

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

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 intentional disclosure of a protected record;
- 30 ▶ provides that a housing and transit reinvestment zone, first home investment zone,
31 convention center reinvestment zone, or home ownership promotion zone may not be
32 created after January 1, 2028;
- 33 ▶ provides retrospective operation for certain provisions governing a housing and transit
34 reinvestment zone, first home investment zone, and convention center reinvestment zone
35 to May 4, 2022;
- 36 ▶ requires the Political Subdivisions Interim Committee to create a working group and
37 describes the membership of the working group;
- 38 ▶ creates a process for a county or city to propose a regionally significant development zone
39 (zone) and for a committee to approve the creation of a zone;
- 40 ▶ authorizes a zone to capture and utilize certain forms of tax increment;
- 41 ▶ describes how a zone will be managed, including how a community reinvestment agency
42 (agency) will manage zone funds, prepare zone budgets, conduct zone audits, and make
43 biennial reports;
- 44 ▶ describes the circumstances in which an agency or a county treasurer shall transfer a
45 percentage of zone revenue into the account;
- 46 ▶ modifies the prohibition on local government offering a financial incentive for an energy
47 development project outside an electrical energy development zone;
- 48 ▶ coordinates this bill with H.B. 475, Development Planning and Coordination
49 Amendments; and
- 50 ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

52 None

Other Special Clauses:

54 This bill provides coordination clauses.

55 This bill provides retrospective operation.

Utah Code Sections Affected:

57 AMENDS:

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

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

62 **11-58-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapters 53,
63 438 and 535

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

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

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

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

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

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

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

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

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

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

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

78 **17D-4-303 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347

79 **59-1-306 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 258

80 **59-2-924 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
81 Session, Chapter 15

82 **63G-2-206 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 334

83 **63G-2-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
84 Session, Chapter 17

85 **63G-2-309 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
86 Session, Chapter 9

87 **63G-2-802 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 188

88 **63G-7-605 (Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 33

89 **63I-2-263 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 182,
90 273 and 277

91 **63N-2-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 512

92 **63N-3-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

93 **63N-3-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
94 Session, Chapter 15

95 **63N-3-604 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

96 **63N-3-604.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29
97 **63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22)**, as last amended by Laws
98 of Utah 2025, Chapter 29
99 **63N-3-607 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 404
100 **63N-3-608 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
101 **63N-3-611 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
102 **63N-3-1603 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
103 **63N-3-1609 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
104 **79-6-1104 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 375

ENACTS:

106 **11-41-201 (Effective 05/06/26)**, Utah Code Annotated 1953
107 **11-41-202 (Effective 05/06/26)**, Utah Code Annotated 1953
108 **11-58-607 (Effective 05/06/26)**, Utah Code Annotated 1953
109 **17C-6-101 (Effective 05/06/26)**, Utah Code Annotated 1953
110 **17C-6-102 (Effective 05/06/26)**, Utah Code Annotated 1953
111 **17C-6-201 (Effective 05/06/26)**, Utah Code Annotated 1953
112 **17C-6-202 (Effective 05/06/26)**, Utah Code Annotated 1953
113 **17C-6-203 (Effective 05/06/26)**, Utah Code Annotated 1953
114 **17C-6-301 (Effective 05/06/26)**, Utah Code Annotated 1953
115 **17C-6-401 (Effective 05/06/26)**, Utah Code Annotated 1953
116 **17C-6-402 (Effective 05/06/26)**, Utah Code Annotated 1953
117 **17C-6-403 (Effective 05/06/26)**, Utah Code Annotated 1953
118 **17C-6-404 (Effective 05/06/26)**, Utah Code Annotated 1953
119 **17D-4-401 (Effective 05/06/26)**, Utah Code Annotated 1953
120 **51-9-1001 (Effective 05/06/26)**, Utah Code Annotated 1953
121 **51-9-1002 (Effective 05/06/26)**, Utah Code Annotated 1953
122 **51-9-1003 (Effective 05/06/26)**, Utah Code Annotated 1953
123 **57-1-49 (Effective 05/06/26)**, Utah Code Annotated 1953
124 **59-35-101 (Effective 05/06/26)**, Utah Code Annotated 1953
125 **59-35-201 (Effective 05/06/26)**, Utah Code Annotated 1953
126 **59-35-202 (Effective 05/06/26)**, Utah Code Annotated 1953
127 **59-35-301 (Effective 05/06/26)**, Utah Code Annotated 1953
128 **63N-3a-101 (Effective 05/06/26)**, Utah Code Annotated 1953
129 **63N-3a-102 (Effective 05/06/26)**, Utah Code Annotated 1953

130 **63N-3a-103 (Effective 05/06/26)**, Utah Code Annotated 1953
 131 **63N-3a-104 (Effective 05/06/26)**, Utah Code Annotated 1953
 132 **63N-3a-105 (Effective 05/06/26)**, Utah Code Annotated 1953
 133 **63N-3a-106 (Effective 05/06/26)**, Utah Code Annotated 1953
 134 **63N-3a-201 (Effective 05/06/26)**, Utah Code Annotated 1953
 135 **63N-3a-202 (Effective 05/06/26)**, Utah Code Annotated 1953
 136 **63N-3a-203 (Effective 05/06/26)**, Utah Code Annotated 1953
 137 **63N-3a-204 (Effective 05/06/26)**, Utah Code Annotated 1953
 138 **63N-3a-205 (Effective 05/06/26)**, Utah Code Annotated 1953
 139 **63N-3a-206 (Effective 05/06/26)**, Utah Code Annotated 1953
 140 **63N-3a-207 (Effective 05/06/26)**, Utah Code Annotated 1953
 141 **63N-3a-208 (Effective 05/06/26)**, Utah Code Annotated 1953
 142 **63N-3a-301 (Effective 05/06/26)**, Utah Code Annotated 1953
 143 **63N-3a-302 (Effective 05/06/26)**, Utah Code Annotated 1953
 144 **63N-3a-303 (Effective 05/06/26)**, Utah Code Annotated 1953
 145 **63N-3a-401 (Effective 05/06/26)**, Utah Code Annotated 1953
 146 **63N-3a-402 (Effective 05/06/26)**, Utah Code Annotated 1953
 147 **63N-3a-403 (Effective 05/06/26)**, Utah Code Annotated 1953
 148 **63N-3a-501 (Effective 05/06/26)**, Utah Code Annotated 1953

149 REPEALS:

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

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

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

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

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

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

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

160 (a) before January 1, 2028; and

161 (b) as described in this section.

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

163 (a) is an area of 10 contiguous acres or less located entirely within the boundaries of the

- 164 municipality, zoned for fewer than six housing units per acre before the creation of
165 the home ownership promotion zone;
- 166 (b) shall be re-zoned for at least six housing units per acre; and
- 167 (c) may not be encumbered by any residential building permits as of the day on which
168 the home ownership promotion zone is created.
- 169 (3)(a) The municipality shall designate the home ownership promotion zone by
170 resolution of the legislative body of the municipality, passed or adopted in a public
171 meeting of the legislative body of the municipality, following:
- 172 (i) the recommendation of the municipality planning commission; and
173 (ii) the notification requirements described in Section 10-21-503.
- 174 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership
175 promotion zone created in accordance with this section meets the objectives and
176 requirements in Section 10-21-502.
- 177 (c) The home ownership promotion zone is created on the effective date of the resolution
178 described in Subsection (3)(a).
- 179 (4) If a home ownership promotion zone is created as described in this section:
- 180 (a) affected local taxing entities are required to participate according to the requirements
181 of the home ownership promotion zone established by the municipality; and
182 (b) each affected taxing entity is required to participate at the same rate.
- 183 (5) A home ownership promotion zone may be modified by the same manner it is created as
184 described in Subsection (3).
- 185 (6) Within 30 days after the day on which the municipality creates the home ownership
186 promotion zone as described in Subsection (3), the municipality shall:
- 187 (a) record with the recorder of the county in which the home ownership promotion zone
188 is located a document containing:
- 189 (i) a description of the land within the home ownership promotion zone; and
190 (ii) the date of creation of the home ownership promotion zone;
- 191 (b) transmit a copy of the description of the land within the home ownership promotion
192 zone and an accurate map or plat indicating the boundaries of the home ownership
193 promotion zone to the Utah Geospatial Resource Center created under Section
194 63A-16-505; and
- 195 (c) transmit a map and description of the land within the home ownership promotion
196 zone to:
- 197 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any

- 198 part of the home ownership promotion zone is located;
- 199 (ii) the officer or officers performing the function of auditor or assessor for each
- 200 taxing entity that does not use the county assessment roll or collect the taxing
- 201 entity's taxes through the county;
- 202 (iii) the legislative body or governing board of each taxing entity impacted by the
- 203 home ownership promotion zone;
- 204 (iv) the tax commission; and
- 205 (v) the State Board of Education.
- 206 (7) A municipality may receive tax increment and use home ownership promotion zone
- 207 funds as described in Section 10-21-504.
- 208 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,
- 209 as described in this part, and shall comply with the provisions of this part until dissolved.

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

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

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

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

214 As used in this [chapter] part:

- 215 (1) "Agreement" means an oral or written agreement between a public entity and a person.
- 216 (2) "Business entity" means a sole proprietorship, partnership, limited partnership, limited
- 217 liability company, corporation, or other entity or association used to carry on a business
- 218 for profit.
- 219 (3) "Determination of violation" means a determination by the Governor's Office of
- 220 Economic Opportunity of substantial likelihood that a retail facility incentive payment
- 221 has been made in violation of Section 11-41-103, in accordance with Section 11-41-104.
- 222 (4) "Environmental mitigation" means an action or activity intended to remedy known
- 223 negative impacts to the environment.
- 224 (5) "Executive director" means the executive director of the Governor's Office of Economic
- 225 Opportunity.
- 226 (6) "General plan" means the same as that term is defined in Section 23A-6-101.
- 227 (7) "Legislative body" means the same as that term is defined in:
- 228 (a) Section 10-20-102; or
- 229 (b) Section 17-79-102.
- 230 (8) "Mixed-use development" means development with mixed land uses, including housing.

- 231 (9) "Moderate income housing" means housing occupied or reserved for occupancy by
232 households with a gross household income equal to or less than 80% of the median gross
233 income for households of the same size in the county in which the housing is located.
- 234 (10) "Moderate income housing plan" means the moderate income housing plan element of
235 a general plan.
- 236 (11) "Office" means the Governor's Office of Economic Opportunity.
- 237 (12) "Political subdivision" means any county, city, town, school district, special district,
238 special service district, community reinvestment agency, or entity created by an
239 interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act.
- 240 (13) "Public entity" means:
- 241 (a) a political subdivision;
- 242 (b) a department, commission, board, council, agency, institution, officer, corporation,
243 fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or
244 other administrative unit of the executive branch of the state;
- 245 (c) an institution of higher education as defined in Section 53H-1-101;
- 246 (d) the Military Installation Development Authority created in Section 63H-1-201;
- 247 (e) the Utah Inland Port Authority created in Section 11-58-201; or
- 248 (f) the Point of the Mountain State Land Authority created in Section 11-59-201.
- 249 (14) "Public funds" means any money received by a public entity that is derived from:
- 250 (a) a sales and use tax authorized under Title 59, Chapter 12, Sales and Use Tax Act; or
251 (b) a property tax levy.
- 252 (15) "Public infrastructure" means:
- 253 (a) a public facility, as defined in Section 11-36a-102;
- 254 (b) a system improvement, as defined in Section 11-36a-102; or
- 255 (c) infrastructure developed with public funds included as part of an infrastructure
256 master plan related to a general plan.
- 257 (16) "Retail facility" means any facility operated by a business entity for the primary
258 purpose of making retail transactions.
- 259 (17) "Retail facility incentive payment" means a payment of public funds:
- 260 (a) to a person by a public entity;
- 261 (b) for the development, construction, renovation, or operation of a retail facility within
262 an area of the state; and
- 263 (c) in the form of:
- 264 (i) a payment;

- 265 (ii) a rebate;
- 266 (iii) a refund;
- 267 (iv) a subsidy; or
- 268 (v) any other similar incentive, award, or offset.
- 269 (18) "Retail transaction" means any transaction subject to a sales and use tax under Title 59,
- 270 Chapter 12, Sales and Use Tax Act.
- 271 (19)(a) "Small business" means a business entity that:
- 272 (i) has fewer than 30 full-time equivalent employees; and
- 273 (ii) maintains the business entity's principal office in the state.
- 274 (b) "Small business" does not include:
- 275 (i) a franchisee, as defined in 16 C.F.R. Sec. 436.1;
- 276 (ii) a dealer, as defined in Section 41-1a-102; or
- 277 (iii) a subsidiary or affiliate of another business entity that is not a small business.

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

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

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

281 As used in this part:

- 282 (1) "Incentive" means a payment of public funds, funded by tax increment or personal
- 283 property tax revenue:
- 284 (a) from a political subdivision to a person;
- 285 (b) for the development, construction, renovation, operating, or citing of a large load
- 286 customer or qualifying data center within an area of the state; and
- 287 (c) in the form of:
- 288 (i) a payment, rebate, refund, subsidy, or other similar incentive, award, or offset; or
- 289 (ii) a payment of public funds for the development, construction, renovation, or
- 290 operation of public infrastructure and improvements that wholly or primarily
- 291 support a large load customer.
- 292 (2) "Large load customer" means the same as that term is defined in Section 54-26-101.
- 293 (3) "Large load data center" means a large load customer that is also a qualifying data
- 294 center.
- 295 (4) "Political subdivision" means any county, municipality, special district, special service
- 296 district, public infrastructure district, community reinvestment agency, entity created by
- 297 an interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act, or
- 298 regional economic development authority.

- 299 (5)(a) "Public infrastructure and improvements" means infrastructure, improvements,
300 facilities, or buildings that:
- 301 (i)(A) benefit the public and are owned by a public entity or a utility; or
302 (B) benefit the public and are publicly maintained or operated by a public entity; or
303 (ii) are privately owned.
- 304 (b) "Public infrastructure and improvements" includes:
- 305 (i) facilities, lines, or systems that provide:
- 306 (A) water, chilled water, or steam; or
307 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,
308 microgrids, or telecommunications service; and
- 309 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
310 facilities, rail lines, intermodal facilities, multimodal facilities, and public
311 transportation facilities.
- 312 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.
- 313 (7) "Regional economic development authority" means the same as that term is defined in
314 Section 63N-3a-101.
- 315 (8) "Tax increment" means the same as that term is defined in Section 59-2-924.
- 316 Section 4. Section **11-41-202** is enacted to read:
- 317 **11-41-202 (Effective 05/06/26). Political subdivisions prohibited from providing**
318 **incentives -- Exceptions.**
- 319 (1) Beginning on May 6, 2027, except as provided in Subsections (2) and (3), a political
320 subdivision may not provide an incentive to a large load data center.
- 321 (2)(a) A municipality or county, or agency created by a municipality or county, may
322 provide an incentive to a large load data center:
- 323 (i) only if the large load data center is located within a regionally significant
324 development zone, as described in Title 63N, Chapter 3a, Part 4, Regionally
325 Significant Zones with Energy Implications; and
- 326 (ii) with regionally significant development zone funds described in Subsection
327 63N-3a-403(5).
- 328 (b) A regional economic development authority may provide an incentive to a large load
329 data center:
- 330 (i) if the large load data center is located in a project area created by the regional
331 economic development authority;
- 332 (ii) if the regional economic development authority's project area overlaps with a

- 333 regionally significant development zone, as described in Subsection
 334 63N-3a-208(7)(b); and
 335 (iii) the incentive is funded by:
 336 (A) regionally significant development zone funds described in Section
 337 63N-3a-403 that have been shared with the regional economic development
 338 authority; or
 339 (B) the regional economic development authority's project area funds, subject to a
 340 maximum cap of 60% of property tax increment generated within the
 341 overlapping project area.
- 342 (c) A county that levies the county energy excise tax authorized in Section 59-35-201
 343 may provide up to 80% of the revenue generated by the county energy excise tax as
 344 an incentive to a large load data center.
- 345 (d) A municipality that levies the municipal energy tax authorized in Title 10, Chapter 1,
 346 Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the
 347 revenue generated by the municipal energy tax as an incentive to a large load data
 348 center.
- 349 (e) A sales and use tax exemption described in Section 59-12-104 does not constitute an
 350 incentive.
- 351 (3) A political subdivision that entered into an agreement to provide an incentive to a large
 352 load data center, or has adopted a survey area resolution in accordance with Section
 353 17C-5-103 with intent to provide an incentive to a large load data center, before May 6,
 354 2027:
 355 (a) may continue to provide the incentive according to the terms of the political
 356 subdivision's agreement;
 357 (b) may not extend the term of the agreement; and
 358 (c) may not increase the value of the incentive under the agreement.
- 359 Section 5. Section **11-58-102** is amended to read:
 360 **11-58-102 (Effective 05/06/26). Definitions.**
 361 As used in this chapter:
 362 (1) "Authority" means the Utah Inland Port Authority, created in Section 11-58-201.
 363 (2) "Authority jurisdictional land" means land within the authority boundary delineated:
 364 (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah Inland
 365 Port Authority Amendments, 2018 Second Special Session; and
 366 (b) beginning April 1, 2020, as provided in Subsection 11-58-202(3).

- 367 (3) "Base taxable value" means:
- 368 (a)(i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the
- 369 authority jurisdictional land, the taxable value of authority jurisdictional land in
- 370 calendar year 2018; and
- 371 (ii) for an area described in Section 11-58-600.7, the taxable value of that area in
- 372 calendar year 2017; or
- 373 (b) for a project area that consists of land outside the authority jurisdictional land, the
- 374 taxable value of property within any portion of a project area, as designated by board
- 375 resolution, from which the property tax differential will be collected, as shown upon
- 376 the assessment roll last equalized before the year in which the authority adopts a
- 377 project area plan for that area.
- 378 (4) "Board" means the authority's governing body, created in Section 11-58-301.
- 379 (5) "Business plan" means a plan designed to facilitate, encourage, and bring about
- 380 development of the authority jurisdictional land to achieve the goals and objectives
- 381 described in Subsection 11-58-203(1), including the development and establishment of
- 382 an inland port.
- 383 (6) "Contaminated land" means land:
- 384 (a) within a project area; and
- 385 (b) that contains hazardous materials, as defined in Section 19-6-302, hazardous
- 386 substances, as defined in Section 19-6-302, or landfill material on, in, or under the
- 387 land.
- 388 (7) "Development" means:
- 389 (a) the demolition, construction, reconstruction, modification, expansion, or
- 390 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,
- 391 recreational amenity, or other facility, including public infrastructure and
- 392 improvements; and
- 393 (b) the planning of, arranging for, or participation in any of the activities listed in
- 394 Subsection (7)(a).
- 395 (8) "Development project" means a project for the development of land within a project
- 396 area.
- 397 (9) "Distribution center" means a building that is:
- 398 (a) used for the storage, sorting, and distribution of goods intended for sale; and
- 399 (b) not associated with or operated in conjunction with an adjacent manufacturing
- 400 facility.

- 401 (10) "Inland port" means one or more sites that:
- 402 (a) contain multimodal facilities, intermodal facilities, or other facilities that:
- 403 (i) are related but may be separately owned and managed; and
- 404 (ii) together are intended to:
- 405 (A) allow global trade to be processed and altered by value-added services as
- 406 goods move through the supply chain;
- 407 (B) provide a regional merging point for transportation modes for the distribution
- 408 of goods to and from ports and other locations in other regions;
- 409 (C) provide cargo-handling services to allow freight consolidation and
- 410 distribution, temporary storage, customs clearance, and connection between
- 411 transport modes; and
- 412 (D) provide international logistics and distribution services, including freight
- 413 forwarding, customs brokerage, integrated logistics, and information systems;
- 414 and
- 415 (b) may include a satellite customs clearance terminal, an intermodal facility, a customs
- 416 pre-clearance for international trade, or other facilities that facilitate, encourage, and
- 417 enhance regional, national, and international trade.
- 418 (11) "Inland port use" means a use of land:
- 419 (a) for an inland port;
- 420 (b) that directly implements or furthers the purposes of an inland port, as stated in
- 421 Subsection (10);
- 422 (c) that complements or supports the purposes of an inland port, as stated in Subsection
- 423 (10); or
- 424 (d) that depends upon the presence of the inland port for the viability of the use.
- 425 (12) "Intermodal facility" means a facility for transferring containerized cargo between rail,
- 426 truck, air, or other transportation modes.
- 427 (13) "Landfill material" means garbage, waste, debris, or other materials disposed of or
- 428 placed in a landfill.
- 429 (14) "Multimodal facility" means a hub or other facility for trade combining any
- 430 combination of rail, trucking, air cargo, and other transportation services.
- 431 (15) "Nonvoting member" means an individual appointed as a member of the board under
- 432 Subsection 11-58-302(3) who does not have the power to vote on matters of authority
- 433 business.
- 434 (16) "Project area" means:

- 435 (a) the authority jurisdictional land, subject to Section 11-58-605; or
436 (b) land outside the authority jurisdictional land, whether consisting of a single
437 contiguous area or multiple noncontiguous areas, described in a project area plan or
438 draft project area plan, where the development project set forth in the project area
439 plan or draft project area plan takes place or is proposed to take place.
- 440 (17) "Project area budget" means a multiyear projection of annual or cumulative revenues
441 and expenses and other fiscal matters pertaining to the project area.
- 442 (18) "Project area plan" means a written plan that, after its effective date, guides and
443 controls the development within a project area.
- 444 (19) "Property tax" includes a privilege tax and each levy on an ad valorem basis on
445 tangible or intangible personal or real property.
- 446 (20) "Property tax differential":
- 447 (a) means the difference between:
- 448 (i) the amount of property tax revenues generated each tax year by all taxing entities
449 from a project area, using the current assessed value of the property; and
450 (ii) the amount of property tax revenues that would be generated from that same area
451 using the base taxable value of the property; and
- 452 (b) does not include property tax revenue from:
- 453 (i) a county additional property tax or multicounty assessing and collecting levy
454 imposed in accordance with Section 59-2-1602;
- 455 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;
456 or
- 457 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
458 obligation bond.
- 459 (21) "Public entity" means:
- 460 (a) the state, including each department, division, or other agency of the state; or
461 (b) a county, city, town, school district, special district, special service district, interlocal
462 cooperation entity, community reinvestment agency, or other political subdivision of
463 the state, including the authority.
- 464 (22)(a) "Public infrastructure and improvements" means infrastructure, improvements,
465 facilities, or buildings that:
- 466 (i)(A) benefit the public and are owned by a public entity or a utility; or
467 (B) benefit the public and are publicly maintained or operated by a public entity; or
468 (ii)(A) are privately owned;

- 469 (B) benefit the public;
- 470 (C) as determined by the board, provide a substantial benefit to the development
471 and operation of a project area; and
- 472 (D) are built according to applicable county or municipal design and safety
473 standards.
- 474 (b) "Public infrastructure and improvements" includes:
- 475 (i) facilities, lines, or systems that provide:
- 476 (A) water, chilled water, or steam; or
- 477 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,
478 microgrids, or telecommunications service;
- 479 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
480 facilities, rail lines, intermodal facilities, multimodal facilities, and public
481 transportation facilities;
- 482 (iii) an inland port; and
- 483 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of
484 a remediation project.
- 485 (23) "Reinvestment account" means the State Reinvestment Restricted Account created in
486 Section 51-9-1002.
- 487 ~~(24)~~ (25) "Remediation" includes:
- 488 (a) activities for the cleanup, rehabilitation, and development of contaminated land; and
- 489 (b) acquiring an interest in land within a remediation project area.
- 490 ~~[(24)]~~ (25) "Remediation differential" means property tax differential generated from a
491 remediation project area.
- 492 ~~[(25)]~~ (26) "Remediation project" means a project for the remediation of contaminated land
493 that:
- 494 (a) is owned by:
- 495 (i) the state or a department, division, or other instrumentality of the state;
- 496 (ii) an independent entity, as defined in Section 63E-1-102; or
- 497 (iii) a political subdivision of the state; and
- 498 (b) became contaminated land before the owner described in Subsection ~~[(24)(a)]~~ (26)(a)
499 obtained ownership of the land.
- 500 ~~[(26)]~~ (27) "Remediation project area" means a project area consisting of contaminated land
501 that is or is expected to become the subject of a remediation project.
- 502 ~~[(27)]~~ (28) "Shapefile" means the digital vector storage format for storing geometric

503 location and associated attribute information.

504 [~~(28)~~] (29) "Taxable value" means the value of property as shown on the last equalized
505 assessment roll.

506 [~~(29)~~] (30) "Taxing entity":

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

508 (b) does not include a public infrastructure district that the authority creates under Title
509 17D, Chapter 4, Public Infrastructure District Act.

510 [~~(30)~~] (31) "Voting member" means an individual appointed or designated as a member of
511 the board under Subsection 11-58-302(2).

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

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

515 (1)(a) The authority may use money from property tax differential, money the authority
516 receives from the state, money the authority receives under Subsection
517 59-12-205(2)(a)(ii)(C), and other money available to the authority:

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

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

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

524 (iv) to pay the cost of the installation and construction of public infrastructure and
525 improvements within the project area from which the property tax differential
526 funds were collected;

527 (v) to pay the cost of the installation of public infrastructure and improvements
528 outside a project area if the board determines by resolution that the infrastructure
529 and improvements are of benefit to the project area;

530 (vi) to pay to a community reinvestment agency for affordable housing, as provided
531 in Subsection 11-58-606(2);

532 (vii) to pay the principal and interest on bonds issued by the authority;

533 (viii) to pay the cost of acquiring land or an easement on land that is part of or
534 adjacent to authority jurisdictional land:

535 (A) for the perpetual preservation of the land from development; and

536 (B) to provide a buffer area between authority jurisdictional land intended for

537 development and land outside the boundary of the authority jurisdictional land;
538 and

539 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development
540 that:

541 (A) mitigates noise, air pollution, light pollution, surface and groundwater
542 pollution, and other negative environmental impacts;

543 (B) mitigates traffic congestion; or

544 (C) uses high efficiency building construction and operation.

545 (b)(i)(A) The authority shall establish minimum mitigation and environmental
546 standards that a landowner is required to meet to qualify for the use of property
547 tax differential under Subsection (1)(a)(ix) in the landowner's development.

548 (B) Minimum mitigation and environmental standards established under
549 Subsection (1)(b)(i)(A) shall include a standard prohibiting the use of property
550 tax differential as a business recruitment incentive, as defined in Section
551 11-58-603, for new commercial or industrial development or an expansion of
552 existing commercial or industrial development within the authority
553 jurisdictional land if the new or expanded development will consume on an
554 annual basis more than 200,000 gallons of potable water per day.

555 (ii) In establishing minimum mitigation and environmental standards, the authority
556 shall consult with:

557 (A) the municipality in which the development is expected to occur, for
558 development expected to occur within a municipality; or

559 (B) the county in whose unincorporated area the development is expected to
560 occur, for development expected to occur within the unincorporated area of a
561 county.

562 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)
563 for a landowner's development in a project area unless the minimum mitigation
564 and environmental standards are followed with respect to that landowner's
565 development.

566 (2) The authority may use revenue generated from the operation of public infrastructure
567 operated by the authority or improvements, including an intermodal facility, operated by
568 the authority to:

569 (a) operate and maintain the infrastructure or improvements; and

570 (b) pay for authority operating expenses, including administrative, overhead, and legal

571 expenses.

572 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the
573 project area is final.

574 (4) ~~[The]~~ Subject to Subsection (7), the authority may not use property tax differential
575 revenue collected from one project area for a development project within another project
576 area.

577 (5)(a) The authority may use up to 10% of the general differential revenue generated
578 from a project area to pay for affordable housing within or near the project area.

579 (b) In using general differential revenue described in Subsection (5)(a), the authority
580 may provide general differential revenue generated from a project area to a non-profit
581 housing fund, as defined in Section 17C-1-102:

582 (i) for that non-profit housing fund to assist low-income individuals and families who
583 would qualify for income targeted housing to achieve homeownership, or retain
584 homeownership, within a 15 mile radius of the project area that generated the
585 general differential revenue, in accordance with the mission of the non-profit
586 housing fund; and

587 (ii) pursuant to an agreement between the non-profit housing fund and the authority
588 governing appropriate uses of general differential revenue.

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

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

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

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

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

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

604 (1)(a) Whenever a private entity's real estate development is supported by funding from

605 the authority, authority staff may negotiate and enter into a revenue sharing
 606 agreement with the private entity.

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

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

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

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

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

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

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

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

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

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

628 (a) before January 1, 2028; and

629 (b) as described in this section.

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

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

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

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

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

- 639 (i) the recommendation of the county planning commission; and
640 (ii) the notification requirements described in Section 17-80-503.
- 641 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership
642 promotion zone created in accordance with this section meets the objectives and
643 requirements of Section 17-80-502.
- 644 (c) The home ownership promotion zone is created on the effective date of the resolution
645 described in Subsection (3)(a).
- 646 (4) If a home ownership promotion zone is created as described in this section:
- 647 (a) affected local taxing entities are required to participate according to the requirements
648 of the home ownership promotion zone established by the county; and
649 (b) each affected taxing entity is required to participate at the same rate.
- 650 (5) A home ownership promotion zone may be modified by the same manner it is created as
651 described in Subsection (3).
- 652 (6) Within 30 days after the day on which the county creates the home ownership
653 promotion zone as described in Subsection (3), the county shall:
- 654 (a) record with the recorder a document containing:
- 655 (i) a description of the land within the home ownership promotion zone; and
656 (ii) the date of creation of the home ownership promotion zone;
- 657 (b) transmit a copy of the description of the land within the home ownership promotion
658 zone and an accurate map or plat indicating the boundaries of the home ownership
659 promotion zone to the Utah Geospatial Resource Center created under Section
660 63A-16-505; and
- 661 (c) transmit a map and description of the land within the home ownership promotion
662 zone to:
- 663 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
664 part of the home ownership promotion zone is located;
- 665 (ii) the officer or officers performing the function of auditor or assessor for each
666 taxing entity that does not use the county assessment roll or collect the taxing
667 entity's taxes through the county;
- 668 (iii) the legislative body or governing board of each taxing entity impacted by the
669 home ownership promotion zone;
- 670 (iv) the tax commission; and
671 (v) the State Board of Education.
- 672 (7) A county may receive tax increment and use home ownership promotion zone funds as

673 described in Section 17-80-504.

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

676 Section 9. Section **17B-2a-1302** is amended to read:

677 **17B-2a-1302 (Effective 05/06/26). Provisions applicable to infrastructure**
678 **financing district -- Exceptions -- Conflicting provisions -- Contract for administrative**
679 **services.**

680 (1) An infrastructure financing district is governed by and has the powers stated in:

681 (a) this part; and

682 (b) Chapter 1, Provisions Applicable to All Special Districts, except as provided in [
683 ~~Subsection (1)(b)] Subsection (5).~~

684 (2)(a) Notwithstanding Subsection 17B-1-103(2)(f) and except as provided in
685 Subsection (2)(b), an infrastructure financing district may issue bonds only as
686 provided in Title 11, Chapter 42, Assessment Area Act, subject to Subsection [(2)(b)]
687 (2)(c), and Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.

688 (b) If an infrastructure financing district is created to facilitate a regionally significant
689 development zone, as described in Title 17C, Chapter 6, Regionally Significant
690 Development Zone Act, the infrastructure financing district may issue negotiable
691 bonds in accordance with Title 11, Chapter 14, Local Government Bonding Act, to
692 pay all or part of the costs of acquiring, acquiring an interest in, improving, or
693 extending any of the improvements, facilities, or property allowed under Section
694 11-14-103.

695 [(b)] (c) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act,
696 apply to the use of funds from an assessment or an assessment bond for infrastructure
697 operation and maintenance costs or for the cost of conducting economic promotion
698 activities, those provisions do not apply to an infrastructure financing district.

699 [(e)] (d) Before a county or municipality's final inspection required for the issuance of a
700 certificate of occupancy for a residential unit that is subject to an assessment levied
701 by an infrastructure financing district under Title 11, Chapter 42, Assessment Area
702 Act, the infrastructure financing district shall ensure that the assessment allocable to
703 that unit is paid in full and that any assessment lien on that unit is satisfied and
704 released.

705 (3) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district may
706 not exercise the power of eminent domain.

- 707 (4) This part applies only to an infrastructure financing district.
- 708 (5) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All
709 Special Districts, and a provision in this part, the provision in this part governs.
- 710 (6) An infrastructure financing district may contract with another governmental entity for
711 the other governmental entity to provide administrative services to the infrastructure
712 financing district.

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

714 **17C-1-102 (Effective 05/06/26). Definitions.**

715 As used in this title:

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

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

- 775 operations; or
- 776 (d) for a community development project area plan or a community reinvestment project
777 area plan that is subject to an interlocal agreement, as described in the interlocal
778 agreement.
- 779 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum
780 basic levy under Section 59-2-902.
- 781 (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.
- 782 (12) "Budget hearing" means the public hearing on a proposed project area budget required
783 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection
784 17C-3-201(2)(d) for an economic development project area budget, or Subsection
785 17C-5-302(2)(e) for a community reinvestment project area budget.
- 786 (13) "Closed military base" means land within a former military base that the Defense Base
787 Closure and Realignment Commission has voted to close or realign when that action has
788 been sustained by the president of the United States and Congress.
- 789 (14) "Combined incremental value" means the combined total of all incremental values
790 from all project areas, except project areas that contain some or all of a military
791 installation or inactive industrial site, within the agency's boundaries under project area
792 plans and project area budgets at the time that a project area budget for a new project
793 area is being considered.
- 794 (15) "Community" means a county or municipality.
- 795 (16) "Community development project area plan" means a project area plan adopted under
796 Chapter 4, Part 1, Community Development Project Area Plan.
- 797 (17) "Community legislative body" means the legislative body of the community that
798 created the agency.
- 799 (18) "Community reinvestment project area plan" means a project area plan adopted under
800 Chapter 5, Part 1, Community Reinvestment Project Area Plan.
- 801 (19) "Contest" means to file a written complaint in a court with jurisdiction under Title
802 78A, Judiciary and Judicial Administration, and in a county in which the agency is
803 located if the action is filed in the district court.
- 804 (20) "Development impediment" means a condition of an area that meets the requirements
805 described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405
806 for a community reinvestment project area.
- 807 (21) "Development impediment hearing" means a public hearing regarding whether a
808 development impediment exists within a proposed:

- 809 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section
810 17C-2-302; or
- 811 (b) community reinvestment project area under Section 17C-5-404.
- 812 (22) "Development impediment study" means a study to determine whether a development
813 impediment exists within a survey area as described in Section 17C-2-301 for an urban
814 renewal project area or Section 17C-5-403 for a community reinvestment project area.
- 815 (23) "Economic development project area plan" means a project area plan adopted under
816 Chapter 3, Part 1, Economic Development Project Area Plan.
- 817 (24) "Fair share ratio" means the ratio derived by:
- 818 (a) for a municipality, comparing the percentage of all housing units within the
819 municipality that are publicly subsidized income targeted housing units to the
820 percentage of all housing units within the county in which the municipality is located
821 that are publicly subsidized income targeted housing units; or
- 822 (b) for the unincorporated part of a county, comparing the percentage of all housing
823 units within the unincorporated county that are publicly subsidized income targeted
824 housing units to the percentage of all housing units within the whole county that are
825 publicly subsidized income targeted housing units.
- 826 (25) "Family" means the same as that term is defined in regulations of the United States
827 Department of Housing and Urban Development, 24 C.F.R. [~~Section~~] Sec. 5.403, as
828 amended or as superseded by replacement regulations.
- 829 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.
- 830 (27) "Hazardous waste" means any substance defined, regulated, or listed as a hazardous
831 substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or
832 toxic substance, or identified as hazardous to human health or the environment, under
833 state or federal law or regulation.
- 834 (28) "Housing allocation" means project area funds allocated for housing under Section
835 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.
- 836 (29) "Housing fund" means a fund created by an agency for purposes described in Section
837 17C-1-411 or 17C-1-412 that is comprised of:
- 838 (a) project area funds, project area incremental revenue as defined in Section 17C-1-1001,
839 or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes
840 described in Section 17C-1-411; or
- 841 (b) an agency's housing allocation.
- 842 (30)(a) "Inactive airport site" means land that:

- 843 (i) consists of at least 100 acres;
- 844 (ii) is occupied by an airport:
- 845 (A)(I) that is no longer in operation as an airport; or
- 846 (II)(Aa) that is scheduled to be decommissioned; and
- 847 (Bb) for which a replacement commercial service airport is under
- 848 construction; and
- 849 (B) that is owned or was formerly owned and operated by a public entity; and
- 850 (iii) requires remediation because:
- 851 (A) of the presence of hazardous waste or solid waste; or
- 852 (B) the site lacks sufficient public infrastructure and facilities, including public
- 853 roads, electric service, water system, and sewer system, needed to support
- 854 development of the site.
- 855 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
- 856 described in Subsection (30)(a).
- 857 (31)(a) "Inactive industrial site" means land that:
- 858 (i) consists of at least 1,000 acres;
- 859 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
- 860 facility; and
- 861 (iii) requires remediation because of the presence of hazardous waste or solid waste.
- 862 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
- 863 described in Subsection (31)(a).
- 864 (32) "Income targeted housing" means housing that is:
- 865 (a) owned and occupied by a family whose annual income is at or below 120% of the
- 866 median annual income for a family within the county in which the housing is located;
- 867 or
- 868 (b) occupied by a family whose annual income is at or below 80% of the median annual
- 869 income for a family within the county in which the housing is located.
- 870 (33) "Incremental value" means a figure derived by multiplying the marginal value of the
- 871 property located within a project area on which tax increment is collected by a number
- 872 that represents the adjusted tax increment from that project area that is paid to the
- 873 agency.
- 874 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established
- 875 under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- 876 (35)(a) "Local government building" means a building owned and operated by a

- 877 community for the primary purpose of providing one or more primary community
878 functions, including:
- 879 (i) a fire station;
 - 880 (ii) a police station;
 - 881 (iii) a city hall; or
 - 882 (iv) a court or other judicial building.
- 883 (b) "Local government building" does not include a building the primary purpose of
884 which is cultural or recreational in nature.
- 885 (36) "Low-income individual" means the same as that term is defined in Section
886 35A-8-504.5.
- 887 (37) "Major transit investment corridor" means the same as that term is defined in Section
888 10-20-102.
- 889 (38) "Marginal value" means the difference between actual taxable value and base taxable
890 value.
- 891 (39) "Military installation project area" means a project area or a portion of a project area
892 located within a federal military installation ordered closed by the federal Defense Base
893 Realignment and Closure Commission.
- 894 (40) "Municipality" means a city or town.
- 895 (41) "Non-profit housing fund" means:
- 896 (a) an organization that meets the definition of "housing organization" in Section
897 35A-8-2401;
 - 898 (b) a registered nonprofit that assists veterans or individuals who work in public service
899 to achieve homeownership in the state;
 - 900 (c) a registered nonprofit that:
 - 901 (i) assists low-income individuals or families who would qualify for income targeted
902 housing to achieve homeownership in the state; and
 - 903 (ii) provides direct support to help a low-income individual or a family eligible for
904 income targeted housing to retain ownership of a home, including through
905 rehabilitation services, lending for rehabilitation, or foreclosure mitigation
906 counseling that results in retention of the home, refinancing, or a reverse mortgage;
 - 907 (d) a registered nonprofit that partners with a community to promote affordable housing
908 for the workforce in that community; or
 - 909 (e) a registered nonprofit established to administer housing programs on behalf of an
910 association representing 10 or more counties in the state.

- 911 (42) "Participant" means one or more persons that enter into a participation agreement with
912 an agency.
- 913 (43) "Participation agreement" means a written agreement between a person and an agency
914 under Subsection 17C-1-202(5).
- 915 (44) "Plan hearing" means the public hearing on a proposed project area plan required
916 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
917 17C-3-102(1)(d) for an economic development project area plan, Subsection
918 17C-4-102(1)(d) for a community development project area plan, or Subsection
919 17C-5-104(3)(e) for a community reinvestment project area plan.
- 920 (45) "Post-June 30, 1993, project area plan" means a project area plan adopted on or after
921 July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the
922 project area plan's adoption.
- 923 (46) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1,
924 1993, whether or not amended subsequent to the project area plan's adoption.
- 925 (47) "Private," with respect to real property, means property not owned by a public entity or
926 any other governmental entity.
- 927 (48) "Project area" means the geographic area described in a project area plan within which
928 the project area development described in the project area plan takes place or is
929 proposed to take place.
- 930 (49) "Project area budget" means a multiyear projection of annual or cumulative revenues
931 and expenses and other fiscal matters pertaining to a project area prepared in accordance
932 with:
- 933 (a) for an urban renewal project area, Section 17C-2-201;
934 (b) for an economic development project area, Section 17C-3-201;
935 (c) for a community development project area, Section 17C-4-204; or
936 (d) for a community reinvestment project area, Section 17C-5-302.
- 937 (50) "Project area development" means activity within a project area that, as determined by
938 the board, encourages, promotes, or provides development or redevelopment for the
939 purpose of implementing a project area plan, including:
- 940 (a) promoting, creating, or retaining public or private jobs within the state or a
941 community;
942 (b) providing office, manufacturing, warehousing, distribution, parking, or other
943 facilities or improvements;
944 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or

- 945 remediate environmental issues;
- 946 (d) providing residential, commercial, industrial, public, or other structures or spaces,
947 including recreational and other facilities incidental or appurtenant to the structures
948 or spaces;
- 949 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
950 existing structures;
- 951 (f) providing open space, including streets or other public grounds or space around
952 buildings;
- 953 (g) providing public or private buildings, infrastructure, structures, or improvements;
- 954 (h) relocating a business;
- 955 (i) improving public or private recreation areas or other public grounds;
- 956 (j) eliminating a development impediment or the causes of a development impediment;
- 957 (k) redevelopment as defined under the law in effect before May 1, 2006; or
- 958 (l) any activity described in this Subsection (50) outside of a project area that the board
959 determines to be a benefit to the project area.
- 960 (51) "Project area funds" means tax increment or sales and use tax revenue that an agency
961 receives under a project area budget adopted by a taxing entity committee or an
962 interlocal agreement.
- 963 (52) "Project area funds collection period" means the period of time that:
- 964 (a) begins the day on which the first payment of project area funds is distributed to an
965 agency under a project area budget approved by a taxing entity committee or an
966 interlocal agreement; and
- 967 (b) ends the day on which the last payment of project area funds is distributed to an
968 agency under a project area budget approved by a taxing entity committee or an
969 interlocal agreement.
- 970 (53) "Project area plan" means an urban renewal project area plan, an economic
971 development project area plan, a community development project area plan, or a
972 community reinvestment project area plan that, after the project area plan's effective
973 date, guides and controls the project area development.
- 974 (54)(a) "Property tax" means each levy on an ad valorem basis on tangible or intangible
975 personal or real property.
- 976 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
977 Tax.
- 978 (55) "Public entity" means:

- 979 (a) the United States, including an agency of the United States;
- 980 (b) the state, including any of the state's departments or agencies; or
- 981 (c) a political subdivision of the state, including a county, municipality, school district,
- 982 special district, special service district, community reinvestment agency, or interlocal
- 983 cooperation entity.
- 984 (56) "Publicly owned infrastructure and improvements" means water, sewer, storm
- 985 drainage, electrical, natural gas, telecommunication, or other similar systems and lines,
- 986 streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation
- 987 facilities, or other facilities, infrastructure, and improvements benefitting the public and
- 988 to be publicly owned or publicly maintained or operated.
- 989 (57) "Record property owner" or "record owner of property" means the owner of real
- 990 property, as shown on the records of the county in which the property is located, to
- 991 whom the property's tax notice is sent.
- 992 (58) "Sales and use tax revenue" means revenue that is:
- 993 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act; and
- 994 (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.
- 995 (59) "Superfund site":
- 996 (a) means an area included in the National Priorities List under the Comprehensive
- 997 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec.
- 998 9605; and
- 999 (b) includes an area formerly included in the National Priorities List, as described in
- 1000 Subsection (59)(a), but removed from the list following remediation that leaves on
- 1001 site the waste that caused the area to be included in the National Priorities List.
- 1002 (60) "Survey area" means a geographic area designated for study by a survey area
- 1003 resolution to determine whether:
- 1004 (a) one or more project areas within the survey area are feasible; or
- 1005 (b) a development impediment exists within the survey area.
- 1006 (61) "Survey area resolution" means a resolution adopted by a board that designates a
- 1007 survey area.
- 1008 (62) "Taxable value" means:
- 1009 (a) the taxable value of all real property a county assessor assesses in accordance with
- 1010 Title 59, Chapter 2, Part 3, County Assessment, for the current year;
- 1011 (b) the taxable value of all real and personal property the commission assesses in
- 1012 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current

- 1013 year; and
- 1014 (c) the year end taxable value of all personal property a county assessor assesses in
1015 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the
1016 prior year's tax rolls of the taxing entity.
- 1017 (63)(a) "Tax increment" means the difference between:
- 1018 (i) the amount of property tax revenue generated each tax year by a taxing entity from
1019 the area within a project area designated in the project area plan as the area from
1020 which tax increment is to be collected, using the current assessed value of the
1021 property and each taxing entity's current certified tax rate as defined in Section
1022 59-2-924; and
- 1023 (ii) the amount of property tax revenue that would be generated from that same area
1024 using the base taxable value of the property and each taxing entity's current
1025 certified tax rate as defined in Section 59-2-924.
- 1026 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-1602
1027 on or after January 1, 1994, upon the taxable property in the project area unless:
- 1028 (i) the project area plan was adopted before May 4, 1993, whether or not the project
1029 area plan was subsequently amended; and
- 1030 (ii) the taxes were pledged to support bond indebtedness or other contractual
1031 obligations of the agency.
- 1032 (64) "Taxing entity" means a public entity that:
- 1033 (a) levies a tax on property located within a project area; or
- 1034 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- 1035 (65) "Taxing entity committee" means a committee representing the interests of taxing
1036 entities, created in accordance with Section 17C-1-402.
- 1037 (66) "Unincorporated" means not within a municipality.
- 1038 (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2,
1039 Part 1, Urban Renewal Project Area Plan.
- 1040 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.
- 1041 Section 11. Section **17C-1-409** is amended to read:
- 1042 **17C-1-409 (Effective 05/06/26). Allowable uses of agency funds.**
- 1043 (1)(a) An agency may use agency funds:
- 1044 (i) for any purpose authorized under this title;
- 1045 (ii) for administrative, overhead, legal, or other operating expenses of the agency,
1046 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B)

- 1047 or funding for a business resource center;
- 1048 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all
- 1049 or part of:
- 1050 (A) project area development in a project area, including environmental
- 1051 remediation activities occurring before or after adoption of the project area
- 1052 plan;
- 1053 (B) housing-related expenditures, projects, or programs as described in Section
- 1054 17C-1-411 or 17C-1-412;
- 1055 (C) an incentive or other consideration paid to a participant under a participation
- 1056 agreement, subject to Subsection (6);
- 1057 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of
- 1058 the installation and construction of any publicly owned building, facility,
- 1059 structure, landscaping, or other improvement within the project area from
- 1060 which the project area funds are collected; or
- 1061 (E) the cost of the installation of publicly owned infrastructure and improvements
- 1062 outside the project area from which the project area funds are collected if the
- 1063 board and the community legislative body determine by resolution that the
- 1064 publicly owned infrastructure and improvements benefit the project area;
- 1065 (iv) in an urban renewal project area that includes some or all of an inactive industrial
- 1066 site and subject to Subsection (1)(e), to reimburse the Department of
- 1067 Transportation created under Section 72-1-201, or a public transit district created
- 1068 under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:
- 1069 (A) construction of a public road, bridge, or overpass;
- 1070 (B) relocation of a railroad track within the urban renewal project area; or
- 1071 (C) relocation of a railroad facility within the urban renewal project area;
- 1072 (v) subject to Subsection (5), to transfer funds to a community that created the
- 1073 agency; or
- 1074 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,
- 1075 Agency Taxing Authority.
- 1076 (b) The determination of the board and the community legislative body under Subsection
- 1077 (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
- 1078 (c) An agency may not use project area funds received from a taxing entity for the
- 1079 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan,
- 1080 an economic development project area plan, or a community reinvestment project

- 1081 area plan without the community legislative body's consent.
- 1082 (d)(i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
1083 project area fund to another project area fund if:
- 1084 (A) the board approves; and
1085 (B) the community legislative body approves.
- 1086 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
1087 projections for agency funds are sufficient to repay the loan amount.
- 1088 (iii) A loan described in this Subsection (1)(d) is not subject to Title 10, Chapter 5,
1089 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform
1090 Fiscal Procedures Act for Utah Cities, Title 17, Chapter 63, Fiscal Authority and
1091 Processes, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts.
- 1092 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
1093 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of
1094 the reimbursement with:
- 1095 (i) the Department of Transportation; or
1096 (ii) a public transit district.
- 1097 (f) Before an agency may use project area funds for agency-wide project development,
1098 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing
1099 entity committee or each taxing entity party to an interlocal agreement with the
1100 agency.
- 1101 (2)(a) Sales and use tax revenue that an agency receives from a taxing entity is not
1102 subject to the prohibition or limitations of [~~Title 11, Chapter 41, Prohibition on Retail~~
1103 ~~Facility Incentive Payments Act]~~ Title 11, Chapter 41, Part 1, Prohibition on Retail
1104 Facility Incentive Payments Act.
- 1105 (b) An agency may use sales and use tax revenue that the agency receives under an
1106 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized
1107 in the interlocal agreement.
- 1108 (3)(a) An agency may contract with the community that created the agency or another
1109 public entity to use agency funds to reimburse the cost of items authorized by this
1110 title to be paid by the agency that are paid by the community or other public entity.
- 1111 (b) If land is acquired or the cost of an improvement is paid by another public entity and
1112 the land or improvement is leased to the community, an agency may contract with
1113 and make reimbursement from agency funds to the community.
- 1114 (4) Notwithstanding any other provision of this title, an agency may not use project area

1115 funds, project area incremental revenue as defined in Section 17C-1-1001, or property
1116 tax revenue as defined in Section 17C-1-1001, to construct a local government building
1117 unless the taxing entity committee or each taxing entity party to an interlocal agreement
1118 with the agency consents.

1119 (5) For the purpose of offsetting the community's annual local contribution to the Homeless
1120 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a
1121 calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and
1122 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as
1123 defined in Subsection 59-12-205(5).

1124 (6)(a) Before providing tax increment funding to a private participant pursuant to a
1125 participation agreement, an agency shall consult with the county treasurer of the
1126 county in which the agency operates to determine if:

- 1127 (i) the private participant is delinquent on property tax;
- 1128 (ii) the private participant is delinquent on privilege tax; or
- 1129 (iii) the private participant is subject to a political subdivision lien for past due fees or
1130 charges.

1131 (b) If the county treasurer, in consultation with the agency, determines a participant is
1132 delinquent on property tax or privilege tax or subject to a political subdivision lien,
1133 the agency shall confirm whether the participation agreement between the agency and
1134 private participant includes a provision described in Subsection 17C-1-202(5)(d).

1135 (c) If authorized by the agency pursuant to a participation agreement, the county
1136 treasurer of the county in which the agency operates may provide tax increment
1137 funding that would otherwise be provided directly to the agency to provide to the
1138 private participant to:

- 1139 (i) the county, in the amount the private entity is delinquent for property tax or
1140 privilege tax; and
- 1141 (ii) the political subdivision holding the political subdivision lien, in the amount
1142 necessary to resolve the political subdivision lien.

1143 Section 12. Section **17C-1-603** is amended to read:

1144 **17C-1-603 (Effective 05/06/26). Reporting requirements -- Governor's Office of**
1145 **Economic Opportunity to maintain a database.**

1146 (1) As used in this section:

- 1147 (a) "Database" means the collection of electronic data described in Subsection (2)(a).
- 1148 (b) "Office" means the Governor's Office of Economic Opportunity.

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

- 1183 was created, if available;
- 1184 (ii)(A) the agency's historical receipts and expenditures of project area funds,
1185 including the tax year for which the agency first received project area funds
1186 from the project area; or
- 1187 (B) if the agency has not yet received project area funds from the project area, the
1188 year in which the agency expects each project area funds collection period to
1189 begin;
- 1190 (iii) a list of each taxing entity that levies or imposes a tax within the project area and
1191 a description of the benefits that each taxing entity receives from the project area;
1192 and
- 1193 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
- 1194 (c) a description of current and anticipated project area development, including:
- 1195 (i) a narrative of any significant project area development, including infrastructure
1196 development, site development, participation agreements, or vertical construction;
1197 and
- 1198 (ii) other details of development within the project area, including:
- 1199 (A) the total developed acreage;
1200 (B) the total undeveloped acreage;
1201 (C) the percentage of residential development; and
1202 (D) the total number of housing units authorized, if applicable;
- 1203 (d) the project area budget, if applicable, or other project area funds analyses, with
1204 receipts and expenditures categorized by the type of receipt and expenditure related
1205 to the development performed or to be performed under the project area plan,
1206 including:
- 1207 (i) each project area funds collection period, including:
- 1208 (A) the start and end date of the project area funds collection period; and
1209 (B) the number of years remaining in each project area funds collection period;
- 1210 (ii) the amount of project area funds the agency is authorized to receive from the
1211 project area cumulatively and from each taxing entity, including:
- 1212 (A) the total dollar amount; and
1213 (B) the percentage of the total amount of project area funds generated within the
1214 project area;
- 1215 (iii) the remaining amount of project area funds the agency is authorized to receive
1216 from the project area cumulatively and from each taxing entity; and

- 1217 (iv) the amount of project area funds the agency is authorized to use to pay for the
1218 agency's administrative costs, as described in Subsection 17C-1-409(1), including:
1219 (A) the total dollar amount; and
1220 (B) the percentage of the total amount of all project area funds;
- 1221 (e) the estimated amount of project area funds that the agency is authorized to receive
1222 from the project area for the current calendar year;
- 1223 (f) the estimated amount of project area funds to be paid to the agency for the next
1224 calendar year;
- 1225 (g) a map of the project area;
- 1226 (h) a description of how the goals, policies, and purposes of the project area plan have
1227 been furthered during the preceding year; and
- 1228 (i) any other relevant information the agency elects to provide.
- 1229 (5) An agency with no active project area shall, no later than June 30 of each year until the
1230 agency is dissolved under Section 17C-1-701.5, submit a report to the office stating that
1231 the agency has no active project area.
- 1232 (6) Any information an agency submits in accordance with this section:
- 1233 (a) is for informational purposes only; and
- 1234 (b) does not alter the amount of project area funds that an agency is authorized to receive
1235 from a project area.
- 1236 (7) The provisions of this section apply regardless of when the agency or project area is
1237 created.
- 1238 (8) On or before September 1 of each year, the office shall prepare and submit an annual
1239 written report to the Political Subdivisions Interim Committee that identifies the
1240 agencies that complied and the agencies that failed to comply with the reporting
1241 requirements of this section during the preceding reporting period.
- 1242 (9)(a) If, by September 30 of the year the information is due, the office does not receive
1243 the information that an agency is required to submit under Subsection (4), the office
1244 shall:
- 1245 (i) refer the noncompliant agency to the state auditor for review; and
- 1246 (ii) post a notice on the office website identifying the noncompliant agency and
1247 describing the agency's noncompliance.
- 1248 (b) If the office does not receive a report an agency is required to submit under
1249 Subsection (5), the office shall refer the noncompliant agency to the state auditor for
1250 review.

- 1251 (c) If, for two consecutive years, the office does not receive information an agency is
 1252 required to submit under Subsection (4):
- 1253 (i) the office shall, no later than July 31 of the second consecutive year, notify the
 1254 auditor and treasurer of the county in which the noncompliant agency is located of
 1255 the agency's noncompliance; and
- 1256 (ii) upon receiving the notice described in Subsection (9)(c)(i), the county treasurer
 1257 shall withhold from the agency 20% of the amount of tax increment the agency is
 1258 otherwise entitled to receive.
- 1259 (d) If, after having funds withheld under Subsection (9)(c)(ii), an agency complies with
 1260 Subsection (4):
- 1261 (i) the office shall notify the county auditor and treasurer that the agency has
 1262 complied with the requirement of Subsection (4); and
- 1263 (ii) the county treasurer shall disburse the withheld funds to the agency.

1264 Section 13. Section **17C-6-101** is enacted to read:

1265 **CHAPTER 6. Regionally Significant Development Zones Act**

1266 **Part 1. General Provisions**

1267 **17C-6-101 (Effective 05/06/26). Definitions.**

1268 As used in this chapter:

- 1269 (1) "Creating entity" means the political subdivision that proposes and receives approval for
 1270 the creation of a zone under Title 63N, Chapter 3a, Part 2, Creation of Regionally
 1271 Significant Development Zones.
- 1272 (2) "Enhanced development" means the same as that term is defined in Section 63N-3a-101.
- 1273 (3) "Financing district" means:
- 1274 (a) an infrastructure financing district created under Title 17B, Chapter 2a, Part 13,
 1275 Infrastructure Financing District; or
- 1276 (b) a public infrastructure district created under Title 17D, Chapter 4, Public
 1277 Infrastructure District Act.
- 1278 (4) "Impacted primary area" means the same as that term is defined in Section 63N-3a-101.
- 1279 (5) "Large load data center" means the same as that term is defined in Section 11-41-201.
- 1280 (6) "Proposal" means the document approved by a committee as described in Title 63N,
 1281 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.
- 1282 (7) "Public infrastructure and improvements" means the same as that term is defined in
 1283 Subsections 17D-4-102(14)(a)(i) and (ii), except the requirement in Subsection

1284 17D-4-102(14)(a)(i)(C) that the acquisition or financing be expressly permitted by a
 1285 governing document or agreement may be fulfilled by the agency described in Section
 1286 17C-6-102 or a financing district created by the agency.

1287 (8) "Zone" means a regionally significant development zone created under Title 63N,
 1288 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.

1289 Section 14. Section **17C-6-102** is enacted to read:

1290 **17C-6-102 (Effective 05/06/26). Agency to manage a regionally significant**
 1291 **development zone.**

1292 (1)(a) Upon the approval of a zone, as described in Section 63N-3a-203, a creating entity
 1293 shall designate the creating entity's agency as the entity responsible for:

1294 (i) the management of the zone;

1295 (ii) the development of the zone; and

1296 (iii) the fulfillment of any duties described in this chapter.

1297 (b) If one or more creating entities propose a zone, as described in Section 63N-3a-201
 1298 by entering into an interlocal agreement as described in Section 63N-3a-202, the
 1299 interlocal agreement shall describe:

1300 (i) which agency is responsible for the management of the zone and zone revenue; or

1301 (ii) how each participating agency shall share responsibility for:

1302 (A) the management of the zone; and

1303 (B) zone revenue, as described in Part 2, Financing.

1304 (2) A proposal, along with conditions established by the committee that approved the
 1305 proposal under Section 63N-3a-203, constitutes a governing document for the zone.

1306 (3)(a) The agency, in consultation with the creating entity, may create policies governing
 1307 the development of the zone if the policies:

1308 (i) conform with the proposal; and

1309 (ii) do not contradict any provision of the proposal or any condition established by
 1310 the committee that approved the proposal to create the zone.

1311 (b) If the agency and creating entity determine a modification to the proposal is required
 1312 to pursue the objectives of the zone, the creating entity shall submit a proposal to
 1313 modify the regionally significant development zone as described in Section
 1314 63N-3a-208.

1315 Section 15. Section **17C-6-201** is enacted to read:

1316 **Part 2. Financing**

1317 **17C-6-201 (Effective 05/06/26). Energy tax -- Agency to study revenue**

1318 **generation options.**

1319 (1) A county that levies the county energy excise tax authorized by Title 59, Chapter 35,
 1320 County Energy Excise Tax Act, may provide revenue generated by the county energy
 1321 excise tax to an agency for use in a zone if the zone includes at least one large load data
 1322 center.

1323 (2) An agency shall study options to generate additional revenue within a zone and provide
 1324 recommendations to the legislative body of the creating entity.

1325 Section 16. Section **17C-6-202** is enacted to read:

1326 **17C-6-202 (Effective 05/06/26). Regionally significant development zone revenue.**

1327 (1) The following are approved revenue sources for a zone:

1328 (a) property tax increment or personal property tax, as described in Section 63N-3a-204;
 1329 and

1330 (b) revenue, if any, an agency receives from a county as described in Section 17C-6-201.

1331 (2) Revenue described in Subsection (1):

1332 (a) is zone revenue;

1333 (b) shall be administered by the agency; and

1334 (c) may be expended as provided in this chapter.

1335 Section 17. Section **17C-6-203** is enacted to read:

1336 **17C-6-203 (Effective 05/06/26). Allowable uses of zone revenue.**

1337 (1) An agency that is assigned to manage a zone shall use zone revenue within:

1338 (a) the zone; and

1339 (b) an impacted primary area, if the agency finds that the use of the zone revenue will:

1340 (i) directly benefit the zone; and

1341 (ii) promote the objectives of the zone, as outlined in the proposal.

1342 (2) An agency that receives zone revenue shall, subject to any requirement to remit revenue
 1343 to the State Reinvestment Restricted Account as described in Title 63N, Chapter 3a, Part
 1344 2, Creation of Regionally Significant Development Zones, allocate zone revenue to:

1345 (a) development in the zone, including, as applicable:

1346 (i) income targeted housing costs;

1347 (ii) structured parking;

1348 (iii) enhanced development costs;

1349 (iv) horizontal construction costs;

1350 (v) vertical construction costs;

1351 (vi) property acquisition costs;

- 1386 (3) An agreement to create a private-public partnership between a person and an agency
 1387 may:
 1388 (a) establish or recognize an ownership interest in the project for the person, in
 1389 consideration of the person's financial investment in the project;
 1390 (b) establish an ownership interest in the project for the agency or agency's creating
 1391 entity, in consideration of the public's financial investment in the project; or
 1392 (c) create a lease between the person and the agency.

1393 Section 19. Section **17C-6-401** is enacted to read:

1394 **Part 4. Budgets, Audits, and Reports**

1395 **17C-6-401 (Effective 05/06/26). Regionally significant development zone budgets.**

- 1396 (1) An agency shall develop a budget for the zone in accordance with:
 1397 (a) Chapter 1, Part 6, Agency Annual Report, Budget, and Audit Requirements; and
 1398 (b) this section.
 1399 (2) An agency:
 1400 (a) may incorporate a zone budget into the agency's budget; and
 1401 (b) shall develop and present a zone budget as a separate agency budget item.

1402 Section 20. Section **17C-6-402** is enacted to read:

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

- 1404 (1) An agency shall comply with the same auditing requirements that are described in
 1405 Sections 17C-1-604 and 17C-1-605 in regard to the regionally significant development
 1406 zone.
 1407 (2) The county auditor for a county in which a zone is created shall prepare an annual report
 1408 in accordance with Section 17C-1-606, the same as if the zone were a project area.

1409 Section 21. Section **17C-6-403** is enacted to read:

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

- 1411 (1) Beginning the second year after the effective date of a zone, an agency shall produce a
 1412 biennial written report in accordance with this section no later than September 1.
 1413 (2) Notwithstanding Section 17C-1-609, the report described in Subsection (1) shall:
 1414 (a) describe the agency's progress in managing the zone and pursuing the objectives of
 1415 the zone, as described in the proposal;
 1416 (b) describe any impediments to the continued development of the zone;
 1417 (c) describe the degree to which the development of the zone is complete;
 1418 (d) detail the amount of zone revenues received to date; and
 1419 (e) detail the amount of revenues the agency has spent on behalf of the zone to date.

1420 (3) The agency shall provide the report described in this section to the Political
 1421 Subdivisions Interim Committee.

1422 (4) The report described in this section is in addition to the reporting requirements
 1423 described in Section 17C-1-603.

1424 Section 22. Section **17C-6-404** is enacted to read:

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

1426 If an agency creates or utilizes a financing district to fulfill one or more objectives of the
 1427 zone, the agency and the creating entity shall ensure that the financing district complies with
 1428 the same budgeting, auditing, and reporting requirements described in this part, the same as if
 1429 the financing district were the agency.

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

1431 **17D-4-201 (Effective 05/06/26). Creation -- Annexation or withdrawal of**
 1432 **property.**

1433 (1)(a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the
 1434 provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions
 1435 Applicable to All Special Districts, a public infrastructure district may not be created
 1436 unless a petition is filed with the creating entity that contains the signatures of 100%
 1437 of surface property owners within the applicable area consenting to the creation of
 1438 the public infrastructure district.

1439 (b)(i) As used in this Subsection (1)(b):

1440 (A) "Military land" means the same as that term is defined in Section 63H-1-102.

1441 (B) "Project area" means the same as that term is defined in Section 63H-1-102.

1442 (ii) Notwithstanding Title 17B, Chapter 1, Part 2, Creation of a Special District, and
 1443 any other provision of this chapter, a development authority may adopt a
 1444 resolution creating a public infrastructure district if all owners of surface property
 1445 proposed to be included within the public infrastructure district consent in writing
 1446 to the creation of the public infrastructure district.

1447 (iii) For purposes of Subsection (1)(b)(ii), if the surface property proposed to be
 1448 included within the public infrastructure district includes military land that is
 1449 within a project area, the owner of the military land within the project area is the
 1450 lessee of the military land.

1451 (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created
 1452 as a subsidiary of the development authority that adopts the resolution creating the
 1453 public infrastructure district.

- 1454 (2)(a) The following do not apply to the creation of a public infrastructure district:
- 1455 (i) Section 17B-1-203;
- 1456 (ii) Section 17B-1-204;
- 1457 (iii) Subsection 17B-1-208(2);
- 1458 (iv) Section 17B-1-212; or
- 1459 (v) Section 17B-1-214.
- 1460 (b) The protest period described in Section 17B-1-213 may be waived in whole or in
- 1461 part with the consent of 100% of the surface property owners within the applicable
- 1462 area approving the creation of the public infrastructure district.
- 1463 (c) If the protest period is waived under Subsection (2)(b), a resolution approving the
- 1464 creation of the public infrastructure district may be adopted in accordance with
- 1465 Subsection 17B-1-213(5).
- 1466 (d) A petition meeting the requirements of Subsection (1) may be certified under Section
- 1467 17B-1-209.
- 1468 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the
- 1469 items required by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30
- 1470 days of the day on which a resolution creating a public infrastructure district is
- 1471 adopted.
- 1472 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the
- 1473 boundaries of a public infrastructure district may be annexed into the public
- 1474 infrastructure district if the following requirements are met:
- 1475 ~~[(a)(i) adoption of resolutions of the board and the creating entity, each approving of~~
- 1476 ~~the annexation; or]~~
- 1477 ~~[(ii) adoption of a resolution of the board to annex the area, provided that the~~
- 1478 ~~governing document or creation resolution for the public infrastructure district~~
- 1479 ~~authorizes the board to annex an area outside of the boundaries of the public~~
- 1480 ~~infrastructure district without future consent of the creating entity; and]~~
- 1481 ~~[(b)]~~ (a) the board adopts a resolution approving the annexation;
- 1482 (b) the governing document or resolution creating the public infrastructure district
- 1483 authorizes the public infrastructure district to annex the proposed annexation area;
- 1484 (c) a petition is filed with the public infrastructure district that contains the signatures of
- 1485 100% of surface property owners within the ~~[area proposed to be annexed]~~ proposed
- 1486 annexation area, demonstrating the surface property owners' consent to the
- 1487 annexation into the public infrastructure district~~[-]~~ ; and

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

- 1522 (5) A creating entity may impose limitations on the powers of a public infrastructure district
1523 through the governing document.
- 1524 (6)(a) A public infrastructure district is separate and distinct from the creating entity.
- 1525 (b)(i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the
1526 cost of accounting, audit reporting, and budget preparation, of a public
1527 infrastructure district:
- 1528 (A) is borne solely by the public infrastructure district; and
1529 (B) is not borne by the creating entity, by the state, or by any municipality,
1530 county, or other political subdivision.
- 1531 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing
1532 document may require:
- 1533 (A) the district applicant to bear the initial costs of the public infrastructure
1534 district; and
1535 (B) the public infrastructure district to reimburse the district applicant for the
1536 initial costs the creating entity bears.
- 1537 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from
1538 qualifying directly for an impact fee offset, credit, or refund under Title 11,
1539 Chapter 36a, Impact Fees Act, regarding any qualifying system improvements
1540 financed by the public infrastructure district.
- 1541 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure
1542 district:
- 1543 (i) is the sole responsibility of the public infrastructure district; and
1544 (ii) does not constitute a liability, judgment, or claim against the creating entity, the
1545 state, or any municipality, county, or other political subdivision.
- 1546 (d)(i)(A) The public infrastructure district solely bears the responsibility of any
1547 collection, enforcement, or foreclosure proceeding with regard to any fee or
1548 assessment the public infrastructure district imposes.
- 1549 (B) The creating entity does not bear the responsibility described in Subsection
1550 (6)(d)(i)(A).
- 1551 (ii) A public infrastructure district, and not the creating entity, shall undertake the
1552 enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in
1553 accordance with Title 11, Chapter 42, Assessment Area Act.
- 1554 (7) A creating entity may establish criteria in determining whether to approve or disapprove
1555 of the creation of a public infrastructure district, including:

- 1556 (a) historical performance of the district applicant;
 1557 (b) compliance with the creating entity's master plan;
 1558 (c) credit worthiness of the district applicant;
 1559 (d) plan of finance of the public infrastructure district; and
 1560 (e) proposed development within the public infrastructure district.

1561 (8)(a) The creation of a public infrastructure district is subject to the sole discretion of
 1562 the creating entity responsible for approving or rejecting the creation of the public
 1563 infrastructure district.

1564 (b) The proposed creating entity bears no liability for rejecting the proposed creation of
 1565 a public infrastructure district.

1566 Section 24. Section **17D-4-202** is amended to read:

1567 **17D-4-202 (Effective 05/06/26). Public infrastructure district board -- Governing**
 1568 **document.**

1569 (1)(a) The legislative body or board of the creating entity shall ~~[appoint the initial~~
 1570 ~~members of the board of a public infrastructure district, in accordance with the~~
 1571 ~~governing document.] approve the governing document for the public infrastructure~~
 1572 ~~district through resolution.~~

1573 (b) A governing document~~[approved by the legislative body or board of the creating~~
 1574 ~~entity may provide for] :~~

1575 (i) shall include the names of the initial members of the board;

1576 (ii) shall provide that, upon the lieutenant governor issuing a certificate of
 1577 incorporation for the public infrastructure district, members of the board may be
 1578 appointed in accordance with the terms of the governing document and this
 1579 section; and

1580 (iii) may provide for the board of a public infrastructure district to, upon a vacancy
 1581 on the board and subject to Subsection (4), appoint an individual to the board so
 1582 long as the individual meets the requirements to serve on a public infrastructure
 1583 district board described in this section.

1584 ~~[(e) For public infrastructure districts not described in Subsection (1)(b), and except as~~
 1585 ~~provided in Subsection (1)(d):]~~

1586 ~~[(i) if there is a vacancy on the board of a public infrastructure district, or a board~~
 1587 ~~member provides notice to the legislative body or board of the creating entity of~~
 1588 ~~the board member's intention to resign from the board, the legislative body or~~
 1589 ~~board of the creating entity shall appoint a replacement board member within 45~~

1590 days from the day on which the vacancy first occurs or the board member
 1591 provides notice of the board member's intent to resign; and]
 1592 [(ii) if a legislative body or board of the creating entity fails to fill a vacancy on the
 1593 board within the time period described in Subsection (1)(c)(i), the board of the
 1594 public infrastructure district may appoint an individual who is eligible to serve on
 1595 the board according to the requirements of this section to fill the board vacancy.]

1596 [(d)] (c) If a public infrastructure district board position has transitioned from
 1597 appointment to election, as described in Subsection (4), and an elected board position
 1598 becomes vacant, the provisions of Section 20A-1-512 apply to fill the vacancy]
 1599 vacant board position shall be filled through the remainder of the term in the method
 1600 provided in the governing document.

1601 (2)(a) Unless otherwise limited in the governing document and except as provided in
 1602 Subsection (2)(b), the initial term of each member of the board is four years.

1603 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial
 1604 board shall serve a six-year term so that, after the expiration of the initial term, the
 1605 term of approximately half the board members expires every two years.

1606 (c) A board may elect that a majority of the board serve an initial term of six years.

1607 (d) After the initial term, the term of each member of the board is four years.

1608 (e) A member of the board who is appointed shall continue to serve on the board of the
 1609 public infrastructure district until a replacement board member is appointed.

1610 (3)(a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required to
 1611 be a resident within the boundaries of the public infrastructure district if:

1612 (i) all of the surface property owners consent to the waiver of the residency
 1613 requirement in the petition requesting the creation of the public infrastructure
 1614 district;

1615 (ii) there are no residents within the boundaries of the public infrastructure district;

1616 (iii) no qualified candidate timely files to be considered for appointment to the board;
 1617 or

1618 (iv) no qualified individual files a declaration of candidacy for a board position in
 1619 accordance with Subsection 17B-1-306(5).

1620 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the
 1621 residency requirement in Subsection 17B-1-302(1)(b) is applicable to any board
 1622 member elected for a division or board position that has transitioned from an
 1623 appointed to an elected board member in accordance with this section.

- 1624 (c) An individual who is not a resident within the boundaries of the public infrastructure
1625 district may not serve as a board member unless the individual is:
- 1626 (i) an owner of land or an agent or officer of the owner of land within the boundaries
1627 of the public infrastructure district; and
- 1628 (ii) a registered voter at the individual's primary residence.
- 1629 (d) If ~~[the creating entity determines that]~~ a public infrastructure district is not
1630 anticipated to have permanent residents within the public infrastructure district's
1631 boundaries, or is anticipated to be primarily composed of non-residential property or
1632 non-primary residential property, a governing document may allow the ~~[creating~~
1633 ~~entity to continue]~~ board to appoint a property owner, or the agent of a property
1634 owner, to the public infrastructure district board.
- 1635 (e) A governing document may allow for a property owner to recommend a property
1636 owner or a property owner's agent for appointment to the public infrastructure district
1637 board in numbers proportional to the property owner's ownership of land, or value of
1638 land, within a public infrastructure district.
- 1639 (4)(a) A governing document may provide for a transition from ~~[legislative body]~~
1640 appointment under Subsection (1) to a method of election by registered voters based
1641 upon milestones or events that the governing document identifies, including a
1642 milestone for each division or individual board position providing that when the
1643 milestone is reached:
- 1644 (i) for a division, the registered voters of the division elect a member of the board in
1645 place of an appointed member at the next municipal general election for the board
1646 position; or
- 1647 (ii) for an at large board position established in the governing document, the
1648 registered voters of the public infrastructure district elect a member of the board in
1649 place of an appointed member at the next municipal general election for the board
1650 position.
- 1651 (b) Regardless of whether a board member is elected under Subsection (4)(a), the
1652 position of each remaining board member shall continue to be appointed under
1653 Subsection (1) until the member's respective division or board position surpasses the
1654 density milestone described in the governing document.
- 1655 (5)(a) ~~[Subject to Subsection (5)(e), the]~~ For a public infrastructure district that has
1656 transitioned to a method of election as described in Subsection (4), the board may, in
1657 the board's discretion but no more frequently than every four years, reestablish the

- 1658 boundaries of each division so that each division that has reached a milestone
1659 specified in the governing document, as described in Subsection (4)(a), has, as nearly
1660 as possible, the same number of eligible voters.
- 1661 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall
1662 consider existing or potential developments within the divisions that, when
1663 completed, would increase or decrease the number of eligible voters within the
1664 division.
- 1665 ~~[(e) The governing document may prohibit the board from reestablishing, without the
1666 consent of the creating entity, the division boundaries as described in Subsection
1667 (5)(a).]~~
- 1668 (6) A public infrastructure district may not compensate a board member for the member's
1669 service on the board under Section 17B-1-307 unless the board member is a resident
1670 within the boundaries of the public infrastructure district.
- 1671 (7) A governing document shall:
- 1672 (a) include a boundary description and a map of the public infrastructure district;
1673 (b) state the number of board members;
1674 (c) describe any divisions of the public infrastructure district;
1675 (d) establish any applicable property tax levy rate limit for the public infrastructure
1676 district;
1677 (e) establish any applicable limitation on the principal amount of indebtedness for the
1678 public infrastructure district;
1679 (f) describe the public infrastructure and improvements, facilities, or properties that the
1680 public infrastructure district is created to construct, repair, or otherwise complete, as
1681 described in Section 17D-4-203; and
- 1682 ~~[(f)]~~ (g) include other information that the public infrastructure district or the creating
1683 entity determines to be necessary or advisable.
- 1684 (8)(a) Except as provided in Subsection (8)(b), the board and the governing body of the
1685 creating entity may amend a governing document by each adopting a resolution that
1686 approves the amended governing document.
- 1687 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy
1688 rate limitation requires the consent of 100% of surface property owners within the
1689 boundaries of the public infrastructure district.
- 1690 (9) A board member is not in violation of Section 67-16-9 if the board member:
1691 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8

- 1692 and files the disclosure with the creating entity:
- 1693 (i) before any appointment or election; and
- 1694 (ii) upon any significant change in the business relationship; and
- 1695 (b) conducts the affairs of the public infrastructure district in accordance with this title
- 1696 and any parameters described in the governing document.
- 1697 (10) Notwithstanding any other provision of this section, the governing document governs
- 1698 the number, appointment, eligibility for appointment, and terms of board members of a
- 1699 public infrastructure district created by the development authority.

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

1701 **17D-4-202.1 (Effective 05/06/26). Convention center public infrastructure --**

1702 **District board -- Petition and process requirements -- Governing document.**

1703 (1) As used in this section:

1704 (a) "City" means a municipality of the first class located in a county of the first class in

1705 which a convention center is located.

1706 (b) "County" means a county in which a convention center is located.

1707 (c) "Lessee" means a lessee of property within the proposed convention center public

1708 infrastructure district that leases the property from the city or county for a term of at

1709 least 10 years.

1710 (d)(i) "Petitioner" means:

1711 (A) a surface property owner, a property owner, or lessee of property within a

1712 proposed convention center public infrastructure district's boundaries that

1713 initiates the formation of a convention center public infrastructure district; or

1714 (B) a surface property owner under this chapter, and Title 17B, Chapter 1,

1715 Provisions Applicable to All Special Districts, in relation to a convention

1716 center public infrastructure district.

1717 (ii) "Petitioner" does not include a city, county, or other public entity.

1718 (2) A convention center public infrastructure district shall be created in a city upon the

1719 submission of a petition in accordance with this part and shall have all the powers of a

1720 public infrastructure district under this chapter.

1721 (3) A convention center public infrastructure district may only be created within a city in

1722 which a convention center is located.

1723 (4) The petition described in Subsection (2) shall:

1724 (a) include the governing document; and

1725 (b) for a petition to a city which has previously authorized revitalization taxes described

1726 in Section 63N-3-1403, include as part of the governing document approval and
1727 authorization of an interlocal agreement pledging and securing the revitalization
1728 taxes for debt of the proposed convention center public infrastructure district.

1729 (5)(a) The process for creating a convention center public infrastructure district or a
1730 convention center public infrastructure district in a capital city shall be initiated by
1731 the submission of a petition and a governing document to the city, except that:
1732 (i) the city recorder shall certify the petition within 14 days from the day the
1733 petitioner submits the petition to the city recorder;
1734 (ii) if the city recorder fails to certify the petition within the time described in
1735 Subsection (5)(a)(i), the petition shall be considered certified; and
1736 (iii) within 30 days from the day that the petitioner submits the petition to the city
1737 recorder, or if the city and the petitioner have come to an agreement as described
1738 in Subsection (5)(b), the city shall adopt a resolution to approve:
1739 (A) the governing document the petitioner submitted with the petition; and
1740 (B) the creation of a convention center public infrastructure district or a
1741 convention center public infrastructure district in a capital city.

1742 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized
1743 terms of the petition, including the terms of an interlocal agreement, within a time
1744 period agreed upon by the city and petitioner.

1745 (6)(a) The boundaries of a convention center public infrastructure district shall be
1746 limited to an area within a one-half-mile radius of a convention center.

1747 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel
1748 may be included in the district.

1749 (7) A convention center public infrastructure district shall be subject to the following
1750 provisions regarding taxation and financing:

1751 (a) a convention center public infrastructure district may levy an administrative tax of up
1752 to 0.0005 per dollar of taxable value on taxable property within the district; and

1753 (b) the administrative tax shall be used exclusively for administrative expenses and may
1754 not be used for capital costs or debt payment.

1755 (8) A convention center public infrastructure district shall be governed by the governing
1756 document submitted and approved as described in this section.

1757 (9) The convention center public infrastructure board shall consist of five members to be
1758 appointed by the board in accordance with the governing document as follows:

1759 (a) three members shall be representatives of the petitioner and selected by the petitioner;

- 1760 (b) one member may be a representative of the city and selected by the mayor of the
 1761 city; and
- 1762 (c) one member may be a representative of the county and selected by the mayor of the
 1763 county.
- 1764 (10)(a) Except as provided in Subsection (10)(b), upon a vacancy or expiration of a term
 1765 of a board member for a convention center public infrastructure district, the board
 1766 shall appoint the replacement in the same manner as described in Subsection (9) for
 1767 the unexpired period of the board member's term.
- 1768 (b) If a city or county mayor chooses not to select a member of the board as described in
 1769 Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or
 1770 chooses to vacate a member at any time, the petitioner shall select a member for the
 1771 replacement who shall not be a representative of the city or county in which the
 1772 convention center is located.
- 1773 (11)(a) A convention center public infrastructure district shall enter into an interlocal
 1774 agreement with the relevant county that provides that, for any revenue that is
 1775 transferred to the convention center public infrastructure district from a convention
 1776 center reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter
 1777 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall
 1778 have approval authority for the expenditure of any revenue related to a convention
 1779 center revitalization project, as that term is defined in Section 63N-3-602.
- 1780 (b) The approval authority described in Subsection (11)(a) does not include approval
 1781 authority over:
- 1782 (i) any bonds or debt or related terms issued by the convention center public
 1783 infrastructure district; or
- 1784 (ii) revenue subject to a participation agreement entered into pursuant to Title 63N,
 1785 Chapter 3, Part 14, Capital City Revitalization Zone.
- 1786 Section 26. Section **17D-4-203** is amended to read:
- 1787 **17D-4-203 (Effective 05/06/26). Public infrastructure district powers.**
- 1788 (1) A public infrastructure district has all of the authority conferred upon a special district
 1789 under Section 17B-1-103.
- 1790 (2) A public infrastructure district may:
- 1791 (a) issue negotiable bonds to pay:
- 1792 (i) all or part of the costs of acquiring, acquiring an interest in, improving, or
 1793 extending any of the improvements, facilities, or property allowed under Section

- 1794 11-14-103;
- 1795 (ii) capital costs of improvements in an energy assessment area, as defined in Section
- 1796 11-42a-102, and other related costs, against the funds that the public infrastructure
- 1797 district will receive because of an assessment in an energy assessment area;
- 1798 (iii) public improvements related to the provision of housing;
- 1799 (iv) capital costs related to public transportation;
- 1800 (v) for a public infrastructure district that is within or adjacent to a housing and
- 1801 transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and
- 1802 Transit Reinvestment Zone Act, any and all costs to finance any public or
- 1803 privately owned improvements, which, in the discretion of the board of the public
- 1804 infrastructure district, promote the objectives described in Section 63N-3-603.1;
- 1805 (vi) the cost of acquiring or financing public infrastructure and improvements;
- 1806 (vii) for a public infrastructure district that is a subsidiary of or created by the Utah
- 1807 Inland Port Authority, the costs associated with a remediation project, as defined
- 1808 in Section 11-58-102;
- 1809 (viii) for a convention center public infrastructure district that is within or adjacent to
- 1810 a convention center reinvestment zone as defined in Section 63N-3-602, any or all
- 1811 of the costs to finance any public or privately owned improvements, including
- 1812 convention center-related improvements and arena improvements, which, in the
- 1813 discretion of the board of a convention center public infrastructure district,
- 1814 promote the objectives of the convention center reinvestment zone, as described in
- 1815 Section 63N-3-603.1;
- 1816 (ix) for a convention center public infrastructure district, the costs of financing a
- 1817 convention revitalization project, as the term is defined in Section 63N-3-602;
- 1818 (x) for a convention center public infrastructure district in a capital city that is within
- 1819 or adjacent to a convention center reinvestment zone in a capital city, as defined in
- 1820 Section 63N-3-602, any or all of the costs to financing any publicly owned
- 1821 improvements, including the cost of financing a convention center revitalization
- 1822 project in a capital city, as defined in Section 63N-3-602, convention
- 1823 center-related improvements, and publicly or privately owned improvements that
- 1824 directly serve the convention center, which, in the discretion of the board of the
- 1825 convention center public infrastructure district in a capital city, promote the
- 1826 objectives of the convention center reinvestment zone in a capital city, as
- 1827 described in Section 63N-3-603.1; and

- 1828 (xi) for a convention center public infrastructure district in a capital city that is within
 1829 a capital city revitalization zone project area, as defined in Section 63N-3-1401,
 1830 any allowed uses of funds or revenue provided for under Section 59-12-402.5,
 1831 including eligible expenses consistent with the terms of the participation
 1832 agreement, except that a convention center public infrastructure district in a
 1833 capital city may not issue negotiable bonds serviced by the revitalization tax under
 1834 Section 59-12-402.5 for privately owned improvements for more than the
 1835 maximum dollar amount described in the participation agreement.
- 1836 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal
 1837 Cooperation Act, provided that the interlocal agreement may not expand the powers
 1838 of the public infrastructure district, within the limitations of Title 11, Chapter 13,
 1839 Interlocal Cooperation Act, without the consent of the creating entity;
- 1840 (c) notwithstanding any other provision in code, acquire completed or partially
 1841 completed improvements, including related design and consulting services and
 1842 related work product, for fair market value as reasonably determined by[±]
 1843 [(i) ~~the board;~~]
 1844 [(ii) ~~the creating entity, if required in the governing document; or]~~
 1845 [(iii)] a surveyor or engineer that a public infrastructure district employs or engages
 1846 to perform the necessary engineering services for and to supervise the
 1847 construction or installation of the improvements;
- 1848 (d) contract with the creating entity for the creating entity to provide administrative
 1849 services on behalf of the public infrastructure district, when agreed to by both parties,
 1850 in order to achieve cost savings and economic efficiencies, at the discretion of the
 1851 creating entity;
- 1852 (e) for a public infrastructure district created by a development authority, or for a public
 1853 infrastructure district created by a municipality and located in an urban renewal
 1854 project area that includes some or all of an inactive industrial site:
 1855 (i)(A) operate and maintain public infrastructure and improvements the district
 1856 acquires or finances; and
 1857 (B) use fees, assessments, or taxes to pay for the operation and maintenance of
 1858 those public infrastructure and improvements;[~~and]~~
 1859 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and
 1860 (iii) notwithstanding Section 17D-4-303 and subject to Subsection (3), for an
 1861 advanced manufacturing project or a critical mineral extraction project located on

1862 state-owned or development authority-owned land within an authority project
1863 area, levy a property tax at a rate not to exceed a rate that generates more revenue
1864 than required to pay the annual debt service of the bond plus administrative costs
1865 and issue unlimited general obligation bonds as may be authorized by an election
1866 as described in this chapter and approved by the authority board.

1867 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland
1868 Port Authority, pay for costs associated with a remediation project, as defined in
1869 Section 11-58-102, of the Utah Inland Port Authority.

1870 (3) For general obligation bonds described in Subsection (2)(e)(iii)(A), the principal
1871 amount of the bonds cannot exceed 75% of the market value of the project for which the
1872 bonds are issued after the project is constructed and operating, as estimated and
1873 approved by a majority of the board of the public infrastructure district.

1874 (4) A public infrastructure district created by the Utah Fairpark Area Investment and
1875 Restoration District, created in Section 11-70-201, may:

1876 (a) pay for the cost of the development and construction of a qualified stadium, as
1877 defined in Section 11-70-101; and

1878 (b) pay for the cost of public infrastructure and improvements.

1879 Section 27. Section **17D-4-204** is amended to read:

1880 **17D-4-204 (Effective 05/06/26). Relation to other local entities.**

1881 (1) Notwithstanding the creation of a public infrastructure district, the creating entity and
1882 any other public entity, as applicable, retains all of the entity's authority over all zoning,
1883 planning, design specifications and approvals, and permitting within the public
1884 infrastructure district.

1885 (2) The inclusion of property within the boundaries of a public infrastructure district does
1886 not preclude the inclusion of the property within any other special district.

1887 (3)(a) All infrastructure that is connected to another public entity's system:

1888 (i) belongs to that public entity, regardless of inclusion within the boundaries of a
1889 public infrastructure district, unless the public infrastructure district and the public
1890 entity otherwise agree; and

1891 (ii) shall comply with the design, inspection requirements, and other standards of the
1892 public entity.

1893 (b) A public infrastructure district shall convey or transfer the infrastructure described in
1894 Subsection (3)(a) free of liens or financial encumbrances to the public entity at no
1895 cost to the public entity.

1896 (c) The conveyance, transfer, or dedication of infrastructure to a creating entity or a
 1897 public entity in accordance with this section is not a financial benefit of the creating
 1898 entity or public entity.

1899 (4)(a) No public entity or private person shall receive funds from any portion of a public
 1900 infrastructure district's property tax revenue without a resolution of the public
 1901 infrastructure district's board authorizing the public entity or private person to receive
 1902 the funds.

1903 (b) Subsection (4)(a) does not apply to the county's expenses related to collecting
 1904 property tax in accordance with Title 59, Chapter 2, [~~Part 12,~~]Property Tax Act.

1905 (c) Subsection (4)(a) applies notwithstanding any provision in:

1906 (i) Title 17C, Limited Purpose Local Government Entities - Community
 1907 Reinvestment Agency Act;

1908 (ii) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;

1909 (iii) a statute governing a development authority created under Utah Constitution,
 1910 Article XI; or

1911 (iv) a provision of code related to the collection, distribution, or sharing of tax
 1912 increment revenue, incremental property tax increases, or actions related to the
 1913 collection, distribution, or sharing of tax increment revenue or incremental
 1914 property tax increases.

1915 Section 28. Section **17D-4-303** is amended to read:

1916 **17D-4-303 (Effective 05/06/26). Limits on public infrastructure district property**
 1917 **tax levy -- Notice requirements.**

1918 (1) [~~The~~] Except as provided in Subsections 17D-4-203(2)(e) and 63H-1-202(10), the
 1919 property tax levy of a public infrastructure district, for all purposes, including payment
 1920 of debt service on limited tax bonds, may not exceed .015 per dollar of taxable value of
 1921 taxable property in the district.

1922 (2) The limitation described in Subsection (1) does not apply to the levy by the public
 1923 infrastructure district to pay principal of and interest on a general obligation bond that
 1924 the public infrastructure district issues.

1925 (3)(a) Within 30 days after the day on which the lieutenant governor issues a certificate
 1926 of incorporation for the public infrastructure district under Section 67-1a-6.5, the
 1927 board shall record a notice with the recorder of the county in which property within
 1928 the public infrastructure district is located.

1929 (b) The notice described in Subsection (3)(a) shall:

- 1930 (i) contain a description of the boundaries of the public infrastructure district;
- 1931 (ii) state that a copy of the governing document is on file at the office of the creating
- 1932 entity;
- 1933 (iii) state that the public infrastructure district may finance and repay infrastructure
- 1934 and other improvements through the levy of a property tax; and
- 1935 (iv) state the maximum rate that the public infrastructure district may levy.
- 1936 (c) The effective date of the public infrastructure district for purposes of assessing
- 1937 property tax is the day on which the notice is recorded in the office of the recorder of
- 1938 each county in which the public infrastructure district is located, as described in
- 1939 Section 59-2-305.5.
- 1940 (4) If the board fails to record a notice as described in Subsection (3):
- 1941 (a) the public infrastructure district is still created as of the day the lieutenant governor
- 1942 issues a certificate of incorporation for the public infrastructure district;
- 1943 (b) any bonds issued by the public infrastructure district are still valid; and
- 1944 (c) the public infrastructure district may not levy a tax or levy or collect a fee until the
- 1945 board records the notice described in Subsection (3).

1946 Section 29. Section **17D-4-401** is enacted to read:

1947 **Part 4. Dissolution**

1948 **17D-4-401 (Effective 05/06/26). District dissolution.**

- 1949 (1) The board of trustees of a public infrastructure district, other than a public infrastructure
- 1950 district created by a development authority that provides ongoing services, shall adopt a
- 1951 resolution to dissolve the public infrastructure once:
- 1952 (a) the public infrastructure district has paid all the public infrastructure district's debts;
- 1953 (b) the public infrastructure district's contractual obligations are satisfied or defeased; and
- 1954 (c) except for public infrastructure and improvements, facilities, or properties that are
- 1955 privately owned, the public infrastructure and improvements, facilities, or properties
- 1956 described in the governing document, as required in Section 17D-4-202, have been:
- 1957 (i) constructed, repaired, or otherwise completed;
- 1958 (ii) accepted by the public entity as meeting the public entity's applicable
- 1959 development, design, and construction standards; and
- 1960 (iii) transferred to the entity responsible for the maintenance and operation of the
- 1961 public infrastructure and improvement, facility, or property.
- 1962 (2) The board shall:
- 1963 (a) adopt a resolution approving the dissolution of the public infrastructure district

- 1998 (1) "Account" means the State Reinvestment Restricted Account created in Section
 1999 51-9-1002.
- 2000 (2) "Generational water infrastructure" means physical facilities or other physical assets
 2001 designed to meet generational demands for water.
- 2002 Section 31. Section **51-9-1002** is enacted to read:
- 2003 **51-9-1002 (Effective 05/06/26). State Reinvestment Restricted Account created.**
- 2004 (1) There is created within the General Fund a restricted account known as the "State
 2005 Reinvestment Restricted Account."
- 2006 (2) The account shall consist of:
- 2007 (a) revenue deposited into the account in accordance with:
- 2008 (i) Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development
 2009 Zones; and
- 2010 (ii) Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy
 2011 Implications;
- 2012 (b) revenue deposited into the account by the Utah Inland Port Authority in accordance
 2013 with Sections 11-58-602 and 11-58-607; and
- 2014 (c) interest and earnings on money in the account.
- 2015 (3) The state treasurer shall invest the money in the fund according to Title 51, Chapter 7,
 2016 State Money Management Act, except that interest or other earnings derived from those
 2017 investments shall be deposited into the account.
- 2018 Section 32. Section **51-9-1003** is enacted to read:
- 2019 **51-9-1003 (Effective 05/06/26). Authorized use of the State Reinvestment**
 2020 **Restricted Account.**
- 2021 (1) Money in the account is to be used, subject to appropriation, for:
- 2022 (a) income tax relief;
- 2023 (b) development of generational water infrastructure;
- 2024 (c) facilitating preservation of the Great Salt Lake watershed, as described in Title 73,
 2025 Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;
- 2026 (d) regionally significant transit development and regionally significant transit
 2027 infrastructure; and
- 2028 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy
 2029 Act.
- 2030 (2) Money in the account that is derived from a local source may not be used in an area
 2031 outside the area in which the money was generated unless the money is used for a

2032 purpose described in Subsection (1).

2033 Section 33. Section **57-1-49** is enacted to read:

2034 **57-1-49 (Effective 05/06/26). Disclosure of annual assessment to a public**
 2035 **infrastructure district.**

2036 (1) As used in this section, "public infrastructure district" means an entity created as
 2037 described in Title 17D, Chapter 4, Public Infrastructure District Act.

2038 (2) In a conveyance of residential real property within the boundaries of a public
 2039 infrastructure district, a seller or the seller's representative shall ensure that the expected
 2040 annual cost of the public infrastructure district's final tax rate, as shown on the last
 2041 equalized assessment rolls, is included in a disclosure document at or before closing.

2042 Section 34. Section **59-1-306** is amended to read:

2043 **59-1-306 (Effective 05/06/26). Definition -- State Tax Commission**
 2044 **Administrative Charge Account -- Amount of administrative charge -- Deposit of**
 2045 **revenue into the restricted account -- Interest deposited into General Fund --**
 2046 **Expenditure of money deposited into the restricted account.**

2047 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the
 2048 commission administers under:

2049 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

2050 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

2051 (c) Section 19-6-714;

2052 (d) Section 19-6-805;

2053 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax
 2054 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;

2055 (f) Section 59-27-105;

2056 (g) Chapter 31, Cannabinoid Licensing and Tax Act;

2057 (h) Chapter 32, Local Impact Mitigation Tax Act;

2058 (i) Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax;

2059 (j) Chapter 35, County Energy Excise Tax Act;

2060 [~~(j)~~] (k) Section 63H-1-205;

2061 [~~(k)~~] (l) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act; [~~or~~]

2062 [~~(l)~~] (m) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service
 2063 Charges; or

2064 [~~(m)~~] (n) Title 79, Chapter 6, [~~Part 11~~] Part 14, Energy Project Assessment.

2065 (2) There is created a restricted account within the General Fund known as the "State Tax

- 2066 Commission Administrative Charge Account."
- 2067 (3) Subject to the other provisions of this section, the restricted account shall consist of
- 2068 administrative charges the commission retains and deposits in accordance with this
- 2069 section.
- 2070 (4) For purposes of this section, the administrative charge is a percentage of revenue the
- 2071 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser
- 2072 of:
- 2073 (a) 1.5%; or
- 2074 (b) an equal percentage of revenue the commission collects from each qualifying tax,
- 2075 fee, or charge sufficient to cover the cost to the commission of administering the
- 2076 qualifying taxes, fees, or charges.
- 2077 (5) The commission shall deposit an administrative charge into the restricted account.
- 2078 (6) Interest earned on the restricted account shall be deposited into the General Fund.
- 2079 (7) The commission shall expend money appropriated by the Legislature to the commission
- 2080 from the restricted account to administer qualifying taxes, fees, or charges or to offset
- 2081 general operational expenses.

2082 Section 35. Section **59-2-924** is amended to read:

2083 **59-2-924 (Effective 05/06/26). Definitions -- Report of valuation of property to**

2084 **county auditor and commission -- Transmittal by auditor to governing bodies --**

2085 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**

2086 **-- Notice provided by the commission.**

- 2087 (1) As used in this section:
- 2088 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
- 2089 this chapter.
- 2090 (ii) "Ad valorem property tax revenue" does not include:
- 2091 (A) interest;
- 2092 (B) penalties;
- 2093 (C) collections from redemptions; or
- 2094 (D) revenue received by a taxing entity from personal property that is
- 2095 semiconductor manufacturing equipment assessed by a county assessor in
- 2096 accordance with Part 3, County Assessment.
- 2097 (b) "Adjusted tax increment" means the same as that term is defined in Section
- 2098 17C-1-102.
- 2099 (c)(i) "Aggregate taxable value of all property taxed" means:

- 2100 (A) the aggregate taxable value of all real property a county assessor assesses in
 2101 accordance with Part 3, County Assessment, for the current year;
- 2102 (B) the aggregate taxable value of all real and personal property the commission
 2103 assesses in accordance with Part 2, Assessment of Property, for the current
 2104 year; and
- 2105 (C) the aggregate year end taxable value of all personal property a county assessor
 2106 assesses in accordance with Part 3, County Assessment, contained on the prior
 2107 year's tax rolls of the taxing entity.
- 2108 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
 2109 year end taxable value of personal property that is:
- 2110 (A) semiconductor manufacturing equipment assessed by a county assessor in
 2111 accordance with Part 3, County Assessment; and
- 2112 (B) contained on the prior year's tax rolls of the taxing entity.
- 2113 (d) "Base taxable value" means:
- 2114 (i) for an authority created under Section 11-58-201, the same as that term is defined
 2115 in Section 11-58-102;
- 2116 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
 2117 the same as that term is defined in Section 11-59-207;
- 2118 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
 2119 11-70-201, the same as that term is defined in Section 11-70-101;
- 2120 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
 2121 defined in Section 17C-1-102;
- 2122 (v) for an authority created under Section 63H-1-201, the same as that term is defined
 2123 in Section 63H-1-102;
- 2124 (vi) for a host local government, the same as that term is defined in Section
 2125 63N-2-502;
- 2126 (vii) for a housing and transit reinvestment zone or convention center reinvestment
 2127 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 2128 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2129 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
 2130 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
 2131 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
 2132 upon the assessment roll last equalized during the base year, as that term is
 2133 defined in Section 10-21-101 or Section 17-80-101;

- 2134 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 2135 First Home Investment Zone Act, a property's taxable value as shown upon the
 2136 assessment roll last equalized during the base year, as that term is defined in
 2137 Section 63N-3-1601;
- 2138 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 2139 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
 2140 upon the assessment roll last equalized during the property tax base year, as that
 2141 term is defined in Section 63N-3-1701;~~[-or]~~
- 2142 (xi) for an electrical energy development zone created under Section 79-6-1104, the
 2143 value of the property within an electrical energy development zone, as shown on
 2144 the assessment roll last equalized before the creation of the electrical development
 2145 zone, as that term is defined in Section 79-6-1104[-] ; or
- 2146 (xii) for a regionally significant development zone created under Section 63N-3a-203,
 2147 the taxable value of the property within a regionally significant development zone
 2148 boundary, as shown on the assessment roll last equalized during the base year, as
 2149 that term is defined in Section 63N-3a-101.
- 2150 (e) "Centrally assessed benchmark value" means an amount equal to the average year
 2151 end taxable value of real and personal property the commission assesses in
 2152 accordance with Part 2, Assessment of Property, for the previous three calendar
 2153 years, adjusted for taxable value attributable to:
- 2154 (i) an annexation to a taxing entity;
- 2155 (ii) an incorrect allocation of taxable value of real or personal property the
 2156 commission assesses in accordance with Part 2, Assessment of Property; or
- 2157 (iii) a change in value as a result of a change in the method of apportioning the value
 2158 prescribed by the Legislature, a court, or the commission in an administrative rule
 2159 or administrative order.
- 2160 (f) "Centrally assessed industry" means the following industry classes the commission
 2161 assesses in accordance with Part 2, Assessment of Property:
- 2162 (i) air carrier;
- 2163 (ii) coal;
- 2164 (iii) coal load out property;
- 2165 (iv) electric generation;
- 2166 (v) electric rural;
- 2167 (vi) electric utility;

- 2168 (vii) gas utility;
- 2169 (viii) ground access property;
- 2170 (ix) land only property;
- 2171 (x) liquid pipeline;
- 2172 (xi) metalliferous mining;
- 2173 (xii) nonmetalliferous mining;
- 2174 (xiii) oil and gas gathering;
- 2175 (xiv) oil and gas production;
- 2176 (xv) oil and gas water disposal;
- 2177 (xvi) railroad;
- 2178 (xvii) sand and gravel; and
- 2179 (xviii) uranium.

2180 (g)(i) "Centrally assessed new growth" means the greater of:

- 2181 (A) for each centrally assessed industry, zero; or
- 2182 (B) the amount calculated by subtracting the centrally assessed benchmark value
- 2183 for each centrally assessed industry, adjusted for prior year end incremental
- 2184 value, from the taxable value of real and personal property the commission
- 2185 assesses in accordance with Part 2, Assessment of Property, for each centrally
- 2186 assessed industry for the current year, adjusted for current year incremental
- 2187 value.

2188 (ii) "Centrally assessed new growth" does not include a change in value for a

2189 centrally assessed industry as a result of a change in the method of apportioning

2190 the value prescribed by the Legislature, a court, or the commission in an

2191 administrative rule or administrative order.

2192 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property

2193 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.

2194 (i) "Community reinvestment agency" means the same as that term is defined in Section

2195 17C-1-102.

2196 (j) "Eligible new growth" means the greater of:

- 2197 (i) zero; or
- 2198 (ii) the sum of:
 - 2199 (A) locally assessed new growth;
 - 2200 (B) centrally assessed new growth; and
 - 2201 (C) project area new growth or hotel property new growth.

- 2202 (k) "Host local government" means the same as that term is defined in Section
2203 63N-2-502.
- 2204 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 2205 (m) "Hotel property new growth" means an amount equal to the incremental value that is
2206 no longer provided to a host local government as incremental property tax revenue.
- 2207 (n) "Incremental property tax revenue" means the same as that term is defined in Section
2208 63N-2-502.
- 2209 (o) "Incremental value" means:
- 2210 (i) for an authority created under Section 11-58-201, the amount calculated by
2211 multiplying:
- 2212 (A) the difference between the taxable value and the base taxable value of the
2213 property that is located within a project area and on which property tax
2214 differential is collected; and
- 2215 (B) the number that represents the percentage of the property tax differential that
2216 is paid to the authority;
- 2217 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
2218 an amount calculated by multiplying:
- 2219 (A) the difference between the current assessed value of the property and the base
2220 taxable value; and
- 2221 (B) the number that represents the percentage of the property tax augmentation, as
2222 defined in Section 11-59-207, that is paid to the Point of the Mountain State
2223 Land Authority;
- 2224 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
2225 11-70-201, the amount calculated by multiplying:
- 2226 (A) the difference between the taxable value for the current year and the base
2227 taxable value of the property that is located within a project area; and
- 2228 (B) the number that represents the percentage of enhanced property tax revenue,
2229 as defined in Section 11-70-101;
- 2230 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
2231 multiplying:
- 2232 (A) the difference between the taxable value and the base taxable value of the
2233 property located within a project area and on which tax increment is collected;
2234 and
- 2235 (B) the number that represents the adjusted tax increment from that project area

- 2236 that is paid to the agency;
- 2237 (v) for an authority created under Section 63H-1-201, the amount calculated by
- 2238 multiplying:
- 2239 (A) the difference between the taxable value and the base taxable value of the
- 2240 property located within a project area and on which property tax allocation is
- 2241 collected; and
- 2242 (B) the number that represents the percentage of the property tax allocation from
- 2243 that project area that is paid to the authority;
- 2244 (vi) for a housing and transit reinvestment zone or convention center reinvestment
- 2245 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
- 2246 Reinvestment Zone Act, an amount calculated by multiplying:
- 2247 (A) the difference between the taxable value and the base taxable value of the
- 2248 property that is located within a housing and transit reinvestment zone or
- 2249 convention center reinvestment zone and on which tax increment is collected;
- 2250 and
- 2251 (B) the number that represents the percentage of the tax increment that is paid to
- 2252 the housing and transit reinvestment zone or convention center reinvestment
- 2253 zone;
- 2254 (vii) for a host local government, an amount calculated by multiplying:
- 2255 (A) the difference between the taxable value and the base taxable value of the
- 2256 hotel property on which incremental property tax revenue is collected; and
- 2257 (B) the number that represents the percentage of the incremental property tax
- 2258 revenue from that hotel property that is paid to the host local government;
- 2259 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
- 2260 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
- 2261 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 2262 (A) the difference between the taxable value and the base taxable value of the
- 2263 property that is located within a home ownership promotion zone and on which
- 2264 tax increment is collected; and
- 2265 (B) the number that represents the percentage of the tax increment that is paid to
- 2266 the home ownership promotion zone;
- 2267 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
- 2268 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 2269 (A) the difference between the taxable value and the base taxable value of the

- 2270 property that is located within a first home investment zone and on which tax
 2271 increment is collected; and
- 2272 (B) the number that represents the percentage of the tax increment that is paid to
 2273 the first home investment zone;
- 2274 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
 2275 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
 2276 calculated by multiplying:
- 2277 (A) the difference between the taxable value and the base taxable value of the
 2278 property located within a qualified development zone for a major sporting
 2279 event venue zone and upon which property tax increment is collected; and
- 2280 (B) the number that represents the percentage of tax increment that is paid to the
 2281 major sporting event venue zone, as approved by a major sporting event venue
 2282 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 2283 (xi) for an electrical energy development zone created under Section 79-6-1104, the
 2284 amount calculated by multiplying:
- 2285 (A) the difference between the taxable value and the base taxable value of the
 2286 property that is located within the electrical energy developmental zone; and
- 2287 (B) the number that represents the percentage of the tax increment that is paid to a
 2288 community reinvestment agency and the Electrical Energy Development
 2289 Investment Fund created in Section 79-6-1105~~[-]~~ ; or
- 2290 (xii) for a regionally significant development zone created under Section 63N-3a-203,
 2291 the amount calculated by multiplying:
- 2292 (A) the difference between the taxable value and the base taxable value of the
 2293 property that is located within the regionally significant development zone; and
- 2294 (B) the number that represents the percentage of the tax increment that is paid to a
 2295 creating entity's agency, as established by the committee in Section 63N-3a-204.
- 2296 (p)(i) "Locally assessed new growth" means the greater of:
- 2297 (A) zero; or
- 2298 (B) the amount calculated by subtracting the year end taxable value of real
 2299 property the county assessor assesses in accordance with Part 3, County
 2300 Assessment, for the previous year, adjusted for prior year end incremental
 2301 value from the taxable value of real property the county assessor assesses in
 2302 accordance with Part 3, County Assessment, for the current year, adjusted for
 2303 current year incremental value.

- 2304 (ii) "Locally assessed new growth" does not include a change in:
- 2305 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 2306 or another adjustment;
- 2307 (B) assessed value based on whether a property is allowed a residential exemption
- 2308 for a primary residence under Section 59-2-103;
- 2309 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 2310 Assessment Act; or
- 2311 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 2312 Farming Assessment Act.
- 2313 (q) "Project area" means:
- 2314 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 2315 in Section 11-58-102;
- 2316 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2317 11-70-201, the same as that term is defined in Section 11-70-101;
- 2318 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 2319 defined in Section 17C-1-102;
- 2320 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 2321 defined in Section 63H-1-102;
- 2322 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 2323 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2324 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2325 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2326 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2327 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 2328 10-21-101 or Section 17-80-101;
- 2329 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 2330 First Home Investment Zone Act, the same as that term is defined in Section
- 2331 63N-3-1601;[~~or~~]
- 2332 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 2333 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 2334 as defined in Section 63N-3-1701[-] ; or
- 2335 (ix) for a regionally significant development zone created under Title 63N, Chapter
- 2336 3a, Part 2, Creation of Regionally Significant Development Zones, the qualified
- 2337 development zone, as defined in Section 63N-3a-204.

- 2338 (r) "Project area new growth" means:
- 2339 (i) for an authority created under Section 11-58-201, an amount equal to the
- 2340 incremental value that is no longer provided to an authority as property tax
- 2341 differential;
- 2342 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2343 an amount equal to the incremental value that is no longer provided to the Point of
- 2344 the Mountain State Land Authority as property tax augmentation, as defined in
- 2345 Section 11-59-207;
- 2346 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2347 11-70-201, an amount equal to the incremental value that is no longer provided to
- 2348 the Utah Fairpark Area Investment and Restoration District;
- 2349 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
- 2350 incremental value that is no longer provided to an agency as tax increment;
- 2351 (v) for an authority created under Section 63H-1-201, an amount equal to the
- 2352 incremental value that is no longer provided to an authority as property tax
- 2353 allocation;
- 2354 (vi) for a housing and transit reinvestment zone or convention center reinvestment
- 2355 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2356 Reinvestment Zone Act, an amount equal to the incremental value that is no
- 2357 longer provided to a housing and transit reinvestment zone or convention center
- 2358 reinvestment zone as tax increment;
- 2359 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2360 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2361 5, Home Ownership Promotion Zone, an amount equal to the incremental value
- 2362 that is no longer provided to a home ownership promotion zone as tax increment;
- 2363 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 2364 First Home Investment Zone Act, an amount equal to the incremental value that is
- 2365 no longer provided to a first home investment zone as tax increment;~~[-or]~~
- 2366 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 2367 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
- 2368 value that is no longer provided to the creating entity of a major sporting event
- 2369 venue zone as property tax increment[-] ; or
- 2370 (x) for a regionally significant development zone created under Title 63N, Chapter
- 2371 3a, Part 2, Creation of Regionally Significant Development Zones, an amount

- 2372 equal to the incremental value that is no longer provided to the creating entity's
 2373 agency for the regionally significant development zone.
- 2374 (s) "Project area incremental revenue" means the same as that term is defined in Section
 2375 17C-1-1001.
- 2376 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 2377 (u) "Property tax differential" means the same as that term is defined in Sections
 2378 11-58-102 and 79-6-1104.
- 2379 (v) "Tax increment" means:
- 2380 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
 2381 in Section 17C-1-102;
- 2382 (ii) for a housing and transit reinvestment zone or convention center reinvestment
 2383 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 2384 Reinvestment Zone Act, the same as the term "property tax increment" is defined
 2385 in Section 63N-3-602;
- 2386 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 2387 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 2388 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 2389 10-21-101 or Section 17-80-101;
- 2390 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 2391 First Home Investment Zone Act, the same as that term is defined in Section
 2392 63N-3-1601;~~[-or]~~
- 2393 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 2394 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
 2395 defined in Section 63N-3-1701[-] ; or
- 2396 (vi) for a regionally significant development zone created under Title 63N, Chapter
 2397 3a, Part 2, Creation of Regionally Significant Development Zones, the same as the
 2398 term "property tax increment" is defined in Section 63N-3a-101.
- 2399 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
 2400 the commission the following statements:
- 2401 (a) a statement containing the aggregate valuation of all taxable real property a county
 2402 assessor assesses in accordance with Part 3, County Assessment, for each taxing
 2403 entity; and
- 2404 (b) a statement containing the taxable value of all personal property a county assessor
 2405 assesses in accordance with Part 3, County Assessment, from the prior year end

- 2406 values.
- 2407 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
2408 taxing entity:
- 2409 (a) the statements described in Subsections (2)(a) and (b);
2410 (b) an estimate of the revenue from personal property;
2411 (c) the certified tax rate; and
2412 (d) all forms necessary to submit a tax levy request.
- 2413 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
2414 calculated by dividing the ad valorem property tax revenue that a taxing entity
2415 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 2416 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
2417 calculate an amount as follows:
- 2418 (i) calculate for the taxing entity the difference between:
2419 (A) the aggregate taxable value of all property taxed; and
2420 (B) any adjustments for current year incremental value;
- 2421 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
2422 determined by increasing or decreasing the amount calculated under Subsection
2423 (4)(b)(i) by the average of the percentage net change in the value of taxable
2424 property for the equalization period for the three calendar years immediately
2425 preceding the current calendar year;
- 2426 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
2427 product of:
2428 (A) the amount calculated under Subsection (4)(b)(ii); and
2429 (B) the percentage of property taxes collected for the five calendar years
2430 immediately preceding the current calendar year; and
- 2431 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
2432 amount determined by:
2433 (A) multiplying the percentage of property taxes collected for the five calendar
2434 years immediately preceding the current calendar year by eligible new growth;
2435 and
2436 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
2437 amount calculated under Subsection (4)(b)(iii).
- 2438 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
2439 as follows:

- 2440 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
2441 tax rate is zero;
- 2442 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
2443 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
2444 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
2445 to Unincorporated Areas; and
2446 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
2447 purposes and such other levies imposed solely for the municipal-type services
2448 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 2449 (c) for a community reinvestment agency that received all or a portion of a taxing
2450 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
2451 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
2452 Subsection (4) except that the commission shall treat the total revenue transferred to
2453 the community reinvestment agency as ad valorem property tax revenue that the
2454 taxing entity budgeted for the prior year; and
- 2455 (d) for debt service voted on by the public, the certified tax rate is the actual levy
2456 imposed by that section, except that a certified tax rate for the following levies shall
2457 be calculated in accordance with Section 59-2-913 and this section:
2458 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
2459 (ii) a levy to pay for the costs of state legislative mandates or judicial or
2460 administrative orders under Section 59-2-1602.
- 2461 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
2462 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
2463 one or more eligible judgments.
- 2464 (b) The ad valorem property tax revenue generated by a judgment levy described in
2465 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
2466 certified tax rate.
- 2467 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
2468 (i) the taxable value of real property:
2469 (A) the county assessor assesses in accordance with Part 3, County Assessment;
2470 and
2471 (B) contained on the assessment roll;
- 2472 (ii) the year end taxable value of personal property:
2473 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

- 2474 (B) contained on the prior year's assessment roll; and
2475 (iii) the taxable value of real and personal property the commission assesses in
2476 accordance with Part 2, Assessment of Property.
- 2477 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
2478 growth.
- 2479 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 2480 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
2481 the county auditor of:
- 2482 (i) the taxing entity's intent to exceed the certified tax rate; and
2483 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 2484 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
2485 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 2486 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
2487 electronic means on or before July 31, to a taxing entity and the Revenue and
2488 Taxation Interim Committee if:
- 2489 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
2490 taxable value of the real and personal property the commission assesses in
2491 accordance with Part 2, Assessment of Property, for the previous year, adjusted
2492 for prior year end incremental value; and
- 2493 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
2494 end taxable value of the real and personal property of a taxpayer the commission
2495 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 2496 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
2497 subtracting the taxable value of real and personal property the commission assesses
2498 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
2499 current year incremental value, from the year end taxable value of the real and
2500 personal property the commission assesses in accordance with Part 2, Assessment of
2501 Property, for the previous year, adjusted for prior year end incremental value.
- 2502 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
2503 subtracting the total taxable value of real and personal property of a taxpayer the
2504 commission assesses in accordance with Part 2, Assessment of Property, for the
2505 current year, from the total year end taxable value of the real and personal property of
2506 a taxpayer the commission assesses in accordance with Part 2, Assessment of
2507 Property, for the previous year.

2508 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
 2509 requirement under Subsection (9)(a)(ii).

2510 Section 36. Section **59-35-101** is enacted to read:

2511 **CHAPTER 35. County Energy Excise Tax Act**

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

2513 As used in this chapter:

2514 (1) "Delivered value" means the fair market value of energy delivered for use and includes:

2515 (a) the value of the energy itself; and

2516 (b) any transportation, freight, customer demand charges, services charges, or other
 2517 costs typically incurred in providing energy in usable form.

2518 (2) "Energy" means gas and electricity.

2519 (3) "Energy supplier" means a person supplying energy.

2520 (4) "High-impact consumer" means:

2521 (a) a large load customer; or

2522 (b) a qualifying data center.

2523 (5) "Large load customer" means the same as that term is defined in Section 54-26-101.

2524 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.

2525 (7) "Regional economic development authority" means:

2526 (a) the Military Installation Development Authority created in Section 63H-1-201;

2527 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; and

2528 (c) the Utah Fairpark Area Investment and Restoration District created in Section
 2529 11-70-201.

2530 Section 37. Section **59-35-201** is enacted to read:

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

2532 **-- Notice requirements.**

2533 (1) A county may levy an excise tax for the delivered value of energy upon a high-impact
 2534 consumer located:

2535 (a) within the county; and

2536 (b) on unincorporated land.

2537 (2)(a) Subject to Section 59-35-202, a county may impose the tax levied under

2538 Subsection (1) at a maximum rate of 6% of the delivered value of the energy to the
 2539 high-impact consumer.

2540 (b) A high-impact consumer that qualifies as both a large load customer and a qualifying
 2541 data center is only subject to one excise tax described in this section.

- 2542 (3)(a) An energy supplier that delivers energy to a high-impact consumer is responsible
2543 for collecting and remitting a tax described in this section to the commission on a
2544 quarterly basis in the same manner that the energy supplier collects and remits sales
2545 and use tax.
- 2546 (b) For purposes of determining the point of sale for the delivered value of energy, the
2547 energy supplier shall use the location of the high-impact consumer's meter.
- 2548 (c) If an energy supplier passes along the cost of a tax imposed under this chapter to the
2549 high-impact consumer, the energy supplier shall indicate to the high-impact
2550 consumer that the tax is passed through by the energy supplier as a separately
2551 itemized charge.
- 2552 (4) A county that imposes or repeals the tax under this chapter, or modifies the rate of a tax
2553 imposed under this chapter, shall ensure county's action takes effect:
- 2554 (a) on the first day of a calendar quarter; and
- 2555 (b) after a 90-day period beginning on the date the county sends notice to the tax
2556 commission as described in Subsection (5).
- 2557 (5) A notice described in Subsection (4)(b) shall include:
- 2558 (a) that the county is imposing or repealing a tax under this chapter, or modifying the
2559 rate of a tax imposed under this chapter;
- 2560 (b) the tax rate, if applicable; and
- 2561 (c) the effective date of the tax.
- 2562 (6) A county excise tax imposed under this chapter is in addition to any sales and use tax
2563 imposed by the county under Title 59, Chapter 12, Sales and Use Tax Act.
- 2564 Section 38. Section **59-35-202** is enacted to read:
- 2565 **59-35-202 (Effective 05/06/26). High-impact consumers in certain project areas.**
- 2566 If a high-impact consumer is subject to a municipal energy sales and use tax, as
2567 described in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, that is
2568 levied by a regional land use economic development authority, the county may levy a tax
2569 described in Section 59-35-201 on the high-impact consumer only:
- 2570 (1) to the extent that the regional economic development authority does not levy the
2571 maximum rate described in Section 10-1-304; and
- 2572 (2) at a rate that ensures the combined rate of the tax described in this section and the
2573 municipal energy sales and use tax levied on the high-impact consumer does not exceed
2574 6%.
- 2575 Section 39. Section **59-35-301** is enacted to read:

2576 **59-35-301 (Effective 05/06/26). Administration, collection, and enforcement --**
 2577 **Rulemaking.**

- 2578 (1) The commission shall administer, collect, and enforce a tax under this chapter in
 2579 accordance with Chapter 1, General Taxation Policies.
- 2580 (2) Subject to Section 59-1-306, the commission shall:
- 2581 (a) deposit 10% of the revenue the commission collects from a tax under this chapter
 2582 into the State Reinvestment Restricted Account created in Section 51-9-1002; and
 2583 (b) distribute 90% of the revenue to the county that levied the tax.
- 2584 (3) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah
 2585 Administrative Rulemaking Act, about the delivered value of taxable energy.
- 2586 (4) The rules made under Subsection (3) shall:
- 2587 (a) provide that an arm's length sales price for taxable energy sold or used by a
 2588 high-impact consumer is the delivered value to the high-impact consumer, unless the
 2589 sales price does not include some portion of the taxable energy or component of
 2590 delivered value; and
- 2591 (b) establish one or more default methods for determining the delivered value one time
 2592 per calendar year on or before January 31 for taxable energy when the commission
 2593 determines that the sales price does not accurately reflect delivered value.
- 2594 (5) In establishing a default method under Subsection (4)(b), the commission:
- 2595 (a) shall take into account quantity discounts and other reductions or increases in value
 2596 that are generally available in the marketplace for various grades or types of property
 2597 and classes of services; and
- 2598 (b) may consider:
- 2599 (i) generally applicable tariffs for various classes of utility services approved by the
 2600 Public Service Commission or other governmental entity;
- 2601 (ii) posted prices;
- 2602 (iii) spot-market prices;
- 2603 (iv) trade publications;
- 2604 (v) market data; and
- 2605 (vi) other information and data prescribed by the commission.

2606 *The following section is affected by a coordination clause at the end of this bill.*

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

2608 **63G-2-206 (Effective 05/06/26). Sharing records.**

- 2609 (1) A governmental entity may provide a record that is private, controlled, or protected to

- 2610 another governmental entity, a government-managed corporation, a political
2611 subdivision, the federal government, or another state if the requesting entity:
- 2612 (a) serves as a repository or archives for purposes of historical preservation,
2613 administrative maintenance, or destruction;
 - 2614 (b) enforces, litigates, or investigates civil, criminal, or administrative law, and the
2615 record is necessary to a proceeding or investigation;
 - 2616 (c) is authorized by state statute to conduct an audit and the record is needed for that
2617 purpose;
 - 2618 (d) is one that collects information for presentence, probationary, or parole purposes; or
2619 (e)(i) is:
 - 2620 (A) the Legislature;
 - 2621 (B) a legislative committee;
 - 2622 (C) a member of the Legislature; or
 - 2623 (D) a legislative staff member acting at the request of the Legislature, a legislative
2624 committee, or a member of the Legislature; and
 - 2625 (ii) requests the record in relation to the Legislature's duties including:
 - 2626 (A) the preparation or review of a legislative proposal or legislation;
 - 2627 (B) appropriations; or
 - 2628 (C) an investigation or review conducted by the Legislature or a legislative
2629 committee.
- 2630 (2)(a) A governmental entity may provide a private, controlled, or protected record or
2631 record series to another governmental entity, a political subdivision, a
2632 government-managed corporation, the federal government, or another state if the
2633 requesting entity provides written assurance:
- 2634 (i) that the record or record series is necessary to the performance of the
2635 governmental entity's duties and functions;
 - 2636 (ii) that the record or record series will be used for a purpose similar to the purpose
2637 for which the information in the record or record series was collected or obtained;
2638 and
 - 2639 (iii) that the use of the record or record series produces a public benefit that is greater
2640 than or equal to the individual privacy right that protects the record or record
2641 series.
- 2642 (b) A governmental entity may provide a private, controlled, or protected record or
2643 record series to a contractor or a private provider according to the requirements of

- 2644 Subsection [~~(6)(b)~~] (7)(b).
- 2645 (3)(a) A governmental entity shall provide a private, controlled, or protected record to
2646 another governmental entity, a political subdivision, a government-managed
2647 corporation, the federal government, or another state if the requesting entity:
2648 (i) is entitled by law to inspect the record;
2649 (ii) is required to inspect the record as a condition of participating in a state or federal
2650 program or for receiving state or federal funds; or
2651 (iii) is an entity described in Subsection (1)(a), (b), (c), (d), or (e).
- 2652 (b) Subsection (3)(a)(iii) applies only if the record is a record described in Subsection
2653 63G-2-305(4).
- 2654 (4) A record that is classified as protected as economic development information under
2655 Subsection 63G-2-305(2)(b):
2656 (a) may be provided by the governmental entity that possesses the record and classified
2657 the record as protected to another governmental entity in lieu of the second
2658 governmental entity entering into a nondisclosure agreement with the person that
2659 requested the record be treated as protected under Section 63G-2-309;
2660 (b) may be shared with the following entities when the entities are considering an
2661 economic development project:
2662 (i) the Governor's Office of Economic Opportunity;
2663 (ii) the Utah Inland Port Authority created in Section 11-58-201;
2664 (iii) the Military Installation Development Authority created in Section 63H-1-201;
2665 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;
2666 (v) the Utah Fairpark Area Investment and Restoration District created in Section
2667 11-70-201;
2668 (vi) a county where the economic development opportunity may take place or be
2669 sited; and
2670 (vii) a municipality where the economic development opportunity may take place or
2671 be sited;
2672 (c) remains protected when shared as described in this Subsection (4); and
2673 (d) shall be treated as a protected record by any governmental entity that receives the
2674 record in accordance with this Subsection (4).
- 2675 (5) Before disclosing a record or record series under this section to another governmental
2676 entity, another state, the United States, a foreign government, or to a contractor or
2677 private provider, the originating governmental entity shall:

- 2678 (a) inform the recipient of the record's classification and the accompanying restrictions
2679 on access; and
- 2680 (b) if the recipient is not a governmental entity to which this chapter applies, obtain the
2681 recipient's written agreement which may be by mechanical or electronic transmission
2682 that it will abide by those restrictions on access unless a statute, federal regulation, or
2683 interstate agreement otherwise governs the sharing of the record or record series.
- 2684 ~~[(5)]~~ (6) A governmental entity may disclose a record to another state, the United States, or
2685 a foreign government for the reasons listed in Subsections (1) and (2) without complying
2686 with the procedures of Subsection (2) or ~~[(4)]~~ (5) if disclosure is authorized by executive
2687 agreement, treaty, federal statute, compact, federal regulation, or state statute.
- 2688 ~~[(6)]~~ (7)(a) Subject to Subsections ~~[(6)(b)]~~ (7)(b) and (c), an entity receiving a record
2689 under this section is subject to the same restrictions on disclosure of the record as the
2690 originating entity.
- 2691 (b) A contractor or a private provider may receive information under this section only if:
- 2692 (i) the contractor or private provider's use of the record or record series produces a
2693 public benefit that is greater than or equal to the individual privacy right that
2694 protects the record or record series;
- 2695 (ii) the record or record series it requests:
- 2696 (A) is necessary for the performance of a contract with a governmental entity;
- 2697 (B) will only be used for the performance of the contract with the governmental
2698 entity;
- 2699 (C) will not be disclosed to any other person; and
- 2700 (D) will not be used for advertising or solicitation purposes; and
- 2701 (iii) the contractor or private provider gives written assurance to the governmental
2702 entity that is providing the record or record series that ~~[it]~~ the contractor or private
2703 provider will adhere to the restrictions of this Subsection ~~[(6)(b)]~~ (7)(b).
- 2704 (c) The classification of a record already held by a governmental entity and the
2705 applicable restrictions on disclosure of that record are not affected by the
2706 governmental entity's receipt under this section of a record with a different
2707 classification that contains information that is also included in the previously held
2708 record.
- 2709 ~~[(7)]~~ (8) Notwithstanding any other provision of this section, if a more specific court rule or
2710 order, state statute, federal statute, or federal regulation prohibits or requires sharing
2711 information, that rule, order, statute, or federal regulation controls.

- 2712 ~~[(8)]~~ (9)(a) The following records may not be shared under this section:
- 2713 (i) records held by the Division of Oil, Gas, and Mining that pertain to any person
- 2714 and that are gathered under authority of Title 40, Chapter 6, Board and Division of
- 2715 Oil, Gas, and Mining;
- 2716 (ii) except as provided in Subsection ~~[(8)(b)]~~ (9)(b), records of publicly funded
- 2717 libraries as described in Subsection 63G-2-302(1)(c); and
- 2718 (iii) a record described in Section 63G-12-210.
- 2719 (b) A publicly funded library may share a record that is a private record under
- 2720 Subsection 63G-2-302(1)(c) with a law enforcement agency, as defined in Section
- 2721 53-1-102, if:
- 2722 (i) the record is a video surveillance recording of the library premises; and
- 2723 (ii) the law enforcement agency certifies in writing that:
- 2724 (A) the law enforcement agency believes that the record will provide important
- 2725 information for a pending investigation into criminal or potentially criminal
- 2726 behavior; and
- 2727 (B) the law enforcement agency's receipt of the record will assist the agency to
- 2728 prevent imminent harm to an individual or imminent and substantial damage to
- 2729 property.

2730 ~~[(9)]~~ (10) Records that may evidence or relate to a violation of law may be disclosed to a

2731 government prosecutor, peace officer, or auditor.

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

2733 **63G-2-305 (Effective 05/06/26). Protected records.**

2734 The following records are protected if properly classified by a governmental entity:

2735 (1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret [~~has~~

2736 ~~provided~~] provides the governmental entity with the information specified in Section

2737 63G-2-309;

2738 (2)(a) commercial information or nonindividual financial information obtained from a

2739 person if:

2740 ~~[(a)]~~ (i) disclosure of the information could reasonably be expected to result in unfair

2741 competitive injury to the person submitting the information or would impair the

2742 ability of the governmental entity to obtain necessary information in the future;

2743 ~~[(b)]~~ (ii) the person submitting the information has a greater interest in prohibiting

2744 access than the public in obtaining access; and

2745 ~~[(c)]~~ (iii) the person submitting the information [~~has provided~~] provides the

- 2746 governmental entity with the information specified in Section 63G-2-309; or
- 2747 (b) confidential economic development information:
- 2748 (i)(A) if the information is related to an economic development opportunity:
- 2749 (B) that a person provides to a governmental entity involved with recruiting or
- 2750 negotiating with the person to expand the person's existing business within the
- 2751 state or bring a new business to the state; and
- 2752 (C) if the person submitting the information provides the governmental entity with
- 2753 the information specified in Section 63G-2-309; or
- 2754 (ii) that takes the form of a nondisclosure agreement between a person and a
- 2755 governmental entity exploring an economic development opportunity;
- 2756 (3) commercial or financial information acquired or prepared by a governmental entity to
- 2757 the extent that disclosure would lead to financial speculations in currencies, securities, or
- 2758 commodities that will interfere with a planned transaction by the governmental entity or
- 2759 cause substantial financial injury to the governmental entity or state economy;
- 2760 (4) records, the disclosure of which could cause commercial injury to, or confer a
- 2761 competitive advantage upon a potential or actual competitor of, a commercial project
- 2762 entity as defined in Subsection 11-13-103(4);
- 2763 (5) test questions and answers to be used in future license, certification, registration,
- 2764 employment, or academic examinations;
- 2765 (6) records, the disclosure of which would impair governmental procurement proceedings
- 2766 or give an unfair advantage to any person proposing to enter into a contract or agreement
- 2767 with a governmental entity, except, subject to Subsections (1) and (2), that this
- 2768 Subsection (6) does not restrict the right of a person to have access to, after the contract
- 2769 or grant has been awarded and signed by all parties:
- 2770 (a) a bid, proposal, application, or other information submitted to or by a governmental
- 2771 entity in response to:
- 2772 (i) an invitation for bids;
- 2773 (ii) a request for proposals;
- 2774 (iii) a request for quotes;
- 2775 (iv) a grant; or
- 2776 (v) other similar document; or
- 2777 (b) an unsolicited proposal, as defined in Section 63G-6a-712;
- 2778 (7) information submitted to or by a governmental entity in response to a request for
- 2779 information, except, subject to Subsections (1) and (2), that this Subsection (7) does not

- 2780 restrict the right of a person to have access to the information, after:
- 2781 (a) a contract directly relating to the subject of the request for information has been
- 2782 awarded and signed by all parties; or
- 2783 (b)(i) a final determination is made not to enter into a contract that relates to the
- 2784 subject of the request for information; and
- 2785 (ii) at least two years have passed after the day on which the request for information
- 2786 is issued;
- 2787 (8) records that would identify real property or the appraisal or estimated value of real or
- 2788 personal property, including intellectual property, under consideration for public
- 2789 acquisition before any rights to the property are acquired unless:
- 2790 (a) public interest in obtaining access to the information is greater than or equal to the
- 2791 governmental entity's need to acquire the property on the best terms possible;
- 2792 (b) the information has already been disclosed to persons not employed by or under a
- 2793 duty of confidentiality to the entity;
- 2794 (c) in the case of records that would identify property, potential sellers of the described
- 2795 property have already learned of the governmental entity's plans to acquire the
- 2796 property;
- 2797 (d) in the case of records that would identify the appraisal or estimated value of
- 2798 property, the potential sellers have already learned of the governmental entity's
- 2799 estimated value of the property; or
- 2800 (e) the property under consideration for public acquisition is a single family residence
- 2801 and the governmental entity seeking to acquire the property has initiated negotiations
- 2802 to acquire the property as required under Section 78B-6-505;
- 2803 (9) records prepared in contemplation of sale, exchange, lease, rental, or other compensated
- 2804 transaction of real or personal property including intellectual property, which, if
- 2805 disclosed prior to completion of the transaction, would reveal the appraisal or estimated
- 2806 value of the subject property, unless:
- 2807 (a) the public interest in access is greater than or equal to the interests in restricting
- 2808 access, including the governmental entity's interest in maximizing the financial
- 2809 benefit of the transaction; or
- 2810 (b) when prepared by or on behalf of a governmental entity, appraisals or estimates of
- 2811 the value of the subject property have already been disclosed to persons not
- 2812 employed by or under a duty of confidentiality to the entity;
- 2813 (10) records created or maintained for civil, criminal, or administrative enforcement

- 2814 purposes or audit purposes, or for discipline, licensing, certification, or registration
2815 purposes, if release of the records:
- 2816 (a) reasonably could be expected to interfere with investigations undertaken for
2817 enforcement, discipline, licensing, certification, or registration purposes;
 - 2818 (b) reasonably could be expected to interfere with audits, disciplinary, or enforcement
2819 proceedings;
 - 2820 (c) would create a danger of depriving a person of a right to a fair trial or impartial
2821 hearing;
 - 2822 (d) reasonably could be expected to disclose the identity of a source who is not generally
2823 known outside of government and, in the case of a record compiled in the course of
2824 an investigation, disclose information furnished by a source not generally known
2825 outside of government if disclosure would compromise the source; or
 - 2826 (e) reasonably could be expected to disclose investigative or audit techniques,
2827 procedures, policies, or orders not generally known outside of government if
2828 disclosure would interfere with enforcement or audit efforts;
- 2829 (11) records the disclosure of which would jeopardize the life or safety of an individual;
- 2830 (12) records the disclosure of which would jeopardize the security of governmental
2831 property, governmental programs, or governmental recordkeeping systems from
2832 damage, theft, or other appropriation or use contrary to law or public policy;
- 2833 (13) records that, if disclosed, would jeopardize the security or safety of a correctional
2834 facility, or records relating to incarceration, treatment, probation, or parole, that would
2835 interfere with the control and supervision of an offender's incarceration, treatment,
2836 probation, or parole;
- 2837 (14) records that, if disclosed, would reveal recommendations made to the Board of
2838 Pardons and Parole by an employee of or contractor for the Department of Corrections,
2839 the Board of Pardons and Parole, or the Department of Health and Human Services that
2840 are based on the employee's or contractor's supervision, diagnosis, or treatment of any
2841 person within the board's jurisdiction;
- 2842 (15) records and audit workpapers that identify audit, collection, and operational procedures
2843 and methods used by the State Tax Commission, if disclosure would interfere with
2844 audits or collections;
- 2845 (16) records of a governmental audit agency relating to an ongoing or planned audit until
2846 the final audit is released;
- 2847 (17) records that are subject to the attorney client privilege;

- 2848 (18) records prepared for or by an attorney, consultant, surety, indemnitor, insurer,
2849 employee, or agent of a governmental entity for, or in anticipation of, litigation or a
2850 judicial, quasi-judicial, or administrative proceeding;
- 2851 (19)(a)(i) personal files of a state legislator, including personal correspondence to or
2852 from a member of the Legislature; and
- 2853 (ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of
2854 legislative action or policy may not be classified as protected under this section;
2855 and
- 2856 (b)(i) an internal communication that is part of the deliberative process in connection
2857 with the preparation of legislation between:
- 2858 (A) members of a legislative body;
2859 (B) a member of a legislative body and a member of the legislative body's staff; or
2860 (C) members of a legislative body's staff; and
- 2861 (ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of
2862 legislative action or policy may not be classified as protected under this section;
- 2863 (20)(a) records in the custody or control of the Office of Legislative Research and
2864 General Counsel, that, if disclosed, would reveal a particular legislator's
2865 contemplated legislation or contemplated course of action before the legislator has
2866 elected to support the legislation or course of action, or made the legislation or course
2867 of action public; and
- 2868 (b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the
2869 Office of Legislative Research and General Counsel is a public document unless a
2870 legislator asks that the records requesting the legislation be maintained as protected
2871 records until such time as the legislator elects to make the legislation or course of
2872 action public;
- 2873 (21) a research request from a legislator to a legislative staff member and research findings
2874 prepared in response to the request;
- 2875 (22) drafts, unless otherwise classified as public;
- 2876 (23) records concerning a governmental entity's strategy about:
- 2877 (a) collective bargaining; or
2878 (b) imminent or pending litigation;
- 2879 (24) records of investigations of loss occurrences and analyses of loss occurrences that may
2880 be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the
2881 Uninsured Employers' Fund, or similar divisions in other governmental entities;

- 2882 (25) records, other than personnel evaluations, that contain a personal recommendation
2883 concerning an individual if disclosure would constitute a clearly unwarranted invasion
2884 of personal privacy, or disclosure is not in the public interest;
- 2885 (26) records that reveal the location of historic, prehistoric, paleontological, or biological
2886 resources that if known would jeopardize the security of those resources or of valuable
2887 historic, scientific, educational, or cultural information;
- 2888 (27) records of independent state agencies if the disclosure of the records would conflict
2889 with the fiduciary obligations of the agency;
- 2890 (28) records of an institution of higher education defined in Section 53H-1-101 regarding
2891 tenure evaluations, appointments, applications for admissions, retention decisions, and
2892 promotions, which could be properly discussed in a meeting closed in accordance with
2893 Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final
2894 decisions about tenure, appointments, retention, promotions, or those students admitted,
2895 may not be classified as protected under this section;
- 2896 (29) records of the governor's office, including budget recommendations, legislative
2897 proposals, and policy statements, that if disclosed would reveal the governor's
2898 contemplated policies or contemplated courses of action before the governor has
2899 implemented or rejected those policies or courses of action or made them public;
- 2900 (30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis,
2901 revenue estimates, and fiscal notes of proposed legislation before issuance of the final
2902 recommendations in these areas;
- 2903 (31) records provided by the United States or by a government entity outside the state that
2904 are given to the governmental entity with a requirement that they be managed as
2905 protected records if the providing entity certifies that the record would not be subject to
2906 public disclosure if retained by it;
- 2907 (32) transcripts, minutes, recordings, or reports of the closed portion of a meeting of a
2908 public body except as provided in Section 52-4-206;
- 2909 (33) records that would reveal the contents of settlement negotiations but not including final
2910 settlements or empirical data to the extent that they are not otherwise exempt from
2911 disclosure;
- 2912 (34) memoranda prepared by staff and used in the decision-making process by an
2913 administrative law judge, a member of the Board of Pardons and Parole, or a member of
2914 any other body charged by law with performing a quasi-judicial function;
- 2915 (35) records that would reveal negotiations regarding assistance or incentives offered by or

- 2916 requested from a governmental entity for the purpose of encouraging a person to expand
2917 or locate a business in Utah, but only if disclosure would result in actual economic harm
2918 to the person or place the governmental entity at a competitive disadvantage, but this
2919 section may not be used to restrict access to a record evidencing a final contract;
- 2920 (36) materials to which access must be limited for purposes of securing or maintaining the
2921 governmental entity's proprietary protection of intellectual property rights including
2922 patents, copyrights, and trade secrets;
- 2923 (37) the name of a donor or a prospective donor to a governmental entity, including an
2924 institution of higher education defined in Section 53H-1-101, and other information
2925 concerning the donation that could reasonably be expected to reveal the identity of the
2926 donor, provided that:
- 2927 (a) the donor requests anonymity in writing;
- 2928 (b) any terms, conditions, restrictions, or privileges relating to the donation may not be
2929 classified protected by the governmental entity under this Subsection (37); and
- 2930 (c) except for an institution of higher education defined in Section 53H-1-101, the
2931 governmental unit to which the donation is made is primarily engaged in educational,
2932 charitable, or artistic endeavors, and has no regulatory or legislative authority over
2933 the donor, a member of the donor's immediate family, or any entity owned or
2934 controlled by the donor or the donor's immediate family;
- 2935 (38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;
- 2936 (39) a notification of workers' compensation insurance coverage described in Section
2937 34A-2-205;
- 2938 (40) subject to Subsections (40)(g) and (h), the following records of an institution of higher
2939 education defined in Section 53H-1-101, which have been developed, discovered,
2940 disclosed to, or received by or on behalf of faculty, staff, employees, or students of the
2941 institution:
- 2942 (a) unpublished lecture notes;
- 2943 (b) unpublished notes, data, and information:
- 2944 (i) relating to research; and
- 2945 (ii) of:
- 2946 (A) the institution of higher education defined in Section 53H-1-101; or
- 2947 (B) a sponsor of sponsored research;
- 2948 (c) unpublished manuscripts;
- 2949 (d) creative works in process;

- 2950 (e) scholarly correspondence; [~~and~~]
2951 (f) confidential information contained in research proposals;
2952 (g) this Subsection (40) may not be construed to prohibit disclosure of public
2953 information required pursuant to Subsection 53H-14-202(2)(a) or (b); and
2954 (h) this Subsection (40) may not be construed to affect the ownership of a record;
- 2955 (41)(a) records in the custody or control of the Office of the Legislative Auditor General
2956 that would reveal the name of a particular legislator who requests a legislative audit
2957 prior to the date that audit is completed and made public; and
2958 (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the
2959 Office of the Legislative Auditor General is a public document unless the legislator
2960 asks that the records in the custody or control of the Office of the Legislative Auditor
2961 General that would reveal the name of a particular legislator who requests a
2962 legislative audit be maintained as protected records until the audit is completed and
2963 made public;
- 2964 (42) records that provide detail as to the location of an explosive, including a map or other
2965 document that indicates the location of:
2966 (a) a production facility; or
2967 (b) a magazine;
- 2968 (43) information contained in the statewide database of the Division of Aging and Adult
2969 Services created by Section 26B-6-210;
- 2970 (44) information contained in the Licensing Information System described in Title 80,
2971 Chapter 2, Child Welfare Services;
- 2972 (45) information regarding National Guard operations or activities in support of the
2973 National Guard's federal mission;
- 2974 (46) records provided by any pawn or secondhand business to a law enforcement agency or
2975 to the central database in compliance with Title 13, Chapter 32a, Pawnshop, Secondhand
2976 Merchandise, and Catalytic Converter Transaction Information Act;
- 2977 (47) information regarding food security, risk, and vulnerability assessments performed by
2978 the Department of Agriculture and Food;
- 2979 (48) except to the extent that the record is exempt from this chapter [~~pursuant to~~] in
2980 accordance with Section 63G-2-106, records related to an emergency plan or program, a
2981 copy of which is provided to or prepared or maintained by the Division of Emergency
2982 Management, and the disclosure of which would jeopardize:
2983 (a) the safety of the general public; or

- 2984 (b) the security of:
- 2985 (i) governmental property;
- 2986 (ii) governmental programs; or
- 2987 (iii) the property of a private person who provides the Division of Emergency
- 2988 Management information;
- 2989 (49) records of the Department of Agriculture and Food that provides for the identification,
- 2990 tracing, or control of livestock diseases, including any program established under Title
- 2991 4, Chapter 24, Utah Livestock Brand and Anti-Theft Act, or Title 4, Chapter 31, Control
- 2992 of Animal Disease;
- 2993 (50) as provided in Section 26B-2-709:
- 2994 (a) information or records held by the Department of Health and Human Services related
- 2995 to a complaint regarding a provider, program, or facility which the department is
- 2996 unable to substantiate; and
- 2997 (b) information or records related to a complaint received by the Department of Health
- 2998 and Human Services from an anonymous complainant regarding a provider, program,
- 2999 or facility;
- 3000 (51) unless otherwise classified as public under Section 63G-2-301 and except as provided
- 3001 under Section 41-1a-116, an individual's home address, home telephone number, or
- 3002 personal mobile phone number, if:
- 3003 (a) the individual is required to provide the information in order to comply with a law,
- 3004 ordinance, rule, or order of a government entity; and
- 3005 (b) the subject of the record has a reasonable expectation that this information will be
- 3006 kept confidential due to:
- 3007 (i) the nature of the law, ordinance, rule, or order; and
- 3008 (ii) the individual complying with the law, ordinance, rule, or order;
- 3009 (52) the portion of the following documents that contains a candidate's residential or
- 3010 mailing address, if the candidate provides to the filing officer another address or phone
- 3011 number where the candidate may be contacted:
- 3012 (a) a declaration of candidacy, a nomination petition, or a certificate of nomination,
- 3013 described in Section 20A-9-201, 20A-9-202, 20A-9-203, 20A-9-404, 20A-9-405,
- 3014 20A-9-408, 20A-9-408.5, 20A-9-502, or 20A-9-601;
- 3015 (b) an affidavit of impecuniosity, described in Section 20A-9-201; or
- 3016 (c) a notice of intent to gather signatures for candidacy, described in Section 20A-9-408;
- 3017 (53) the name, home address, work addresses, and telephone numbers of an individual that

- 3018 is engaged in, or that provides goods or services for, medical or scientific research that is:
- 3019 (a) conducted within the state system of higher education, as described in Section
- 3020 53H-1-102; and
- 3021 (b) conducted using animals;
- 3022 (54) in accordance with Section 78A-12-203, any record of the Judicial Performance
- 3023 Evaluation Commission concerning an individual commissioner's vote, in relation to
- 3024 whether a judge meets or exceeds minimum performance standards under Subsection
- 3025 78A-12-203(4), and information disclosed under Subsection 78A-12-203(5)(e);
- 3026 (55) information collected and a report prepared by the Judicial Performance Evaluation
- 3027 Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12,
- 3028 Judicial Performance Evaluation Commission Act, requires disclosure of, or makes
- 3029 public, the information or report;
- 3030 (56) records provided or received by the Public Lands Policy Coordinating Office in
- 3031 furtherance of any contract or other agreement made in accordance with Section
- 3032 63L-11-202;
- 3033 (57) information requested by and provided to the 911 Division under Section 63H-7a-302;
- 3034 (58) in accordance with Section 73-10-33:
- 3035 (a) a management plan for a water conveyance facility in the possession of the Division
- 3036 of Water Resources or the Board of Water Resources; or
- 3037 (b) an outline of an emergency response plan in possession of the state or a county or
- 3038 municipality;
- 3039 (59) the following records in the custody or control of the Office of Inspector General of
- 3040 Medicaid Services, created in Section 63A-13-201:
- 3041 (a) records that would disclose information relating to allegations of personal
- 3042 misconduct, gross mismanagement, or illegal activity of a person if the information
- 3043 or allegation cannot be corroborated by the Office of Inspector General of Medicaid
- 3044 Services through other documents or evidence, and the records relating to the
- 3045 allegation are not relied upon by the Office of Inspector General of Medicaid
- 3046 Services in preparing a final investigation report or final audit report;
- 3047 (b) records and audit workpapers to the extent they would disclose the identity of a
- 3048 person who, during the course of an investigation or audit, communicated the
- 3049 existence of any Medicaid fraud, waste, or abuse, or a violation or suspected
- 3050 violation of a law, rule, or regulation adopted under the laws of this state, a political
- 3051 subdivision of the state, or any recognized entity of the United States, if the

- 3052 information was disclosed on the condition that the identity of the person be
3053 protected;
- 3054 (c) before the time that an investigation or audit is completed and the final investigation
3055 or final audit report is released, records or drafts circulated to a person who is not an
3056 employee or head of a governmental entity for the person's response or information;
- 3057 (d) records that would disclose an outline or part of any investigation, audit survey plan,
3058 or audit program; or
- 3059 (e) requests for an investigation or audit, if disclosure would risk circumvention of an
3060 investigation or audit;
- 3061 (60) records that reveal methods used by the Office of Inspector General of Medicaid
3062 Services, the fraud unit, or the Department of Health and Human Services, to discover
3063 Medicaid fraud, waste, or abuse;
- 3064 (61) information provided to the Department of Health and Human Services or the Division
3065 of Professional Licensing under Subsections 58-67-304(3) and (4) and Subsections
3066 58-68-304(3) and (4);
- 3067 (62) a record described in Section 63G-12-210;
- 3068 (63) captured plate data that is obtained through an automatic license plate reader system
3069 used by a governmental entity as authorized in Section 41-6a-2003;
- 3070 (64) an audio or video recording created by a body-worn camera, as that term is defined in
3071 Section 77-7a-103, that records sound or images inside a hospital or health care facility
3072 as those terms are defined in Section 78B-3-403, inside a clinic of a health care provider,
3073 as that term is defined in Section 78B-3-403, or inside a human [service] services
3074 program as that term is defined in Section 26B-2-101, except for recordings that:
- 3075 (a) depict the commission of an alleged crime;
- 3076 (b) record any encounter between a law enforcement officer and a person that results in
3077 death or bodily injury, or includes an instance when an officer fires a weapon;
- 3078 (c) record any encounter that is the subject of a complaint or a legal proceeding against a
3079 law enforcement officer or law enforcement agency;
- 3080 (d) contain an officer involved critical incident as defined in Subsection 76-2-408(1)(f);
3081 or
- 3082 (e) have been requested for reclassification as a public record by a subject or authorized
3083 agent of a subject featured in the recording;
- 3084 (65) a record pertaining to the search process for a president of an institution of higher
3085 education described in Section 53H-3-302;

- 3086 (66) an audio recording that is:
- 3087 (a) produced by an audio recording device that is used in conjunction with a device or
- 3088 piece of equipment designed or intended for resuscitating an individual or for treating
- 3089 an individual with a life-threatening condition;
- 3090 (b) produced during an emergency event when an individual employed to provide law
- 3091 enforcement, fire protection, paramedic, emergency medical, or other first responder
- 3092 service:
- 3093 (i) is responding to an individual needing resuscitation or with a life-threatening
- 3094 condition; and
- 3095 (ii) uses a device or piece of equipment designed or intended for resuscitating an
- 3096 individual or for treating an individual with a life-threatening condition; and
- 3097 (c) intended and used for purposes of training emergency responders how to improve
- 3098 their response to an emergency situation;
- 3099 (67) records submitted by or prepared in relation to an applicant seeking a recommendation
- 3100 by the Research and General Counsel Subcommittee, the Budget Subcommittee, or the
- 3101 Legislative Audit Subcommittee, established under Section 36-12-8, for an employment
- 3102 position with the Legislature;
- 3103 (68) work papers as defined in Section 31A-2-204;
- 3104 (69) a record made available to Adult Protective Services or a law enforcement agency
- 3105 under Section 61-1-206;
- 3106 (70) a record submitted to the Insurance Department in accordance with Section
- 3107 31A-37-201;
- 3108 (71) a record described in Section 31A-37-503;
- 3109 (72) any record created by the Division of Professional Licensing as a result of Subsection
- 3110 58-37f-304(5) or 58-37f-702(2)(a)(ii);
- 3111 (73) a record described in Section 72-16-306 that relates to the reporting of an injury
- 3112 involving an amusement ride;
- 3113 (74) except as provided in Subsection 63G-2-305.5(1), the signature of an individual on a
- 3114 political petition, or on a request to withdraw a signature from a political petition,
- 3115 including a petition or request described in the following titles:
- 3116 (a) Title 10, Utah Municipal Code;
- 3117 (b) Title 17, Counties;
- 3118 (c) Title 17B, Limited Purpose Local Government Entities - Special Districts;
- 3119 (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and

- 3120 (e) Title 20A, Election Code;
- 3121 (75) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in a
- 3122 voter registration record;
- 3123 (76) except as provided in Subsection 63G-2-305.5(3), any signature, other than a signature
- 3124 described in Subsection (74) or (75), in the custody of the lieutenant governor or a local
- 3125 political subdivision collected or held under, or in relation to, Title 20A, Election Code;
- 3126 (77) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part 5,
- 3127 Victims Guidelines for Prosecutors Act;
- 3128 (78) a record submitted to the Insurance Department under Section 31A-48-103;
- 3129 (79) personal information, as defined in Section 63G-26-102, to the extent disclosure is
- 3130 prohibited under Section 63G-26-103;
- 3131 (80) an image taken of an individual during the process of booking the individual into jail,
- 3132 unless:
- 3133 (a) the individual is convicted of a criminal offense based upon the conduct for which
- 3134 the individual was incarcerated at the time the image was taken;
- 3135 (b) a law enforcement agency releases or disseminates the image:
- 3136 (i) after determining that the individual is a fugitive or an imminent threat to an
- 3137 individual or to public safety and releasing or disseminating the image will assist
- 3138 in apprehending the individual or reducing or eliminating the threat; or
- 3139 (ii) to a potential witness or other individual with direct knowledge of events relevant
- 3140 to a criminal investigation or criminal proceeding for the purpose of identifying or
- 3141 locating an individual in connection with the criminal investigation or criminal
- 3142 proceeding;
- 3143 (c) a judge orders the release or dissemination of the image based on a finding that the
- 3144 release or dissemination is in furtherance of a legitimate law enforcement interest; or
- 3145 (d) the image is displayed to a person who is permitted to view the image under Section
- 3146 17-72-802;
- 3147 (81) a record:
- 3148 (a) concerning an interstate claim to the use of waters in the Colorado River system;
- 3149 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 3150 representative from another state or the federal government as provided in Section
- 3151 63M-14-205; and
- 3152 (c) the disclosure of which would:
- 3153 (i) reveal a legal strategy relating to the state's claim to the use of the water in the

- 3154 Colorado River system;
- 3155 (ii) harm the ability of the Colorado River Authority of Utah or river commissioner to
3156 negotiate the best terms and conditions regarding the use of water in the Colorado
3157 River system; or
- 3158 (iii) give an advantage to another state or to the federal government in negotiations
3159 regarding the use of water in the Colorado River system;
- 3160 (82) any part of an application described in Section 63N-16-201 that the Governor's Office
3161 of Economic Opportunity determines is nonpublic, confidential information that if
3162 disclosed would result in actual economic harm to the applicant, but this Subsection (82)
3163 may not be used to restrict access to a record evidencing a final contract or approval
3164 decision;
- 3165 (83) the following records of a drinking water or wastewater facility:
- 3166 (a) an engineering or architectural drawing of the drinking water or wastewater facility;
3167 and
- 3168 (b) except as provided in Section 63G-2-106, a record detailing tools or processes the
3169 drinking water or wastewater facility uses to secure, or prohibit access to, the records
3170 described in Subsection (83)(a);
- 3171 (84) a statement that an employee of a governmental entity provides to the governmental
3172 entity as part of the governmental entity's personnel or administrative investigation into
3173 potential misconduct involving the employee if the governmental entity:
- 3174 (a) requires the statement under threat of employment disciplinary action, including
3175 possible termination of employment, for the employee's refusal to provide the
3176 statement; and
- 3177 (b) provides the employee assurance that the statement cannot be used against the
3178 employee in any criminal proceeding;
- 3179 (85) any part of an application for a Utah Fits All Scholarship account described in Section
3180 53F-6-402 or other information identifying a scholarship student as defined in Section
3181 53F-6-401;
- 3182 (86) a record:
- 3183 (a) concerning a claim to the use of waters in the Great Salt Lake;
- 3184 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
3185 person concerning the claim, including a representative from another state or the
3186 federal government; and
- 3187 (c) the disclosure of which would:

- 3188 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
 3189 Great Salt Lake;
- 3190 (ii) harm the ability of the Great Salt Lake commissioner to negotiate the best terms
 3191 and conditions regarding the use of water in the Great Salt Lake; or
- 3192 (iii) give an advantage to another person including another state or to the federal
 3193 government in negotiations regarding the use of water in the Great Salt Lake;
- 3194 (87) a consumer complaint described in Section 13-2-11, unless the consumer complaint is
 3195 reclassified as public as described in Subsection [~~13-2-11(4)~~] 13-2-11(3);
- 3196 (88) a record of the Utah water agent, appointed under Section 73-10g-702:
- 3197 (a) concerning a claim to the use of waters;
- 3198 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
 3199 representative from another state, a tribe, the federal government, or other
 3200 government entity as provided in Title 73, Chapter 10g, Part 7, Utah Water Agent;
 3201 and
- 3202 (c) the disclosure of which would:
- 3203 (i) reveal a legal strategy relating to the state's claim to the use of the water;
- 3204 (ii) harm the ability of the Utah water agent to negotiate the best terms and conditions
 3205 regarding the use of water; or
- 3206 (iii) give an advantage to another state, a tribe, the federal government, or other
 3207 government entity in negotiations regarding the use of water; and
- 3208 (89) a record created or maintained for an investigation of the Prosecutor Conduct
 3209 Commission, created in Section 63M-7-1102, that contains any personal identifying
 3210 information of a prosecuting attorney, including:
- 3211 (a) a complaint, or a document that is submitted or created for a complaint, received by
 3212 the Prosecutor Conduct Commission; or
- 3213 (b) a finding by the Prosecutor Conduct Commission.
- 3214 Section 42. Section **63G-2-309** is amended to read:
- 3215 **63G-2-309 (Effective 05/06/26). Confidentiality claims.**
- 3216 (1)(a)(i) Any person who provides to a governmental entity a record that the person
 3217 believes should be protected under Subsection 63G-2-305(1) or (2) or both
 3218 Subsections 63G-2-305(1) and (2) shall provide with the record, or within a
 3219 reasonable amount of time after providing the record:
- 3220 (A) a written claim of business confidentiality; and
- 3221 (B) a concise statement of reasons supporting the claim of business confidentiality.

- 3222 (ii) Any of the following who provides to an institution of higher education defined
3223 in Section 53H-1-101 a record that the person or governmental entity believes
3224 should be protected under [~~Subsection 63G-2-305(40)(a)(ii) or (vi) or both~~
3225 ~~Subsections 63G-2-305(40)(a)(ii) and (vi)~~] Subsection 63G-2-305(40) shall
3226 provide the institution within the state system of higher education a written claim
3227 of business confidentiality in accordance with Section 53H-14-204:
- 3228 (A) a person;
3229 (B) a federal governmental entity;
3230 (C) a state governmental entity; or
3231 (D) a local governmental entity.
- 3232 (b) A person or governmental entity who complies with this Subsection (1) shall be
3233 notified by the governmental entity to whom the request for a record is made if:
- 3234 (i) a record claimed to be protected under one of the following is classified public:
- 3235 (A) Subsection 63G-2-305(1);
3236 (B) Subsection 63G-2-305(2);
3237 (C) Subsection [~~63G-2-305(40)(a)(ii)~~] 63G-2-305(40); or
3238 [~~(D) Subsection 63G-2-305(40)(a)(vi); or~~
3239 [~~(E)~~] (D) a combination of the provisions described in Subsections (1)(b)(i)(A)
3240 through [~~(D)~~] (C); or
- 3241 (ii) the governmental entity to whom the request for a record is made determines that
3242 the record claimed to be protected under a provision listed in Subsection (1)(b)(i)
3243 should be released after balancing interests under Subsection 63G-2-201(5)(b) or
3244 63G-2-401(6).
- 3245 (c) A person who makes a claim of business confidentiality under this Subsection (1)
3246 shall protect, defend, and indemnify the governmental entity that retains the record,
3247 and all staff and employees of the governmental entity from and against any claims,
3248 liability, or damages resulting from or arising from a denial of access to the record as
3249 a protected record based on the claim of business confidentiality.
- 3250 (2)(a) Except as provided in Subsection (2)(b) or by court order, the governmental entity
3251 to whom the request for a record is made may not disclose a record claimed to be
3252 protected under a provision listed in Subsection (1)(b)(i) but which the governmental
3253 entity or the director of the Government Records Office determines should be
3254 disclosed until the period in which to bring an appeal expires or the end of the
3255 appeals process, including judicial appeal.

3256 (b) Subsection (2)(a) does not apply where the claimant, after notice, has waived the
 3257 claim by not appealing or intervening before the director of the Government Records
 3258 Office.

3259 (3) Disclosure or acquisition of information under this chapter does not constitute
 3260 misappropriation under Subsection 13-24-2(2).

3261 Section 43. Section **63G-2-802** is amended to read:

3262 **63G-2-802 (Effective 05/06/26). Injunction -- Attorney fees and costs.**

3263 (1) As used in this section, "defending party" means:

3264 (a) a governmental entity or political subdivision:

3265 (i) whose access denial is the subject of a petition for judicial review under Section
 3266 63G-2-404; and

3267 (ii) that defends the access denial in an action for judicial review under Section
 3268 63G-2-404; or

3269 (b) a person, other than the governmental entity or political subdivision described in
 3270 Subsection (1)(a), that is party to the action for judicial review in opposition to
 3271 disclosure of the record that is the subject of judicial review.

3272 (2)(a) If a protected record is shared as described in Subsection 63G-2-206(4) and the
 3273 protected record is intentionally disclosed, or about to be intentionally disclosed, the
 3274 person who requested the record be protected under Section 63G-2-309 may bring an
 3275 action against the governmental entity that intentionally disclosed, or is about to i
 3276 ntentionally disclose, as described in this section.

3277 (b) A person described in Subsection (2)(a) may seek and obtain:

3278 (i) injunctive relief to stop the improper disclosure of the protected record; and

3279 (ii) damages for an improper disclosure, subject to the limits set by rule in accordance
 3280 with Subsection 63G-7-605(5).

3281 (3) A district court in this state may enjoin any governmental entity or political subdivision
 3282 that violates or proposes to violate the provisions of this chapter.

3283 [~~(3)~~] (4)(a) Subject to Subsection [~~(6)~~] (7), a district court may assess against a defending
 3284 party reasonable attorney fees and costs reasonably incurred in connection with a
 3285 judicial appeal to determine whether a requester is entitled access to records under a
 3286 records request, if:

3287 (i) the requester substantially prevails; and

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

3289 (b) Subject to Subsection [~~(6)~~] (7), in determining whether to award attorney fees or costs

- 3290 to a requester under this section, the court shall consider:
- 3291 (i) the public benefit derived from the case;
- 3292 (ii) the nature of the requester's interest in the records; and
- 3293 (iii) whether the defending party's actions had a reasonable basis.
- 3294 (c) A court may not award attorney fees or costs to a requester under this section if the
- 3295 purpose of the litigation is primarily to benefit the requester's financial or commercial
- 3296 interest.
- 3297 ~~[(4)]~~ (5) Neither attorney fees nor costs may be awarded for fees or costs incurred during
- 3298 administrative proceedings.
- 3299 ~~[(5)]~~ (6) A district court may assess against a requester reasonable attorney fees and costs
- 3300 reasonably incurred in connection with a judicial appeal to determine whether the
- 3301 requester is entitled to access to records under a records request, if:
- 3302 (a) the defending party substantially prevails; and
- 3303 (b) the court finds that the requester acted in bad faith.
- 3304 ~~[(6)]~~ (7) A court may award to a requester attorney fees and costs incurred in connection
- 3305 with appeals to district courts under Subsection ~~[63G-2-404(2)]~~ 63G-2-404(3) only if the
- 3306 attorney fees and costs were incurred 20 or more days after the day on which the
- 3307 requester provided to the governmental entity, political subdivision, or other person
- 3308 against which the requester seeks an award of attorney fees and costs, an adequate
- 3309 explanation in writing of the basis for the requester's position, regardless of whether the
- 3310 explanation is a part of or outside an administrative or court proceeding.
- 3311 ~~[(7)]~~ (8) Except for the waiver of immunity in Subsection 63G-7-301(2)(e), a claim for
- 3312 attorney fees or costs as provided in this section is not subject to Chapter 7,
- 3313 Governmental Immunity Act of Utah.
- 3314 Section 44. Section **63G-7-605** is amended to read:
- 3315 **63G-7-605 (Effective 05/06/26). Adjustments to limitation of judgment amounts.**
- 3316 (1) As used in this section:
- 3317 (a) "Adjusted consumer price factor" means what the consumer price index would be
- 3318 without the medical care component and the medical services component.
- 3319 (b) "Aggregate limit" means the limit on the aggregate amount of personal injury
- 3320 damages claims from a single occurrence, as provided in Subsection 63G-7-604(1)(d).
- 3321 (c) "Applicable index" means:
- 3322 (i) the consumer price index, for a calculation of the percentage change in the
- 3323 consumer price index;

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

- 3358 adjusted consumer price factor;
- 3359 (ii) 16.75% of the latest individual limit, multiplied by the percentage change in the
- 3360 medical care component; and
- 3361 (iii) 16.75% of the latest individual limit, multiplied by the percentage change in the
- 3362 medical services component;
- 3363 (b) calculate a new aggregate limit by adding to the latest aggregate limit the sum of:
- 3364 (i) 66.5% of the latest aggregate limit, multiplied by the percentage change in the
- 3365 adjusted consumer price factor;
- 3366 (ii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the
- 3367 medical care component; and
- 3368 (iii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the
- 3369 medical services component;
- 3370 (c) calculate a new property damage limit by adding to the latest property damage limit
- 3371 the amount of the latest property damage limit multiplied by the percentage change in
- 3372 the consumer price index;
- 3373 (d) round up to the nearest \$100 the individual limit, aggregate limit, and property
- 3374 damage limit calculated under Subsections (2)(a), (b), and (c); and
- 3375 (e) no later than May 1, communicate the newly calculated limits under Subsections
- 3376 (2)(a), (b), and (c) to the risk manager.
- 3377 (3) The newly calculated individual limit, aggregate limit, or property damage limit under
- 3378 Subsection (2) may not be less than the amount of the limit before the new calculation
- 3379 under Subsection (2).
- 3380 (4)(a) Each even-numbered year, the risk manager shall make rules, to become effective
- 3381 no later than July 1 of that year, that establish a new individual limit, aggregate limit,
- 3382 and property damage limit, as calculated under Subsection (2).
- 3383 (b) A newly calculated individual limit, aggregate limit, or property damage limit under
- 3384 this section has prospective effect only from the date the rules establishing the new
- 3385 limit take effect.
- 3386 (c) An individual limit, aggregate limit, or property damage limit, as newly calculated
- 3387 under this section, applies only to a claim for injury or loss that occurs after the
- 3388 effective date of the rules that establish the newly calculated limit.
- 3389 (5) The risk manager shall make rules by no later than July 1, 2026, and thereafter each July
- 3390 1 of even-numbered years, that establish the limit of liability for damages resulting from
- 3391 the disclosure of a protected record as provided in Subsection 63G-2-802(2).

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

3393 **63I-2-263 (Effective 05/06/26). Repeal dates: Titles 63A through 63O.**

- 3394 (1) Title 63A, Chapter 2, Part 5, Educational Interpretation and Translation Services
3395 Procurement Advisory Council is repealed July 1, 2025.
- 3396 (2) Section 63A-5b-807, Eminent domain of unincorporated city owned land, is repealed
3397 January 1, 2027.
- 3398 (3) Section 63A-17-806, Definitions -- Infant at Work Pilot Program -- Administration --
3399 Report, is repealed June 30, 2026.
- 3400 (4) Section 63C-1-103, Appointment and terms of boards, committees, councils, and
3401 commissions transitioning on October 1, 2024, or December 31, 2024, is repealed July
3402 1, 2025.
- 3403 (5) Section 63C-1-104, Appointment and terms of boards transitioning on October 1, 2024,
3404 is repealed January 1, 2025.
- 3405 (6) Subsection 63G-6a-802(1)(e), regarding a procurement for a presidential debate, is
3406 repealed January 1, 2025.
- 3407 (7) Subsection 63G-6a-802(3)(b)(iii), regarding a procurement for a presidential debate, is
3408 repealed January 1, 2025.
- 3409 (8) Subsection 63H-7a-403(2)(b), regarding the charge to maintain the public safety
3410 communications network, is repealed July 1, 2033.
- 3411 (9) Subsection 63J-1-602.2(30), regarding funding the Enterprise Zone Act, is repealed
3412 December 31, 2026.
- 3413 (10) Subsection 63J-1-602.2(46), regarding appropriations to the State Tax Commission for
3414 deferral reimbursements, is repealed July 1, 2027.
- 3415 (11) Section 63M-7-221, Expungement working group, is repealed April 30, 2025.
- 3416 (12) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed December 31, 2026.
- 3417 (13) Subsection 63N-3a-201(3)(c), regarding a county legislative body making certain
3418 findings regarding proposed economic development projects, is repealed July 1, 2027.

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

3420 **63N-2-103 (Effective 05/06/26). Definitions.**

3421 As used in this part:

- 3422 (1)(a) "Business entity" means a person that enters into a written agreement with the
3423 office to initiate a new commercial project in Utah that will qualify the person to
3424 receive a tax credit under Section 59-7-614.2 or 59-10-1107.
- 3425 (b) With respect to a tax credit authorized by the office in accordance with Subsection

- 3426 63N-2-104.3(2), "business entity" includes a nonprofit entity.
- 3427 (2) "Commercial or industrial zone" means an area zoned agricultural, commercial,
3428 industrial, manufacturing, business park, research park, or other appropriate business
3429 related use in a general plan that contemplates future growth.
- 3430 (3) "Development zone" means an economic development zone created under Section
3431 63N-2-104.
- 3432 (4) "Local government entity" means:
3433 (a) a county, city, or town[-] ;
3434 (b) for state-owned land, a development authority statutorily authorized to manage the
3435 land; or
3436 (c) for development authority-owned land, the development authority.
- 3437 (5) "New commercial project" means an economic development opportunity that:
3438 (a) involves a targeted industry; or
3439 (b) is located within:
3440 (i) a county of the third, fourth, fifth, or sixth class; or
3441 (ii) a municipality that has a population of 10,000 or less and the municipality is
3442 located within a county of the second class.
- 3443 (6) "Remote work opportunity" means a new commercial project that:
3444 (a) does not require a physical office in the state where employees associated with the
3445 new commercial project are required to work; and
3446 (b) requires employees associated with the new commercial project to:
3447 (i) work remotely from a location within the state; and
3448 (ii) maintain residency in the state.
- 3449 (7) "Significant capital investment" means an investment in capital or fixed assets, which
3450 may include real property, personal property, and other fixtures related to a new
3451 commercial project that represents an expansion of existing operations in the state or
3452 that increases the business entity's existing workforce in the state.
- 3453 (8) "Tax credit" means an economic development tax credit created by Section 59-7-614.2
3454 or 59-10-1107.
- 3455 (9) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit
3456 certificate for a taxable year.
- 3457 (10) "Tax credit certificate" means a certificate issued by the office that:
3458 (a) lists the name of the business entity to which the office authorizes a tax credit;
3459 (b) lists the business entity's taxpayer identification number;

3460 (c) lists the amount of tax credit that the office authorizes the business entity for the
3461 taxable year; and

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

3463 (11) "Written agreement" means a written agreement entered into between the office and a
3464 business entity under Section 63N-2-104.2.

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

3466 **63N-3-602 (Effective 05/06/26). Definitions.**

3467 As used in this part:

3468 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
3469 with a gross household income:

3470 (a) equal to or less than 80% of the county median gross income for households of the
3471 same size, in certain circumstances as provided in this part; or

3472 (b) equal to or less than 60% of the county median gross income for households of the
3473 same size, in certain circumstances as provided in this part.

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

3475 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
3476 roll last equalized during the base year.

3477 [~~(4) "Base year" means, for each property tax increment collection period triggered within a
3478 proposed housing and transit reinvestment zone or convention center reinvestment zone
3479 project area, the calendar year prior to the calendar year the property tax increment
3480 begins to be collected for the parcels that are in a project that is triggered for that
3481 collection period.]~~

3482 (4) "Base year" means:

3483 (a)(i) the calendar year in which the committee approves the zone; or

3484 (ii) a calendar year the committee establishes in approving the zone, which may not
3485 be a calendar year more than five years from the year in which the committee
3486 approves the zone; or

3487 (b) for a convention center reinvestment zone in a capital city, the year ending December
3488 31, 2023.

3489 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
3490 efficient service that may include dedicated lanes, busways, traffic signal priority,
3491 off-board fare collection, elevated platforms, and enhanced stations.

3492 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
3493 station, stop, or terminal that is specifically identified as needed in phase one of a

- 3494 metropolitan planning organization's adopted long-range transportation plan and in
3495 phase one of the relevant public transit district's adopted long-range transit plan:
- 3496 (a) along an existing bus rapid transit line; or
3497 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 3498 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 3499 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
3500 large public transit district.
3501 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
3502 transit district.
- 3503 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
3504 station, stop, or terminal, which has been specifically identified as needed in phase one
3505 of a metropolitan planning organization's adopted long-range transportation plan and in
3506 phase one of the relevant public transit district's adopted long-range transit plan:
- 3507 (a) along an existing commuter rail line;
3508 (b) along an extension to an existing commuter rail line or new commuter rail line;
3509 (c) along a fixed guideway extension from an existing commuter rail line; or
3510 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
3511 existing commuter rail station.
- 3512 (10) "Convention center" means a convention center owned by a county of the first class
3513 within a city of the first class.
- 3514 (11) "Convention center revitalization project" means a project within a city of the first
3515 class within a county of the first class for the revitalization, activation, and
3516 modernization of a convention center and the surrounding area, including projects
3517 meeting the objectives described in Section 63N-3-603.1.
- 3518 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
3519 created under this part.
- 3520 (13)(a) "Developable area" means the portion of land within a housing and transit
3521 reinvestment zone available for development and construction of business and
3522 residential uses.
3523 (b) "Developable area" does not include portions of land within a housing and transit
3524 reinvestment zone that are allocated to:
3525 (i) parks;
3526 (ii) recreation facilities;
3527 (iii) open space;

- 3528 (iv) trails;
- 3529 (v) publicly-owned roadway facilities; or
- 3530 (vi) other public facilities.
- 3531 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
- 3532 individuals living together, as a single housekeeping unit normally having cooking,
- 3533 living, sanitary, and sleeping facilities.
- 3534 (15) "Eligible municipality" means a city that:
- 3535 (a)(i) is the county seat of a county of the first class; or
- 3536 (ii) a city of the first class located in a county of the first class; and
- 3537 (b) has a convention center within the boundary of the city.
- 3538 (16) "Enhanced development" means the construction of mixed uses including housing,
- 3539 commercial uses, and related facilities.
- 3540 (17) "Enhanced development costs" means extra costs associated with structured parking
- 3541 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 3542 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 3543 height of buildings or enhanced development.
- 3544 (18) "First home investment zone" means the same as that term is defined in Section
- 3545 63N-3-1601.
- 3546 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 3547 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
- 3548 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 3549 enhanced development in the housing and transit reinvestment zone.
- 3550 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
- 3551 zone created pursuant to this part.
- 3552 (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 3553 reinvestment zone committee created pursuant to Section 63N-3-605.
- 3554 (23) "Large public transit district" means the same as that term is defined in Section
- 3555 17B-2a-802.
- 3556 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 3557 rails:
- 3558 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 3559 (b) that may cross streets at grade; and
- 3560 (c) that may share parts of surface streets.
- 3561 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,

- 3562 stop, or terminal, which has been specifically identified as needed in phase one of a
3563 metropolitan planning organization's adopted long-range transportation plan and in
3564 phase one of the relevant public transit district's adopted long-range plan:
- 3565 (a) along an existing light rail line; or
3566 (b) along an extension to an existing light rail line or new light rail line.
- 3567 (26) "Metropolitan planning organization" means the same as that term is defined in
3568 Section 72-1-208.5.
- 3569 (27) "Mixed use development" means development with a mix of:
3570 (a) multi-family residential use; and
3571 (b) at least one additional land use, which shall be a significant part of the overall
3572 development.
- 3573 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 3574 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 3575 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
3576 except that the agency may not provide and the person may not receive a direct subsidy.
- 3577 (31) "Project" means a housing and transit reinvestment zone or convention center
3578 reinvestment zone created under this part.
- 3579 (32)(a) "Property tax increment" means the difference between:
3580 (i) the amount of property tax revenue generated each tax year by a taxing entity from
3581 the area within a housing and transit reinvestment zone or convention center
3582 reinvestment zone designated in the applicable reinvestment zone proposal as the
3583 area from which tax increment is to be collected, using the current assessed value
3584 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
3585 and
3586 (ii) the amount of property tax revenue that would be generated from that same area
3587 using the base taxable value and each taxing entity's current certified tax rate as
3588 defined in Section 59-2-924.
- 3589 (b) "Property tax increment" does not include property tax revenue from:
3590 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
3591 (ii) a county additional property tax described in Subsection 59-2-1602(4); or
3592 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 3593 (33) "Public transit county" means a county that has created a small public transit district.
- 3594 (34) "Public transit hub" means a public transit depot or station where four or more routes
3595 serving separate parts of the county-created transit district stop to transfer riders between

- 3596 routes.
- 3597 (35) "Sales and use tax base year" means:
- 3598 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
- 3599 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
- 3600 use tax boundary for a housing and transit reinvestment zone is established; or
- 3601 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
- 3602 year specified in the approved proposal for a convention center reinvestment zone,
- 3603 pertaining to the taxes:
- 3604 (i) imposed under Section 59-12-103;
- 3605 (ii) imposed by a city of the first class in a county of the first class under Title 59,
- 3606 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 3607 (iii) imposed by a city of the first class in a county of the first class under Section
- 3608 59-12-402.1;
- 3609 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 3610 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
- 3611 Option Sales and Use Taxes for Transportation Act.
- 3612 (36) "Sales and use tax boundary" means:
- 3613 (a) for a housing and transit reinvestment zone, a boundary created as described in
- 3614 Section 63N-3-604, based on state sales and use tax collection boundaries that
- 3615 correspond as closely as reasonably practicable to the housing and transit
- 3616 reinvestment zone boundary; or
- 3617 (b) for a convention center reinvestment zone, a boundary created as described in
- 3618 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
- 3619 correspond as closely as reasonably practicable to the convention center reinvestment
- 3620 zone boundary.
- 3621 (37) "Sales and use tax increment" means:
- 3622 (a) for a housing and transit reinvestment zone, the difference between:
- 3623 (i) the amount of state sales and use tax revenue generated each year following the
- 3624 sales and use tax base year by the sales and use tax from the area within a housing
- 3625 and transit reinvestment zone designated in the housing and transit reinvestment
- 3626 zone proposal as the area from which sales and use tax increment is to be
- 3627 collected; and
- 3628 (ii) the amount of state sales and use tax revenue that was generated from that same
- 3629 area during the sales and use tax base year; or

- 3630 (b) for a convention center reinvestment zone, the difference between:
- 3631 (i) the amount of sales and use tax revenue generated each year following the sales
- 3632 and use tax base year by the sales and use tax from the area within a convention
- 3633 center reinvestment zone designated in the convention center reinvestment zone
- 3634 proposal as the area from which sales and use tax increment is to be collected; and
- 3635 (ii) the amount of sales and use tax revenue that was generated from that same area
- 3636 during the sales and use tax base year.

3637 (38) "Sales and use tax revenue" means:

- 3638 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
- 3639 imposed under Section 59-12-103; or
- 3640 (b) for a convention center reinvestment zone, revenue that is generated from:
- 3641 (i) the sales and use taxes imposed under Section 59-12-103; and
- 3642 (ii) the sales and use taxes:
- 3643 (A) imposed by a city of the first class in a county of the first class under Title 59,
- 3644 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 3645 (B) imposed by a city of the first class in a county of the first class under Section
- 3646 59-12-402.1;
- 3647 (C) imposed by a county of the first class under Section 59-12-1102; and
- 3648 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
- 3649 Local Option Sales and Use Taxes for Transportation Act.

3650 (39) "Small public transit district" means the same as that term is defined in Section

3651 17B-2a-802.

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

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

3654 (42) "Vertical construction costs" means the additional costs associated with construction

3655 above four stories and structured parking to achieve enhanced development in the

3656 housing and transit reinvestment zone.

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

3658 **63N-3-603 (Effective 05/06/26). Applicability, requirements, and limitations on a**

3659 **housing and transit reinvestment zone.**

3660 (1) A housing and transit reinvestment zone proposal created under this part shall

3661 demonstrate how the proposal addresses the following objectives:

3662 (a) higher utilization of public transit;

3663 (b) increasing availability of housing, including affordable housing, and fulfillment of

- 3664 moderate income housing plans;
- 3665 (c) promoting and encouraging development of owner-occupied housing;
- 3666 (d) improving efficiencies in parking and transportation, including walkability of
- 3667 communities near public transit facilities;
- 3668 (e) overcoming development impediments and market conditions that render a
- 3669 development cost prohibitive absent the proposal and incentives;
- 3670 (f) conserving water resources through efficient land use;
- 3671 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3672 (h) encouraging transformative mixed-use development and investment in transportation
- 3673 and public transit infrastructure in strategic areas;
- 3674 (i) strategic land use and municipal planning in major transit investment corridors as
- 3675 described in Subsection 10-20-404(2);
- 3676 (j) increasing access to employment and educational opportunities; and
- 3677 (k) increasing access to child care.
- 3678 (2)(a) In order to accomplish the objectives described in Subsection (1), a municipality
- 3679 or public transit county that initiates the process to create a housing and transit
- 3680 reinvestment zone as described in this part shall ensure that the proposal for a
- 3681 housing and transit reinvestment zone includes:
- 3682 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units
- 3683 within the housing and transit reinvestment zone are affordable housing units,
- 3684 with:
- 3685 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy
- 3686 by households with a gross household income equal to or less than 80% of the
- 3687 county median gross income for households of the same size; and
- 3688 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy
- 3689 by households with a gross household income equal to or less than 60% of the
- 3690 county median gross income for households of the same size;
- 3691 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone
- 3692 shall include:
- 3693 (A) at least 51% of the developable area within a housing and transit reinvestment
- 3694 zone as residential uses; and
- 3695 (B) an average of at least 50 dwelling units per acre within the acreage of the
- 3696 housing and transit reinvestment zone dedicated to residential uses;
- 3697 (iii) mixed-use development; and

- 3698 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have
3699 more than one bedroom.
- 3700 (b)(i) If a housing and transit reinvestment zone is phased, a municipality or public
3701 transit county shall ensure that a housing and transit reinvestment zone is phased
3702 and developed to provide the required 12% of affordable housing units in each
3703 phase of development.
- 3704 (ii) A municipality or public transit county may allow a housing and transit
3705 reinvestment zone to be phased and developed in a manner to provide more of the
3706 required affordable housing units in early phases of development.
- 3707 (iii) A municipality or public transit county shall include in a housing and transit
3708 reinvestment zone proposal an affordable housing plan, which may include deed
3709 restrictions, to ensure the affordable housing required in the proposal will continue
3710 to meet the definition of affordable housing at least throughout the entire term of
3711 the housing and transit reinvestment zone.
- 3712 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
3713 public transit hub, or for a housing and transit reinvestment zone proposed by a
3714 municipality at a bus rapid transit station, the housing and transit reinvestment zone
3715 shall include:
- 3716 (i) at least 51% of the developable area within a housing and transit reinvestment
3717 zone as residential uses; and
- 3718 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing
3719 and transit reinvestment zone dedicated to residential uses.
- 3720 (3) A municipality or public transit county that, at the time the housing and transit
3721 reinvestment zone proposal is approved by the housing and transit reinvestment zone
3722 committee, meets the affordable housing guidelines of the United States Department of
3723 Housing and Urban Development at 60% area median income is exempt from the
3724 requirement described in Subsection (2)(a).
- 3725 (4)(a) A municipality may only propose a housing and transit reinvestment zone at a
3726 commuter rail station, and a public transit county may only propose a housing and
3727 transit reinvestment zone at a public transit hub, that:
- 3728 (i) subject to Subsection (5)(a):
- 3729 (A)(I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality,
3730 does not exceed a 1/3 mile radius of a commuter rail station;
- 3731 (II) for a municipality that is a city of the first or second class that is within a

3732 county of the first or second class, with an opportunity zone created in
 3733 accordance with Section 1400Z-1, Internal Revenue Code, does not exceed
 3734 a 1/2 mile radius of a commuter rail station located within the opportunity
 3735 zone; or

3736 (III) for a public transit county, does not exceed a 1/3 mile radius of a public
 3737 transit hub; and

3738 (B) has a total area of no more than 125 noncontiguous acres;

3739 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each
 3740 taxing entity's property tax increment above the base year for a term of no more
 3741 than 25 consecutive years on each parcel within a 45-year period not to exceed the
 3742 property tax increment amount approved in the housing and transit reinvestment
 3743 zone proposal; and

3744 (iii) the commencement of collection of property tax increment, for all or a portion of
 3745 the housing and transit reinvestment zone project area, shall be triggered by
 3746 providing notice as described in Subsection (6), but a housing and transit
 3747 reinvestment zone proposal may not propose or include triggering more than three
 3748 property tax increment collection periods for the same project during the
 3749 applicable 45-year period.

3750 (b) A municipality or public transit county may only propose a housing and transit
 3751 reinvestment zone at a light rail station or bus rapid transit station that:

3752 (i) subject to Subsection (5):

3753 (A) does not exceed[;]

3754 [~~(I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e);~~] a 1/4 mile
 3755 radius of a bus rapid transit station or light rail station; and

3756 [~~(II) for a municipality that is a city of the first class with a population greater
 3757 than 150,000 that is within a county of the first class, a 1/2 mile radius of a
 3758 light rail station located in an opportunity zone created in accordance with
 3759 Section~~

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

3761 [~~(III) a 1/2 mile radius of a light rail station located within a master-planned
 3762 development of 500 acres or more; and]~~

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

3764 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a
 3765 maximum of 80% of each taxing entity's property tax increment above the base

3766 year for a term of no more than 15 consecutive years on each parcel within a
 3767 30-year period not to exceed the property tax increment amount approved in the
 3768 housing and transit reinvestment zone proposal; and
 3769 (iii) the commencement of collection of property tax increment, for all or a portion of
 3770 the housing and transit reinvestment zone project area, shall be triggered by
 3771 providing notice as described in Subsection (6), but a housing and transit
 3772 reinvestment zone proposal may not propose or include triggering more than three
 3773 property tax increment collection periods for the same project during the
 3774 applicable 30-year period.

3775 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
 3776 public transit hub, or for a housing and transit reinvestment zone proposed by a
 3777 municipality at a bus rapid transit station, if the proposed housing density within the
 3778 housing and transit reinvestment zone is between 39 and 49 dwelling units per acre,
 3779 the maximum capture of each taxing entity's property tax increment above the base
 3780 year is 60%.

3781 [~~(d) A municipality that is a city of the first class with a population greater than 150,000~~
 3782 ~~in a county of the first class as described in Subsections (4)(a)(i)(A)(II) and~~
 3783 ~~(4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within~~
 3784 ~~an opportunity zone.]~~

3785 [~~(e)] (d)(i) Subject to Subsection [~~(4)(e)(ii)] (4)(d)(ii), the radius restrictions described~~
 3786 ~~in Subsection (4)(b)(i) do not apply, and a housing and transit reinvestment zone~~
 3787 ~~may extend to an area between two or three light rail or bus rapid transit stations~~
 3788 ~~located within a city of the third class or fourth class if the [two] light rail stations~~
 3789 ~~or bus rapid transit stations are within a .95 mile distance on the same light rail line~~
 3790 ~~or dedicated offset bus lane.~~~~

3791 (ii) If a housing and transit reinvestment zone is extended to accommodate [two]
 3792 multiple light rail stations or bus rapid transit stations as described in Subsection [~~(4)(e)(i)] (4)(d)(i):~~

3794 (A) the housing and transit reinvestment zone is limited to a total area not to
 3795 exceed 100 noncontiguous acres; and

3796 (B) the housing and transit reinvestment zone may not exceed a 1/4 mile radius
 3797 from the light rail or bus rapid transit stations or any point on the light rail line
 3798 or dedicated offset bus line between the two stations.

3799 (iii) If a housing and transit reinvestment zone is extended to accommodate three

3800 light rail or bus rapid transit stations as described in Subsection (4)(d)(i):
 3801 (A) the housing and transit reinvestment zone is limited to a total area not to
 3802 exceed 250 noncontiguous acres;
 3803 (B) the housing and transit reinvestment zone may not exceed a one-quarter mile
 3804 radius from the light rail or bus rapid transit stations or any point on the light
 3805 rail line or dedicated offset bus line between the three stations; and
 3806 (C) the housing and transit reinvestment zone shall be counted as two for purposes
 3807 of Subsection (7).

3808 [(f)] (e) If a parcel within the housing and transit reinvestment zone is included as an area
 3809 that is part of a project area, as that term is defined in Section 17C-1-102, and created
 3810 under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for
 3811 collection unless the project area funds collection period, as that term is defined in
 3812 Section 17C-1-102, has expired.

3813 (5)(a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel
 3814 is intersected by the relevant radius limitation, the full parcel may be included as part
 3815 of the housing and transit reinvestment zone area and will not count against the
 3816 limitations described in Subsection (4)(a)(i).

3817 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit
 3818 station, if a parcel is intersected by the relevant radius limitation, the full parcel may
 3819 be included as part of the housing and transit reinvestment zone area and will not
 3820 count against the limitations described in Subsection (4)(b)(i).

3821 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.

3822 (6)(a) The notice of commencement of collection of property tax increment required in
 3823 Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the
 3824 following entities no later than December 31 of the year before the year for which the
 3825 property tax increment collection is proposed to commence:

- 3826 (i) the State Tax Commission;
- 3827 (ii) the State Board of Education;
- 3828 (iii) the state auditor;
- 3829 (iv) the auditor of the county in which the housing and transit reinvestment zone is
 3830 located;
- 3831 (v) each taxing entity affected by the collection of property tax increment from the
 3832 housing and transit reinvestment zone; and
- 3833 (vi) the Governor's Office of Economic Opportunity.

- 3834 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until
3835 the date on which the housing and transit reinvestment zone proposal is approved by
3836 the housing and transit reinvestment zone committee.
- 3837 (c)(i) For a convention center reinvestment zone in a capital city, a municipality or
3838 public infrastructure district may submit a notice of commencement of collection
3839 of property tax increment for each separate parcel or subarea within the
3840 convention center reinvestment zone in a capital city.
- 3841 (ii) The collection of property tax increment described in Subsection (6)(c)(i) shall
3842 commence no later than five years from the day the convention center
3843 reinvestment zone in a capital city proposal is approved.
- 3844 (7)(a) The maximum number of housing and transit reinvestment zones at light rail
3845 stations, not including a convention center reinvestment zone, is eight in any given
3846 county.
- 3847 (b) Within a county of the first class, the maximum number of housing and transit
3848 reinvestment zones at bus rapid transit stations is three.
- 3849 (c) Within a county of the first class, the maximum total combined number of housing
3850 and transit reinvestment zones described in Subsections (7)(a) and (b) and first home
3851 investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 3852 (8)(a) For purposes of this Subsection (8), "entitlement agreement" means:
- 3853 (i) a land use application;
- 3854 (ii) a rezone petition; or
- 3855 (iii) a request, petition, or application to:
- 3856 (A) enact or approve a development agreement; or
- 3857 (B) to amend or modify a development agreement.
- 3858 (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101,
3859 that has created a small public transit district on or before January 1, 2022.
- 3860 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped
3861 property within an unincorporated county shall have the right to develop and build a
3862 mixed-use development if:
- 3863 (i) the owner has submitted an entitlement agreement to the county on or before
3864 December 31, 2022, and is within a 1/3 mile radius of a public transit hub in a
3865 county described in Subsection (8)(b), including parcels that are intersected by the
3866 1/3 mile radius; and
- 3867 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement

- 3868 agreement described in Subsection (8)(c)(i) by ordinance before December 31,
3869 2022.
- 3870 (d) The mixed use development described in Subsection (8)(c) shall include the
3871 following:
- 3872 (i)(A)(I) a maximum number of dwelling units equal to 30 multiplied by the
3873 total acres of developable area within the mixed-use development dedicated
3874 exclusively to residential use; or
- 3875 (II) a maximum number of dwelling units equal to 15 multiplied by the total
3876 acres of the mixed-use development; and
- 3877 (B) at least 33% of the dwelling units as affordable housing;
- 3878 (ii) commercial uses, including office, retail, educational, and healthcare in support of
3879 the mixed-use development constituting no more than 1/3 of the total planned
3880 gross building square footage of the subject parcels; and
- 3881 (iii) any other infrastructure element necessary or reasonable to support the
3882 mixed-use development, including:
- 3883 (A) parking infrastructure;
- 3884 (B) streets;
- 3885 (C) sidewalks;
- 3886 (D) parks; and
- 3887 (E) trails.
- 3888 (e)(i) The mixed-use development described in this Subsection (8) may qualify for a
3889 housing and transit reinvestment zone described in Subsection (4)(a).
- 3890 (ii) The county described in Subsection (8)(b) may propose a housing and transit
3891 reinvestment zone in accordance with this part, if the housing and transit
3892 reinvestment zone includes:
- 3893 (A)(I) an average of at least 30 dwelling units per acre within the acreage of the
3894 housing and transit reinvestment zone dedicated to residential use; or
- 3895 (II) a minimum number of 14 dwelling units per acre on average within the
3896 acreage of the housing and transit reinvestment zone; and
- 3897 (B) at least 33% of the dwelling units as affordable housing units.
- 3898 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or
3899 requirement that prevents or creates development impediments to the development of
3900 a mixed-use development as described in this Subsection (8).
- 3901 (g) A county action to approve or implement the development of a mixed-use

3902 development as described in this Subsection (8) shall constitute an administrative
3903 action taken by the county and does not require county legislative action.

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

3905 **63N-3-604 (Effective 05/06/26). Process for a proposal of a housing and transit**
3906 **reinvestment zone -- Analysis.**

3907 (1) [Subject-] On or before December 31, 2027, and subject to approval of the housing and
3908 transit reinvestment zone committee as described in Section 63N-3-605, in order to
3909 create a housing and transit reinvestment zone, a municipality or public transit county
3910 that has general land use authority over the housing and transit reinvestment zone area,
3911 shall:

3912 (a) prepare a proposal for the housing and transit reinvestment zone that:

3913 (i) demonstrates that the proposed housing and transit reinvestment zone will meet
3914 the objectives described in Subsection 63N-3-603(1);

3915 (ii) explains how the municipality or public transit county will achieve the
3916 requirements of Subsection 63N-3-603(2)(a)(i);

3917 (iii) defines the specific transportation infrastructure needs, if any, and proposed
3918 improvements and estimated budgets;

3919 (iv) defines the boundaries of:

3920 (A) the housing and transit reinvestment zone; and

3921 (B) the sales and use tax boundary corresponding to the housing and transit
3922 reinvestment zone boundary, as described in Section 63N-3-610;

3923 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:

3924 (A) the proposed boundary and radius from a public transit hub;

3925 (B) proposed housing density within the housing and transit reinvestment zone;
3926 and

3927 (C) existing zoning and proposed zoning changes related to the housing and transit
3928 reinvestment zone;

3929 (vi) identifies any development impediments that prevent the development from
3930 being a market-rate investment, including proposed strategies and estimated
3931 budgets for addressing each one;

3932 (vii) describes the proposed development plan and estimated budgets, including the
3933 requirements described in Subsections 63N-3-603(2) and (4);

3934 (viii) establishes a base year and collection period to calculate the property tax
3935 increment within the housing and transit reinvestment zone;

- 3936 (ix) establishes a sales and use tax base year to calculate the sales and use tax
3937 increment within the housing and transit reinvestment zone in accordance with
3938 Section 63N-3-610;
- 3939 (x) describes projected maximum revenues generated and the amount of property tax
3940 increment capture from each taxing entity and proposed expenditures of revenue
3941 derived from the housing and transit reinvestment zone;
- 3942 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
3943 of revenue that can be used to reduce the finance gap;
- 3944 (xii) estimates budgets and evaluates possible benefits to active and public
3945 transportation availability and impacts on air quality;
- 3946 (xiii) proposes a finance schedule to align expected revenue with required financing
3947 costs and payments;
- 3948 (xiv) provides a pro-forma for the planned development that:
- 3949 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4);
3950 (B) includes data showing the cost difference between what type of development
3951 could feasibly be developed absent the housing and transit reinvestment zone
3952 property tax increment and the type of development that is proposed to be
3953 developed with the housing and transit reinvestment zone property tax
3954 increment; and
3955 (C) provides estimated budgets and construction costs, anticipated revenue,
3956 financing, expenses, and other sources and uses of funds for the project area;
3957 and
- 3958 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail
3959 station, or bus rapid transit station that is proposed and not in public transit service
3960 operation as of the date of submission of the proposal, demonstrates that the
3961 proposed station is:
- 3962 (A) included as needed in phase one of a metropolitan planning organization's
3963 adopted long-range transportation plan and in phase one of the relevant public
3964 transit district's adopted long-range plan; and
3965 (B) reasonably anticipated to be constructed in the near future; and
- 3966 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office
3967 of Economic Opportunity.
- 3968 (2) As part of the proposal described in Subsection (1), a municipality or public transit
3969 county shall study and evaluate possible impacts of a proposed housing and transit

- 3970 reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 3971 (3)(a) After receiving the proposal as described in Subsection (1)(b), the Governor's
- 3972 Office of Economic Opportunity shall:
- 3973 (i) within 14 days after the date on which the Governor's Office of Economic
- 3974 Opportunity receives the proposal described in Subsection (1)(b), provide notice
- 3975 of the proposal to all affected taxing entities, including the Tax Commission,
- 3976 cities, counties, school districts, metropolitan planning organizations, and the
- 3977 county assessor and county auditor of the county in which the housing and transit
- 3978 reinvestment zone is located; and
- 3979 (ii) at the expense of the proposing municipality or public transit county as described
- 3980 in Subsection (5), contract with an independent entity to perform the financial gap
- 3981 analysis described in Subsection (3)(b).
- 3982 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 3983 (i) a description of the planned development;
- 3984 (ii) a market analysis relative to other comparable project developments included in
- 3985 or adjacent to the municipality or public transit county absent the proposed
- 3986 housing and transit reinvestment zone;
- 3987 (iii) an evaluation of the proposal to and a determination of the adequacy and
- 3988 efficiency of the proposal;
- 3989 (iv) an evaluation of the proposed increment capture needed to cover the enhanced
- 3990 development costs associated with the housing and transit reinvestment zone
- 3991 proposal and enable the proposed development to occur; and
- 3992 (v) based on the market analysis and other findings, an opinion relative to the
- 3993 appropriate amount of potential public financing reasonably determined to be
- 3994 necessary to achieve the objectives described in Subsection 63N-3-603(1).
- 3995 (c) After receiving notice from the Governor's Office of Economic Opportunity of a
- 3996 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),
- 3997 the State Tax Commission shall:
- 3998 (i) evaluate the feasibility of administering the tax implications of the proposal; and
- 3999 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any
- 4000 challenges in the administration of the proposal, or indicating that the Tax
- 4001 Commission can feasibly administer the proposal.
- 4002 (4) After receiving the results from the analysis described in Subsection (3)(b), the
- 4003 municipality or public transit county proposing the housing and transit reinvestment

- 4004 zone may:
- 4005 (a) amend the housing and transit reinvestment zone proposal based on the findings of
- 4006 the analysis described in Subsection (3)(b) and request that the Governor's Office of
- 4007 Economic Opportunity submit the amended housing and transit reinvestment zone
- 4008 proposal to the housing and transit reinvestment zone committee; or
- 4009 (b) request that the Governor's Office of Economic Opportunity submit the original
- 4010 housing and transit reinvestment zone proposal to the housing and transit
- 4011 reinvestment zone committee.
- 4012 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
- 4013 credit, up to \$20,000 from a municipality or public transit county for the costs of the
- 4014 gap analysis described in Subsection (3)(b).
- 4015 (b) The Governor's Office of Economic Opportunity may expend funds received from a
- 4016 municipality or public transit county as dedicated credits to pay for the costs
- 4017 associated with the gap analysis described in Subsection (3)(b).
- 4018 (6)(a) Beginning January 1, 2028:
- 4019 (i) a municipality or public transit county may not propose a housing and transit
- 4020 reinvestment zone;
- 4021 (ii) a municipality or public transit county may amend a housing and transit
- 4022 reinvestment zone proposal, as described in Subsection (4), if the proposal is
- 4023 pending review or approval on December 31, 2027; and
- 4024 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties
- 4025 described in Subsection (3) or (5) in regard to a proposal for a housing and transit
- 4026 reinvestment zone unless the proposal is pending review or approval on December
- 4027 31, 2027.
- 4028 (b) Subsection (6)(a) does not impact housing and transit reinvestment zones that are in
- 4029 existence on January 1, 2028.
- 4030 Section 50. Section **63N-3-604.1** is amended to read:
- 4031 **63N-3-604.1 (Effective 05/06/26). Process for proposing a convention center**
- 4032 **reinvestment zone.**
- 4033 (1) ~~[Fø]~~ On or before December 31, 2027, to create a convention center reinvestment zone
- 4034 under this part, the Governor's Office of Economic Opportunity shall, after consulting
- 4035 with and giving notice to the related eligible municipality and county, provide a proposal
- 4036 for a convention center reinvestment zone to the housing and transit reinvestment zone
- 4037 committee.

- 4038 (2)(a) The Governor's Office of Economic Opportunity shall ensure that a proposal for
4039 the creation of a convention center reinvestment zone includes the following
4040 information and data that:
- 4041 (i) defines the boundary of the proposed convention center reinvestment zone;
 - 4042 (ii) describes generally the proposed development plan;
 - 4043 (iii) identifies a base year and collection period to calculate the property tax
4044 increment within the convention center reinvestment zone;
 - 4045 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment
4046 within the convention center reinvestment zone in accordance with Section
4047 63N-3-610.1;
 - 4048 (v) provides estimated project and investment objectives for the convention center
4049 reinvestment zone; and
 - 4050 (vi) outlines generally the impacts on transportation in and around the proposed
4051 convention center reinvestment zone.
- 4052 (b) For a convention center reinvestment zone in a capital city, the proposal described in
4053 Subsection (2)(a) shall also provide estimated budgets and construction costs,
4054 anticipated revenue, financing, expenses, and other sources and uses of funds for the
4055 project area.
- 4056 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
- 4057 (i) a convention center;
 - 4058 (ii) a publicly owned entertainment venue;
 - 4059 (iii) parking; and
 - 4060 (iv) infrastructure related to the project.
- 4061 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center
4062 reinvestment zone shall demonstrate how the information and data provided in the
4063 proposal pursuant to Subsection (2) furthers the objectives described in Section
4064 63N-3-603.1 and is in the public interest.
- 4065 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of
4066 Economic Opportunity shall provide notice of the proposal to all affected taxing entities,
4067 including the State Tax Commission, cities, counties, school districts, metropolitan
4068 planning organizations, and the county assessor and county auditor of the county in
4069 which the convention center reinvestment zone is located.
- 4070 (5) After receiving notice from the Governor's Office of Economic Opportunity of a
4071 proposed convention center reinvestment zone as described in Subsection (4), the Tax

4072 Commission shall, within 14 days:

- 4073 (a) evaluate the feasibility of administering the tax implications of the proposal; and
- 4074 (b) provide a letter to the Governor's Office of Economic Opportunity describing any
- 4075 challenges in the administration of the proposal, or indicating that the State Tax
- 4076 Commission can feasibly administer the proposal.

4077 (6) Beginning January 1, 2028, the Governor's Office of Economic Opportunity may not
 4078 propose, and the committee may not consider, the creation of a convention center
 4079 reinvestment zone.

4080 Section 51. Section **63N-3-605** is amended to read:

4081 **63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22). Housing and transit**
 4082 **reinvestment zone committee -- Creation.**

4083 (1) [~~För~~] On or before December 31, 2027, for any housing and transit reinvestment zone
 4084 proposed under this part, or for a first home investment zone proposed in accordance
 4085 with Part 16, First Home Investment Zone Act, there is created a housing and transit
 4086 reinvestment zone committee with membership described in Subsection (2).

4087 (2) Each housing and transit reinvestment zone committee shall consist of the following
 4088 members:

- 4089 (a) one representative from the Governor's Office of Economic Opportunity, designated
- 4090 by the executive director of the Governor's Office of Economic Opportunity;
- 4091 (b) one representative from each municipality that is a party to the proposed housing and
- 4092 transit reinvestment zone or first home investment zone, designated by the chief
- 4093 executive officer of each respective municipality;
- 4094 (c) a member of the Transportation Commission created in Section 72-1-301;
- 4095 (d) a member of the board of trustees of a large public transit district;
- 4096 (e) one individual from the Office of the State Treasurer, designated by the state
- 4097 treasurer;
- 4098 (f) two members designated by the president of the Senate;
- 4099 (g) two members designated by the speaker of the House of Representatives;
- 4100 (h) one member designated by the chief executive officer of each county affected by the
- 4101 housing and transit reinvestment zone or first home investment zone;
- 4102 (i) two representatives designated by the school superintendent from the school district
- 4103 affected by the housing and transit reinvestment zone or first home investment zone;
- 4104 and
- 4105 (j) one representative, representing the largest participating local taxing entity, after the

- 4106 municipality, county, and school district.
- 4107 (3) The individual designated by the Governor's Office of Economic Opportunity as
4108 described in Subsection (2)(a) shall serve as chair of the housing and transit
4109 reinvestment zone committee.
- 4110 (4)(a) A majority of the members of the housing and transit reinvestment zone
4111 committee constitutes a quorum of the housing and transit reinvestment zone
4112 committee.
- 4113 (b) An action by a majority of a quorum of the housing and transit reinvestment zone
4114 committee is an action of the housing and transit reinvestment zone committee.
- 4115 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the
4116 analysis described in Section 63N-3-604, and after the Governor's Office of
4117 Economic Opportunity has received a request from the submitting municipality or
4118 public transit county to submit the housing and transit reinvestment zone proposal to
4119 the housing and transit reinvestment zone committee, the Governor's Office of
4120 Economic Opportunity shall notify each of the entities described in Subsection (2) of
4121 the formation of the housing and transit reinvestment zone committee.
- 4122 (b) For a first home investment zone, the housing and transit reinvestment zone
4123 committee shall follow the procedures described in Section 63N-3-1604.
- 4124 (6)(a) The chair of the housing and transit reinvestment zone committee shall convene a
4125 public meeting to consider the proposed housing and transit reinvestment zone.
- 4126 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title
4127 52, Chapter 4, Open and Public Meetings Act.
- 4128 (7)(a) The proposing municipality or public transit county shall present the housing and
4129 transit reinvestment zone proposal to the housing and transit reinvestment zone
4130 committee in a public meeting.
- 4131 (b) The housing and transit reinvestment zone committee shall, for a housing and transit
4132 reinvestment zone proposal:
- 4133 (i) evaluate and verify whether the elements of a housing and transit reinvestment
4134 zone described in Subsections 63N-3-603(2) and (4) have been met; and
- 4135 (ii) evaluate the proposed housing and transit reinvestment zone relative to the
4136 analysis described in Subsection 63N-3-604(2).
- 4137 (c) The housing and transit reinvestment zone committee shall, for a convention center
4138 reinvestment zone proposal, evaluate and verify whether the objectives of a
4139 convention center reinvestment zone described in Section 63N-3-603.1 have been

4140 met.

4141 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee
4142 may:

4143 (i)(A) for a housing and transit reinvestment zone, request changes to the housing
4144 and transit reinvestment zone proposal based on the analysis, characteristics,
4145 and criteria described in Section 63N-3-604; or

4146 (B) for a convention center reinvestment zone, request changes to the convention
4147 center reinvestment zone proposal based on the characteristics and criteria
4148 described in Sections 63N-3-603.1 and 63N-3-604.1; or

4149 (ii) subject to Subsection (12), vote to approve or deny the proposal.

4150 (b) Before the housing and transit reinvestment zone committee may approve the
4151 housing and transit reinvestment zone proposal, the municipality or public transit
4152 county proposing the housing and transit reinvestment zone shall ensure that the area
4153 of the proposed housing and transit reinvestment zone is zoned in such a manner to
4154 accommodate the requirements of a housing and transit reinvestment zone described
4155 in this section and the proposed development.

4156 (9)(a) If a housing and transit reinvestment zone is approved by the committee:

4157 [~~(a)~~] (i) the proposed housing and transit reinvestment zone is established according to
4158 the terms of the housing and transit reinvestment zone proposal;

4159 [~~(b)~~] (ii) affected local taxing entities are required to participate according to the terms
4160 of the housing and transit reinvestment zone proposal; and

4161 [~~(c)~~] (iii) each affected taxing entity is required to participate at the same rate.

4162 (b) If a zone is approved by the committee, the proposing municipality or public transit
4163 county shall:

4164 (i) enter into an agreement with the relevant property owners identifying the density
4165 necessary to implement the approved proposal;

4166 (ii) enter into an entitlement agreement, development agreement, or participation
4167 agreement with the property owners within the zone as soon as reasonably
4168 possible to implement the approved proposal; and

4169 (iii) if the proposing municipality or public transit county have not entered into one
4170 or more of the agreements described in Subsection (9)(b)(ii) within two years of
4171 the approval of the proposal, submit a written report to the committee describing
4172 the status of:

4173 (A) the agreement required by Subsection (9)(b)(ii) and an explanation of the

4174 status; and

4175 (B) related land use regulations to implement the approved proposal.

4176 (10) A housing and transit reinvestment zone proposal may be amended by following the
4177 same procedure as approving a housing and transit reinvestment zone proposal, except
4178 the proposing municipality or public transit county is not required to submit an
4179 additional pro forma analysis unless requested by the office of the committee.

4180 (11)(a) The approval for a convention center reinvestment zone in a capital city may be
4181 completed with a condition that the relevant municipality also create a public
4182 infrastructure district as provided in Subsection 63N-3-607(8)(b).

4183 (b) The approval described in Subsection (11)(a) shall verify that the requirements and
4184 limitations on use of funds is limited to the conditions described under Subsections
4185 63N-3-604.1(2)(b) and (c).

4186 (12)(a) Beginning January 1, 2028, the committee may not approve a proposal for a
4187 housing and transit reinvestment zone, a first home investment zone, or a convention
4188 center reinvestment zone unless the proposal was pending on December 31, 2027.

4189 (b) Housing and transit reinvestment zones that are in existence on January 1, 2028,
4190 continue to exist and shall comply with the relevant requirements of this part until the
4191 housing and transit reinvestment zone is dissolved.

4192 (c) First home investment zones that are in existence on January 1, 2028, continue to
4193 exist and shall comply with the relevant requirements of this part until the first home
4194 investment zone is dissolved.

4195 (d) Convention center reinvestment zones that are in existence on January 1, 2028,
4196 continue to exist and shall comply with the relevant requirements of this part until the
4197 convention center reinvestment zone is dissolved.

4198 Section 52. Section **63N-3-607** is amended to read:

4199 **63N-3-607 (Effective 05/06/26). Payment, use, and administration of revenue**
4200 **from a housing and transit reinvestment zone.**

4201 (1) In accordance with this part:

4202 (a) a municipality or public transit county may receive and use property tax increment
4203 and housing and transit reinvestment zone funds;

4204 (b)(i) a public infrastructure district shall use the funds from a convention center
4205 reinvestment zone in a capital city within or for the benefit of a convention center
4206 reinvestment zone in a capital city; and

4207 (ii) funds from a convention center reinvestment zone in a capital city may be used

4208 outside of the capital city convention center reinvestment zone if the use meets the
4209 objectives described in Section 63N-3-603.1 and is determined by the board of the
4210 public infrastructure district to be a direct benefit to the convention center
4211 reinvestment zone in a capital city; and

4212 (c) a municipality or a public infrastructure district may receive and use property tax
4213 increment and convention center reinvestment zone funds for a convention center
4214 reinvestment zone that is not within a capital city.

4215 (2)(a) Except as provided in Subsection (3), a county that collects property tax on
4216 property located within a housing and transit reinvestment zone shall, in accordance
4217 with Section 59-2-1365, distribute to the municipality or public transit county any
4218 property tax increment the municipality or public transit county is authorized to
4219 receive up to the maximum approved by the housing and transit reinvestment zone
4220 committee.

4221 (b) Property tax increment distributed to a municipality or public transit county in
4222 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
4223 or public transit county.

4224 (c)(i) Property tax increment paid to the municipality or public transit county are
4225 housing and transit reinvestment zone funds and shall be administered by an
4226 agency created by the municipality or public transit county within which the
4227 housing and transit reinvestment zone is located.

4228 (ii) Before an agency may receive housing and transit reinvestment zone funds from
4229 the municipality or public transit county, the municipality or public transit county
4230 and the agency shall enter into an interlocal agreement with terms that:

4231 (A) are consistent with the approval of the housing and transit reinvestment zone
4232 committee; and

4233 (B) meet the requirements of Section 63N-3-603 or, for a convention center
4234 reinvestment zone, the requirements of Section 63N-3-603.1.

4235 (3)(a) A county that collects property tax on property located within a convention center
4236 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
4237 relevant public infrastructure district created by the eligible municipality any
4238 property tax increment the public infrastructure district is authorized to receive up to
4239 the amounts approved by the housing and transit reinvestment zone committee.

4240 (b) Property tax increment distributed to a public infrastructure district in accordance
4241 with Subsection (3)(a) is not revenue of the taxing entity or municipality.

4242 (c) Property tax increment paid to the public infrastructure district are convention center
4243 reinvestment zone funds and shall be administered by the public infrastructure district
4244 within which the convention center reinvestment zone is located.

4245 (4)(a)(i) A municipality or public transit county and agency shall use housing and
4246 transit reinvestment zone funds within, or for the direct benefit of, the housing and
4247 transit reinvestment zone.

4248 (ii) A public infrastructure district shall use convention center reinvestment zone
4249 funds within, or for the benefit of, the convention center reinvestment zone.

4250 (b) If any housing and transit reinvestment zone funds will be used outside of the
4251 housing and transit reinvestment zone, there must be a finding in the approved
4252 proposal for a housing and transit reinvestment zone that the use of the housing and
4253 transit reinvestment zone funds outside of the housing and transit reinvestment zone
4254 will directly benefit the housing and transit reinvestment zone.

4255 (5)(a) A municipality or public transit county shall use housing and transit reinvestment
4256 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),
4257 by paying all or part of the costs of any of the following:

4258 (i) income targeted housing costs;

4259 (ii) structured parking within the housing and transit reinvestment zone;

4260 (iii) enhanced development costs;

4261 (iv) horizontal construction costs;

4262 (v) vertical construction costs;

4263 (vi) property acquisition costs within the housing and transit reinvestment zone;

4264 (vii) the costs of the municipality or public transit county to create and administer the
4265 housing and transit reinvestment zone, which may not exceed 2% of the total
4266 housing and transit reinvestment zone funds, plus the costs to complete the gap
4267 analysis described in Subsection 63N-3-604(2);~~or~~

4268 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
4269 care facilities within the boundary of the housing and transit reinvestment zone~~[-]~~ ;

4270 or

4271 (ix) extraterritorial affordable housing costs as described in Subsection (5)(d).

4272 (b) A municipality or public transit county may not use more than 1% of the total
4273 housing and transit reinvestment zone funds to pay costs described in Subsection
4274 (5)(a)(viii).

4275 (c) A public infrastructure district shall use convention center reinvestment zone funds

- 4276 to achieve the purposes described in Section 63N-3-603.1.
- 4277 (d)(i) As used in this Subsection (5)(d), "extraterritorial affordable housing" means
4278 affordable housing, as affordable housing is defined in Section 63N-3-1601, that:
- 4279 (A) is located within the municipality proposing the housing and transit
4280 reinvestment zone but outside the boundary of the housing and transit
4281 reinvestment zone;
- 4282 (B) is part of a development with a density of at least six units per acre;
4283 (C) is required to be owner occupied for no less than 25 years; and
4284 (D) has not been issued a building permit by the municipality as of the date of the
4285 approval of the housing and transit reinvestment zone.
- 4286 (ii) A municipality or public transit county may use housing and transit reinvestment
4287 zone funds on extraterritorial affordable housing costs if the municipality or
4288 public transit county satisfies the requirement to make a finding that the action
4289 will benefit the housing and transit reinvestment zone, as described under
4290 Subsection (4)(b).
- 4291 (iii) One hundred percent of extraterritorial affordable housing shall meet the
4292 affordable housing requirements described in Section 63N-3-1602.
- 4293 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
4294 and participant enter into a participation agreement that requires the participant to utilize
4295 the housing and transit reinvestment zone funds as allowed in this section.
- 4296 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
4297 bonds issued by the municipality or public transit county in accordance with Title
4298 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
4299 bonds including interest.
- 4300 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
4301 debt incurred by the public infrastructure district, including the cost to issue and
4302 repay the debt including interest.
- 4303 (8)(a) A municipality or public transit county may create one or more public
4304 infrastructure districts within the housing and transit reinvestment zone under Title
4305 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
4306 and transit reinvestment zone funds to guarantee the payment of public infrastructure
4307 bonds issued by a public infrastructure district.
- 4308 (b) An eligible municipality that is a capital city shall create one or more public
4309 infrastructure districts within the convention center reinvestment zone under Title

4310 17D, Chapter 4, Public Infrastructure District Act, and the convention center
4311 reinvestment zone funds may be used to pay all or any portion of debt incurred by the
4312 public infrastructure district, including the cost to issue and repay the debt including
4313 interest.

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

4315 **63N-3-608 (Effective 05/06/26). Applicability to an existing community**
4316 **reinvestment project.**

4317 (1) For a housing and transit reinvestment zone created under this part that overlaps any
4318 portion of an existing inactive industrial site community reinvestment project area plan
4319 created in accordance with Title 17C, Limited Purpose Local Government Entities -
4320 Community Reinvestment Agency Act:

4321 (a) if the community reinvestment project area plan captures less than 80% of the
4322 property tax increment from a taxing entity, or if a taxing entity is not participating in
4323 the community reinvestment project area plan, the housing and transit reinvestment
4324 zone may capture the difference between:

4325 (i) 80%; and

4326 (ii) the percentage of property tax increment captured pursuant to the community
4327 reinvestment project area plan; and

4328 (b) if a community reinvestment project area plan expires before the housing and transit
4329 reinvestment zone, the housing and transit reinvestment zone may capture the
4330 property tax increment allocated to the community reinvestment project area plan for
4331 any remaining portion of the term of the housing and transit reinvestment zone and
4332 the base year shall be updated in accordance with Subsection 63N-3-602(4).

4333 (2) For a convention center reinvestment zone created under this part that overlaps any
4334 portion of an existing community reinvestment project area created in accordance with
4335 Title 17C, Limited Purpose Local Government Entities - Community Reinvestment
4336 Agency Act:

4337 (a) if the community reinvestment project area captures less than 100% of the property
4338 tax increment from a taxing entity, or if a taxing entity is not participating in the
4339 community reinvestment project area, the convention center reinvestment zone may
4340 capture the difference between:

4341 (i) 100%; and

4342 (ii) the percentage of property tax increment captured pursuant to the community
4343 reinvestment project area for each taxing entity; and

4344 (b) if a community reinvestment project area plan expires before the convention center
 4345 reinvestment zone, the convention center reinvestment zone may capture the property
 4346 tax increment allocated to the community reinvestment project area for any
 4347 remaining portion of the term of the convention center reinvestment zone with the
 4348 base year relating back to the base year established by the community reinvestment
 4349 project area.

4350 (3) A zone that overlaps any portion of an existing community reinvestment project may
 4351 capture up to the maximum allowable increment of the increment generated above the
 4352 zone base year.

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

4354 **63N-3-611 (Effective 05/06/26). Boundary adjustments -- Governing law.**

4355 [~~If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a~~
 -4356 ~~housing and transit reinvestment zone or a convention center reinvestment zone, the~~
 -4357 ~~municipality administering the property tax increment collected in the housing and transit~~
 -4358 ~~reinvestment zone, or for a convention center reinvestment zone, the Governor's Office of~~
 -4359 ~~Economic Opportunity may make corresponding adjustments to the boundary of the housing~~
 -4360 ~~and transit reinvestment zone].~~

4361 (1)(a) Subject to the requirements under this part, and after the housing and transit
 4362 reinvestment zone committee approves a housing and transit reinvestment zone or a
 4363 convention center reinvestment zone proposal in accordance with Section
 4364 63N-3-605, the office shall consult with the relevant county assessor to determine a
 4365 boundary adjustment to a housing and transit reinvestment zone or a convention
 4366 center reinvestment zone.

4367 (b) If an area is excluded from or bisected by the radius requirements described in this
 4368 part, a boundary adjustment to include or exclude the area is permitted if:

4369 (i) the committee or office, if applicable, determines that inclusion or exclusion has a
 4370 reasonable nexus to advancing the objectives described in Section 63N-3-603;

4371 (ii) the adjustment does not include a parcel that is located entirely outside a one-half
 4372 mile radius from a bus rapid transit or light rail station, or a two-third mile radius
 4373 from a commuter rail station; and

4374 (iii) any acreage included in a housing and transit reinvestment zone under this
 4375 section is offset by an exclusion of acreage such that the total acreage approved by
 4376 the committee does not exceed the maximum in Section 63N-3-603.

4377 (2)(a) Except as provided in Subsection (2)(b), a parcel may only be triggered for

4378 property tax increment collection on the legal parcel boundary drawn at the time the
 4379 parcel is triggered for property tax increment collection.

4380 (b)(i) A convention center reinvestment zone in a capital city may commence a
 4381 property tax increment collection at different times for different parcels or
 4382 subareas within the convention center reinvestment zone in a capital city.

4383 (ii) The property tax increment collection described in Subsection (2)(b)(i) shall use
 4384 the base year of 2023 and commence no later than five years from the day that the
 4385 convention center reinvestment zone in a capital city proposal is approved.

4386 (3)(a) A housing and transit reinvestment zone or convention center reinvestment zone
 4387 shall be governed by the law in effect on the date the application for the housing and
 4388 transit reinvestment zone or convention center reinvestment zone was approved by
 4389 the housing and transit reinvestment zone committee.

4390 (b) Notwithstanding Subsection (3)(a), an approved housing and transit reinvestment
 4391 zone proposal submitted before May 1, 2024, shall be governed by the base year
 4392 defined in code before January 1, 2023.

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

4394 **63N-3-1603 (Effective 05/06/26). Process for a proposal of a first home**
 4395 **investment zone.**

4396 (1) [Subject] On or before December 31, 2027, and subject to approval of the housing and
 4397 transit reinvestment zone committee as described in Section 63N-3-1604, in order to
 4398 create a first home investment zone, a municipality that has general land use authority
 4399 over the first home investment zone area, shall:

4400 (a) prepare a proposal for the first home investment zone that:

4401 (i) demonstrates that the proposed first home investment zone will meet the
 4402 objectives described in Subsection 63N-3-1602(1);

4403 (ii) explains how the municipality will achieve the requirements of Subsection
 4404 63N-3-1602(2);

4405 (iii) defines the specific infrastructure needs, if any, and proposed improvements;

4406 (iv) demonstrates how the first home investment zone will ensure:

4407 (A) sufficient pedestrian access to schools and other areas of community; and

4408 (B) inclusion of child care facilities and access;

4409 (v) defines the boundaries of the first home investment zone;

4410 (vi) includes maps of the proposed first home investment zone to illustrate:

4411 (A) proposed housing density within the first home investment zone;

- 4412 (B) extraterritorial homes relevant to the first home investment zone, including
4413 density of the development of extraterritorial homes; and
4414 (C) existing zoning and proposed zoning changes related to the first home
4415 investment zone;
- 4416 (vii) identifies any development impediments that prevent the development from
4417 being a market-rate investment and proposed strategies for addressing each one;
4418 (viii) describes the proposed development plan, including the requirements described
4419 in Subsections 63N-3-1602(2) and (4);
4420 (ix) establishes the collection period or periods to calculate the tax increment;
4421 (x) describes projected maximum revenues generated and the amount of tax
4422 increment capture from each taxing entity and proposed expenditures of revenue
4423 derived from the first home investment zone;
4424 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
4425 of revenue that can be used to reduce the finance gap;
4426 (xii) proposes a finance schedule to align expected revenue with required financing
4427 costs and payments;
4428 (xiii) evaluates possible benefits to active transportation, public transportation
4429 availability and utilization, street connectivity, and air quality; and
4430 (xiv) provides a pro forma for the planned development that:
4431 (A) satisfies the requirements described in Subsections 63N-3-1602(2) and (4); and
4432 (B) includes data showing the cost difference between what type of development
4433 could feasibly be developed absent the first home investment zone tax
4434 increment and the type of development that is proposed to be developed with
4435 the first home investment zone tax increment;
- 4436 (b) submit the proposal to the relevant school district to discuss the requirements of the
4437 proposal and whether the proposal provides the benefits and achieves the objectives
4438 described in this part; and
4439 (c) submit the first home investment zone proposal to the Governor's Office of
4440 Economic Opportunity.
- 4441 (2) As part of the proposal described in Subsection (1), a municipality shall:
4442 (a) study and evaluate possible impacts of a proposed first home investment zone on
4443 parking and efficient use of land within the municipality and first home investment
4444 zone; and
4445 (b) include in the first home investment zone proposal the findings of the study

4446 described in Subsection (2)(a) and proposed strategies to efficiently address parking
4447 impacts.

4448 (3)(a) After receiving the proposal as described in Subsection (1)(c), the Governor's
4449 Office of Economic Opportunity shall:

4450 (i) within 14 days after the date on which the Governor's Office of Economic
4451 Opportunity receives the proposal described in Subsection (1)(c), provide notice
4452 of the proposal to all affected taxing entities, including the State Tax Commission,
4453 cities, counties, school districts, metropolitan planning organizations, and the
4454 county assessor and county auditor of the county in which the first home
4455 investment zone is located; and

4456 (ii) at the expense of the proposing municipality as described in Subsection (5),
4457 contract with an independent entity to:

4458 (A) perform the gap analysis described in Subsection (3)(b); and

4459 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B)
4460 and the feasibility of the proposed development absent the tax increment.

4461 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:

4462 (i) a description of the planned development;

4463 (ii) a market analysis relative to other comparable project developments included in
4464 or adjacent to the municipality absent the proposed first home investment zone;

4465 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency
4466 of the proposal;

4467 (iv) an evaluation of the proposed tax increment capture needed to cover the system
4468 improvements and project improvements associated with the first home
4469 investment zone proposal and enable the proposed development to occur, and for
4470 the benefit of affordable housing projects; and

4471 (v) based on the market analysis and other findings, an opinion relative to the
4472 appropriate amount of potential public financing reasonably determined to be
4473 necessary to achieve the objectives described in Subsection 63N-3-1602(1).

4474 (c) After receiving notice from the Governor's Office of Economic Opportunity of a
4475 proposed first home investment zone as described in Subsection (3)(a)(i), the
4476 municipality, in consultation with the county assessor and the State Tax Commission,
4477 shall:

4478 (i) evaluate the feasibility of administering the tax implications of the proposal; and

4479 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any

4480 challenges in the administration of the proposal, or indicating that the county
4481 assessor can feasibly administer the proposal.

4482 (4) After receiving the results from the analysis described in Subsection (3)(b), the
4483 municipality proposing the first home investment zone may:

4484 (a) amend the first home investment zone proposal based on the findings of the analysis
4485 described in Subsection (3)(b) and request that the Governor's Office of Economic
4486 Opportunity submit the amended first home investment zone proposal to the housing
4487 and transit reinvestment zone committee; or

4488 (b) request that the Governor's Office of Economic Opportunity submit the original first
4489 home investment zone proposal to the housing and transit reinvestment zone
4490 committee.

4491 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
4492 credit, up to \$20,000 from a municipality for the costs of the gap analysis described
4493 in Subsection (3)(b).

4494 (b) The Governor's Office of Economic Opportunity may expend funds received from a
4495 municipality as dedicated credits to pay for the costs associated with the gap analysis
4496 described in Subsection (3)(b).

4497 (6) Beginning January 1, 2028:

4498 (a) a municipality may not propose a first home investment zone;

4499 (b) a municipality may amend a first home investment zone proposal, as described in
4500 Subsection (4), if the proposal was pending on December 31, 2027; and

4501 (c) the Governor's Office of Economic Opportunity may not fulfill the duties described
4502 in Subsection (3) or (5) in regard to a proposal for a first home investment zone
4503 unless the proposal was pending on December 31, 2027.

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

4505 **63N-3-1609 (Effective 05/06/26). Boundary adjustments.**

4506 (1) If the relevant county assessor or county auditor adjusts parcel boundaries relevant
4507 to a first home investment zone, the municipality administering the tax increment
4508 collected in the first home investment zone may make corresponding adjustments to the
4509 boundary of the first home investment zone.

4510 (2) Subject to the requirements under this part, and after the housing and transit
4511 reinvestment zone committee approves a first home investment zone proposal in
4512 accordance with Section 63N-3-1604, the office shall consult with the relevant county
4513 assessor to determine a boundary adjustment to parcel boundaries relevant to a first

4514 home investment zone.

4515 (3) A parcel may only be triggered for property tax increment collection on the legal parcel
4516 boundary drawn at the time the parcel is triggered for property tax increment collection.

4517 Section 57. Section **63N-3a-101** is enacted to read:

4518 **CHAPTER 3a. Coordination of Regional Economic Development Activity**

4519 **Part 1. General Provisions**

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

4521 As used in this chapter:

4522 (1) "Affordable housing" means:

4523 (a) for homes that are not owner-occupied, housing occupied or reserved for occupancy
4524 by households with a gross household income equal to or less than 80% of the county
4525 median gross income for households of the same size; or

4526 (b)(i) for homes that are owner-occupied, housing occupied or reserved for
4527 occupancy by households with a gross household income equal to or less than
4528 120% of the median gross income for households of the same size in the county in
4529 which the housing is located; or

4530 (ii) for homes that are owner-occupied, housing that is priced at 80% of the zip code
4531 median home price if:

4532 (A) the proposal demonstrates that a deviation from the county median home price
4533 will achieve the objectives described in Section 63N-3a-103; and

4534 (B) the zip code median home price is based upon county property tax assessment
4535 data.

4536 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

4537 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
4538 roll last equalized during the base year.

4539 (4) "Base year" means:

4540 (a) the calendar year in which the committee approves a regionally significant
4541 development zone; or

4542 (b) a calendar year that the committee establishes when the committee approves a
4543 regionally significant development zone, which may not be a calendar year more than
4544 five years from the year in which the committee approves the regionally significant
4545 development zone.

4546 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and

- 4547 efficient service that may include dedicated lanes, busways, traffic signal priority,
4548 off-board fare collection, elevated platforms, and enhanced stations.
- 4549 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
4550 station, stop, or terminal that is specifically identified as needed in phase one of a
4551 metropolitan planning organization's adopted long-range transportation plan:
- 4552 (a) along an existing bus rapid transit line; or
4553 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 4554 (7) "Committee" means the increment financing committee created in Section 63N-3a-102.
- 4555 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
4556 large public transit district.
- 4557 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
4558 transit district.
- 4559 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
4560 station, stop, or terminal, which has been specifically identified as needed in phase one
4561 of a metropolitan planning organization's adopted long-range transportation plan:
- 4562 (a) along an existing commuter rail line;
4563 (b) along an extension to an existing commuter rail line or new commuter rail line;
4564 (c) along a fixed guideway extension from an existing commuter rail line; or
4565 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
4566 existing commuter rail station.
- 4567 (10) "Creating entity" means:
- 4568 (a) a municipality; or
4569 (b) a county.
- 4570 (11)(a) "Developable area" means the portion of land within a zone available for
4571 development and construction of uses that met the relevant objectives described in
4572 Part 3, Specific Provisions for Certain Zones.
- 4573 (b) "Developable area" does not include portions of land within a zone intended for
4574 development that are allocated to:
- 4575 (i) parks;
4576 (ii) open spaces;
4577 (iii) trails;
4578 (iv) parking;
4579 (v) roadway facilities; or
4580 (vi) other public facilities.

- 4581 (12) "Dwelling unit" means one or more rooms arranged for the use of one or more
4582 individuals living together, as a single housekeeping unit, with cooking, living, sanitary,
4583 and sleeping facilities.
- 4584 (13) "Enhanced development" means the construction of mixed uses including housing,
4585 commercial, recreational, and related facilities.
- 4586 (14) "Enhanced development costs" means extra costs associated with structured parking
4587 costs, vertical construction costs, horizontal construction costs, life safety costs,
4588 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
4589 height of buildings or enhanced development.
- 4590 (15) "Extraterritorial home" means a dwelling that is included as part of a proposal that:
4591 (a) is located within the municipality making the proposal but outside the boundary of
4592 the proposed project area;
4593 (b) is part of a development with a density of at least six units per acre;
4594 (c) is not located within an existing project area, a housing and transit reinvestment
4595 zone, a first home investment zone, or an area that could be included in a housing and
4596 transit reinvestment zone or a first home investment zone;
4597 (d) has not been issued a building permit by the municipality as of the date of the
4598 approval of the project area; and
4599 (e) is required to be owner occupied for no less than 25 years.
- 4600 (16) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 4601 (17) "High-density residential" means a minimum of 30 residential units per acre.
- 4602 (18) "Home" means a dwelling unit.
- 4603 (19) "Horizontal construction costs" means the additional costs associated with earthwork,
4604 over excavation, utility work, transportation infrastructure, and landscaping to achieve
4605 enhanced development in a regionally significant development zone.
- 4606 (20) "Impacted primary area" means land described in a proposal:
4607 (a) outside of a proposed zone boundary; and
4608 (b) that is crucial to one or more aspects of the development of the zone.
- 4609 (21) "Increment financing" means a public entity's utilization of:
4610 (a) property tax increment; or
4611 (b) any other portion of public revenue that is calculated using a base year and revenue
4612 growth following the base year, if the public revenue is authorized for use by a
4613 committee.
- 4614 (22) "Large public transit district" means the same as that term is defined in Section

- 4615 17B-2a-802.
- 4616 (23) "Light rail" means a passenger rail public transit system with right-of-way and fixed
4617 rails:
- 4618 (a) dedicated to exclusive use by light-rail public transit vehicles;
4619 (b) that may cross streets at grade; and
4620 (c) that may share parts of surface streets.
- 4621 (24) "Light rail station" means an existing station, stop, or terminal or a proposed station,
4622 stop, or terminal, which has been specifically identified as needed in phase one of a
4623 metropolitan planning organization's adopted long-range transportation plan:
- 4624 (a) along an existing light rail line; or
4625 (b) along an extension to an existing light rail line or new light rail line.
- 4626 (25) "Metropolitan planning organization" means the same as that term is defined in
4627 Section 72-1-208.5.
- 4628 (26) "Mixed use development" means development with a mix of:
- 4629 (a) multi-family residential use; and
4630 (b) at least one additional land use, which shall be a significant portion of the overall
4631 development.
- 4632 (27) "Moderate income housing" means residential units where a household whose income
4633 is no more than 80% of the area median income is able to occupy the housing unit
4634 paying no more than 30% of the household's income for gross housing costs, including
4635 utilities.
- 4636 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 4637 (29) "Notification of increment financing" means a document, physical or electronic,
4638 provided by a regional economic development authority to the office describing the
4639 regional economic development authority's intent to trigger and utilize one or more
4640 forms of increment financing.
- 4641 (30)(a) "Owner occupied" means private real property that is:
- 4642 (i) used for a single-family residential purpose; and
4643 (ii) occupied by the owner of the real property.
- 4644 (b) "Owner occupied" includes real property that is used for a multi-family residential
4645 purpose if each dwelling unit on the real property is occupied by the owner of the
4646 dwelling unit.
- 4647 (31) "Participant" means the same as that term is defined in Section 17C-1-102.
- 4648 (32) "Participation agreement" means the same as that term is defined in Section 17C-1-102,

- 4649 except that the agency may not provide and the person may not receive a direct subsidy.
- 4650 (33) "Project" means the enterprise to be pursued through the proposal of a regionally
- 4651 significant development zone.
- 4652 (34)(a) "Project improvements" means site improvements and facilities that are:
- 4653 (i) planned and designed to provide service for development resulting from a
- 4654 development activity;
- 4655 (ii) necessary for the use and convenience of the occupants or users of development
- 4656 resulting from a development activity; and
- 4657 (iii) not identified or reimbursed as a system improvement.
- 4658 (b) "Project improvements" does not mean system improvements.
- 4659 (35)(a) "Property tax increment" means the difference between:
- 4660 (i) the amount of property tax revenue generated each tax year by all taxing entities,
- 4661 except as provided in Subsection (36)(b), from within a regionally significant
- 4662 development zone, using the current assessed value and each taxing entity's
- 4663 current certified tax rate as defined in Section 59-2-924; and
- 4664 (ii) the amount of property tax revenue that would be generated from that same area
- 4665 using the base taxable value and each taxing entity's current certified tax rate as
- 4666 defined in Section 59-2-924.
- 4667 (b) "Property tax increment" does not include property tax revenue from:
- 4668 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 4669 (ii) a county additional property tax described in Subsection 59-2-1602(4);
- 4670 (iii) a levy imposed by a public infrastructure district as described in Section
- 4671 17D-4-303; or
- 4672 (iv) a public library fund levy described in Subsection 9-7-501(2).
- 4673 (36) "Proposal" means a document, physical or electronic, developed by a creating entity:
- 4674 (a) outlining the need for the creation of a regionally significant development zone;
- 4675 (b) explaining whether the zone is proposed to create:
- 4676 (i) a regionally significant transit-oriented development, as described in Section
- 4677 63N-3a-301;
- 4678 (ii) a regionally significant first home village, as described in Section 63N-3a-302;
- 4679 (iii) a regionally significant economic development opportunity, as described in
- 4680 Section 63N-3a-303;
- 4681 (c) describing how the relevant objectives would be achieved by the creation of the
- 4682 regionally significant development zone;

- 4683 (d) describing the boundaries of the proposed regionally significant development zone;
 4684 (e) describing the impacted primary area, if any, of a proposed regionally significant
 4685 development zone; and
 4686 (f) that is submitted to a committee.
- 4687 (37) "Public transit county" means a county that has created a small public transit district.
- 4688 (38) "Public transit hub" means a public transit depot or station where four or more routes
 4689 serving separate parts of the county-created transit district stop to transfer riders between
 4690 routes.
- 4691 (39) "Qualified development zone" means the property within a project area, and, if
 4692 applicable, the impacted primary area, as approved by the committee.
- 4693 (40) "Regional economic development authority" means:
- 4694 (a) the Utah Inland Port Authority created in Section 11-58-201;
 4695 (b) the Point of the Mountain Land Use Authority created in Section 11-59-201;
 4696 (c) the Utah Fairpark Area Investment and Restoration District created in Section
 4697 11-70-201; or
 4698 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 4699 (41)(a) "Regionally significant development zone" means an area:
- 4700 (i) created as described in Part 2, Creation of Regionally Significant Development
 4701 Zones;
 4702 (ii) governed as described in Title 17C, Chapter 6, Regionally Significant
 4703 Development Zone Act; and
 4704 (iii) in which a creating entity is able to promote efficient use of transit, housing
 4705 affordability, or regional economic growth.
- 4706 (42) "Small public transit district" means the same as that term is defined in Section
 4707 17B-2a-802.
- 4708 (43)(a) "System improvements" means existing and future public facilities that are
 4709 designed to provide services to service areas within the community at large.
- 4710 (b) "System improvements" does not mean project improvements.
- 4711 (44) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 4712 (45) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 4713 (46)(a) "Tax increment" means the difference between:
- 4714 (i) the amount of tax revenue generated each tax year from a particular revenue
 4715 source by all taxing entities within a particular area after an established base year;
 4716 and

4717 (ii) the amount of revenue that would be generated from the same particular revenue
 4718 source and from the same particular area during the established base year.

4719 (b) "Tax increment" includes tax differential, property tax allocation, enhanced property
 4720 tax revenue, property tax augmentation, or any other term that meets the definition
 4721 described in Subsection (47)(a).

4722 (47) "Transportation system" means:

4723 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
 4724 connected structures;

4725 (b) an airport or aerial transit infrastructure;

4726 (c) a light rail and light rail station;

4727 (d) a public transit facility; or

4728 (e) any other modes or forms of conveyance used by the public.

4729 (48) "Vertical construction costs" means the additional costs associated with construction
 4730 above four stories and structured parking to achieve enhanced development in a project
 4731 area.

4732 Section 58. Section **63N-3a-102** is enacted to read:

4733 **63N-3a-102 (Effective 05/06/26). Increment authorization committee -- Creation.**

4734 (1) For any project proposed under this chapter that requires the use of tax increment, there
 4735 is created an increment authorization committee with membership described in
 4736 Subsection (2).

4737 (2) Each increment authorization committee shall consist of the following members:

4738 (a) the executive director or the executive director's designee;

4739 (b) the executive director of the Department of Transportation created in Section
 4740 72-1-201 or the executive director's designee;

4741 (c) one individual from the Office of the State Treasurer, designated by the state
 4742 treasurer;

4743 (d) two members designated by the president of the Senate;

4744 (e) two members designated by the speaker of the House of Representatives;

4745 (f) one representative representing the largest participating local taxing entity by
 4746 population, after the creating entity and other than a water conservancy district, in the
 4747 proposed zone;

4748 (g) one representative from the creating entity; and

4749 (h)(i) if a proposal addresses affordable housing, moderate income housing, or
 4750 addresses a regionally significant first home village;

- 4751 (A) one representative from the office, designated by the executive director, who
 4752 works on housing policy; and
 4753 (B) two representatives designated by the school superintendent from the largest
 4754 school district by student population affected by the proposal;
 4755 (ii) if a proposal addresses a regionally significant transit-oriented zone, one member
 4756 appointed by the governor:
 4757 (A) from the Transportation Committee created in Section 72-1-301; or
 4758 (B) a member of the board of trustees of a large public transit district;
 4759 (iii) if a proposal addresses a regionally significant economic development
 4760 opportunity that is not described in Subsections (2)(h)(i) and (ii):
 4761 (A) the director of the Office of Energy Development created in Section 79-6-401;
 4762 and
 4763 (B) any individual with relevant expertise appointed by the governor.

4764 (3) A majority of committee members constitutes a quorum.

4765 (4) A majority vote of a quorum constitutes action by the committee.

4766 Section 59. Section **63N-3a-103** is enacted to read:

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

4768 (1) In addition to the duties described in Section 63N-1a-303, the executive director shall
 4769 coordinate the use of increment financing to achieve the state's long-term housing and
 4770 economic development goals while balancing the need of local communities to protect
 4771 tax base and continue to provide essential services to a growing population.

4772 (2) Following the office's evaluation of a proposal, as described in Section 63N-3a-202, the
 4773 executive director shall:

4774 (a) determine whether the proposal demonstrates broad regional benefits to the state and
 4775 the state's residents, including the provision of affordable housing, enhancing
 4776 statewide infrastructure, or contributing to economic resilience;

4777 (b) evaluate the proposal by considering:

4778 (i) the impact of proposed increment financing on residents; and

4779 (ii) existing uses of increment in the proposed area; and

4780 (c) provide the proposal, with the executive director's determination and
 4781 recommendation, to the committee for consideration.

4782 (3) The executive director shall:

4783 (a) coordinate a committee's evaluation of a proposal; and

4784 (b) maintain active communication with regional economic development authorities

4785 regarding increment financing.

4786 (4)(a) Subject to Subsection (4)(b), the office may enter into a contract with an
 4787 independent consultant, regional economic development authority, or political
 4788 subdivision with expertise in analyzing economic development opportunities and
 4789 managing increment financing to assist the office in the performance of the duties
 4790 described in this chapter.

4791 (b) An independent consultant contracted to assist the office under Subsection (4)(a)
 4792 may not advise the creating entity or any party with a financial stake in the proposed
 4793 regionally significant development zone.

4794 Section 60. Section **63N-3a-104** is enacted to read:

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

4796 (1) As used in this section, "increment zone" means:

4797 (a) a housing and transit reinvestment zone;

4798 (b) a convention center reinvestment zone;

4799 (c) a first homes investment zone;

4800 (d) a home ownership promotion zone;

4801 (e) a major sporting event venue zone; and

4802 (f) an electrical energy development zone.

4803 (2) In any given county:

4804 (a) the maximum number of increment zones at light rail stations, not including a
 4805 convention center reinvestment zone, is eight; and

4806 (b) the maximum number of regionally significant development zones created as
 4807 described in Part 2, Creation of Regionally Significant Development Zones, is eight.

4808 (3) In addition to the caps described in Subsection (2), within a county of the first class, as
 4809 classified under Section 17-60-104:

4810 (a) the maximum number of housing and transit reinvestment zones at bus rapid transit
 4811 stations is three;

4812 (b) the maximum total combined number of housing and transit reinvestment zones and
 4813 first home investment zones is 11; and

4814 (c) the maximum total combined number of increment zones, not including a convention
 4815 center reinvestment zone, is 14.

4816 Section 61. Section **63N-3a-105** is enacted to read:

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

4818 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

office may make rules as necessary to fulfill the duties described in this chapter.

Section 62. Section **63N-3a-106** is enacted to read:

63N-3a-106 (Effective 05/06/26). Political Subdivisions Interim Committee working group.

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

(a) study tax increment financing; and

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

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

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

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

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

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

(e) one individual who represents the tax commission.

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

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

Part 2. Creation of Regionally Significant Development Zones

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

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

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

(ii) as provided in this section.

(b) One or more creating entities may jointly propose a regionally significant development zone, and be treated as a single creating entity for the purposes of this part, if:

- 4853 (i) the creating entities first enter an interlocal agreement governing how the creating
4854 entities shall manage the zone, if approved; or
- 4855 (ii) the creating entities include a proposed interlocal agreement the creating entities
4856 will enter upon approval of the zone.
- 4857 (c) An interlocal agreement described in Subsection (1)(b) shall meet the requirements
4858 of Section 17C-6-102.
- 4859 (2) Before a creating entity may submit a proposal to the office as described in this section:
- 4860 (a) the legislative body of the creating entity shall:
- 4861 (i) submit a draft of the proposal to every school district that would be impacted by
4862 the creation of a regionally significant development zone, as described in the
4863 proposal, to discuss the requirements of the proposal;
- 4864 (ii) provide a school district described in Subsection (2)(a)(i) no less than 30 calendar
4865 days to offer the creating entity feedback on the draft proposal; and
- 4866 (iii)(A) hold a public meeting and receive public comment on the proposal to
4867 create a regionally significant development zone; and
- 4868 (B) provide notice of the public meeting as a class A notice as described in
4869 Section 63G-30-102 for at least 10 days;
- 4870 (b) if the creating entity is a municipality, the municipal legislative body shall:
- 4871 (i) submit a draft of the proposal to the county legislative body where the proposed
4872 regionally significant development zone is located; and
- 4873 (ii) provide the county no less than 30 days to offer the creating entity feedback on
4874 the draft proposal, including a finding of whether the county legislative body
4875 considers the proposed project regionally significant; and
- 4876 (c) submit a draft of the proposal to every affected local taxing entity that will be
4877 required to participate in the regionally significant development zone at least 30 days
4878 before the creating entity submits a proposal to the office.
- 4879 (3)(a) A creating entity shall include any feedback or public comment received under
4880 Subsection (2) in a proposal submitted to the office.
- 4881 (b) A creating entity may provide the public entity's response to any feedback or public
4882 comment described in Subsection (3)(a) along with the proposal.
- 4883 (c) If a county legislative body makes a finding under Subsection (2)(b)(ii) that a
4884 proposed project is not regionally significant:
- 4885 (i) the municipal creating entity may submit a proposal to the office as described in
4886 this section; and

- 4887 (ii) if the proposal is for a regionally significant economic development opportunity
4888 described in Section 63N-3a-303, the committee may approve the proposal, but
4889 notwithstanding the requirement in Section 63N-3a-203 that all affected taxing
4890 entities participate at the same rate, the county's participation in property tax
4891 increment is limited to a maximum of 40%.
- 4892 (4) A creating entity shall submit a proposal to the office in a form and manner determined
4893 by the office.
- 4894 (5) A proposal made under this chapter shall:
- 4895 (a) demonstrate how the proposed zone addresses:
- 4896 (i) for a regionally significant transit-oriented development, the objectives and
4897 requirements described in Section 63N-3a-301;
- 4898 (ii) for a regionally significant first home village, the objectives and requirements
4899 described in Section 63N-3a-302; or
- 4900 (iii) for a regionally significant economic development opportunity, the objectives
4901 and requirements described in Section 63N-3a-303;
- 4902 (b) describe the development impediments and market conditions that render a
4903 development cost prohibitive absent the financial incentives described in this chapter
4904 and for which the creating entity requests approval to utilize in the proposal;
- 4905 (c) include a pro forma analysis that includes data showing the cost difference between:
- 4906 (i) what type of redevelopment or development could feasibly occur without the
4907 creation of a regionally significant development zone; and
- 4908 (ii) the type of redevelopment or development that is proposed to occur with the
4909 creation of a regionally significant development zone and the accompanying
4910 regionally significant development zone revenue; and
- 4911 (d) include any other information the office requires by rule.
- 4912 (6) A proposal may include a request to capture property tax increment, the entirety of
4913 personal property tax revenue, or both.
- 4914 (7) A regionally significant development zone may not be smaller than 10 acres.
- 4915 (8)(a) After receiving a proposal, the office shall:
- 4916 (i) provide notice of the proposal to any impacted metropolitan planning
4917 organizations;
- 4918 (ii) provide notice of the proposal to the county assessor and county auditor of every
4919 county in which a proposed regionally significant development zone would be
4920 wholly or partially located;

- 4921 (iii) evaluate the feasibility of administering the tax implications of the proposal;
 4922 (iv) evaluate the pro forma analysis included in the proposal; and
 4923 (v) following the evaluations described in Subsections (8)(a)(iii) and (iv), provide
 4924 any findings the office makes to the creating entity.
- 4925 (b) In conducting the evaluations described in Subsections (8)(a)(iii) and (iv), the office:
 4926 (i) shall consult with the tax commission and the relevant county assessor and county
 4927 auditor; and
 4928 (ii) may consult with an independent consultant as described in Section 63N-3a-103.
- 4929 (c)(i) The office shall provide any findings following the evaluations described in
 4930 Subsections (8)(a)(iii) and (iv) to the creating entity.
 4931 (ii) After receiving the findings described in Subsection (8)(a)(v), the creating entity
 4932 may:
 4933 (A) amend the proposal and request the office submit the amended proposal to the
 4934 committee; or
 4935 (B) request the office submit the original proposal to the committee.
- 4936 (9) If the office determines a proposal meets the requirements of this section, the office
 4937 shall:
 4938 (a) notify the creating entity;
 4939 (b) provide the proposal to the executive director for the executive director's evaluation
 4940 and recommendation, as described in Section 63N-3a-103; and
 4941 (c) notify the relevant individuals described in Section 63N-3a-102 that an increment
 4942 financing committee is convened to consider a proposal.
- 4943 Section 64. Section **63N-3a-202** is enacted to read:
 4944 **63N-3a-202 (Effective 05/06/26). Committee consideration of a proposal.**
 4945 (1) The proposing creating entity shall present the proposal to the committee in a public
 4946 meeting.
 4947 (2) Before voting to approve or deny a proposal, the committee shall evaluate and verify
 4948 whether the proposal adequately addresses relevant objectives and requirements
 4949 described in Part 3, Specific Provisions.
 4950 (3) In considering a proposal, a committee may request any information from a creating
 4951 entity needed to make a determination about whether to approve or deny a proposal, or
 4952 approve a proposal with modifications, including a description of the proposed uses of
 4953 funds and how funds will be used to support public projects related to the regionally
 4954 significant development zone.

- 4955 (4) The committee may:
- 4956 (a) request changes to the proposal;
- 4957 (b) vote to approve the proposal, with or without modifications to the proposal; or
- 4958 (c) vote to deny the proposal.
- 4959 (5) If the committee votes to approve the proposal, with or without modifications, the
- 4960 committee shall:
- 4961 (a) fulfill the requirements of Section 63N-3a-203; and
- 4962 (b) establish any parameters described in Section 63N-3a-204.
- 4963 Section 65. Section **63N-3a-203** is enacted to read:
- 4964 **63N-3a-203 (Effective 05/06/26). Approval process -- Creation of a regionally**
- 4965 **significant development zone -- Boundaries.**
- 4966 (1) If the committee votes to approve a proposal, as described in Section 63N-3a-202:
- 4967 (a) a regionally significant development zone is created as of the effective date and
- 4968 subject to the governance requirements described in Section 63N-3a-206;
- 4969 (b) affected local taxing entities are required to participate according to the terms
- 4970 approved by the committee; and
- 4971 (c) subject to Subsection 63N-3a-201(3)(c), each affected taxing entity is required to
- 4972 participate at the same rate.
- 4973 (2)(a) The effective date of a regionally significant development zone is the later of:
- 4974 (i) January 1 following the approval of the proposal, if the committee approves the
- 4975 proposal on or before September 30; or
- 4976 (ii) January 1 following the year after the year in which the committee approves the
- 4977 proposal.
- 4978 (b) A creating entity may not trigger the collection of tax increment within a regionally
- 4979 significant development zone before the effective date.
- 4980 (3) In approving a proposal, the committee shall establish:
- 4981 (a) the qualified development zone boundary for the purpose of calculating property tax
- 4982 increment;
- 4983 (b) the maximum number of consecutive years a creating entity's agency may collect and
- 4984 use increment, not to exceed 25 years; and
- 4985 (c) the maximum amount of tax increment revenue, in total and from each proposed
- 4986 source, that may be captured in the regionally significant development zone.
- 4987 (4)(a) In accordance with Section 63N-3a-204, for any proposal requesting approval of
- 4988 the use of property tax increment, the committee shall also establish:

- 4989 (i) the property tax base year;
4990 (ii) the percentage of property tax increment allowed to be captured within and used
4991 on behalf of a regionally significant development zone, not to exceed the limits
4992 described in Section 63N-3a-204; and
4993 (iii) the maximum amount of property tax increment revenue that an agency may
4994 collect for a regionally significant development zone.
- 4995 (b) The base taxable value of land within a regionally significant development zone is
4996 determined as of January 1 of the base year established by the committee under
4997 Subsection (4)(a).
- 4998 (c)(i) Except as provided in Subsection (4)(c)(ii), a creating entity may propose, and a
4999 committee may approve, the diversion of all the revenue attributed to personal
5000 property tax generated within a regionally significant development zone to the
5001 regionally significant development zone for a period not to exceed 25 years.
- 5002 (ii) A creating entity proposing a zone described in Part 4, Regionally Significant
5003 Zones with Energy Implications, shall propose the diversion of all the revenue
5004 attributed to personal property tax generated within a regionally significant
5005 development zone to the regionally significant development zone for a period not
5006 to exceed 25 years.
- 5007 (d) In accordance with Section 63N-3a-204 and except as provided in Section
5008 63N-3a-403, for a proposal requesting approval of the use of property tax increment
5009 or personal property tax diversion, the committee shall establish a percentage of
5010 revenue that the creating entity's agency shall transfer to the state treasurer for deposit
5011 into the State Reinvestment Restricted Account created in Section 51-9-1002, which
5012 shall be at least 5% but no more than 25% of the total annual revenue an agency
5013 receives from property tax sources described in this Subsection (4).
- 5014 (5) Within 30 days after the committee approves a proposal, the creating entity shall:
- 5015 (a) record with the recorder of the county in which the regionally significant
5016 development zone is located a document containing:
- 5017 (i) a description of the land within the regionally significant development zone and, if
5018 applicable, primary project area;
5019 (ii) the approval date; and
5020 (iii) the effective date;
- 5021 (b) transmit a copy of the description of the land within the regionally significant
5022 development zone and an accurate map or plat indicating the boundaries of the

5023 regionally significant development zone, and if applicable, primary project area to the
 5024 Utah Geospatial Resource Center created under Section 63A-16-505; and

5025 (c) transmit a copy of the approved regionally significant development zone proposal,
 5026 map, and legal description of the regionally significant development zone, and if
 5027 applicable, primary project area, to:

5028 (i) the auditor, recorder, attorney, surveyor, treasurer, and assessor of the county in
 5029 which any part of the regionally significant development zone is located;

5030 (ii) the officer or officers performing the function of auditor or assessor for each
 5031 taxing entity that does not use the county assessment roll or collect the taxing
 5032 entity's taxes through the county;

5033 (iii) the legislative body or governing board of each taxing entity affected by the
 5034 regionally significant development zone;

5035 (iv) the tax commission; and

5036 (v) the State Board of Education.

5037 (6) Within 90 days after the committee approves a proposal, the committee shall provide to
 5038 the tax commission:

5039 (a) a statement that the regionally significant development zone is established under this
 5040 part;

5041 (b) the approval date of the proposal and the effective date of the regionally significant
 5042 development zone;

5043 (c) the qualified development zone boundary, if applicable; and

5044 (d) any information about the regionally significant development zone requested by the
 5045 commission.

5046 Section 66. Section **63N-3a-204** is enacted to read:

5047 **63N-3a-204 (Effective 05/06/26). Property tax increment -- Personal property**
 5048 **tax revenue diversion -- Remittance to the State Reinvestment Restricted Account.**

5049 (1) As used in this section, "designated remitting percentage" means the percentage of
 5050 property tax increment revenue established by the committee as described in Subsection
 5051 63N-3a-203(4).

5052 (2)(a) A creating entity may propose a qualified development zone boundary that
 5053 includes a project area and an impacted primary area.

5054 (b) The committee may establish a qualified development zone boundary that includes:

5055 (i) a project area only; or

5056 (ii) a project area and a proposed impacted primary area.

- 5057 (3) A creating entity's agency may receive, remit, and use property tax increment in
5058 accordance with this section and as described in Title 17C, Chapter 6, Regionally
5059 Significant Development Zones Act.
- 5060 (4) The creating entity or creating entity's agency:
- 5061 (a) may trigger the collection of property tax increment by parcel; and
- 5062 (b) shall send notice of commencement of collection of property tax increment to the
5063 following entities by no later than October 1 of the year before the year in which
5064 property tax increment collection is proposed to commence:
- 5065 (i) the tax commission;
- 5066 (ii) the State Board of Education;
- 5067 (iii) the state auditor;
- 5068 (iv) the county auditor and county assessor of each county within the qualified
5069 development zone boundary;
- 5070 (v) each taxing entity to be affected by collection of property tax within the qualified
5071 development zone boundary; and
- 5072 (vi) the office.
- 5073 (5)(a) A county that collects property tax on property located within a qualified
5074 development zone boundary shall, in accordance with Section 59-2-1365, distribute
5075 to the creating entity's agency:
- 5076 (i) the percentage of property tax increment established by the committee as
5077 described in Subsection 63N-3a-203(4), not to exceed:
- 5078 (A) 70% for a regionally significant transit-oriented zone;
- 5079 (B) 70% for a regionally significant first home village; and
- 5080 (C) 60% for a regionally significant economic development opportunity; and
- 5081 (ii) if applicable, the percentage of personal property tax revenue generated within
5082 the boundary, as established by the committee under Subsection 63N-3a-203(4).
- 5083 (b) Property tax revenue distributed to a creating entity's agency in accordance with this
5084 Subsection (5):
- 5085 (i) is not revenue of the taxing entity, the creating entity, or the creating entity's
5086 agency; and
- 5087 (ii) constitutes regionally significant development zone funds and shall be
5088 administered as described in Section 17C-6-203.
- 5089 (6) The creating entity's agency may receive property tax increment within a qualified
5090 development zone boundary for:

- 5091 (a) up to 25 total years, subject to any limit established by the committee under
 5092 Subsection 63N-3a-203(4); and
- 5093 (b) no longer than 40 years after the effective date of the regionally significant
 5094 development zone.
- 5095 (7) No later than March 1, the agency for a regionally significant development zone shall
 5096 transfer the established remitting percentage of revenue collected in the previous
 5097 calendar year to the state treasurer for deposit into the State Reinvestment Restricted
 5098 Account created in Section 51-9-1002.
- 5099 (8) Once the maximum amount of property tax increment has been distributed to the
 5100 creating entity's agency, as established by the committee in Subsection 63N-3a-203(4),
 5101 the county that collects property tax on property located within a qualified development
 5102 zone boundary is no longer obligated to distribute property tax increment generated
 5103 within the qualified development zone boundary or personal property tax revenue to the
 5104 creating entity's agency.

5105 Section 67. Section **63N-3a-205** is enacted to read:

5106 **63N-3a-205 (Effective 05/06/26). Compliance with terms of approved proposal**
 5107 **required -- Modifications to a regionally significant development zone -- Boundary**
 5108 **adjustments.**

- 5109 (1) If a regionally significant development zone is approved by the committee and created
 5110 as described in Section 63N-3a-203:
- 5111 (a) the regionally significant development zone is created according to the terms:
 5112 (i) of the approved proposal, or modified approved proposal; and
 5113 (ii) established by the committee as described in this part; and
- 5114 (b) the creating entity or the creating entity's agency shall enter into an entitlement
 5115 agreement, development agreement, or participation agreement as necessary or
 5116 required to implement the approved proposal and any established terms.
- 5117 (2) Any aspect of a regionally significant development zone, including the approved use of
 5118 zone revenue or the boundary of the qualified development zone, may be amended by
 5119 following the same procedure as making a proposal under Section 63N-3a-201, except
 5120 the creating entity is not required to submit an additional pro forma analysis unless
 5121 requested by the office or the committee.
- 5122 (3) If the relevant county assessor or county auditor adjusts parcel or lot boundaries
 5123 relevant to a regionally significant development zone, the creating entity may make
 5124 corresponding adjustments to the qualified development zone.

5125 Section 68. Section **63N-3a-206** is enacted to read:

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

5127 In addition to any other notification requirements in this part, a creating entity of a
5128 regionally significant development zone shall notify each affected taxing entity within the zone
5129 at least 90 days before the creating entity triggers a collection period for property tax
5130 increment for a parcel.

5131 Section 69. Section **63N-3a-207** is enacted to read:

5132 **63N-3a-207 (Effective 05/06/26). Payment, use, and administration of regionally**
5133 **significant development zone revenue.**

5134 (1) A creating entity shall designate an agency to:

5135 (a) administer the regionally significant development zone;

5136 (b) promote the objectives for the regionally significant development zone; and

5137 (c) be the custodian of regionally significant development zone revenue, as described in
5138 Title 17C, Chapter 6, Regionally Significant Development Zones Act.

5139 (2) An agency may share regionally significant development zone revenue with another
5140 governmental entity or a private party as described in this section.

5141 (3) Before a governmental entity that is not an agency may receive regionally significant
5142 development zone revenue from the creating entity, the creating entity or creating
5143 entity's agency and the governmental entity shall enter into an agreement governing the
5144 use of the revenue, consistent with this chapter and Title 17C, Chapter 6, Regionally
5145 Significant Development Zones Act.

5146 (4) Before a private party may receive regionally significant development zone revenue, the
5147 creating entity or creating entity's agency and the private party shall enter into an
5148 agreement governing the use of the revenue, consistent with this chapter and Title 17C,
5149 Chapter 6, Regionally Significant Development Zones Act.

5150 (5) A creating entity's agency shall use and be responsible for regionally significant
5151 development zone revenue as described in Section 17C-6-203.

5152 (6) The creating entity of a regionally significant development zone shall be responsible for:

5153 (a) tracking revenue received by the creating entity on behalf of the regionally
5154 significant development zone; and

5155 (b) reporting to the county auditor and tax commission if the creating entity receives the
5156 maximum amount of tax increment revenue from any source, as established by the
5157 committee under Section 63N-3a-203.

5158 Section 70. Section **63N-3a-208** is enacted to read:

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

5160 (1) As used in this section, "maximum allowable increment" means the percent of property
5161 tax increment a regionally significant development zone is authorized to capture and
5162 utilize, as established by the committee under this chapter.

5163 (2) Except as provided in Subsection (4), if a regionally significant development zone
5164 overlaps an area that is part of a project area, as that term is defined in Section
5165 17C-1-102, that parcel may not be triggered for tax increment collection unless the
5166 project area funds collection period, as that term is defined in Section 17C-1-102, has
5167 expired.

5168 (3)(a) Except as provided in Subsection (3)(b), a regionally significant development
5169 zone may not overlap a housing and transit reinvestment zone or a first home
5170 investment zone.

5171 (b) Subject to Subsection (4), a regionally significant development zone may overlap a
5172 housing and transit reinvestment zone or a first home investment zone if:

5173 (i) the regionally significant development zone does not collect property tax
5174 increment for the area overlapping with the housing and transit reinvestment zone
5175 or the first home investment zone; or

5176 (ii) the regionally significant development zone does not collect property tax
5177 increment for the area overlapping with the housing and transit reinvestment zone
5178 or the first home investment zone until the collection period for the housing and
5179 transit reinvestment zone's collection of property tax increment or the first home
5180 investment zone's collection of property tax increment has ended.

5181 (4)(a) If a community reinvestment project area plan captures less than maximum
5182 allowable increment of the property tax increment from a taxing entity, or if a taxing
5183 entity is not participating in the community reinvestment project area plan, because
5184 the agency and relevant taxing entities agreed to capture a lower percentage or agreed
5185 to exclude a taxing entity from the community reinvestment project area plan,
5186 Subsection (3)(a) does not apply.

5187 (b) If, at the creation of a housing and transit reinvestment zone or a first home
5188 investment zone, the taxing entities agreed that tax increment collection would end
5189 on a certain date or after a certain number of years, Subsection (3)(b) does not apply
5190 unless the taxing entities that were involved in the agreement affirmatively agree to
5191 participate in the regionally significant development zone tax increment collection.

5192 (5)(a) Except as provided in Subsection (5)(b), a regionally significant development

- 5193 zone may not overlap project areas created by the:
- 5194 (i) Military Installation Development Authority described in Subsection
- 5195 63H-1-102(17);
- 5196 (ii) Utah Fairpark Area Investment and Restoration District described in Subsection
- 5197 11-70-101(24); or
- 5198 (iii) Utah Inland Port Authority project area described in Subsection 11-58-102(16).
- 5199 (b) A creating entity may propose, and the committee may approve, a regionally
- 5200 significant development zone that overlaps with a project area if:
- 5201 (i) the regional economic development authority that created the project area consents
- 5202 to the creation of the regionally significant development zone; and
- 5203 (ii) no more than 60% of tax increment is captured and used by the creating entity's
- 5204 agency and the regional economic development authority in combination in any
- 5205 given year.

5206 Section 71. Section **63N-3a-301** is enacted to read:

5207 **Part 3. Specific Provisions for Certain Zones**

5208 **63N-3a-301 (Effective 05/06/26). Provisions specific to a regionally significant**

5209 **transit-oriented development.**

- 5210 (1) A proposal to create a regionally significant development zone that qualifies as a
- 5211 regionally significant transit-oriented development, as described in this section, shall
- 5212 demonstrate how the proposal addresses the following objectives:
- 5213 (a) higher utilization of public transit;
- 5214 (b) increasing availability of housing, including affordable housing;
- 5215 (c) promoting and encouraging development of owner-occupied housing;
- 5216 (d) improving efficiencies in parking and transportation, including walkability of
- 5217 communities near public transit facilities;
- 5218 (e) overcoming development impediments and market conditions that render a
- 5219 development cost prohibitive absent the proposal and incentives;
- 5220 (f) conserving water resources through efficient land use;
- 5221 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 5222 (h) encouraging mixed-use development and investment in transportation and public
- 5223 transit infrastructure in strategic areas;
- 5224 (i) strategic land use and municipal planning in major transit investment corridors as
- 5225 described in Subsection 10-20-404(2);
- 5226 (j) increasing access to employment and educational opportunities; and

- 5227 (k) increasing access to child care.
- 5228 (2) To accomplish the objectives described in Subsection (1), a creating entity that proposes
5229 a regionally significant transit-oriented development as described in this section shall
5230 ensure that the proposal includes:
- 5231 (a) except as provided in Subsection (3), at least 12% of the proposed dwelling units
5232 within the zone are affordable housing units, with:
- 5233 (i) up to 9% of the proposed dwelling units occupied or reserved for occupancy by
5234 households with a gross household income equal to or less than 80% of the county
5235 median gross income for households of the same size; and
- 5236 (ii) at least 3% of the proposed dwelling units occupied or reserved for occupancy by
5237 households with a gross household income equal to or less than 60% of the county
5238 median gross income for households of the same size; and
- 5239 (b) except as provided in Subsection (4), at least 51% of the developable area within a
5240 zone be dedicated to residential uses and:
- 5241 (i) an average of at least 50 dwelling units per acre within the acreage of the zone
5242 dedicated to residential uses;
- 5243 (ii) mixed-use development within the zone; and
- 5244 (iii) a mix of dwelling units to ensure that at least 25% of the dwelling units have
5245 more than one bedroom.
- 5246 (3)(a) If the projects within a regionally significant transit-oriented development are
5247 developed in phases, a creating entity and agency shall ensure that each phase is
5248 developed to provide the required 12% of affordable housing units.
- 5249 (b) A creating entity may allow a regionally significant transit development to be phased
5250 and developed in a manner to provide more of the required affordable housing units
5251 in early phases of development.
- 5252 (c) A creating entity shall include in a proposal an affordable housing plan, which may
5253 include deed restrictions, to ensure the affordable housing required in the proposal
5254 will continue to meet the definition of affordable housing at least throughout the
5255 entire term of the zone.
- 5256 (d) If the creating entity meets the affordable housing guidelines of the United States
5257 Department of Housing and Urban Development at 60% area median income at the
5258 time the regionally significant transit-oriented development proposal is approved by
5259 the committee, the creating entity is exempt from the percentage requirements
5260 described in Subsection (2)(a).

5261 (4) For a regionally significant transit-oriented development proposed to be located at a
5262 public transit hub or a bus rapid transit station, the regionally significant transit-oriented
5263 development shall include:

5264 (a) at least 51% of the developable area within a zone as residential uses; and

5265 (b) an average of at least 50 dwelling units per acre within the acreage of the zone
5266 dedicated to residential uses.

5267 Section 72. Section **63N-3a-302** is enacted to read:

5268 **63N-3a-302 (Effective 05/06/26). Provisions specific to a regionally significant**
5269 **first home village.**

5270 (1) A proposal to create a regionally significant development zone that qualifies as a
5271 regionally significant first home village, as described in this section, shall demonstrate
5272 how the proposal addresses the following objectives:

5273 (a) improving efficiencies in parking and transportation, including walkability of
5274 communities near public transit facilities, street and path interconnectivity within the
5275 proposed development and connections to surrounding communities, and access to
5276 roadways, public transportation, and active transportation;

5277 (b) improving availability of housing options;

5278 (c) overcoming development impediments and market conditions that render a
5279 development cost prohibitive absent the proposal and incentives;

5280 (d) conserving water resources through efficient land use;

5281 (e) improving air quality by reducing fuel consumption and motor vehicle trips;

5282 (f) encouraging mixed-use development;

5283 (g) strategic land use and municipal planning in major transit investment corridors;

5284 (h) increasing access to employment and educational opportunities;

5285 (i) increasing access to child care; and

5286 (j) improving efficiencies in parking and transportation, including walkability of
5287 communities, street and path interconnectivity within the proposed development and
5288 connections to surrounding communities, and access to roadways, public
5289 transportation, and active transportation.

5290 (2)(a) To promote the creation of walkable communities, a regionally significant first
5291 home village development shall be anchored by a core of high-density residential and
5292 mixed residential-commercial uses, including opportunities for shopping, child care,
5293 and employment.

5294 (b) To accomplish the objectives described in Subsection (1), a creating entity shall

5295 ensure that the proposal for a regionally significant first home village includes:
 5296 (i) subject to Subsection (3), a minimum of 30 housing units per acre:
 5297 (A) in at least 51% of the developable area within the first home investment zone;
 5298 and
 5299 (B) of which 50% must be owner occupied;
 5300 (ii) a mixed use development;
 5301 (iii) a requirement that at least 25% of homes within the zone remain owner occupied
 5302 for at least 25 years from the date of original purchase;
 5303 (iv) for homes inside the zone, a requirement that at least 12% of the owner occupied
 5304 homes and 12% of the homes that are not owner occupied qualify as affordable
 5305 housing; and
 5306 (v) a requirement that at least 20% of the extraterritorial homes are affordable
 5307 housing.

5308 (3)(a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection
 5309 (2), a regionally significant first home village may include an extraterritorial home to
 5310 count toward density and owner-occupancy requirements by:
 5311 (i) adding the total number of extraterritorial homes related to the regionally
 5312 significant first home village to the total number of homes within the regionally
 5313 significant first home village; and
 5314 (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of
 5315 the total number of developable acres within the regionally significant first home
 5316 village.

5317 (b) Extraterritorial homes may account for no more than half of the total homes to
 5318 calculate density within a first home village.

5319 (4) For a condominium building that is part of a regionally significant first home village
 5320 development for purposes of meeting the requirement to have a minimum of 30 housing
 5321 units per acre, the requirement that 50% of housing units be owner occupied applies
 5322 beginning one year after the day on which the condominium building is complete and
 5323 receives a certificate of occupancy from the relevant local land use authority.

5324 Section 73. Section **63N-3a-303** is enacted to read:

5325 **63N-3a-303 (Effective 05/06/26). Provisions specific to a regionally significant**
 5326 **economic development opportunity.**

5327 (1) A creating entity with general land use authority over an area may submit a proposal
 5328 that does not qualify under Section 63N-3a-301 or 63N-3a-302 as a regionally

5329 significant economic development opportunity.

5330 (2) A proposal for a regionally significant economic development opportunity shall
 5331 demonstrate the likelihood that the project will constitute a significant capital
 5332 investment, as that term is defined in Section 63N-2-103.

5333 (3) If a proposal for a regionally significant economic development opportunity involves a
 5334 large load customer, as that term is defined in Section 54-26-101, or a qualifying data
 5335 center, as that term is defined in Section 59-12-102, the proposal shall comply with Part
 5336 4, Regionally Significant Zones with Energy Implications.

5337 (4) The executive director and office shall establish additional criteria by rule, in
 5338 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a
 5339 regionally significant economic development opportunity.

5340 Section 74. Section **63N-3a-401** is enacted to read:

5341 **Part 4. Regionally Significant Zones with Energy Implications**

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

5343 As used in this part:

5344 (1) "Incentive" means the same as that term is defined in Section 11-41-201.

5345 (2) "Large load data center" means the same as that term is defined in Section 11-41-201.

5346 (3) "Reinvestment account" means the State Reinvestment Restricted Account created in
 5347 Section 51-9-1002.

5348 (4) "Zone" means a regionally significant development zone that includes, or is proposed to
 5349 include, a large load data center.

5350 Section 75. Section **63N-3a-402** is enacted to read:

5351 **63N-3a-402 (Effective 05/06/26). Incentives prohibited -- Exception.**

5352 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer
 5353 an incentive for a large load data center that is not located within a zone.

5354 (b) Subsection (1)(a) does not apply to:

5355 (i) a project area established before May 6, 2027; or

5356 (ii) an agreement between a county or municipality and a private entity that was
 5357 executed before May 6, 2027.

5358 (2) In addition to the requirements described in Part 2, Creation of Regionally Significant
 5359 Development Zones, a creating entity that proposes a zone shall include in the proposal:

5360 (a) a description of the proposed boundaries of the zone;

5361 (b) an assessment of existing electrical energy infrastructure within and proximate to the
 5362 proposed zone;

- 5363 (c) a development plan that includes:
- 5364 (i) anticipated infrastructure improvements;
- 5365 (ii) projected economic benefits to the county or municipality; and
- 5366 (iii) evidence of local support, as applicable; and
- 5367 (d) any other information required by the committee.
- 5368 (3) A proposal for a zone described in this part:
- 5369 (a) shall include the diversion of all personal property tax revenue generated within the
- 5370 zone, as described in Subsection 63N-3a-203(4)(c)(ii); and
- 5371 (b) may include a request to:
- 5372 (i) capture up to 60% of the property tax increment generated within the zone; and
- 5373 (ii) divert up to 100% of personal property tax revenue generated within the zone.
- 5374 (4) A proposed zone may not overlap with:
- 5375 (a) a project area designated by a community reinvestment agency; or
- 5376 (b) a project area created by the Utah Inland Port Authority or the Military Installation
- 5377 Development Authority.
- 5378 Section 76. Section **63N-3a-403** is enacted to read:
- 5379 **63N-3a-403 (Effective 05/06/26). Committee consideration of a zone with energy**
- 5380 **implications.**
- 5381 (1) The committee shall approve an application for a zone designation if the application
- 5382 demonstrates that:
- 5383 (a) the proposed zone includes land suitable for a large load data center based on:
- 5384 (i) access to electrical energy resources; and
- 5385 (ii) adequate water supply; and
- 5386 (b) the proposed development plan:
- 5387 (i) aligns with the state's regional and statewide economic development objectives;
- 5388 (ii) includes realistic timelines and milestones;
- 5389 (iii) identifies specific infrastructure improvements; and
- 5390 (iv) quantifies projected economic benefits to the residents who live near the zone.
- 5391 (2)(a) The committee shall establish the percentage of property tax increment and a
- 5392 regionally significant development zone is authorized to capture and utilize as
- 5393 described in Subsection 63N-3a-203(4), including establishing the percentage of
- 5394 property tax increment that shall be deposited into the reinvestment account.
- 5395 (b) If the committee approves a proposal to divert personal property tax revenue, the
- 5396 committee shall establish:

- 5397 (i) the percentage of personal property tax revenue that shall be diverted to the county
5398 or municipality that creates the zone; and
- 5399 (ii) the remitting percentage that the county treasurer shall deposit into the
5400 reinvestment account.
- 5401 (c) The remitting percentage of property tax increment revenue for a zone described in
5402 this part is established in Subsection (3).
- 5403 (3) Beginning January 1 following the designation of a zone as described in this section, the
5404 county treasurer shall:
- 5405 (a) transfer the percentage, established by the committee under Subsection (2)(b)(i), of
5406 revenue attributed to personal property tax within the zone to the agency managing
5407 the zone;
- 5408 (b) transfer the remitting percentage, established by the committee under Subsection
5409 (2)(b)(ii), of revenue attributed to personal property tax within the zone into the
5410 reinvestment account;
- 5411 (c) transfer the percentage of property tax increment, as established by the committee
5412 under Subsection (2)(a), generated within the zone to the zone's creating entity;
- 5413 (d) deposit the percentage of tax increment established under Subsection (2)(a) for
5414 deposit into the reinvestment account into the reinvestment account; and
- 5415 (e) make the distributions required under this Subsection (3):
- 5416 (i) at the same time as regular annual property tax distributions; and
5417 (ii) using the same method as other property tax distributions.
- 5418 (4) A county or municipality that receives revenue under Subsection (3) may:
- 5419 (a) transfer revenue to the agency managing the zone, to be used as regionally
5420 significant development zone revenue as described in Title 17C, Chapter 6,
5421 Regionally Significant Development Zones Act;
- 5422 (b) transfer revenue to a regional economic development authority with a project area
5423 that overlaps the zone, as described in Subsection 63N-3a-208(7)(b), in accordance
5424 with an agreement between the county or municipality and the regional economic
5425 development authority;
- 5426 (c) subject to Subsection (5), use the revenue to provide an incentive;
- 5427 (d) use the revenue to facilitate infrastructure development, including electrical energy
5428 infrastructure development and water infrastructure development; and
- 5429 (e) use the revenue to support workforce development programs within the county or
5430 municipality.

5431 (5)(a) Beginning May 6, 2027, a county or municipality, or a regional economic
 5432 development authority that shares zone revenue with a county or municipality, may
 5433 only provide an incentive to a large load data center from the revenue the county or
 5434 municipality receives, or that is shared with the regional economic development
 5435 authority, of up to 80% of the diverted personal property tax revenue as described
 5436 under Subsection (3).

5437 (b) Notwithstanding Subsection (5)(a):

5438 (i) a county that levies the county energy excise tax authorized in Section 59-35-201
 5439 may offer up to 80% of the revenue the county collects annually from the county
 5440 energy excise tax as an incentive for a large load data center, as described in
 5441 Section 11-41-202; and

5442 (ii) a municipality that levies the municipal energy tax authorized in Title 10, Chapter
 5443 1, Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the
 5444 revenue generated by the municipal energy tax as an incentive to a large load data
 5445 center, as described in Section 11-41-202.

5446 (6) Nothing in this section authorizes a political subdivision other than one described in
 5447 Subsection (4) or (5) to offer an incentive to a large load data center, as described in
 5448 Title 11, Chapter 41, Part 2, Prohibition on Tax Increment Incentives for Large Load
 5449 Data Centers Act.

5450 Section 77. Section **63N-3a-501** is enacted to read:

5451 **Part 5. Reporting**

5452 **63N-3a-501 (Effective 05/06/26). Reporting.**

5453 (1) After the effective date of a regionally significant development zone, as described in
 5454 Section 63N-3a-203, the creating entity shall provide a written report, no later than
 5455 August 1, on the creating entity's and creating entity's agency's activities to implement
 5456 the objectives of the regionally significant development zone to the executive director.

5457 (2) The executive director shall annually provide a written report, no later than October 1,
 5458 summarizing all reports received under Subsection (1) and including any
 5459 recommendations to the Legislature for statutory changes to this chapter, to the
 5460 Economic Development and Workforce Services Interim Committee.

5461 Section 78. Section **79-6-1104** is amended to read:

5462 **79-6-1104 (Effective 05/06/26). Electrical energy development zones -- Property**
 5463 **tax differential.**

5464 (1) As used in this section:

- 5465 (a) "Base taxable value" means the value of property within an electrical energy
 5466 development zone, as shown on the assessment roll last equalized before the creation
 5467 of the electrical energy development zone.
- 5468 (b) "Community reinvestment agency" means the same as that term is defined in Section
 5469 17C-1-102.
- 5470 (c) "Community reinvestment project area" means the same as that term is defined in
 5471 Section 17C-1-102.
- 5472 (d) "Municipal power project" means an electrical energy project that:
 5473 (i) is operated by or on behalf of a municipality; and
 5474 (ii) exclusively serves customers within that municipality's jurisdictional boundaries.
- 5475 (e) "Property tax differential" means the difference between:
 5476 (i) the amount of property tax revenues generated each tax year by all taxing entities
 5477 from an electrical energy development zone, using the current assessed value of
 5478 the property; and
 5479 (ii) the amount of property tax revenues that would be generated from that same area
 5480 using the base taxable value of the property.
- 5481 (f) "[~~State land use~~] Regional economic development authority" means:
 5482 (i) the Utah Inland Port Authority created in Section 11-58-201;
 5483 (ii) the Military Installation Development Authority created in Section 63H-1-201;
 5484 (iii) the School and Institutional Trust Lands Administration created in Section
 5485 53C-1-201; or
 5486 (iv) any other land use authority created by the state that has jurisdiction over state
 5487 lands.
- 5488 (2)(a) Except as provided in Subsection (2)(b), a county or municipality may not offer
 5489 financial incentives for a baseload electrical energy project that is not located within
 5490 a designated electrical energy development zone.
- 5491 (b) Subsection (2)(a) does not apply to:
 5492 (i) financial incentives offered for:
 5493 (A) a municipal power project;~~[-or]~~
 5494 (B) an electrical energy project that exclusively utilizes intermittent resources; or
 5495 (C) an electrical energy project that is not a nuclear energy project; or
 5496 (ii) an electrical energy project for which a project area plan has been approved
 5497 before July 1, 2026.
- 5498 (3) A county or municipality may:

- 5499 (a) pass a resolution declaring an intent to establish within the county or municipality
 5500 boundaries an energy development zone;
- 5501 (b) enter into an interlocal agreement with the council outlining each parties'
 5502 responsibilities relating to an energy development zone; and
- 5503 (c) apply to the council for the designation of an electrical energy development zone by
 5504 submitting:
- 5505 (i) a description of the proposed boundaries of the electrical energy development
 5506 zone;
- 5507 (ii) an assessment of existing electrical energy infrastructure within and proximate to
 5508 the proposed electrical energy development zone;
- 5509 (iii) a development plan that includes:
- 5510 (A) proposed electrical energy development projects;
- 5511 (B) anticipated infrastructure improvements;
- 5512 (C) projected economic benefits to the county; and
- 5513 (D) evidence of local support including any interlocal agreement entered into
 5514 between the county or municipality and the council, as applicable;
- 5515 (iv) if the applicant is a municipality, evidence of coordination with the county in
 5516 which the proposed electrical energy development zone is located, including any
 5517 interlocal agreement entered into between the county or municipality and the
 5518 council, as applicable;
- 5519 (v) if the applicant is a county and any portion of the proposed electrical energy
 5520 development zone is within the boundaries of a municipality, evidence of an
 5521 agreement with the municipality regarding the establishment of the electrical
 5522 energy development zone; and
- 5523 (vi) any other information required by the council.
- 5524 (4) A ~~[state land use]~~ regional economic development authority may:
- 5525 (a) propose an electrical energy development zone within lands under [its] the regional
 5526 economic development authority's jurisdiction; and
- 5527 (b) apply to the council for the designation of an electrical energy development zone by
 5528 submitting:
- 5529 (i) a description of the proposed boundaries of the electrical energy development
 5530 zone;
- 5531 (ii) an assessment of existing electrical energy infrastructure within and proximate to
 5532 the proposed electrical energy development zone;

- 5533 (iii) a development plan that includes:
- 5534 (A) proposed electrical energy development projects;
- 5535 (B) anticipated infrastructure improvements; and
- 5536 (C) projected economic benefits;
- 5537 (iv) evidence that the proposed zone is consistent with applicable land use plans and
- 5538 regulations; and
- 5539 (v) any other information required by the council.
- 5540 (5) The council shall:
- 5541 (a) approve an application for electrical energy development zone designation if the
- 5542 application demonstrates:
- 5543 (i) the proposed electrical energy development zone includes land suitable for
- 5544 electrical energy development based on:
- 5545 (A) access to electrical energy resources;
- 5546 (B) proximity to existing or planned transmission infrastructure;
- 5547 (C) adequate transportation access; and
- 5548 (D) sufficient land area for proposed development; and
- 5549 (ii) the development plan:
- 5550 (A) aligns with state energy policy under Section 79-6-301;
- 5551 (B) includes realistic timelines and milestones;
- 5552 (C) identifies specific infrastructure improvements; and
- 5553 (D) quantifies projected economic benefits;
- 5554 (b) make a determination on an application within 60 days of submission;
- 5555 (c) provide written notice to the county or municipality explaining the basis for approval
- 5556 or denial;
- 5557 (d) if an electrical energy development zone overlaps with an area designated by a
- 5558 community reinvestment agency as a community reinvestment project area as of May
- 5559 7, 2025, enter into an agreement with the community reinvestment agency to
- 5560 determine the percentage division of the property tax differential between:
- 5561 (i) the Electrical Energy Development Investment Fund; and
- 5562 (ii) the community reinvestment agency; and
- 5563 (e) if an electrical energy development zone overlaps with an inland port project, enter
- 5564 into an agreement with the Utah Inland Port Authority to determine the percentage
- 5565 division of the property tax differential between:
- 5566 (i) the Electrical Energy Development Investment Fund; and

- 5567 (ii) the Utah Inland Port Authority created in Section 11-58-201.
- 5568 (6) Within 30 days after the council designates an electrical energy development zone:
- 5569 (a) the county auditor shall certify to the council the base taxable value of property
- 5570 within the electrical energy development zone; and
- 5571 (b) the county shall transmit to the council copies of the property tax assessment rolls for
- 5572 all property within the electrical energy development zone.
- 5573 (7)(a) Each year, the county auditor shall:
- 5574 (i) determine the amount of the property tax differential for the electrical energy
- 5575 development zone by comparing:
- 5576 (A) the current assessed value of property within the electrical energy
- 5577 development zone; and
- 5578 (B) the base taxable value of property within the electrical energy development
- 5579 zone;
- 5580 (ii) inform the county treasurer of the property tax differential amount; and
- 5581 (iii) provide notice to the council of the amount calculated under this Subsection
- 5582 (7)(a).
- 5583 (b) The county treasurer shall transfer the property tax differential to the council for
- 5584 deposit into the Electrical Energy Development Investment Fund created in Section
- 5585 79-6-1105, subject to any agreements entered into under Subsections (5)(d) and (5)(e).
- 5586 (c) The county treasurer shall make distributions required under this section:
- 5587 (i) at the same time as regular annual property tax distributions; and
- 5588 (ii) using the same method as other property tax distributions.
- 5589 (8) For property tax differential not subject to Subsection (5)(d) the council may enter into
- 5590 agreements with taxing entities regarding the allocation of the property tax differential.

5591 **Section 79. Repealer.**

5592 This bill repeals:

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

5594 **Section 80. Effective Date.**

5595 This bill takes effect on May 6, 2026.

5596 **Section 81. Retrospective operation.**

5597 Section 63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22) has retrospective

5598 operation to May 4, 2022.

5599 **Section 82. Coordinating H.B. 507 with H.B. 475.**

5600 If H.B. 507, State Coordination of Regional and Local Economic Development Projects

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

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

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

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

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

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

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

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

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

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

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

and

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

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

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