C-1-603** is amended to read:

1067 **17C-1-603 . Reporting requirements -- Governor's Office of Economic**

1068 **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  
 1076 responsible, as described in Chapter 6, Regionally Significant Development Zones  
 1077 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

1081                    Section 17C-6-202.

1082            (2) The office shall:

1083            (a) create and maintain electronic data to track information for each agency located  
1084                within the state; and

1085            (b) make the database publicly accessible from the office website.

1086            (3)(a) The office may:

1087                (i) contract with a third party to create and maintain the database; and

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  
1090                Administrative Rulemaking Act, to establish a fee schedule for the fee described in  
1091                Subsection (3)(a)(ii).

1092            (4) On or before June 30 of each year, an agency shall, for each active project area for  
1093                which the project area funds collection period has not expired, submit to the office for  
1094                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  
1101                funds the agency spent for each year of the project area funds collection period,  
1102                broken down by the applicable budget or funds analysis category described in  
1103                Subsection (4)(d), including:

1104                (i) a comparison of the actual project area funds received and spent for each year to  
1105                    the amount of project area funds forecasted for each year when the project area  
1106                    was created, if available;

1107                (ii)(A) the agency's historical receipts and expenditures of project area funds,  
1108                    including the tax year for which the agency first received project area funds  
1109                    from the project area; or

1110                (B) if the agency has not yet received project area funds from the project area, the  
1111                    year in which the agency expects each project area funds collection period to  
1112                    begin;

1113                (iii) a list of each taxing entity that levies or imposes a tax within the project area and  
1114                a description of the benefits that each taxing entity receives from the project area;

- 1115 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
- 1119 development, site development, participation agreements, or vertical construction;
- 1120 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
- 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
- 1127 receipts and expenditures categorized by the type of receipt and expenditure related
- 1128 to the development performed or to be performed under the project area plan,
- 1129 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
- 1134 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
- 1137 project area;
- 1138 (iii) the remaining amount of project area funds the agency is authorized to receive
- 1139 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
- 1141 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
- 1145 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
- 1147 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  
1150 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  
1153 agency is dissolved under Section 17C-1-701.5, submit a report to the office stating that  
1154 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  
1158 from a project area.
- 1159 (7) The provisions of this section apply regardless of when the agency or project area is  
1160 created.
- 1161 (8) On or before September 1 of each year, the office shall prepare and submit an annual  
1162 written report to the Political Subdivisions Interim Committee that identifies the  
1163 agencies that complied and the agencies that failed to comply with the reporting  
1164 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  
1166 the information that an agency is required to submit under Subsection (4), the office  
1167 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  
1170 describing the agency's noncompliance.
- 1171 (b) If the office does not receive a report an agency is required to submit under  
1172 Subsection (5), the office shall refer the noncompliant agency to the state auditor for  
1173 review.
- 1174 (c) If, for two consecutive years, the office does not receive information an agency is  
1175 required to submit under Subsection (4):
- 1176 (i) the office shall, no later than July 31 of the second consecutive year, notify the  
1177 auditor and treasurer of the county in which the noncompliant agency is located of  
1178 the agency's noncompliance; and
- 1179 (ii) upon receiving the notice described in Subsection (9)(c)(i), the county treasurer  
1180 shall withhold from the agency 20% of the amount of tax increment the agency is  
1181 otherwise entitled to receive.
- 1182 (d) If, after having funds withheld under Subsection (9)(c)(ii), an agency complies with

- 1183 Subsection (4):
- 1184 (i) the office shall notify the county auditor and treasurer that the agency has
- 1185 complied with the requirement of Subsection (4); and
- 1186 (ii) the county treasurer shall disburse the withheld funds to the agency.

1187 Section 13. Section **17C-6-101** is enacted to read:

1188 **CHAPTER 6. Regionally Significant Development Zones Act**

1189 **Part 1. General Provisions**

1190 **17C-6-101 . Definitions.**

1191 As used in this chapter:

- 1192 (1) "Creating entity" means the political subdivision that proposes and receives approval for
- 1193 the creation of a zone under Title 63N, Chapter 3a, Part 2, Creation of Regionally
- 1194 Significant Development Zones.
- 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,
- 1198 Infrastructure Financing District; or
- 1199 (b) a public infrastructure district created under Title 17D, Chapter 4, Public
- 1200 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" means the same as that term is defined in Section
- 1203 63N-3a-101.
- 1204 (6) "Proposal" means the document approved by a committee as described in Title 63N,
- 1205 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.
- 1206 (7) "Zone" means a regionally significant development zone created under Title 63N,
- 1207 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.

1208 Section 14. Section **17C-6-102** is enacted to read:

1209 **17C-6-102 . 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
- 1211 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

- 1216 by entering into an interlocal agreement as described in Section 63N-3a-202, the  
 1217 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.
- 1222 (2) A proposal, along with conditions established by the committee that approved the  
 1223 proposal under 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  
 1225 the development 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  
 1228 the committee that approved the proposal to create the zone.
- 1229 (b) If the agency and creating entity determine a modification to the proposal is required  
 1230 to pursue the objectives of the zone, the creating entity shall submit a proposal to  
 1231 modify the regionally significant development zone as described in Section  
 1232 63N-3a-208.

1233 Section 15. Section **17C-6-201** is enacted to read:

1234 **Part 2. Financing**

1235 **17C-6-201 . Energy tax -- Agency to study revenue generation options.**

- 1236 (1) A county that levies the county energy excise tax authorized by Title 59, Chapter 35,  
 1237 County Energy Excise Tax Act, may provide revenue generated by the county energy  
 1238 excise tax to an agency for use in a zone if the zone includes at least one high-impact  
 1239 consumer, as that term is defined in Section 59-35-101.
- 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.

1242 Section 16. Section **17C-6-202** is enacted to read:

1243 **17C-6-202 . 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;  
 1246 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.

1252 Section 17. Section **17C-6-203** is enacted to read:

1253 **17C-6-203 . Allowable uses of zone revenue.**

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

1260 to the State Reinvestment Restricted Account as described in Title 63N, Chapter 3a, Part

1261 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  
1271 venue; and

1272 (B) demolishing or remodeling an existing major sporting event venue, or portions  
1273 of a major sporting event venue;

1274 (viii) public infrastructure and improvements; and

1275 (ix) 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  
1278 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

1280 or part of the costs incurred for the purposes described in Subsection (2), including the

1281 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,

1283 and pledge and utilize zone funds to secure the payment of bonds issued by the created

1284 financing district.

1285 (5) In addition to the purposes described in Subsection (2), an agency may use zone  
1286 revenue to cover the costs of the agency to administer the zone, not to exceed:

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,  
1289 3% of the total annual zone revenue retained by the agency after providing zone  
1290 revenue pursuant to the participation agreement.

1291 (6) At the request of a creating entity, an agency shall reimburse the creating entity the cost  
1292 of conducting the pro forma analysis required for the proposal, as described in Section  
1293 63N-3a-202.

1294 (7) An agency may provide zone revenue to a person according to the terms of a  
1295 participation agreement or an agreement described in Section 17C-6-301.

1296 Section 18. Section **17C-6-301** is enacted to read:

1297 **Part 3. Partnership Agreements**

1298 **17C-6-301 . Private-public partnerships for a zone.**

1299 (1) A person that seeks to enter into a private-public partnership with an agency shall  
1300 provide the agency with an application that:

1301 (a) demonstrates the applicant is qualified to operate, in whole or in part, a project  
1302 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  
1306 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  
1309 may:

1310 (a) establish or recognize an ownership interest in the project for the person, in  
1311 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  
1313 entity, in consideration of the public's financial investment in the project; or

1314 (c) create a lease between the person and the agency.

1315 Section 19. Section **17C-6-401** is enacted to read:

1316 **Part 4. Budgets, Audits, and Reports**

1317 **17C-6-401 . Regionally significant development zone budgets.**

- 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.  
 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.

1324 Section 20. Section **17C-6-402** is enacted to read:

1325 **17C-6-402 . Audits -- County auditor reports.**

- 1326 (1) An agency shall comply with the same auditing requirements that are described in  
 1327 Sections 17C-1-604 and 17C-1-605 in regard to the regionally significant development  
 1328 zone.  
 1329 (2) The county auditor for a county in which a zone is created shall prepare an annual report  
 1330 in accordance with Section 17C-1-606, the same as if the zone were a project area.

1331 Section 21. Section **17C-6-403** is enacted to read:

1332 **17C-6-403 . Reporting.**

- 1333 (1) Beginning the second year after the effective date of a zone, an agency shall produce a  
 1334 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  
 1337 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  
 1343 Subdivisions Interim Committee.  
 1344 (4) The report described in this section is in addition to the reporting requirements  
 1345 described in Section 17C-1-603.

1346 Section 22. Section **17C-6-404** is enacted to read:

1347 **17C-6-404 . Use of financing district.**

1348 If an agency creates or utilizes a financing district to fulfill one or more objectives of the  
 1349 zone, the agency and the creating entity shall ensure that the financing district complies with  
 1350 the same budgeting, auditing, and reporting requirements described in this part, the same as if

1351 the financing district were the agency.

1352 Section 23. Section **17D-4-201** is amended to read:

1353 **17D-4-201 . Creation -- Annexation or withdrawal of property.**

1354 (1)(a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the  
 1355 provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions  
 1356 Applicable to All Special Districts, a public infrastructure district may not be created  
 1357 unless a petition is filed with the creating entity that contains the signatures of 100%  
 1358 of surface property owners within the applicable area consenting to the creation of  
 1359 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  
 1364 any other provision of this chapter, a development authority may adopt a  
 1365 resolution creating a public infrastructure district if all owners of surface property  
 1366 proposed to be included within the public infrastructure district consent in writing  
 1367 to the creation of the public infrastructure district.

1368 (iii) For purposes of Subsection (1)(b)(ii), if the surface property proposed to be  
 1369 included within the public infrastructure district includes military land that is  
 1370 within a project area, the owner of the military land within the project area is the  
 1371 lessee of the military land.

1372 (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created  
 1373 as a subsidiary of the development authority that adopts the resolution creating the  
 1374 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  
 1382 part with the consent of 100% of the surface property owners within the applicable  
 1383 area approving the creation of the public infrastructure district.

1384 (c) If the protest period is waived under Subsection (2)(b), a resolution approving the

- 1385 creation of the public infrastructure district may be adopted in accordance with  
 1386 Subsection 17B-1-213(5).
- 1387 (d) A petition meeting the requirements of Subsection (1) may be certified under Section  
 1388 17B-1-209.
- 1389 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the  
 1390 items required by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30  
 1391 days of the day on which a resolution creating a public infrastructure district is  
 1392 adopted.
- 1393 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the  
 1394 boundaries of a public infrastructure district may be annexed into the public  
 1395 infrastructure district if the following requirements are met:
- 1396 [~~(a)(i) adoption of resolutions of the board and the creating entity, each approving of~~  
 1397 ~~the annexation; or]~~
- 1398 [~~(ii) adoption of a resolution of the board to annex the area, provided that the~~  
 1399 ~~governing document or creation resolution for the public infrastructure district~~  
 1400 ~~authorizes the board to annex an area outside of the boundaries of the public~~  
 1401 ~~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  
 1404 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  
 1406 100% of surface property owners within the [area proposed to be annexed] proposed  
 1407 annexation area, demonstrating the surface property owners' consent to the  
 1408 annexation into the public infrastructure district[-] ;
- 1409 (d) if the creating entity is a county or municipality and the proposed annexation area is  
 1410 outside the boundaries of the creating entity:
- 1411 (i) for an area that is unincorporated, the legislative body of the county where the  
 1412 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  
 1414 the municipality where the area is located adopts a resolution approving the  
 1415 annexation; and
- 1416 (e) the proposed annexation area is contiguous to the area inside the boundaries of the  
 1417 public infrastructure district.
- 1418 (4)(a) Notwithstanding Title 17B, Chapter 1, Part 5, Withdrawal, property may be

- 1419 withdrawn from a public infrastructure district if the following requirements are met:
- 1420 (i)(A) adoption of resolutions of the board and the creating entity, each approving  
1421 of the withdrawal; or
- 1422 (B) adoption of a resolution of the board to withdraw the property, provided that  
1423 the governing document or creation resolution for the public infrastructure  
1424 district authorizes the board to withdraw property from the public  
1425 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  
1427 of 100% of surface property owners within the area proposed to be withdrawn,  
1428 demonstrating that the surface property owners consent to the withdrawal from the  
1429 public infrastructure district.
- 1430 (b) If any bonds that the public infrastructure district issues are allocable to the area to  
1431 be withdrawn remain unpaid at the time of the proposed withdrawal, the property  
1432 remains subject to any taxes, fees, or assessments that the public infrastructure  
1433 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  
1436 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  
1438 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;  
1440 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  
1445 through the governing document.
- 1446 (6)(a) A public infrastructure district is separate and distinct from the creating entity.
- 1447 (b)(i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the  
1448 cost of accounting, audit reporting, and budget preparation, of a public  
1449 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,  
1452 county, or other political subdivision.

- 1453 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing  
1454 document may require:
- 1455 (A) the district applicant to bear the initial costs of the public infrastructure  
1456 district; and
- 1457 (B) the public infrastructure district to reimburse the district applicant for the  
1458 initial costs the creating entity bears.
- 1459 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from  
1460 qualifying directly for an impact fee offset, credit, or refund under Title 11,  
1461 Chapter 36a, Impact Fees Act, regarding any qualifying system improvements  
1462 financed by the public infrastructure district.
- 1463 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure  
1464 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  
1467 state, or any municipality, county, or other political subdivision.
- 1468 (d)(i)(A) The public infrastructure district solely bears the responsibility of any  
1469 collection, enforcement, or foreclosure proceeding with regard to any fee or  
1470 assessment the public infrastructure district imposes.
- 1471 (B) The creating entity does not bear the responsibility described in Subsection  
1472 (6)(d)(i)(A).
- 1473 (ii) A public infrastructure district, and not the creating entity, shall undertake the  
1474 enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in  
1475 accordance with Title 11, Chapter 42, Assessment Area Act.
- 1476 (7) A creating entity may establish criteria in determining whether to approve or disapprove  
1477 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
- 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  
1484 the creating entity responsible for approving or rejecting the creation of the public  
1485 infrastructure district.
- 1486 (b) The proposed creating entity bears no liability for rejecting the proposed creation of

1487 a public infrastructure district.

1488 Section 24. Section **17D-4-202** is amended to read:

1489 **17D-4-202 . Public infrastructure district board -- Governing document.**

1490 (1)(a) The legislative body or board of the creating entity shall [~~appoint the initial~~  
1491 ~~members of the board of a public infrastructure district, in accordance with the~~  
1492 ~~governing document.] approve the governing document for the public infrastructure  
1493 district through resolution.~~

1494 (b) A governing document [~~approved by the legislative body or board of the creating~~  
1495 ~~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  
1498 incorporation for the public infrastructure district, members of the board may be  
1499 appointed in accordance with the terms of the governing document and this  
1500 section; and

1501 (iii) may provide for the board of a public infrastructure district to, upon a vacancy  
1502 on the board and subject to Subsection (4), appoint an individual to the board so  
1503 long as the individual meets the requirements to serve on a public infrastructure  
1504 district board described in this section.

1505 [~~e) For public infrastructure districts not described in Subsection (1)(b), and except as~~  
1506 ~~provided in Subsection (1)(d):]~~

1507 [(i) ~~if there is a vacancy on the board of a public infrastructure district, or a board~~  
1508 ~~member provides notice to the legislative body or board of the creating entity of~~  
1509 ~~the board member's intention to resign from the board, the legislative body or~~  
1510 ~~board of the creating entity shall appoint a replacement board member within 45~~  
1511 ~~days from the day on which the vacancy first occurs or the board member~~  
1512 ~~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~~  
1514 ~~board within the time period described in Subsection (1)(e)(i), the board of the~~  
1515 ~~public infrastructure district may appoint an individual who is eligible to serve on~~  
1516 ~~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  
1518 appointment to election, as described in Subsection (4), and an elected board position  
1519 becomes vacant, the [~~provisions of Section 20A-1-512 apply to fill the vacancy]~~  
1520 vacant board position shall be filled through the remainder of the term in the method

- 1521 provided in the governing document.
- 1522 (2)(a) Unless otherwise limited in the governing document and except as provided in  
1523 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  
1525 board shall serve a six-year term so that, after the expiration of the initial term, the  
1526 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  
1530 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  
1532 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  
1534 requirement in the petition requesting the creation of the public infrastructure  
1535 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;  
1538 or
- 1539 (iv) no qualified individual files a declaration of candidacy for a board position in  
1540 accordance with Subsection 17B-1-306(5).
- 1541 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the  
1542 residency requirement in Subsection 17B-1-302(1)(b) is applicable to any board  
1543 member elected for a division or board position that has transitioned from an  
1544 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  
1546 district may not serve as a board member unless the individual is:
- 1547 (i) an owner of land or an agent or officer of the owner of land within the boundaries  
1548 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  
1551 anticipated to have permanent residents within the public infrastructure district's  
1552 boundaries, or is anticipated to be primarily composed of non-residential property or  
1553 non-primary residential property, a governing document may allow the [~~creating~~  
1554 ~~entity to continue~~] board to appoint a property owner, or the agent of a property

1555 owner, to the public infrastructure district board.

1556 (e) A governing document may allow for a property owner to recommend a property  
1557 owner or a property owner's agent for appointment to the public infrastructure district  
1558 board in numbers proportional to the property owner's ownership of land, or value of  
1559 land, within a public infrastructure district.

1560 (4)(a) A governing document may provide for a transition from [~~legislative body~~]  
1561 appointment under Subsection (1) to a method of election by registered voters based  
1562 upon milestones or events that the governing document identifies, including a  
1563 milestone for each division or individual board position providing that when the  
1564 milestone is reached:

1565 (i) for a division, the registered voters of the division elect a member of the board in  
1566 place of an appointed member at the next municipal general election for the board  
1567 position; or

1568 (ii) for an at large board position established in the governing document, the  
1569 registered voters of the public infrastructure district elect a member of the board in  
1570 place of an appointed member at the next municipal general election for the board  
1571 position.

1572 (b) Regardless of whether a board member is elected under Subsection (4)(a), the  
1573 position of each remaining board member shall continue to be appointed under  
1574 Subsection (1) until the member's respective division or board position surpasses the  
1575 density milestone described in the governing document.

1576 (5)(a) [~~Subject to Subsection (5)(e), the~~] For a public infrastructure district that has  
1577 transitioned to a method of election as described in Subsection (4), the board may, in  
1578 the board's discretion but no more frequently than every four years, reestablish the  
1579 boundaries of each division so that each division that has reached a milestone  
1580 specified in the governing document, as described in Subsection (4)(a), has, as nearly  
1581 as possible, the same number of eligible voters.

1582 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall  
1583 consider existing or potential developments within the divisions that, when  
1584 completed, would increase or decrease the number of eligible voters within the  
1585 division.

1586 [~~The governing document may prohibit the board from reestablishing, without the~~  
1587 ~~consent of the creating entity, the division boundaries as described in Subsection~~  
1588 ~~(5)(a).]~~

- 1589 (6) A public infrastructure district may not compensate a board member for the member's  
 1590 service on the board under Section 17B-1-307 unless the board member is a resident  
 1591 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  
 1597 district;
- 1598 (e) establish any applicable limitation on the principal amount of indebtedness for the  
 1599 public infrastructure district;
- 1600 (f) describe the public infrastructure and improvements, facilities, or properties that the  
 1601 public infrastructure district is created to facilitate or develop, as described in Section  
 1602 17D-4-203; and
- 1603 [(f)] (g) include other information that the public infrastructure district or the creating  
 1604 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  
 1606 creating entity may amend a governing document by each adopting a resolution that  
 1607 approves the amended governing document.
- 1608 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy  
 1609 rate limitation requires the consent of 100% of surface property owners within the  
 1610 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 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8  
 1613 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  
 1617 and any parameters described in the governing document.
- 1618 (10) Notwithstanding any other provision of this section, the governing document governs  
 1619 the number, appointment, eligibility for appointment, and terms of board members of a  
 1620 public infrastructure district created by the development authority.
- 1621 Section 25. Section **17D-4-202.1** is amended to read:
- 1622 **17D-4-202.1 . Convention center public infrastructure -- District board --**

1623 **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  
1626 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  
1629 infrastructure district that leases the property from the city or county for a term of at  
1630 least 10 years.

1631 (d)(i) "Petitioner" means:

1632 (A) a surface property owner, a property owner, or lessee of property within a  
1633 proposed convention center public infrastructure district's boundaries that  
1634 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,  
1636 Provisions Applicable to All Special Districts, in relation to a convention  
1637 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  
1640 submission of a petition in accordance with this part and shall have all the powers of a  
1641 public infrastructure district under this chapter.

1642 (3) A convention center public infrastructure district may only be created within a city in  
1643 which a convention center is located.

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  
1647 in Section 63N-3-1403, include as part of the governing document approval and  
1648 authorization of an interlocal agreement pledging and securing the revitalization  
1649 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  
1651 convention center public infrastructure district in a capital city shall be initiated by  
1652 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  
1654 petitioner submits the petition to the city recorder;

1655 (ii) if the city recorder fails to certify the petition within the time described in  
1656 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  
1658 recorder, or if the city and the petitioner have come to an agreement as described  
1659 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  
1662 convention center public infrastructure district in a capital city.
- 1663 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized  
1664 terms of the petition, including the terms of an interlocal agreement, within a time  
1665 period agreed upon by the city and petitioner.
- 1666 (6)(a) The boundaries of a convention center public infrastructure district shall be  
1667 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  
1669 may be included in the district.
- 1670 (7) A convention center public infrastructure district shall be subject to the following  
1671 provisions regarding taxation and financing:
- 1672 (a) a convention center public infrastructure district may levy an administrative tax of up  
1673 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  
1675 not be used for capital costs or debt payment.
- 1676 (8) A convention center public infrastructure district shall be governed by the governing  
1677 document submitted and approved as described in this section.
- 1678 (9) The convention center public infrastructure board shall consist of five members to be  
1679 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  
1682 city; and  
1683 (c) one member may be a representative of the county and selected by the mayor of the  
1684 county.
- 1685 (10)(a) Except as provided in Subsection (10)(b), upon a vacancy or expiration of a term  
1686 of a board member for a convention center public infrastructure district, the board  
1687 shall appoint the replacement in the same manner as described in Subsection (9) for  
1688 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  
1690 Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or

1691 chooses to vacate a member at any time, the petitioner shall select a member for the  
 1692 replacement who shall not be a representative of the city or county in which the  
 1693 convention center is located.

1694 (11)(a) A convention center public infrastructure district shall enter into an interlocal  
 1695 agreement with the relevant county that provides that, for any revenue that is  
 1696 transferred to the convention center public infrastructure district from a convention  
 1697 center reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter  
 1698 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall  
 1699 have approval authority for the expenditure of any revenue related to a convention  
 1700 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  
 1702 authority over:

1703 (i) any bonds or debt or related terms issued by the convention center public  
 1704 infrastructure district; or

1705 (ii) revenue subject to a participation agreement entered into pursuant to Title 63N,  
 1706 Chapter 3, Part 14, Capital City Revitalization Zone.

1707 Section 26. Section **17D-4-203** is amended to read:

1708 **17D-4-203 . Public infrastructure district powers.**

1709 (1) A public infrastructure district has all of the authority conferred upon a special district  
 1710 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  
 1714 extending any of the improvements, facilities, or property allowed under Section  
 1715 11-14-103;

1716 (ii) capital costs of improvements in an energy assessment area, as defined in Section  
 1717 11-42a-102, and other related costs, against the funds that the public infrastructure  
 1718 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

1722 transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and

1723 Transit Reinvestment Zone Act, any and all costs to finance any public or

1724 privately owned improvements, which, in the discretion of the board of the public

- 1725 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
- 1728 Inland Port Authority, the costs associated with a remediation project, as defined
- 1729 in Section 11-58-102;
- 1730 (viii) for a convention center public infrastructure district that is within or adjacent to
- 1731 a convention center reinvestment zone as defined in Section 63N-3-602, any or all
- 1732 of the costs to finance any public or privately owned improvements, including
- 1733 convention center-related improvements and arena improvements, which, in the
- 1734 discretion of the board of a convention center public infrastructure district,
- 1735 promote the objectives of the convention center reinvestment zone, as described in
- 1736 Section 63N-3-603.1;
- 1737 (ix) for a convention center public infrastructure district, the costs of financing a
- 1738 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
- 1740 or adjacent to a convention center reinvestment zone in a capital city, as defined in
- 1741 Section 63N-3-602, any or all of the costs to financing any publicly owned
- 1742 improvements, including the cost of financing a convention center revitalization
- 1743 project in a capital city, as defined in Section 63N-3-602, convention
- 1744 center-related improvements, and publicly or privately owned improvements that
- 1745 directly serve the convention center, which, in the discretion of the board of the
- 1746 convention center public infrastructure district in a capital city, promote the
- 1747 objectives of the convention center reinvestment zone in a capital city, as
- 1748 described in Section 63N-3-603.1; and
- 1749 (xi) for a convention center public infrastructure district in a capital city that is within
- 1750 a capital city revitalization zone project area, as defined in Section 63N-3-1401,
- 1751 any allowed uses of funds or revenue provided for under Section 59-12-402.5,
- 1752 including eligible expenses consistent with the terms of the participation
- 1753 agreement, except that a convention center public infrastructure district in a
- 1754 capital city may not issue negotiable bonds serviced by the revitalization tax under
- 1755 Section 59-12-402.5 for privately owned improvements for more than the
- 1756 maximum dollar amount described in the participation agreement.
- 1757 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal
- 1758 Cooperation Act, provided that the interlocal agreement may not expand the powers

- 1759 of the public infrastructure district, within the limitations of Title 11, Chapter 13,  
 1760 Interlocal Cooperation Act, without the consent of the creating entity;
- 1761 (c) notwithstanding any other provision in code, acquire completed or partially  
 1762 completed improvements, including related design and consulting services and  
 1763 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  
 1767 to perform the necessary engineering services for and to supervise the  
 1768 construction or installation of the improvements;
- 1769 (d) contract with the creating entity for the creating entity to provide administrative  
 1770 services on behalf of the public infrastructure district, when agreed to by both parties,  
 1771 in order to achieve cost savings and economic efficiencies, at the discretion of the  
 1772 creating entity;
- 1773 (e) for a public infrastructure district created by a development authority, or for a public  
 1774 infrastructure district created by a municipality and located in an urban renewal  
 1775 project area that includes some or all of an inactive industrial site:  
 1776 (i)(A) operate and maintain public infrastructure and improvements the district  
 1777 acquires or finances; and  
 1778 (B) use fees, assessments, or taxes to pay for the operation and maintenance of  
 1779 those public infrastructure and improvements; and  
 1780 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and
- 1781 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland  
 1782 Port Authority, pay for costs associated with a remediation project, as defined in  
 1783 Section 11-58-102, of the Utah Inland Port Authority.
- 1784 (3) A public infrastructure district created by the Utah Fairpark Area Investment and  
 1785 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  
 1787 defined in Section 11-70-101; and  
 1788 (b) pay for the cost of public infrastructure and improvements.
- 1789 Section 27. Section **17D-4-204** is amended to read:  
 1790 **17D-4-204 . Relation to other local entities.**  
 1791 (1) Notwithstanding the creation of a public infrastructure district, the creating entity and  
 1792 any other public entity, as applicable, retains all of the entity's authority over all zoning,

- 1793 planning, design specifications and approvals, and permitting within the public  
 1794 infrastructure district.
- 1795 (2) The inclusion of property within the boundaries of a public infrastructure district does  
 1796 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 (i) belongs to that public entity, regardless of inclusion within the boundaries of a  
 1799 public infrastructure district, unless the public infrastructure district and the public  
 1800 entity otherwise agree; and  
 1801 (ii) shall comply with the design, inspection requirements, and other standards of the  
 1802 public entity.
- 1803 (b) A public infrastructure district shall convey or transfer the infrastructure described in  
 1804 Subsection (3)(a) free of liens or financial encumbrances to the public entity at no  
 1805 cost to the public entity.
- 1806 (c) The conveyance, transfer, or dedication of infrastructure to a creating entity or a  
 1807 public entity in accordance with this section is not a financial benefit of the creating  
 1808 entity or public entity.
- 1809 (4)(a) No public entity or private person shall receive funds from any portion of a public  
 1810 infrastructure district's property tax revenue without a resolution of the public  
 1811 infrastructure district's board authorizing the public entity or private person to receive  
 1812 the funds.
- 1813 (b) Subsection (4)(a) does not apply to the county's expenses related to collecting  
 1814 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  
 1817 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,  
 1820 Article XI; or  
 1821 (iv) a provision of code related to the collection, distribution, or sharing of tax  
 1822 increment revenue, incremental property tax increases, or actions related to the  
 1823 collection, distribution, or sharing of tax increment revenue or incremental  
 1824 property tax increases.

1825 Section 28. Section **17D-4-401** is enacted to read:

1826 **Part 4. Dissolution**

1827 **17D-4-401 . District dissolution.**

1828 (1) A public infrastructure district, other than a public infrastructure district created by a  
 1829 development authority that provides ongoing services, shall be dissolved after:

1830 (a) all of the public infrastructure district's bonded indebtedness and contractual  
 1831 obligations are satisfied or defeased; and

1832 (b) the public infrastructure and improvements, facilities, or properties described in the  
 1833 governing document, as required in Section 17D-4-202 have been:

1834 (i) constructed, repaired, or otherwise completed; and

1835 (ii) transferred to the entity responsible for the maintenance and operation of the  
 1836 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

1839 within 30 days of the day on which the requirements of Subsection (1) are met; and

1840 (b) notify the lieutenant governor of the dissolution.

1841 (3) Upon the lieutenant governor's issuance of a certificate of dissolution under Section  
 1842 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  
 1846 county, submit to the recorder of that county the original and a certified copy of  
 1847 the resolution described in Subsection (2)(a); or

1848 (ii) if the public infrastructure district was located within the boundaries of more than  
 1849 a single county:

1850 (A) submit to the recorder of one of those counties the original certificate of

1851 dissolution and a certified copy of the resolution described in Subsection (2)(a);

1852 and

1853 (B) submit to the recorder of each other county a certified copy of the certificate

1854 of dissolution and a certified copy of the resolution described in Subsection

1855 (2)(a).

1856 Section 29. Section **51-9-1001** is enacted to read:

1857 **Part 10. State Reinvestment Restricted Account**

1858 **51-9-1001 . Definitions.**

1859 As used in this part:

1860 (1) "Account" means the State Reinvestment Restricted Account created in Section

1861 51-9-1002.

1862 (2) "Generational water infrastructure" means physical facilities or other physical assets  
 1863 designed to meet generational demands for water.

1864 Section 30. Section **51-9-1002** is enacted to read:

1865 **51-9-1002 . State Reinvestment Restricted Account created.**

1866 (1) There is created within the General Fund a restricted account known as the "State  
 1867 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  
 1871 Zones; and

1872 (ii) Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy  
 1873 Implications;

1874 (b) revenue deposited into the account by the Utah Inland Port Authority in accordance  
 1875 with Sections 11-58-602 and 11-58-607;

1876 (c) revenue deposited into the account in accordance with Subsection 59-1-306(8); and

1877 (d) 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,  
 1879 State Money Management Act, except that interest or other earnings derived from those  
 1880 investments shall be deposited into the account.

1881 Section 31. Section **51-9-1003** is enacted to read:

1882 **51-9-1003 . 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,  
 1887 Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;

1888 (d) regionally significant transit development and regionally significant transit  
 1889 infrastructure; and

1890 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy  
 1891 Act.

1892 (2) Money in the account that is derived from a local source may not be used in an area  
 1893 outside the area in which the money was generated unless the money is used for a  
 1894 purpose described in Subsection (1).

1895 Section 32. Section **57-1-49** is enacted to read:

1896 **57-1-49 . Disclosure of annual assessment to a public infrastructure district.**

1897 (1) As used in this section, "public infrastructure district" means an entity created as  
1898 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  
1900 infrastructure district, a seller or the seller's representative shall ensure that the expected  
1901 annual cost of the public infrastructure district's final tax rate, as shown on the last  
1902 equalized assessment rolls, is included in a disclosure document at or before closing.

1903 Section 33. Section **59-1-306** is amended to read:

1904 **59-1-306 . Definition -- State Tax Commission Administrative Charge Account --**  
1905 **Amount of administrative charge -- Deposit of revenue into the restricted account --**  
1906 **Interest deposited into General Fund -- Expenditure of money deposited into the**  
1907 **restricted account.**

1908 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the  
1909 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  
1915 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 Tax Act;

1921 [~~(j)~~] (k) Section 63H-1-205;

1922 [~~(k)~~] (l) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act; [~~(l)~~]

1923 [~~(l)~~] (m) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service  
1924 Charges; or

1925 [~~(m)~~] (n) Title 79, Chapter 6, [~~Part 14~~] Part 14, Energy Project Assessment.

1926 (2) There is created a restricted account within the General Fund known as the "State Tax  
1927 Commission Administrative Charge Account."

1928 (3) Subject to the other provisions of this section, the restricted account shall consist of

1929 administrative charges the commission retains and deposits in accordance with this  
 1930 section.

1931 (4) For purposes of this section, the administrative charge is a percentage of revenue the  
 1932 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser  
 1933 of:

1934 (a) 1.5%; or

1935 (b) an equal percentage of revenue the commission collects from each qualifying tax,  
 1936 fee, or charge sufficient to cover the cost to the commission of administering the  
 1937 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  
 1941 from the restricted account to administer qualifying taxes, fees, or charges or to offset  
 1942 general operational expenses.

1943 (8) If the administrative charge set by the commission is calculated under Subsection (4)(b),  
 1944 then the commission shall deposit the amount of revenue that equals the difference  
 1945 between the administrative charge that could be charged under Subsection (4)(a) and  
 1946 what is being charged under Subsection (4)(b) into the State Reinvestment Restricted  
 1947 Account created in Section 51-9-1002.

1948 Section 34. Section **59-2-924** is amended to read:

1949 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**  
 1950 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**  
 1951 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**  
 1952 **commission.**

1953 (1) As used in this section:

1954 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with  
 1955 this chapter.

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  
 1961 semiconductor manufacturing equipment assessed by a county assessor in  
 1962 accordance with Part 3, County Assessment.

- 1963 (b) "Adjusted tax increment" means the same as that term is defined in Section  
 1964 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  
 1967 accordance with Part 3, County Assessment, for the current year;  
 1968 (B) the aggregate taxable value of all real and personal property the commission  
 1969 assesses in accordance with Part 2, Assessment of Property, for the current  
 1970 year; and  
 1971 (C) the aggregate year end taxable value of all personal property a county assessor  
 1972 assesses in accordance with Part 3, County Assessment, contained on the prior  
 1973 year's tax rolls of the taxing entity.
- 1974 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate  
 1975 year end taxable value of personal property that is:  
 1976 (A) semiconductor manufacturing equipment assessed by a county assessor in  
 1977 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  
 1981 in Section 11-58-102;  
 1982 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
 1983 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  
 1985 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  
 1987 defined in Section 17C-1-102;  
 1988 (v) for an authority created under Section 63H-1-201, the same as that term is defined  
 1989 in Section 63H-1-102;  
 1990 (vi) for a host local government, the same as that term is defined in Section  
 1991 63N-2-502;  
 1992 (vii) for a housing and transit reinvestment zone or convention center reinvestment  
 1993 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
 1994 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  
 1996 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,

- 1997 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown  
 1998 upon the assessment roll last equalized during the base year, as that term is  
 1999 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,  
 2001 First Home Investment Zone Act, a property's taxable value as shown upon the  
 2002 assessment roll last equalized during the base year, as that term is defined in  
 2003 Section 63N-3-1601;
- 2004 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
 2005 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown  
 2006 upon the assessment roll last equalized during the property tax base year, as that  
 2007 term is defined in Section 63N-3-1701;~~[or]~~
- 2008 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
 2009 value of the property within an electrical energy development zone, as shown on  
 2010 the assessment roll last equalized before the creation of the electrical development  
 2011 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,  
 2013 the taxable value of the property within a regionally significant development zone  
 2014 boundary, as shown on the assessment roll last equalized during the base year, as  
 2015 that term is defined in Section 63N-3a-101.
- 2016 (e) "Centrally assessed benchmark value" means an amount equal to the average year  
 2017 end taxable value of real and personal property the commission assesses in  
 2018 accordance with Part 2, Assessment of Property, for the previous three calendar  
 2019 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  
 2022 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  
 2024 prescribed by the Legislature, a court, or the commission in an administrative rule  
 2025 or administrative order.
- 2026 (f) "Centrally assessed industry" means the following industry classes the commission  
 2027 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  
 2049 for each centrally assessed industry, adjusted for prior year end incremental  
 2050 value, from the taxable value of real and personal property the commission  
 2051 assesses in accordance with Part 2, Assessment of Property, for each centrally  
 2052 assessed industry for the current year, adjusted for current year incremental  
 2053 value.

2054 (ii) "Centrally assessed new growth" does not include a change in value for a  
 2055 centrally assessed industry as a result of a change in the method of apportioning  
 2056 the value prescribed by the Legislature, a court, or the commission in an  
 2057 administrative rule or administrative order.

2058 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property  
 2059 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  
 2061 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
- 2069 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
- 2072 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
- 2074 63N-2-502.
- 2075 (o) "Incremental value" means:
- 2076 (i) for an authority created under Section 11-58-201, the amount calculated by
- 2077 multiplying:
- 2078 (A) the difference between the taxable value and the base taxable value of the
- 2079 property that is located within a project area and on which property tax
- 2080 differential is collected; and
- 2081 (B) the number that represents the percentage of the property tax differential that
- 2082 is paid to the authority;
- 2083 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2084 an amount calculated by multiplying:
- 2085 (A) the difference between the current assessed value of the property and the base
- 2086 taxable value; and
- 2087 (B) the number that represents the percentage of the property tax augmentation, as
- 2088 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 2089 Land Authority;
- 2090 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2091 11-70-201, the amount calculated by multiplying:
- 2092 (A) the difference between the taxable value for the current year and the base
- 2093 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,
- 2095 as defined in Section 11-70-101;
- 2096 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
- 2097 multiplying:
- 2098 (A) the difference between the taxable value and the base taxable value of the

- 2099 property located within a project area and on which tax increment is collected;  
2100 and
- 2101 (B) the number that represents the adjusted tax increment from that project area  
2102 that is paid to the agency;
- 2103 (v) for an authority created under Section 63H-1-201, the amount calculated by  
2104 multiplying:
- 2105 (A) the difference between the taxable value and the base taxable value of the  
2106 property located within a project area and on which property tax allocation is  
2107 collected; and
- 2108 (B) the number that represents the percentage of the property tax allocation from  
2109 that project area that is paid to the authority;
- 2110 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
2111 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit  
2112 Reinvestment Zone Act, an amount calculated by multiplying:
- 2113 (A) the difference between the taxable value and the base taxable value of the  
2114 property that is located within a housing and transit reinvestment zone or  
2115 convention center reinvestment zone and on which tax increment is collected;  
2116 and
- 2117 (B) the number that represents the percentage of the tax increment that is paid to  
2118 the housing and transit reinvestment zone or convention center reinvestment  
2119 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  
2122 hotel property on which incremental property tax revenue is collected; and
- 2123 (B) the number that represents the percentage of the incremental property tax  
2124 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  
2126 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
2127 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  
2129 property that is located within a home ownership promotion zone and on which  
2130 tax increment is collected; and
- 2131 (B) the number that represents the percentage of the tax increment that is paid to  
2132 the home ownership promotion zone;

- 2133 (ix) for a first home investment zone created in accordance with Title 63N, Chapter  
 2134 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  
 2136 property that is located within a first home investment zone and on which tax  
 2137 increment is collected; and  
 2138 (B) the number that represents the percentage of the tax increment that is paid to  
 2139 the first home investment zone;
- 2140 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with  
 2141 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount  
 2142 calculated by multiplying:  
 2143 (A) the difference between the taxable value and the base taxable value of the  
 2144 property located within a qualified development zone for a major sporting  
 2145 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  
 2147 major sporting event venue zone, as approved by a major sporting event venue  
 2148 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 2149 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
 2150 amount calculated by multiplying:  
 2151 (A) the difference between the taxable value and the base taxable value of the  
 2152 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  
 2154 community reinvestment agency and the Electrical Energy Development  
 2155 Investment Fund created in Section 79-6-1105~~[-]~~ ; or
- 2156 (xii) for a regionally significant development zone created under Section 63N-3a-203,  
 2157 the amount calculated by multiplying:  
 2158 (A) the difference between the taxable value and the base taxable value of the  
 2159 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  
 2161 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 (B) the amount calculated by subtracting the year end taxable value of real  
 2165 property the county assessor assesses in accordance with Part 3, County  
 2166 Assessment, for the previous year, adjusted for prior year end incremental

- 2167 value from the taxable value of real property the county assessor assesses in  
 2168 accordance with Part 3, County Assessment, for the current year, adjusted for  
 2169 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,  
 2172 or another adjustment;
- 2173 (B) assessed value based on whether a property is allowed a residential exemption  
 2174 for a primary residence under Section 59-2-103;
- 2175 (C) assessed value based on whether a property is assessed under Part 5, Farmland  
 2176 Assessment Act; or
- 2177 (D) assessed value based on whether a property is assessed under Part 17, Urban  
 2178 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  
 2181 in Section 11-58-102;
- 2182 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section  
 2183 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  
 2185 defined in Section 17C-1-102;
- 2186 (iv) for an authority created under Section 63H-1-201, the same as that term is  
 2187 defined in Section 63H-1-102;
- 2188 (v) for a housing and transit reinvestment zone or convention center reinvestment  
 2189 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
 2190 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,  
 2192 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
 2193 5, Home Ownership Promotion Zone, the same as that term is defined in Section  
 2194 10-21-101 or Section 17-80-101;
- 2195 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
 2196 First Home Investment Zone Act, the same as that term is defined in Section  
 2197 63N-3-1601;[~~or~~]
- 2198 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,  
 2199 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,  
 2200 as defined in Section 63N-3-1701[-] ; or

- 2201            (ix) for a regionally significant development zone created under Title 63N, Chapter  
 2202            3a, Part 2, Creation of Regionally Significant Development Zones, the qualified  
 2203            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  
 2206            incremental value that is no longer provided to an authority as property tax  
 2207            differential;
- 2208            (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
 2209            an amount equal to the incremental value that is no longer provided to the Point of  
 2210            the Mountain State Land Authority as property tax augmentation, as defined in  
 2211            Section 11-59-207;
- 2212            (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
 2213            11-70-201, an amount equal to the incremental value that is no longer provided to  
 2214            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  
 2216            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  
 2218            incremental value that is no longer provided to an authority as property tax  
 2219            allocation;
- 2220            (vi) for a housing and transit reinvestment zone or convention center reinvestment  
 2221            zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
 2222            Reinvestment Zone Act, an amount equal to the incremental value that is no  
 2223            longer provided to a housing and transit reinvestment zone or convention center  
 2224            reinvestment zone as tax increment;
- 2225            (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
 2226            Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
 2227            5, Home Ownership Promotion Zone, an amount equal to the incremental value  
 2228            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,  
 2230            First Home Investment Zone Act, an amount equal to the incremental value that is  
 2231            no longer provided to a first home investment zone as tax increment;[~~or~~]
- 2232            (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
 2233            17, Major Sporting Event Venue Zone Act, an amount equal to the incremental  
 2234            value that is no longer provided to the creating entity of a major sporting event

- 2235 venue zone as property tax increment[-] ; or
- 2236 (x) for a regionally significant development zone created under Title 63N, Chapter
- 2237 3a, Part 2, Creation of Regionally Significant Development Zones, an amount
- 2238 equal to the incremental value that is no longer provided to the creating entity's
- 2239 agency for the regionally significant development zone.
- 2240 (s) "Project area incremental revenue" means the same as that term is defined in Section
- 2241 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
- 2244 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
- 2247 in Section 17C-1-102;
- 2248 (ii) for a housing and transit reinvestment zone or convention center reinvestment
- 2249 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2250 Reinvestment Zone Act, the same as the term "property tax increment" is defined
- 2251 in Section 63N-3-602;
- 2252 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2253 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2254 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 2255 10-21-101 or Section 17-80-101;
- 2256 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 2257 First Home Investment Zone Act, the same as that term is defined in Section
- 2258 63N-3-1601;[-or]
- 2259 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 2260 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 2261 defined in Section 63N-3-1701[-] ; or
- 2262 (vi) for a regionally significant development zone created under Title 63N, Chapter
- 2263 3a, Part 2, Creation of Regionally Significant Development Zones, the same as the
- 2264 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
- 2266 the commission the following statements:
- 2267 (a) a statement containing the aggregate valuation of all taxable real property a county
- 2268 assessor assesses in accordance with Part 3, County Assessment, for each taxing

- 2269 entity; and
- 2270 (b) a statement containing the taxable value of all personal property a county assessor  
2271 assesses in accordance with Part 3, County Assessment, from the prior year end  
2272 values.
- 2273 (3) The county auditor shall, on or before June 8, transmit to the governing body of each  
2274 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  
2280 calculated by dividing the ad valorem property tax revenue that a taxing entity  
2281 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  
2283 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  
2288 determined by increasing or decreasing the amount calculated under Subsection  
2289 (4)(b)(i) by the average of the percentage net change in the value of taxable  
2290 property for the equalization period for the three calendar years immediately  
2291 preceding the current calendar year;
- 2292 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the  
2293 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  
2296 immediately preceding the current calendar year; and
- 2297 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an  
2298 amount determined by:
- 2299 (A) multiplying the percentage of property taxes collected for the five calendar  
2300 years immediately preceding the current calendar year by eligible new growth;  
2301 and
- 2302 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the

- 2303 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  
2305 as follows:
- 2306 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified  
2307 tax rate is zero;
- 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  
2310 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services  
2311 to Unincorporated Areas; and
- 2312 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
2313 purposes and such other levies imposed solely for the municipal-type services  
2314 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  
2316 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,  
2317 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in  
2318 Subsection (4) except that the commission shall treat the total revenue transferred to  
2319 the community reinvestment agency as ad valorem property tax revenue that the  
2320 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  
2322 imposed by that section, except that a certified tax rate for the following levies shall  
2323 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  
2326 administrative orders under Section 59-2-1602.
- 2327 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or  
2328 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy  
2329 one or more eligible judgments.
- 2330 (b) The ad valorem property tax revenue generated by a judgment levy described in  
2331 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate  
2332 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;  
2336 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 (iii) the taxable value of real and personal property the commission assesses in
- 2342 accordance with Part 2, Assessment of Property.
- 2343 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
- 2344 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
- 2347 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
- 2351 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
- 2353 electronic means on or before July 31, to a taxing entity and the Revenue and
- 2354 Taxation Interim Committee if:
- 2355 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 2356 taxable value of the real and personal property the commission assesses in
- 2357 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 2358 for prior year end incremental value; and
- 2359 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 2360 end taxable value of the real and personal property of a taxpayer the commission
- 2361 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
- 2363 subtracting the taxable value of real and personal property the commission assesses
- 2364 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 2365 current year incremental value, from the year end taxable value of the real and
- 2366 personal property the commission assesses in accordance with Part 2, Assessment of
- 2367 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
- 2369 subtracting the total taxable value of real and personal property of a taxpayer the
- 2370 commission assesses in accordance with Part 2, Assessment of Property, for the

2371 current year, from the total year end taxable value of the real and personal property of  
 2372 a taxpayer the commission assesses in accordance with Part 2, Assessment of  
 2373 Property, for the previous year.

2374 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the  
 2375 requirement under Subsection (9)(a)(ii).

2376 Section 35. Section **59-35-101** is enacted to read:

2377 **CHAPTER 35. County Energy Excise Tax Act**

2378 **59-35-101 . Definitions.**

2379 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  
 2383 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  
 2395 11-70-201.

2396 Section 36. Section **59-35-201** is enacted to read:

2397 **59-35-201 . County energy excise tax -- Rate -- Effective date -- Notice**

2398 **requirements.**

2399 (1) A county may levy an excise tax for the delivered value of energy upon a high-impact  
 2400 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

2404 Subsection (1) at a maximum rate of 6% of the delivered value of the energy to the

- 2405 high-impact consumer.
- 2406 (b) A high-impact consumer that qualifies as both a large load customer and a qualifying
- 2407 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
- 2409 for collecting and remitting a tax described in this section to the commission on a
- 2410 quarterly basis in the same manner that the energy supplier collects and remits sales
- 2411 and use tax.
- 2412 (b) For purposes of determining the point of sale for the delivered value of energy, the
- 2413 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
- 2415 high-impact consumer, the energy supplier shall indicate to the high-impact
- 2416 consumer that the tax is passed through by the energy supplier as a separately
- 2417 itemized charge.
- 2418 (4) A county that imposes or repeals the tax under this chapter, or modifies the rate of a tax
- 2419 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
- 2422 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
- 2425 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
- 2429 imposed by the county under Title 59, Chapter 12, Sales and Use Tax Act.
- 2430 Section 37. Section **59-35-202** is enacted to read:
- 2431 **59-35-202 . High-impact consumers in certain project areas.**
- 2432 If a high-impact consumer is subject to a municipal energy sales and use tax, as
- 2433 described in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, that is
- 2434 levied by a regional land use economic development authority, the county may levy a tax
- 2435 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
- 2437 maximum rate described in Section 10-1-304; and
- 2438 (2) at a rate that ensures the combined rate of the tax described in this section and the

2439 municipal energy sales and use tax levied on the high-impact consumer does not exceed  
 2440 6%.

2441 Section 38. Section **59-35-301** is enacted to read:

2442 **59-35-301 . Administration, collection, and enforcement -- Rulemaking.**

2443 (1) The commission shall administer, collect, and enforce a tax under this chapter in  
 2444 accordance with 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  
 2447 into the State 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  
 2450 Administrative 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  
 2453 high-impact consumer is the delivered value to the high-impact consumer, unless the  
 2454 sales price does not include some portion of the taxable energy or component of  
 2455 delivered value; and

2456 (b) establish one or more default methods for determining the delivered value one time  
 2457 per calendar year on or before January 31 for taxable energy when the commission  
 2458 determines that the sales price 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  
 2461 that are generally available in the marketplace for various grades or types of property  
 2462 and classes of services; and

2463 (b) may consider:

2464 (i) generally applicable tariffs for various classes of utility services approved by the  
 2465 Public Service 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.

2471 Section 39. Section **63N-3-604** is amended to read:

2472 **63N-3-604 . Process for a proposal of a housing and transit reinvestment zone --**

2473 **Analysis.**

- 2474 (1) [Subject-] On or before December 31, 2027, and subject to approval of the housing and  
2475 transit reinvestment zone committee as described in Section 63N-3-605, in order to  
2476 create a housing and transit reinvestment zone, a municipality or public transit county  
2477 that has general land use authority over the housing and transit reinvestment zone area,  
2478 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
    - 2481 the objectives described in Subsection 63N-3-603(1);
    - 2482 (ii) explains how the municipality or public transit county will achieve the
    - 2483 requirements of Subsection 63N-3-603(2)(a)(i);
    - 2484 (iii) defines the specific transportation infrastructure needs, if any, and proposed
    - 2485 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
      - 2489 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;
      - 2493 and
      - 2494 (C) existing zoning and proposed zoning changes related to the housing and transit
      - 2495 reinvestment zone;
    - 2496 (vi) identifies any development impediments that prevent the development from
    - 2497 being a market-rate investment, including proposed strategies and estimated
    - 2498 budgets for addressing each one;
    - 2499 (vii) describes the proposed development plan and estimated budgets, including the
    - 2500 requirements described in Subsections 63N-3-603(2) and (4);
    - 2501 (viii) establishes a base year and collection period to calculate the property tax
    - 2502 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
    - 2504 increment within the housing and transit reinvestment zone in accordance with
    - 2505 Section 63N-3-610;
    - 2506 (x) describes projected maximum revenues generated and the amount of property tax

- 2507 increment capture from each taxing entity and proposed expenditures of revenue  
2508 derived from the housing and transit reinvestment zone;
- 2509 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources  
2510 of revenue that can be used to reduce the finance gap;
- 2511 (xii) estimates budgets and evaluates possible benefits to active and public  
2512 transportation availability and impacts on air quality;
- 2513 (xiii) proposes a finance schedule to align expected revenue with required financing  
2514 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  
2518 could feasibly be developed absent the housing and transit reinvestment zone  
2519 property tax increment and the type of development that is proposed to be  
2520 developed with the housing and transit reinvestment zone property tax  
2521 increment; and
- 2522 (C) provides estimated budgets and construction costs, anticipated revenue,  
2523 financing, expenses, and other sources and uses of funds for the project area;  
2524 and
- 2525 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail  
2526 station, or bus rapid transit station that is proposed and not in public transit service  
2527 operation as of the date of submission of the proposal, demonstrates that the  
2528 proposed station is:
- 2529 (A) included as needed in phase one of a metropolitan planning organization's  
2530 adopted long-range transportation plan and in phase one of the relevant public  
2531 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  
2534 of Economic Opportunity.
- 2535 (2) As part of the proposal described in Subsection (1), a municipality or public transit  
2536 county shall study and evaluate possible impacts of a proposed housing and transit  
2537 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  
2539 Office of Economic Opportunity shall:
- 2540 (i) within 14 days after the date on which the Governor's Office of Economic

- 2541 Opportunity receives the proposal described in Subsection (1)(b), provide notice  
2542 of the proposal to all affected taxing entities, including the Tax Commission,  
2543 cities, counties, school districts, metropolitan planning organizations, and the  
2544 county assessor and county auditor of the county in which the housing and transit  
2545 reinvestment zone is located; and
- 2546 (ii) at the expense of the proposing municipality or public transit county as described  
2547 in Subsection (5), contract with an independent entity to perform the financial gap  
2548 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  
2552 or adjacent to the municipality or public transit county absent the proposed  
2553 housing and transit reinvestment zone;
- 2554 (iii) an evaluation of the proposal to and a determination of the adequacy and  
2555 efficiency of the proposal;
- 2556 (iv) an evaluation of the proposed increment capture needed to cover the enhanced  
2557 development costs associated with the housing and transit reinvestment zone  
2558 proposal and enable the proposed development to occur; and
- 2559 (v) based on the market analysis and other findings, an opinion relative to the  
2560 appropriate amount of potential public financing reasonably determined to be  
2561 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  
2563 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),  
2564 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  
2567 challenges in the administration of the proposal, or indicating that the Tax  
2568 Commission can feasibly administer the proposal.
- 2569 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
2570 municipality or public transit county proposing the housing and transit reinvestment  
2571 zone may:
- 2572 (a) amend the housing and transit reinvestment zone proposal based on the findings of  
2573 the analysis described in Subsection (3)(b) and request that the Governor's Office of  
2574 Economic Opportunity submit the amended housing and transit reinvestment zone

- 2575 proposal to the housing and transit reinvestment zone committee; or
- 2576 (b) request that the Governor's Office of Economic Opportunity submit the original
- 2577 housing and transit reinvestment zone proposal to the housing and transit
- 2578 reinvestment zone committee.
- 2579 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
- 2580 credit, up to \$20,000 from a municipality or public transit county for the costs of the
- 2581 gap analysis described in Subsection (3)(b).
- 2582 (b) The Governor's Office of Economic Opportunity may expend funds received from a
- 2583 municipality or public transit county as dedicated credits to pay for the costs
- 2584 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
- 2587 reinvestment zone;
- 2588 (ii) a municipality or public transit county may amend a housing and transit
- 2589 reinvestment zone proposal, as described in Subsection (4), if the proposal is
- 2590 pending review or approval on December 31, 2027; and
- 2591 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties
- 2592 described in Subsection (3) or (5) in regard to a proposal for a housing and transit
- 2593 reinvestment zone unless the proposal is pending review or approval on December
- 2594 31, 2027.
- 2595 (b) Subsection (6)(a) does not impact housing and transit reinvestment zones that are in
- 2596 existence on January 1, 2028.
- 2597 Section 40. Section **63N-3-605** is amended to read:
- 2598 **63N-3-605 . Housing and transit reinvestment zone committee -- Creation.**
- 2599 (1) ~~[For]~~ On or before December 31, 2027, for any housing and transit reinvestment zone
- 2600 proposed under this part, or for a first home investment zone proposed in accordance
- 2601 with Part 16, First Home Investment Zone Act, there is created a housing and transit
- 2602 reinvestment zone committee with membership described in Subsection (2).
- 2603 (2) Each housing and transit reinvestment zone committee shall consist of the following
- 2604 members:
- 2605 (a) one representative from the Governor's Office of Economic Opportunity, designated
- 2606 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
- 2608 transit reinvestment zone or first home investment zone, designated by the chief

- 2609 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
- 2613 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
- 2617 housing and transit reinvestment zone or first home investment zone;
- 2618 (i) two representatives designated by the school superintendent from the school district
- 2619 affected by the housing and transit reinvestment zone or first home investment zone;
- 2620 and
- 2621 (j) one representative, representing the largest participating local taxing entity, after the
- 2622 municipality, county, and school district.
- 2623 (3) The individual designated by the Governor's Office of Economic Opportunity as
- 2624 described in Subsection (2)(a) shall serve as chair of the housing and transit
- 2625 reinvestment zone committee.
- 2626 (4)(a) A majority of the members of the housing and transit reinvestment zone
- 2627 committee constitutes a quorum of the housing and transit reinvestment zone
- 2628 committee.
- 2629 (b) An action by a majority of a quorum of the housing and transit reinvestment zone
- 2630 committee is an action of the housing and transit reinvestment zone committee.
- 2631 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the
- 2632 analysis described in Section 63N-3-604, and after the Governor's Office of
- 2633 Economic Opportunity has received a request from the submitting municipality or
- 2634 public transit county to submit the housing and transit reinvestment zone proposal to
- 2635 the housing and transit reinvestment zone committee, the Governor's Office of
- 2636 Economic Opportunity shall notify each of the entities described in Subsection (2) of
- 2637 the formation of the housing and transit reinvestment zone committee.
- 2638 (b) For a first home investment zone, the housing and transit reinvestment zone
- 2639 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
- 2641 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

- 2643 52, Chapter 4, Open and Public Meetings Act.
- 2644 (7)(a) The proposing municipality or public transit county shall present the housing and  
2645 transit reinvestment zone proposal to the housing and transit reinvestment zone  
2646 committee in a public meeting.
- 2647 (b) The housing and transit reinvestment zone committee shall, for a housing and transit  
2648 reinvestment zone proposal:
- 2649 (i) evaluate and verify whether the elements of a housing and transit reinvestment  
2650 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  
2652 analysis described in Subsection 63N-3-604(2).
- 2653 (c) The housing and transit reinvestment zone committee shall, for a convention center  
2654 reinvestment zone proposal, evaluate and verify whether the objectives of a  
2655 convention center reinvestment zone described in Section 63N-3-603.1 have been  
2656 met.
- 2657 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee  
2658 may:
- 2659 (i)(A) for a housing and transit reinvestment zone, request changes to the housing  
2660 and transit reinvestment zone proposal based on the analysis, characteristics,  
2661 and criteria described in Section 63N-3-604; or
- 2662 (B) for a convention center reinvestment zone, request changes to the convention  
2663 center reinvestment zone proposal based on the characteristics and criteria  
2664 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  
2667 housing and transit reinvestment zone proposal, the municipality or public transit  
2668 county proposing the housing and transit reinvestment zone shall ensure that the area  
2669 of the proposed housing and transit reinvestment zone is zoned in such a manner to  
2670 accommodate the requirements of a housing and transit reinvestment zone described  
2671 in this section and the proposed development.
- 2672 (9) If a housing and transit reinvestment zone is approved by the committee:
- 2673 (a) the proposed housing and transit reinvestment zone is established according to the  
2674 terms of the housing and transit reinvestment zone proposal;
- 2675 (b) affected local taxing entities are required to participate according to the terms of the  
2676 housing and transit reinvestment zone proposal; and

- 2677 (c) each affected taxing entity is required to participate at the same rate.
- 2678 (10) A housing and transit reinvestment zone proposal may be amended by following the  
2679 same procedure as approving a housing and transit reinvestment zone proposal.
- 2680 (11)(a) The approval for a convention center reinvestment zone in a capital city may be  
2681 completed with a condition that the relevant municipality also create a public  
2682 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  
2684 limitations on use of funds is limited to the conditions described under Subsections  
2685 63N-3-604.1(2)(b) and (c).
- 2686 (12)(a) Beginning January 1, 2028, the committee may not approve a proposal for a  
2687 housing and transit reinvestment zone or a first home investment zone unless the  
2688 proposal was pending on December 31, 2027.
- 2689 (b) Housing and transit reinvestment zones that are in existence on January 1, 2028,  
2690 continue to exist and shall comply with the relevant requirements of this part until the  
2691 housing and transit reinvestment zone is dissolved.
- 2692 Section 41. Section **63N-3-1603** is amended to read:
- 2693 **63N-3-1603 . 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  
2695 transit reinvestment zone committee as described in Section 63N-3-1604, in order to  
2696 create a first home investment zone, a municipality that has general land use authority  
2697 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  
2700 objectives described in Subsection 63N-3-1602(1);
- 2701 (ii) explains how the municipality will achieve the requirements of Subsection  
2702 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

- 2711 density of the development of extraterritorial homes; and
- 2712 (C) existing zoning and proposed zoning changes related to the first home
- 2713 investment zone;
- 2714 (vii) identifies any development impediments that prevent the development from
- 2715 being a market-rate investment and proposed strategies for addressing each one;
- 2716 (viii) describes the proposed development plan, including the requirements described
- 2717 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
- 2720 increment capture from each taxing entity and proposed expenditures of revenue
- 2721 derived from the first home investment zone;
- 2722 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
- 2723 of revenue that can be used to reduce the finance gap;
- 2724 (xii) proposes a finance schedule to align expected revenue with required financing
- 2725 costs and payments;
- 2726 (xiii) evaluates possible benefits to active transportation, public transportation
- 2727 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
- 2731 could feasibly be developed absent the first home investment zone tax
- 2732 increment and the type of development that is proposed to be developed with
- 2733 the first home investment zone tax increment;
- 2734 (b) submit the proposal to the relevant school district to discuss the requirements of the
- 2735 proposal and whether the proposal provides the benefits and achieves the objectives
- 2736 described in this part; and
- 2737 (c) submit the first home investment zone proposal to the Governor's Office of
- 2738 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
- 2741 parking and efficient use of land within the municipality and first home investment
- 2742 zone; and
- 2743 (b) include in the first home investment zone proposal the findings of the study
- 2744 described in Subsection (2)(a) and proposed strategies to efficiently address parking

- 2745 impacts.
- 2746 (3)(a) After receiving the proposal as described in Subsection (1)(c), the Governor's  
2747 Office of Economic Opportunity shall:
- 2748 (i) within 14 days after the date on which the Governor's Office of Economic  
2749 Opportunity receives the proposal described in Subsection (1)(c), provide notice  
2750 of the proposal to all affected taxing entities, including the State Tax Commission,  
2751 cities, counties, school districts, metropolitan planning organizations, and the  
2752 county assessor and county auditor of the county in which the first home  
2753 investment zone is located; and
- 2754 (ii) at the expense of the proposing municipality as described in Subsection (5),  
2755 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)  
2758 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  
2762 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  
2764 of the proposal;
- 2765 (iv) an evaluation of the proposed tax increment capture needed to cover the system  
2766 improvements and project improvements associated with the first home  
2767 investment zone proposal and enable the proposed development to occur, and for  
2768 the benefit of affordable housing projects; and
- 2769 (v) based on the market analysis and other findings, an opinion relative to the  
2770 appropriate amount of potential public financing reasonably determined to be  
2771 necessary to achieve the objectives described in Subsection 63N-3-1602(1).
- 2772 (c) After receiving notice from the Governor's Office of Economic Opportunity of a  
2773 proposed first home investment zone as described in Subsection (3)(a)(i), the  
2774 municipality, in consultation with the county assessor and the State Tax Commission,  
2775 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  
2778 challenges in the administration of the proposal, or indicating that the county

2779 assessor can feasibly administer the proposal.

2780 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
2781 municipality proposing the first home investment zone may:

2782 (a) amend the first home investment zone proposal based on the findings of the analysis  
2783 described in Subsection (3)(b) and request that the Governor's Office of Economic  
2784 Opportunity submit the amended first home investment zone proposal to the housing  
2785 and transit reinvestment zone committee; or

2786 (b) request that the Governor's Office of Economic Opportunity submit the original first  
2787 home investment zone proposal to the housing and transit reinvestment zone  
2788 committee.

2789 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated  
2790 credit, up to \$20,000 from a municipality for the costs of the gap analysis described  
2791 in Subsection (3)(b).

2792 (b) The Governor's Office of Economic Opportunity may expend funds received from a  
2793 municipality as dedicated credits to pay for the costs associated with the gap analysis  
2794 described in Subsection (3)(b).

2795 (6)(a) Beginning January 1, 2028:

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

2797 (ii) a municipality may amend a first home investment zone proposal, as described in  
2798 Subsection (4), if the proposal was pending on December 31, 2027; and

2799 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties  
2800 described in Subsection (3) or (5) in regard to a proposal for a first home  
2801 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  
2803 exist and shall comply with the relevant requirements of this part until the housing  
2804 and transit reinvestment zone is dissolved.

2805 Section 42. Section **63N-3a-101** is enacted to read:

2806 **CHAPTER 3a. Coordination of Regional Economic Development Activity**

2807 **Part 1. General Provisions**

2808 **63N-3a-101 . Definitions.**

2809 As used in this chapter:

2810 (1) "Affordable housing" means:

2811 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy

- 2812 by households with a gross household income equal to or less than 80% of the county  
 2813 median gross income for households of the same size; or
- 2814 (b)(i) for homes that are owner occupied, housing that is priced at 80% of the county  
 2815 median home price; or
- 2816 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code  
 2817 median home price if:
- 2818 (A) the proposal demonstrates that a deviation from the county median home price  
 2819 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  
 2821 data.
- 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  
 2824 roll last equalized during the base year.
- 2825 (4) "Base year" means the calendar year:
- 2826 (a) in which the committee approves a regionally significant development zone; or  
 2827 (b) established by the committee in approving the regionally significant development  
 2828 zone, which shall be the year before property tax increment collection is triggered.
- 2829 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and  
 2830 efficient service that may include dedicated lanes, busways, traffic signal priority,  
 2831 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  
 2833 station, stop, or terminal that is specifically identified as needed in phase one of a  
 2834 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  
 2839 large public transit district.
- 2840 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public  
 2841 transit district.
- 2842 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed  
 2843 station, stop, or terminal, which has been specifically identified as needed in phase one  
 2844 of a metropolitan planning organization's adopted long-range transportation plan and in  
 2845 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  
2850 existing commuter rail station.
- 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  
2855 development and construction of uses that met the relevant objectives described in  
2856 Part 3, Specific Provisions for Certain Zones.
- 2857 (b) "Developable area" does not include portions of land within a zone intended for  
2858 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  
2866 individuals living together, as a single housekeeping unit, with cooking, living, sanitary,  
2867 and sleeping facilities.
- 2868 (13) "Enhanced development" means the construction of mixed uses including housing,  
2869 commercial, recreational, and related facilities.
- 2870 (14) "Enhanced development costs" means extra costs associated with structured parking  
2871 costs, vertical construction costs, horizontal construction costs, life safety costs,  
2872 structural costs, conveyor or elevator costs, and other costs incurred due to the increased  
2873 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  
2876 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  
2879 zone, a first home investment zone, or an area that could be included in a housing and

- 2880 transit reinvestment zone or a first home investment zone;
- 2881 (d) has not been issued a building permit by the municipality as of the date of the
- 2882 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,
- 2888 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 2889 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
- 2896 growth following the base year, if the public revenue is authorized for use by a
- 2897 committee.
- 2898 (22) "Large public transit district" means the same as that term is defined in Section
- 2899 17B-2a-802.
- 2900 (23) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 2901 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,
- 2906 stop, or terminal, which has been specifically identified as needed in phase one of a
- 2907 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
- 2911 63N-3-1701.
- 2912 (26) "Metropolitan planning organization" means the same as that term is defined in
- 2913 Section 72-1-208.5.

- 2914 (27) "Mixed use development" means development with a mix of:  
2915 (a) multi-family residential use; and  
2916 (b) at least one additional land use, which shall be a significant portion of the overall  
2917 development.
- 2918 (28) "Moderate income housing" means residential units where a household whose income  
2919 is no more than 80% of the area median income is able to occupy the housing unit  
2920 paying no more than 30% of the household's income for gross housing costs, including  
2921 utilities.
- 2922 (29) "Municipality" means the same as that term is defined in Section 10-1-104.
- 2923 (30) "Notification of increment financing" means a document, physical or electronic,  
2924 provided by a regional economic development authority to the office describing the  
2925 regional economic development authority's intent to trigger and utilize one or more  
2926 forms of increment financing.
- 2927 (31)(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  
2931 purpose if each dwelling unit on the real property is occupied by the owner of the  
2932 dwelling unit.
- 2933 (32) "Participant" means the same as that term is defined in Section 17C-1-102.
- 2934 (33) "Participation agreement" means the same as that term is defined in Section 17C-1-102,  
2935 except that the agency may not provide and the person may not receive a direct subsidy.
- 2936 (34) "Project" means the enterprise to be pursued through the proposal of a regionally  
2937 significant development zone.
- 2938 (35)(a) "Project improvements" means site improvements and facilities that are:  
2939 (i) planned and designed to provide service for development resulting from a  
2940 development activity;  
2941 (ii) necessary for the use and convenience of the occupants or users of development  
2942 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)(a) "Property tax increment" means the difference between:  
2946 (i) the amount of property tax revenue generated each tax year by all taxing entities,  
2947 except as provided in Subsection (36)(b), from within a regionally significant

- 2948 development zone, using the current assessed value and each taxing entity's  
 2949 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  
 2951 using the base taxable value and each taxing entity's current certified tax rate as  
 2952 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  
 2957 17D-4-303; or  
 2958 (iv) a public library fund levy described in Subsection 9-7-501(2).
- 2959 (37) "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  
 2963 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  
 2966 63N-3a-303; and  
 2967 (iv) a regionally significant economic development opportunity, as described in  
 2968 Section 63N-3a-304;
- 2969 (c) describing how the relevant objectives would be achieved by the creation of the  
 2970 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  
 2973 development zone; and
- 2974 (f) that is submitted to a committee.
- 2975 (38) "Public transit county" means a county that has created a small public transit district.
- 2976 (39) "Public transit hub" means a public transit depot or station where four or more routes  
 2977 serving separate parts of the county-created transit district stop to transfer riders between  
 2978 routes.
- 2979 (40) "Qualified development zone" means the property within a project area, and, if  
 2980 applicable, the impacted primary area, as approved by the committee.
- 2981 (41) "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;
- 2984 (c) the Utah Fairpark Area Investment and Restoration District created in Section
- 2985 11-70-201; or
- 2986 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 2987 (42)(a) "Regionally significant development zone" means an area:
- 2988 (i) created as described in Part 2, Creation of Regionally Significant Development
- 2989 Zones;
- 2990 (ii) governed as described in Title 17C, Chapter 6, Regionally Significant
- 2991 Development Zone Act; and
- 2992 (iii) in which a creating entity is able to promote efficient use of transit, housing
- 2993 affordability, or regional economic growth.
- 2994 (43) "Small public transit district" means the same as that term is defined in Section
- 2995 17B-2a-802.
- 2996 (44)(a) "System improvements" means existing and future public facilities that are
- 2997 designed to provide services to service areas within the community at large.
- 2998 (b) "System improvements" does not mean project improvements.
- 2999 (45) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 3000 (46) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 3001 (47)(a) "Tax increment" means the difference between:
- 3002 (i) the amount of tax revenue generated each tax year from a particular revenue
- 3003 source by all taxing entities within a particular area after an established base year;
- 3004 and
- 3005 (ii) the amount of revenue that would be generated from the same particular revenue
- 3006 source and from the same particular area during the established base year.
- 3007 (b) "Tax increment" includes tax differential, property tax allocation, enhanced property
- 3008 tax revenue, property tax augmentation, or any other term that meets the definition
- 3009 described in Subsection (47)(a).
- 3010 (48) "Transportation system" means:
- 3011 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
- 3012 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.  
 3017 (49) "Vertical construction costs" means the additional costs associated with construction  
 3018 above four stories and structured parking to achieve enhanced development in a project  
 3019 area.

3020 Section 43. Section **63N-3a-102** is enacted to read:

3021 **63N-3a-102 . Increment authorization committee -- Creation.**

3022 (1) For any project proposed under this chapter that requires the use of tax increment, there  
 3023 is created an increment authorization committee with membership described in  
 3024 Subsection (2).

3025 (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  
 3028 72-1-201 or the executive director's designee;

3029 (c) one individual from the Office of the State Treasurer, designated by the state  
 3030 treasurer;

3031 (d) two members designated by the president of the Senate;

3032 (e) two members designated by the speaker of the House of Representatives;

3033 (f) one representative representing the largest participating local taxing entity by  
 3034 population, after the creating entity, in the proposed zone;

3035 (g) one representative from the creating entity; and

3036 (h)(i) if a proposal addresses affordable housing, moderate income housing, or  
 3037 addresses a regionally significant first home village:

3038 (A) one representative from the office, designated by the executive director, who  
 3039 works on housing policy; and

3040 (B) two representatives designated by the school superintendent from the largest  
 3041 school district by student population affected by the proposal;

3042 (ii) if a proposal addresses a regionally significant transit-oriented zone, one member  
 3043 appointed by the governor:

3044 (A) from the Transportation Committee created in Section 72-1-301; or

3045 (B) a member of the board of trustees of a large public transit district;

3046 (iii) if a proposal addresses a major sporting event venue that will be used during an  
 3047 Olympic Games, one member of the executive committee for the Salt Lake  
 3048 City-Utah Committee for the Games;

3049 (iv) if a proposal addresses a major sporting event venue that will not be used during

3050 an Olympic Games, one individual with expertise in a professional sports  
 3051 industry, appointed by the governor; and  
 3052 (v) if a proposal addresses a regionally significant economic development  
 3053 opportunity that is not described in Subsections (2)(h)(i) through (iv):  
 3054 (A) the director of the Office of Energy Development created in Section 79-6-401;  
 3055 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.

3059 Section 44. Section **63N-3a-103** is enacted to read:

3060 **63N-3a-103 . Executive director duties -- Contracting.**

3061 (1) In addition to the duties described in Section 63N-1a-303, the executive director shall  
 3062 coordinate the use of increment financing to achieve the state's long-term housing and  
 3063 economic development goals while balancing the need of local communities to protect  
 3064 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  
 3066 executive director shall:

3067 (a) determine whether the proposal demonstrates broad regional benefits to the state and  
 3068 the state's residents, including the provision of affordable housing, enhancing  
 3069 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  
 3074 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  
 3078 regarding increment financing.

3079 (4)(a) Subject to Subsections (4)(b) and (c), the office may enter into a contract with an  
 3080 independent consultant or a regional economic development authority with expertise  
 3081 in analyzing economic development opportunities and managing increment financing  
 3082 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

3084            Subsection (4)(a) in regard to a proposal if the regional economic development  
3085            authority is directly financially impacted by the proposal.

3086            (c) An independent consultant contracted to assist the office under Subsection (4)(a)  
3087            may not advise the creating entity or any party with a financial stake in the proposed  
3088            regionally significant development zone.

3089            Section 45. Section **63N-3a-104** is enacted to read:

3090            **63N-3a-104 . 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.

3098            (2) In any given county, the maximum number of increment zones at light rail stations, not  
3099            including a convention center reinvestment zone, is eight.

3100            (3) 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  
3102            stations is three;
- 3103            (b) the maximum total combined number of housing and transit reinvestment zones and  
3104            first home investment zones is 11; and
- 3105            (c) the maximum total combined number of increment zones, not including a convention  
3106            center reinvestment zone, is 14.

3107            Section 46. Section **63N-3a-105** is enacted to read:

3108            **63N-3a-105 . Rulemaking.**

3109            In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3110            office may make rules as necessary to fulfill the duties described in this chapter.

3111            Section 47. Section **63N-3a-201** is enacted to read:

3112            **Part 2. Creation of Regionally Significant Development Zones**

3113            **63N-3a-201 . Process to propose -- Advance consultation -- Proposal**  
3114            **requirements -- Consultation and public comment required -- Office review.**

3115            (1)(a) A creating entity may propose the creation of a regionally significant development  
3116            zone:

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

- 3118           (ii) as provided in this section.
- 3119           (b) One or more creating entities may jointly propose a regionally significant  
3120           development zone, and be treated as a single creating entity for the purposes of this  
3121           part, if:
- 3122           (i) the creating entities first enter an interlocal agreement governing how the creating  
3123           entities shall manage the zone, if approved; or
- 3124           (ii) the creating entities include a proposed interlocal agreement the creating entities  
3125           will enter upon approval of the zone.
- 3126           (c) An interlocal agreement described in Subsection (1)(b) shall meet the requirements  
3127           of Section 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  
3131           the creation of a regionally significant development zone, as described in the  
3132           proposal, to discuss the requirements of the proposal;
- 3133           (ii) provide a school district described in Subsection (2)(a)(i) no less than 30 calendar  
3134           days to offer the creating entity feedback on the draft proposal; and
- 3135           (iii)(A) hold a public meeting on the proposal to create a regionally significant  
3136           development zone; and
- 3137           (B) provide notice of the public meeting as a class A notice as described in  
3138           Section 63G-30-102 for at 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  
3141           regionally significant development zone is located; and
- 3142           (ii) provide the county no less than 30 days to offer the creating entity feedback on  
3143           the draft proposal, including a finding of whether the county legislative body  
3144           considers the proposed project regionally significant; and
- 3145           (c) submit a draft of the proposal to every affected local taxing entity that will be  
3146           required to participate in the regionally significant development zone at least 30 days  
3147           before the creating entity submits a proposal to the office.
- 3148       (3)(a) A creating entity shall include any feedback or public comment received under  
3149           Subsection (2) in a proposal submitted to the office.
- 3150           (b) A creating entity may provide the public entity's response to any feedback or public  
3151           comment described in Subsection (3)(a) along with the proposal.

- 3152 (4) A creating entity shall submit a proposal to the office in a form and manner determined  
3153 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  
3157 requirements described in Section 63N-3a-301;
- 3158 (ii) for a regionally significant first home village, the objectives and requirements  
3159 described in Section 63N-3a-302;
- 3160 (iii) for a regionally significant major sporting event venue, the objectives and  
3161 requirements described in Section 63N-3a-303; and
- 3162 (iv) for a regionally significant economic development opportunity, the objectives  
3163 and requirements described in Section 63N-3a-304;
- 3164 (b) describe the development impediments and market conditions that render a  
3165 development cost prohibitive absent the financial incentives described in this chapter  
3166 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  
3169 creation of a regionally significant development zone; and
- 3170 (ii) the type of redevelopment or development that is proposed to occur with the  
3171 creation of a regionally significant development zone and the accompanying  
3172 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  
3175 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  
3179 commission, municipalities, counties, school districts, and special districts;
- 3180 (ii) provide notice of the proposal to any impacted metropolitan planning  
3181 organizations;
- 3182 (iii) provide notice of the proposal to the county assessor and county auditor of every  
3183 county in which a proposed regionally significant development zone would be  
3184 wholly or partially located;
- 3185 (iv) evaluate the feasibility of administering the tax implications of the proposal;

3186 (v) evaluate the pro forma analysis included in the proposal; and  
 3187 (vi) following the evaluations described in Subsections (8)(a)(iv) and (v), provide any  
 3188 findings the office makes to the creating entity.

3189 (b) In conducting the evaluations described in Subsections (8)(a)(iv) and (v), the office:  
 3190 (i) shall consult with the tax commission and the relevant county assessor and county  
 3191 auditor; and  
 3192 (ii) may consult with an independent consultant, regional land use authority, or  
 3193 political subdivision as described in Section 63N-3a-103.

3194 (c)(i) The office shall provide any findings following the evaluations described in  
 3195 Subsections (8)(a)(iv) and (v) to the creating entity.  
 3196 (ii) After receiving the findings described in Subsection (8)(b)(vi), the creating entity  
 3197 may:  
 3198 (A) amend the proposal and request the office submit the amended proposal to the  
 3199 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  
 3202 shall:  
 3203 (a) notify the creating entity;  
 3204 (b) provide the proposal to the executive director for the executive director's evaluation  
 3205 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  
 3207 financing committee is convened to consider a proposal.

3208 Section 48. Section **63N-3a-202** is enacted to read:

3209 **63N-3a-202 . Committee consideration of a proposal.**

3210 (1) The proposing creating entity shall present the proposal to the committee in a public  
 3211 meeting.  
 3212 (2) Before voting to approve or deny a proposal, the committee shall evaluate and verify  
 3213 whether the proposal adequately addresses relevant objectives and requirements  
 3214 described in Part 3, Specific Provisions.  
 3215 (3) In considering a proposal, a committee may request any information from a creating  
 3216 entity needed to make a determination about whether to approve or deny a proposal, or  
 3217 approve a proposal with modifications, including a description of the proposed uses of  
 3218 funds and how funds will be used to support public projects related to the regionally  
 3219 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
- 3225 committee shall:
- 3226 (a) fulfill the requirements of Section 63N-3a-203; and
- 3227 (b) establish any parameters described in Section 63N-3a-204.
- 3228 Section 49. Section **63N-3a-203** is enacted to read:
- 3229 **63N-3a-203 . Approval process -- Creation of a regionally significant**
- 3230 **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
- 3233 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
- 3235 approved by the committee; and
- 3236 (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
- 3239 proposal on or before September 30; or
- 3240 (ii) January 1 following the year after the year in which the committee approves the
- 3241 proposal.
- 3242 (b) A creating entity may not trigger the collection of tax increment within a regionally
- 3243 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
- 3246 increment;
- 3247 (b) for each proposed source of tax increment other than property tax, the maximum
- 3248 number of consecutive years a creating entity's agency may collect and use
- 3249 increment, not to exceed 25 years; and
- 3250 (c) the maximum amount of tax increment revenue, in total and from each proposed
- 3251 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
- 3253 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  
3256           on behalf of a regionally significant development zone, not to exceed the limits  
3257           described in Section 63N-3a-204; and  
3258           (iii) the maximum amount of property tax increment revenue that an agency may  
3259           collect for a regionally significant development zone.
- 3260       (b) The base taxable value of land within a regionally significant development zone is  
3261       determined as of January 1 of the base year established by the committee under  
3262       Subsection (4)(a).
- 3263       (c)(i) Except as provided in Subsection (4)(c)(ii), a creating entity may propose, and a  
3264       committee may approve, the diversion of all the revenue attributed to personal  
3265       property tax generated within a regionally significant development zone to the  
3266       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  
3268       Zones with Energy Implications, shall propose the diversion of all the revenue  
3269       attributed to personal property tax generated within a regionally significant  
3270       development zone to the regionally significant development zone for a period not  
3271       to exceed 25 years.
- 3272       (d) In accordance with Section 63N-3a-204 and except as provided in Section  
3273       63N-3a-403, for a proposal requesting approval of the use of property tax increment  
3274       or personal property tax diversion, the committee shall establish a percentage of  
3275       revenue that the creating entity's agency shall transfer to the state treasurer for deposit  
3276       into the State Reinvestment Restricted Account created in Section 51-9-1002, which  
3277       shall be at least 5% but no more than 25% of the total annual revenue an agency  
3278       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  
3281       development zone is located a document containing:
- 3282           (i) a description of the land within the regionally significant development zone and, if  
3283           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  
3287       development zone and an accurate map or plat indicating the boundaries of the

3288 regionally significant development zone, and if applicable, primary project area to the  
 3289 Utah Geospatial Resource Center created under Section 63A-16-505; and

3290 (c) transmit a copy of the approved regionally significant development zone proposal,  
 3291 map, and legal description of the regionally significant development zone, and if  
 3292 applicable, primary project area, to:

3293 (i) the auditor, recorder, attorney, surveyor, treasurer, and assessor of the county in  
 3294 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  
 3296 taxing entity that does not use the county assessment roll or collect the taxing  
 3297 entity's taxes through the county;

3298 (iii) the legislative body or governing board of each taxing entity affected by the  
 3299 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  
 3303 the tax commission:

3304 (a) a statement that the regionally significant development zone is established under this  
 3305 part;

3306 (b) the approval date of the proposal and the effective date of the regionally significant  
 3307 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  
 3310 commission.

3311 Section 50. Section **63N-3a-204** is enacted to read:

3312 **63N-3a-204 . Property tax increment -- Personal property tax revenue diversion**  
 3313 **-- Remittance to the State Reinvestment Restricted Account.**

3314 (1) As used in this section, "designated remitting percentage" means the percentage of  
 3315 property tax increment revenue established by the committee as described in Subsection  
 3316 63N-3a-203(4).

3317 (2)(a) A creating entity may propose a qualified development zone boundary that  
 3318 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  
 3323 accordance with this section and as described in Title 17C, Chapter 6, Regionally  
 3324 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  
 3328 following entities by no later than October 1 of the year before the year in which  
 3329 property tax increment collection is proposed to commence:
- 3330 (i) the tax commission;
- 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  
 3334 development zone boundary;
- 3335 (v) each taxing entity to be affected by collection of property tax within the qualified  
 3336 development zone boundary; and
- 3337 (vi) the office.
- 3338 (5)(a) A county that collects property tax on property located within a qualified  
 3339 development zone boundary shall, in accordance with Section 59-2-1365, distribute  
 3340 to the creating entity's agency:
- 3341 (i) the percentage of property tax increment established by the committee as  
 3342 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;
- 3345 (C) 60% for a regionally significant major sporting event venue; or
- 3346 (D) 60% for a regionally significant economic development opportunity; and
- 3347 (ii) all of the personal property tax revenue generated within the boundary, if  
 3348 approved 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  
 3350 Subsection (5):
- 3351 (i) is not revenue of the taxing entity, the creating entity, or the creating entity's  
 3352 agency; and
- 3353 (ii) constitutes regionally significant development zone funds and shall be  
 3354 administered as described in Section 17C-6-203.
- 3355 (6) The creating entity's agency may receive property tax increment within a qualified

- 3356 development zone boundary for:
- 3357 (a) up to 25 total years, subject to any limit established by the committee under
- 3358 Subsection 63N-3a-203(4); and
- 3359 (b) no longer than 40 years after the effective date of the regionally significant
- 3360 development zone.
- 3361 (7) No later than March 1, the agency for a regionally significant development zone shall
- 3362 transfer the established remitting percentage of revenue collected in the previous
- 3363 calendar year to the state treasurer for deposit into the State Reinvestment Restricted
- 3364 Account created in Section 51-9-1002.
- 3365 (8) Once the maximum amount of property tax increment has been distributed to the
- 3366 creating entity's agency, as established by the committee in Subsection 63N-3a-203(4),
- 3367 the county that collects property tax on property located within a qualified development
- 3368 zone boundary is no longer obligated to distribute property tax increment generated
- 3369 within the qualified development zone boundary or personal property tax revenue to the
- 3370 creating entity's agency.

3371 Section 51. Section **63N-3a-205** is enacted to read:

3372 **63N-3a-205 . Compliance with terms of approved proposal required --**

3373 **Modifications to a regionally significant development zone -- Boundary adjustments.**

- 3374 (1) If a regionally significant development zone is approved by the committee and created
- 3375 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
- 3380 agreement, development agreement, or participation agreement as necessary or
- 3381 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
- 3383 zone revenue or the boundary of the qualified development zone, may be amended by
- 3384 following the same procedure as making a proposal under Section 63N-3a-201, except
- 3385 the creating entity is not required to submit an additional pro forma analysis unless
- 3386 requested by the office or the committee.
- 3387 (3) If the relevant county assessor or county auditor adjusts parcel or lot boundaries
- 3388 relevant to a regionally significant development zone, the creating entity may make
- 3389 corresponding adjustments to the qualified development zone.

3390 Section 52. Section **63N-3a-206** is enacted to read:

3391 **63N-3a-206 . Triggering increment collection.**

3392 In addition to any other notification requirements in this part, a creating entity of a  
 3393 regionally significant development zone shall notify each affected taxing entity within the zone  
 3394 at least 90 days before the creating entity triggers a collection period for property tax  
 3395 increment for a parcel.

3396 Section 53. Section **63N-3a-207** is enacted to read:

3397 **63N-3a-207 . Payment, use, and administration of regionally significant**  
 3398 **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  
 3403 Title 17C, Chapter 6, Regionally Significant Development Zones Act.

3404 (2) An agency may share regionally significant development zone revenue with another  
 3405 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  
 3407 development zone revenue from the creating entity, the creating entity or creating  
 3408 entity's agency and the governmental entity shall enter into an agreement governing the  
 3409 use of the revenue, consistent with this chapter and Title 17C, Chapter 6, Regionally  
 3410 Significant Development Zones Act.

3411 (4) Before a private party may receive regionally significant development zone revenue, the  
 3412 creating entity or creating entity's agency and the private party shall enter into an  
 3413 agreement governing the use of the revenue, consistent with this chapter and Title 17C,  
 3414 Chapter 6, Regionally Significant Development Zones Act.

3415 (5) A creating entity's agency shall use and be responsible for regionally significant  
 3416 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  
 3419 significant development zone; and

3420 (b) reporting to the county auditor and tax commission if the creating entity receives the  
 3421 maximum amount of tax increment revenue from any source, as established by the  
 3422 committee under Section 63N-3a-203.

3423 Section 54. Section **63N-3a-208** is enacted to read:

3424 **63N-3a-208 . Applicability to an existing project area.**

- 3425 (1) As used in this section, "maximum allowable increment" means the percent of property  
3426 tax increment a regionally significant development zone is authorized to capture and  
3427 utilize, as established by the committee under this chapter.
- 3428 (2) If a regionally significant development zone overlaps an area that is part of a project  
3429 area, as that term is defined in Section 17C-1-102, that parcel may not be triggered for  
3430 tax increment collection unless the project area funds collection period, as that term is  
3431 defined in Section 17C-1-102, has expired.
- 3432 (3) If a regionally significant development zone overlaps any portion of an existing inactive  
3433 industrial site community reinvestment project area plan created in accordance with  
3434 Title 17C, Limited Purpose Local Government Entities - Community Reinvestment  
3435 Agency Act:
- 3436 (a) except as provided in Subsection (5), if the community reinvestment project area  
3437 plan captures less than the maximum allowable increment of the property tax  
3438 increment from a taxing entity, or if a taxing entity is not participating in the  
3439 community reinvestment project area plan, the regionally significant development  
3440 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  
3443 reinvestment project area plan; and
- 3444 (b) if a community reinvestment project area plan expires before the regionally  
3445 significant development zone is created, the regionally significant development zone  
3446 may capture the property tax increment allocated to the community reinvestment  
3447 project area plan for any remaining portion of the term of the regionally significant  
3448 development zone.
- 3449 (4)(a) Except as provided in Subsection (4)(b), a regionally significant development  
3450 zone may not overlap a housing and transit reinvestment zone or a first home  
3451 investment zone.
- 3452 (b) Subject to Subsection (5), a regionally significant development zone may overlap a  
3453 housing and transit reinvestment zone or a first home investment zone if:
- 3454 (i) the regionally significant development zone does not collect property tax  
3455 increment for the area overlapping with the housing and transit reinvestment zone  
3456 or the first home investment zone; or
- 3457 (ii) the regionally significant development zone does not collect property tax

3458 increment for the area overlapping with the housing and transit reinvestment zone  
 3459 or the first home investment zone until the collection period for the housing and  
 3460 transit reinvestment zone's collection of property tax increment or the first home  
 3461 investment zone's collection of property tax increment has ended.

3462 (5)(a) If a community reinvestment project area plan captures less than maximum  
 3463 allowable increment of the property tax increment from a taxing entity, or if a taxing  
 3464 entity is not participating in the community reinvestment project area plan, because  
 3465 the agency and relevant taxing entities agreed to capture a lower percentage or agreed  
 3466 to exclude a taxing entity from the community reinvestment project area plan,  
 3467 Subsection (3)(a) does not apply.

3468 (b) If, at the creation of a housing and transit reinvestment zone or a first home  
 3469 investment zone, the taxing entities agreed that tax increment collection would end  
 3470 on a certain date or after a certain number of years, Subsection (4)(b) does not apply  
 3471 unless the taxing entities that were involved in the agreement affirmatively agree to  
 3472 participate in the regionally significant development zone tax increment collection.

3473 (6) A regionally significant development zone that overlaps any portion of an existing  
 3474 community reinvestment project that includes a retail facility with a gross sales floor  
 3475 area of more than 140,000 square feet may capture up to the maximum allowable  
 3476 increment of the increment generated above the regionally significant development zone  
 3477 base year if the development includes at least one housing unit for every 1,250 square  
 3478 feet of retail space within the development.

3479 (7) A regionally significant development zone may not overlap project areas created by the:  
 3480 (a) Military Installation Development Authority described in Subsection 63H-1-102(17);  
 3481 (b) Utah Fairpark Area Investment and Restoration District described in Subsection  
 3482 11-70-101(24); or  
 3483 (c) Utah Inland Port Authority project area described in Subsection 11-58-102(16).

3484 Section 55. Section **63N-3a-301** is enacted to read:

3485 **Part 3. Specific Provisions for Certain Zones**

3486 **63N-3a-301 . Provisions specific to a regionally significant transit-oriented**  
 3487 **development.**

3488 (1) A proposal to create a regionally significant development zone that qualifies as a  
 3489 regionally significant transit-oriented development, as described in this section, shall  
 3490 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  
 3495            communities near public transit facilities;  
 3496            (e) overcoming development impediments and market conditions that render a  
 3497            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  
 3501            transit infrastructure in strategic areas;  
 3502            (i) strategic land use and municipal planning in major transit investment corridors as  
 3503            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  
 3507            a regionally significant transit-oriented development as described in this section shall  
 3508            ensure that the proposal includes:
- 3509            (a) except as provided in Subsection (3), at least 12% of the proposed dwelling units  
 3510            within the zone are affordable housing units, with:
- 3511            (i) up to 9% of the proposed dwelling units occupied or reserved for occupancy by  
 3512            households with a gross household income equal to or less than 80% of the county  
 3513            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  
 3515            households with a gross household income equal to or less than 60% of the county  
 3516            median gross income for households of the same size; and
- 3517            (b) except as provided in Subsection (4), at least 51% of the developable area within a  
 3518            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  
 3520            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  
 3523            more than one bedroom.
- 3524            (3)(a) If the projects within a regionally significant transit-oriented development are  
 3525            developed in phases, a creating entity and agency shall ensure that each phase is

- 3526 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
- 3528 and developed in a manner to provide more of the required affordable housing units
- 3529 in early phases of development.
- 3530 (c) A creating entity shall include in a proposal an affordable housing plan, which may
- 3531 include deed restrictions, to ensure the affordable housing required in the proposal
- 3532 will continue to meet the definition of affordable housing at least throughout the
- 3533 entire term of the zone.
- 3534 (d) If the creating entity meets the affordable housing guidelines of the United States
- 3535 Department of Housing and Urban Development at 60% area median income at the
- 3536 time the regionally significant transit-oriented development proposal is approved by
- 3537 the committee, the creating entity is exempt from the percentage requirements
- 3538 described in Subsection (2)(a).
- 3539 (4) For a regionally significant transit-oriented development proposed to be located at a
- 3540 public transit hub or a bus rapid transit station, the regionally significant transit-oriented
- 3541 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
- 3544 dedicated to residential uses.
- 3545 Section 56. Section **63N-3a-302** is enacted to read:
- 3546 **63N-3a-302 . Provisions specific to a regionally significant first home village.**
- 3547 (1) A proposal to create a regionally significant development zone that qualifies as a
- 3548 regionally significant first home village, as described in this section, shall demonstrate
- 3549 how the proposal addresses the following objectives:
- 3550 (a) improving efficiencies in parking and transportation, including walkability of
- 3551 communities near public transit facilities, street and path interconnectivity within the
- 3552 proposed development and connections to surrounding communities, and access to
- 3553 roadways, public transportation, and active transportation;
- 3554 (b) improving availability of housing options;
- 3555 (c) overcoming development impediments and market conditions that render a
- 3556 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  
3564 communities, street and path interconnectivity within the proposed development and  
3565 connections to surrounding communities, and access to roadways, public  
3566 transportation, and active transportation.
- 3567 (2)(a) To promote the creation of walkable communities, a regionally significant first  
3568 home village development shall be anchored by a core of high-density residential and  
3569 mixed residential-commercial uses, including opportunities for shopping, child care,  
3570 and employment.
- 3571 (b) To accomplish the objectives described in Subsection (1), a creating entity shall  
3572 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;  
3575 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  
3579 for at least 25 years from the date of original purchase;
- 3580 (iv) for homes inside the zone, a requirement that at least 12% of the owner occupied  
3581 homes and 12% of the homes that are not owner occupied qualify as affordable  
3582 housing; and
- 3583 (v) a requirement that at least 20% of the extraterritorial homes are affordable  
3584 housing.
- 3585 (3)(a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection  
3586 (2), a regionally significant first home village may include an extraterritorial home to  
3587 count toward density and owner-occupancy requirements by:
- 3588 (i) adding the total number of extraterritorial homes related to the regionally  
3589 significant first home village to the total number of homes within the regionally  
3590 significant first home village; and
- 3591 (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of  
3592 the total number of developable acres within the regionally significant first home  
3593 village.

- 3594 (b) Extraterritorial homes may account for no more than half of the total homes to  
3595 calculate density within a first home village.
- 3596 (4) For a condominium building that is part of a regionally significant first home village  
3597 development for purposes of meeting the requirement to have a minimum of 30 housing  
3598 units per acre, the requirement that 50% of housing units be owner occupied applies  
3599 beginning one year after the day on which the condominium building is complete and  
3600 receives a certificate of occupancy from the relevant local land use authority.

3601 Section 57. Section **63N-3a-303** is enacted to read:

3602 **63N-3a-303 . Provisions specific to a major sporting event venue development.**

- 3603 (1) A regionally significant development zone that qualifies as a major sporting event venue  
3604 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  
3609 venue;  
3610 (e) improved efficiencies in parking and transportation with the goal of increasing  
3611 walkability between a major sporting event venue and a public transit station;  
3612 (f) commercial development, or mixed commercial-residential development, in areas  
3613 near a major sporting event venue;  
3614 (g) improving air quality by reducing fuel consumption and motor vehicle trips; and  
3615 (h) increasing tourism activity.
- 3616 (2) A creating entity may not propose a regionally significant development zone to pursue a  
3617 major sporting event venue development unless the owner of the major sporting event  
3618 venue, as applicable, provides written consent.
- 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  
3621 venue, develop a new major sporting event venue, or both redevelop an existing but  
3622 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 (c) define specific infrastructure needs, if any, and proposed improvements to the  
3625 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  
 3629           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,  
 3632           or impediments to refurbishing an existing major sporting event venue, and proposed  
 3633           strategies for addressing each one;
- 3634 (f) describe the proposed development or refurbishment to a sporting event venue,  
 3635           including estimated costs;
- 3636 (g) describe projected maximum revenues generated within the zone by each permitted  
 3637           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  
 3640           revenue that can be used to reduce any finance gap between generated revenue and  
 3641           estimated costs;
- 3642 (j)(i) describe any known opportunities for private-public partnership in developing,  
 3643           refurbishing, operating, or managing a major sporting event venue, as described in  
 3644           Section 17C-6-301; or
- 3645           (ii) describe a strategy to pursue private-public partnership in developing or  
 3646           refurbishing a major sporting event venue; and
- 3647 (k) evaluate possible benefits to active transportation, public transportation availability  
 3648           and utilization, street connectivity, and air quality.

3649 Section 58. Section **63N-3a-304** is enacted to read:

3650           **63N-3a-304 . Provisions specific to a regionally significant economic development**  
 3651 **opportunity.**

- 3652 (1) A creating entity with general land use authority over an area may submit a proposal  
 3653           that does not qualify under Sections 63N-3a-301 through 303 as a regionally significant  
 3654           development opportunity.
- 3655 (2) A proposal for a regionally significant economic development opportunity shall  
 3656           demonstrate the likelihood that the project will constitute a significant capital  
 3657           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  
 3659           large load customer, as that term is defined in Section 54-26-101, or a qualifying data  
 3660           center, as that term is defined in Section 59-12-102, the proposal shall comply with Part  
 3661           4, Regionally Significant Zones with Energy Implications.

3662 (4) The executive director and office shall establish additional criteria by rule, in  
 3663 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a  
 3664 regionally significant development opportunity.

3665 Section 59. Section **63N-3a-401** is enacted to read:

3666 **Part 4. Regionally Significant Zones with Energy Implications**

3667 **63N-3a-401 . Definitions.**

3668 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  
 3671 regionally significant development zone is authorized to capture and utilize, as  
 3672 established by the committee under this chapter.

3673 (3) "Zone" means a regionally significant development zone that includes, or is proposed to  
 3674 include:

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.

3677 Section 60. Section **63N-3a-402** is enacted to read:

3678 **63N-3a-402 . Incentives prohibited -- Exception.**

3679 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer  
 3680 an incentive for a large load customer or a qualifying data center that is not located  
 3681 within a zone.

3682 (b) Subsection (1)(a) does not apply to:

3683 (i) a project area established before May 6, 2026; or

3684 (ii) an agreement between a county or municipality and a private entity that was  
 3685 executed before May 6, 2026.

3686 (2) In addition to the requirements described in Part 2, Creation of Regionally Significant  
 3687 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  
 3690 proposed zone;

3691 (c) a development plan that includes:

3692 (i) anticipated infrastructure improvements;

3693 (ii) projected economic benefits to the county; and

3694 (iii) evidence of local support, as applicable; and

3695 (d) any other information required by the committee.

- 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
- 3698 zone, as described in Subsection 63N-3a-203(4)(c)(ii); and
- 3699 (b) may include a request to capture up to 60% of the property tax increment generated
- 3700 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
- 3704 Development Authority.
- 3705 Section 61. Section **63N-3a-403** is enacted to read:
- 3706 **63N-3a-403 . Committee consideration of a zone with energy implications.**
- 3707 (1) The committee shall approve an application for a zone designation if the application
- 3708 demonstrates that:
- 3709 (a) the proposed zone includes land suitable for a large load customer or qualifying data
- 3710 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 a
- 3719 regionally significant development zone is authorized to capture and utilize, as
- 3720 described in Subsection 63N-3a-203(4).
- 3721 (b) The remitting percentage of property tax revenue for a zone described in this part is
- 3722 established in Subsection (3).
- 3723 (3) Beginning January 1 following the designation of a zone as described in this section, the
- 3724 county treasurer shall:
- 3725 (a) transfer all revenue attributed to personal property tax within the zone to the agency
- 3726 managing the zone;
- 3727 (b) transfer 90% of the maximum allowable increment generated within the zone to the
- 3728 zone's creating entity;
- 3729 (c) deposit 10% of the maximum allowable increment generated within the zone into the

- 3730 State Reinvestment Restricted Account created in Section 51-9-1002; and  
 3731 (d) 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 under Subsection (3) may:  
 3735 (a) transfer revenue to the agency managing the zone, to be used as regionally  
 3736 significant development zone revenue as described in Title 17C, Chapter 6,  
 3737 Regionally Significant Development Zones Act;  
 3738 (b) use the revenue to provide an incentive;  
 3739 (c) use the revenue to facilitate infrastructure development, including electrical energy  
 3740 infrastructure development and water infrastructure development; and  
 3741 (d) use the revenue to support workforce development programs within the county or  
 3742 municipality.  
 3743 (5) Nothing in this section authorizes a political subdivision other than one described in  
 3744 Subsection (4) to offer an incentive to a large load customer or qualifying data center, as  
 3745 described in Title 11, Chapter 41, Part 2, Prohibition on Tax Increment Incentives for  
 3746 Large Load Customers Act.

3747 Section 62. Section **63N-3a-501** is enacted to read:

3748 **Part 5. Reporting**

3749 **63N-3a-501 . Reporting.**

- 3750 (1) After the effective date of a regionally significant development zone, as described in  
 3751 Section 63N-3a-203, the creating entity shall provide a written report, no later than  
 3752 August 1, on the creating entity's and creating entity's agency's activities to implement  
 3753 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,  
 3755 summarizing all reports received under Subsection (1) and including any  
 3756 recommendations to the Legislature for statutory changes to this chapter, to the  
 3757 Economic Development and Workforce Services Interim Committee.

3758 Section 63. Section **79-6-1104** is amended to read:

3759 **79-6-1104 . 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  
 3762 development zone, as shown on the assessment roll last equalized before the creation  
 3763 of the electrical energy development zone.

- 3764 (b) "Community reinvestment agency" means the same as that term is defined in Section  
 3765 17C-1-102.
- 3766 (c) "Community reinvestment project area" means the same as that term is defined in  
 3767 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  
 3773 from an electrical energy development zone, using the current assessed value of  
 3774 the property; and  
 3775 (ii) the amount of property tax revenues that would be generated from that same area  
 3776 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  
 3781 53C-1-201; or  
 3782 (iv) any other land use authority created by the state that has jurisdiction over state  
 3783 lands.
- 3784 (2)(a) Except as provided in Subsection (2)(b), a county or municipality may not offer  
 3785 financial incentives for a baseload electrical energy project that is not located within  
 3786 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  
 3792 (ii) an electrical energy project for which a project area plan has been approved  
 3793 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  
 3796 boundaries an energy development zone;  
 3797 (b) enter into an interlocal agreement with the council outlining each parties'

- 3798 responsibilities relating to an energy development zone; and
- 3799 (c) apply to the council for the designation of an electrical energy development zone by
- 3800 submitting:
- 3801 (i) a description of the proposed boundaries of the electrical energy development
- 3802 zone;
- 3803 (ii) an assessment of existing electrical energy infrastructure within and proximate to
- 3804 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
- 3810 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
- 3812 which the proposed electrical energy development zone is located, including any
- 3813 interlocal agreement entered into between the county or municipality and the
- 3814 council, as applicable;
- 3815 (v) if the applicant is a county and any portion of the proposed electrical energy
- 3816 development zone is within the boundaries of a municipality, evidence of an
- 3817 agreement with the municipality regarding the establishment of the electrical
- 3818 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
- 3822 economic development authority's jurisdiction; and
- 3823 (b) apply to the council for the designation of an electrical energy development zone by
- 3824 submitting:
- 3825 (i) a description of the proposed boundaries of the electrical energy development
- 3826 zone;
- 3827 (ii) an assessment of existing electrical energy infrastructure within and proximate to
- 3828 the proposed electrical energy development zone;
- 3829 (iii) a development plan that includes:
- 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
- 3834 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
- 3838 application demonstrates:
- 3839 (i) the proposed electrical energy development zone includes land suitable for
- 3840 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
- 3852 or denial;
- 3853 (d) if an electrical energy development zone overlaps with an area designated by a
- 3854 community reinvestment agency as a community reinvestment project area as of May
- 3855 7, 2025, enter into an agreement with the community reinvestment agency to
- 3856 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
- 3860 into an agreement with the Utah Inland Port Authority to determine the percentage
- 3861 division of the property tax differential between:
- 3862 (i) the Electrical Energy Development Investment Fund; and
- 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

- 3866 within the electrical energy development zone; and
- 3867 (b) the county shall transmit to the council copies of the property tax assessment rolls for
- 3868 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
- 3871 development zone by comparing:
- 3872 (A) the current assessed value of property within the electrical energy
- 3873 development zone; and
- 3874 (B) the base taxable value of property within the electrical energy development
- 3875 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
- 3878 (7)(a).
- 3879 (b) The county treasurer shall transfer the property tax differential to the council for
- 3880 deposit into the Electrical Energy Development Investment Fund created in Section
- 3881 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
- 3886 agreements with taxing entities regarding the allocation of the property tax differential.

3887 **Section 64. Repealer.**

3888 This bill repeals:

3889 **Section 11-41-101, Title.**

3890 **Section 65. Effective Date.**

3891 This bill takes effect on May 6, 2026.