

Kirk A. Cullimore 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: Kirk A. Cullimore

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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 data center, 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;
- provides that certain records related to economic development projects, including nondisclosure agreements, may be classified as protected records;
- modifies the process for a person providing a record to a governmental entity to make a claim of confidentiality regarding the record;
- modifies provisions governing the sharing of a protected record;

- 28           ▸ requires the risk manager to make rules to establish the limit of liability for damages from  
 29 the disclosure of a protected record;
- 30           ▸ requires the Political Subdivisions Interim Committee to create a working group and  
 31 describes the membership of the working group;
- 32           ▸ creates a process for a county or city to propose a regionally significant development zone  
 33 (zone) and for a committee to approve the creation of a zone;
- 34           ▸ authorizes a zone to capture and utilize certain forms of tax increment;
- 35           ▸ describes how a zone will be managed, including how a community reinvestment agency  
 36 (agency) will manage zone funds, prepare zone budgets, conduct zone audits, and make  
 37 biennial reports;
- 38           ▸ describes the circumstances in which an agency or a county treasurer shall transfer a  
 39 percentage of zone revenue into the account;
- 40           ▸ provides that a housing and transit reinvestment zone, first home investment zone,  
 41 convention center reinvestment zone, or home ownership promotion zone may not be  
 42 created after January 1, 2028;
- 43           ▸ modifies the prohibition on local government offering a financial incentive for an energy  
 44 development project outside an electrical energy development zone;
- 45           ▸ coordinates this bill with H.B. 475, Development Planning and Coordination  
 46 Amendments; and
- 47           ▸ makes technical and conforming changes.

48 **Money Appropriated in this Bill:**

49 None

50 **Other Special Clauses:**

51 This bill provides coordination clauses.

52 **Utah Code Sections Affected:**

53 AMENDS:

54 **10-21-501**, as renumbered and amended by Laws of Utah 2025, First Special Session,  
 55 Chapter 15

56 **11-41-102**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

57 **11-58-102**, as last amended by Laws of Utah 2024, Chapters 53, 438 and 535

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

59 **17-80-501**, as renumbered and amended by Laws of Utah 2025, First Special Session,  
 60 Chapter 14

61 **17B-2a-1302**, as enacted by Laws of Utah 2024, Chapter 388

62 **17C-1-102**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16  
63 **17C-1-409**, as last amended by Laws of Utah 2025, First Special Session, Chapter 16  
64 **17C-1-603**, as last amended by Laws of Utah 2025, Chapter 480  
65 **17D-4-201**, as last amended by Laws of Utah 2025, Chapter 347  
66 **17D-4-202**, as last amended by Laws of Utah 2025, Chapter 347  
67 **17D-4-202.1**, as enacted by Laws of Utah 2025, Chapter 29  
68 **17D-4-203**, as last amended by Laws of Utah 2025, Chapter 498  
69 **17D-4-204**, as last amended by Laws of Utah 2025, Chapter 347  
70 **17D-4-303**, as last amended by Laws of Utah 2025, Chapter 347  
71 **59-1-306**, as last amended by Laws of Utah 2025, Chapter 258  
72 **59-2-924**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15  
73 **63G-2-206**, as last amended by Laws of Utah 2019, Chapter 334  
74 **63G-2-305**, as last amended by Laws of Utah 2025, First Special Session, Chapter 17  
75 **63G-2-309**, as last amended by Laws of Utah 2025, First Special Session, Chapter 9  
76 **63G-2-802**, as last amended by Laws of Utah 2025, Chapter 188  
77 **63G-7-605**, as last amended by Laws of Utah 2021, Chapter 33  
78 **63N-2-103**, as last amended by Laws of Utah 2025, Chapter 512  
79 **63N-3-602**, as last amended by Laws of Utah 2025, Chapter 29  
80 **63N-3-603**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15  
81 **63N-3-604**, as last amended by Laws of Utah 2025, Chapter 29  
82 **63N-3-604.1**, as enacted by Laws of Utah 2025, Chapter 29  
83 **63N-3-605**, as last amended by Laws of Utah 2025, Chapter 29  
84 **63N-3-607**, as last amended by Laws of Utah 2025, Chapter 404  
85 **63N-3-611**, as last amended by Laws of Utah 2025, Chapter 29  
86 **63N-3-1603**, as enacted by Laws of Utah 2024, Chapter 537  
87 **63N-3-1609**, as enacted by Laws of Utah 2024, Chapter 537  
88 **79-6-1104**, as enacted by Laws of Utah 2025, Chapter 375

## ENACTS:

90 **11-41-201**, Utah Code Annotated 1953  
91 **11-41-202**, Utah Code Annotated 1953  
92 **11-58-607**, Utah Code Annotated 1953  
93 **11-58-707**, Utah Code Annotated 1953  
94 **17C-6-101**, Utah Code Annotated 1953  
95 **17C-6-102**, Utah Code Annotated 1953

- 96        **17C-6-201**, Utah Code Annotated 1953
- 97        **17C-6-202**, Utah Code Annotated 1953
- 98        **17C-6-203**, Utah Code Annotated 1953
- 99        **17C-6-301**, Utah Code Annotated 1953
- 100       **17C-6-401**, Utah Code Annotated 1953
- 101       **17C-6-402**, Utah Code Annotated 1953
- 102       **17C-6-403**, Utah Code Annotated 1953
- 103       **17C-6-404**, Utah Code Annotated 1953
- 104       **17D-4-401**, Utah Code Annotated 1953
- 105       **51-9-1001**, Utah Code Annotated 1953
- 106       **51-9-1002**, Utah Code Annotated 1953
- 107       **51-9-1003**, Utah Code Annotated 1953
- 108       **57-1-49**, Utah Code Annotated 1953
- 109       **59-35-101**, Utah Code Annotated 1953
- 110       **59-35-201**, Utah Code Annotated 1953
- 111       **59-35-202**, Utah Code Annotated 1953
- 112       **59-35-301**, Utah Code Annotated 1953
- 113       **63N-3a-101**, Utah Code Annotated 1953
- 114       **63N-3a-102**, Utah Code Annotated 1953
- 115       **63N-3a-103**, Utah Code Annotated 1953
- 116       **63N-3a-104**, Utah Code Annotated 1953
- 117       **63N-3a-105**, Utah Code Annotated 1953
- 118       **63N-3a-106**, Utah Code Annotated 1953
- 119       **63N-3a-201**, Utah Code Annotated 1953
- 120       **63N-3a-202**, Utah Code Annotated 1953
- 121       **63N-3a-203**, Utah Code Annotated 1953
- 122       **63N-3a-204**, Utah Code Annotated 1953
- 123       **63N-3a-205**, Utah Code Annotated 1953
- 124       **63N-3a-206**, Utah Code Annotated 1953
- 125       **63N-3a-207**, Utah Code Annotated 1953
- 126       **63N-3a-208**, Utah Code Annotated 1953
- 127       **63N-3a-301**, Utah Code Annotated 1953
- 128       **63N-3a-302**, Utah Code Annotated 1953
- 129       **63N-3a-303**, Utah Code Annotated 1953

130 **63N-3a-401**, Utah Code Annotated 1953

131 **63N-3a-402**, Utah Code Annotated 1953

132 **63N-3a-403**, Utah Code Annotated 1953

133 **63N-3a-501**, Utah Code Annotated 1953

134 REPEALS:

135 **11-41-101**, as enacted by Laws of Utah 2004, Chapter 283

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

137 **63G-2-206**, as last amended by Laws of Utah 2019, Chapter 334

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

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

141 **10-21-501 . Municipal designation of a home ownership promotion zone.**

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

144 (a) before January 1, 2028; and

145 (b) as described in this section.

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

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

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

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

153 (3)(a) The municipality shall designate the home ownership promotion zone by

154 resolution of the legislative body of the municipality, passed or adopted in a public  
155 meeting of the legislative body of the municipality, following:

156 (i) the recommendation of the municipality planning commission; and

157 (ii) the notification requirements described in Section 10-21-503.

158 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership  
159 promotion zone created in accordance with this section meets the objectives and  
160 requirements in Section 10-21-502.

161 (c) The home ownership promotion zone is created on the effective date of the resolution  
162 described in Subsection (3)(a).

163 (4) If a home ownership promotion zone is created as described in this section:

- 164 (a) affected local taxing entities are required to participate according to the requirements  
165 of the home ownership promotion zone established by the municipality; and  
166 (b) each affected taxing entity is required to participate at the same rate.
- 167 (5) A home ownership promotion zone may be modified by the same manner it is created as  
168 described in Subsection (3).
- 169 (6) Within 30 days after the day on which the municipality creates the home ownership  
170 promotion zone as described in Subsection (3), the municipality shall:
- 171 (a) record with the recorder of the county in which the home ownership promotion zone  
172 is located a document containing:
- 173 (i) a description of the land within the home ownership promotion zone; and  
174 (ii) the date of creation of the home ownership promotion zone;
- 175 (b) transmit a copy of the description of the land within the home ownership promotion  
176 zone and an accurate map or plat indicating the boundaries of the home ownership  
177 promotion zone to the Utah Geospatial Resource Center created under Section  
178 63A-16-505; and
- 179 (c) transmit a map and description of the land within the home ownership promotion  
180 zone to:
- 181 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any  
182 part of the home ownership promotion zone is located;
- 183 (ii) the officer or officers performing the function of auditor or assessor for each  
184 taxing entity that does not use the county assessment roll or collect the taxing  
185 entity's taxes through the county;
- 186 (iii) the legislative body or governing board of each taxing entity impacted by the  
187 home ownership promotion zone;
- 188 (iv) the tax commission; and  
189 (v) the State Board of Education.
- 190 (7) A municipality may receive tax increment and use home ownership promotion zone  
191 funds as described in Section 10-21-504.
- 192 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,  
193 as described in this part, and shall comply with the provisions of this part until dissolved.

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

195 **CHAPTER 41. Prohibited Local Economic Development Incentives**

196 **Part 1. Prohibition on Retail Facility Incentive Payments Act**

197           **11-41-102 . Definitions.**198           As used in this ~~chapter~~ part:

- 199       (1) "Agreement" means an oral or written agreement between a public entity and a person.
- 200       (2) "Business entity" means a sole proprietorship, partnership, limited partnership, limited  
201       liability company, corporation, or other entity or association used to carry on a business  
202       for profit.
- 203       (3) "Determination of violation" means a determination by the Governor's Office of  
204       Economic Opportunity of substantial likelihood that a retail facility incentive payment  
205       has been made in violation of Section 11-41-103, in accordance with Section 11-41-104.
- 206       (4) "Environmental mitigation" means an action or activity intended to remedy known  
207       negative impacts to the environment.
- 208       (5) "Executive director" means the executive director of the Governor's Office of Economic  
209       Opportunity.
- 210       (6) "General plan" means the same as that term is defined in Section 23A-6-101.
- 211       (7) "Legislative body" means the same as that term is defined in:
- 212           (a) Section 10-20-102; or
- 213           (b) Section 17-79-102.
- 214       (8) "Mixed-use development" means development with mixed land uses, including housing.
- 215       (9) "Moderate income housing" means housing occupied or reserved for occupancy by  
216       households with a gross household income equal to or less than 80% of the median gross  
217       income for households of the same size in the county in which the housing is located.
- 218       (10) "Moderate income housing plan" means the moderate income housing plan element of  
219       a general plan.
- 220       (11) "Office" means the Governor's Office of Economic Opportunity.
- 221       (12) "Political subdivision" means any county, city, town, school district, special district,  
222       special service district, community reinvestment agency, or entity created by an  
223       interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act.
- 224       (13) "Public entity" means:
- 225           (a) a political subdivision;
- 226           (b) a department, commission, board, council, agency, institution, officer, corporation,  
227           fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or  
228           other administrative unit of the executive branch of the state;
- 229           (c) an institution of higher education as defined in Section 53H-1-101;
- 230           (d) the Military Installation Development Authority created in Section 63H-1-201;

- 231 (e) the Utah Inland Port Authority created in Section 11-58-201; or  
232 (f) the Point of the Mountain State Land Authority created in Section 11-59-201.
- 233 (14) "Public funds" means any money received by a public entity that is derived from:  
234 (a) a sales and use tax authorized under Title 59, Chapter 12, Sales and Use Tax Act; or  
235 (b) a property tax levy.
- 236 (15) "Public infrastructure" means:  
237 (a) a public facility, as defined in Section 11-36a-102;  
238 (b) a system improvement, as defined in Section 11-36a-102; or  
239 (c) infrastructure developed with public funds included as part of an infrastructure  
240 master plan related to a general plan.
- 241 (16) "Retail facility" means any facility operated by a business entity for the primary  
242 purpose of making retail transactions.
- 243 (17) "Retail facility incentive payment" means a payment of public funds:  
244 (a) to a person by a public entity;  
245 (b) for the development, construction, renovation, or operation of a retail facility within  
246 an area of the state; and  
247 (c) in the form of:  
248 (i) a payment;  
249 (ii) a rebate;  
250 (iii) a refund;  
251 (iv) a subsidy; or  
252 (v) any other similar incentive, award, or offset.
- 253 (18) "Retail transaction" means any transaction subject to a sales and use tax under Title 59,  
254 Chapter 12, Sales and Use Tax Act.
- 255 (19)(a) "Small business" means a business entity that:  
256 (i) has fewer than 30 full-time equivalent employees; and  
257 (ii) maintains the business entity's principal office in the state.
- 258 (b) "Small business" does not include:  
259 (i) a franchisee, as defined in 16 C.F.R. Sec. 436.1;  
260 (ii) a dealer, as defined in Section 41-1a-102; or  
261 (iii) a subsidiary or affiliate of another business entity that is not a small business.

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

263 **Part 2. Prohibition on Tax Increment Incentives for Large Load Data Centers Act**

264 **11-41-201 . Definitions.**

265 As used in this part:

266 (1) "Incentive" means a payment of public funds, funded by tax increment or personal  
267 property tax revenue:

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

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

271 (c) in the form of:

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

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

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

277 (3) "Large load data center" means a large load customer that is also a qualifying data  
278 center.

279 (4) "Political subdivision" means any county, municipality, special district, special service  
280 district, public infrastructure district, community reinvestment agency, entity created by  
281 an interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act, or  
282 regional economic development authority.

283 (5)(a) "Public infrastructure and improvements" means infrastructure, improvements,  
284 facilities, or buildings that:

285 (i)(A) benefit the public and are owned by a public entity or a utility; or

286 (B) benefit the public and are publicly maintained or operated by a public entity; or

287 (ii) are privately owned.

288 (b) "Public infrastructure and improvements" includes:

289 (i) facilities, lines, or systems that provide:

290 (A) water, chilled water, or steam; or

291 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,  
292 microgrids, or telecommunications service; and

293 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking  
294 facilities, rail lines, intermodal facilities, multimodal facilities, and public  
295 transportation facilities.

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

297 (7) "Regional economic development authority" means the same as that term is defined in  
298 Section 63N-3a-101.

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

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

301 **11-41-202 . Political subdivisions prohibited from providing incentives --**

302 **Exceptions.**

303 (1) Beginning on May 6, 2027, except as provided in Subsections (2) and (3), a political  
304 subdivision may not provide an incentive to a large load data center.

305 (2)(a) A municipality or county, or agency created by a municipality or county, may  
306 provide an incentive to a large load data center:

307 (i) only if the large load data center is located within a regionally significant  
308 development zone, as described in Title 63N, Chapter 3a, Part 4, Regionally  
309 Significant Zones with Energy Implications; and

310 (ii) with regionally significant development zone funds described in Subsection  
311 63N-3a-403(5).

312 (b) A regional economic development authority may provide an incentive to a large load  
313 data center:

314 (i) if the large load data center is located in a project area created by the regional  
315 economic development authority;

316 (ii) if the regional economic development authority's project area overlaps with a  
317 regionally significant development zone, as described in Subsection  
318 63N-3a-208(7)(b); and

319 (iii) the incentive is funded by:

320 (A) regionally significant development zone funds described in Section  
321 63N-3a-403 that have been shared with the regional economic development  
322 authority; or

323 (B) the regional economic development authority's project area funds, subject to a  
324 maximum cap of 60% of property tax increment generated within the  
325 overlapping project area.

326 (c) A county that levies the county energy excise tax authorized in Section 59-35-201  
327 may provide up to 80% of the revenue generated by the county energy excise tax as  
328 an incentive to a large load data center.

329 (d) A municipality that levies the municipal energy tax authorized in Title 10, Chapter 1,  
330 Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the  
331 revenue generated by the municipal energy tax as an incentive to a large load data  
332 center.

333 (e) A sales and use tax exemption described in Section 59-12-104 does not constitute an  
 334 incentive.

335 (3) A political subdivision that entered into an agreement to provide an incentive to a large  
 336 load data center, or has adopted a survey area resolution in accordance with Section  
 337 17C-5-103 with intent to provide an incentive to a large load data center, before May 6,  
 338 2027:

339 (a) may continue to provide the incentive according to the terms of the political  
 340 subdivision's agreement;

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

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

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

344 **11-58-102 . Definitions.**

345 As used in this chapter:

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

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

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

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

351 (3) "Base taxable value" means:

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

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

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

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

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

- 367 (6) "Contaminated land" means land:  
368 (a) within a project area; and  
369 (b) that contains hazardous materials, as defined in Section 19-6-302, hazardous  
370 substances, as defined in Section 19-6-302, or landfill material on, in, or under the  
371 land.
- 372 (7) "Development" means:  
373 (a) the demolition, construction, reconstruction, modification, expansion, or  
374 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,  
375 recreational amenity, or other facility, including public infrastructure and  
376 improvements; and  
377 (b) the planning of, arranging for, or participation in any of the activities listed in  
378 Subsection (7)(a).
- 379 (8) "Development project" means a project for the development of land within a project  
380 area.
- 381 (9) "Distribution center" means a building that is:  
382 (a) used for the storage, sorting, and distribution of goods intended for sale; and  
383 (b) not associated with or operated in conjunction with an adjacent manufacturing  
384 facility.
- 385 (10) "Inland port" means one or more sites that:  
386 (a) contain multimodal facilities, intermodal facilities, or other facilities that:  
387 (i) are related but may be separately owned and managed; and  
388 (ii) together are intended to:  
389 (A) allow global trade to be processed and altered by value-added services as  
390 goods move through the supply chain;  
391 (B) provide a regional merging point for transportation modes for the distribution  
392 of goods to and from ports and other locations in other regions;  
393 (C) provide cargo-handling services to allow freight consolidation and  
394 distribution, temporary storage, customs clearance, and connection between  
395 transport modes; and  
396 (D) provide international logistics and distribution services, including freight  
397 forwarding, customs brokerage, integrated logistics, and information systems;  
398 and  
399 (b) may include a satellite customs clearance terminal, an intermodal facility, a customs  
400 pre-clearance for international trade, or other facilities that facilitate, encourage, and

- 401 enhance regional, national, and international trade.
- 402 (11) "Inland port use" means a use of land:
- 403 (a) for an inland port;
- 404 (b) that directly implements or furthers the purposes of an inland port, as stated in
- 405 Subsection (10);
- 406 (c) that complements or supports the purposes of an inland port, as stated in Subsection
- 407 (10); or
- 408 (d) that depends upon the presence of the inland port for the viability of the use.
- 409 (12) "Intermodal facility" means a facility for transferring containerized cargo between rail,
- 410 truck, air, or other transportation modes.
- 411 (13) "Landfill material" means garbage, waste, debris, or other materials disposed of or
- 412 placed in a landfill.
- 413 (14) "Multimodal facility" means a hub or other facility for trade combining any
- 414 combination of rail, trucking, air cargo, and other transportation services.
- 415 (15) "Nonvoting member" means an individual appointed as a member of the board under
- 416 Subsection 11-58-302(3) who does not have the power to vote on matters of authority
- 417 business.
- 418 (16) "Project area" means:
- 419 (a) the authority jurisdictional land, subject to Section 11-58-605; or
- 420 (b) land outside the authority jurisdictional land, whether consisting of a single
- 421 contiguous area or multiple noncontiguous areas, described in a project area plan or
- 422 draft project area plan, where the development project set forth in the project area
- 423 plan or draft project area plan takes place or is proposed to take place.
- 424 (17) "Project area budget" means a multiyear projection of annual or cumulative revenues
- 425 and expenses and other fiscal matters pertaining to the project area.
- 426 (18) "Project area plan" means a written plan that, after its effective date, guides and
- 427 controls the development within a project area.
- 428 (19) "Property tax" includes a privilege tax and each levy on an ad valorem basis on
- 429 tangible or intangible personal or real property.
- 430 (20) "Property tax differential":
- 431 (a) means the difference between:
- 432 (i) the amount of property tax revenues generated each tax year by all taxing entities
- 433 from a project area, using the current assessed value of the property; and
- 434 (ii) the amount of property tax revenues that would be generated from that same area

- 435 using the base taxable value of the property; and
- 436 (b) does not include property tax revenue from:
- 437 (i) a county additional property tax or multicounty assessing and collecting levy
- 438 imposed in accordance with Section 59-2-1602;
- 439 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;
- 440 or
- 441 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
- 442 obligation bond.
- 443 (21) "Public entity" means:
- 444 (a) the state, including each department, division, or other agency of the state; or
- 445 (b) a county, city, town, school district, special district, special service district, interlocal
- 446 cooperation entity, community reinvestment agency, or other political subdivision of
- 447 the state, including the authority.
- 448 (22)(a) "Public infrastructure and improvements" means infrastructure, improvements,
- 449 facilities, or buildings that:
- 450 (i)(A) benefit the public and are owned by a public entity or a utility; or
- 451 (B) benefit the public and are publicly maintained or operated by a public entity; or
- 452 (ii)(A) are privately owned;
- 453 (B) benefit the public;
- 454 (C) as determined by the board, provide a substantial benefit to the development
- 455 and operation of a project area; and
- 456 (D) are built according to applicable county or municipal design and safety
- 457 standards.
- 458 (b) "Public infrastructure and improvements" includes:
- 459 (i) facilities, lines, or systems that provide:
- 460 (A) water, chilled water, or steam; or
- 461 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,
- 462 microgrids, or telecommunications service;
- 463 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
- 464 facilities, rail lines, intermodal facilities, multimodal facilities, and public
- 465 transportation facilities;
- 466 (iii) an inland port; and
- 467 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of
- 468 a remediation project.

- 469 (23) "Reinvestment account" means the State Reinvestment Restricted Account created in  
 470 Section 51-9-1002.
- 471 (24) "Remediation" includes:
- 472 (a) activities for the cleanup, rehabilitation, and development of contaminated land; and  
 473 (b) acquiring an interest in land within a remediation project area.
- 474 [~~(24)~~] (25) "Remediation differential" means property tax differential generated from a  
 475 remediation project area.
- 476 [~~(25)~~] (26) "Remediation project" means a project for the remediation of contaminated land  
 477 that:
- 478 (a) is owned by:
- 479 (i) the state or a department, division, or other instrumentality of the state;  
 480 (ii) an independent entity, as defined in Section 63E-1-102; or  
 481 (iii) a political subdivision of the state; and
- 482 (b) became contaminated land before the owner described in Subsection [~~(24)~~](a) (26)(a)  
 483 obtained ownership of the land.
- 484 [~~(26)~~] (27) "Remediation project area" means a project area consisting of contaminated land  
 485 that is or is expected to become the subject of a remediation project.
- 486 [~~(27)~~] (28) "Shapefile" means the digital vector storage format for storing geometric  
 487 location and associated attribute information.
- 488 [~~(28)~~] (29) "Taxable value" means the value of property as shown on the last equalized  
 489 assessment roll.
- 490 [~~(29)~~] (30) "Taxing entity":
- 491 (a) means a public entity that levies a tax on property within a project area; and  
 492 (b) does not include a public infrastructure district that the authority creates under Title  
 493 17D, Chapter 4, Public Infrastructure District Act.
- 494 [~~(30)~~] (31) "Voting member" means an individual appointed or designated as a member of  
 495 the board under Subsection 11-58-302(2).
- 496 Section 6. Section **11-58-602** is amended to read:
- 497 **11-58-602 . Allowable uses of property tax differential and other funds.**
- 498 (1)(a) The authority may use money from property tax differential, money the authority  
 499 receives from the state, money the authority receives under Subsection  
 500 59-12-205(2)(a)(ii)(C), and other money available to the authority:
- 501 (i) for any purpose authorized under this chapter;  
 502 (ii) for administrative, overhead, legal, consulting, and other operating expenses of

- 503 the authority;
- 504 (iii) to pay for, including financing or refinancing, all or part of the development of  
505 land within or adjacent to a project area, including assisting the ongoing operation  
506 of a development or facility within or adjacent to the project area;
- 507 (iv) to pay the cost of the installation and construction of public infrastructure and  
508 improvements within the project area from which the property tax differential  
509 funds were collected;
- 510 (v) to pay the cost of the installation of public infrastructure and improvements  
511 outside a project area if the board determines by resolution that the infrastructure  
512 and improvements are of benefit to the project area;
- 513 (vi) to pay to a community reinvestment agency for affordable housing, as provided  
514 in Subsection 11-58-606(2);
- 515 (vii) to pay the principal and interest on bonds issued by the authority;
- 516 (viii) to pay the cost of acquiring land or an easement on land that is part of or  
517 adjacent to authority jurisdictional land:
- 518 (A) for the perpetual preservation of the land from development; and  
519 (B) to provide a buffer area between authority jurisdictional land intended for  
520 development and land outside the boundary of the authority jurisdictional land;  
521 and
- 522 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development  
523 that:
- 524 (A) mitigates noise, air pollution, light pollution, surface and groundwater  
525 pollution, and other negative environmental impacts;
- 526 (B) mitigates traffic congestion; or  
527 (C) uses high efficiency building construction and operation.
- 528 (b)(i)(A) The authority shall establish minimum mitigation and environmental  
529 standards that a landowner is required to meet to qualify for the use of property  
530 tax differential under Subsection (1)(a)(ix) in the landowner's development.
- 531 (B) Minimum mitigation and environmental standards established under  
532 Subsection (1)(b)(i)(A) shall include a standard prohibiting the use of property  
533 tax differential as a business recruitment incentive, as defined in Section  
534 11-58-603, for new commercial or industrial development or an expansion of  
535 existing commercial or industrial development within the authority  
536 jurisdictional land if the new or expanded development will consume on an

- 537 annual basis more than 200,000 gallons of potable water per day.
- 538 (ii) In establishing minimum mitigation and environmental standards, the authority  
539 shall consult with:
- 540 (A) the municipality in which the development is expected to occur, for  
541 development expected to occur within a municipality; or
- 542 (B) the county in whose unincorporated area the development is expected to  
543 occur, for development expected to occur within the unincorporated area of a  
544 county.
- 545 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)  
546 for a landowner's development in a project area unless the minimum mitigation  
547 and environmental standards are followed with respect to that landowner's  
548 development.
- 549 (2) The authority may use revenue generated from the operation of public infrastructure  
550 operated by the authority or improvements, including an intermodal facility, operated by  
551 the authority to:
- 552 (a) operate and maintain the infrastructure or improvements; and
- 553 (b) pay for authority operating expenses, including administrative, overhead, and legal  
554 expenses.
- 555 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the  
556 project area is final.
- 557 (4) ~~[The]~~ Subject to Subsection (7), the authority may not use property tax differential  
558 revenue collected from one project area for a development project within another project  
559 area.
- 560 (5)(a) The authority may use up to 10% of the general differential revenue generated  
561 from a project area to pay for affordable housing within or near the project area.
- 562 (b) In using general differential revenue described in Subsection (5)(a), the authority  
563 may provide general differential revenue generated from a project area to a non-profit  
564 housing fund, as defined in Section 17C-1-102:
- 565 (i) for that non-profit housing fund to assist low-income individuals and families who  
566 would qualify for income targeted housing to achieve homeownership, or retain  
567 homeownership, within a 15 mile radius of the project area that generated the  
568 general differential revenue, in accordance with the mission of the non-profit  
569 housing fund; and
- 570 (ii) pursuant to an agreement between the non-profit housing fund and the authority

571 governing appropriate uses of general differential revenue.

572 (6) The authority may share general differential funds with a taxing entity that levies a  
573 property tax on land within the project area from which the general differential is  
574 generated.

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

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

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

585 Section 7. Section **11-58-607** is enacted to read:

586 **11-58-607 . Revenue sharing agreements.**

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

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

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

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

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

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

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

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

605 project area.

606 Section 8. Section **11-58-707** is enacted to read:

607 **11-58-707 . Subsidiary district tax levy -- Bond.**

608 (1) As used in this section, "subsidiary district" means the same as that term is defined in  
609 Section 11-58-605.

610 (2) A subsidiary district may issue a bond:

611 (a) to support advanced manufacturing or an energy development project that is being  
612 developed within a project area;

613 (b) upon the approval of the authority board and the subsidiary district board; and

614 (c) notwithstanding a provision to the contrary in Title 17D, Chapter 4, Public  
615 Infrastructure District Act, levy a property tax levy for the bond at a rate not to  
616 exceed a rate that generates more revenue than required to pay the annual debt  
617 service of the bond plus administrative costs, subject to a maximum of .02.

618 Section 9. Section **17-80-501** is amended to read:

619 **17-80-501 . County designation of a home ownership promotion zone.**

620 (1) Subject to Sections 17-80-502 and 17-80-503, a county may create a home ownership  
621 promotion zone:

622 (a) before January 1, 2028; and

623 (b) as described in this section.

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

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

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

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

631 (3)(a) The county shall designate the home ownership promotion zone by resolution of  
632 the legislative body of the county following:

633 (i) the recommendation of the county planning commission; and

634 (ii) the notification requirements described in Section 17-80-503.

635 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership  
636 promotion zone created in accordance with this section meets the objectives and  
637 requirements of Section 17-80-502.

638 (c) The home ownership promotion zone is created on the effective date of the resolution

- 639 described in Subsection (3)(a).
- 640 (4) If a home ownership promotion zone is created as described in this section:
- 641 (a) affected local taxing entities are required to participate according to the requirements
- 642 of the home ownership promotion zone established by the county; and
- 643 (b) each affected taxing entity is required to participate at the same rate.
- 644 (5) A home ownership promotion zone may be modified by the same manner it is created as
- 645 described in Subsection (3).
- 646 (6) Within 30 days after the day on which the county creates the home ownership
- 647 promotion zone as described in Subsection (3), the county shall:
- 648 (a) record with the recorder a document containing:
- 649 (i) a description of the land within the home ownership promotion zone; and
- 650 (ii) the date of creation of the home ownership promotion zone;
- 651 (b) transmit a copy of the description of the land within the home ownership promotion
- 652 zone and an accurate map or plat indicating the boundaries of the home ownership
- 653 promotion zone to the Utah Geospatial Resource Center created under Section
- 654 63A-16-505; and
- 655 (c) transmit a map and description of the land within the home ownership promotion
- 656 zone to:
- 657 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
- 658 part of the home ownership promotion zone is located;
- 659 (ii) the officer or officers performing the function of auditor or assessor for each
- 660 taxing entity that does not use the county assessment roll or collect the taxing
- 661 entity's taxes through the county;
- 662 (iii) the legislative body or governing board of each taxing entity impacted by the
- 663 home ownership promotion zone;
- 664 (iv) the tax commission; and
- 665 (v) the State Board of Education.
- 666 (7) A county may receive tax increment and use home ownership promotion zone funds as
- 667 described in Section 17-80-504.
- 668 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,
- 669 as described in this part, and shall comply with the provisions of this part until dissolved.
- 670 Section 10. Section **17B-2a-1302** is amended to read:
- 671 **17B-2a-1302 . Provisions applicable to infrastructure financing district --**
- 672 **Exceptions -- Conflicting provisions -- Contract for administrative services.**

- 673 (1) An infrastructure financing district is governed by and has the powers stated in:  
 674 (a) this part; and  
 675 (b) Chapter 1, Provisions Applicable to All Special Districts, except as provided in [  
 676 ~~Subsection (1)(b)] Subsection (5).~~
- 677 (2)(a) Notwithstanding Subsection 17B-1-103(2)(f) and except as provided in  
 678 Subsection (2)(b), an infrastructure financing district may issue bonds only as  
 679 provided in Title 11, Chapter 42, Assessment Area Act, subject to Subsection [(2)(b)]  
 680 (2)(c), and Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.
- 681 (b) If an infrastructure financing district is created to facilitate a regionally significant  
 682 development zone, as described in Title 17C, Chapter 6, Regionally Significant  
 683 Development Zone Act, the infrastructure financing district may issue negotiable  
 684 bonds in accordance with Title 11, Chapter 14, Local Government Bonding Act, to  
 685 pay all or part of the costs of acquiring, acquiring an interest in, improving, or  
 686 extending any of the improvements, facilities, or property allowed under Section  
 687 11-14-103.
- 688 [(b)] (c) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act,  
 689 apply to the use of funds from an assessment or an assessment bond for infrastructure  
 690 operation and maintenance costs or for the cost of conducting economic promotion  
 691 activities, those provisions do not apply to an infrastructure financing district.
- 692 [(e)] (d) Before a county or municipality's final inspection required for the issuance of a  
 693 certificate of occupancy for a residential unit that is subject to an assessment levied  
 694 by an infrastructure financing district under Title 11, Chapter 42, Assessment Area  
 695 Act, the infrastructure financing district shall ensure that the assessment allocable to  
 696 that unit is paid in full and that any assessment lien on that unit is satisfied and  
 697 released.
- 698 (3) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district may  
 699 not exercise the power of eminent domain.
- 700 (4) This part applies only to an infrastructure financing district.
- 701 (5) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All  
 702 Special Districts, and a provision in this part, the provision in this part governs.
- 703 (6) An infrastructure financing district may contract with another governmental entity for  
 704 the other governmental entity to provide administrative services to the infrastructure  
 705 financing district.

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

707 **17C-1-102 . Definitions.**

708 As used in this title:

- 709 (1) "Active project area" means a project area that has not been dissolved in accordance  
710 with Section 17C-1-702.
- 711 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that  
712 an agency is authorized to receive:
- 713 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax  
714 increment under Subsection 17C-1-403(3);
- 715 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax  
716 increment under Section 17C-1-406;
- 717 (c) under a project area budget approved by a taxing entity committee; or
- 718 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's  
719 tax increment.
- 720 (3) "Affordable housing" means housing owned or occupied by a low or moderate income  
721 family, as determined by resolution of the agency.
- 722 (4) "Agency" or "community reinvestment agency" means a separate body corporate and  
723 politic, created under Section 17C-1-201.5 or as a redevelopment agency or community  
724 development and renewal agency under previous law:
- 725 (a) that is a political subdivision of the state;
- 726 (b) that is created to undertake or promote project area development as provided in this  
727 title;
- 728 (c) that may, at the direction of the county or municipality that creates the agency, fulfill  
729 the duties described in Chapter 6, Regionally Significant Development Zones Act;  
730 and
- 731 [(e)] (d) whose geographic boundaries are coterminous with:
- 732 (i) for an agency created by a county, the unincorporated area of the county; and
- 733 (ii) for an agency created by a municipality, the boundaries of the municipality.
- 734 (5) "Agency funds" means money that an agency collects or receives for agency operations,  
735 implementing a project area plan or an implementation plan as defined in Section  
736 17C-1-1001, or other agency purposes, including:
- 737 (a) project area funds;
- 738 (b) income, proceeds, revenue, or property derived from or held in connection with the  
739 agency's undertaking and implementation of project area development or  
740 agency-wide project development as defined in Section 17C-1-1001;

- 741 (c) a contribution, loan, grant, or other financial assistance from any public or private  
742 source;
- 743 (d) project area incremental revenue as defined in Section 17C-1-1001; or
- 744 (e) property tax revenue as defined in Section 17C-1-1001.
- 745 (6) "Annual income" means the same as that term is defined in regulations of the United  
746 States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as  
747 amended or as superseded by replacement regulations.
- 748 (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.
- 749 (8) "Base taxable value" means, unless otherwise adjusted in accordance with provisions of  
750 this title, a property's taxable value as shown upon the assessment roll last equalized  
751 during the base year.
- 752 (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during  
753 which the assessment roll is last equalized:
- 754 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,  
755 before the project area plan's effective date;
- 756 (b) for a post-June 30, 1993, urban renewal or economic development project area plan,  
757 or a community reinvestment project area plan that is subject to a taxing entity  
758 committee:
- 759 (i) before the date on which the taxing entity committee approves the project area  
760 budget; or
- 761 (ii) if taxing entity committee approval is not required for the project area budget,  
762 before the date on which the community legislative body adopts the project area  
763 plan;
- 764 (c) for a project on an inactive airport site, after the later of:
- 765 (i) the date on which the inactive airport site is sold for remediation and  
766 development; or
- 767 (ii) the date on which the airport that operated on the inactive airport site ceased  
768 operations; or
- 769 (d) for a community development project area plan or a community reinvestment project  
770 area plan that is subject to an interlocal agreement, as described in the interlocal  
771 agreement.
- 772 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum  
773 basic levy under Section 59-2-902.
- 774 (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.

- 775 (12) "Budget hearing" means the public hearing on a proposed project area budget required  
776 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection  
777 17C-3-201(2)(d) for an economic development project area budget, or Subsection  
778 17C-5-302(2)(e) for a community reinvestment project area budget.
- 779 (13) "Closed military base" means land within a former military base that the Defense Base  
780 Closure and Realignment Commission has voted to close or realign when that action has  
781 been sustained by the president of the United States and Congress.
- 782 (14) "Combined incremental value" means the combined total of all incremental values  
783 from all project areas, except project areas that contain some or all of a military  
784 installation or inactive industrial site, within the agency's boundaries under project area  
785 plans and project area budgets at the time that a project area budget for a new project  
786 area is being considered.
- 787 (15) "Community" means a county or municipality.
- 788 (16) "Community development project area plan" means a project area plan adopted under  
789 Chapter 4, Part 1, Community Development Project Area Plan.
- 790 (17) "Community legislative body" means the legislative body of the community that  
791 created the agency.
- 792 (18) "Community reinvestment project area plan" means a project area plan adopted under  
793 Chapter 5, Part 1, Community Reinvestment Project Area Plan.
- 794 (19) "Contest" means to file a written complaint in a court with jurisdiction under Title  
795 78A, Judiciary and Judicial Administration, and in a county in which the agency is  
796 located if the action is filed in the district court.
- 797 (20) "Development impediment" means a condition of an area that meets the requirements  
798 described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405  
799 for a community reinvestment project area.
- 800 (21) "Development impediment hearing" means a public hearing regarding whether a  
801 development impediment exists within a proposed:
- 802 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section  
803 17C-2-302; or
- 804 (b) community reinvestment project area under Section 17C-5-404.
- 805 (22) "Development impediment study" means a study to determine whether a development  
806 impediment exists within a survey area as described in Section 17C-2-301 for an urban  
807 renewal project area or Section 17C-5-403 for a community reinvestment project area.
- 808 (23) "Economic development project area plan" means a project area plan adopted under

- 809 Chapter 3, Part 1, Economic Development Project Area Plan.
- 810 (24) "Fair share ratio" means the ratio derived by:
- 811 (a) for a municipality, comparing the percentage of all housing units within the
- 812 municipality that are publicly subsidized income targeted housing units to the
- 813 percentage of all housing units within the county in which the municipality is located
- 814 that are publicly subsidized income targeted housing units; or
- 815 (b) for the unincorporated part of a county, comparing the percentage of all housing
- 816 units within the unincorporated county that are publicly subsidized income targeted
- 817 housing units to the percentage of all housing units within the whole county that are
- 818 publicly subsidized income targeted housing units.
- 819 (25) "Family" means the same as that term is defined in regulations of the United States
- 820 Department of Housing and Urban Development, 24 C.F.R. [~~Section~~] Sec. 5.403, as
- 821 amended or as superseded by replacement regulations.
- 822 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.
- 823 (27) "Hazardous waste" means any substance defined, regulated, or listed as a hazardous
- 824 substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or
- 825 toxic substance, or identified as hazardous to human health or the environment, under
- 826 state or federal law or regulation.
- 827 (28) "Housing allocation" means project area funds allocated for housing under Section
- 828 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.
- 829 (29) "Housing fund" means a fund created by an agency for purposes described in Section
- 830 17C-1-411 or 17C-1-412 that is comprised of:
- 831 (a) project area funds, project area incremental revenue as defined in Section 17C-1-1001,
- 832 or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes
- 833 described in Section 17C-1-411; or
- 834 (b) an agency's housing allocation.
- 835 (30)(a) "Inactive airport site" means land that:
- 836 (i) consists of at least 100 acres;
- 837 (ii) is occupied by an airport:
- 838 (A)(I) that is no longer in operation as an airport; or
- 839 (II)(Aa) that is scheduled to be decommissioned; and
- 840 (Bb) for which a replacement commercial service airport is under
- 841 construction; and
- 842 (B) that is owned or was formerly owned and operated by a public entity; and

- 843 (iii) requires remediation because:
- 844 (A) of the presence of hazardous waste or solid waste; or
- 845 (B) the site lacks sufficient public infrastructure and facilities, including public
- 846 roads, electric service, water system, and sewer system, needed to support
- 847 development of the site.
- 848 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
- 849 described in Subsection (30)(a).
- 850 (31)(a) "Inactive industrial site" means land that:
- 851 (i) consists of at least 1,000 acres;
- 852 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
- 853 facility; and
- 854 (iii) requires remediation because of the presence of hazardous waste or solid waste.
- 855 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
- 856 described in Subsection (31)(a).
- 857 (32) "Income targeted housing" means housing that is:
- 858 (a) owned and occupied by a family whose annual income is at or below 120% of the
- 859 median annual income for a family within the county in which the housing is located;
- 860 or
- 861 (b) occupied by a family whose annual income is at or below 80% of the median annual
- 862 income for a family within the county in which the housing is located.
- 863 (33) "Incremental value" means a figure derived by multiplying the marginal value of the
- 864 property located within a project area on which tax increment is collected by a number
- 865 that represents the adjusted tax increment from that project area that is paid to the
- 866 agency.
- 867 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established
- 868 under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- 869 (35)(a) "Local government building" means a building owned and operated by a
- 870 community for the primary purpose of providing one or more primary community
- 871 functions, including:
- 872 (i) a fire station;
- 873 (ii) a police station;
- 874 (iii) a city hall; or
- 875 (iv) a court or other judicial building.
- 876 (b) "Local government building" does not include a building the primary purpose of

- 877 which is cultural or recreational in nature.
- 878 (36) "Low-income individual" means the same as that term is defined in Section  
879 35A-8-504.5.
- 880 (37) "Major transit investment corridor" means the same as that term is defined in Section  
881 10-20-102.
- 882 (38) "Marginal value" means the difference between actual taxable value and base taxable  
883 value.
- 884 (39) "Military installation project area" means a project area or a portion of a project area  
885 located within a federal military installation ordered closed by the federal Defense Base  
886 Realignment and Closure Commission.
- 887 (40) "Municipality" means a city or town.
- 888 (41) "Non-profit housing fund" means:
- 889 (a) an organization that meets the definition of "housing organization" in Section  
890 35A-8-2401;
- 891 (b) a registered nonprofit that assists veterans or individuals who work in public service  
892 to achieve homeownership in the state;
- 893 (c) a registered nonprofit that:
- 894 (i) assists low-income individuals or families who would qualify for income targeted  
895 housing to achieve homeownership in the state; and
- 896 (ii) provides direct support to help a low-income individual or a family eligible for  
897 income targeted housing to retain ownership of a home, including through  
898 rehabilitation services, lending for rehabilitation, or foreclosure mitigation  
899 counseling that results in retention of the home, refinancing, or a reverse mortgage;
- 900 (d) a registered nonprofit that partners with a community to promote affordable housing  
901 for the workforce in that community; or
- 902 (e) a registered nonprofit established to administer housing programs on behalf of an  
903 association representing 10 or more counties in the state.
- 904 (42) "Participant" means one or more persons that enter into a participation agreement with  
905 an agency.
- 906 (43) "Participation agreement" means a written agreement between a person and an agency  
907 under Subsection 17C-1-202(5).
- 908 (44) "Plan hearing" means the public hearing on a proposed project area plan required  
909 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection  
910 17C-3-102(1)(d) for an economic development project area plan, Subsection

- 911 17C-4-102(1)(d) for a community development project area plan, or Subsection  
912 17C-5-104(3)(e) for a community reinvestment project area plan.
- 913 (45) "Post-June 30, 1993, project area plan" means a project area plan adopted on or after  
914 July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the  
915 project area plan's adoption.
- 916 (46) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1,  
917 1993, whether or not amended subsequent to the project area plan's adoption.
- 918 (47) "Private," with respect to real property, means property not owned by a public entity or  
919 any other governmental entity.
- 920 (48) "Project area" means the geographic area described in a project area plan within which  
921 the project area development described in the project area plan takes place or is  
922 proposed to take place.
- 923 (49) "Project area budget" means a multiyear projection of annual or cumulative revenues  
924 and expenses and other fiscal matters pertaining to a project area prepared in accordance  
925 with:
- 926 (a) for an urban renewal project area, Section 17C-2-201;  
927 (b) for an economic development project area, Section 17C-3-201;  
928 (c) for a community development project area, Section 17C-4-204; or  
929 (d) for a community reinvestment project area, Section 17C-5-302.
- 930 (50) "Project area development" means activity within a project area that, as determined by  
931 the board, encourages, promotes, or provides development or redevelopment for the  
932 purpose of implementing a project area plan, including:
- 933 (a) promoting, creating, or retaining public or private jobs within the state or a  
934 community;
- 935 (b) providing office, manufacturing, warehousing, distribution, parking, or other  
936 facilities or improvements;
- 937 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or  
938 remediating environmental issues;
- 939 (d) providing residential, commercial, industrial, public, or other structures or spaces,  
940 including recreational and other facilities incidental or appurtenant to the structures  
941 or spaces;
- 942 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating  
943 existing structures;
- 944 (f) providing open space, including streets or other public grounds or space around

- 945 buildings;
- 946 (g) providing public or private buildings, infrastructure, structures, or improvements;
- 947 (h) relocating a business;
- 948 (i) improving public or private recreation areas or other public grounds;
- 949 (j) eliminating a development impediment or the causes of a development impediment;
- 950 (k) redevelopment as defined under the law in effect before May 1, 2006; or
- 951 (l) any activity described in this Subsection (50) outside of a project area that the board
- 952 determines to be a benefit to the project area.
- 953 (51) "Project area funds" means tax increment or sales and use tax revenue that an agency
- 954 receives under a project area budget adopted by a taxing entity committee or an
- 955 interlocal agreement.
- 956 (52) "Project area funds collection period" means the period of time that:
- 957 (a) begins the day on which the first payment of project area funds is distributed to an
- 958 agency under a project area budget approved by a taxing entity committee or an
- 959 interlocal agreement; and
- 960 (b) ends the day on which the last payment of project area funds is distributed to an
- 961 agency under a project area budget approved by a taxing entity committee or an
- 962 interlocal agreement.
- 963 (53) "Project area plan" means an urban renewal project area plan, an economic
- 964 development project area plan, a community development project area plan, or a
- 965 community reinvestment project area plan that, after the project area plan's effective
- 966 date, guides and controls the project area development.
- 967 (54)(a) "Property tax" means each levy on an ad valorem basis on tangible or intangible
- 968 personal or real property.
- 969 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
- 970 Tax.
- 971 (55) "Public entity" means:
- 972 (a) the United States, including an agency of the United States;
- 973 (b) the state, including any of the state's departments or agencies; or
- 974 (c) a political subdivision of the state, including a county, municipality, school district,
- 975 special district, special service district, community reinvestment agency, or interlocal
- 976 cooperation entity.
- 977 (56) "Publicly owned infrastructure and improvements" means water, sewer, storm
- 978 drainage, electrical, natural gas, telecommunication, or other similar systems and lines,

979 streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation  
980 facilities, or other facilities, infrastructure, and improvements benefitting the public and  
981 to be publicly owned or publicly maintained or operated.

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

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

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

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

988 (59) "Superfund site":

989 (a) means an area included in the National Priorities List under the Comprehensive  
990 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec.  
991 9605; and

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

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

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

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

999 (61) "Survey area resolution" means a resolution adopted by a board that designates a  
1000 survey area.

1001 (62) "Taxable value" means:

1002 (a) the taxable value of all real property a county assessor assesses in accordance with  
1003 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

1004 (b) the taxable value of all real and personal property the commission assesses in  
1005 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current  
1006 year; and

1007 (c) the year end taxable value of all personal property a county assessor assesses in  
1008 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the  
1009 prior year's tax rolls of the taxing entity.

1010 (63)(a) "Tax increment" means the difference between:

1011 (i) the amount of property tax revenue generated each tax year by a taxing entity from  
1012 the area within a project area designated in the project area plan as the area from

- 1013 which tax increment is to be collected, using the current assessed value of the  
 1014 property and each taxing entity's current certified tax rate as defined in Section  
 1015 59-2-924; and
- 1016 (ii) the amount of property tax revenue that would be generated from that same area  
 1017 using the base taxable value of the property and each taxing entity's current  
 1018 certified tax rate as defined in Section 59-2-924.
- 1019 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-1602  
 1020 on or after January 1, 1994, upon the taxable property in the project area unless:
- 1021 (i) the project area plan was adopted before May 4, 1993, whether or not the project  
 1022 area plan was subsequently amended; and
- 1023 (ii) the taxes were pledged to support bond indebtedness or other contractual  
 1024 obligations of the agency.
- 1025 (64) "Taxing entity" means a public entity that:
- 1026 (a) levies a tax on property located within a project area; or
- 1027 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- 1028 (65) "Taxing entity committee" means a committee representing the interests of taxing  
 1029 entities, created in accordance with Section 17C-1-402.
- 1030 (66) "Unincorporated" means not within a municipality.
- 1031 (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2,  
 1032 Part 1, Urban Renewal Project Area Plan.
- 1033 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.
- 1034 Section 12. Section **17C-1-409** is amended to read:
- 1035 **17C-1-409 . Allowable uses of agency funds.**
- 1036 (1)(a) An agency may use agency funds:
- 1037 (i) for any purpose authorized under this title;
- 1038 (ii) for administrative, overhead, legal, or other operating expenses of the agency,  
 1039 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B)  
 1040 or funding for a business resource center;
- 1041 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all  
 1042 or part of:
- 1043 (A) project area development in a project area, including environmental  
 1044 remediation activities occurring before or after adoption of the project area  
 1045 plan;
- 1046 (B) housing-related expenditures, projects, or programs as described in Section

- 1047 17C-1-411 or 17C-1-412;
- 1048 (C) an incentive or other consideration paid to a participant under a participation  
1049 agreement, subject to Subsection (6);
- 1050 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of  
1051 the installation and construction of any publicly owned building, facility,  
1052 structure, landscaping, or other improvement within the project area from  
1053 which the project area funds are collected; or
- 1054 (E) the cost of the installation of publicly owned infrastructure and improvements  
1055 outside the project area from which the project area funds are collected if the  
1056 board and the community legislative body determine by resolution that the  
1057 publicly owned infrastructure and improvements benefit the project area;
- 1058 (iv) in an urban renewal project area that includes some or all of an inactive industrial  
1059 site and subject to Subsection (1)(e), to reimburse the Department of  
1060 Transportation created under Section 72-1-201, or a public transit district created  
1061 under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:
- 1062 (A) construction of a public road, bridge, or overpass;
- 1063 (B) relocation of a railroad track within the urban renewal project area; or
- 1064 (C) relocation of a railroad facility within the urban renewal project area;
- 1065 (v) subject to Subsection (5), to transfer funds to a community that created the  
1066 agency; or
- 1067 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,  
1068 Agency Taxing Authority.
- 1069 (b) The determination of the board and the community legislative body under Subsection  
1070 (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
- 1071 (c) An agency may not use project area funds received from a taxing entity for the  
1072 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan,  
1073 an economic development project area plan, or a community reinvestment project  
1074 area plan without the community legislative body's consent.
- 1075 (d)(i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a  
1076 project area fund to another project area fund if:
- 1077 (A) the board approves; and
- 1078 (B) the community legislative body approves.
- 1079 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the  
1080 projections for agency funds are sufficient to repay the loan amount.

- 1081 (iii) A loan described in this Subsection (1)(d) is not subject to Title 10, Chapter 5,  
1082 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform  
1083 Fiscal Procedures Act for Utah Cities, Title 17, Chapter 63, Fiscal Authority and  
1084 Processes, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts.
- 1085 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection  
1086 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of  
1087 the reimbursement with:
- 1088 (i) the Department of Transportation; or  
1089 (ii) a public transit district.
- 1090 (f) Before an agency may use project area funds for agency-wide project development,  
1091 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing  
1092 entity committee or each taxing entity party to an interlocal agreement with the  
1093 agency.
- 1094 (2)(a) Sales and use tax revenue that an agency receives from a taxing entity is not  
1095 subject to the prohibition or limitations of [~~Title 11, Chapter 41, Prohibition on Retail~~  
1096 ~~Facility Incentive Payments Act~~] Title 11, Chapter 41, Part 1, Prohibition on Retail  
1097 Facility Incentive Payments Act.
- 1098 (b) An agency may use sales and use tax revenue that the agency receives under an  
1099 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized  
1100 in the interlocal agreement.
- 1101 (3)(a) An agency may contract with the community that created the agency or another  
1102 public entity to use agency funds to reimburse the cost of items authorized by this  
1103 title to be paid by the agency that are paid by the community or other public entity.
- 1104 (b) If land is acquired or the cost of an improvement is paid by another public entity and  
1105 the land or improvement is leased to the community, an agency may contract with  
1106 and make reimbursement from agency funds to the community.
- 1107 (4) Notwithstanding any other provision of this title, an agency may not use project area  
1108 funds, project area incremental revenue as defined in Section 17C-1-1001, or property  
1109 tax revenue as defined in Section 17C-1-1001, to construct a local government building  
1110 unless the taxing entity committee or each taxing entity party to an interlocal agreement  
1111 with the agency consents.
- 1112 (5) For the purpose of offsetting the community's annual local contribution to the Homeless  
1113 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a  
1114 calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and

1115 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as  
 1116 defined in Subsection 59-12-205(5).

1117 (6)(a) Before providing tax increment funding to a private participant pursuant to a  
 1118 participation agreement, an agency shall consult with the county treasurer of the  
 1119 county in which the agency operates to determine if:

- 1120 (i) the private participant is delinquent on property tax;
- 1121 (ii) the private participant is delinquent on privilege tax; or
- 1122 (iii) the private participant is subject to a political subdivision lien for past due fees or  
 1123 charges.

1124 (b) If the county treasurer, in consultation with the agency, determines a participant is  
 1125 delinquent on property tax or privilege tax or subject to a political subdivision lien,  
 1126 the agency shall confirm whether the participation agreement between the agency and  
 1127 private participant includes a provision described in Subsection 17C-1-202(5)(d).

1128 (c) If authorized by the agency pursuant to a participation agreement, the county  
 1129 treasurer of the county in which the agency operates may provide tax increment  
 1130 funding that would otherwise be provided directly to the agency to provide to the  
 1131 private participant to:

- 1132 (i) the county, in the amount the private entity is delinquent for property tax or  
 1133 privilege tax; and
- 1134 (ii) the political subdivision holding the political subdivision lien, in the amount  
 1135 necessary to resolve the political subdivision lien.

1136 Section 13. Section **17C-1-603** is amended to read:

1137 **17C-1-603 . Reporting requirements -- Governor's Office of Economic**  
 1138 **Opportunity to maintain a database.**

1139 (1) As used in this section:

1140 (a) "Database" means the collection of electronic data described in Subsection (2)(a).

1141 (b) "Office" means the Governor's Office of Economic Opportunity.

1142 (c) "Office website" means a public website maintained by the office.

1143 (d) "Project area" means:

1144 (i) the same as that term is defined in Section 17C-1-102; and

1145 (ii) if applicable, a regionally significant development zone for which the agency is

1146 responsible, as described in Chapter 6, Regionally Significant Development Zones

1147 Act.

1148 (e) "Project area funds" means:

- 1149           (i) the same as that term is defined in Section 17C-1-102; and  
1150           (ii) if applicable, regionally significant development zone revenue as described in  
1151           Section 17C-6-202.
- 1152       (2) The office shall:
- 1153           (a) create and maintain electronic data to track information for each agency located  
1154           within the state; and
- 1155           (b) make the database publicly accessible from the office website.
- 1156       (3)(a) The office may:
- 1157           (i) contract with a third party to create and maintain the database; and  
1158           (ii) charge a fee for a county, city, or agency to provide information to the database.
- 1159       (b) The office shall make rules, in accordance with Title 63G, Chapter 3, Utah  
1160           Administrative Rulemaking Act, to establish a fee schedule for the fee described in  
1161           Subsection (3)(a)(ii).
- 1162       (4) On or before June 30 of each year, an agency shall, for each active project area for  
1163           which the project area funds collection period has not expired, submit to the office for  
1164           inclusion in the database the following information:
- 1165           (a) an assessment of the change in marginal value, including:
- 1166               (i) the base year;  
1167               (ii) the estimated current assessed value;  
1168               (iii) the percentage change in marginal value; and  
1169               (iv) a narrative description of the relative growth in assessed value;
- 1170           (b) the amount of project area funds the agency received and the amount of project area  
1171           funds the agency spent for each year of the project area funds collection period,  
1172           broken down by the applicable budget or funds analysis category described in  
1173           Subsection (4)(d), including:
- 1174               (i) a comparison of the actual project area funds received and spent for each year to  
1175               the amount of project area funds forecasted for each year when the project area  
1176               was created, if available;
- 1177               (ii)(A) the agency's historical receipts and expenditures of project area funds,  
1178               including the tax year for which the agency first received project area funds  
1179               from the project area; or
- 1180               (B) if the agency has not yet received project area funds from the project area, the  
1181               year in which the agency expects each project area funds collection period to  
1182               begin;

- 1183 (iii) a list of each taxing entity that levies or imposes a tax within the project area and  
1184 a description of the benefits that each taxing entity receives from the project area;  
1185 and
- 1186 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
- 1187 (c) a description of current and anticipated project area development, including:
- 1188 (i) a narrative of any significant project area development, including infrastructure  
1189 development, site development, participation agreements, or vertical construction;  
1190 and
- 1191 (ii) other details of development within the project area, including:
- 1192 (A) the total developed acreage;
- 1193 (B) the total undeveloped acreage;
- 1194 (C) the percentage of residential development; and
- 1195 (D) the total number of housing units authorized, if applicable;
- 1196 (d) the project area budget, if applicable, or other project area funds analyses, with  
1197 receipts and expenditures categorized by the type of receipt and expenditure related  
1198 to the development performed or to be performed under the project area plan,  
1199 including:
- 1200 (i) each project area funds collection period, including:
- 1201 (A) the start and end date of the project area funds collection period; and
- 1202 (B) the number of years remaining in each project area funds collection period;
- 1203 (ii) the amount of project area funds the agency is authorized to receive from the  
1204 project area cumulatively and from each taxing entity, including:
- 1205 (A) the total dollar amount; and
- 1206 (B) the percentage of the total amount of project area funds generated within the  
1207 project area;
- 1208 (iii) the remaining amount of project area funds the agency is authorized to receive  
1209 from the project area cumulatively and from each taxing entity; and
- 1210 (iv) the amount of project area funds the agency is authorized to use to pay for the  
1211 agency's administrative costs, as described in Subsection 17C-1-409(1), including:
- 1212 (A) the total dollar amount; and
- 1213 (B) the percentage of the total amount of all project area funds;
- 1214 (e) the estimated amount of project area funds that the agency is authorized to receive  
1215 from the project area for the current calendar year;
- 1216 (f) the estimated amount of project area funds to be paid to the agency for the next

- 1217 calendar year;
- 1218 (g) a map of the project area;
- 1219 (h) a description of how the goals, policies, and purposes of the project area plan have  
1220 been furthered during the preceding year; and
- 1221 (i) any other relevant information the agency elects to provide.
- 1222 (5) An agency with no active project area shall, no later than June 30 of each year until the  
1223 agency is dissolved under Section 17C-1-701.5, submit a report to the office stating that  
1224 the agency has no active project area.
- 1225 (6) Any information an agency submits in accordance with this section:
- 1226 (a) is for informational purposes only; and
- 1227 (b) does not alter the amount of project area funds that an agency is authorized to receive  
1228 from a project area.
- 1229 (7) The provisions of this section apply regardless of when the agency or project area is  
1230 created.
- 1231 (8) On or before September 1 of each year, the office shall prepare and submit an annual  
1232 written report to the Political Subdivisions Interim Committee that identifies the  
1233 agencies that complied and the agencies that failed to comply with the reporting  
1234 requirements of this section during the preceding reporting period.
- 1235 (9)(a) If, by September 30 of the year the information is due, the office does not receive  
1236 the information that an agency is required to submit under Subsection (4), the office  
1237 shall:
- 1238 (i) refer the noncompliant agency to the state auditor for review; and
- 1239 (ii) post a notice on the office website identifying the noncompliant agency and  
1240 describing the agency's noncompliance.
- 1241 (b) If the office does not receive a report an agency is required to submit under  
1242 Subsection (5), the office shall refer the noncompliant agency to the state auditor for  
1243 review.
- 1244 (c) If, for two consecutive years, the office does not receive information an agency is  
1245 required to submit under Subsection (4):
- 1246 (i) the office shall, no later than July 31 of the second consecutive year, notify the  
1247 auditor and treasurer of the county in which the noncompliant agency is located of  
1248 the agency's noncompliance; and
- 1249 (ii) upon receiving the notice described in Subsection (9)(c)(i), the county treasurer  
1250 shall withhold from the agency 20% of the amount of tax increment the agency is

- 1251 otherwise entitled to receive.
- 1252 (d) If, after having funds withheld under Subsection (9)(c)(ii), an agency complies with
- 1253 Subsection (4):
- 1254 (i) the office shall notify the county auditor and treasurer that the agency has
- 1255 complied with the requirement of Subsection (4); and
- 1256 (ii) the county treasurer shall disburse the withheld funds to the agency.
- 1257 Section 14. Section **17C-6-101** is enacted to read:

1258 **CHAPTER 6. Regionally Significant Development Zones Act**

1259 **Part 1. General Provisions**

1260 **17C-6-101 . Definitions.**

1261 As used in this chapter:

- 1262 (1) "Creating entity" means the political subdivision that proposes and receives approval for
- 1263 the creation of a zone under Title 63N, Chapter 3a, Part 2, Creation of Regionally
- 1264 Significant Development Zones.
- 1265 (2) "Enhanced development" means the same as that term is defined in Section 63N-3a-101.
- 1266 (3) "Financing district" means:
- 1267 (a) an infrastructure financing district created under Title 17B, Chapter 2a, Part 13,
- 1268 Infrastructure Financing District; or
- 1269 (b) a public infrastructure district created under Title 17D, Chapter 4, Public
- 1270 Infrastructure District Act.
- 1271 (4) "Impacted primary area" means the same as that term is defined in Section 63N-3a-101.
- 1272 (5) "Large load data center" means the same as that term is defined in Section 11-41-201.
- 1273 (6) "Public infrastructure and improvements" means infrastructure, improvements,
- 1274 facilities, or buildings that:
- 1275 (a) benefit the public or the zone;
- 1276 (b) are publicly owned by the creating entity or a financing district created by the
- 1277 creating entity;
- 1278 (c) are owned by a utility;
- 1279 (d) are publicly maintained or operated by any public entity; or
- 1280 (e) are privately owned and provide a substantial benefit to the development and
- 1281 operation of the zone, as determined by the creating entity.
- 1282 (7) "Proposal" means the document approved by a committee as described in Title 63N,
- 1283 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.

- 1284 (8) "Zone" means a regionally significant development zone created under Title 63N,  
 1285 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.  
 1286 Section 15. Section **17C-6-102** is enacted to read:  
 1287 **17C-6-102 . Agency to manage a regionally significant development zone.**  
 1288 (1)(a) Upon the approval of a zone, as described in Section 63N-3a-203, a creating entity  
 1289 shall designate the creating entity's agency as the entity responsible for:  
 1290 (i) the management of the zone;  
 1291 (ii) the development of the zone; and  
 1292 (iii) the fulfillment of any duties described in this chapter.  
 1293 (b) If one or more creating entities propose a zone, as described in Section 63N-3a-201  
 1294 by entering into an interlocal agreement as described in Section 63N-3a-202, the  
 1295 interlocal agreement shall describe:  
 1296 (i) which agency is responsible for the management of the zone and zone revenue; or  
 1297 (ii) how each participating agency shall share responsibility for:  
 1298 (A) the management of the zone; and  
 1299 (B) zone revenue, as described in Part 2, Financing.  
 1300 (2) A proposal, along with conditions established by the committee that approved the  
 1301 proposal under Section 63N-3a-203, constitutes a governing document for the zone.  
 1302 (3)(a) The agency, in consultation with the creating entity, may create policies governing  
 1303 the development of the zone if the policies:  
 1304 (i) conform with the proposal; and  
 1305 (ii) do not contradict any provision of the proposal or any condition established by  
 1306 the committee that approved the proposal to create the zone.  
 1307 (b) If the agency and creating entity determine a modification to the proposal is required  
 1308 to pursue the objectives of the zone, the creating entity shall submit a proposal to  
 1309 modify the regionally significant development zone as described in Section  
 1310 63N-3a-208.

1311 Section 16. Section **17C-6-201** is enacted to read:

## 1312 **Part 2. Financing**

### 1313 **17C-6-201 . Energy tax -- Agency to study revenue generation options.**

- 1314 (1) A county that levies the county energy excise tax authorized by Title 59, Chapter 35,  
 1315 County Energy Excise Tax Act, may provide revenue generated by the county energy  
 1316 excise tax to an agency for use in a zone if the zone includes at least one large load data  
 1317 center.

1318 (2) An agency shall study options to generate additional revenue within a zone and provide  
1319 recommendations to the legislative body of the creating entity.

1320 Section 17. Section **17C-6-202** is enacted to read:

1321 **17C-6-202 . Regionally significant development zone revenue.**

1322 (1) The following are approved revenue sources for a zone:

1323 (a) property tax increment or personal property tax, as described in Section 63N-3a-204;

1324 and

1325 (b) revenue, if any, an agency receives from a county as described in Section 17C-6-201.

1326 (2) Revenue described in Subsection (1):

1327 (a) is zone revenue;

1328 (b) shall be administered by the agency; and

1329 (c) may be expended as provided in this chapter.

1330 Section 18. Section **17C-6-203** is enacted to read:

1331 **17C-6-203 . Allowable uses of zone revenue.**

1332 (1) An agency that is assigned to manage a zone shall use zone revenue within:

1333 (a) the zone; and

1334 (b) an impacted primary area, if the agency finds that the use of the zone revenue will:

1335 (i) directly benefit the zone; and

1336 (ii) promote the objectives of the zone, as outlined in the proposal.

1337 (2) An agency that receives zone revenue shall, subject to any requirement to remit revenue  
1338 to the State Reinvestment Restricted Account as described in Title 63N, Chapter 3a, Part  
1339 2, Creation of Regionally Significant Development Zones, allocate zone revenue to:

1340 (a) development in the zone, including, as applicable:

1341 (i) income targeted housing costs;

1342 (ii) structured parking;

1343 (iii) enhanced development costs;

1344 (iv) horizontal construction costs;

1345 (v) vertical construction costs;

1346 (vi) property acquisition costs;

1347 (vii) public infrastructure and improvements; and

1348 (viii) realigning public infrastructure;

1349 (b) public infrastructure and improvements in an impacted primary area, if any; and

1350 (c) make the annual payment of principal, interest, premiums, and necessary reserves for  
1351 any of the aggregate of bonds authorized under Subsection (3).

- 1352 (3) An agency may issue bonds, or cause bonds to be issued, as permitted by law, to pay all  
 1353 or part of the costs incurred for the purposes described in Subsection (2), including the  
 1354 cost to issue and repay the bonds including interest and reserves.
- 1355 (4) An agency may create one or more financing districts within the boundaries of the zone,  
 1356 and pledge and utilize zone funds to secure the payment of bonds issued by the created  
 1357 financing district.
- 1358 (5) In addition to the purposes described in Subsection (2), an agency may use zone  
 1359 revenue to cover the costs of the agency to administer the zone, not to exceed:
- 1360 (a) 3% of the total annual zone revenue; or
- 1361 (b) if the agency provides zone revenue to an entity through a participation agreement,  
 1362 3% of the total annual zone revenue retained by the agency after providing zone  
 1363 revenue pursuant to the terms of the participation agreement.
- 1364 (6) At the request of a creating entity, an agency shall reimburse the creating entity the cost  
 1365 of conducting the pro forma analysis required for the proposal, as described in Section  
 1366 63N-3a-202.
- 1367 (7) An agency may provide zone revenue to a person according to the terms of a  
 1368 participation agreement or an agreement described in Section 17C-6-301.
- 1369 Section 19. Section **17C-6-301** is enacted to read:

### Part 3. Partnership Agreements

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

- 1371
- 1372 (1) A person that seeks to enter into a private-public partnership with an agency shall  
 1373 provide the agency with an application that:
- 1374 (a) demonstrates the applicant is qualified to operate, in whole or in part, a project  
 1375 within the zone; and
- 1376 (b) provides any additional information required by the creating entity or agency.
- 1377 (2) An agency may enter into a private-public partnership:
- 1378 (a) if, after reviewing the application described in Subsection (1), the agency determines  
 1379 a private-public partnership will promote the objectives of the zone; and
- 1380 (b) through an agreement described in this section.
- 1381 (3) An agreement to create a private-public partnership between a person and an agency  
 1382 may:
- 1383 (a) establish or recognize an ownership interest in the project for the person, in  
 1384 consideration of the person's financial investment in the project;
- 1385 (b) establish an ownership interest in the project for the agency or agency's creating

1386 entity, in consideration of the public's financial investment in the project; or  
 1387 (c) create a lease between the person and the agency.

1388 Section 20. Section **17C-6-401** is enacted to read:

1389 **Part 4. Budgets, Audits, and Reports**

1390 **17C-6-401 . Regionally significant development zone budgets.**

1391 (1) An agency shall develop a budget for the zone in accordance with:

1392 (a) Chapter 1, Part 6, Agency Annual Report, Budget, and Audit Requirements; and

1393 (b) this section.

1394 (2) An agency:

1395 (a) may incorporate a zone budget into the agency's budget; and

1396 (b) shall develop and present a zone budget as a separate agency budget item.

1397 Section 21. Section **17C-6-402** is enacted to read:

1398 **17C-6-402 . Audits -- County auditor reports.**

1399 (1) An agency shall comply with the same auditing requirements that are described in  
 1400 Sections 17C-1-604 and 17C-1-605 in regard to the regionally significant development  
 1401 zone.

1402 (2) The county auditor for a county in which a zone is created shall prepare an annual report  
 1403 in accordance with Section 17C-1-606, the same as if the zone were a project area.

1404 Section 22. Section **17C-6-403** is enacted to read:

1405 **17C-6-403 . Reporting.**

1406 (1) Beginning the second year after the effective date of a zone, an agency shall produce a  
 1407 biennial written report in accordance with this section no later than September 1.

1408 (2) Notwithstanding Section 17C-1-609, the report described in Subsection (1) shall:

1409 (a) describe the agency's progress in managing the zone and pursuing the objectives of  
 1410 the zone, as described in the proposal;

1411 (b) describe any impediments to the continued development of the zone;

1412 (c) describe the degree to which the development of the zone is complete;

1413 (d) detail the amount of zone revenues received to date; and

1414 (e) detail the amount of revenues the agency has spent on behalf of the zone to date.

1415 (3) The agency shall provide the report described in this section to the Political  
 1416 Subdivisions Interim Committee.

1417 (4) The report described in this section is in addition to the reporting requirements  
 1418 described in Section 17C-1-603.

1419 Section 23. Section **17C-6-404** is enacted to read:

1420 **17C-6-404 . Use of financing district.**

1421 If an agency creates or utilizes a financing district to fulfill one or more objectives of the  
1422 zone, the agency and the creating entity shall ensure that the financing district complies with  
1423 the same budgeting, auditing, and reporting requirements described in this part, the same as if  
1424 the financing district were the agency.

1425 Section 24. Section **17D-4-201** is amended to read:

1426 **17D-4-201 . Creation -- Annexation or withdrawal of property.**

1427 (1)(a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the  
1428 provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions  
1429 Applicable to All Special Districts, a public infrastructure district may not be created  
1430 unless a petition is filed with the creating entity that contains the signatures of 100%  
1431 of surface property owners within the applicable area consenting to the creation of  
1432 the public infrastructure district.

1433 (b)(i) As used in this Subsection (1)(b):

1434 (A) "Military land" means the same as that term is defined in Section 63H-1-102.

1435 (B) "Project area" means the same as that term is defined in Section 63H-1-102.

1436 (ii) Notwithstanding Title 17B, Chapter 1, Part 2, Creation of a Special District, and  
1437 any other provision of this chapter, a development authority may adopt a  
1438 resolution creating a public infrastructure district if all owners of surface property  
1439 proposed to be included within the public infrastructure district consent in writing  
1440 to the creation of the public infrastructure district.

1441 (iii) For purposes of Subsection (1)(b)(ii), if the surface property proposed to be  
1442 included within the public infrastructure district includes military land that is  
1443 within a project area, the owner of the military land within the project area is the  
1444 lessee of the military land.

1445 (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created  
1446 as a subsidiary of the development authority that adopts the resolution creating the  
1447 public infrastructure district.

1448 (2)(a) The following do not apply to the creation of a public infrastructure district:

1449 (i) Section 17B-1-203;

1450 (ii) Section 17B-1-204;

1451 (iii) Subsection 17B-1-208(2);

1452 (iv) Section 17B-1-212; or

1453 (v) Section 17B-1-214.

- 1454 (b) The protest period described in Section 17B-1-213 may be waived in whole or in  
 1455 part with the consent of 100% of the surface property owners within the applicable  
 1456 area approving the creation of the public infrastructure district.
- 1457 (c) If the protest period is waived under Subsection (2)(b), a resolution approving the  
 1458 creation of the public infrastructure district may be adopted in accordance with  
 1459 Subsection 17B-1-213(5).
- 1460 (d) A petition meeting the requirements of Subsection (1) may be certified under Section  
 1461 17B-1-209.
- 1462 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the  
 1463 items required by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30  
 1464 days of the day on which a resolution creating a public infrastructure district is  
 1465 adopted.
- 1466 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the  
 1467 boundaries of a public infrastructure district may be annexed into the public  
 1468 infrastructure district if the following requirements are met:
- 1469 ~~[(a)(i) adoption of resolutions of the board and the creating entity, each approving of~~  
 1470 ~~the annexation; or]~~
- 1471 ~~[(ii) adoption of a resolution of the board to annex the area, provided that the~~  
 1472 ~~governing document or creation resolution for the public infrastructure district~~  
 1473 ~~authorizes the board to annex an area outside of the boundaries of the public~~  
 1474 ~~infrastructure district without future consent of the creating entity; and]~~
- 1475 ~~[(b)]~~ (a) the board adopts a resolution approving the annexation;
- 1476 (b) the governing document or resolution creating the public infrastructure district  
 1477 authorizes the public infrastructure district to annex the proposed annexation area;
- 1478 (c) a petition is filed with the public infrastructure district that contains the signatures of  
 1479 100% of surface property owners within the [area proposed to be annexed] proposed  
 1480 annexation area, demonstrating the surface property owners' consent to the  
 1481 annexation into the public infrastructure district[-] ; and
- 1482 (d) if the creating entity is a county or municipality and the proposed annexation area is  
 1483 outside the boundaries of the creating entity:
- 1484 (i) for an area that is unincorporated, the legislative body of the county where the  
 1485 area is located adopts a resolution approving the annexation; or
- 1486 (ii) for an area that is within the boundaries of a municipality, the legislative body of  
 1487 the municipality where the area is located adopts a resolution approving the

- 1488 annexation.
- 1489 (4)(a) Notwithstanding Title 17B, Chapter 1, Part 5, Withdrawal, property may be  
1490 withdrawn from a public infrastructure district if the following requirements are met:
- 1491 (i)(A) adoption of resolutions of the board and the creating entity, each approving  
1492 of the withdrawal; or
- 1493 (B) adoption of a resolution of the board to withdraw the property, provided that  
1494 the governing document or creation resolution for the public infrastructure  
1495 district authorizes the board to withdraw property from the public  
1496 infrastructure district without further consent from the creating entity; and
- 1497 (ii) a petition is filed with the public infrastructure district that contains the signatures  
1498 of 100% of surface property owners within the area proposed to be withdrawn,  
1499 demonstrating that the surface property owners consent to the withdrawal from the  
1500 public infrastructure district.
- 1501 (b) If any bonds that the public infrastructure district issues are allocable to the area to  
1502 be withdrawn remain unpaid at the time of the proposed withdrawal, the property  
1503 remains subject to any taxes, fees, or assessments that the public infrastructure  
1504 district imposes until the bonds or any associated refunding bonds are paid.
- 1505 (c) Upon meeting the requirements of Subsection (3) or (4)(a), the board shall:
- 1506 (i) within 30 days of the day on which a resolution is adopted or a petition is filed  
1507 under Subsection (3) or (4)(a), file with the lieutenant governor:
- 1508 (A) a copy of a notice of impending boundary action, as defined in Section  
1509 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and  
1510 (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5;  
1511 and
- 1512 (ii) comply with the requirements of Section 17B-1-512, except:
- 1513 (A) Subsections 17B-1-512(1)(b) and (c) do not apply; and  
1514 (B) the time periods described in this section govern.
- 1515 (5) A creating entity may impose limitations on the powers of a public infrastructure district  
1516 through the governing document.
- 1517 (6)(a) A public infrastructure district is separate and distinct from the creating entity.
- 1518 (b)(i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the  
1519 cost of accounting, audit reporting, and budget preparation, of a public  
1520 infrastructure district:
- 1521 (A) is borne solely by the public infrastructure district; and

- 1522 (B) is not borne by the creating entity, by the state, or by any municipality,  
1523 county, or other political subdivision.
- 1524 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing  
1525 document may require:
- 1526 (A) the district applicant to bear the initial costs of the public infrastructure  
1527 district; and
- 1528 (B) the public infrastructure district to reimburse the district applicant for the  
1529 initial costs the creating entity bears.
- 1530 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from  
1531 qualifying directly for an impact fee offset, credit, or refund under Title 11,  
1532 Chapter 36a, Impact Fees Act, regarding any qualifying system improvements  
1533 financed by the public infrastructure district.
- 1534 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure  
1535 district:
- 1536 (i) is the sole responsibility of the public infrastructure district; and  
1537 (ii) does not constitute a liability, judgment, or claim against the creating entity, the  
1538 state, or any municipality, county, or other political subdivision.
- 1539 (d)(i)(A) The public infrastructure district solely bears the responsibility of any  
1540 collection, enforcement, or foreclosure proceeding with regard to any fee or  
1541 assessment the public infrastructure district imposes.
- 1542 (B) The creating entity does not bear the responsibility described in Subsection  
1543 (6)(d)(i)(A).
- 1544 (ii) A public infrastructure district, and not the creating entity, shall undertake the  
1545 enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in  
1546 accordance with Title 11, Chapter 42, Assessment Area Act.
- 1547 (7) A creating entity may establish criteria in determining whether to approve or disapprove  
1548 of the creation of a public infrastructure district, including:
- 1549 (a) historical performance of the district applicant;  
1550 (b) compliance with the creating entity's master plan;  
1551 (c) credit worthiness of the district applicant;  
1552 (d) plan of finance of the public infrastructure district; and  
1553 (e) proposed development within the public infrastructure district.
- 1554 (8)(a) The creation of a public infrastructure district is subject to the sole discretion of  
1555 the creating entity responsible for approving or rejecting the creation of the public

1556 infrastructure district.

1557 (b) The proposed creating entity bears no liability for rejecting the proposed creation of  
1558 a public infrastructure district.

1559 Section 25. Section **17D-4-202** is amended to read:

1560 **17D-4-202 . Public infrastructure district board -- Governing document.**

1561 (1)(a) The legislative body or board of the creating entity shall ~~[appoint the initial~~  
1562 ~~members of the board of a public infrastructure district, in accordance with the~~  
1563 ~~governing document.]~~ approve the governing document for the public infrastructure  
1564 district through resolution.

1565 (b) A governing document~~[ approved by the legislative body or board of the creating~~  
1566 ~~entity may provide for] :~~

1567 (i) shall include the names of the initial members of the board;

1568 (ii) shall provide that, upon the lieutenant governor issuing a certificate of  
1569 incorporation for the public infrastructure district, members of the board may be  
1570 appointed in accordance with the terms of the governing document and this  
1571 section; and

1572 (iii) may provide for the board of a public infrastructure district to, upon a vacancy  
1573 on the board and subject to Subsection (4), appoint an individual to the board so  
1574 long as the individual meets the requirements to serve on a public infrastructure  
1575 district board described in this section.

1576 ~~[(e) For public infrastructure districts not described in Subsection (1)(b), and except as~~  
1577 ~~provided in Subsection (1)(d):]~~

1578 ~~[(i) if there is a vacancy on the board of a public infrastructure district, or a board~~  
1579 ~~member provides notice to the legislative body or board of the creating entity of~~  
1580 ~~the board member's intention to resign from the board, the legislative body or~~  
1581 ~~board of the creating entity shall appoint a replacement board member within 45~~  
1582 ~~days from the day on which the vacancy first occurs or the board member~~  
1583 ~~provides notice of the board member's intent to resign; and]~~

1584 ~~[(ii) if a legislative body or board of the creating entity fails to fill a vacancy on the~~  
1585 ~~board within the time period described in Subsection (1)(c)(i), the board of the~~  
1586 ~~public infrastructure district may appoint an individual who is eligible to serve on~~  
1587 ~~the board according to the requirements of this section to fill the board vacancy.]~~

1588 ~~[(d)]~~ (c) If a public infrastructure district board position has transitioned from  
1589 appointment to election, as described in Subsection (4), and an elected board position

1590 becomes vacant, the [~~provisions of Section 20A-1-512 apply to fill the vacancy]~~  
1591 vacant board position shall be filled through the remainder of the term in the method  
1592 provided in the governing document.

1593 (2)(a) Unless otherwise limited in the governing document and except as provided in  
1594 Subsection (2)(b), the initial term of each member of the board is four years.

1595 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial  
1596 board shall serve a six-year term so that, after the expiration of the initial term, the  
1597 term of approximately half the board members expires every two years.

1598 (c) A board may elect that a majority of the board serve an initial term of six years.

1599 (d) After the initial term, the term of each member of the board is four years.

1600 (e) A member of the board who is appointed shall continue to serve on the board of the  
1601 public infrastructure district until a replacement board member is appointed.

1602 (3)(a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required to  
1603 be a resident within the boundaries of the public infrastructure district if:

1604 (i) all of the surface property owners consent to the waiver of the residency  
1605 requirement in the petition requesting the creation of the public infrastructure  
1606 district;

1607 (ii) there are no residents within the boundaries of the public infrastructure district;

1608 (iii) no qualified candidate timely files to be considered for appointment to the board;  
1609 or

1610 (iv) no qualified individual files a declaration of candidacy for a board position in  
1611 accordance with Subsection 17B-1-306(5).

1612 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the  
1613 residency requirement in Subsection 17B-1-302(1)(b) is applicable to any board  
1614 member elected for a division or board position that has transitioned from an  
1615 appointed to an elected board member in accordance with this section.

1616 (c) An individual who is not a resident within the boundaries of the public infrastructure  
1617 district may not serve as a board member unless the individual is:

1618 (i) an owner of land or an agent or officer of the owner of land within the boundaries  
1619 of the public infrastructure district; and

1620 (ii) a registered voter at the individual's primary residence.

1621 (d) If [~~the creating entity determines that~~] a public infrastructure district is not  
1622 anticipated to have permanent residents within the public infrastructure district's  
1623 boundaries, or is anticipated to be primarily composed of non-residential property or

- 1624 non-primary residential property, a governing document may allow the ~~[creating~~  
1625 ~~entity to continue]~~ board to appoint a property owner, or the agent of a property  
1626 owner, to the public infrastructure district board.
- 1627 (e) A governing document may allow for a property owner to recommend a property  
1628 owner or a property owner's agent for appointment to the public infrastructure district  
1629 board in numbers proportional to the property owner's ownership of land, or value of  
1630 land, within a public infrastructure district.
- 1631 (4)(a) A governing document may provide for a transition from ~~[legislative body]~~  
1632 appointment under Subsection (1) to a method of election by registered voters based  
1633 upon milestones or events that the governing document identifies, including a  
1634 milestone for each division or individual board position providing that when the  
1635 milestone is reached:
- 1636 (i) for a division, the registered voters of the division elect a member of the board in  
1637 place of an appointed member at the next municipal general election for the board  
1638 position; or
- 1639 (ii) for an at large board position established in the governing document, the  
1640 registered voters of the public infrastructure district elect a member of the board in  
1641 place of an appointed member at the next municipal general election for the board  
1642 position.
- 1643 (b) Regardless of whether a board member is elected under Subsection (4)(a), the  
1644 position of each remaining board member shall continue to be appointed under  
1645 Subsection (1) until the member's respective division or board position surpasses the  
1646 density milestone described in the governing document.
- 1647 (5)(a) ~~[Subject to Subsection (5)(c), the]~~ For a public infrastructure district that has  
1648 transitioned to a method of election as described in Subsection (4), the board may, in  
1649 the board's discretion but no more frequently than every four years, reestablish the  
1650 boundaries of each division so that each division that has reached a milestone  
1651 specified in the governing document, as described in Subsection (4)(a), has, as nearly  
1652 as possible, the same number of eligible voters.
- 1653 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall  
1654 consider existing or potential developments within the divisions that, when  
1655 completed, would increase or decrease the number of eligible voters within the  
1656 division.
- 1657 ~~[(e) The governing document may prohibit the board from reestablishing, without the~~

- 1658 consent of the creating entity, the division boundaries as described in Subsection  
1659 ~~(5)(a).~~]
- 1660 (6) A public infrastructure district may not compensate a board member for the member's  
1661 service on the board under Section 17B-1-307 unless the board member is a resident  
1662 within the boundaries of the public infrastructure district.
- 1663 (7) A governing document shall:
- 1664 (a) include a boundary description and a map of the public infrastructure district;  
1665 (b) state the number of board members;  
1666 (c) describe any divisions of the public infrastructure district;  
1667 (d) establish any applicable property tax levy rate limit for the public infrastructure  
1668 district;  
1669 (e) establish any applicable limitation on the principal amount of indebtedness for the  
1670 public infrastructure district;  
1671 (f) describe the public infrastructure and improvements, facilities, or properties that the  
1672 public infrastructure district is created to construct, repair, or otherwise complete, as  
1673 described in Section 17D-4-203; and
- 1674 ~~[(f)]~~ (g) include other information that the public infrastructure district or the creating  
1675 entity determines to be necessary or advisable.
- 1676 (8)(a) Except as provided in Subsection (8)(b), the board and the governing body of the  
1677 creating entity may amend a governing document by each adopting a resolution that  
1678 approves the amended governing document.
- 1679 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy  
1680 rate limitation requires the consent of 100% of surface property owners within the  
1681 boundaries of the public infrastructure district.
- 1682 (9) A board member is not in violation of Section 67-16-9 if the board member:
- 1683 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8  
1684 and files the disclosure with the creating entity:  
1685 (i) before any appointment or election; and  
1686 (ii) upon any significant change in the business relationship; and
- 1687 (b) conducts the affairs of the public infrastructure district in accordance with this title  
1688 and any parameters described in the governing document.
- 1689 (10) Notwithstanding any other provision of this section, the governing document governs  
1690 the number, appointment, eligibility for appointment, and terms of board members of a  
1691 public infrastructure district created by the development authority.

1692 Section 26. Section **17D-4-202.1** is amended to read:

1693 **17D-4-202.1 . Convention center public infrastructure -- District board --**

1694 **Petition and process requirements -- Governing document.**

1695 (1) As used is this section:

1696 (a) "City" means a municipality of the first class located in a county of the first class in  
1697 which a convention center is located.

1698 (b) "County" means a county in which a convention center is located.

1699 (c) "Lessee" means a lessee of property within the proposed convention center public  
1700 infrastructure district that leases the property from the city or county for a term of at  
1701 least 10 years.

1702 (d)(i) "Petitioner" means:

1703 (A) a surface property owner, a property owner, or lessee of property within a  
1704 proposed convention center public infrastructure district's boundaries that  
1705 initiates the formation of a convention center public infrastructure district; or

1706 (B) a surface property owner under this chapter, and Title 17B, Chapter 1,  
1707 Provisions Applicable to All Special Districts, in relation to a convention  
1708 center public infrastructure district.

1709 (ii) "Petitioner" does not include a city, county, or other public entity.

1710 (2) A convention center public infrastructure district shall be created in a city upon the  
1711 submission of a petition in accordance with this part and shall have all the powers of a  
1712 public infrastructure district under this chapter.

1713 (3) A convention center public infrastructure district may only be created within a city in  
1714 which a convention center is located.

1715 (4) The petition described in Subsection (2) shall:

1716 (a) include the governing document; and

1717 (b) for a petition to a city which has previously authorized revitalization taxes described  
1718 in Section 63N-3-1403, include as part of the governing document approval and  
1719 authorization of an interlocal agreement pledging and securing the revitalization  
1720 taxes for debt of the proposed convention center public infrastructure district.

1721 (5)(a) The process for creating a convention center public infrastructure district or a  
1722 convention center public infrastructure district in a capital city shall be initiated by  
1723 the submission of a petition and a governing document to the city, except that:

1724 (i) the city recorder shall certify the petition within 14 days from the day the  
1725 petitioner submits the petition to the city recorder;

- 1726 (ii) if the city recorder fails to certify the petition within the time described in  
1727 Subsection (5)(a)(i), the petition shall be considered certified; and
- 1728 (iii) within 30 days from the day that the petitioner submits the petition to the city  
1729 recorder, or if the city and the petitioner have come to an agreement as described  
1730 in Subsection (5)(b), the city shall adopt a resolution to approve:
- 1731 (A) the governing document the petitioner submitted with the petition; and  
1732 (B) the creation of a convention center public infrastructure district or a  
1733 convention center public infrastructure district in a capital city.
- 1734 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized  
1735 terms of the petition, including the terms of an interlocal agreement, within a time  
1736 period agreed upon by the city and petitioner.
- 1737 (6)(a) The boundaries of a convention center public infrastructure district shall be  
1738 limited to an area within a one-half-mile radius of a convention center.
- 1739 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel  
1740 may be included in the district.
- 1741 (7) A convention center public infrastructure district shall be subject to the following  
1742 provisions regarding taxation and financing:
- 1743 (a) a convention center public infrastructure district may levy an administrative tax of up  
1744 to 0.0005 per dollar of taxable value on taxable property within the district; and  
1745 (b) the administrative tax shall be used exclusively for administrative expenses and may  
1746 not be used for capital costs or debt payment.
- 1747 (8) A convention center public infrastructure district shall be governed by the governing  
1748 document submitted and approved as described in this section.
- 1749 (9) The convention center public infrastructure board shall consist of five members to be  
1750 appointed by the board in accordance with the governing document as follows:
- 1751 (a) three members shall be representatives of the petitioner and selected by the petitioner;  
1752 (b) one member may be a representative of the city and selected by the mayor of the  
1753 city; and  
1754 (c) one member may be a representative of the county and selected by the mayor of the  
1755 county.
- 1756 (10)(a) Except as provided in Subsection (10)(b), upon a vacancy or expiration of a term  
1757 of a board member for a convention center public infrastructure district, the board  
1758 shall appoint the replacement in the same manner as described in Subsection (9) for  
1759 the unexpired period of the board member's term.

1760 (b) If a city or county mayor chooses not to select a member of the board as described in  
 1761 Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or  
 1762 chooses to vacate a member at any time, the petitioner shall select a member for the  
 1763 replacement who shall not be a representative of the city or county in which the  
 1764 convention center is located.

1765 (11)(a) A convention center public infrastructure district shall enter into an interlocal  
 1766 agreement with the relevant county that provides that, for any revenue that is  
 1767 transferred to the convention center public infrastructure district from a convention  
 1768 center reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter  
 1769 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall  
 1770 have approval authority for the expenditure of any revenue related to a convention  
 1771 center revitalization project, as that term is defined in Section 63N-3-602.

1772 (b) The approval authority described in Subsection (11)(a) does not include approval  
 1773 authority over:

- 1774 (i) any bonds or debt or related terms issued by the convention center public  
 1775 infrastructure district; or
- 1776 (ii) revenue subject to a participation agreement entered into pursuant to Title 63N,  
 1777 Chapter 3, Part 14, Capital City Revitalization Zone.

1778 Section 27. Section **17D-4-203** is amended to read:

1779 **17D-4-203 . Public infrastructure district powers.**

1780 (1) A public infrastructure district has all of the authority conferred upon a special district  
 1781 under Section 17B-1-103.

1782 (2) A public infrastructure district may:

1783 (a) issue negotiable bonds to pay:

- 1784 (i) all or part of the costs of acquiring, acquiring an interest in, improving, or  
 1785 extending any of the improvements, facilities, or property allowed under Section  
 1786 11-14-103;
- 1787 (ii) capital costs of improvements in an energy assessment area, as defined in Section  
 1788 11-42a-102, and other related costs, against the funds that the public infrastructure  
 1789 district will receive because of an assessment in an energy assessment area;
- 1790 (iii) public improvements related to the provision of housing;
- 1791 (iv) capital costs related to public transportation;
- 1792 (v) for a public infrastructure district that is within or adjacent to a housing and  
 1793 transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and

1794 Transit Reinvestment Zone Act, any and all costs to finance any public or  
1795 privately owned improvements, which, in the discretion of the board of the public  
1796 infrastructure district, promote the objectives described in Section 63N-3-603.1;  
1797 (vi) the cost of acquiring or financing public infrastructure and improvements;  
1798 (vii) for a public infrastructure district that is a subsidiary of or created by the Utah  
1799 Inland Port Authority, the costs associated with a remediation project, as defined  
1800 in Section 11-58-102;  
1801 (viii) for a convention center public infrastructure district that is within or adjacent to  
1802 a convention center reinvestment zone as defined in Section 63N-3-602, any or all  
1803 of the costs to finance any public or privately owned improvements, including  
1804 convention center-related improvements and arena improvements, which, in the  
1805 discretion of the board of a convention center public infrastructure district,  
1806 promote the objectives of the convention center reinvestment zone, as described in  
1807 Section 63N-3-603.1;  
1808 (ix) for a convention center public infrastructure district, the costs of financing a  
1809 convention revitalization project, as the term is defined in Section 63N-3-602;  
1810 (x) for a convention center public infrastructure district in a capital city that is within  
1811 or adjacent to a convention center reinvestment zone in a capital city, as defined in  
1812 Section 63N-3-602, any or all of the costs to financing any publicly owned  
1813 improvements, including the cost of financing a convention center revitalization  
1814 project in a capital city, as defined in Section 63N-3-602, convention  
1815 center-related improvements, and publicly or privately owned improvements that  
1816 directly serve the convention center, which, in the discretion of the board of the  
1817 convention center public infrastructure district in a capital city, promote the  
1818 objectives of the convention center reinvestment zone in a capital city, as  
1819 described in Section 63N-3-603.1; and  
1820 (xi) for a convention center public infrastructure district in a capital city that is within  
1821 a capital city revitalization zone project area, as defined in Section 63N-3-1401,  
1822 any allowed uses of funds or revenue provided for under Section 59-12-402.5,  
1823 including eligible expenses consistent with the terms of the participation  
1824 agreement, except that a convention center public infrastructure district in a  
1825 capital city may not issue negotiable bonds serviced by the revitalization tax under  
1826 Section 59-12-402.5 for privately owned improvements for more than the  
1827 maximum dollar amount described in the participation agreement.

- 1828 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal  
 1829 Cooperation Act, provided that the interlocal agreement may not expand the powers  
 1830 of the public infrastructure district, within the limitations of Title 11, Chapter 13,  
 1831 Interlocal Cooperation Act, without the consent of the creating entity;
- 1832 (c) notwithstanding any other provision in code, acquire completed or partially  
 1833 completed improvements, including related design and consulting services and  
 1834 related work product, for fair market value as reasonably determined by[~~]~~  
 1835 [~~(i) the board;~~]  
 1836 [~~(ii) the creating entity, if required in the governing document; or]~~  
 1837 [~~(iii)~~] a surveyor or engineer that a public infrastructure district employs or engages  
 1838 to perform the necessary engineering services for and to supervise the  
 1839 construction or installation of the improvements;
- 1840 (d) contract with the creating entity for the creating entity to provide administrative  
 1841 services on behalf of the public infrastructure district, when agreed to by both parties,  
 1842 in order to achieve cost savings and economic efficiencies, at the discretion of the  
 1843 creating entity;
- 1844 (e) for a public infrastructure district created by a development authority, or for a public  
 1845 infrastructure district created by a municipality and located in an urban renewal  
 1846 project area that includes some or all of an inactive industrial site:
- 1847 (i)(A) operate and maintain public infrastructure and improvements the district  
 1848 acquires or finances; and  
 1849 (B) use fees, assessments, or taxes to pay for the operation and maintenance of  
 1850 those public infrastructure and improvements;~~[and]~~
- 1851 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and  
 1852 (iii) for an advanced manufacturing project, a critical mineral extraction project, or an  
 1853 energy processing, transmission, or generation project located on state-owned or  
 1854 development authority-owned land within an authority project area:
- 1855 (A) notwithstanding Section 17D-4-303 and subject to Subsection (3), levy a  
 1856 property tax at a rate not to exceed a rate that generates more revenue than  
 1857 required to pay the annual debt service of the bond plus administrative costs,  
 1858 issue unlimited general obligation bonds as may be authorized by an election  
 1859 as described in this chapter and approved by the authority board; and
- 1860 (B) levy an energy tax of up to 4% of the delivered value of the taxable energy, as  
 1861 defined in Section 10-1-303, generated in the district, and use the revenue from

- 1862 the energy tax as security for bonds; and
- 1863 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland
- 1864 Port Authority, pay for costs associated with a remediation project, as defined in
- 1865 Section 11-58-102, of the Utah Inland Port Authority.
- 1866 (3) For general obligation bonds described in Subsection (2)(e)(iii)(A), the principal
- 1867 amount of the bonds cannot exceed 75% of the market value of the project for which the
- 1868 bonds are issued after the project is constructed and operating, as estimated and
- 1869 approved by a majority of the board of the public infrastructure district.
- 1870 (4) A public infrastructure district created by the Utah Fairpark Area Investment and
- 1871 Restoration District, created in Section 11-70-201, may:
- 1872 (a) pay for the cost of the development and construction of a qualified stadium, as
- 1873 defined in Section 11-70-101; and
- 1874 (b) pay for the cost of public infrastructure and improvements.
- 1875 Section 28. Section **17D-4-204** is amended to read:
- 1876 **17D-4-204 . Relation to other local entities.**
- 1877 (1) Notwithstanding the creation of a public infrastructure district, the creating entity and
- 1878 any other public entity, as applicable, retains all of the entity's authority over all zoning,
- 1879 planning, design specifications and approvals, and permitting within the public
- 1880 infrastructure district.
- 1881 (2) The inclusion of property within the boundaries of a public infrastructure district does
- 1882 not preclude the inclusion of the property within any other special district.
- 1883 (3)(a) All infrastructure that is connected to another public entity's system:
- 1884 (i) belongs to that public entity, regardless of inclusion within the boundaries of a
- 1885 public infrastructure district, unless the public infrastructure district and the public
- 1886 entity otherwise agree; and
- 1887 (ii) shall comply with the design, inspection requirements, and other standards of the
- 1888 public entity.
- 1889 (b) A public infrastructure district shall convey or transfer the infrastructure described in
- 1890 Subsection (3)(a) free of liens or financial encumbrances to the public entity at no
- 1891 cost to the public entity.
- 1892 (c) The conveyance, transfer, or dedication of infrastructure to a creating entity or a
- 1893 public entity in accordance with this section is not a financial benefit of the creating
- 1894 entity or public entity.
- 1895 (4)(a) No public entity or private person shall receive funds from any portion of a public

1896 infrastructure district's property tax revenue without a resolution of the public  
 1897 infrastructure district's board authorizing the public entity or private person to receive  
 1898 the funds.

1899 (b) Subsection (4)(a) does not apply to the county's expenses related to collecting  
 1900 property tax in accordance with Title 59, Chapter 2, [~~Part 12,~~]Property Tax Act.

1901 (c) Subsection (4)(a) applies notwithstanding any provision in:

1902 (i) Title 17C, Limited Purpose Local Government Entities - Community  
 1903 Reinvestment Agency Act;

1904 (ii) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;

1905 (iii) a statute governing a development authority created under Utah Constitution,  
 1906 Article XI; or

1907 (iv) a provision of code related to the collection, distribution, or sharing of tax  
 1908 increment revenue, incremental property tax increases, or actions related to the  
 1909 collection, distribution, or sharing of tax increment revenue or incremental  
 1910 property tax increases.

1911 Section 29. Section **17D-4-303** is amended to read:

1912 **17D-4-303 . Limits on public infrastructure district property tax levy -- Notice**  
 1913 **requirements.**

1914 (1) [~~The~~] Except as provided in Subsection 17D-4-203(2)(e), Section 11-58-707, and  
 1915 Subsection 63H-1-202(10), the property tax levy of a public infrastructure district, for all  
 1916 purposes, including payment of debt service on limited tax bonds, may not exceed .015  
 1917 per dollar of taxable value of taxable property in the district.

1918 (2) The limitation described in Subsection (1) does not apply to the levy by the public  
 1919 infrastructure district to pay principal of and interest on a general obligation bond that  
 1920 the public infrastructure district issues.

1921 (3)(a) Within 30 days after the day on which the lieutenant governor issues a certificate  
 1922 of incorporation for the public infrastructure district under Section 67-1a-6.5, the  
 1923 board shall record a notice with the recorder of the county in which property within  
 1924 the public infrastructure district is located.

1925 (b) The notice described in Subsection (3)(a) shall:

1926 (i) contain a description of the boundaries of the public infrastructure district;

1927 (ii) state that a copy of the governing document is on file at the office of the creating  
 1928 entity;

1929 (iii) state that the public infrastructure district may finance and repay infrastructure

1930 and other improvements through the levy of a property tax; and  
 1931 (iv) state the maximum rate that the public infrastructure district may levy.  
 1932 (c) The effective date of the public infrastructure district for purposes of assessing  
 1933 property tax is the day on which the notice is recorded in the office of the recorder of  
 1934 each county in which the public infrastructure district is located, as described in  
 1935 Section 59-2-305.5.

1936 (4) If the board fails to record a notice as described in Subsection (3):  
 1937 (a) the public infrastructure district is still created as of the day the lieutenant governor  
 1938 issues a certificate of incorporation for the public infrastructure district;  
 1939 (b) any bonds issued by the public infrastructure district are still valid; and  
 1940 (c) the public infrastructure district may not levy a tax or levy or collect a fee until the  
 1941 board records the notice described in Subsection (3).

1942 Section 30. Section **17D-4-401** is enacted to read:

1943 **Part 4. Dissolution**

1944 **17D-4-401 . District dissolution.**

1945 (1) The board of trustees of a public infrastructure district, other than a public infrastructure  
 1946 district created by a development authority that provides ongoing services, shall adopt a  
 1947 resolution to dissolve the public infrastructure once:  
 1948 (a) the public infrastructure district has paid all the public infrastructure district's debts;  
 1949 (b) the public infrastructure district's contractual obligations are satisfied or defeased; and  
 1950 (c) the public infrastructure and improvements, facilities, or properties described in the  
 1951 governing document, as required in Section 17D-4-202, have been:  
 1952 (i) constructed, repaired, or otherwise completed; and  
 1953 (ii) transferred to the entity responsible for the maintenance and operation of the  
 1954 public infrastructure and improvement, facility, or property.  
 1955 (2) The board shall:  
 1956 (a) adopt a resolution approving the dissolution of the public infrastructure district  
 1957 within 30 days of the day on which the conditions of Subsection (1) are met; and  
 1958 (b) file with the lieutenant governor a notice of an impending boundary action, as  
 1959 defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3),  
 1960 within 30 days of the day on which the board adopts a resolution described in  
 1961 Subsection (2)(a).  
 1962 (3) The board may use any assets of the public infrastructure district that remain after the  
 1963 requirements of Subsection (1) are met to pay costs associated with the dissolution

- 1964 process.
- 1965 (4) Upon the lieutenant governor's issuance of a certificate of dissolution under Section
- 1966 67-1a-6.5:
- 1967 (a) the public infrastructure district is dissolved; and
- 1968 (b) the board shall:
- 1969 (i) if the public infrastructure district was located within the boundary of a single
- 1970 county, submit to the recorder of that county the original and a certified copy of
- 1971 the resolution described in Subsection (2)(a); or
- 1972 (ii) if the public infrastructure district was located within the boundaries of more than
- 1973 a single county:
- 1974 (A) submit to the recorder of one of those counties the original certificate of
- 1975 dissolution and a certified copy of the resolution described in Subsection (2)(a);
- 1976 and
- 1977 (B) submit to the recorder of each other county a certified copy of the certificate
- 1978 of dissolution and a certified copy of the resolution described in Subsection
- 1979 (2)(a).
- 1980 (5) If any assets of the public infrastructure district remain after the conditions of
- 1981 Subsection (1) are met and the costs described in Subsection (3) are paid, the board shall
- 1982 distribute the assets in the following order of priority:
- 1983 (a) if there is a readily identifiable connection between the remaining assets and a
- 1984 financial burden borne by the real property owners in the dissolved public
- 1985 infrastructure district, proportionately to those real property owners; and
- 1986 (b) the entity described in Subsection (1)(c)(ii).

1987 Section 31. Section **51-9-1001** is enacted to read:

1988 **Part 10. State Reinvestment Restricted Account**

1989 **51-9-1001 . Definitions.**

1990 As used in this part:

- 1991 (1) "Account" means the State Reinvestment Restricted Account created in Section
- 1992 51-9-1002.
- 1993 (2) "Generational water infrastructure" means physical facilities or other physical assets
- 1994 designed to meet generational demands for water.

1995 Section 32. Section **51-9-1002** is enacted to read:

1996 **51-9-1002 . State Reinvestment Restricted Account created.**

- 1997 (1) There is created within the General Fund a restricted account known as the "State

1998 Reinvestment Restricted Account."

1999 (2) The account shall consist of:

2000 (a) revenue deposited into the account in accordance with:

2001 (i) Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development  
2002 Zones; and

2003 (ii) Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy  
2004 Implications;

2005 (b) revenue deposited into the account by the Utah Inland Port Authority in accordance  
2006 with Sections 11-58-602 and 11-58-607; and

2007 (c) interest and earnings on money in the account.

2008 (3) The state treasurer shall invest the money in the fund according to Title 51, Chapter 7,  
2009 State Money Management Act, except that interest or other earnings derived from those  
2010 investments shall be deposited into the account.

2011 Section 33. Section **51-9-1003** is enacted to read:

2012 **51-9-1003 . Authorized use of the State Reinvestment Restricted Account.**

2013 (1) Money in the account is to be used, subject to appropriation, for:

2014 (a) income tax relief;

2015 (b) development of generational water infrastructure;

2016 (c) facilitating preservation of the Great Salt Lake watershed, as described in Title 73,  
2017 Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;

2018 (d) regionally significant transit development and regionally significant transit  
2019 infrastructure; and

2020 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy  
2021 Act.

2022 (2) Money in the account that is derived from a local source may not be used in an area  
2023 outside the area in which the money was generated unless the money is used for a  
2024 purpose described in Subsection (1).

2025 Section 34. Section **57-1-49** is enacted to read:

2026 **57-1-49 . Disclosure of annual assessment to a public infrastructure district.**

2027 (1) As used in this section, "public infrastructure district" means an entity created as  
2028 described in Title 17D, Chapter 4, Public Infrastructure District Act.

2029 (2) In a conveyance of residential real property within the boundaries of a public  
2030 infrastructure district, a seller or the seller's representative shall ensure that the expected  
2031 annual cost of the public infrastructure district's final tax rate, as shown on the last

2032 equalized assessment rolls, is included in a disclosure document at or before closing.

2033 Section 35. Section **59-1-306** is amended to read:

2034 **59-1-306 . Definition -- State Tax Commission Administrative Charge Account --**  
 2035 **Amount of administrative charge -- Deposit of revenue into the restricted account --**  
 2036 **Interest deposited into General Fund -- Expenditure of money deposited into the**  
 2037 **restricted account.**

2038 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the  
 2039 commission administers under:

2040 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

2041 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

2042 (c) Section 19-6-714;

2043 (d) Section 19-6-805;

2044 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax  
 2045 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;

2046 (f) Section 59-27-105;

2047 (g) Chapter 31, Cannabinoid Licensing and Tax Act;

2048 (h) Chapter 32, Local Impact Mitigation Tax Act;

2049 (i) Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax;

2050 (j) Chapter 35, County Energy Excise Tax Act;

2051 [~~(j)~~] (k) Section 63H-1-205;

2052 [~~(k)~~] (l) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act; [~~or~~]

2053 [~~(l)~~] (m) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service  
 2054 Charges; or

2055 [~~(m)~~] (n) Title 79, Chapter 6, [~~Part 11~~] Part 14, Energy Project Assessment.

2056 (2) There is created a restricted account within the General Fund known as the "State Tax  
 2057 Commission Administrative Charge Account."

2058 (3) Subject to the other provisions of this section, the restricted account shall consist of  
 2059 administrative charges the commission retains and deposits in accordance with this  
 2060 section.

2061 (4) For purposes of this section, the administrative charge is a percentage of revenue the  
 2062 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser  
 2063 of:

2064 (a) 1.5%; or

2065 (b) an equal percentage of revenue the commission collects from each qualifying tax,

2066 fee, or charge sufficient to cover the cost to the commission of administering the  
2067 qualifying taxes, fees, or charges.

2068 (5) The commission shall deposit an administrative charge into the restricted account.

2069 (6) Interest earned on the restricted account shall be deposited into the General Fund.

2070 (7) The commission shall expend money appropriated by the Legislature to the commission  
2071 from the restricted account to administer qualifying taxes, fees, or charges or to offset  
2072 general operational expenses.

2073 Section 36. Section **59-2-924** is amended to read:

2074 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**  
2075 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**  
2076 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**  
2077 **commission.**

2078 (1) As used in this section:

2079 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with  
2080 this chapter.

2081 (ii) "Ad valorem property tax revenue" does not include:

2082 (A) interest;

2083 (B) penalties;

2084 (C) collections from redemptions; or

2085 (D) revenue received by a taxing entity from personal property that is  
2086 semiconductor manufacturing equipment assessed by a county assessor in  
2087 accordance with Part 3, County Assessment.

2088 (b) "Adjusted tax increment" means the same as that term is defined in Section  
2089 17C-1-102.

2090 (c)(i) "Aggregate taxable value of all property taxed" means:

2091 (A) the aggregate taxable value of all real property a county assessor assesses in  
2092 accordance with Part 3, County Assessment, for the current year;

2093 (B) the aggregate taxable value of all real and personal property the commission  
2094 assesses in accordance with Part 2, Assessment of Property, for the current  
2095 year; and

2096 (C) the aggregate year end taxable value of all personal property a county assessor  
2097 assesses in accordance with Part 3, County Assessment, contained on the prior  
2098 year's tax rolls of the taxing entity.

2099 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate

- 2100 year end taxable value of personal property that is:
- 2101 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 2102 accordance with Part 3, County Assessment; and
- 2103 (B) contained on the prior year's tax rolls of the taxing entity.
- 2104 (d) "Base taxable value" means:
- 2105 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 2106 in Section 11-58-102;
- 2107 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2108 the same as that term is defined in Section 11-59-207;
- 2109 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2110 11-70-201, the same as that term is defined in Section 11-70-101;
- 2111 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 2112 defined in Section 17C-1-102;
- 2113 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 2114 in Section 63H-1-102;
- 2115 (vi) for a host local government, the same as that term is defined in Section
- 2116 63N-2-502;
- 2117 (vii) for a housing and transit reinvestment zone or convention center reinvestment
- 2118 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2119 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2120 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
- 2121 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
- 2122 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
- 2123 upon the assessment roll last equalized during the base year, as that term is
- 2124 defined in Section 10-21-101 or Section 17-80-101;
- 2125 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 2126 First Home Investment Zone Act, a property's taxable value as shown upon the
- 2127 assessment roll last equalized during the base year, as that term is defined in
- 2128 Section 63N-3-1601;
- 2129 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 2130 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
- 2131 upon the assessment roll last equalized during the property tax base year, as that
- 2132 term is defined in Section 63N-3-1701;[~~or~~]
- 2133 (xi) for an electrical energy development zone created under Section 79-6-1104, the

2134 value of the property within an electrical energy development zone, as shown on  
 2135 the assessment roll last equalized before the creation of the electrical development  
 2136 zone, as that term is defined in Section 79-6-1104[-] ; or

2137 (xii) for a regionally significant development zone created under Section 63N-3a-203,  
 2138 the taxable value of the property within a regionally significant development zone  
 2139 boundary, as shown on the assessment roll last equalized during the base year, as  
 2140 that term is defined in Section 63N-3a-101.

2141 (e) "Centrally assessed benchmark value" means an amount equal to the average year  
 2142 end taxable value of real and personal property the commission assesses in  
 2143 accordance with Part 2, Assessment of Property, for the previous three calendar  
 2144 years, adjusted for taxable value attributable to:

2145 (i) an annexation to a taxing entity;

2146 (ii) an incorrect allocation of taxable value of real or personal property the  
 2147 commission assesses in accordance with Part 2, Assessment of Property; or

2148 (iii) a change in value as a result of a change in the method of apportioning the value  
 2149 prescribed by the Legislature, a court, or the commission in an administrative rule  
 2150 or administrative order.

2151 (f) "Centrally assessed industry" means the following industry classes the commission  
 2152 assesses in accordance with Part 2, Assessment of Property:

2153 (i) air carrier;

2154 (ii) coal;

2155 (iii) coal load out property;

2156 (iv) electric generation;

2157 (v) electric rural;

2158 (vi) electric utility;

2159 (vii) gas utility;

2160 (viii) ground access property;

2161 (ix) land only property;

2162 (x) liquid pipeline;

2163 (xi) metalliferous mining;

2164 (xii) nonmetalliferous mining;

2165 (xiii) oil and gas gathering;

2166 (xiv) oil and gas production;

2167 (xv) oil and gas water disposal;

- 2168 (xvi) railroad;
- 2169 (xvii) sand and gravel; and
- 2170 (xviii) uranium.
- 2171 (g)(i) "Centrally assessed new growth" means the greater of:
- 2172 (A) for each centrally assessed industry, zero; or
- 2173 (B) the amount calculated by subtracting the centrally assessed benchmark value
- 2174 for each centrally assessed industry, adjusted for prior year end incremental
- 2175 value, from the taxable value of real and personal property the commission
- 2176 assesses in accordance with Part 2, Assessment of Property, for each centrally
- 2177 assessed industry for the current year, adjusted for current year incremental
- 2178 value.
- 2179 (ii) "Centrally assessed new growth" does not include a change in value for a
- 2180 centrally assessed industry as a result of a change in the method of apportioning
- 2181 the value prescribed by the Legislature, a court, or the commission in an
- 2182 administrative rule or administrative order.
- 2183 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
- 2184 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 2185 (i) "Community reinvestment agency" means the same as that term is defined in Section
- 2186 17C-1-102.
- 2187 (j) "Eligible new growth" means the greater of:
- 2188 (i) zero; or
- 2189 (ii) the sum of:
- 2190 (A) locally assessed new growth;
- 2191 (B) centrally assessed new growth; and
- 2192 (C) project area new growth or hotel property new growth.
- 2193 (k) "Host local government" means the same as that term is defined in Section
- 2194 63N-2-502.
- 2195 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 2196 (m) "Hotel property new growth" means an amount equal to the incremental value that is
- 2197 no longer provided to a host local government as incremental property tax revenue.
- 2198 (n) "Incremental property tax revenue" means the same as that term is defined in Section
- 2199 63N-2-502.
- 2200 (o) "Incremental value" means:
- 2201 (i) for an authority created under Section 11-58-201, the amount calculated by

- 2202 multiplying:
- 2203 (A) the difference between the taxable value and the base taxable value of the
- 2204 property that is located within a project area and on which property tax
- 2205 differential is collected; and
- 2206 (B) the number that represents the percentage of the property tax differential that
- 2207 is paid to the authority;
- 2208 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2209 an amount calculated by multiplying:
- 2210 (A) the difference between the current assessed value of the property and the base
- 2211 taxable value; and
- 2212 (B) the number that represents the percentage of the property tax augmentation, as
- 2213 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 2214 Land Authority;
- 2215 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2216 11-70-201, the amount calculated by multiplying:
- 2217 (A) the difference between the taxable value for the current year and the base
- 2218 taxable value of the property that is located within a project area; and
- 2219 (B) the number that represents the percentage of enhanced property tax revenue,
- 2220 as defined in Section 11-70-101;
- 2221 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
- 2222 multiplying:
- 2223 (A) the difference between the taxable value and the base taxable value of the
- 2224 property located within a project area and on which tax increment is collected;
- 2225 and
- 2226 (B) the number that represents the adjusted tax increment from that project area
- 2227 that is paid to the agency;
- 2228 (v) for an authority created under Section 63H-1-201, the amount calculated by
- 2229 multiplying:
- 2230 (A) the difference between the taxable value and the base taxable value of the
- 2231 property located within a project area and on which property tax allocation is
- 2232 collected; and
- 2233 (B) the number that represents the percentage of the property tax allocation from
- 2234 that project area that is paid to the authority;
- 2235 (vi) for a housing and transit reinvestment zone or convention center reinvestment

- 2236 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit  
 2237 Reinvestment Zone Act, an amount calculated by multiplying:
- 2238 (A) the difference between the taxable value and the base taxable value of the  
 2239 property that is located within a housing and transit reinvestment zone or  
 2240 convention center reinvestment zone and on which tax increment is collected;  
 2241 and
- 2242 (B) the number that represents the percentage of the tax increment that is paid to  
 2243 the housing and transit reinvestment zone or convention center reinvestment  
 2244 zone;
- 2245 (vii) for a host local government, an amount calculated by multiplying:
- 2246 (A) the difference between the taxable value and the base taxable value of the  
 2247 hotel property on which incremental property tax revenue is collected; and
- 2248 (B) the number that represents the percentage of the incremental property tax  
 2249 revenue from that hotel property that is paid to the host local government;
- 2250 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part  
 2251 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
 2252 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 2253 (A) the difference between the taxable value and the base taxable value of the  
 2254 property that is located within a home ownership promotion zone and on which  
 2255 tax increment is collected; and
- 2256 (B) the number that represents the percentage of the tax increment that is paid to  
 2257 the home ownership promotion zone;
- 2258 (ix) for a first home investment zone created in accordance with Title 63N, Chapter  
 2259 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 2260 (A) the difference between the taxable value and the base taxable value of the  
 2261 property that is located within a first home investment zone and on which tax  
 2262 increment is collected; and
- 2263 (B) the number that represents the percentage of the tax increment that is paid to  
 2264 the first home investment zone;
- 2265 (x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with  
 2266 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount  
 2267 calculated by multiplying:
- 2268 (A) the difference between the taxable value and the base taxable value of the  
 2269 property located within a qualified development zone for a major sporting

- 2270 event venue zone and upon which property tax increment is collected; and
- 2271 (B) the number that represents the percentage of tax increment that is paid to the
- 2272 major sporting event venue zone, as approved by a major sporting event venue
- 2273 zone committee described in Section 63N-1a-1706;[-or]
- 2274 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 2275 amount calculated by multiplying:
- 2276 (A) the difference between the taxable value and the base taxable value of the
- 2277 property that is located within the electrical energy developmental zone; and
- 2278 (B) the number that represents the percentage of the tax increment that is paid to a
- 2279 community reinvestment agency and the Electrical Energy Development
- 2280 Investment Fund created in Section 79-6-1105[-] ; or
- 2281 (xii) for a regionally significant development zone created under Section 63N-3a-203,
- 2282 the amount calculated by multiplying:
- 2283 (A) the difference between the taxable value and the base taxable value of the
- 2284 property that is located within the regionally significant development zone; and
- 2285 (B) the number that represents the percentage of the tax increment that is paid to a
- 2286 creating entity's agency, as established by the committee in Section 63N-3a-204.
- 2287 (p)(i) "Locally assessed new growth" means the greater of:
- 2288 (A) zero; or
- 2289 (B) the amount calculated by subtracting the year end taxable value of real
- 2290 property the county assessor assesses in accordance with Part 3, County
- 2291 Assessment, for the previous year, adjusted for prior year end incremental
- 2292 value from the taxable value of real property the county assessor assesses in
- 2293 accordance with Part 3, County Assessment, for the current year, adjusted for
- 2294 current year incremental value.
- 2295 (ii) "Locally assessed new growth" does not include a change in:
- 2296 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 2297 or another adjustment;
- 2298 (B) assessed value based on whether a property is allowed a residential exemption
- 2299 for a primary residence under Section 59-2-103;
- 2300 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 2301 Assessment Act; or
- 2302 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 2303 Farming Assessment Act.

- 2304 (q) "Project area" means:
- 2305 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 2306 in Section 11-58-102;
- 2307 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2308 11-70-201, the same as that term is defined in Section 11-70-101;
- 2309 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 2310 defined in Section 17C-1-102;
- 2311 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 2312 defined in Section 63H-1-102;
- 2313 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 2314 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2315 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2316 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2317 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2318 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 2319 10-21-101 or Section 17-80-101;
- 2320 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 2321 First Home Investment Zone Act, the same as that term is defined in Section
- 2322 63N-3-1601;~~[-or]~~
- 2323 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 2324 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 2325 as defined in Section 63N-3-1701~~[-]~~ ; or
- 2326 (ix) for a regionally significant development zone created under Title 63N, Chapter
- 2327 3a, Part 2, Creation of Regionally Significant Development Zones, the qualified
- 2328 development zone, as defined in Section 63N-3a-204.
- 2329 (r) "Project area new growth" means:
- 2330 (i) for an authority created under Section 11-58-201, an amount equal to the
- 2331 incremental value that is no longer provided to an authority as property tax
- 2332 differential;
- 2333 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2334 an amount equal to the incremental value that is no longer provided to the Point of
- 2335 the Mountain State Land Authority as property tax augmentation, as defined in
- 2336 Section 11-59-207;
- 2337 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section

- 2338 11-70-201, an amount equal to the incremental value that is no longer provided to  
2339 the Utah Fairpark Area Investment and Restoration District;
- 2340 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the  
2341 incremental value that is no longer provided to an agency as tax increment;
- 2342 (v) for an authority created under Section 63H-1-201, an amount equal to the  
2343 incremental value that is no longer provided to an authority as property tax  
2344 allocation;
- 2345 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
2346 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
2347 Reinvestment Zone Act, an amount equal to the incremental value that is no  
2348 longer provided to a housing and transit reinvestment zone or convention center  
2349 reinvestment zone as tax increment;
- 2350 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
2351 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
2352 5, Home Ownership Promotion Zone, an amount equal to the incremental value  
2353 that is no longer provided to a home ownership promotion zone as tax increment;
- 2354 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
2355 First Home Investment Zone Act, an amount equal to the incremental value that is  
2356 no longer provided to a first home investment zone as tax increment;~~[-or]~~
- 2357 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
2358 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental  
2359 value that is no longer provided to the creating entity of a major sporting event  
2360 venue zone as property tax increment~~[-]~~ ; or
- 2361 (x) for a regionally significant development zone created under Title 63N, Chapter  
2362 3a, Part 2, Creation of Regionally Significant Development Zones, an amount  
2363 equal to the incremental value that is no longer provided to the creating entity's  
2364 agency for the regionally significant development zone.
- 2365 (s) "Project area incremental revenue" means the same as that term is defined in Section  
2366 17C-1-1001.
- 2367 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 2368 (u) "Property tax differential" means the same as that term is defined in Sections  
2369 11-58-102 and 79-6-1104.
- 2370 (v) "Tax increment" means:
- 2371 (i) for a project created under Section 17C-1-201.5, the same as that term is defined

- 2372 in Section 17C-1-102;
- 2373 (ii) for a housing and transit reinvestment zone or convention center reinvestment  
2374 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
2375 Reinvestment Zone Act, the same as the term "property tax increment" is defined  
2376 in Section 63N-3-602;
- 2377 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
2378 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
2379 5, Home Ownership Promotion Zone, the same as that term is defined in Section  
2380 10-21-101 or Section 17-80-101;
- 2381 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
2382 First Home Investment Zone Act, the same as that term is defined in Section  
2383 63N-3-1601;~~[-or]~~
- 2384 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
2385 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is  
2386 defined in Section 63N-3-1701[-] ; or
- 2387 (vi) for a regionally significant development zone created under Title 63N, Chapter  
2388 3a, Part 2, Creation of Regionally Significant Development Zones, the same as the  
2389 term "property tax increment" is defined in Section 63N-3a-101.
- 2390 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and  
2391 the commission the following statements:
- 2392 (a) a statement containing the aggregate valuation of all taxable real property a county  
2393 assessor assesses in accordance with Part 3, County Assessment, for each taxing  
2394 entity; and
- 2395 (b) a statement containing the taxable value of all personal property a county assessor  
2396 assesses in accordance with Part 3, County Assessment, from the prior year end  
2397 values.
- 2398 (3) The county auditor shall, on or before June 8, transmit to the governing body of each  
2399 taxing entity:
- 2400 (a) the statements described in Subsections (2)(a) and (b);
- 2401 (b) an estimate of the revenue from personal property;
- 2402 (c) the certified tax rate; and
- 2403 (d) all forms necessary to submit a tax levy request.
- 2404 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be  
2405 calculated by dividing the ad valorem property tax revenue that a taxing entity

- 2406 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 2407 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 2408 calculate an amount as follows:
- 2409 (i) calculate for the taxing entity the difference between:
- 2410 (A) the aggregate taxable value of all property taxed; and
- 2411 (B) any adjustments for current year incremental value;
- 2412 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 2413 determined by increasing or decreasing the amount calculated under Subsection
- 2414 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 2415 property for the equalization period for the three calendar years immediately
- 2416 preceding the current calendar year;
- 2417 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 2418 product of:
- 2419 (A) the amount calculated under Subsection (4)(b)(ii); and
- 2420 (B) the percentage of property taxes collected for the five calendar years
- 2421 immediately preceding the current calendar year; and
- 2422 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
- 2423 amount determined by:
- 2424 (A) multiplying the percentage of property taxes collected for the five calendar
- 2425 years immediately preceding the current calendar year by eligible new growth;
- 2426 and
- 2427 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
- 2428 amount calculated under Subsection (4)(b)(iii).
- 2429 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
- 2430 as follows:
- 2431 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
- 2432 tax rate is zero;
- 2433 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 2434 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 2435 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
- 2436 to Unincorporated Areas; and
- 2437 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
- 2438 purposes and such other levies imposed solely for the municipal-type services
- 2439 identified in Section 17-78-501 and Subsection 17-63-101(23);

- 2440 (c) for a community reinvestment agency that received all or a portion of a taxing  
2441 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,  
2442 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in  
2443 Subsection (4) except that the commission shall treat the total revenue transferred to  
2444 the community reinvestment agency as ad valorem property tax revenue that the  
2445 taxing entity budgeted for the prior year; and
- 2446 (d) for debt service voted on by the public, the certified tax rate is the actual levy  
2447 imposed by that section, except that a certified tax rate for the following levies shall  
2448 be calculated in accordance with Section 59-2-913 and this section:
- 2449 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and  
2450 (ii) a levy to pay for the costs of state legislative mandates or judicial or  
2451 administrative orders under Section 59-2-1602.
- 2452 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or  
2453 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy  
2454 one or more eligible judgments.
- 2455 (b) The ad valorem property tax revenue generated by a judgment levy described in  
2456 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate  
2457 certified tax rate.
- 2458 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 2459 (i) the taxable value of real property:
- 2460 (A) the county assessor assesses in accordance with Part 3, County Assessment;  
2461 and  
2462 (B) contained on the assessment roll;
- 2463 (ii) the year end taxable value of personal property:
- 2464 (A) a county assessor assesses in accordance with Part 3, County Assessment; and  
2465 (B) contained on the prior year's assessment roll; and
- 2466 (iii) the taxable value of real and personal property the commission assesses in  
2467 accordance with Part 2, Assessment of Property.
- 2468 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new  
2469 growth.
- 2470 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 2471 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify  
2472 the county auditor of:
- 2473 (i) the taxing entity's intent to exceed the certified tax rate; and

- 2474 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 2475 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 2476 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 2477 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 2478 electronic means on or before July 31, to a taxing entity and the Revenue and
- 2479 Taxation Interim Committee if:
- 2480 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 2481 taxable value of the real and personal property the commission assesses in
- 2482 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 2483 for prior year end incremental value; and
- 2484 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 2485 end taxable value of the real and personal property of a taxpayer the commission
- 2486 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 2487 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 2488 subtracting the taxable value of real and personal property the commission assesses
- 2489 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 2490 current year incremental value, from the year end taxable value of the real and
- 2491 personal property the commission assesses in accordance with Part 2, Assessment of
- 2492 Property, for the previous year, adjusted for prior year end incremental value.
- 2493 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 2494 subtracting the total taxable value of real and personal property of a taxpayer the
- 2495 commission assesses in accordance with Part 2, Assessment of Property, for the
- 2496 current year, from the total year end taxable value of the real and personal property of
- 2497 a taxpayer the commission assesses in accordance with Part 2, Assessment of
- 2498 Property, for the previous year.
- 2499 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
- 2500 requirement under Subsection (9)(a)(ii).

2501 Section 37. Section **59-35-101** is enacted to read:

2502 **CHAPTER 35. County Energy Excise Tax Act**

2503 **59-35-101 . Definitions.**

2504 As used in this chapter:

- 2505 (1) "Delivered value" means the fair market value of energy delivered for use and includes:
- 2506 (a) the value of the energy itself; and
- 2507 (b) any transportation, freight, customer demand charges, services charges, or other

2508 costs typically incurred in providing energy in usable form.

2509 (2) "Energy" means gas and electricity.

2510 (3) "Energy supplier" means a person supplying energy.

2511 (4) "High-impact consumer" means:

2512 (a) a large load customer; or

2513 (b) a qualifying data center.

2514 (5) "Large load customer" means the same as that term is defined in Section 54-26-101.

2515 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.

2516 (7) "Regional economic development authority" means:

2517 (a) the Military Installation Development Authority created in Section 63H-1-201;

2518 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; and

2519 (c) the Utah Fairpark Area Investment and Restoration District created in Section

2520 11-70-201.

2521 Section 38. Section **59-35-201** is enacted to read:

2522 **59-35-201 . County energy excise tax -- Rate -- Effective date -- Notice**

2523 **requirements.**

2524 (1) A county may levy an excise tax for the delivered value of energy upon a high-impact  
2525 consumer located:

2526 (a) within the county; and

2527 (b) on unincorporated land.

2528 (2)(a) Subject to Section 59-35-202, a county may impose the tax levied under

2529 Subsection (1) at a maximum rate of 6% of the delivered value of the energy to the

2530 high-impact consumer.

2531 (b) A high-impact consumer that qualifies as both a large load customer and a qualifying

2532 data center is only subject to one excise tax described in this section.

2533 (3)(a) An energy supplier that delivers energy to a high-impact consumer is responsible

2534 for collecting and remitting a tax described in this section to the commission on a

2535 quarterly basis in the same manner that the energy supplier collects and remits sales

2536 and use tax.

2537 (b) For purposes of determining the point of sale for the delivered value of energy, the

2538 energy supplier shall use the location of the high-impact consumer's meter.

2539 (c) If an energy supplier passes along the cost of a tax imposed under this chapter to the

2540 high-impact consumer, the energy supplier shall indicate to the high-impact

2541 consumer that the tax is passed through by the energy supplier as a separately

- 2542 itemized charge.
- 2543 (4) A county that imposes or repeals the tax under this chapter, or modifies the rate of a tax  
 2544 imposed under this chapter, shall ensure county's action takes effect:
- 2545 (a) on the first day of a calendar quarter; and
- 2546 (b) after a 90-day period beginning on the date the county sends notice to the tax  
 2547 commission as described in Subsection (5).
- 2548 (5) A notice described in Subsection (4)(b) shall include:
- 2549 (a) that the county is imposing or repealing a tax under this chapter, or modifying the  
 2550 rate of a tax imposed under this chapter;
- 2551 (b) the tax rate, if applicable; and
- 2552 (c) the effective date of the tax.
- 2553 (6) A county excise tax imposed under this chapter is in addition to any sales and use tax  
 2554 imposed by the county under Title 59, Chapter 12, Sales and Use Tax Act.
- 2555 Section 39. Section **59-35-202** is enacted to read:
- 2556 **59-35-202 . High-impact consumers in certain project areas.**
- 2557 If a high-impact consumer is subject to a municipal energy sales and use tax, as  
 2558 described in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, that is  
 2559 levied by a regional land use economic development authority, the county may levy a tax  
 2560 described in Section 59-35-201 on the high-impact consumer only:
- 2561 (1) to the extent that the regional economic development authority does not levy the  
 2562 maximum rate described in Section 10-1-304; and
- 2563 (2) at a rate that ensures the combined rate of the tax described in this section and the  
 2564 municipal energy sales and use tax levied on the high-impact consumer does not exceed  
 2565 6%.
- 2566 Section 40. Section **59-35-301** is enacted to read:
- 2567 **59-35-301 . Administration, collection, and enforcement -- Rulemaking.**
- 2568 (1) The commission shall administer, collect, and enforce a tax under this chapter in  
 2569 accordance with Chapter 1, General Taxation Policies.
- 2570 (2) Subject to Section 59-1-306, the commission shall:
- 2571 (a) deposit 10% of the revenue the commission collects from a tax under this chapter  
 2572 into the State Reinvestment Restricted Account created in Section 51-9-1002; and
- 2573 (b) distribute 90% of the revenue to the county that levied the tax.
- 2574 (3) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah  
 2575 Administrative Rulemaking Act, about the delivered value of taxable energy.

- 2576 (4) The rules made under Subsection (3) shall:
- 2577 (a) provide that an arm's length sales price for taxable energy sold or used by a
- 2578 high-impact consumer is the delivered value to the high-impact consumer, unless the
- 2579 sales price does not include some portion of the taxable energy or component of
- 2580 delivered value; and
- 2581 (b) establish one or more default methods for determining the delivered value one time
- 2582 per calendar year on or before January 31 for taxable energy when the commission
- 2583 determines that the sales price does not accurately reflect delivered value.
- 2584 (5) In establishing a default method under Subsection (4)(b), the commission:
- 2585 (a) shall take into account quantity discounts and other reductions or increases in value
- 2586 that are generally available in the marketplace for various grades or types of property
- 2587 and classes of services; and
- 2588 (b) may consider:
- 2589 (i) generally applicable tariffs for various classes of utility services approved by the
- 2590 Public Service Commission or other governmental entity;
- 2591 (ii) posted prices;
- 2592 (iii) spot-market prices;
- 2593 (iv) trade publications;
- 2594 (v) market data; and
- 2595 (vi) other information and data prescribed by the commission.

2596 *The following section is affected by a coordination clause at the end of this bill.*

2597 Section 41. Section **63G-2-206** is amended to read:

2598 **63G-2-206 . Sharing records.**

- 2599 (1) A governmental entity may provide a record that is private, controlled, or protected to
- 2600 another governmental entity, a government-managed corporation, a political
- 2601 subdivision, the federal government, or another state if the requesting entity:
- 2602 (a) serves as a repository or archives for purposes of historical preservation,
- 2603 administrative maintenance, or destruction;
- 2604 (b) enforces, litigates, or investigates civil, criminal, or administrative law, and the
- 2605 record is necessary to a proceeding or investigation;
- 2606 (c) is authorized by state statute to conduct an audit and the record is needed for that
- 2607 purpose;
- 2608 (d) is one that collects information for presentence, probationary, or parole purposes; or
- 2609 (e)(i) is:

- 2610 (A) the Legislature;
- 2611 (B) a legislative committee;
- 2612 (C) a member of the Legislature; or
- 2613 (D) a legislative staff member acting at the request of the Legislature, a legislative
- 2614 committee, or a member of the Legislature; and
- 2615 (ii) requests the record in relation to the Legislature's duties including:
- 2616 (A) the preparation or review of a legislative proposal or legislation;
- 2617 (B) appropriations; or
- 2618 (C) an investigation or review conducted by the Legislature or a legislative
- 2619 committee.
- 2620 (2)(a) A governmental entity may provide a private, controlled, or protected record or
- 2621 record series to another governmental entity, a political subdivision, a
- 2622 government-managed corporation, the federal government, or another state if the
- 2623 requesting entity provides written assurance:
- 2624 (i) that the record or record series is necessary to the performance of the
- 2625 governmental entity's duties and functions;
- 2626 (ii) that the record or record series will be used for a purpose similar to the purpose
- 2627 for which the information in the record or record series was collected or obtained;
- 2628 and
- 2629 (iii) that the use of the record or record series produces a public benefit that is greater
- 2630 than or equal to the individual privacy right that protects the record or record
- 2631 series.
- 2632 (b) A governmental entity may provide a private, controlled, or protected record or
- 2633 record series to a contractor or a private provider according to the requirements of
- 2634 Subsection [(6)(b)] (7)(b).
- 2635 (3)(a) A governmental entity shall provide a private, controlled, or protected record to
- 2636 another governmental entity, a political subdivision, a government-managed
- 2637 corporation, the federal government, or another state if the requesting entity:
- 2638 (i) is entitled by law to inspect the record;
- 2639 (ii) is required to inspect the record as a condition of participating in a state or federal
- 2640 program or for receiving state or federal funds; or
- 2641 (iii) is an entity described in Subsection (1)(a), (b), (c), (d), or (e).
- 2642 (b) Subsection (3)(a)(iii) applies only if the record is a record described in Subsection
- 2643 63G-2-305(4).

- 2644 (4) A record that is classified as protected as economic development information under  
 2645 Subsection 63G-2-305(2)(b):
- 2646 (a) may be provided by the governmental entity that possesses the record and classified  
 2647 the record as protected to another governmental entity in lieu of the second  
 2648 governmental entity entering into a nondisclosure agreement with the person that  
 2649 requested the record be treated as protected under Section 63G-2-309;
- 2650 (b) may be shared with the following entities when the entities are considering an  
 2651 economic development project:
- 2652 (i) the Governor's Office of Economic Opportunity;  
 2653 (ii) the Utah Inland Port Authority created in Section 11-58-201;  
 2654 (iii) the Military Installation Development Authority created in Section 63H-1-201;  
 2655 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;  
 2656 (v) the Utah Fairpark Area Investment and Restoration District created in Section  
 2657 11-70-201;
- 2658 (vi) a county where the economic development opportunity may take place or be  
 2659 sited; and
- 2660 (vii) a municipality where the economic development opportunity may take place or  
 2661 be sited;
- 2662 (c) remains protected when shared as described in this Subsection (4); and
- 2663 (d) shall be treated as a protected record by any governmental entity that receives the  
 2664 record in accordance with this Subsection (4).
- 2665 (5) Before disclosing a record or record series under this section to another governmental  
 2666 entity, another state, the United States, a foreign government, or to a contractor or  
 2667 private provider, the originating governmental entity shall:
- 2668 (a) inform the recipient of the record's classification and the accompanying restrictions  
 2669 on access; and
- 2670 (b) if the recipient is not a governmental entity to which this chapter applies, obtain the  
 2671 recipient's written agreement which may be by mechanical or electronic transmission  
 2672 that it will abide by those restrictions on access unless a statute, federal regulation, or  
 2673 interstate agreement otherwise governs the sharing of the record or record series.
- 2674 [(5)] (6) A governmental entity may disclose a record to another state, the United States, or  
 2675 a foreign government for the reasons listed in Subsections (1) and (2) without complying  
 2676 with the procedures of Subsection (2) or [(4)] (5) if disclosure is authorized by executive  
 2677 agreement, treaty, federal statute, compact, federal regulation, or state statute.

- 2678     ~~[(6)]~~ (7)(a) Subject to Subsections ~~[(6)(b)]~~ (7)(b) and (c), an entity receiving a record  
2679     under this section is subject to the same restrictions on disclosure of the record as the  
2680     originating entity.
- 2681     (b) A contractor or a private provider may receive information under this section only if:
- 2682         (i) the contractor or private provider's use of the record or record series produces a  
2683             public benefit that is greater than or equal to the individual privacy right that  
2684             protects the record or record series;
- 2685         (ii) the record or record series it requests:
- 2686             (A) is necessary for the performance of a contract with a governmental entity;
- 2687             (B) will only be used for the performance of the contract with the governmental  
2688             entity;
- 2689             (C) will not be disclosed to any other person; and
- 2690             (D) will not be used for advertising or solicitation purposes; and
- 2691         (iii) the contractor or private provider gives written assurance to the governmental  
2692             entity that is providing the record or record series that ~~[it]~~ the contractor or private  
2693             provider will adhere to the restrictions of this Subsection ~~[(6)(b)]~~ (7)(b).
- 2694     (c) The classification of a record already held by a governmental entity and the  
2695     applicable restrictions on disclosure of that record are not affected by the  
2696     governmental entity's receipt under this section of a record with a different  
2697     classification that contains information that is also included in the previously held  
2698     record.
- 2699     ~~[(7)]~~ (8) Notwithstanding any other provision of this section, if a more specific court rule or  
2700     order, state statute, federal statute, or federal regulation prohibits or requires sharing  
2701     information, that rule, order, statute, or federal regulation controls.
- 2702     ~~[(8)]~~ (9)(a) The following records may not be shared under this section:
- 2703         (i) records held by the Division of Oil, Gas, and Mining that pertain to any person  
2704             and that are gathered under authority of Title 40, Chapter 6, Board and Division of  
2705             Oil, Gas, and Mining;
- 2706         (ii) except as provided in Subsection ~~[(8)(b)]~~ (9)(b), records of publicly funded  
2707             libraries as described in Subsection 63G-2-302(1)(c); and
- 2708         (iii) a record described in Section 63G-12-210.
- 2709     (b) A publicly funded library may share a record that is a private record under  
2710     Subsection 63G-2-302(1)(c) with a law enforcement agency, as defined in Section  
2711     53-1-102, if:

- 2712 (i) the record is a video surveillance recording of the library premises; and  
 2713 (ii) the law enforcement agency certifies in writing that:  
 2714 (A) the law enforcement agency believes that the record will provide important  
 2715 information for a pending investigation into criminal or potentially criminal  
 2716 behavior; and  
 2717 (B) the law enforcement agency's receipt of the record will assist the agency to  
 2718 prevent imminent harm to an individual or imminent and substantial damage to  
 2719 property.

2720 ~~[(9)]~~ (10) Records that may evidence or relate to a violation of law may be disclosed to a  
 2721 government prosecutor, peace officer, or auditor.

2722 Section 42. Section **63G-2-305** is amended to read:

2723 **63G-2-305 . Protected records.**

2724 The following records are protected if properly classified by a governmental entity:

2725 (1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret [~~has~~  
 2726 ~~provided~~] provides the governmental entity with the information specified in Section  
 2727 63G-2-309;

2728 (2)~~(a)~~ (a) commercial information or nonindividual financial information obtained from a  
 2729 person if:

2730 ~~[(a)]~~ (i) disclosure of the information could reasonably be expected to result in unfair  
 2731 competitive injury to the person submitting the information or would impair the  
 2732 ability of the governmental entity to obtain necessary information in the future;

2733 ~~[(b)]~~ (ii) the person submitting the information has a greater interest in prohibiting  
 2734 access than the public in obtaining access; and

2735 ~~[(c)]~~ (iii) the person submitting the information [~~has provided~~] provides the  
 2736 governmental entity with the information specified in Section 63G-2-309; or

2737 (b) confidential economic development information:

2738 (i)(A) if the information is related to an economic development opportunity;

2739 (B) that a person provides to a governmental entity involved with recruiting or  
 2740 negotiating with the person to expand the person's existing business within the  
 2741 state or bring a new business to the state; and

2742 (C) if the person submitting the information provides the governmental entity with  
 2743 the information specified in Section 63G-2-309; or

2744 (ii) that takes the form of a nondisclosure agreement between a person and a  
 2745 governmental entity exploring an economic development opportunity;

- 2746 (3) commercial or financial information acquired or prepared by a governmental entity to  
2747 the extent that disclosure would lead to financial speculations in currencies, securities, or  
2748 commodities that will interfere with a planned transaction by the governmental entity or  
2749 cause substantial financial injury to the governmental entity or state economy;
- 2750 (4) records, the disclosure of which could cause commercial injury to, or confer a  
2751 competitive advantage upon a potential or actual competitor of, a commercial project  
2752 entity as defined in Subsection 11-13-103(4);
- 2753 (5) test questions and answers to be used in future license, certification, registration,  
2754 employment, or academic examinations;
- 2755 (6) records, the disclosure of which would impair governmental procurement proceedings  
2756 or give an unfair advantage to any person proposing to enter into a contract or agreement  
2757 with a governmental entity, except, subject to Subsections (1) and (2), that this  
2758 Subsection (6) does not restrict the right of a person to have access to, after the contract  
2759 or grant has been awarded and signed by all parties:
- 2760 (a) a bid, proposal, application, or other information submitted to or by a governmental  
2761 entity in response to:
- 2762 (i) an invitation for bids;
- 2763 (ii) a request for proposals;
- 2764 (iii) a request for quotes;
- 2765 (iv) a grant; or
- 2766 (v) other similar document; or
- 2767 (b) an unsolicited proposal, as defined in Section 63G-6a-712;
- 2768 (7) information submitted to or by a governmental entity in response to a request for  
2769 information, except, subject to Subsections (1) and (2), that this Subsection (7) does not  
2770 restrict the right of a person to have access to the information, after:
- 2771 (a) a contract directly relating to the subject of the request for information has been  
2772 awarded and signed by all parties; or
- 2773 (b)(i) a final determination is made not to enter into a contract that relates to the  
2774 subject of the request for information; and
- 2775 (ii) at least two years have passed after the day on which the request for information  
2776 is issued;
- 2777 (8) records that would identify real property or the appraisal or estimated value of real or  
2778 personal property, including intellectual property, under consideration for public  
2779 acquisition before any rights to the property are acquired unless:

- 2780 (a) public interest in obtaining access to the information is greater than or equal to the  
2781 governmental entity's need to acquire the property on the best terms possible;
- 2782 (b) the information has already been disclosed to persons not employed by or under a  
2783 duty of confidentiality to the entity;
- 2784 (c) in the case of records that would identify property, potential sellers of the described  
2785 property have already learned of the governmental entity's plans to acquire the  
2786 property;
- 2787 (d) in the case of records that would identify the appraisal or estimated value of  
2788 property, the potential sellers have already learned of the governmental entity's  
2789 estimated value of the property; or
- 2790 (e) the property under consideration for public acquisition is a single family residence  
2791 and the governmental entity seeking to acquire the property has initiated negotiations  
2792 to acquire the property as required under Section 78B-6-505;
- 2793 (9) records prepared in contemplation of sale, exchange, lease, rental, or other compensated  
2794 transaction of real or personal property including intellectual property, which, if  
2795 disclosed prior to completion of the transaction, would reveal the appraisal or estimated  
2796 value of the subject property, unless:
- 2797 (a) the public interest in access is greater than or equal to the interests in restricting  
2798 access, including the governmental entity's interest in maximizing the financial  
2799 benefit of the transaction; or
- 2800 (b) when prepared by or on behalf of a governmental entity, appraisals or estimates of  
2801 the value of the subject property have already been disclosed to persons not  
2802 employed by or under a duty of confidentiality to the entity;
- 2803 (10) records created or maintained for civil, criminal, or administrative enforcement  
2804 purposes or audit purposes, or for discipline, licensing, certification, or registration  
2805 purposes, if release of the records:
- 2806 (a) reasonably could be expected to interfere with investigations undertaken for  
2807 enforcement, discipline, licensing, certification, or registration purposes;
- 2808 (b) reasonably could be expected to interfere with audits, disciplinary, or enforcement  
2809 proceedings;
- 2810 (c) would create a danger of depriving a person of a right to a fair trial or impartial  
2811 hearing;
- 2812 (d) reasonably could be expected to disclose the identity of a source who is not generally  
2813 known outside of government and, in the case of a record compiled in the course of

- 2814 an investigation, disclose information furnished by a source not generally known  
2815 outside of government if disclosure would compromise the source; or  
2816 (e) reasonably could be expected to disclose investigative or audit techniques,  
2817 procedures, policies, or orders not generally known outside of government if  
2818 disclosure would interfere with enforcement or audit efforts;
- 2819 (11) records the disclosure of which would jeopardize the life or safety of an individual;
- 2820 (12) records the disclosure of which would jeopardize the security of governmental  
2821 property, governmental programs, or governmental recordkeeping systems from  
2822 damage, theft, or other appropriation or use contrary to law or public policy;
- 2823 (13) records that, if disclosed, would jeopardize the security or safety of a correctional  
2824 facility, or records relating to incarceration, treatment, probation, or parole, that would  
2825 interfere with the control and supervision of an offender's incarceration, treatment,  
2826 probation, or parole;
- 2827 (14) records that, if disclosed, would reveal recommendations made to the Board of  
2828 Pardons and Parole by an employee of or contractor for the Department of Corrections,  
2829 the Board of Pardons and Parole, or the Department of Health and Human Services that  
2830 are based on the employee's or contractor's supervision, diagnosis, or treatment of any  
2831 person within the board's jurisdiction;
- 2832 (15) records and audit workpapers that identify audit, collection, and operational procedures  
2833 and methods used by the State Tax Commission, if disclosure would interfere with  
2834 audits or collections;
- 2835 (16) records of a governmental audit agency relating to an ongoing or planned audit until  
2836 the final audit is released;
- 2837 (17) records that are subject to the attorney client privilege;
- 2838 (18) records prepared for or by an attorney, consultant, surety, indemnitor, insurer,  
2839 employee, or agent of a governmental entity for, or in anticipation of, litigation or a  
2840 judicial, quasi-judicial, or administrative proceeding;
- 2841 (19)(a)(i) personal files of a state legislator, including personal correspondence to or  
2842 from a member of the Legislature; and
- 2843 (ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of  
2844 legislative action or policy may not be classified as protected under this section;  
2845 and
- 2846 (b)(i) an internal communication that is part of the deliberative process in connection  
2847 with the preparation of legislation between:

- 2848 (A) members of a legislative body;
- 2849 (B) a member of a legislative body and a member of the legislative body's staff; or
- 2850 (C) members of a legislative body's staff; and
- 2851 (ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of
- 2852 legislative action or policy may not be classified as protected under this section;
- 2853 (20)(a) records in the custody or control of the Office of Legislative Research and
- 2854 General Counsel, that, if disclosed, would reveal a particular legislator's
- 2855 contemplated legislation or contemplated course of action before the legislator has
- 2856 elected to support the legislation or course of action, or made the legislation or course
- 2857 of action public; and
- 2858 (b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the
- 2859 Office of Legislative Research and General Counsel is a public document unless a
- 2860 legislator asks that the records requesting the legislation be maintained as protected
- 2861 records until such time as the legislator elects to make the legislation or course of
- 2862 action public;
- 2863 (21) a research request from a legislator to a legislative staff member and research findings
- 2864 prepared in response to the request;
- 2865 (22) drafts, unless otherwise classified as public;
- 2866 (23) records concerning a governmental entity's strategy about:
- 2867 (a) collective bargaining; or
- 2868 (b) imminent or pending litigation;
- 2869 (24) records of investigations of loss occurrences and analyses of loss occurrences that may
- 2870 be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the
- 2871 Uninsured Employers' Fund, or similar divisions in other governmental entities;
- 2872 (25) records, other than personnel evaluations, that contain a personal recommendation
- 2873 concerning an individual if disclosure would constitute a clearly unwarranted invasion
- 2874 of personal privacy, or disclosure is not in the public interest;
- 2875 (26) records that reveal the location of historic, prehistoric, paleontological, or biological
- 2876 resources that if known would jeopardize the security of those resources or of valuable
- 2877 historic, scientific, educational, or cultural information;
- 2878 (27) records of independent state agencies if the disclosure of the records would conflict
- 2879 with the fiduciary obligations of the agency;
- 2880 (28) records of an institution of higher education defined in Section 53H-1-101 regarding
- 2881 tenure evaluations, appointments, applications for admissions, retention decisions, and

- 2882 promotions, which could be properly discussed in a meeting closed in accordance with  
2883 Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final  
2884 decisions about tenure, appointments, retention, promotions, or those students admitted,  
2885 may not be classified as protected under this section;
- 2886 (29) records of the governor's office, including budget recommendations, legislative  
2887 proposals, and policy statements, that if disclosed would reveal the governor's  
2888 contemplated policies or contemplated courses of action before the governor has  
2889 implemented or rejected those policies or courses of action or made them public;
- 2890 (30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis,  
2891 revenue estimates, and fiscal notes of proposed legislation before issuance of the final  
2892 recommendations in these areas;
- 2893 (31) records provided by the United States or by a government entity outside the state that  
2894 are given to the governmental entity with a requirement that they be managed as  
2895 protected records if the providing entity certifies that the record would not be subject to  
2896 public disclosure if retained by it;
- 2897 (32) transcripts, minutes, recordings, or reports of the closed portion of a meeting of a  
2898 public body except as provided in Section 52-4-206;
- 2899 (33) records that would reveal the contents of settlement negotiations but not including final  
2900 settlements or empirical data to the extent that they are not otherwise exempt from  
2901 disclosure;
- 2902 (34) memoranda prepared by staff and used in the decision-making process by an  
2903 administrative law judge, a member of the Board of Pardons and Parole, or a member of  
2904 any other body charged by law with performing a quasi-judicial function;
- 2905 (35) records that would reveal negotiations regarding assistance or incentives offered by or  
2906 requested from a governmental entity for the purpose of encouraging a person to expand  
2907 or locate a business in Utah, but only if disclosure would result in actual economic harm  
2908 to the person or place the governmental entity at a competitive disadvantage, but this  
2909 section may not be used to restrict access to a record evidencing a final contract;
- 2910 (36) materials to which access must be limited for purposes of securing or maintaining the  
2911 governmental entity's proprietary protection of intellectual property rights including  
2912 patents, copyrights, and trade secrets;
- 2913 (37) the name of a donor or a prospective donor to a governmental entity, including an  
2914 institution of higher education defined in Section 53H-1-101, and other information  
2915 concerning the donation that could reasonably be expected to reveal the identity of the

- 2916 donor, provided that:
- 2917 (a) the donor requests anonymity in writing;
- 2918 (b) any terms, conditions, restrictions, or privileges relating to the donation may not be
- 2919 classified protected by the governmental entity under this Subsection (37); and
- 2920 (c) except for an institution of higher education defined in Section 53H-1-101, the
- 2921 governmental unit to which the donation is made is primarily engaged in educational,
- 2922 charitable, or artistic endeavors, and has no regulatory or legislative authority over
- 2923 the donor, a member of the donor's immediate family, or any entity owned or
- 2924 controlled by the donor or the donor's immediate family;
- 2925 (38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;
- 2926 (39) a notification of workers' compensation insurance coverage described in Section
- 2927 34A-2-205;
- 2928 (40) subject to Subsections (40)(g) and (h), the following records of an institution of higher
- 2929 education defined in Section 53H-1-101, which have been developed, discovered,
- 2930 disclosed to, or received by or on behalf of faculty, staff, employees, or students of the
- 2931 institution:
- 2932 (a) unpublished lecture notes;
- 2933 (b) unpublished notes, data, and information:
- 2934 (i) relating to research; and
- 2935 (ii) of:
- 2936 (A) the institution of higher education defined in Section 53H-1-101; or
- 2937 (B) a sponsor of sponsored research;
- 2938 (c) unpublished manuscripts;
- 2939 (d) creative works in process;
- 2940 (e) scholarly correspondence; ~~and~~
- 2941 (f) confidential information contained in research proposals;
- 2942 (g) this Subsection (40) may not be construed to prohibit disclosure of public
- 2943 information required ~~pursuant to~~ under Subsection 53H-14-202(2)(a) or (b); and
- 2944 (h) this Subsection (40) may not be construed to affect the ownership of a record;
- 2945 (41)(a) records in the custody or control of the Office of the Legislative Auditor General
- 2946 that would reveal the name of a particular legislator who requests a legislative audit
- 2947 prior to the date that audit is completed and made public; and
- 2948 (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the
- 2949 Office of the Legislative Auditor General is a public document unless the legislator

- 2950 asks that the records in the custody or control of the Office of the Legislative Auditor  
2951 General that would reveal the name of a particular legislator who requests a  
2952 legislative audit be maintained as protected records until the audit is completed and  
2953 made public;
- 2954 (42) records that provide detail as to the location of an explosive, including a map or other  
2955 document that indicates the location of:
- 2956 (a) a production facility; or  
2957 (b) a magazine;
- 2958 (43) information contained in the statewide database of the Division of Aging and Adult  
2959 Services created by Section 26B-6-210;
- 2960 (44) information contained in the Licensing Information System described in Title 80,  
2961 Chapter 2, Child Welfare Services;
- 2962 (45) information regarding National Guard operations or activities in support of the  
2963 National Guard's federal mission;
- 2964 (46) records provided by any pawn or secondhand business to a law enforcement agency or  
2965 to the central database in compliance with Title 13, Chapter 32a, Pawnshop, Secondhand  
2966 Merchandise, and Catalytic Converter Transaction Information Act;
- 2967 (47) information regarding food security, risk, and vulnerability assessments performed by  
2968 the Department of Agriculture and Food;
- 2969 (48) except to the extent that the record is exempt from this chapter [~~pursuant to~~] in  
2970 accordance with Section 63G-2-106, records related to an emergency plan or program, a  
2971 copy of which is provided to or prepared or maintained by the Division of Emergency  
2972 Management, and the disclosure of which would jeopardize:
- 2973 (a) the safety of the general public; or  
2974 (b) the security of:
- 2975 (i) governmental property;  
2976 (ii) governmental programs; or  
2977 (iii) the property of a private person who provides the Division of Emergency  
2978 Management information;
- 2979 (49) records of the Department of Agriculture and Food that provides for the identification,  
2980 tracing, or control of livestock diseases, including any program established under Title  
2981 4, Chapter 24, Utah Livestock Brand and Anti-Theft Act, or Title 4, Chapter 31, Control  
2982 of Animal Disease;
- 2983 (50) as provided in Section 26B-2-709:

- 2984 (a) information or records held by the Department of Health and Human Services related  
 2985 to a complaint regarding a provider, program, or facility which the department is  
 2986 unable to substantiate; and
- 2987 (b) information or records related to a complaint received by the Department of Health  
 2988 and Human Services from an anonymous complainant regarding a provider, program,  
 2989 or facility;
- 2990 (51) unless otherwise classified as public under Section 63G-2-301 and except as provided  
 2991 under Section 41-1a-116, an individual's home address, home telephone number, or  
 2992 personal mobile phone number, if:
- 2993 (a) the individual is required to provide the information in order to comply with a law,  
 2994 ordinance, rule, or order of a government entity; and
- 2995 (b) the subject of the record has a reasonable expectation that this information will be  
 2996 kept confidential due to:
- 2997 (i) the nature of the law, ordinance, rule, or order; and  
 2998 (ii) the individual complying with the law, ordinance, rule, or order;
- 2999 (52) the portion of the following documents that contains a candidate's residential or  
 3000 mailing address, if the candidate provides to the filing officer another address or phone  
 3001 number where the candidate may be contacted:
- 3002 (a) a declaration of candidacy, a nomination petition, or a certificate of nomination,  
 3003 described in Section 20A-9-201, 20A-9-202, 20A-9-203, 20A-9-404, 20A-9-405,  
 3004 20A-9-408, 20A-9-408.5, 20A-9-502, or 20A-9-601;
- 3005 (b) an affidavit of impecuniosity, described in Section 20A-9-201; or  
 3006 (c) a notice of intent to gather signatures for candidacy, described in Section 20A-9-408;
- 3007 (53) the name, home address, work addresses, and telephone numbers of an individual that  
 3008 is engaged in, or that provides goods or services for, medical or scientific research that is:
- 3009 (a) conducted within the state system of higher education, as described in Section  
 3010 53H-1-102; and  
 3011 (b) conducted using animals;
- 3012 (54) in accordance with Section 78A-12-203, any record of the Judicial Performance  
 3013 Evaluation Commission concerning an individual commissioner's vote, in relation to  
 3014 whether a judge meets or exceeds minimum performance standards under Subsection  
 3015 78A-12-203(4), and information disclosed under Subsection 78A-12-203(5)(e);
- 3016 (55) information collected and a report prepared by the Judicial Performance Evaluation  
 3017 Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12,

- 3018 Judicial Performance Evaluation Commission Act, requires disclosure of, or makes  
3019 public, the information or report;
- 3020 (56) records provided or received by the Public Lands Policy Coordinating Office in  
3021 furtherance of any contract or other agreement made in accordance with Section  
3022 63L-11-202;
- 3023 (57) information requested by and provided to the 911 Division under Section 63H-7a-302;
- 3024 (58) in accordance with Section 73-10-33:
- 3025 (a) a management plan for a water conveyance facility in the possession of the Division  
3026 of Water Resources or the Board of Water Resources; or
- 3027 (b) an outline of an emergency response plan in possession of the state or a county or  
3028 municipality;
- 3029 (59) the following records in the custody or control of the Office of Inspector General of  
3030 Medicaid Services, created in Section 63A-13-201:
- 3031 (a) records that would disclose information relating to allegations of personal  
3032 misconduct, gross mismanagement, or illegal activity of a person if the information  
3033 or allegation cannot be corroborated by the Office of Inspector General of Medicaid  
3034 Services through other documents or evidence, and the records relating to the  
3035 allegation are not relied upon by the Office of Inspector General of Medicaid  
3036 Services in preparing a final investigation report or final audit report;
- 3037 (b) records and audit workpapers to the extent they would disclose the identity of a  
3038 person who, during the course of an investigation or audit, communicated the  
3039 existence of any Medicaid fraud, waste, or abuse, or a violation or suspected  
3040 violation of a law, rule, or regulation adopted under the laws of this state, a political  
3041 subdivision of the state, or any recognized entity of the United States, if the  
3042 information was disclosed on the condition that the identity of the person be  
3043 protected;
- 3044 (c) before the time that an investigation or audit is completed and the final investigation  
3045 or final audit report is released, records or drafts circulated to a person who is not an  
3046 employee or head of a governmental entity for the person's response or information;
- 3047 (d) records that would disclose an outline or part of any investigation, audit survey plan,  
3048 or audit program; or
- 3049 (e) requests for an investigation or audit, if disclosure would risk circumvention of an  
3050 investigation or audit;
- 3051 (60) records that reveal methods used by the Office of Inspector General of Medicaid

- 3052 Services, the fraud unit, or the Department of Health and Human Services, to discover  
3053 Medicaid fraud, waste, or abuse;
- 3054 (61) information provided to the Department of Health and Human Services or the Division  
3055 of Professional Licensing under Subsections 58-67-304(3) and (4) and Subsections  
3056 58-68-304(3) and (4);
- 3057 (62) a record described in Section 63G-12-210;
- 3058 (63) captured plate data that is obtained through an automatic license plate reader system  
3059 used by a governmental entity as authorized in Section 41-6a-2003;
- 3060 (64) an audio or video recording created by a body-worn camera, as that term is defined in  
3061 Section 77-7a-103, that records sound or images inside a hospital or health care facility  
3062 as those terms are defined in Section 78B-3-403, inside a clinic of a health care provider,  
3063 as that term is defined in Section 78B-3-403, or inside a human [service] services  
3064 program as that term is defined in Section 26B-2-101, except for recordings that:
- 3065 (a) depict the commission of an alleged crime;
- 3066 (b) record any encounter between a law enforcement officer and a person that results in  
3067 death or bodily injury, or includes an instance when an officer fires a weapon;
- 3068 (c) record any encounter that is the subject of a complaint or a legal proceeding against a  
3069 law enforcement officer or law enforcement agency;
- 3070 (d) contain an officer involved critical incident as defined in Subsection 76-2-408(1)(f);  
3071 or
- 3072 (e) have been requested for reclassification as a public record by a subject or authorized  
3073 agent of a subject featured in the recording;
- 3074 (65) a record pertaining to the search process for a president of an institution of higher  
3075 education described in Section 53H-3-302;
- 3076 (66) an audio recording that is:
- 3077 (a) produced by an audio recording device that is used in conjunction with a device or  
3078 piece of equipment designed or intended for resuscitating an individual or for treating  
3079 an individual with a life-threatening condition;
- 3080 (b) produced during an emergency event when an individual employed to provide law  
3081 enforcement, fire protection, paramedic, emergency medical, or other first responder  
3082 service:
- 3083 (i) is responding to an individual needing resuscitation or with a life-threatening  
3084 condition; and
- 3085 (ii) uses a device or piece of equipment designed or intended for resuscitating an

- 3086 individual or for treating an individual with a life-threatening condition; and  
3087 (c) intended and used for purposes of training emergency responders how to improve  
3088 their response to an emergency situation;
- 3089 (67) records submitted by or prepared in relation to an applicant seeking a recommendation  
3090 by the Research and General Counsel Subcommittee, the Budget Subcommittee, or the  
3091 Legislative Audit Subcommittee, established under Section 36-12-8, for an employment  
3092 position with the Legislature;
- 3093 (68) work papers as defined in Section 31A-2-204;
- 3094 (69) a record made available to Adult Protective Services or a law enforcement agency  
3095 under Section 61-1-206;
- 3096 (70) a record submitted to the Insurance Department in accordance with Section  
3097 31A-37-201;
- 3098 (71) a record described in Section 31A-37-503;
- 3099 (72) any record created by the Division of Professional Licensing as a result of Subsection  
3100 58-37f-304(5) or 58-37f-702(2)(a)(ii);
- 3101 (73) a record described in Section 72-16-306 that relates to the reporting of an injury  
3102 involving an amusement ride;
- 3103 (74) except as provided in Subsection 63G-2-305.5(1), the signature of an individual on a  
3104 political petition, or on a request to withdraw a signature from a political petition,  
3105 including a petition or request described in the following titles:
- 3106 (a) Title 10, Utah Municipal Code;
- 3107 (b) Title 17, Counties;
- 3108 (c) Title 17B, Limited Purpose Local Government Entities - Special Districts;
- 3109 (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and
- 3110 (e) Title 20A, Election Code;
- 3111 (75) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in a  
3112 voter registration record;
- 3113 (76) except as provided in Subsection 63G-2-305.5(3), any signature, other than a signature  
3114 described in Subsection (74) or (75), in the custody of the lieutenant governor or a local  
3115 political subdivision collected or held under, or in relation to, Title 20A, Election Code;
- 3116 (77) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part 5,  
3117 Victims Guidelines for Prosecutors Act;
- 3118 (78) a record submitted to the Insurance Department under Section 31A-48-103;
- 3119 (79) personal information, as defined in Section 63G-26-102, to the extent disclosure is

- 3120 prohibited under Section 63G-26-103;
- 3121 (80) an image taken of an individual during the process of booking the individual into jail,  
3122 unless:
- 3123 (a) the individual is convicted of a criminal offense based upon the conduct for which  
3124 the individual was incarcerated at the time the image was taken;
- 3125 (b) a law enforcement agency releases or disseminates the image:
- 3126 (i) after determining that the individual is a fugitive or an imminent threat to an  
3127 individual or to public safety and releasing or disseminating the image will assist  
3128 in apprehending the individual or reducing or eliminating the threat; or
- 3129 (ii) to a potential witness or other individual with direct knowledge of events relevant  
3130 to a criminal investigation or criminal proceeding for the purpose of identifying or  
3131 locating an individual in connection with the criminal investigation or criminal  
3132 proceeding;
- 3133 (c) a judge orders the release or dissemination of the image based on a finding that the  
3134 release or dissemination is in furtherance of a legitimate law enforcement interest; or
- 3135 (d) the image is displayed to a person who is permitted to view the image under Section  
3136 17-72-802;
- 3137 (81) a record:
- 3138 (a) concerning an interstate claim to the use of waters in the Colorado River system;
- 3139 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a  
3140 representative from another state or the federal government as provided in Section  
3141 63M-14-205; and
- 3142 (c) the disclosure of which would:
- 3143 (i) reveal a legal strategy relating to the state's claim to the use of the water in the  
3144 Colorado River system;
- 3145 (ii) harm the ability of the Colorado River Authority of Utah or river commissioner to  
3146 negotiate the best terms and conditions regarding the use of water in the Colorado  
3147 River system; or
- 3148 (iii) give an advantage to another state or to the federal government in negotiations  
3149 regarding the use of water in the Colorado River system;
- 3150 (82) any part of an application described in Section 63N-16-201 that the Governor's Office  
3151 of Economic Opportunity determines is nonpublic, confidential information that if  
3152 disclosed would result in actual economic harm to the applicant, but this Subsection (82)  
3153 may not be used to restrict access to a record evidencing a final contract or approval

- 3154 decision;
- 3155 (83) the following records of a drinking water or wastewater facility:
- 3156 (a) an engineering or architectural drawing of the drinking water or wastewater facility;
- 3157 and
- 3158 (b) except as provided in Section 63G-2-106, a record detailing tools or processes the
- 3159 drinking water or wastewater facility uses to secure, or prohibit access to, the records
- 3160 described in Subsection (83)(a);
- 3161 (84) a statement that an employee of a governmental entity provides to the governmental
- 3162 entity as part of the governmental entity's personnel or administrative investigation into
- 3163 potential misconduct involving the employee if the governmental entity:
- 3164 (a) requires the statement under threat of employment disciplinary action, including
- 3165 possible termination of employment, for the employee's refusal to provide the
- 3166 statement; and
- 3167 (b) provides the employee assurance that the statement cannot be used against the
- 3168 employee in any criminal proceeding;
- 3169 (85) any part of an application for a Utah Fits All Scholarship account described in Section
- 3170 53F-6-402 or other information identifying a scholarship student as defined in Section
- 3171 53F-6-401;
- 3172 (86) a record:
- 3173 (a) concerning a claim to the use of waters in the Great Salt Lake;
- 3174 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 3175 person concerning the claim, including a representative from another state or the
- 3176 federal government; and
- 3177 (c) the disclosure of which would:
- 3178 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
- 3179 Great Salt Lake;
- 3180 (ii) harm the ability of the Great Salt Lake commissioner to negotiate the best terms
- 3181 and conditions regarding the use of water in the Great Salt Lake; or
- 3182 (iii) give an advantage to another person including another state or to the federal
- 3183 government in negotiations regarding the use of water in the Great Salt Lake;
- 3184 (87) a consumer complaint described in Section 13-2-11, unless the consumer complaint is
- 3185 reclassified as public as described in Subsection [~~13-2-11(4)~~] 13-2-11(3);
- 3186 (88) a record of the Utah water agent, appointed under Section 73-10g-702:
- 3187 (a) concerning a claim to the use of waters;

- 3188 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a  
 3189 representative from another state, a tribe, the federal government, or other  
 3190 government entity as provided in Title 73, Chapter 10g, Part 7, Utah Water Agent;  
 3191 and  
 3192 (c) the disclosure of which would:  
 3193 (i) reveal a legal strategy relating to the state's claim to the use of the water;  
 3194 (ii) harm the ability of the Utah water agent to negotiate the best terms and conditions  
 3195 regarding the use of water; or  
 3196 (iii) give an advantage to another state, a tribe, the federal government, or other  
 3197 government entity in negotiations regarding the use of water; and

3198 (89) a record created or maintained for an investigation of the Prosecutor Conduct  
 3199 Commission, created in Section 63M-7-1102, that contains any personal identifying  
 3200 information of a prosecuting attorney, including:

- 3201 (a) a complaint, or a document that is submitted or created for a complaint, received by  
 3202 the Prosecutor Conduct Commission; or  
 3203 (b) a finding by the Prosecutor Conduct Commission.

3204 Section 43. Section **63G-2-309** is amended to read:

3205 **63G-2-309 . Confidentiality claims.**

3206 (1)(a)(i) Any person who provides to a governmental entity a record that the person  
 3207 believes should be protected under Subsection 63G-2-305(1) or (2) or both  
 3208 Subsections 63G-2-305(1) and (2) shall provide with the record, or within a  
 3209 reasonable amount of time after providing the record:

- 3210 (A) a written claim of business confidentiality; and  
 3211 (B) a concise statement of reasons supporting the claim of business confidentiality.

3212 (ii) Any of the following who provides to an institution of higher education defined  
 3213 in Section 53H-1-101 a record that the person or governmental entity believes  
 3214 should be protected under [~~Subsection 63G-2-305(40)(a)(ii) or (vi) or both~~  
 3215 ~~Subsections 63G-2-305(40)(a)(ii) and (vi)] Subsection 63G-2-305(40) shall  
 3216 provide the institution within the state system of higher education a written claim  
 3217 of business confidentiality in accordance with Section 53H-14-204:~~

- 3218 (A) a person;  
 3219 (B) a federal governmental entity;  
 3220 (C) a state governmental entity; or  
 3221 (D) a local governmental entity.

- 3222 (b) A person or governmental entity who complies with this Subsection (1) shall be  
 3223 notified by the governmental entity to whom the request for a record is made if:
- 3224 (i) a record claimed to be protected under one of the following is classified public:
- 3225 (A) Subsection 63G-2-305(1);
- 3226 (B) Subsection 63G-2-305(2);
- 3227 (C) Subsection ~~[63G-2-305(40)(a)(ii)]~~ 63G-2-305(40); or
- 3228 ~~[(D) Subsection 63G-2-305(40)(a)(vi); or]~~
- 3229 ~~[(E)]~~ (D) a combination of the provisions described in Subsections (1)(b)(i)(A)
- 3230 through ~~[(D)]~~ (C); or
- 3231 (ii) the governmental entity to whom the request for a record is made determines that
- 3232 the record claimed to be protected under a provision listed in Subsection (1)(b)(i)
- 3233 should be released after balancing interests under Subsection 63G-2-201(5)(b) or
- 3234 63G-2-401(6).
- 3235 (c) A person who makes a claim of business confidentiality under this Subsection (1)
- 3236 shall protect, defend, and indemnify the governmental entity that retains the record,
- 3237 and all staff and employees of the governmental entity from and against any claims,
- 3238 liability, or damages resulting from or arising from a denial of access to the record as
- 3239 a protected record based on the claim of business confidentiality.
- 3240 (2)(a) Except as provided in Subsection (2)(b) or by court order, the governmental entity
- 3241 to whom the request for a record is made may not disclose a record claimed to be
- 3242 protected under a provision listed in Subsection (1)(b)(i) but which the governmental
- 3243 entity or the director of the Government Records Office determines should be
- 3244 disclosed until the period in which to bring an appeal expires or the end of the
- 3245 appeals process, including judicial appeal.
- 3246 (b) Subsection (2)(a) does not apply where the claimant, after notice, has waived the
- 3247 claim by not appealing or intervening before the director of the Government Records
- 3248 Office.
- 3249 (3) Disclosure or acquisition of information under this chapter does not constitute
- 3250 misappropriation under Subsection 13-24-2(2).
- 3251 Section 44. Section **63G-2-802** is amended to read:
- 3252 **63G-2-802 . Injunction -- Attorney fees and costs.**
- 3253 (1) As used in this section, "defending party" means:
- 3254 (a) a governmental entity or political subdivision:
- 3255 (i) whose access denial is the subject of a petition for judicial review under Section

- 3256 63G-2-404; and
- 3257 (ii) that defends the access denial in an action for judicial review under Section
- 3258 63G-2-404; or
- 3259 (b) a person, other than the governmental entity or political subdivision described in
- 3260 Subsection (1)(a), that is party to the action for judicial review in opposition to
- 3261 disclosure of the record that is the subject of judicial review.
- 3262 (2)(a) If a protected record is shared as described in Subsection 63G-2-206(4) and the
- 3263 protected record is intentionally disclosed, or about to be intentionally disclosed, the
- 3264 person who requested the record be protected under Section 63G-2-309 may bring an
- 3265 action against the governmental entity that intentionally disclosed, or is about to i
- 3266 ntentionally disclose, as described in this section.
- 3267 (b) A person described in Subsection (2)(a) may seek and obtain:
- 3268 (i) injunctive relief to stop the improper disclosure of the protected record; and
- 3269 (ii) damages for an improper disclosure, subject to the limits set by rule in accordance
- 3270 with Subsection 63G-7-605(5).
- 3271 (3) A district court in this state may enjoin any governmental entity or political subdivision
- 3272 that violates or proposes to violate the provisions of this chapter.
- 3273 [~~(3)~~] (4)(a) Subject to Subsection [~~(6)~~] (7), a district court may assess against a defending
- 3274 party reasonable attorney fees and costs reasonably incurred in connection with a
- 3275 judicial appeal to determine whether a requester is entitled access to records under a
- 3276 records request, if:
- 3277 (i) the requester substantially prevails; and
- 3278 (ii) the court finds that the defending party acted in bad faith.
- 3279 (b) Subject to Subsection [~~(6)~~] (7), in determining whether to award attorney fees or costs
- 3280 to a requester under this section, the court shall consider:
- 3281 (i) the public benefit derived from the case;
- 3282 (ii) the nature of the requester's interest in the records; and
- 3283 (iii) whether the defending party's actions had a reasonable basis.
- 3284 (c) A court may not award attorney fees or costs to a requester under this section if the
- 3285 purpose of the litigation is primarily to benefit the requester's financial or commercial
- 3286 interest.
- 3287 [~~(4)~~] (5) Neither attorney fees nor costs may be awarded for fees or costs incurred during
- 3288 administrative proceedings.
- 3289 [~~(5)~~] (6) A district court may assess against a requester reasonable attorney fees and costs

3290 reasonably incurred in connection with a judicial appeal to determine whether the  
3291 requester is entitled to access to records under a records request, if:

- 3292 (a) the defending party substantially prevails; and  
3293 (b) the court finds that the requester acted in bad faith.

3294 [(6)] (7) A court may award to a requester attorney fees and costs incurred in connection  
3295 with appeals to district courts under Subsection [~~63G-2-404(2)~~] 63G-2-404(3) only if the  
3296 attorney fees and costs were incurred 20 or more days after the day on which the  
3297 requester provided to the governmental entity, political subdivision, or other person  
3298 against which the requester seeks an award of attorney fees and costs, an adequate  
3299 explanation in writing of the basis for the requester's position, regardless of whether the  
3300 explanation is a part of or outside an administrative or court proceeding.

3301 [(7)] (8) Except for the waiver of immunity in Subsection 63G-7-301(2)(e), a claim for  
3302 attorney fees or costs as provided in this section is not subject to Chapter 7,  
3303 Governmental Immunity Act of Utah.

3304 Section 45. Section **63G-7-605** is amended to read:

3305 **63G-7-605 . Adjustments to limitation of judgment amounts.**

3306 (1) As used in this section:

- 3307 (a) "Adjusted consumer price factor" means what the consumer price index would be  
3308 without the medical care component and the medical services component.  
3309 (b) "Aggregate limit" means the limit on the aggregate amount of personal injury  
3310 damages claims from a single occurrence, as provided in Subsection 63G-7-604(1)(d).  
3311 (c) "Applicable index" means:  
3312 (i) the consumer price index, for a calculation of the percentage change in the  
3313 consumer price index;  
3314 (ii) the adjusted consumer price factor, for a calculation of the percentage change in  
3315 the adjusted consumer price factor;  
3316 (iii) the medical care component, for a calculation of the percentage change in the  
3317 medical care component; or  
3318 (iv) the medical services component, for a calculation of the percentage change in the  
3319 medical services component.  
3320 (d) "Base applicable index" means an applicable index for the year that is three years  
3321 before the year in which the legislative fiscal analyst calculates new limits under this  
3322 section.  
3323 (e) "Consumer [~~price index~~] Price Index" means the annual index reported by the United

- 3324 States Bureau of Labor Statistics for consumer prices for all urban consumers, not  
3325 seasonally adjusted.
- 3326 (f) "Individual limit" means the limit on the amount of a judgment for damages for  
3327 personal injury, as provided in Subsection 63G-7-604(1)(a).
- 3328 (g) "Latest aggregate limit" means the aggregate limit, as last adjusted by the risk  
3329 manager under this section.
- 3330 (h) "Latest individual limit" means the individual limit, as last adjusted by the risk  
3331 manager under this section.
- 3332 (i) "Latest property damage limit" means the property damage limit, as last adjusted by  
3333 the risk manager under this section.
- 3334 (j) "Medical care component" means the medical care sub-index of the consumer price  
3335 index.
- 3336 (k) "Medical services component" means the medical care services sub-index of the  
3337 consumer price index.
- 3338 (l) "Percentage change" means the amount of change between the base applicable index  
3339 and the applicable index for the year before the year in which the legislative fiscal  
3340 analyst calculates new limits under this section, expressed as a percentage of the base  
3341 applicable index.
- 3342 (m) "Property damage limit" means the limit on the amount of a judgment for property  
3343 damage, as provided in Subsection 63G-7-604(1)(c).
- 3344 (n) "Risk manager" means the state risk manager appointed under Section 63A-4-101.5.
- 3345 (2) Each even-numbered year, the legislative fiscal analyst shall, subject to Subsection (3):
- 3346 (a) calculate a new individual limit by adding to the latest individual limit the sum of:
- 3347 (i) 66.5% of the latest individual limit, multiplied by the percentage change in the  
3348 adjusted consumer price factor;
- 3349 (ii) 16.75% of the latest individual limit, multiplied by the percentage change in the  
3350 medical care component; and
- 3351 (iii) 16.75% of the latest individual limit, multiplied by the percentage change in the  
3352 medical services component;
- 3353 (b) calculate a new aggregate limit by adding to the latest aggregate limit the sum of:
- 3354 (i) 66.5% of the latest aggregate limit, multiplied by the percentage change in the  
3355 adjusted consumer price factor;
- 3356 (ii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the  
3357 medical care component; and

- 3358 (iii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the  
3359 medical services component;
- 3360 (c) calculate a new property damage limit by adding to the latest property damage limit  
3361 the amount of the latest property damage limit multiplied by the percentage change in  
3362 the consumer price index;
- 3363 (d) round up to the nearest \$100 the individual limit, aggregate limit, and property  
3364 damage limit calculated under Subsections (2)(a), (b), and (c); and
- 3365 (e) no later than May 1, communicate the newly calculated limits under Subsections  
3366 (2)(a), (b), and (c) to the risk manager.
- 3367 (3) The newly calculated individual limit, aggregate limit, or property damage limit under  
3368 Subsection (2) may not be less than the amount of the limit before the new calculation  
3369 under Subsection (2).
- 3370 (4)(a) Each even-numbered year, the risk manager shall make rules, to become effective  
3371 no later than July 1 of that year, that establish a new individual limit, aggregate limit,  
3372 and property damage limit, as calculated under Subsection (2).
- 3373 (b) A newly calculated individual limit, aggregate limit, or property damage limit under  
3374 this section has prospective effect only from the date the rules establishing the new  
3375 limit take effect.
- 3376 (c) An individual limit, aggregate limit, or property damage limit, as newly calculated  
3377 under this section, applies only to a claim for injury or loss that occurs after the  
3378 effective date of the rules that establish the newly calculated limit.
- 3379 (5) The risk manager shall make rules by no later than July 1, 2026, and thereafter each July  
3380 1 of even-numbered years, that establish the limit of liability for damages resulting from  
3381 the disclosure of a protected record as provided in Subsection 63G-2-802(2).
- 3382 Section 46. Section **63N-2-103** is amended to read:
- 3383 **63N-2-103 . Definitions.**
- 3384 As used in this part:
- 3385 (1)(a) "Business entity" means a person that enters into a written agreement with the  
3386 office to initiate a new commercial project in Utah that will qualify the person to  
3387 receive a tax credit under Section 59-7-614.2 or 59-10-1107.
- 3388 (b) With respect to a tax credit authorized by the office in accordance with Subsection  
3389 63N-2-104.3(2), "business entity" includes a nonprofit entity.
- 3390 (2) "Commercial or industrial zone" means an area zoned agricultural, commercial,  
3391 industrial, manufacturing, business park, research park, or other appropriate business

- 3392 related use in a general plan that contemplates future growth.
- 3393 (3) "Development zone" means an economic development zone created under Section  
3394 63N-2-104.
- 3395 (4) "Local government entity" means:  
3396 (a) a county, city, or town[-] ;  
3397 (b) for state-owned land, a development authority statutorily authorized to manage the  
3398 land; or  
3399 (c) for development authority-owned land, the development authority.
- 3400 (5) "New commercial project" means an economic development opportunity that:  
3401 (a) involves a targeted industry; or  
3402 (b) is located within:  
3403 (i) a county of the third, fourth, fifth, or sixth class; or  
3404 (ii) a municipality that has a population of 10,000 or less and the municipality is  
3405 located within a county of the second class.
- 3406 (6) "Remote work opportunity" means a new commercial project that:  
3407 (a) does not require a physical office in the state where employees associated with the  
3408 new commercial project are required to work; and  
3409 (b) requires employees associated with the new commercial project to:  
3410 (i) work remotely from a location within the state; and  
3411 (ii) maintain residency in the state.
- 3412 (7) "Significant capital investment" means an investment in capital or fixed assets, which  
3413 may include real property, personal property, and other fixtures related to a new  
3414 commercial project that represents an expansion of existing operations in the state or  
3415 that increases the business entity's existing workforce in the state.
- 3416 (8) "Tax credit" means an economic development tax credit created by Section 59-7-614.2  
3417 or 59-10-1107.
- 3418 (9) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit  
3419 certificate for a taxable year.
- 3420 (10) "Tax credit certificate" means a certificate issued by the office that:  
3421 (a) lists the name of the business entity to which the office authorizes a tax credit;  
3422 (b) lists the business entity's taxpayer identification number;  
3423 (c) lists the amount of tax credit that the office authorizes the business entity for the  
3424 taxable year; and  
3425 (d) may include other information as determined by the office.

3426 (11) "Written agreement" means a written agreement entered into between the office and a  
 3427 business entity under Section 63N-2-104.2.

3428 Section 47. Section **63N-3-602** is amended to read:

3429 **63N-3-602 . Definitions.**

3430 As used in this part:

3431 (1) "Affordable housing" means housing occupied or reserved for occupancy by households  
 3432 with a gross household income:

3433 (a) equal to or less than 80% of the county median gross income for households of the  
 3434 same size, in certain circumstances as provided in this part; or

3435 (b) equal to or less than 60% of the county median gross income for households of the  
 3436 same size, in certain circumstances as provided in this part.

3437 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

3438 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
 3439 roll last equalized during the base year.

3440 (4) "Base year" means~~[, for each property tax increment collection period triggered within a~~  
 3441 ~~proposed housing and transit reinvestment zone or convention center reinvestment zone~~  
 3442 ~~project area, the calendar year prior to the calendar year the property tax increment~~  
 3443 ~~begins to be collected for the parcels that are in a project that is triggered for that~~  
 3444 ~~collection period.] :~~

3445 (a) the calendar year immediately preceding the calendar year in which the first year of  
 3446 property tax increment collection is triggered; or

3447 (b) for a convention center reinvestment zone in a capital city, the year ending December  
 3448 31, 2023.

3449 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and  
 3450 efficient service that may include dedicated lanes, busways, traffic signal priority,  
 3451 off-board fare collection, elevated platforms, and enhanced stations.

3452 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed  
 3453 station, stop, or terminal that is specifically identified as needed in phase one of a  
 3454 metropolitan planning organization's adopted long-range transportation plan and in  
 3455 phase one of the relevant public transit district's adopted long-range transit plan:

3456 (a) along an existing bus rapid transit line; or

3457 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.

3458 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.

3459 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a

- 3460 large public transit district.
- 3461 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public  
3462 transit district.
- 3463 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed  
3464 station, stop, or terminal, which has been specifically identified as needed in phase one  
3465 of a metropolitan planning organization's adopted long-range transportation plan and in  
3466 phase one of the relevant public transit district's adopted long-range transit plan:
- 3467 (a) along an existing commuter rail line;
- 3468 (b) along an extension to an existing commuter rail line or new commuter rail line;
- 3469 (c) along a fixed guideway extension from an existing commuter rail line; or
- 3470 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an  
3471 existing commuter rail station.
- 3472 (10) "Convention center" means a convention center owned by a county of the first class  
3473 within a city of the first class.
- 3474 (11) "Convention center revitalization project" means a project within a city of the first  
3475 class within a county of the first class for the revitalization, activation, and  
3476 modernization of a convention center and the surrounding area, including projects  
3477 meeting the objectives described in Section 63N-3-603.1.
- 3478 (12) "Convention center reinvestment zone" means a convention center reinvestment zone  
3479 created under this part.
- 3480 (13)(a) "Developable area" means the portion of land within a housing and transit  
3481 reinvestment zone available for development and construction of business and  
3482 residential uses.
- 3483 (b) "Developable area" does not include portions of land within a housing and transit  
3484 reinvestment zone that are allocated to:
- 3485 (i) parks;
- 3486 (ii) recreation facilities;
- 3487 (iii) open space;
- 3488 (iv) trails;
- 3489 (v) publicly-owned roadway facilities; or
- 3490 (vi) other public facilities.
- 3491 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more  
3492 individuals living together, as a single housekeeping unit normally having cooking,  
3493 living, sanitary, and sleeping facilities.

- 3494 (15) "Eligible municipality" means a city that:
- 3495 (a)(i) is the county seat of a county of the first class; or
- 3496 (ii) a city of the first class located in a county of the first class; and
- 3497 (b) has a convention center within the boundary of the city.
- 3498 (16) "Enhanced development" means the construction of mixed uses including housing,
- 3499 commercial uses, and related facilities.
- 3500 (17) "Enhanced development costs" means extra costs associated with structured parking
- 3501 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 3502 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 3503 height of buildings or enhanced development.
- 3504 (18) "First home investment zone" means the same as that term is defined in Section
- 3505 63N-3-1601.
- 3506 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 3507 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
- 3508 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 3509 enhanced development in the housing and transit reinvestment zone.
- 3510 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
- 3511 zone created pursuant to this part.
- 3512 (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 3513 reinvestment zone committee created pursuant to Section 63N-3-605.
- 3514 (23) "Large public transit district" means the same as that term is defined in Section
- 3515 17B-2a-802.
- 3516 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 3517 rails:
- 3518 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 3519 (b) that may cross streets at grade; and
- 3520 (c) that may share parts of surface streets.
- 3521 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,
- 3522 stop, or terminal, which has been specifically identified as needed in phase one of a
- 3523 metropolitan planning organization's adopted long-range transportation plan and in
- 3524 phase one of the relevant public transit district's adopted long-range plan:
- 3525 (a) along an existing light rail line; or
- 3526 (b) along an extension to an existing light rail line or new light rail line.
- 3527 (26) "Metropolitan planning organization" means the same as that term is defined in

- 3528 Section 72-1-208.5.
- 3529 (27) "Mixed use development" means development with a mix of:
- 3530 (a) multi-family residential use; and
- 3531 (b) at least one additional land use, which shall be a significant part of the overall
- 3532 development.
- 3533 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 3534 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 3535 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
- 3536 except that the agency may not provide and the person may not receive a direct subsidy.
- 3537 (31) "Project" means a housing and transit reinvestment zone or convention center
- 3538 reinvestment zone created under this part.
- 3539 (32)(a) "Property tax increment" means the difference between:
- 3540 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 3541 the area within a housing and transit reinvestment zone or convention center
- 3542 reinvestment zone designated in the applicable reinvestment zone proposal as the
- 3543 area from which tax increment is to be collected, using the current assessed value
- 3544 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
- 3545 and
- 3546 (ii) the amount of property tax revenue that would be generated from that same area
- 3547 using the base taxable value and each taxing entity's current certified tax rate as
- 3548 defined in Section 59-2-924.
- 3549 (b) "Property tax increment" does not include property tax revenue from:
- 3550 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 3551 (ii) a county additional property tax described in Subsection 59-2-1602(4); or
- 3552 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 3553 (33) "Public transit county" means a county that has created a small public transit district.
- 3554 (34) "Public transit hub" means a public transit depot or station where four or more routes
- 3555 serving separate parts of the county-created transit district stop to transfer riders between
- 3556 routes.
- 3557 (35) "Sales and use tax base year" means:
- 3558 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
- 3559 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
- 3560 use tax boundary for a housing and transit reinvestment zone is established; or
- 3561 (b) for a convention center reinvestment zone, a sales and use tax year determined by the

3562 year specified in the approved proposal for a convention center reinvestment zone,  
3563 pertaining to the taxes:

3564 (i) imposed under Section 59-12-103;

3565 (ii) imposed by a city of the first class in a county of the first class under Title 59,  
3566 Chapter 12, Part 2, Local Sales and Use Tax Act;

3567 (iii) imposed by a city of the first class in a county of the first class under Section  
3568 59-12-402.1;

3569 (iv) imposed by a county of the first class under Section 59-12-1102; and

3570 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local  
3571 Option Sales and Use Taxes for Transportation Act.

3572 (36) "Sales and use tax boundary" means:

3573 (a) for a housing and transit reinvestment zone, a boundary created as described in  
3574 Section 63N-3-604, based on state sales and use tax collection boundaries that  
3575 correspond as closely as reasonably practicable to the housing and transit  
3576 reinvestment zone boundary; or

3577 (b) for a convention center reinvestment zone, a boundary created as described in  
3578 Section 63N-3-604.1, based on state sales and use tax collection boundaries that  
3579 correspond as closely as reasonably practicable to the convention center reinvestment  
3580 zone boundary.

3581 (37) "Sales and use tax increment" means:

3582 (a) for a housing and transit reinvestment zone, the difference between:

3583 (i) the amount of state sales and use tax revenue generated each year following the  
3584 sales and use tax base year by the sales and use tax from the area within a housing  
3585 and transit reinvestment zone designated in the housing and transit reinvestment  
3586 zone proposal as the area from which sales and use tax increment is to be  
3587 collected; and

3588 (ii) the amount of state sales and use tax revenue that was generated from that same  
3589 area during the sales and use tax base year; or

3590 (b) for a convention center reinvestment zone, the difference between:

3591 (i) the amount of sales and use tax revenue generated each year following the sales  
3592 and use tax base year by the sales and use tax from the area within a convention  
3593 center reinvestment zone designated in the convention center reinvestment zone  
3594 proposal as the area from which sales and use tax increment is to be collected; and

3595 (ii) the amount of sales and use tax revenue that was generated from that same area

3596 during the sales and use tax base year.

3597 (38) "Sales and use tax revenue" means:

3598 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax  
3599 imposed under Section 59-12-103; or

3600 (b) for a convention center reinvestment zone, revenue that is generated from:

3601 (i) the sales and use taxes imposed under Section 59-12-103; and

3602 (ii) the sales and use taxes:

3603 (A) imposed by a city of the first class in a county of the first class under Title 59,  
3604 Chapter 12, Part 2, Local Sales and Use Tax Act;

3605 (B) imposed by a city of the first class in a county of the first class under Section  
3606 59-12-402.1;

3607 (C) imposed by a county of the first class under Section 59-12-1102; and

3608 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,  
3609 Local Option Sales and Use Taxes for Transportation Act.

3610 (39) "Small public transit district" means the same as that term is defined in Section  
3611 17B-2a-802.

3612 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

3613 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

3614 (42) "Vertical construction costs" means the additional costs associated with construction  
3615 above four stories and structured parking to achieve enhanced development in the  
3616 housing and transit reinvestment zone.

3617 Section 48. Section **63N-3-603** is amended to read:

3618 **63N-3-603 . Applicability, requirements, and limitations on a housing and transit**  
3619 **reinvestment zone.**

3620 (1) A housing and transit reinvestment zone proposal created under this part shall  
3621 demonstrate how the proposal addresses the following objectives:

3622 (a) higher utilization of public transit;

3623 (b) increasing availability of housing, including affordable housing, and fulfillment of  
3624 moderate income housing plans;

3625 (c) promoting and encouraging development of owner-occupied housing;

3626 (d) improving efficiencies in parking and transportation, including walkability of  
3627 communities near public transit facilities;

3628 (e) overcoming development impediments and market conditions that render a  
3629 development cost prohibitive absent the proposal and incentives;

- 3630 (f) conserving water resources through efficient land use;
- 3631 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3632 (h) encouraging transformative mixed-use development and investment in transportation
- 3633 and public transit infrastructure in strategic areas;
- 3634 (i) strategic land use and municipal planning in major transit investment corridors as
- 3635 described in Subsection 10-20-404(2);
- 3636 (j) increasing access to employment and educational opportunities; and
- 3637 (k) increasing access to child care.

3638 (2)(a) In order to accomplish the objectives described in Subsection (1), a municipality

3639 or public transit county that initiates the process to create a housing and transit

3640 reinvestment zone as described in this part shall ensure that the proposal for a

3641 housing and transit reinvestment zone includes:

3642 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units

3643 within the housing and transit reinvestment zone are affordable housing units,

3644 with:

3645 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy

3646 by households with a gross household income equal to or less than 80% of the

3647 county median gross income for households of the same size; and

3648 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy

3649 by households with a gross household income equal to or less than 60% of the

3650 county median gross income for households of the same size;

3651 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone

3652 shall include:

3653 (A) at least 51% of the developable area within a housing and transit reinvestment

3654 zone as residential uses; and

3655 (B) an average of at least 50 dwelling units per acre within the acreage of the

3656 housing and transit reinvestment zone dedicated to residential uses;

3657 (iii) mixed-use development; and

3658 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have

3659 more than one bedroom.

3660 (b)(i) If a housing and transit reinvestment zone is phased, a municipality or public

3661 transit county shall ensure that a housing and transit reinvestment zone is phased

3662 and developed to provide the required 12% of affordable housing units in each

3663 phase of development.

- 3664 (ii) A municipality or public transit county may allow a housing and transit  
3665 reinvestment zone to be phased and developed in a manner to provide more of the  
3666 required affordable housing units in early phases of development.
- 3667 (iii) A municipality or public transit county shall include in a housing and transit  
3668 reinvestment zone proposal an affordable housing plan, which may include deed  
3669 restrictions, to ensure the affordable housing required in the proposal will continue  
3670 to meet the definition of affordable housing at least throughout the entire term of  
3671 the housing and transit reinvestment zone.
- 3672 (c) For a housing and transit reinvestment zone proposed by a public transit county at a  
3673 public transit hub, or for a housing and transit reinvestment zone proposed by a  
3674 municipality at a bus rapid transit station, the housing and transit reinvestment zone  
3675 shall include:
- 3676 (i) at least 51% of the developable area within a housing and transit reinvestment  
3677 zone as residential uses; and
- 3678 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing  
3679 and transit reinvestment zone dedicated to residential uses.
- 3680 (3) A municipality or public transit county that, at the time the housing and transit  
3681 reinvestment zone proposal is approved by the housing and transit reinvestment zone  
3682 committee, meets the affordable housing guidelines of the United States Department of  
3683 Housing and Urban Development at 60% area median income is exempt from the  
3684 requirement described in Subsection (2)(a).
- 3685 (4)(a) A municipality may only propose a housing and transit reinvestment zone at a  
3686 commuter rail station, and a public transit county may only propose a housing and  
3687 transit reinvestment zone at a public transit hub, that:
- 3688 (i) subject to Subsection (5)(a):
- 3689 (A)(I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality,  
3690 does not exceed a 1/3 mile radius of a commuter rail station;
- 3691 (II) for a municipality that is a city of the first or second class that is within a  
3692 county of the first or second class, with an opportunity zone created in  
3693 accordance with Section 1400Z-1, Internal Revenue Code, does not exceed  
3694 a 1/2 mile radius of a commuter rail station located within the opportunity  
3695 zone; or
- 3696 (III) for a public transit county, does not exceed a 1/3 mile radius of a public  
3697 transit hub; and

- 3698 (B) has a total area of no more than 125 noncontiguous acres;
- 3699 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each  
3700 taxing entity's property tax increment above the base year for a term of no more  
3701 than 25 consecutive years on each parcel within a 45-year period not to exceed the  
3702 property tax increment amount approved in the housing and transit reinvestment  
3703 zone proposal; and
- 3704 (iii) the commencement of collection of property tax increment, for all or a portion of  
3705 the housing and transit reinvestment zone project area, shall be triggered by  
3706 providing notice as described in Subsection (6), but a housing and transit  
3707 reinvestment zone proposal may not propose or include triggering more than three  
3708 property tax increment collection periods for the same project during the  
3709 applicable 45-year period.
- 3710 (b) A municipality or public transit county may only propose a housing and transit  
3711 reinvestment zone at a light rail station or bus rapid transit station that:
- 3712 (i) subject to Subsection (5):
- 3713 (A) does not exceed:
- 3714 (I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e), a 1/4 mile  
3715 radius of a bus rapid transit station or light rail station;
- 3716 (II) for a municipality that is a city of the first class with a population greater than 150,000 that  
3717 is within a county of the first class, a 1/2 mile radius of a light rail station located in an  
3718 opportunity zone created in accordance with Section  
3719 1400Z-1, Internal Revenue Code; or
- 3720 (III) a 1/2 mile radius of a light rail station located within a master-planned  
3721 development of 500 acres or more; and
- 3722 (B) has a total area of no more than 100 noncontiguous acres;
- 3723 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a  
3724 maximum of 80% of each taxing entity's property tax increment above the base  
3725 year for a term of no more than 15 consecutive years on each parcel within a  
3726 30-year period not to exceed the property tax increment amount approved in the  
3727 housing and transit reinvestment zone proposal; and
- 3728 (iii) the commencement of collection of property tax increment, for all or a portion of  
3729 the housing and transit reinvestment zone project area, shall be triggered by  
3730 providing notice as described in Subsection (6), but a housing and transit  
3731 reinvestment zone proposal may not propose or include triggering more than three

- 3732 property tax increment collection periods for the same project during the  
 3733 applicable 30-year period.
- 3734 (c) For a housing and transit reinvestment zone proposed by a public transit county at a  
 3735 public transit hub, or for a housing and transit reinvestment zone proposed by a  
 3736 municipality at a bus rapid transit station, if the proposed housing density within the  
 3737 housing and transit reinvestment zone is between 39 and 49 dwelling units per acre,  
 3738 the maximum capture of each taxing entity's property tax increment above the base  
 3739 year is 60%.
- 3740 (d) A municipality that is a city of the first class with a population greater than 150,000  
 3741 in a county of the first class as described in Subsections (4)(a)(i)(A)(II) and  
 3742 (4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within  
 3743 an opportunity zone.
- 3744 (e)(i) Subject to Subsection (4)(e)(ii), the radius restrictions described in Subsection  
 3745 (4)(b)(i) do not apply, and a housing and transit reinvestment zone may extend to  
 3746 an area between two or three light rail or bus rapid transit stations located within a  
 3747 city of the third class or fourth class if the [~~two~~]light rail stations or bus rapid  
 3748 transit stations are within a .95 mile distance on the same light rail line or  
 3749 dedicated offset bus lane.
- 3750 (ii) If a housing and transit reinvestment zone is extended to accommodate [~~two~~]  
 3751 multiple light rail stations or bus rapid transit stations as described in Subsection  
 3752 (4)(e)(i):
- 3753 (A) the housing and transit reinvestment zone is limited to a total area not to  
 3754 exceed 100 noncontiguous acres; and
- 3755 (B) the housing and transit reinvestment zone may not exceed a 1/4 mile radius  
 3756 from the light rail or bus rapid transit stations or any point on the light rail line  
 3757 or dedicated offset bus line between the two stations.
- 3758 (iii) If a housing and transit reinvestment zone is extended to accommodate three  
 3759 light rail or bus rapid transit stations as described in Subsection (4)(e)(i):
- 3760 (A) the housing and transit reinvestment zone is limited to a total area not to  
 3761 exceed 250 noncontiguous acres;
- 3762 (B) the housing and transit reinvestment zone may not exceed a one-quarter mile  
 3763 radius from the light rail or bus rapid transit stations or any point on the light  
 3764 rail line or dedicated offset bus line between the three stations; and
- 3765 (C) the housing and transit reinvestment zone shall be counted as two for purposes

3766 of Subsection (7).

3767 (f) If a parcel within the housing and transit reinvestment zone is included as an area that  
3768 is part of a project area, as that term is defined in Section 17C-1-102, and created  
3769 under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for  
3770 collection unless the project area funds collection period, as that term is defined in  
3771 Section 17C-1-102, has expired.

3772 (5)(a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel  
3773 is intersected by the relevant radius limitation, the full parcel may be included as part  
3774 of the housing and transit reinvestment zone area and will not count against the  
3775 limitations described in Subsection (4)(a)(i).

3776 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit  
3777 station, if a parcel is intersected by the relevant radius limitation, the full parcel may  
3778 be included as part of the housing and transit reinvestment zone area and will not  
3779 count against the limitations described in Subsection (4)(b)(i).

3780 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.

3781 (6)(a) The notice of commencement of collection of property tax increment required in  
3782 Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the  
3783 following entities no later than December 31 of the year before the year for which the  
3784 property tax increment collection is proposed to commence:

3785 (i) the State Tax Commission;

3786 (ii) the State Board of Education;

3787 (iii) the state auditor;

3788 (iv) the auditor of the county in which the housing and transit reinvestment zone is  
3789 located;

3790 (v) each taxing entity affected by the collection of property tax increment from the  
3791 housing and transit reinvestment zone; and

3792 (vi) the Governor's Office of Economic Opportunity.

3793 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until  
3794 the date on which the housing and transit reinvestment zone proposal is approved by  
3795 the housing and transit reinvestment zone committee.

3796 (c)(i) For a convention center reinvestment zone in a capital city, a municipality or  
3797 public infrastructure district may submit a notice of commencement of collection  
3798 of property tax increment for each separate parcel or subarea within the  
3799 convention center reinvestment zone in a capital city.

- 3800           (ii) The collection of property tax increment described in Subsection (6)(c)(i) shall  
3801           commence no later than five years from the day the convention center  
3802           reinvestment zone in a capital city proposal is approved.
- 3803       (7)(a) The maximum number of housing and transit reinvestment zones at light rail  
3804       stations, not including a convention center reinvestment zone, is eight in any given  
3805       county.
- 3806       (b) Within a county of the first class, the maximum number of housing and transit  
3807       reinvestment zones at bus rapid transit stations is three.
- 3808       (c) Within a county of the first class, the maximum total combined number of housing  
3809       and transit reinvestment zones described in Subsections (7)(a) and (b) and first home  
3810       investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 3811       (8)(a) For purposes of this Subsection (8), "entitlement agreement" means:
- 3812           (i) a land use application;
- 3813           (ii) a rezone petition; or
- 3814           (iii) a request, petition, or application to:
- 3815               (A) enact or approve a development agreement; or
- 3816               (B) to amend or modify a development agreement.
- 3817       (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101,  
3818       that has created a small public transit district on or before January 1, 2022.
- 3819       (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped  
3820       property within an unincorporated county shall have the right to develop and build a  
3821       mixed-use development if:
- 3822           (i) the owner has submitted an entitlement agreement to the county on or before  
3823               December 31, 2022, and is within a 1/3 mile radius of a public transit hub in a  
3824               county described in Subsection (8)(b), including parcels that are intersected by the  
3825               1/3 mile radius; and
- 3826           (ii) the county described in Subsection (8)(b) has failed to approve the entitlement  
3827               agreement described in Subsection (8)(c)(i) by ordinance before December 31,  
3828               2022.
- 3829       (d) The mixed use development described in Subsection (8)(c) shall include the  
3830       following:
- 3831           (i)(A)(I) a maximum number of dwelling units equal to 30 multiplied by the  
3832               total acres of developable area within the mixed-use development dedicated  
3833               exclusively to residential use; or

- 3834 (II) a maximum number of dwelling units equal to 15 multiplied by the total  
3835 acres of the mixed-use development; and
- 3836 (B) at least 33% of the dwelling units as affordable housing;
- 3837 (ii) commercial uses, including office, retail, educational, and healthcare in support of  
3838 the mixed-use development constituting no more than 1/3 of the total planned  
3839 gross building square footage of the subject parcels; and
- 3840 (iii) any other infrastructure element necessary or reasonable to support the  
3841 mixed-use development, including:
- 3842 (A) parking infrastructure;
- 3843 (B) streets;
- 3844 (C) sidewalks;
- 3845 (D) parks; and
- 3846 (E) trails.
- 3847 (e)(i) The mixed-use development described in this Subsection (8) may qualify for a  
3848 housing and transit reinvestment zone described in Subsection (4)(a).
- 3849 (ii) The county described in Subsection (8)(b) may propose a housing and transit  
3850 reinvestment zone in accordance with this part, if the housing and transit  
3851 reinvestment zone includes:
- 3852 (A)(I) an average of at least 30 dwelling units per acre within the acreage of the  
3853 housing and transit reinvestment zone dedicated to residential use; or
- 3854 (II) a minimum number of 14 dwelling units per acre on average within the  
3855 acreage of the housing and transit reinvestment zone; and
- 3856 (B) at least 33% of the dwelling units as affordable housing units.
- 3857 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or  
3858 requirement that prevents or creates development impediments to the development of  
3859 a mixed-use development as described in this Subsection (8).
- 3860 (g) A county action to approve or implement the development of a mixed-use  
3861 development as described in this Subsection (8) shall constitute an administrative  
3862 action taken by the county and does not require county legislative action.

3863 Section 49. Section **63N-3-604** is amended to read:

3864 **63N-3-604 . Process for a proposal of a housing and transit reinvestment zone --**

3865 **Analysis.**

- 3866 (1) [Subject-] On or before December 31, 2027, and subject to approval of the housing and  
3867 transit reinvestment zone committee as described in Section 63N-3-605, in order to

- 3868 create a housing and transit reinvestment zone, a municipality or public transit county  
3869 that has general land use authority over the housing and transit reinvestment zone area,  
3870 shall:
- 3871 (a) prepare a proposal for the housing and transit reinvestment zone that:
    - 3872 (i) demonstrates that the proposed housing and transit reinvestment zone will meet  
3873 the objectives described in Subsection 63N-3-603(1);
    - 3874 (ii) explains how the municipality or public transit county will achieve the  
3875 requirements of Subsection 63N-3-603(2)(a)(i);
    - 3876 (iii) defines the specific transportation infrastructure needs, if any, and proposed  
3877 improvements and estimated budgets;
    - 3878 (iv) defines the boundaries of:
      - 3879 (A) the housing and transit reinvestment zone; and
      - 3880 (B) the sales and use tax boundary corresponding to the housing and transit  
3881 reinvestment zone boundary, as described in Section 63N-3-610;
    - 3882 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:
      - 3883 (A) the proposed boundary and radius from a public transit hub;
      - 3884 (B) proposed housing density within the housing and transit reinvestment zone;
      - 3885 and
      - 3886 (C) existing zoning and proposed zoning changes related to the housing and transit  
3887 reinvestment zone;
    - 3888 (vi) identifies any development impediments that prevent the development from  
3889 being a market-rate investment, including proposed strategies and estimated  
3890 budgets for addressing each one;
    - 3891 (vii) describes the proposed development plan and estimated budgets, including the  
3892 requirements described in Subsections 63N-3-603(2) and (4);
    - 3893 (viii) establishes a base year and collection period to calculate the property tax  
3894 increment within the housing and transit reinvestment zone;
    - 3895 (ix) establishes a sales and use tax base year to calculate the sales and use tax  
3896 increment within the housing and transit reinvestment zone in accordance with  
3897 Section 63N-3-610;
    - 3898 (x) describes projected maximum revenues generated and the amount of property tax  
3899 increment capture from each taxing entity and proposed expenditures of revenue  
3900 derived from the housing and transit reinvestment zone;
    - 3901 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources

- 3902 of revenue that can be used to reduce the finance gap;
- 3903 (xii) estimates budgets and evaluates possible benefits to active and public
- 3904 transportation availability and impacts on air quality;
- 3905 (xiii) proposes a finance schedule to align expected revenue with required financing
- 3906 costs and payments;
- 3907 (xiv) provides a pro-forma for the planned development that:
- 3908 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4);
- 3909 (B) includes data showing the cost difference between what type of development
- 3910 could feasibly be developed absent the housing and transit reinvestment zone
- 3911 property tax increment and the type of development that is proposed to be
- 3912 developed with the housing and transit reinvestment zone property tax
- 3913 increment; and
- 3914 (C) provides estimated budgets and construction costs, anticipated revenue,
- 3915 financing, expenses, and other sources and uses of funds for the project area;
- 3916 and
- 3917 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail
- 3918 station, or bus rapid transit station that is proposed and not in public transit service
- 3919 operation as of the date of submission of the proposal, demonstrates that the
- 3920 proposed station is:
- 3921 (A) included as needed in phase one of a metropolitan planning organization's
- 3922 adopted long-range transportation plan and in phase one of the relevant public
- 3923 transit district's adopted long-range plan; and
- 3924 (B) reasonably anticipated to be constructed in the near future; and
- 3925 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office
- 3926 of Economic Opportunity.
- 3927 (2) As part of the proposal described in Subsection (1), a municipality or public transit
- 3928 county shall study and evaluate possible impacts of a proposed housing and transit
- 3929 reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 3930 (3)(a) After receiving the proposal as described in Subsection (1)(b), the Governor's
- 3931 Office of Economic Opportunity shall:
- 3932 (i) within 14 days after the date on which the Governor's Office of Economic
- 3933 Opportunity receives the proposal described in Subsection (1)(b), provide notice
- 3934 of the proposal to all affected taxing entities, including the Tax Commission,
- 3935 cities, counties, school districts, metropolitan planning organizations, and the

- 3936 county assessor and county auditor of the county in which the housing and transit  
3937 reinvestment zone is located; and
- 3938 (ii) at the expense of the proposing municipality or public transit county as described  
3939 in Subsection (5), contract with an independent entity to perform the financial gap  
3940 analysis described in Subsection (3)(b).
- 3941 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 3942 (i) a description of the planned development;
- 3943 (ii) a market analysis relative to other comparable project developments included in  
3944 or adjacent to the municipality or public transit county absent the proposed  
3945 housing and transit reinvestment zone;
- 3946 (iii) an evaluation of the proposal to and a determination of the adequacy and  
3947 efficiency of the proposal;
- 3948 (iv) an evaluation of the proposed increment capture needed to cover the enhanced  
3949 development costs associated with the housing and transit reinvestment zone  
3950 proposal and enable the proposed development to occur; and
- 3951 (v) based on the market analysis and other findings, an opinion relative to the  
3952 appropriate amount of potential public financing reasonably determined to be  
3953 necessary to achieve the objectives described in Subsection 63N-3-603(1).
- 3954 (c) After receiving notice from the Governor's Office of Economic Opportunity of a  
3955 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),  
3956 the State Tax Commission shall:
- 3957 (i) evaluate the feasibility of administering the tax implications of the proposal; and  
3958 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any  
3959 challenges in the administration of the proposal, or indicating that the Tax  
3960 Commission can feasibly administer the proposal.
- 3961 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
3962 municipality or public transit county proposing the housing and transit reinvestment  
3963 zone may:
- 3964 (a) amend the housing and transit reinvestment zone proposal based on the findings of  
3965 the analysis described in Subsection (3)(b) and request that the Governor's Office of  
3966 Economic Opportunity submit the amended housing and transit reinvestment zone  
3967 proposal to the housing and transit reinvestment zone committee; or
- 3968 (b) request that the Governor's Office of Economic Opportunity submit the original  
3969 housing and transit reinvestment zone proposal to the housing and transit

3970 reinvestment zone committee.

3971 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated  
3972 credit, up to \$20,000 from a municipality or public transit county for the costs of the  
3973 gap analysis described in Subsection (3)(b).

3974 (b) The Governor's Office of Economic Opportunity may expend funds received from a  
3975 municipality or public transit county as dedicated credits to pay for the costs  
3976 associated with the gap analysis described in Subsection (3)(b).

3977 (6)(a) Beginning January 1, 2028:

3978 (i) a municipality or public transit county may not propose a housing and transit  
3979 reinvestment zone;

3980 (ii) a municipality or public transit county may amend a housing and transit  
3981 reinvestment zone proposal, as described in Subsection (4), if the proposal is  
3982 pending review or approval on December 31, 2027; and

3983 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties  
3984 described in Subsection (3) or (5) in regard to a proposal for a housing and transit  
3985 reinvestment zone unless the proposal is pending review or approval on December  
3986 31, 2027.

3987 (b) Subsection (6)(a) does not impact housing and transit reinvestment zones that are in  
3988 existence on January 1, 2028.

3989 Section 50. Section **63N-3-604.1** is amended to read:

3990 **63N-3-604.1 . Process for proposing a convention center reinvestment zone.**

3991 (1) ~~[Tø]~~ On or before December 31, 2027, to create a convention center reinvestment zone  
3992 under this part, the Governor's Office of Economic Opportunity shall, after consulting  
3993 with and giving notice to the related eligible municipality and county, provide a proposal  
3994 for a convention center reinvestment zone to the housing and transit reinvestment zone  
3995 committee.

3996 (2)(a) The Governor's Office of Economic Opportunity shall ensure that a proposal for  
3997 the creation of a convention center reinvestment zone includes the following  
3998 information and data that:

3999 (i) defines the boundary of the proposed convention center reinvestment zone;

4000 (ii) describes generally the proposed development plan;

4001 (iii) identifies a base year and collection period to calculate the property tax  
4002 increment within the convention center reinvestment zone;

4003 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment

- 4004 within the convention center reinvestment zone in accordance with Section  
4005 63N-3-610.1;
- 4006 (v) provides estimated project and investment objectives for the convention center  
4007 reinvestment zone; and
- 4008 (vi) outlines generally the impacts on transportation in and around the proposed  
4009 convention center reinvestment zone.
- 4010 (b) For a convention center reinvestment zone in a capital city, the proposal described in  
4011 Subsection (2)(a) shall also provide estimated budgets and construction costs,  
4012 anticipated revenue, financing, expenses, and other sources and uses of funds for the  
4013 project area.
- 4014 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
- 4015 (i) a convention center;
- 4016 (ii) a publicly owned entertainment venue;
- 4017 (iii) parking; and
- 4018 (iv) infrastructure related to the project.
- 4019 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center  
4020 reinvestment zone shall demonstrate how the information and data provided in the  
4021 proposal pursuant to Subsection (2) furthers the objectives described in Section  
4022 63N-3-603.1 and is in the public interest.
- 4023 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of  
4024 Economic Opportunity shall provide notice of the proposal to all affected taxing entities,  
4025 including the State Tax Commission, cities, counties, school districts, metropolitan  
4026 planning organizations, and the county assessor and county auditor of the county in  
4027 which the convention center reinvestment zone is located.
- 4028 (5) After receiving notice from the Governor's Office of Economic Opportunity of a  
4029 proposed convention center reinvestment zone as described in Subsection (4), the Tax  
4030 Commission shall, within 14 days:
- 4031 (a) evaluate the feasibility of administering the tax implications of the proposal; and
- 4032 (b) provide a letter to the Governor's Office of Economic Opportunity describing any  
4033 challenges in the administration of the proposal, or indicating that the State Tax  
4034 Commission can feasibly administer the proposal.
- 4035 (6) Beginning January 1, 2028, the Governor's Office of Economic Opportunity may not  
4036 propose, and the committee may not consider, the creation of a convention center  
4037 reinvestment zone.

4038 Section 51. Section **63N-3-605** is amended to read:

4039 **63N-3-605 . Housing and transit reinvestment zone committee -- Creation.**

4040 (1) [~~For~~] On or before December 31, 2027, for any housing and transit reinvestment zone  
4041 proposed under this part, or for a first home investment zone proposed in accordance  
4042 with Part 16, First Home Investment Zone Act, there is created a housing and transit  
4043 reinvestment zone committee with membership described in Subsection (2).

4044 (2) Each housing and transit reinvestment zone committee shall consist of the following  
4045 members:

- 4046 (a) one representative from the Governor's Office of Economic Opportunity, designated  
4047 by the executive director of the Governor's Office of Economic Opportunity;
- 4048 (b) one representative from each municipality that is a party to the proposed housing and  
4049 transit reinvestment zone or first home investment zone, designated by the chief  
4050 executive officer of each respective municipality;
- 4051 (c) a member of the Transportation Commission created in Section 72-1-301;
- 4052 (d) a member of the board of trustees of a large public transit district;
- 4053 (e) one individual from the Office of the State Treasurer, designated by the state  
4054 treasurer;
- 4055 (f) two members designated by the president of the Senate;
- 4056 (g) two members designated by the speaker of the House of Representatives;
- 4057 (h) one member designated by the chief executive officer of each county affected by the  
4058 housing and transit reinvestment zone or first home investment zone;
- 4059 (i) two representatives designated by the school superintendent from the school district  
4060 affected by the housing and transit reinvestment zone or first home investment zone;  
4061 and
- 4062 (j) one representative, representing the largest participating local taxing entity, after the  
4063 municipality, county, and school district.

4064 (3) The individual designated by the Governor's Office of Economic Opportunity as  
4065 described in Subsection (2)(a) shall serve as chair of the housing and transit  
4066 reinvestment zone committee.

4067 (4)(a) A majority of the members of the housing and transit reinvestment zone  
4068 committee constitutes a quorum of the housing and transit reinvestment zone  
4069 committee.

4070 (b) An action by a majority of a quorum of the housing and transit reinvestment zone  
4071 committee is an action of the housing and transit reinvestment zone committee.

- 4072 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the  
4073 analysis described in Section 63N-3-604, and after the Governor's Office of  
4074 Economic Opportunity has received a request from the submitting municipality or  
4075 public transit county to submit the housing and transit reinvestment zone proposal to  
4076 the housing and transit reinvestment zone committee, the Governor's Office of  
4077 Economic Opportunity shall notify each of the entities described in Subsection (2) of  
4078 the formation of the housing and transit reinvestment zone committee.
- 4079 (b) For a first home investment zone, the housing and transit reinvestment zone  
4080 committee shall follow the procedures described in Section 63N-3-1604.
- 4081 (6)(a) The chair of the housing and transit reinvestment zone committee shall convene a  
4082 public meeting to consider the proposed housing and transit reinvestment zone.
- 4083 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title  
4084 52, Chapter 4, Open and Public Meetings Act.
- 4085 (7)(a) The proposing municipality or public transit county shall present the housing and  
4086 transit reinvestment zone proposal to the housing and transit reinvestment zone  
4087 committee in a public meeting.
- 4088 (b) The housing and transit reinvestment zone committee shall, for a housing and transit  
4089 reinvestment zone proposal:
- 4090 (i) evaluate and verify whether the elements of a housing and transit reinvestment  
4091 zone described in Subsections 63N-3-603(2) and (4) have been met; and  
4092 (ii) evaluate the proposed housing and transit reinvestment zone relative to the  
4093 analysis described in Subsection 63N-3-604(2).
- 4094 (c) The housing and transit reinvestment zone committee shall, for a convention center  
4095 reinvestment zone proposal, evaluate and verify whether the objectives of a  
4096 convention center reinvestment zone described in Section 63N-3-603.1 have been  
4097 met.
- 4098 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee  
4099 may:
- 4100 (i)(A) for a housing and transit reinvestment zone, request changes to the housing  
4101 and transit reinvestment zone proposal based on the analysis, characteristics,  
4102 and criteria described in Section 63N-3-604; or  
4103 (B) for a convention center reinvestment zone, request changes to the convention  
4104 center reinvestment zone proposal based on the characteristics and criteria  
4105 described in Sections 63N-3-603.1 and 63N-3-604.1; or

- 4106 (ii) subject to Subsection (12), vote to approve or deny the proposal.
- 4107 (b) Before the housing and transit reinvestment zone committee may approve the  
4108 housing and transit reinvestment zone proposal, the municipality or public transit  
4109 county proposing the housing and transit reinvestment zone shall ensure that the area  
4110 of the proposed housing and transit reinvestment zone is zoned in such a manner to  
4111 accommodate the requirements of a housing and transit reinvestment zone described  
4112 in this section and the proposed development.
- 4113 (9) If a housing and transit reinvestment zone is approved by the committee:
- 4114 (a) the proposed housing and transit reinvestment zone is established according to the  
4115 terms of the housing and transit reinvestment zone proposal;
- 4116 (b) affected local taxing entities are required to participate according to the terms of the  
4117 housing and transit reinvestment zone proposal; and
- 4118 (c) each affected taxing entity is required to participate at the same rate.
- 4119 (10) A housing and transit reinvestment zone proposal may be amended by following the  
4120 same procedure as approving a housing and transit reinvestment zone proposal.
- 4121 (11)(a) The approval for a convention center reinvestment zone in a capital city may be  
4122 completed with a condition that the relevant municipality also create a public  
4123 infrastructure district as provided in Subsection 63N-3-607(8)(b).
- 4124 (b) The approval described in Subsection (11)(a) shall verify that the requirements and  
4125 limitations on use of funds is limited to the conditions described under Subsections  
4126 63N-3-604.1(2)(b) and (c).
- 4127 (12)(a) Beginning January 1, 2028, the committee may not approve a proposal for a  
4128 housing and transit reinvestment zone, a first home investment zone, or a convention  
4129 center reinvestment zone unless the proposal was pending on December 31, 2027.
- 4130 (b) Housing and transit reinvestment zones that are in existence on January 1, 2028,  
4131 continue to exist and shall comply with the relevant requirements of this part until the  
4132 housing and transit reinvestment zone is dissolved.
- 4133 (c) First home investment zones that are in existence on January 1, 2028, continue to  
4134 exist and shall comply with the relevant requirements of this part until the first home  
4135 investment zone is dissolved.
- 4136 (d) Convention center reinvestment zones that are in existence on January 1, 2028,  
4137 continue to exist and shall comply with the relevant requirements of this part until the  
4138 convention center reinvestment zone is dissolved.
- 4139 Section 52. Section **63N-3-607** is amended to read:

4140           **63N-3-607 . Payment, use, and administration of revenue from a housing and**  
4141 **transit reinvestment zone.**

4142 (1) In accordance with this part:

4143       (a) a municipality or public transit county may receive and use property tax increment  
4144           and housing and transit reinvestment zone funds;

4145       (b)(i) a public infrastructure district shall use the funds from a convention center  
4146           reinvestment zone in a capital city within or for the benefit of a convention center  
4147           reinvestment zone in a capital city; and

4148       (ii) funds from a convention center reinvestment zone in a capital city may be used  
4149           outside of the capital city convention center reinvestment zone if the use meets the  
4150           objectives described in Section 63N-3-603.1 and is determined by the board of the  
4151           public infrastructure district to be a direct benefit to the convention center  
4152           reinvestment zone in a capital city; and

4153       (c) a municipality or a public infrastructure district may receive and use property tax  
4154           increment and convention center reinvestment zone funds for a convention center  
4155           reinvestment zone that is not within a capital city.

4156 (2)(a) Except as provided in Subsection (3), a county that collects property tax on  
4157       property located within a housing and transit reinvestment zone shall, in accordance  
4158       with Section 59-2-1365, distribute to the municipality or public transit county any  
4159       property tax increment the municipality or public transit county is authorized to  
4160       receive up to the maximum approved by the housing and transit reinvestment zone  
4161       committee.

4162       (b) Property tax increment distributed to a municipality or public transit county in  
4163       accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality  
4164       or public transit county.

4165       (c)(i) Property tax increment paid to the municipality or public transit county are  
4166           housing and transit reinvestment zone funds and shall be administered by an  
4167           agency created by the municipality or public transit county within which the  
4168           housing and transit reinvestment zone is located.

4169       (ii) Before an agency may receive housing and transit reinvestment zone funds from  
4170           the municipality or public transit county, the municipality or public transit county  
4171           and the agency shall enter into an interlocal agreement with terms that:

4172           (A) are consistent with the approval of the housing and transit reinvestment zone  
4173           committee; and

- 4174 (B) meet the requirements of Section 63N-3-603 or, for a convention center  
4175 reinvestment zone, the requirements of Section 63N-3-603.1.
- 4176 (3)(a) A county that collects property tax on property located within a convention center  
4177 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the  
4178 relevant public infrastructure district created by the eligible municipality any  
4179 property tax increment the public infrastructure district is authorized to receive up to  
4180 the amounts approved by the housing and transit reinvestment zone committee.
- 4181 (b) Property tax increment distributed to a public infrastructure district in accordance  
4182 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 4183 (c) Property tax increment paid to the public infrastructure district are convention center  
4184 reinvestment zone funds and shall be administered by the public infrastructure district  
4185 within which the convention center reinvestment zone is located.
- 4186 (4)(a)(i) A municipality or public transit county and agency shall use housing and  
4187 transit reinvestment zone funds within, or for the direct benefit of, the housing and  
4188 transit reinvestment zone.
- 4189 (ii) A public infrastructure district shall use convention center reinvestment zone  
4190 funds within, or for the benefit of, the convention center reinvestment zone.
- 4191 (b) If any housing and transit reinvestment zone funds will be used outside of the  
4192 housing and transit reinvestment zone, there must be a finding in the approved  
4193 proposal for a housing and transit reinvestment zone that the use of the housing and  
4194 transit reinvestment zone funds outside of the housing and transit reinvestment zone  
4195 will directly benefit the housing and transit reinvestment zone.
- 4196 (5)(a) A municipality or public transit county shall use housing and transit reinvestment  
4197 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),  
4198 by paying all or part of the costs of any of the following:
- 4199 (i) income targeted housing costs;  
4200 (ii) structured parking within the housing and transit reinvestment zone;  
4201 (iii) enhanced development costs;  
4202 (iv) horizontal construction costs;  
4203 (v) vertical construction costs;  
4204 (vi) property acquisition costs within the housing and transit reinvestment zone;  
4205 (vii) the costs of the municipality or public transit county to create and administer the  
4206 housing and transit reinvestment zone, which may not exceed 2% of the total  
4207 housing and transit reinvestment zone funds, plus the costs to complete the gap

- 4208 analysis described in Subsection 63N-3-604(2);~~or~~
- 4209 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
- 4210 care facilities within the boundary of the housing and transit reinvestment zone~~[-]~~ ;
- 4211 or
- 4212 (ix) on extraterritorial housing costs as described in Subsection (5)(d).
- 4213 (b) A municipality or public transit county may not use more than 1% of the total
- 4214 housing and transit reinvestment zone funds to pay costs described in Subsection
- 4215 (5)(a)(viii).
- 4216 (c) A public infrastructure district shall use convention center reinvestment zone funds
- 4217 to achieve the purposes described in Section 63N-3-603.1.
- 4218 (d)(i) As used in this Subsection (5)(d), "extraterritorial affordable housing" means
- 4219 affordable housing, as that term is defined in Section 63N-3-1601, that:
- 4220 (A) is located within the municipality proposing the housing and transit
- 4221 reinvestment zone but outside the boundary of the housing and transit
- 4222 reinvestment zone;
- 4223 (B) is part of a development with a density of at least six units per acre;
- 4224 (C) is required to be owner occupied for no less than 25 years; and
- 4225 (D) has not been issued a building permit by the municipality as of the date of the
- 4226 approval of the housing and transit reinvestment zone.
- 4227 (ii) A municipality or public transit county may use housing and transit reinvestment
- 4228 zone funds on extraterritorial affordable housing costs if the municipality or
- 4229 public transit county satisfies the requirement to make a finding that the action
- 4230 will benefit the housing and transit reinvestment zone, as described under
- 4231 Subsection (4)(b).
- 4232 (iii) One hundred percent of extraterritorial affordable housing shall meet the
- 4233 affordable housing requirements described in Section 63N-3-1602.
- 4234 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
- 4235 and participant enter into a participation agreement that requires the participant to utilize
- 4236 the housing and transit reinvestment zone funds as allowed in this section.
- 4237 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
- 4238 bonds issued by the municipality or public transit county in accordance with Title
- 4239 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
- 4240 bonds including interest.
- 4241 (b) Convention center reinvestment zone funds may be used to pay all of the costs of

4242 debt incurred by the public infrastructure district, including the cost to issue and  
4243 repay the debt including interest.

4244 (8)(a) A municipality or public transit county may create one or more public  
4245 infrastructure districts within the housing and transit reinvestment zone under Title  
4246 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing  
4247 and transit reinvestment zone funds to guarantee the payment of public infrastructure  
4248 bonds issued by a public infrastructure district.

4249 (b) An eligible municipality that is a capital city shall create one or more public  
4250 infrastructure districts within the convention center reinvestment zone under Title  
4251 17D, Chapter 4, Public Infrastructure District Act, and the convention center  
4252 reinvestment zone funds may be used to pay all or any portion of debt incurred by the  
4253 public infrastructure district, including the cost to issue and repay the debt including  
4254 interest.

4255 Section 53. Section **63N-3-611** is amended to read:

4256 **63N-3-611 . Boundary adjustments -- Governing law.**

4257 [~~If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a~~  
-4258 ~~housing and transit reinvestment zone or a convention center reinvestment zone, the~~  
-4259 ~~municipality administering the property tax increment collected in the housing and transit~~  
-4260 ~~reinvestment zone, or for a convention center reinvestment zone, the Governor's Office of~~  
-4261 ~~Economic Opportunity may make corresponding adjustments to the boundary of the housing~~  
-4262 ~~and transit reinvestment zone].~~

4263 (1) Subject to the requirements under this part, and after the housing and transit  
4264 reinvestment zone committee approves a housing and transit reinvestment zone or a  
4265 convention center reinvestment zone proposal in accordance with Section 63N-3-605, the  
4266 office shall consult with the relevant county assessor to determine a boundary  
4267 adjustment to a housing and transit reinvestment zone or a convention center  
4268 reinvestment zone.

4269 (2)(a) Except as provided in Subsection (2)(b), a parcel may only be triggered for  
4270 property tax increment collection on the legal parcel boundary drawn at the time the  
4271 parcel is triggered for property tax increment collection.

4272 (b)(i) A convention center reinvestment zone in a capital city may commence a  
4273 property tax increment collection at different times for different parcels or  
4274 subareas within the convention center reinvestment zone in a capital city.

4275 (ii) The property tax increment collection described in Subsection (2)(b)(i) shall use

4276 the base year of 2023 and commence no later than five years from the day that the  
 4277 convention center reinvestment zone in a capital city proposal is approved.

4278 (3)(a) A housing and transit reinvestment zone or convention center reinvestment zone  
 4279 shall be governed by the law in effect on the date the application for the housing and  
 4280 transit reinvestment zone or convention center reinvestment zone was approved by  
 4281 the housing and transit reinvestment zone committee.

4282 (b) Notwithstanding Subsection (3)(a), an approved housing and transit reinvestment  
 4283 zone proposal submitted before May 1, 2024, shall be governed by the base year and  
 4284 triggering defined in code before January 1, 2023.

4285 Section 54. Section **63N-3-1603** is amended to read:

4286 **63N-3-1603 . Process for a proposal of a first home investment zone.**

4287 (1) [Subject-] On or before December 31, 2027, and subject to approval of the housing and  
 4288 transit reinvestment zone committee as described in Section 63N-3-1604, in order to  
 4289 create a first home investment zone, a municipality that has general land use authority  
 4290 over the first home investment zone area, shall:

- 4291 (a) prepare a proposal for the first home investment zone that:
- 4292 (i) demonstrates that the proposed first home investment zone will meet the
  - 4293 objectives described in Subsection 63N-3-1602(1);
  - 4294 (ii) explains how the municipality will achieve the requirements of Subsection
  - 4295 63N-3-1602(2);
  - 4296 (iii) defines the specific infrastructure needs, if any, and proposed improvements;
  - 4297 (iv) demonstrates how the first home investment zone will ensure:
    - 4298 (A) sufficient pedestrian access to schools and other areas of community; and
    - 4299 (B) inclusion of child care facilities and access;
  - 4300 (v) defines the boundaries of the first home investment zone;
  - 4301 (vi) includes maps of the proposed first home investment zone to illustrate:
    - 4302 (A) proposed housing density within the first home investment zone;
    - 4303 (B) extraterritorial homes relevant to the first home investment zone, including
    - 4304 density of the development of extraterritorial homes; and
    - 4305 (C) existing zoning and proposed zoning changes related to the first home
    - 4306 investment zone;
  - 4307 (vii) identifies any development impediments that prevent the development from
  - 4308 being a market-rate investment and proposed strategies for addressing each one;
  - 4309 (viii) describes the proposed development plan, including the requirements described

- 4310 in Subsections 63N-3-1602(2) and (4);
- 4311 (ix) establishes the collection period or periods to calculate the tax increment;
- 4312 (x) describes projected maximum revenues generated and the amount of tax
- 4313 increment capture from each taxing entity and proposed expenditures of revenue
- 4314 derived from the first home investment zone;
- 4315 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
- 4316 of revenue that can be used to reduce the finance gap;
- 4317 (xii) proposes a finance schedule to align expected revenue with required financing
- 4318 costs and payments;
- 4319 (xiii) evaluates possible benefits to active transportation, public transportation
- 4320 availability and utilization, street connectivity, and air quality; and
- 4321 (xiv) provides a pro forma for the planned development that:
- 4322 (A) satisfies the requirements described in Subsections 63N-3-1602(2) and (4); and
- 4323 (B) includes data showing the cost difference between what type of development
- 4324 could feasibly be developed absent the first home investment zone tax
- 4325 increment and the type of development that is proposed to be developed with
- 4326 the first home investment zone tax increment;
- 4327 (b) submit the proposal to the relevant school district to discuss the requirements of the
- 4328 proposal and whether the proposal provides the benefits and achieves the objectives
- 4329 described in this part; and
- 4330 (c) submit the first home investment zone proposal to the Governor's Office of
- 4331 Economic Opportunity.
- 4332 (2) As part of the proposal described in Subsection (1), a municipality shall:
- 4333 (a) study and evaluate possible impacts of a proposed first home investment zone on
- 4334 parking and efficient use of land within the municipality and first home investment
- 4335 zone; and
- 4336 (b) include in the first home investment zone proposal the findings of the study
- 4337 described in Subsection (2)(a) and proposed strategies to efficiently address parking
- 4338 impacts.
- 4339 (3)(a) After receiving the proposal as described in Subsection (1)(c), the Governor's
- 4340 Office of Economic Opportunity shall:
- 4341 (i) within 14 days after the date on which the Governor's Office of Economic
- 4342 Opportunity receives the proposal described in Subsection (1)(c), provide notice
- 4343 of the proposal to all affected taxing entities, including the State Tax Commission,

- 4344 cities, counties, school districts, metropolitan planning organizations, and the  
4345 county assessor and county auditor of the county in which the first home  
4346 investment zone is located; and
- 4347 (ii) at the expense of the proposing municipality as described in Subsection (5),  
4348 contract with an independent entity to:
- 4349 (A) perform the gap analysis described in Subsection (3)(b); and  
4350 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B)  
4351 and the feasibility of the proposed development absent the tax increment.
- 4352 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:
- 4353 (i) a description of the planned development;  
4354 (ii) a market analysis relative to other comparable project developments included in  
4355 or adjacent to the municipality absent the proposed first home investment zone;  
4356 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency  
4357 of the proposal;  
4358 (iv) an evaluation of the proposed tax increment capture needed to cover the system  
4359 improvements and project improvements associated with the first home  
4360 investment zone proposal and enable the proposed development to occur, and for  
4361 the benefit of affordable housing projects; and  
4362 (v) based on the market analysis and other findings, an opinion relative to the  
4363 appropriate amount of potential public financing reasonably determined to be  
4364 necessary to achieve the objectives described in Subsection 63N-3-1602(1).
- 4365 (c) After receiving notice from the Governor's Office of Economic Opportunity of a  
4366 proposed first home investment zone as described in Subsection (3)(a)(i), the  
4367 municipality, in consultation with the county assessor and the State Tax Commission,  
4368 shall:
- 4369 (i) evaluate the feasibility of administering the tax implications of the proposal; and  
4370 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any  
4371 challenges in the administration of the proposal, or indicating that the county  
4372 assessor can feasibly administer the proposal.
- 4373 (4) After receiving the results from the analysis described in Subsection (3)(b), the  
4374 municipality proposing the first home investment zone may:
- 4375 (a) amend the first home investment zone proposal based on the findings of the analysis  
4376 described in Subsection (3)(b) and request that the Governor's Office of Economic  
4377 Opportunity submit the amended first home investment zone proposal to the housing

- 4378 and transit reinvestment zone committee; or
- 4379 (b) request that the Governor's Office of Economic Opportunity submit the original first
- 4380 home investment zone proposal to the housing and transit reinvestment zone
- 4381 committee.
- 4382 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
- 4383 credit, up to \$20,000 from a municipality for the costs of the gap analysis described
- 4384 in Subsection (3)(b).
- 4385 (b) The Governor's Office of Economic Opportunity may expend funds received from a
- 4386 municipality as dedicated credits to pay for the costs associated with the gap analysis
- 4387 described in Subsection (3)(b).
- 4388 (6) Beginning January 1, 2028:
- 4389 (a) a municipality may not propose a first home investment zone;
- 4390 (b) a municipality may amend a first home investment zone proposal, as described in
- 4391 Subsection (4), if the proposal was pending on December 31, 2027; and
- 4392 (c) the Governor's Office of Economic Opportunity may not fulfill the duties described
- 4393 in Subsection (3) or (5) in regard to a proposal for a first home investment zone
- 4394 unless the proposal was pending on December 31, 2027.

4395 Section 55. Section **63N-3-1609** is amended to read:

4396 **63N-3-1609 . Boundary adjustments.**

4397 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a

4398 first home investment zone, the municipality administering the tax increment collected in the

4399 first home investment zone may make corresponding adjustments to the boundary of the first

4400 home investment zone.

- 4401 (1) Subject to the requirements under this part, and after the housing and transit
- 4402 reinvestment zone committee approves a first home investment zone proposal in
- 4403 accordance with Section 63N-3-1604, the office shall consult with the relevant county
- 4404 assessor to determine a boundary adjustment to parcel boundaries relevant to a first
- 4405 home investment zone.
- 4406 (2) A parcel may only be triggered for property tax increment collection on the legal parcel
- 4407 boundary drawn at the time the parcel is triggered for property tax increment collection.

4408 Section 56. Section **63N-3a-101** is enacted to read:

4409 **CHAPTER 3a. Coordination of Regional Economic Development Activity**

4410 **Part 1. General Provisions**

4411 **63N-3a-101 . Definitions.**4412 As used in this chapter:4413 (1) "Affordable housing" means:4414 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy  
4415 by households with a gross household income equal to or less than 80% of the county  
4416 median gross income for households of the same size; or4417 (b)(i) for homes that are owner occupied, housing occupied or reserved for  
4418 occupancy by households with a gross household income equal to or less than  
4419 120% of the median gross income for households of the same size in the county in  
4420 which the housing is located; or4421 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code  
4422 median home price if:4423 (A) the proposal demonstrates that a deviation from the county median home price  
4424 will achieve the objectives described in Section 63N-3a-103; and4425 (B) the zip code median home price is based upon county property tax assessment  
4426 data.4427 (2) "Agency" means the same as that term is defined in Section 17C-1-102.4428 (3) "Base taxable value" means a property's taxable value as shown upon the assessment  
4429 roll last equalized during the base year.4430 (4) "Base year" means the calendar year:4431 (a) in which the committee approves a regionally significant development zone; or4432 (b) established by the committee in approving the regionally significant development  
4433 zone, which shall be the year before property tax increment collection is triggered.4434 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and  
4435 efficient service that may include dedicated lanes, busways, traffic signal priority,  
4436 off-board fare collection, elevated platforms, and enhanced stations.4437 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed  
4438 station, stop, or terminal that is specifically identified as needed in phase one of a  
4439 metropolitan planning organization's adopted long-range transportation plan:4440 (a) along an existing bus rapid transit line; or4441 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.4442 (7) "Committee" means the increment financing committee created in Section 63N-3a-102.4443 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a  
4444 large public transit district.

- 4445 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public  
4446 transit district.
- 4447 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed  
4448 station, stop, or terminal, which has been specifically identified as needed in phase one  
4449 of a metropolitan planning organization's adopted long-range transportation plan:
- 4450 (a) along an existing commuter rail line;  
4451 (b) along an extension to an existing commuter rail line or new commuter rail line;  
4452 (c) along a fixed guideway extension from an existing commuter rail line; or  
4453 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an  
4454 existing commuter rail station.
- 4455 (10) "Creating entity" means:
- 4456 (a) a municipality; or  
4457 (b) a county.
- 4458 (11)(a) "Developable area" means the portion of land within a zone available for  
4459 development and construction of uses that met the relevant objectives described in  
4460 Part 3, Specific Provisions for Certain Zones.
- 4461 (b) "Developable area" does not include portions of land within a zone intended for  
4462 development that are allocated to:
- 4463 (i) parks;  
4464 (ii) open spaces;  
4465 (iii) trails;  
4466 (iv) parking;  
4467 (v) roadway facilities; or  
4468 (vi) other public facilities.
- 4469 (12) "Dwelling unit" means one or more rooms arranged for the use of one or more  
4470 individuals living together, as a single housekeeping unit, with cooking, living, sanitary,  
4471 and sleeping facilities.
- 4472 (13) "Enhanced development" means the construction of mixed uses including housing,  
4473 commercial, recreational, and related facilities.
- 4474 (14) "Enhanced development costs" means extra costs associated with structured parking  
4475 costs, vertical construction costs, horizontal construction costs, life safety costs,  
4476 structural costs, conveyor or elevator costs, and other costs incurred due to the increased  
4477 height of buildings or enhanced development.
- 4478 (15) "Extraterritorial home" means a dwelling that is included as part of a proposal that:

- 4479 (a) is located within the municipality making the proposal but outside the boundary of  
4480 the proposed project area;
- 4481 (b) is part of a development with a density of at least six units per acre;
- 4482 (c) is not located within an existing project area, a housing and transit reinvestment  
4483 zone, a first home investment zone, or an area that could be included in a housing and  
4484 transit reinvestment zone or a first home investment zone;
- 4485 (d) has not been issued a building permit by the municipality as of the date of the  
4486 approval of the project area; and
- 4487 (e) is required to be owner occupied for no less than 25 years.
- 4488 (16) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 4489 (17) "High-density residential" means a minimum of 30 residential units per acre.
- 4490 (18) "Home" means a dwelling unit.
- 4491 (19) "Horizontal construction costs" means the additional costs associated with earthwork,  
4492 over excavation, utility work, transportation infrastructure, and landscaping to achieve  
4493 enhanced development in a regionally significant development zone.
- 4494 (20) "Impacted primary area" means land described in a proposal:
- 4495 (a) outside of a proposed zone boundary; and
- 4496 (b) that is crucial to one or more aspects of the development of the zone.
- 4497 (21) "Increment financing" means a public entity's utilization of:
- 4498 (a) property tax increment; or
- 4499 (b) any other portion of public revenue that is calculated using a base year and revenue  
4500 growth following the base year, if the public revenue is authorized for use by a  
4501 committee.
- 4502 (22) "Large public transit district" means the same as that term is defined in Section  
4503 17B-2a-802.
- 4504 (23) "Light rail" means a passenger rail public transit system with right-of-way and fixed  
4505 rails:
- 4506 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 4507 (b) that may cross streets at grade; and
- 4508 (c) that may share parts of surface streets.
- 4509 (24) "Light rail station" means an existing station, stop, or terminal or a proposed station,  
4510 stop, or terminal, which has been specifically identified as needed in phase one of a  
4511 metropolitan planning organization's adopted long-range transportation plan:
- 4512 (a) along an existing light rail line; or

- 4513 (b) along an extension to an existing light rail line or new light rail line.
- 4514 (25) "Metropolitan planning organization" means the same as that term is defined in
- 4515 Section 72-1-208.5.
- 4516 (26) "Mixed use development" means development with a mix of:
- 4517 (a) multi-family residential use; and
- 4518 (b) at least one additional land use, which shall be a significant portion of the overall
- 4519 development.
- 4520 (27) "Moderate income housing" means residential units where a household whose income
- 4521 is no more than 80% of the area median income is able to occupy the housing unit
- 4522 paying no more than 30% of the household's income for gross housing costs, including
- 4523 utilities.
- 4524 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 4525 (29) "Notification of increment financing" means a document, physical or electronic,
- 4526 provided by a regional economic development authority to the office describing the
- 4527 regional economic development authority's intent to trigger and utilize one or more
- 4528 forms of increment financing.
- 4529 (30)(a) "Owner occupied" means private real property that is:
- 4530 (i) used for a single-family residential purpose; and
- 4531 (ii) occupied by the owner of the real property.
- 4532 (b) "Owner occupied" includes real property that is used for a multi-family residential
- 4533 purpose if each dwelling unit on the real property is occupied by the owner of the
- 4534 dwelling unit.
- 4535 (31) "Participant" means the same as that term is defined in Section 17C-1-102.
- 4536 (32) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
- 4537 except that the agency may not provide and the person may not receive a direct subsidy.
- 4538 (33) "Project" means the enterprise to be pursued through the proposal of a regionally
- 4539 significant development zone.
- 4540 (34)(a) "Project improvements" means site improvements and facilities that are:
- 4541 (i) planned and designed to provide service for development resulting from a
- 4542 development activity;
- 4543 (ii) necessary for the use and convenience of the occupants or users of development
- 4544 resulting from a development activity; and
- 4545 (iii) not identified or reimbursed as a system improvement.
- 4546 (b) "Project improvements" does not mean system improvements.

- 4547 (35)(a) "Property tax increment" means the difference between:  
4548 (i) the amount of property tax revenue generated each tax year by all taxing entities,  
4549 except as provided in Subsection (36)(b), from within a regionally significant  
4550 development zone, using the current assessed value and each taxing entity's  
4551 current certified tax rate as defined in Section 59-2-924; and  
4552 (ii) the amount of property tax revenue that would be generated from that same area  
4553 using the base taxable value and each taxing entity's current certified tax rate as  
4554 defined in Section 59-2-924.
- 4555 (b) "Property tax increment" does not include property tax revenue from:  
4556 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);  
4557 (ii) a county additional property tax described in Subsection 59-2-1602(4);  
4558 (iii) a levy imposed by a public infrastructure district as described in Section  
4559 17D-4-303; or  
4560 (iv) a public library fund levy described in Subsection 9-7-501(2).
- 4561 (36) "Proposal" means a document, physical or electronic, developed by a creating entity:  
4562 (a) outlining the need for the creation of a regionally significant development zone;  
4563 (b) explaining whether the zone is proposed to create:  
4564 (i) a regionally significant transit-oriented development, as described in Section  
4565 63N-3a-301;  
4566 (ii) a regionally significant first home village, as described in Section 63N-3a-302;  
4567 (iii) a regionally significant economic development opportunity, as described in  
4568 Section 63N-3a-303;  
4569 (c) describing how the relevant objectives would be achieved by the creation of the  
4570 regionally significant development zone;  
4571 (d) describing the boundaries of the proposed regionally significant development zone;  
4572 (e) describing the impacted primary area, if any, of a proposed regionally significant  
4573 development zone; and  
4574 (f) that is submitted to a committee.
- 4575 (37) "Public transit county" means a county that has created a small public transit district.
- 4576 (38) "Public transit hub" means a public transit depot or station where four or more routes  
4577 serving separate parts of the county-created transit district stop to transfer riders between  
4578 routes.
- 4579 (39) "Qualified development zone" means the property within a project area, and, if  
4580 applicable, the impacted primary area, as approved by the committee.

- 4581 (40) "Regional economic development authority" means:
- 4582 (a) the Utah Inland Port Authority created in Section 11-58-201;
- 4583 (b) the Point of the Mountain Land Use Authority created in Section 11-59-201;
- 4584 (c) the Utah Fairpark Area Investment and Restoration District created in Section
- 4585 11-70-201; or
- 4586 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 4587 (41)(a) "Regionally significant development zone" means an area:
- 4588 (i) created as described in Part 2, Creation of Regionally Significant Development
- 4589 Zones;
- 4590 (ii) governed as described in Title 17C, Chapter 6, Regionally Significant
- 4591 Development Zone Act; and
- 4592 (iii) in which a creating entity is able to promote efficient use of transit, housing
- 4593 affordability, or regional economic growth.
- 4594 (42) "Small public transit district" means the same as that term is defined in Section
- 4595 17B-2a-802.
- 4596 (43)(a) "System improvements" means existing and future public facilities that are
- 4597 designed to provide services to service areas within the community at large.
- 4598 (b) "System improvements" does not mean project improvements.
- 4599 (44) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 4600 (45) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 4601 (46)(a) "Tax increment" means the difference between:
- 4602 (i) the amount of tax revenue generated each tax year from a particular revenue
- 4603 source by all taxing entities within a particular area after an established base year;
- 4604 and
- 4605 (ii) the amount of revenue that would be generated from the same particular revenue
- 4606 source and from the same particular area during the established base year.
- 4607 (b) "Tax increment" includes tax differential, property tax allocation, enhanced property
- 4608 tax revenue, property tax augmentation, or any other term that meets the definition
- 4609 described in Subsection (47)(a).
- 4610 (47) "Transportation system" means:
- 4611 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
- 4612 connected structures;
- 4613 (b) an airport or aerial transit infrastructure;
- 4614 (c) a light rail and light rail station;

4615 (d) a public transit facility; or

4616 (e) any other modes or forms of conveyance used by the public.

4617 (48) "Vertical construction costs" means the additional costs associated with construction  
 4618 above four stories and structured parking to achieve enhanced development in a project  
 4619 area.

4620 Section 57. Section **63N-3a-102** is enacted to read:

4621 **63N-3a-102 . Increment authorization committee -- Creation.**

4622 (1) For any project proposed under this chapter that requires the use of tax increment, there  
 4623 is created an increment authorization committee with membership described in  
 4624 Subsection (2).

4625 (2) Each increment authorization committee shall consist of the following members:

4626 (a) the executive director or the executive director's designee;

4627 (b) the executive director of the Department of Transportation created in Section  
 4628 72-1-201 or the executive director's designee;

4629 (c) one individual from the Office of the State Treasurer, designated by the state  
 4630 treasurer;

4631 (d) two members designated by the president of the Senate;

4632 (e) two members designated by the speaker of the House of Representatives;

4633 (f) one representative representing the largest participating local taxing entity by  
 4634 population, after the creating entity and other than a water conservancy district, in the  
 4635 proposed zone;

4636 (g) one representative from the creating entity; and

4637 (h)(i) if a proposal addresses affordable housing, moderate income housing, or  
 4638 addresses a regionally significant first home village:

4639 (A) one representative from the office, designated by the executive director, who  
 4640 works on housing policy; and

4641 (B) two representatives designated by the school superintendent from the largest  
 4642 school district by student population affected by the proposal;

4643 (ii) if a proposal addresses a regionally significant transit-oriented zone, one member  
 4644 appointed by the governor:

4645 (A) from the Transportation Committee created in Section 72-1-301; or

4646 (B) a member of the board of trustees of a large public transit district;

4647 (iii) if a proposal addresses a regionally significant economic development  
 4648 opportunity that is not described in Subsections (2)(h)(i) and (ii):

4649                   (A) the director of the Office of Energy Development created in Section 79-6-401;  
4650                                 and

4651                   (B) any individual with relevant expertise appointed by the governor.

4652 (3) A majority of committee members constitutes a quorum.

4653 (4) A majority vote of a quorum constitutes action by the committee.

4654                   Section 58. Section **63N-3a-103** is enacted to read:

4655                   **63N-3a-103 . Executive director duties -- Contracting.**

4656 (1) In addition to the duties described in Section 63N-1a-303, the executive director shall  
4657 coordinate the use of increment financing to achieve the state's long-term housing and  
4658 economic development goals while balancing the need of local communities to protect  
4659 tax base and continue to provide essential services to a growing population.

4660 (2) Following the office's evaluation of a proposal, as described in Section 63N-3a-202, the  
4661 executive director shall:

4662 (a) determine whether the proposal demonstrates broad regional benefits to the state and  
4663 the state's residents, including the provision of affordable housing, enhancing  
4664 statewide infrastructure, or contributing to economic resilience;

4665 (b) evaluate the proposal by considering:

4666                   (i) the impact of proposed increment financing on residents; and

4667                   (ii) existing uses of increment in the proposed area; and

4668 (c) provide the proposal, with the executive director's determination and  
4669 recommendation, to the committee for consideration.

4670 (3) The executive director shall:

4671 (a) coordinate a committee's evaluation of a proposal; and

4672 (b) maintain active communication with regional economic development authorities  
4673 regarding increment financing.

4674 (4)(a) Subject to Subsection (4)(b), the office may enter into a contract with an  
4675 independent consultant with expertise in analyzing economic development  
4676 opportunities and managing increment financing to assist the office in the  
4677 performance of the duties described in this chapter.

4678 (b) An independent consultant contracted to assist the office under Subsection (4)(a)  
4679 may not advise the creating entity or any party with a financial stake in the proposed  
4680 regionally significant development zone.

4681                   Section 59. Section **63N-3a-104** is enacted to read:

4682                   **63N-3a-104 . Maximum number of zones per county.**

- 4683 (1) As used in this section, "increment zone" means:  
 4684 (a) a housing and transit reinvestment zone;  
 4685 (b) a convention center reinvestment zone;  
 4686 (c) a first homes investment zone;  
 4687 (d) a home ownership promotion zone;  
 4688 (e) a major sporting event venue zone; and  
 4689 (f) an electrical energy development zone.
- 4690 (2) In any given county:  
 4691 (a) the maximum number of increment zones at light rail stations, not including a  
 4692 convention center reinvestment zone, is eight; and  
 4693 (b) the maximum number of regionally significant development zones created as  
 4694 described in Part 2, Creation of Regionally Significant Development Zones, is eight.
- 4695 (3) In addition to the caps described in Subsection (2), within a county of the first class, as  
 4696 classified under Section 17-60-104:  
 4697 (a) the maximum number of housing and transit reinvestment zones at bus rapid transit  
 4698 stations is three;  
 4699 (b) the maximum total combined number of housing and transit reinvestment zones and  
 4700 first home investment zones is 11; and  
 4701 (c) the maximum total combined number of increment zones, not including a convention  
 4702 center reinvestment zone, is 14.

4703 Section 60. Section **63N-3a-105** is enacted to read:

4704 **63N-3a-105 . Rulemaking.**

4705 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 4706 office may make rules as necessary to fulfill the duties described in this chapter.

4707 Section 61. Section **63N-3a-106** is enacted to read:

4708 **63N-3a-106 . Political Subdivisions Interim Committee working group.**

- 4709 (1) The Political Subdivisions Interim Committee shall convene a working group as  
 4710 described in this section by no later than May 30, 2026, to:  
 4711 (a) study tax increment financing; and  
 4712 (b) make a recommendation to the Political Subdivisions Interim Committee by no later  
 4713 than November 1, 2026, regarding caps on the maximum percentage of tax increment  
 4714 or the maximum amount of revenue to be generated and utilized through tax  
 4715 increment financing.
- 4716 (2) The chairs of the interim committee shall jointly designate members of the working

- 4717 group described in Subsection (1) as follows:
- 4718 (a) three legislators from the membership of the interim committee, one of whom shall
- 4719 be a member of the Senate;
- 4720 (b) one individual who represents the interests of municipalities;
- 4721 (c) one individual who represents the interests of counties;
- 4722 (d) one individual who represents the interests of school districts; and
- 4723 (e) one individual who represents the tax commission.

4724 (3) The office and the Office of Legislative Research and General Counsel shall provide

4725 staff support to the working group.

4726 Section 62. Section **63N-3a-201** is enacted to read:

4727 **Part 2. Creation of Regionally Significant Development Zones**

4728 **63N-3a-201 . Process to propose -- Advance consultation -- Proposal**

4729 **requirements -- Consultation and public comment required -- Office review.**

4730 (1)(a) A creating entity may propose the creation of a regionally significant development

4731 zone:

- 4732 (i) within the jurisdictional boundaries of the creating entity; and
- 4733 (ii) as provided in this section.

4734 (b) One or more creating entities may jointly propose a regionally significant

4735 development zone, and be treated as a single creating entity for the purposes of this

4736 part, if:

- 4737 (i) the creating entities first enter an interlocal agreement governing how the creating
- 4738 entities shall manage the zone, if approved; or
- 4739 (ii) the creating entities include a proposed interlocal agreement the creating entities
- 4740 will enter upon approval of the zone.

4741 (c) An interlocal agreement described in Subsection (1)(b) shall meet the requirements

4742 of Section 17C-6-102.

4743 (2) Before a creating entity may submit a proposal to the office as described in this section:

4744 (a) the legislative body of the creating entity shall:

- 4745 (i) submit a draft of the proposal to every school district that would be impacted by
- 4746 the creation of a regionally significant development zone, as described in the
- 4747 proposal, to discuss the requirements of the proposal;
- 4748 (ii) provide a school district described in Subsection (2)(a)(i) no less than 30 calendar
- 4749 days to offer the creating entity feedback on the draft proposal; and
- 4750 (iii)(A) hold a public meeting on the proposal to create a regionally significant

- 4751 development zone; and
- 4752 (B) provide notice of the public meeting as a class A notice as described in
- 4753 Section 63G-30-102 for at least 10 days;
- 4754 (b) if the creating entity is a municipality, the municipal legislative body shall:
- 4755 (i) submit a draft of the proposal to the county legislative body where the proposed
- 4756 regionally significant development zone is located; and
- 4757 (ii)(A) provide the county no less than 30 days to offer the creating entity
- 4758 feedback on the draft proposal, including a finding of whether the county
- 4759 legislative body considers the proposed project regionally significant; or
- 4760 (B) if the draft is submitted to the county within 30 days of the date specified in
- 4761 Subsection 17-63-303(1)(a) for preparation of a tentative budget, for a county
- 4762 of the first class, as classified under Section 17-60-104, provide the county of
- 4763 the first class no less than 60 days to offer the creating entity feedback on the
- 4764 draft proposal, including a finding of whether the county legislative body
- 4765 considers the proposed project regionally significant; and
- 4766 (c) submit a draft of the proposal to every affected local taxing entity that will be
- 4767 required to participate in the regionally significant development zone at least 30 days
- 4768 before the creating entity submits a proposal to the office.
- 4769 (3)(a) A creating entity shall include any feedback or public comment received under
- 4770 Subsection (2) in a proposal submitted to the office.
- 4771 (b) A creating entity may provide the public entity's response to any feedback or public
- 4772 comment described in Subsection (3)(a) along with the proposal.
- 4773 (c) If a county legislative body makes a finding under Subsection (2)(b)(ii) that a
- 4774 proposed project is not regionally significant:
- 4775 (i) the municipal creating entity may submit a proposal to the office as described in
- 4776 this section; and
- 4777 (ii) if the proposal is for a regionally significant development opportunity described
- 4778 in Section 63N-3a-303, the committee may approve the proposal, but
- 4779 notwithstanding the requirement in Section 63N-3a-203 that all affected taxing
- 4780 entities participate at the same rate, the county's participation in property tax
- 4781 increment is limited to a maximum of 40%.
- 4782 (4) A creating entity shall submit a proposal to the office in a form and manner determined
- 4783 by the office.
- 4784 (5) A proposal made under this chapter shall:

- 4785 (a) demonstrate how the proposed zone addresses:
- 4786 (i) for a regionally significant transit-oriented development, the objectives and
- 4787 requirements described in Section 63N-3a-301;
- 4788 (ii) for a regionally significant first home village, the objectives and requirements
- 4789 described in Section 63N-3a-302; or
- 4790 (iii) for a regionally significant economic development opportunity, the objectives
- 4791 and requirements described in Section 63N-3a-303;
- 4792 (b) describe the development impediments and market conditions that render a
- 4793 development cost prohibitive absent the financial incentives described in this chapter
- 4794 and for which the creating entity requests approval to utilize in the proposal;
- 4795 (c) include a pro forma analysis that includes data showing the cost difference between:
- 4796 (i) what type of redevelopment or development could feasibly occur without the
- 4797 creation of a regionally significant development zone; and
- 4798 (ii) the type of redevelopment or development that is proposed to occur with the
- 4799 creation of a regionally significant development zone and the accompanying
- 4800 regionally significant development zone revenue; and
- 4801 (d) include any other information the office requires by rule.
- 4802 (6) A proposal may include a request to capture property tax increment, the entirety of
- 4803 personal property tax revenue, or both.
- 4804 (7) A regionally significant development zone may not be smaller than 10 acres.
- 4805 (8)(a) After receiving a proposal, the office shall:
- 4806 (i) provide notice of the proposal to any impacted metropolitan planning
- 4807 organizations;
- 4808 (ii) provide notice of the proposal to the county assessor and county auditor of every
- 4809 county in which a proposed regionally significant development zone would be
- 4810 wholly or partially located;
- 4811 (iii) evaluate the feasibility of administering the tax implications of the proposal;
- 4812 (iv) evaluate the pro forma analysis included in the proposal; and
- 4813 (v) following the evaluations described in Subsections (8)(a)(iii) and (iv), provide
- 4814 any findings the office makes to the creating entity.
- 4815 (b) In conducting the evaluations described in Subsections (8)(a)(iii) and (iv), the office:
- 4816 (i) shall consult with the tax commission and the relevant county assessor and county
- 4817 auditor; and
- 4818 (ii) may consult with an independent consultant as described in Section 63N-3a-103.

- 4819 (c)(i) The office shall provide any findings following the evaluations described in  
 4820 Subsections (8)(a)(iii) and (iv) to the creating entity.
- 4821 (ii) After receiving the findings described in Subsection (8)(a)(v), the creating entity  
 4822 may:
- 4823 (A) amend the proposal and request the office submit the amended proposal to the  
 4824 committee; or
- 4825 (B) request the office submit the original proposal to the committee.
- 4826 (9) If the office determines a proposal meets the requirements of this section, the office  
 4827 shall:
- 4828 (a) notify the creating entity;
- 4829 (b) provide the proposal to the executive director for the executive director's evaluation  
 4830 and recommendation, as described in Section 63N-3a-103; and
- 4831 (c) notify the relevant individuals described in Section 63N-3a-102 that an increment  
 4832 financing committee is convened to consider a proposal.
- 4833 Section 63. Section **63N-3a-202** is enacted to read:
- 4834 **63N-3a-202 . Committee consideration of a proposal.**
- 4835 (1) The proposing creating entity shall present the proposal to the committee in a public  
 4836 meeting.
- 4837 (2) Before voting to approve or deny a proposal, the committee shall evaluate and verify  
 4838 whether the proposal adequately addresses relevant objectives and requirements  
 4839 described in Part 3, Specific Provisions.
- 4840 (3) In considering a proposal, a committee may request any information from a creating  
 4841 entity needed to make a determination about whether to approve or deny a proposal, or  
 4842 approve a proposal with modifications, including a description of the proposed uses of  
 4843 funds and how funds will be used to support public projects related to the regionally  
 4844 significant development zone.
- 4845 (4) The committee may:
- 4846 (a) request changes to the proposal;
- 4847 (b) vote to approve the proposal, with or without modifications to the proposal; or
- 4848 (c) vote to deny the proposal.
- 4849 (5) If the committee votes to approve the proposal, with or without modifications, the  
 4850 committee shall:
- 4851 (a) fulfill the requirements of Section 63N-3a-203; and
- 4852 (b) establish any parameters described in Section 63N-3a-204.

4853 Section 64. Section **63N-3a-203** is enacted to read:

4854 **63N-3a-203 . Approval process -- Creation of a regionally significant**  
4855 **development zone -- Boundaries.**

- 4856 (1) If the committee votes to approve a proposal, as described in Section 63N-3a-202:
- 4857 (a) a regionally significant development zone is created as of the effective date and  
4858 subject to the governance requirements described in Section 63N-3a-206;
- 4859 (b) affected local taxing entities are required to participate according to the terms  
4860 approved by the committee; and
- 4861 (c) subject to Subsection 63N-3a-201(3)(c), each affected taxing entity is required to  
4862 participate at the same rate.
- 4863 (2)(a) The effective date of a regionally significant development zone is the later of:
- 4864 (i) January 1 following the approval of the proposal, if the committee approves the  
4865 proposal on or before September 30; or
- 4866 (ii) January 1 following the year after the year in which the committee approves the  
4867 proposal.
- 4868 (b) A creating entity may not trigger the collection of tax increment within a regionally  
4869 significant development zone before the effective date.
- 4870 (3) In approving a proposal, the committee shall establish:
- 4871 (a) the qualified development zone boundary for the purpose of calculating property tax  
4872 increment;
- 4873 (b) the maximum number of consecutive years a creating entity's agency may collect and  
4874 use increment, not to exceed 25 years; and
- 4875 (c) the maximum amount of tax increment revenue, in total and from each proposed  
4876 source, that may be captured in the regionally significant development zone.
- 4877 (4)(a) In accordance with Section 63N-3a-204, for any proposal requesting approval of  
4878 the use of property tax increment, the committee shall also establish:
- 4879 (i) the property tax base year;
- 4880 (ii) the percentage of property tax increment allowed to be captured within and used  
4881 on behalf of a regionally significant development zone, not to exceed the limits  
4882 described in Section 63N-3a-204; and
- 4883 (iii) the maximum amount of property tax increment revenue that an agency may  
4884 collect for a regionally significant development zone.
- 4885 (b) The base taxable value of land within a regionally significant development zone is  
4886 determined as of January 1 of the base year established by the committee under

- 4887            Subsection (4)(a).
- 4888            (c)(i) Except as provided in Subsection (4)(c)(ii), a creating entity may propose, and a
- 4889            committee may approve, the diversion of all the revenue attributed to personal
- 4890            property tax generated within a regionally significant development zone to the
- 4891            regionally significant development zone for a period not to exceed 25 years.
- 4892            (ii) A creating entity proposing a zone described in Part 4, Regionally Significant
- 4893            Zones with Energy Implications, shall propose the diversion of all the revenue
- 4894            attributed to personal property tax generated within a regionally significant
- 4895            development zone to the regionally significant development zone for a period not
- 4896            to exceed 25 years.
- 4897            (d) In accordance with Section 63N-3a-204 and except as provided in Section
- 4898            63N-3a-403, for a proposal requesting approval of the use of property tax increment
- 4899            or personal property tax diversion, the committee shall establish a percentage of
- 4900            revenue that the creating entity's agency shall transfer to the state treasurer for deposit
- 4901            into the State Reinvestment Restricted Account created in Section 51-9-1002, which
- 4902            shall be at least 5% but no more than 25% of the total annual revenue an agency
- 4903            receives from property tax sources described in this Subsection (4).
- 4904            (5) Within 30 days after the committee approves a proposal, the creating entity shall:
- 4905            (a) record with the recorder of the county in which the regionally significant
- 4906            development zone is located a document containing:
- 4907            (i) a description of the land within the regionally significant development zone and, if
- 4908            applicable, primary project area;
- 4909            (ii) the approval date; and
- 4910            (iii) the effective date;
- 4911            (b) transmit a copy of the description of the land within the regionally significant
- 4912            development zone and an accurate map or plat indicating the boundaries of the
- 4913            regionally significant development zone, and if applicable, primary project area to the
- 4914            Utah Geospatial Resource Center created under Section 63A-16-505; and
- 4915            (c) transmit a copy of the approved regionally significant development zone proposal,
- 4916            map, and legal description of the regionally significant development zone, and if
- 4917            applicable, primary project area, to:
- 4918            (i) the auditor, recorder, attorney, surveyor, treasurer, and assessor of the county in
- 4919            which any part of the regionally significant development zone is located;
- 4920            (ii) the officer or officers performing the function of auditor or assessor for each

4921 taxing entity that does not use the county assessment roll or collect the taxing  
 4922 entity's taxes through the county;

4923 (iii) the legislative body or governing board of each taxing entity affected by the  
 4924 regionally significant development zone;

4925 (iv) the tax commission; and

4926 (v) the State Board of Education.

4927 (6) Within 90 days after the committee approves a proposal, the committee shall provide to  
 4928 the tax commission:

4929 (a) a statement that the regionally significant development zone is established under this  
 4930 part;

4931 (b) the approval date of the proposal and the effective date of the regionally significant  
 4932 development zone;

4933 (c) the qualified development zone boundary, if applicable; and

4934 (d) any information about the regionally significant development zone requested by the  
 4935 commission.

4936 Section 65. Section **63N-3a-204** is enacted to read:

4937 **63N-3a-204 . Property tax increment -- Personal property tax revenue diversion**  
 4938 **-- Remittance to the State Reinvestment Restricted Account.**

4939 (1) As used in this section, "designated remitting percentage" means the percentage of  
 4940 property tax increment revenue established by the committee as described in Subsection  
 4941 63N-3a-203(4).

4942 (2)(a) A creating entity may propose a qualified development zone boundary that  
 4943 includes a project area and an impacted primary area.

4944 (b) The committee may establish a qualified development zone boundary that includes:

4945 (i) a project area only; or

4946 (ii) a project area and a proposed impacted primary area.

4947 (3) A creating entity's agency may receive, remit, and use property tax increment in  
 4948 accordance with this section and as described in Title 17C, Chapter 6, Regionally  
 4949 Significant Development Zones Act.

4950 (4) The creating entity or creating entity's agency:

4951 (a) may trigger the collection of property tax increment by parcel; and

4952 (b) shall send notice of commencement of collection of property tax increment to the  
 4953 following entities by no later than October 1 of the year before the year in which  
 4954 property tax increment collection is proposed to commence;

- 4955            (i) the tax commission;
- 4956            (ii) the State Board of Education;
- 4957            (iii) the state auditor;
- 4958            (iv) the county auditor and county assessor of each county within the qualified
- 4959            development zone boundary;
- 4960            (v) each taxing entity to be affected by collection of property tax within the qualified
- 4961            development zone boundary; and
- 4962            (vi) the office.
- 4963    (5)(a) A county that collects property tax on property located within a qualified
- 4964            development zone boundary shall, in accordance with Section 59-2-1365, distribute
- 4965            to the creating entity's agency:
- 4966            (i) the percentage of property tax increment established by the committee as
- 4967            described in Subsection 63N-3a-203(4), not to exceed:
- 4968            (A) 70% for a regionally significant transit-oriented zone;
- 4969            (B) 70% for a regionally significant first home village; and
- 4970            (C) 60% for a regionally significant economic development opportunity; and
- 4971            (ii) if applicable, the percentage of personal property tax revenue generated within
- 4972            the boundary, as established by the committee under Subsection 63N-3a-203(4).
- 4973    (b) Property tax revenue distributed to a creating entity's agency in accordance with this
- 4974            Subsection (5):
- 4975            (i) is not revenue of the taxing entity, the creating entity, or the creating entity's
- 4976            agency; and
- 4977            (ii) constitutes regionally significant development zone funds and shall be
- 4978            administered as described in Section 17C-6-203.
- 4979    (6) The creating entity's agency may receive property tax increment within a qualified
- 4980            development zone boundary for:
- 4981            (a) up to 25 total years, subject to any limit established by the committee under
- 4982            Subsection 63N-3a-203(4); and
- 4983            (b) no longer than 40 years after the effective date of the regionally significant
- 4984            development zone.
- 4985    (7) No later than March 1, the agency for a regionally significant development zone shall
- 4986            transfer the established remitting percentage of revenue collected in the previous
- 4987            calendar year to the state treasurer for deposit into the State Reinvestment Restricted
- 4988            Account created in Section 51-9-1002.

4989 (8) Once the maximum amount of property tax increment has been distributed to the  
 4990 creating entity's agency, as established by the committee in Subsection 63N-3a-203(4),  
 4991 the county that collects property tax on property located within a qualified development  
 4992 zone boundary is no longer obligated to distribute property tax increment generated  
 4993 within the qualified development zone boundary or personal property tax revenue to the  
 4994 creating entity's agency.

4995 Section 66. Section **63N-3a-205** is enacted to read:

4996 **63N-3a-205 . Compliance with terms of approved proposal required --**

4997 **Modifications to a regionally significant development zone -- Boundary adjustments.**

4998 (1) If a regionally significant development zone is approved by the committee and created  
 4999 as described in Section 63N-3a-203:

5000 (a) the regionally significant development zone is created according to the terms:

5001 (i) of the approved proposal, or modified approved proposal; and

5002 (ii) established by the committee as described in this part; and

5003 (b) the creating entity or the creating entity's agency shall enter into an entitlement  
 5004 agreement, development agreement, or participation agreement as necessary or  
 5005 required to implement the approved proposal and any established terms.

5006 (2) Any aspect of a regionally significant development zone, including the approved use of  
 5007 zone revenue or the boundary of the qualified development zone, may be amended by  
 5008 following the same procedure as making a proposal under Section 63N-3a-201, except  
 5009 the creating entity is not required to submit an additional pro forma analysis unless  
 5010 requested by the office or the committee.

5011 (3) If the relevant county assessor or county auditor adjusts parcel or lot boundaries  
 5012 relevant to a regionally significant development zone, the creating entity may make  
 5013 corresponding adjustments to the qualified development zone.

5014 Section 67. Section **63N-3a-206** is enacted to read:

5015 **63N-3a-206 . Triggering increment collection.**

5016 In addition to any other notification requirements in this part, a creating entity of a  
 5017 regionally significant development zone shall notify each affected taxing entity within the zone  
 5018 at least 90 days before the creating entity triggers a collection period for property tax  
 5019 increment for a parcel.

5020 Section 68. Section **63N-3a-207** is enacted to read:

5021 **63N-3a-207 . Payment, use, and administration of regionally significant**  
 5022 **development zone revenue.**

- 5023 (1) A creating entity shall designate an agency to:
- 5024 (a) administer the regionally significant development zone;
- 5025 (b) promote the objectives for the regionally significant development zone; and
- 5026 (c) be the custodian of regionally significant development zone revenue, as described in
- 5027 Title 17C, Chapter 6, Regionally Significant Development Zones Act.
- 5028 (2) An agency may share regionally significant development zone revenue with another
- 5029 governmental entity or a private party as described in this section.
- 5030 (3) Before a governmental entity that is not an agency may receive regionally significant
- 5031 development zone revenue from the creating entity, the creating entity or creating
- 5032 entity's agency and the governmental entity shall enter into an agreement governing the
- 5033 use of the revenue, consistent with this chapter and Title 17C, Chapter 6, Regionally
- 5034 Significant Development Zones Act.
- 5035 (4) Before a private party may receive regionally significant development zone revenue, the
- 5036 creating entity or creating entity's agency and the private party shall enter into an
- 5037 agreement governing the use of the revenue, consistent with this chapter and Title 17C,
- 5038 Chapter 6, Regionally Significant Development Zones Act.
- 5039 (5) A creating entity's agency shall use and be responsible for regionally significant
- 5040 development zone revenue as described in Section 17C-6-203.
- 5041 (6) The creating entity of a regionally significant development zone shall be responsible for:
- 5042 (a) tracking revenue received by the creating entity on behalf of the regionally
- 5043 significant development zone; and
- 5044 (b) reporting to the county auditor and tax commission if the creating entity receives the
- 5045 maximum amount of tax increment revenue from any source, as established by the
- 5046 committee under Section 63N-3a-203.
- 5047 Section 69. Section **63N-3a-208** is enacted to read:
- 5048 **63N-3a-208 . Applicability to an existing project area.**
- 5049 (1) As used in this section, "maximum allowable increment" means the percent of property
- 5050 tax increment a regionally significant development zone is authorized to capture and
- 5051 utilize, as established by the committee under this chapter.
- 5052 (2) Except as provided in this section:
- 5053 (a) if a regionally significant development zone overlaps an area that is part of a project
- 5054 area, as that term is defined in Section 17C-1-102, that parcel may not be triggered
- 5055 for tax increment collection unless the project area funds collection period, as that
- 5056 term is defined in Section 17C-1-102, has expired; and

- 5057           (b) a housing and transit reinvestment zone may not overlap any portion of an existing  
5058           community reinvestment project area plan created in accordance with Title 17C,  
5059           Limited Purpose Local Government Entities - Community Reinvestment Agency Act.
- 5060 (3) If a regionally significant development zone overlaps any portion of an existing inactive  
5061           industrial site community reinvestment project area plan created in accordance with  
5062           Title 17C, Limited Purpose Local Government Entities - Community Reinvestment  
5063           Agency Act:
- 5064           (a) except as provided in Subsection (5), if the community reinvestment project area  
5065           plan captures less than the maximum allowable increment of the property tax  
5066           increment from a taxing entity, or if a taxing entity is not participating in the  
5067           community reinvestment project area plan, the regionally significant development  
5068           zone may capture the difference between:
- 5069           (i) the maximum allowable increment; and  
5070           (ii) the percentage of property tax increment captured under the community  
5071           reinvestment project area plan; and
- 5072           (b) if a community reinvestment project area plan expires before the regionally  
5073           significant development zone is created, the regionally significant development zone  
5074           may capture the property tax increment allocated to the community reinvestment  
5075           project area plan for any remaining portion of the term of the regionally significant  
5076           development zone.
- 5077 (4) A regionally significant development zone that overlaps any portion of an existing  
5078           community reinvestment project that includes a retail facility with a gross sales floor  
5079           area of more than 140,000 square feet may capture up to the maximum allowable  
5080           increment of the increment generated above the regionally significant development zone  
5081           base year if the development includes at least one housing unit for every 1,250 square  
5082           feet of retail space within the development.
- 5083 (5)(a) Except as provided in Subsection (5)(b), a regionally significant development  
5084           zone may not overlap a housing and transit reinvestment zone or a first home  
5085           investment zone.
- 5086           (b) Subject to Subsection (6), a regionally significant development zone may overlap a  
5087           housing and transit reinvestment zone or a first home investment zone if:
- 5088           (i) the regionally significant development zone does not collect property tax  
5089           increment for the area overlapping with the housing and transit reinvestment zone  
5090           or the first home investment zone; or

5091 (ii) the regionally significant development zone does not collect property tax  
 5092 increment for the area overlapping with the housing and transit reinvestment zone  
 5093 or the first home investment zone until the collection period for the housing and  
 5094 transit reinvestment zone's collection of property tax increment or the first home  
 5095 investment zone's collection of property tax increment has ended.

5096 (6)(a) If a community reinvestment project area plan captures less than maximum  
 5097 allowable increment of the property tax increment from a taxing entity, or if a taxing  
 5098 entity is not participating in the community reinvestment project area plan, because  
 5099 the agency and relevant taxing entities agreed to capture a lower percentage or agreed  
 5100 to exclude a taxing entity from the community reinvestment project area plan,  
 5101 Subsection (3)(a) does not apply.

5102 (b) If, at the creation of a housing and transit reinvestment zone or a first home  
 5103 investment zone, the taxing entities agreed that tax increment collection would end  
 5104 on a certain date or after a certain number of years, Subsection (5)(b) does not apply  
 5105 unless the taxing entities that were involved in the agreement affirmatively agree to  
 5106 participate in the regionally significant development zone tax increment collection.

5107 (7)(a) Except as provided in Subsection (7)(b), a regionally significant development  
 5108 zone may not overlap project areas created by the:

5109 (i) Military Installation Development Authority described in Subsection  
 5110 63H-1-102(17);  
 5111 (ii) Utah Fairpark Area Investment and Restoration District described in Subsection  
 5112 11-70-101(24); or  
 5113 (iii) Utah Inland Port Authority project area described in Subsection 11-58-102(16).

5114 (b) A creating entity may propose, and the committee may approve, a regionally  
 5115 significant development zone that overlaps with a project area if:  
 5116 (i) the regional economic development authority that created the project area consents  
 5117 to the creation of the regionally significant development zone; and  
 5118 (ii) no more than 60% of tax increment is captured and used by the creating entity's  
 5119 agency and the regional economic development authority in combination in any  
 5120 given year.

5121 Section 70. Section **63N-3a-301** is enacted to read:

5122 **Part 3. Specific Provisions for Certain Zones**

5123 **63N-3a-301 . Provisions specific to a regionally significant transit-oriented**  
 5124 **development.**

- 5125 (1) A proposal to create a regionally significant development zone that qualifies as a  
5126 regionally significant transit-oriented development, as described in this section, shall  
5127 demonstrate how the proposal addresses the following objectives:
- 5128 (a) higher utilization of public transit;
  - 5129 (b) increasing availability of housing, including affordable housing;
  - 5130 (c) promoting and encouraging development of owner-occupied housing;
  - 5131 (d) improving efficiencies in parking and transportation, including walkability of  
5132 communities near public transit facilities;
  - 5133 (e) overcoming development impediments and market conditions that render a  
5134 development cost prohibitive absent the proposal and incentives;
  - 5135 (f) conserving water resources through efficient land use;
  - 5136 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
  - 5137 (h) encouraging mixed-use development and investment in transportation and public  
5138 transit infrastructure in strategic areas;
  - 5139 (i) strategic land use and municipal planning in major transit investment corridors as  
5140 described in Subsection 10-20-404(2);
  - 5141 (j) increasing access to employment and educational opportunities; and
  - 5142 (k) increasing access to child care.
- 5143 (2) To accomplish the objectives described in Subsection (1), a creating entity that proposes  
5144 a regionally significant transit-oriented development as described in this section shall  
5145 ensure that the proposal includes:
- 5146 (a) except as provided in Subsection (3), at least 12% of the proposed dwelling units  
5147 within the zone are affordable housing units, with:
    - 5148 (i) up to 9% of the proposed dwelling units occupied or reserved for occupancy by  
5149 households with a gross household income equal to or less than 80% of the county  
5150 median gross income for households of the same size; and
    - 5151 (ii) at least 3% of the proposed dwelling units occupied or reserved for occupancy by  
5152 households with a gross household income equal to or less than 60% of the county  
5153 median gross income for households of the same size; and
  - 5154 (b) except as provided in Subsection (4), at least 51% of the developable area within a  
5155 zone be dedicated to residential uses and:
    - 5156 (i) an average of at least 50 dwelling units per acre within the acreage of the zone  
5157 dedicated to residential uses;
    - 5158 (ii) mixed-use development within the zone; and

5159 (iii) a mix of dwelling units to ensure that at least 25% of the dwelling units have  
 5160 more than one bedroom.

5161 (3)(a) If the projects within a regionally significant transit-oriented development are  
 5162 developed in phases, a creating entity and agency shall ensure that each phase is  
 5163 developed to provide the required 12% of affordable housing units.

5164 (b) A creating entity may allow a regionally significant transit development to be phased  
 5165 and developed in a manner to provide more of the required affordable housing units  
 5166 in early phases of development.

5167 (c) A creating entity shall include in a proposal an affordable housing plan, which may  
 5168 include deed restrictions, to ensure the affordable housing required in the proposal  
 5169 will continue to meet the definition of affordable housing at least throughout the  
 5170 entire term of the zone.

5171 (d) If the creating entity meets the affordable housing guidelines of the United States  
 5172 Department of Housing and Urban Development at 60% area median income at the  
 5173 time the regionally significant transit-oriented development proposal is approved by  
 5174 the committee, the creating entity is exempt from the percentage requirements  
 5175 described in Subsection (2)(a).

5176 (4) For a regionally significant transit-oriented development proposed to be located at a  
 5177 public transit hub or a bus rapid transit station, the regionally significant transit-oriented  
 5178 development shall include:

5179 (a) at least 51% of the developable area within a zone as residential uses; and

5180 (b) an average of at least 50 dwelling units per acre within the acreage of the zone  
 5181 dedicated to residential uses.

5182 Section 71. Section **63N-3a-302** is enacted to read:

5183 **63N-3a-302 . Provisions specific to a regionally significant first home village.**

5184 (1) A proposal to create a regionally significant development zone that qualifies as a  
 5185 regionally significant first home village, as described in this section, shall demonstrate  
 5186 how the proposal addresses the following objectives:

5187 (a) improving efficiencies in parking and transportation, including walkability of  
 5188 communities near public transit facilities, street and path interconnectivity within the  
 5189 proposed development and connections to surrounding communities, and access to  
 5190 roadways, public transportation, and active transportation;

5191 (b) improving availability of housing options;

5192 (c) overcoming development impediments and market conditions that render a

- 5193 development cost prohibitive absent the proposal and incentives;
- 5194 (d) conserving water resources through efficient land use;
- 5195 (e) improving air quality by reducing fuel consumption and motor vehicle trips;
- 5196 (f) encouraging mixed-use development;
- 5197 (g) strategic land use and municipal planning in major transit investment corridors;
- 5198 (h) increasing access to employment and educational opportunities;
- 5199 (i) increasing access to child care; and
- 5200 (j) improving efficiencies in parking and transportation, including walkability of
- 5201 communities, street and path interconnectivity within the proposed development and
- 5202 connections to surrounding communities, and access to roadways, public
- 5203 transportation, and active transportation.
- 5204 (2)(a) To promote the creation of walkable communities, a regionally significant first
- 5205 home village development shall be anchored by a core of high-density residential and
- 5206 mixed residential-commercial uses, including opportunities for shopping, child care,
- 5207 and employment.
- 5208 (b) To accomplish the objectives described in Subsection (1), a creating entity shall
- 5209 ensure that the proposal for a regionally significant first home village includes:
- 5210 (i) subject to Subsection (3), a minimum of 30 housing units per acre:
- 5211 (A) in at least 51% of the developable area within the first home investment zone;
- 5212 and
- 5213 (B) of which 50% must be owner occupied;
- 5214 (ii) a mixed use development;
- 5215 (iii) a requirement that at least 25% of homes within the zone remain owner occupied
- 5216 for at least 25 years from the date of original purchase;
- 5217 (iv) for homes inside the zone, a requirement that at least 12% of the owner occupied
- 5218 homes and 12% of the homes that are not owner occupied qualify as affordable
- 5219 housing; and
- 5220 (v) a requirement that at least 20% of the extraterritorial homes are affordable
- 5221 housing.
- 5222 (3)(a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection
- 5223 (2), a regionally significant first home village may include an extraterritorial home to
- 5224 count toward density and owner-occupancy requirements by:
- 5225 (i) adding the total number of extraterritorial homes related to the regionally
- 5226 significant first home village to the total number of homes within the regionally

5227                    significant first home village; and  
 5228                    (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of  
 5229                    the total number of developable acres within the regionally significant first home  
 5230                    village.

5231                    (b) Extraterritorial homes may account for no more than half of the total homes to  
 5232                    calculate density within a first home village.

5233                    (4) For a condominium building that is part of a regionally significant first home village  
 5234                    development for purposes of meeting the requirement to have a minimum of 30 housing  
 5235                    units per acre, the requirement that 50% of housing units be owner occupied applies  
 5236                    beginning one year after the day on which the condominium building is complete and  
 5237                    receives a certificate of occupancy from the relevant local land use authority.

5238                    Section 72. Section **63N-3a-303** is enacted to read:

5239                    **63N-3a-303 . Provisions specific to a regionally significant economic development**  
 5240                    **opportunity.**

5241                    (1) A creating entity with general land use authority over an area may submit a proposal  
 5242                    that does not qualify under Section 63N-3a-301 or 63N-3a-302 as a regionally  
 5243                    significant development opportunity.

5244                    (2) A proposal for a regionally significant economic development opportunity shall  
 5245                    demonstrate the likelihood that the project will constitute a significant capital  
 5246                    investment, as that term is defined in Section 63N-2-103.

5247                    (3) If a proposal for a regionally significant economic development opportunity involves a  
 5248                    large load customer, as that term is defined in Section 54-26-101, or a qualifying data  
 5249                    center, as that term is defined in Section 59-12-102, the proposal shall comply with Part  
 5250                    4, Regionally Significant Zones with Energy Implications.

5251                    (4) The executive director and office shall establish additional criteria by rule, in  
 5252                    accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a  
 5253                    regionally significant development opportunity.

5254                    Section 73. Section **63N-3a-401** is enacted to read:

5255                    **Part 4. Regionally Significant Zones with Energy Implications**

5256                    **63N-3a-401 . Definitions.**

5257                    As used in this part:

5258                    (1) "Incentive" means the same as that term is defined in Section 11-41-201.

5259                    (2) "Large load data center" means the same as that term is defined in Section 11-41-201.

5260                    (3) "Maximum allowable increment" means the percent of property tax increment a

5261 regionally significant development zone is authorized to capture and utilize, as  
5262 established by the committee under this chapter.

5263 (4) "Reinvestment account" means the State Reinvestment Restricted Account created in  
5264 Section 51-9-1002.

5265 (5) "Zone" means a regionally significant development zone that includes, or is proposed to  
5266 include, a large load data center.

5267 Section 74. Section **63N-3a-402** is enacted to read:

5268 **63N-3a-402 . Incentives prohibited -- Exception.**

5269 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer  
5270 an incentive for a large load data center that is not located within a zone.

5271 (b) Subsection (1)(a) does not apply to:

5272 (i) a project area established before May 6, 2027; or

5273 (ii) an agreement between a county or municipality and a private entity that was  
5274 executed before May 6, 2027.

5275 (2) In addition to the requirements described in Part 2, Creation of Regionally Significant  
5276 Development Zones, a creating entity that proposes a zone shall include in the proposal:

5277 (a) a description of the proposed boundaries of the zone;

5278 (b) an assessment of existing electrical energy infrastructure within and proximate to the  
5279 proposed zone;

5280 (c) a development plan that includes:

5281 (i) anticipated infrastructure improvements;

5282 (ii) projected economic benefits to the county or municipality; and

5283 (iii) evidence of local support, as applicable; and

5284 (d) any other information required by the committee.

5285 (3) A proposal for a zone described in this part:

5286 (a) shall include the diversion of all personal property tax revenue generated within the  
5287 zone, as described in Subsection 63N-3a-203(4)(c)(ii); and

5288 (b) may include a request to:

5289 (i) capture up to 60% of the property tax increment generated within the zone; and

5290 (ii) divert up to 100% of personal property tax revenue generated within the zone.

5291 (4) A proposed zone may not overlap with:

5292 (a) a project area designated by a community reinvestment agency; or

5293 (b) a project area created by the Utah Inland Port Authority or the Military Installation  
5294 Development Authority.

5295 Section 75. Section **63N-3a-403** is enacted to read:

5296 **63N-3a-403 . Committee consideration of a zone with energy implications.**

5297 (1) The committee shall approve an application for a zone designation if the application  
5298 demonstrates that:

5299 (a) the proposed zone includes land suitable for a large load data center based on:

5300 (i) access to electrical energy resources; and

5301 (ii) adequate water supply; and

5302 (b) the proposed development plan:

5303 (i) aligns with the state's regional and statewide economic development objectives;

5304 (ii) includes realistic timelines and milestones;

5305 (iii) identifies specific infrastructure improvements; and

5306 (iv) quantifies projected economic benefits to the residents who live near the zone.

5307 (2)(a) The committee shall establish the percentage of property tax increment and the  
5308 percentage of personal property tax revenue a regionally significant development  
5309 zone is authorized to capture and utilize as described in Subsection 63N-3a-203(4).

5310 (b) If the committee approves a proposal to capture personal property tax revenue,  
5311 subject to the maximum limit described in Subsection 63N-3a-402(3)(b)(ii), the  
5312 committee shall establish:

5313 (i) the percentage of personal property tax revenue that shall be transferred to the  
5314 county or municipality that creates the zone; and

5315 (ii) the remitting percentage that the county treasurer shall deposit into the  
5316 reinvestment account.

5317 (c) The remitting percentage of property tax increment revenue for a zone described in  
5318 this part is established in Subsection (3).

5319 (3) Beginning January 1 following the designation of a zone as described in this section, the  
5320 county treasurer shall:

5321 (a) transfer the percentage, established by the committee under Subsection (2)(b)(i), of  
5322 revenue attributed to personal property tax within the zone to the agency managing  
5323 the zone;

5324 (b) transfer the remitting percentage, established by the committee under Subsection  
5325 (2)(b)(ii), of revenue attributed to personal property tax within the zone into the  
5326 reinvestment account;

5327 (c) transfer 90% of the maximum allowable increment generated within the zone to the  
5328 zone's creating entity;

- 5329 (d) deposit 10% of the maximum allowable increment generated within the zone into the  
5330 reinvestment account; and
- 5331 (e) make the distributions required under this Subsection (3):  
5332 (i) at the same time as regular annual property tax distributions; and  
5333 (ii) using the same method as other property tax distributions.
- 5334 (4) A county or municipality that receives revenue under Subsection (3) may:
- 5335 (a) transfer revenue to the agency managing the zone, to be used as regionally  
5336 significant development zone revenue as described in Title 17C, Chapter 6,  
5337 Regionally Significant Development Zones Act;
- 5338 (b) transfer revenue to a regional economic development authority with a project area  
5339 that overlaps the zone, as described in Subsection 63N-3a-208(7)(b), in accordance  
5340 with an agreement between the county or municipality and the regional economic  
5341 development authority;
- 5342 (c) subject to Subsection (5), use the revenue to provide an incentive;
- 5343 (d) use the revenue to facilitate infrastructure development, including electrical energy  
5344 infrastructure development and water infrastructure development; and
- 5345 (e) use the revenue to support workforce development programs within the county or  
5346 municipality.
- 5347 (5)(a) Beginning May 6, 2027, a county or municipality, or a regional economic  
5348 development authority that shares zone revenue with a county or municipality, may  
5349 only provide an incentive to a large load data center from the revenue the county or  
5350 municipality receives, or that is shared with the regional economic development  
5351 authority, from a personal property tax revenue source as described under Subsection  
5352 (3).
- 5353 (b) Notwithstanding Subsection (5)(a):
- 5354 (i) a county that levies the county energy excise tax authorized in Section 59-35-201  
5355 may offer up to 80% of the revenue the county collects annually from the county  
5356 energy excise tax as an incentive for a large load data center, as described in  
5357 Section 11-41-202; and
- 5358 (ii) a municipality that levies the municipal energy tax authorized in Title 10, Chapter  
5359 1, Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the  
5360 revenue generated by the municipal energy tax as an incentive to a large load data  
5361 center, as described in Section 11-41-202.
- 5362 (6) Nothing in this section authorizes a political subdivision other than one described in

5363 Subsection (4) or (5) to offer an incentive to a large load data center, as described in  
 5364 Title 11, Chapter 41, Part 2, Prohibition on Tax Increment Incentives for Large Load  
 5365 Data Centers Act.

5366 Section 76. Section **63N-3a-501** is enacted to read:

5367 **Part 5. Reporting**

5368 **63N-3a-501 . Reporting.**

5369 (1) After the effective date of a regionally significant development zone, as described in  
 5370 Section 63N-3a-203, the creating entity shall provide a written report, no later than  
 5371 August 1, on the creating entity's and creating entity's agency's activities to implement  
 5372 the objectives of the regionally significant development zone to the executive director.

5373 (2) The executive director shall annually provide a written report, no later than October 1,  
 5374 summarizing all reports received under Subsection (1) and including any  
 5375 recommendations to the Legislature for statutory changes to this chapter, to the  
 5376 Economic Development and Workforce Services Interim Committee.

5377 Section 77. Section **79-6-1104** is amended to read:

5378 **79-6-1104 . Electrical energy development zones -- Property tax differential.**

5379 (1) As used in this section:

5380 (a) "Base taxable value" means the value of property within an electrical energy  
 5381 development zone, as shown on the assessment roll last equalized before the creation  
 5382 of the electrical energy development zone.

5383 (b) "Community reinvestment agency" means the same as that term is defined in Section  
 5384 17C-1-102.

5385 (c) "Community reinvestment project area" means the same as that term is defined in  
 5386 Section 17C-1-102.

5387 (d) "Municipal power project" means an electrical energy project that:

5388 (i) is operated by or on behalf of a municipality; and

5389 (ii) exclusively serves customers within that municipality's jurisdictional boundaries.

5390 (e) "Property tax differential" means the difference between:

5391 (i) the amount of property tax revenues generated each tax year by all taxing entities  
 5392 from an electrical energy development zone, using the current assessed value of  
 5393 the property; and

5394 (ii) the amount of property tax revenues that would be generated from that same area  
 5395 using the base taxable value of the property.

5396 (f) "[State land-use] Regional economic development authority" means:

- 5397 (i) the Utah Inland Port Authority created in Section 11-58-201;
- 5398 (ii) the Military Installation Development Authority created in Section 63H-1-201;
- 5399 (iii) the School and Institutional Trust Lands Administration created in Section
- 5400 53C-1-201; or
- 5401 (iv) any other land use authority created by the state that has jurisdiction over state
- 5402 lands.
- 5403 (2)(a) Except as provided in Subsection (2)(b), a county or municipality may not offer
- 5404 financial incentives for a baseload electrical energy project that is not located within
- 5405 a designated electrical energy development zone.
- 5406 (b) Subsection (2)(a) does not apply to:
- 5407 (i) financial incentives offered for:
- 5408 (A) a municipal power project;~~[-or]~~
- 5409 (B) an electrical energy project that exclusively utilizes intermittent resources; or
- 5410 (C) an electrical energy project that is not a nuclear energy project; or
- 5411 (ii) an electrical energy project for which a project area plan has been approved
- 5412 before July 1, 2026.
- 5413 (3) A county or municipality may:
- 5414 (a) pass a resolution declaring an intent to establish within the county or municipality
- 5415 boundaries an energy development zone;
- 5416 (b) enter into an interlocal agreement with the council outlining each parties'
- 5417 responsibilities relating to an energy development zone; and
- 5418 (c) apply to the council for the designation of an electrical energy development zone by
- 5419 submitting:
- 5420 (i) a description of the proposed boundaries of the electrical energy development
- 5421 zone;
- 5422 (ii) an assessment of existing electrical energy infrastructure within and proximate to
- 5423 the proposed electrical energy development zone;
- 5424 (iii) a development plan that includes:
- 5425 (A) proposed electrical energy development projects;
- 5426 (B) anticipated infrastructure improvements;
- 5427 (C) projected economic benefits to the county; and
- 5428 (D) evidence of local support including any interlocal agreement entered into
- 5429 between the county or municipality and the council, as applicable;
- 5430 (iv) if the applicant is a municipality, evidence of coordination with the county in

5431 which the proposed electrical energy development zone is located, including any  
5432 interlocal agreement entered into between the county or municipality and the  
5433 council, as applicable;

5434 (v) if the applicant is a county and any portion of the proposed electrical energy  
5435 development zone is within the boundaries of a municipality, evidence of an  
5436 agreement with the municipality regarding the establishment of the electrical  
5437 energy development zone; and

5438 (vi) any other information required by the council.

5439 (4) A [~~state land use~~] regional economic development authority may:

5440 (a) propose an electrical energy development zone within lands under [its] the regional  
5441 economic development authority's jurisdiction; and

5442 (b) apply to the council for the designation of an electrical energy development zone by  
5443 submitting:

5444 (i) a description of the proposed boundaries of the electrical energy development  
5445 zone;

5446 (ii) an assessment of existing electrical energy infrastructure within and proximate to  
5447 the proposed electrical energy development zone;

5448 (iii) a development plan that includes:

5449 (A) proposed electrical energy development projects;

5450 (B) anticipated infrastructure improvements; and

5451 (C) projected economic benefits;

5452 (iv) evidence that the proposed zone is consistent with applicable land use plans and  
5453 regulations; and

5454 (v) any other information required by the council.

5455 (5) The council shall:

5456 (a) approve an application for electrical energy development zone designation if the  
5457 application demonstrates:

5458 (i) the proposed electrical energy development zone includes land suitable for  
5459 electrical energy development based on:

5460 (A) access to electrical energy resources;

5461 (B) proximity to existing or planned transmission infrastructure;

5462 (C) adequate transportation access; and

5463 (D) sufficient land area for proposed development; and

5464 (ii) the development plan:

- 5465 (A) aligns with state energy policy under Section 79-6-301;
- 5466 (B) includes realistic timelines and milestones;
- 5467 (C) identifies specific infrastructure improvements; and
- 5468 (D) quantifies projected economic benefits;
- 5469 (b) make a determination on an application within 60 days of submission;
- 5470 (c) provide written notice to the county or municipality explaining the basis for approval
- 5471 or denial;
- 5472 (d) if an electrical energy development zone overlaps with an area designated by a
- 5473 community reinvestment agency as a community reinvestment project area as of May
- 5474 7, 2025, enter into an agreement with the community reinvestment agency to
- 5475 determine the percentage division of the property tax differential between:
- 5476 (i) the Electrical Energy Development Investment Fund; and
- 5477 (ii) the community reinvestment agency; and
- 5478 (e) if an electrical energy development zone overlaps with an inland port project, enter
- 5479 into an agreement with the Utah Inland Port Authority to determine the percentage
- 5480 division of the property tax differential between:
- 5481 (i) the Electrical Energy Development Investment Fund; and
- 5482 (ii) the Utah Inland Port Authority created in Section 11-58-201.
- 5483 (6) Within 30 days after the council designates an electrical energy development zone:
- 5484 (a) the county auditor shall certify to the council the base taxable value of property
- 5485 within the electrical energy development zone; and
- 5486 (b) the county shall transmit to the council copies of the property tax assessment rolls for
- 5487 all property within the electrical energy development zone.
- 5488 (7)(a) Each year, the county auditor shall:
- 5489 (i) determine the amount of the property tax differential for the electrical energy
- 5490 development zone by comparing:
- 5491 (A) the current assessed value of property within the electrical energy
- 5492 development zone; and
- 5493 (B) the base taxable value of property within the electrical energy development
- 5494 zone;
- 5495 (ii) inform the county treasurer of the property tax differential amount; and
- 5496 (iii) provide notice to the council of the amount calculated under this Subsection
- 5497 (7)(a).
- 5498 (b) The county treasurer shall transfer the property tax differential to the council for

5499 deposit into the Electrical Energy Development Investment Fund created in Section  
 5500 79-6-1105, subject to any agreements entered into under Subsections (5)(d) and (5)(e).

5501 (c) The county treasurer shall make distributions required under this section:

5502 (i) at the same time as regular annual property tax distributions; and

5503 (ii) using the same method as other property tax distributions.

5504 (8) For property tax differential not subject to Subsection (5)(d) the council may enter into  
 5505 agreements with taxing entities regarding the allocation of the property tax differential.

5506 Section 78. **Repealer.**

5507 This bill repeals:

5508 Section **11-41-101, Title.**

5509 Section 79. **Effective Date.**

5510 This bill takes effect on May 6, 2026.

5511 Section 80. **Coordinating H.B. 507 with H.B. 475.**

5512 If H.B. 507, State Coordination of Regional and Local Economic Development Projects  
 5513 Amendments, and H.B. 475, Development Planning and Coordination Amendments, both pass  
 5514 and become law, the Legislature intends that, on May 6, 2026, Subsection 63G-2-206(4)  
 5515 enacted in H.B. 507 be amended to read:

5516 "(4) A record that is classified as protected as economic development information under  
 5517 Subsection 63G-2-305(2)(b):

5518 (a) may be provided by the governmental entity that possesses the record and classified the  
 5519 record as protected to another governmental entity in lieu of the second governmental entity  
 5520 entering into a nondisclosure agreement with the person that requested the record be treated as  
 5521 protected under Section 63G-2-309;

5522 (b) may be shared with the following entities when the entities are considering an economic  
 5523 development project:

5524 (i) the Governor's Office of Economic Development;

5525 (ii) the Utah Inland Port Authority created in Section 11-58-201;

5526 (iii) the Military Installation Development Authority created in Section 63H-1-201;

5527 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;

5528 (v) the Utah Fairpark Area Investment and Restoration District created in Section

5529 11-70-201;

5530 (vi) the Economic Development Council created in Section 63N-1a-501;

5531 (vii) a county where the economic development opportunity may take place or be sited;

5532 and

\_5533           (viii) a municipality where the economic development opportunity may take place or be  
\_5534 sited;  
\_5535 (c) remains protected when shared as described in this Subsection (4); and  
\_5536 (d) shall be treated as a protected record by any governmental entity that receives the record  
\_5537 in accordance with this Subsection (4)."