

Derrin R. Owens proposes the following substitute bill:

Nuclear Reprocessing Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derrin R. Owens

House Sponsor: Carl R. Albrecht

LONG TITLE

General Description:

This bill modifies provisions relating to energy development and nuclear fuel recycling.

Highlighted Provisions:

This bill:

- authorizes the Office of Energy Development to coordinate with public and private entities regarding nuclear fuel recycling facility development in the state;
- authorizes the Office of Energy Development to serve as a liaison between private entities and local communities regarding nuclear fuel recycling facility development;
- authorizes the Utah Energy Council to provide strategic guidance and conduct preliminary assessments for nuclear fuel recycling facility development;
- requires the Office of Energy Development to report on nuclear fuel recycling coordination activities as part of the office's existing annual report;
- requires the Utah Energy Council to report on nuclear fuel recycling recommendations as part of the council's existing annual report; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

79-6-401, as last amended by Laws of Utah 2025, Chapters 140, 159

79-6-405, as last amended by Laws of Utah 2025, Chapter 258

79-6-1103, as enacted by Laws of Utah 2025, Chapter 375

ENACTS:

29 **79-6-1501**, Utah Code Annotated 1953

30 **79-6-1502**, Utah Code Annotated 1953

31 **79-6-1503**, Utah Code Annotated 1953

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

34 Section 1. Section **79-6-401** is amended to read:

35 **79-6-401 . Office of Energy Development -- Creation -- Director -- Purpose --**
36 **Rulemaking regarding confidential information -- Fees -- Transition for employees.**

37 (1) There is created an Office of Energy Development within the Department of Natural
38 Resources to be administered by a director.

39 (2)(a) The governor shall appoint the director with the advice and consent of the Senate.

40 (b) The director shall:

41 (i) have demonstrated the necessary administrative and professional ability through
42 education and experience to efficiently and effectively manage the office's affairs;

43 (ii) serve at the pleasure of the governor; and

44 (iii) report to the executive director on matters concerning the office as the executive
45 director may require.

46 (3) The purposes of the office are to:

47 (a) serve as the primary resource for advancing energy and mineral development in the
48 state;

49 (b) implement:

50 (i) the state energy policy under Section 79-6-301; and

51 (ii) the governor's energy and mineral development goals and objectives;

52 (c) advance energy education, outreach, and research, including the creation of
53 elementary, higher education, and technical college energy education programs;

54 (d) promote energy and mineral development workforce initiatives;

55 (e) support collaborative research initiatives targeted at Utah-specific energy and
56 mineral development;

57 (f) in coordination with the Department of Environmental Quality and other relevant
58 state agencies:

59 (i) develop effective policy strategies to advocate for and protect the state's interests
60 relating to federal energy and environmental entities, programs, and regulations;

61 (ii) participate in the federal environmental rulemaking process by:

62 (A) advocating for positive reform of federal energy and environmental

- 63 regulations and permitting;
- 64 (B) coordinating with other states to develop joint advocacy strategies; and
- 65 (C) conducting other government relations efforts; and
- 66 (iii) direct the funding of legal efforts to combat federal overreach and unreasonable
- 67 delays regarding energy and environmental permitting; ~~and~~
- 68 (g) fund the development of detailed and accurate forecasts of the state's long-term
- 69 energy supply and demand, including a baseline projection of expected supply and
- 70 demand and analysis of potential alternative scenarios[-] ; and
- 71 (h) coordinate with public and private entities regarding nuclear fuel recycling facility
- 72 development in the state as provided in Part 15, Nuclear Fuel Recycling.
- 73 (4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds
- 74 Procedures Act, the office may:
- 75 (a) seek federal grants or loans;
- 76 (b) seek to participate in federal programs; and
- 77 (c) in accordance with applicable federal program guidelines, administer federally
- 78 funded state energy programs.
- 79 (5) The office shall perform the duties required by Sections 11-42a-106, 59-5-302,
- 80 59-7-614.7, and 59-10-1029, Part 5, Alternative Energy Development Tax Credit Act,
- 81 and Part 6, High Cost Infrastructure Development Tax Credit Act.
- 82 (6)(a) For purposes of administering this section, the office may make rules, by
- 83 following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
- 84 confidential, and not as a public record, information that the office receives from any
- 85 source.
- 86 (b) The office shall maintain information the office receives from any source at the level
- 87 of confidentiality assigned by the source.
- 88 (7) The office may charge application, filing, and processing fees in amounts determined by
- 89 the office in accordance with Section 63J-1-504 as dedicated credits for performing
- 90 office duties described in this part.
- 91 (8)(a) An employee of the office on April 30, 2024, is an at-will employee.
- 92 (b) For an employee described in Subsection (8)(a) who was employed by the office on
- 93 April 30, 2024, the employee shall have the same salary and benefit options an
- 94 employee had when the office was part of the office of the governor.
- 95 (c) An employee of the office hired on or after May 1, 2024, shall receive compensation
- 96 as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

(9)(a) The office shall prepare a strategic energy plan to achieve the state's energy policy, including:

(i) technological and infrastructure innovation needed to meet future energy demand including:

(A) energy production technologies;

(B) battery and storage technologies;

(C) smart grid technologies;

(D) energy efficiency technologies; and

(E) any other developing energy technology, energy infrastructure planning, or investments that will assist the state in meeting energy demand;

(ii) the state's efficient use and development of:

(A) energy resources, including natural gas, coal, clean coal, hydrogen, oil, oil shale, and oil sands;

(B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass, biofuel, and hydroelectric;

(C) nuclear power; and

(D) earth minerals;

(iii) areas of energy-related academic research;

(iv) specific areas of workforce development necessary for an evolving energy industry;

(v) the development of partnerships with national laboratories; and

(vi) a proposed state budget for economic development and investment.

(b) In preparing the strategic energy plan, the office shall:

(i) consult with stakeholders, including representatives from:

(A) energy companies in the state;

(B) private and public institutions of higher education within the state conducting energy-related research; and

(C) other state agencies; and

(ii) use modeling and industry standard data to:

(A) define the energy services required by a growing economy;

(B) calculate energy needs;

(C) develop state strategy for energy transportation, including transmission lines, pipelines, and other infrastructure needs;

(D) optimize investments to meet energy needs at the least cost and least risk

- 131 while meeting the policy outlined in this section;
- 132 (E) address state needs and investments through a prospective 30-year period,
- 133 divided into five-year working plans; and
- 134 (F) update the plan at least every two years.
- 135 (c) The office shall report annually to the Public Utilities, Energy, and Technology
- 136 Interim Committee on or before the October interim meeting describing:
- 137 (i) progress towards creation and implementation of the strategic energy plan;
- 138 (ii) the plan's compliance with the state energy policy; and
- 139 (iii) a proposed budget for the office to continue development of the strategic energy
- 140 plan.
- 141 (10) The director shall:
- 142 (a) annually review and propose updates to the state's energy policy, as contained in
- 143 Section 79-6-301;
- 144 (b) promote as the governor considers necessary:
- 145 (i) the development of cost-effective energy resources both renewable and
- 146 nonrenewable; and
- 147 (ii) educational programs, including programs supporting conservation and energy
- 148 efficiency measures;
- 149 (c) coordinate across state agencies to assure consistency with state energy policy,
- 150 including:
- 151 (i) working with the State Energy Program to promote access to federal assistance for
- 152 energy-related projects for state agencies and members of the public;
- 153 (ii) working with the Division of Emergency Management to assist the governor in
- 154 carrying out the governor's energy emergency powers under Title 53, Chapter 2a,
- 155 Part 10, Energy Emergency Powers of the Governor Act;
- 156 (iii) participating in the annual review of the energy emergency plan and the
- 157 maintenance of the energy emergency plan and a current list of contact persons
- 158 required by Section 53-2a-902; and
- 159 (iv) identifying and proposing measures necessary to facilitate low-income
- 160 consumers' access to energy services;
- 161 (d) coordinate with the Division of Emergency Management ongoing activities designed
- 162 to test an energy emergency plan to ensure coordination and information sharing
- 163 among state agencies and political subdivisions in the state, public utilities and other
- 164 energy suppliers, and other relevant public sector persons as required by Sections

- 53-2a-902, 53-2a-1004, 53-2a-1008, and 53-2a-1010;
- (e) coordinate with requisite state agencies to study:
 - (i) the creation of a centralized state repository for energy-related information;
 - (ii) methods for streamlining state review and approval processes for energy-related projects; and
 - (iii) the development of multistate energy transmission and transportation infrastructure;
 - (f) coordinate energy-related regulatory processes within the state;
 - (g) compile, and make available to the public, information about federal, state, and local approval requirements for energy-related projects;
 - (h) act as the state's advocate before federal and local authorities for energy-related infrastructure projects or coordinate with the appropriate state agency; and
 - (i) help promote the Division of Facilities Construction and Management's measures to improve energy efficiency in state buildings.
- (11) The director has standing to testify on behalf of the governor at the Public Service Commission created in Section 54-1-1.
- (12) The office shall include best practices in developing actionable goals and recommendations as part of preparing and updating every two years the strategic energy plan required under Subsection (9).
- (13) The office shall maintain and regularly update a public website that provides an accessible dashboard of relevant metrics and reports and makes available the data used to create the strategic energy plan.
- Section 2. Section **79-6-405** is amended to read:
- 79-6-405 . Reports -- Study.**
- (1) The director shall report annually to the Public Utilities, Energy, and Technology Interim Committee.
 - (2) The report required in Subsection (1) shall:
 - (a) summarize the status and development of the state's energy resources;
 - (b) summarize the activities and accomplishments of the office;
 - (c) address the director's activities under this part;
 - (d) recommend any energy-related executive or legislative action the director or office considers beneficial to the state, including updates to the state energy policy under Section 79-6-301; [and]
 - (e) address long-term energy planning required under Subsection [79-6-401(10).]

199 79-6-401(9); and

200 (f) address the office's activities under Part 15, Nuclear Fuel Recycling.

201 (3)(a) The office shall study the impacts of the following on energy costs in the state:

202 (i) Title 59, Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax; and

203 (ii) Part [H] 14, Energy Project Assessment.

204 (b) The director shall report the office's findings regarding the study required under this
205 Subsection (3) to the Public Utilities, Energy, and Technology Interim Committee by
206 no later than the 2026 November interim meeting[~~of the Public Utilities, Energy,~~
207 ~~and Technology Interim Committee~~].

208 Section 3. Section **79-6-1103** is amended to read:

209 **79-6-1103 . Council powers and duties.**

210 (1) The council shall:

211 (a) coordinate and facilitate electrical energy project development, including:

212 (i) site identification and permitting;

213 (ii) early site preparation work;

214 (iii) infrastructure improvements;

215 (iv) project financing assistance; and

216 (v) stakeholder coordination;

217 (b) assess and facilitate electrical energy infrastructure development by:

218 (i) evaluating infrastructure needs and opportunities;

219 (ii) coordinating with transmission and pipeline developers;

220 (iii) supporting utility planning efforts; and

221 (iv) coordinating with federal agencies;

222 (c) establish and implement:

223 (i) strategic plans for energy development;

224 (ii) frameworks for stakeholder engagement;

225 (iii) processes for designating electrical energy development zones; and

226 (iv) criteria for evaluating proposed electrical energy development zones;

227 (d) review and approve:

228 (i) research project proposals from the board; and

229 (ii) funding allocations recommended by the board;

230 (e) consult with state land use authorities regarding:

231 (i) identification of state lands suitable for electrical energy development;

232 (ii) designation of electrical energy development zones; and

- (iii) opportunities for coordinated development of electrical energy projects on state lands;
- (f) administer the Electrical Energy Development Investment Fund created in Section 79-6-1105;
- (g) make recommendations regarding electrical energy policy to state and local governments;
- (h) identify and recommend solutions to barriers affecting electrical energy development;
- (i) assess and address potential public health impacts of electrical energy development zones;
- (j) enter into contracts necessary to fulfill the council's duties;
- (k) report annually by October 31 to the Public Utilities, Energy, and Technology Interim Committee and the Natural Resources, Agriculture, and Environment Interim Committee regarding:
- (i) the council's activities;
- (ii) energy development opportunities;
- (iii) infrastructure needs;
- (iv) the status of designated electrical energy development zones;
- (v) recommendations for how the property tax differential revenue collected under Section 79-6-1104 should be divided and distributed between the state, counties, and municipalities;
- (vi) investment decisions made by the council; ~~and~~
- (vii) recommended policy changes; and
- (viii) recommendations regarding nuclear fuel recycling facility development;
- (l) create and implement a strategic plan for a decommissioned asset, taking into consideration:
- (i) the state energy policy, as provided in Section 79-6-301;
- (ii) reliability of electrical generation; and
- (iii) economic viability;
- (m) establish policies and procedures for the management of a decommissioned asset;
- (n) administer contracts for the management and operations of a decommissioned asset;
- (o) enter into contracts necessary for the operation and management of a decommissioned asset;
- (p) acquire, hold, and dispose of property related to a decommissioned asset;
- (q) select an operator for a decommissioned asset as provided in Section 79-6-1107; and

(r) report annually to the Legislative Management Committee regarding:

(i) the status and progress of the asset transfer;

(ii) operational and financial status of the asset under council control;

(iii) status of the operator contract;

(iv) environmental compliance status; and

(v) recommendations for legislation.

(2) The council shall negotiate with the applicable county or municipality regarding the distribution of property tax differential revenue collected under Section 79-6-1104.

(3) Any portion of the property tax differential that is not distributed to the council shall be distributed to the applicable county or municipality for impact mitigation and affordable housing.

(4)(a) The portion of the property tax differential that is distributed to the municipality shall be used for:

(i) at least 10% of the total distribution shall be used for affordable housing programs; and

(ii) the remaining portion shall be used to mitigate impacts within the municipality resulting from electrical energy development.

(b) The portion of the property tax differential that is distributed to the county shall be used for:

(i) at least 10% of the total distribution shall be placed in a registered non-profit established to administer housing programs on behalf of an association representing 10 or more counties in the state; and

(ii) the remaining portion shall be used to mitigate impacts within the county resulting from electrical energy development.

(5) If the council acquires a project entity asset under Section 11-13-318, the council shall enter into an agreement with the project entity that:

(a) provides for the transfer, disposition, and future operation of the asset; and

(b) ensures the transfer, disposition, and future operation does not interfere with the project entity's ownership or operation of electrical generation facilities powered by natural gas, hydrogen, or a combination of natural gas and hydrogen.

Section 4. Section **79-6-1501** is enacted to read:

Part 15. Nuclear Fuel Recycling

79-6-1501 . Definitions.

As used in this part:

- (1) "Consortium" means the Nuclear Energy Consortium created in Section 79-6-1201.
- (2) "Council" means the Utah Energy Council established in Section 79-6-1101.
- (3) "Federal agency" means the United States Department of Energy, the United States Nuclear Regulatory Commission, or another federal agency with jurisdiction over nuclear fuel recycling facilities.
- (4) "Nuclear fuel recycling" means the processing of spent nuclear fuel to recover usable materials.
- (5) "Nuclear fuel recycling facility" means a facility designed to process spent nuclear fuel to recover reusable materials.
- (6) "Office" means the Office of Energy Development created in Section 79-6-401.
- (7)(a) "Preliminary assessment" means general evaluation of potential opportunities for nuclear fuel recycling facility development in the state, including:
- (i) identification of general geographic areas that may be suitable based on existing infrastructure, transportation access, and land use compatibility;
 - (ii) coordination with private entities, federal agencies, and local communities;
 - (iii) evaluation of potential economic benefits; and
 - (iv) identification of policy or regulatory barriers.
- (b) "Preliminary assessment" does not include:
- (i) site-specific engineering or design work;
 - (ii) federal licensing activities or applications;
 - (iii) detailed feasibility studies; or
 - (iv) site characterization studies.
- (8) "Private entity" means a person engaged in or seeking to engage in the development of a nuclear fuel recycling facility in the state.

Section 5. Section **79-6-1502** is enacted to read:

79-6-1502 . Nuclear fuel recycling facilitation -- Office duties.

- (1) The office shall facilitate nuclear fuel recycling facility development in the state by:
- (a) coordinating with private entities interested in developing nuclear fuel recycling facilities in the state;
 - (b) coordinating with federal agencies regarding:
 - (i) federal regulatory requirements for nuclear fuel recycling facilities;
 - (ii) federal funding opportunities for nuclear fuel recycling facility development; and
 - (iii) potential partnerships between the state and federal agencies;
 - (c) serving as a liaison between private entities and local communities regarding nuclear

335 fuel recycling facility development opportunities;

336 (d) convening meetings and discussions among:

337 (i) private entities;

338 (ii) federal agencies;

339 (iii) local governments; and

340 (iv) other stakeholders;

341 (e) promoting the state's advantages for nuclear fuel recycling facility development to
342 private entities and federal agencies; and

343 (f) identifying and communicating to the Legislature, the council, and private entities
344 potential barriers to nuclear fuel recycling facility development in the state.

345 (2) The office may enter into memoranda of understanding or other agreements with federal
346 agencies to facilitate coordination regarding nuclear fuel recycling facility development
347 in the state.

348 Section 6. Section **79-6-1503** is enacted to read:

349 **79-6-1503 . Strategic planning and evaluation.**

350 In consultation with the council and the consortium, the office shall:

351 (1) provide strategic guidance regarding nuclear fuel recycling facility development in the
352 state;

353 (2) conduct preliminary assessments of nuclear fuel recycling facility development
354 opportunities in the state; and

355 (3) evaluate expressions of interest from private entities regarding nuclear fuel recycling
356 facility development in the state.

357 Section 7. **Effective Date.**

358 This bill takes effect on May 6, 2026.