

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

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

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

34 **79-6-401 . Office of Energy Development -- Creation -- Director -- Purpose --**

35 **Rulemaking regarding confidential information -- Fees -- Transition for employees.**

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

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

39 (b) The director shall:

40 (i) have demonstrated the necessary administrative and professional ability through

41 education and experience to efficiently and effectively manage the office's affairs;

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

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

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

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

48 (b) implement:

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

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

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

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

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

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

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

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

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

regulations and permitting;

(B) coordinating with other states to develop joint advocacy strategies; and

(C) conducting other government relations efforts; and

(iii) direct the funding of legal efforts to combat federal overreach and unreasonable delays regarding energy and environmental permitting; [and]

(g) fund the development of detailed and accurate forecasts of the state's long-term energy supply and demand, including a baseline projection of expected supply and demand and analysis of potential alternative scenarios[.] ; and

(h) coordinate with public and private entities regarding nuclear fuel recycling facility development in the state as provided in Part 15, Nuclear Fuel Recycling.

(4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds Procedures Act, the office may:

(a) seek federal grants or loans;

(b) seek to participate in federal programs; and

- (c) in accordance with applicable federal program guidelines, administer federally funded state energy programs.

(5) The office shall perform the duties required by Sections 11-42a-106, 59-5-302,

59-7-614.7, and 59-10-1029, Part 5, Alternative Energy Development Tax Credit Act, and Part 6, High Cost Infrastructure Development Tax Credit Act.

(6)(a) For purposes of administering this section, the office may make rules, by

following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as confidential, and not as a public record, information that the office receives from any source.

(b) The office shall maintain information the office receives from any source at the level of confidentiality assigned by the source.

(7) The office may charge application, filing, and processing fees in amounts determined by the office in accordance with Section 63J-1-504 as dedicated credits for performing office duties described in this part.

(8)(a) An employee of the office on April 30, 2024, is an at-will employee.

(b) For an employee described in Subsection (8)(a) who was employed by the office on April 30, 2024, the employee shall have the same salary and benefit options an employee had when the office was part of the office of the governor.

(c) An employee of the office hired on or after May 1, 2024, shall receive compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

97 (9)(a) The office shall prepare a strategic energy plan to achieve the state's energy
98 policy, including:
99 (i) technological and infrastructure innovation needed to meet future energy demand
100 including:
101 (A) energy production technologies;
102 (B) battery and storage technologies;
103 (C) smart grid technologies;
104 (D) energy efficiency technologies; and
105 (E) any other developing energy technology, energy infrastructure planning, or
106 investments that will assist the state in meeting energy demand;
107 (ii) the state's efficient use and development of:
108 (A) energy resources, including natural gas, coal, clean coal, hydrogen, oil, oil
109 shale, and oil sands;
110 (B) renewable energy resources, including geothermal, solar, hydrogen, wind,
111 biomass, biofuel, and hydroelectric;
112 (C) nuclear power; and
113 (D) earth minerals;
114 (iii) areas of energy-related academic research;
115 (iv) specific areas of workforce development necessary for an evolving energy
116 industry;
117 (v) the development of partnerships with national laboratories; and
118 (vi) a proposed state budget for economic development and investment.
119 (b) In preparing the strategic energy plan, the office shall:
120 (i) consult with stakeholders, including representatives from:
121 (A) energy companies in the state;
122 (B) private and public institutions of higher education within the state conducting
123 energy-related research; and
124 (C) other state agencies; and
125 (ii) use modeling and industry standard data to:
126 (A) define the energy services required by a growing economy;
127 (B) calculate energy needs;
128 (C) develop state strategy for energy transportation, including transmission lines,
129 pipelines, and other infrastructure needs;
130 (D) optimize investments to meet energy needs at the least cost and least risk

while meeting the policy outlined in this section;

- (E) address state needs and investments through a prospective 30-year period, divided into five-year working plans; and
- (F) update the plan at least every two years.

(c) The office shall report annually to the Public Utilities, Energy, and Technology

Interim Committee on or before the October interim meeting describing:

- (i) progress towards creation and implementation of the strategic energy plan;
- (ii) the plan's compliance with the state energy policy; and
- (iii) a proposed budget for the office to continue development of the strategic energy plan.

(10) The director shall:

- (a) annually review and propose updates to the state's energy policy, as contained in Section 79-6-301;
- (b) promote as the governor considers necessary:
 - (i) the development of cost-effective energy resources both renewable and nonrenewable; and
 - (ii) educational programs, including programs supporting conservation and energy efficiency measures;
- (c) coordinate across state agencies to assure consistency with state energy policy, including:
 - (i) working with the State Energy Program to promote access to federal assistance for energy-related projects for state agencies and members of the public;
 - (ii) working with the Division of Emergency Management to assist the governor in carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10, Energy Emergency Powers of the Governor Act;
 - (iii) participating in the annual review of the energy emergency plan and the maintenance of the energy emergency plan and a current list of contact persons required by Section 53-2a-902; and
 - (iv) identifying and proposing measures necessary to facilitate low-income consumers' access to energy services;
- (d) coordinate with the Division of Emergency Management ongoing activities designed to test an energy emergency plan to ensure coordination and information sharing among state agencies and political subdivisions in the state, public utilities and other energy suppliers, and other relevant public sector persons as required by Sections

165 53-2a-902, 53-2a-1004, 53-2a-1008, and 53-2a-1010;

166 (e) coordinate with requisite state agencies to study:

167 (i) the creation of a centralized state repository for energy-related information;

168 (ii) methods for streamlining state review and approval processes for energy-related

169 projects; and

170 (iii) the development of multistate energy transmission and transportation

171 infrastructure;

172 (f) coordinate energy-related regulatory processes within the state;

173 (g) compile, and make available to the public, information about federal, state, and local

174 approval requirements for energy-related projects;

175 (h) act as the state's advocate before federal and local authorities for energy-related

176 infrastructure projects or coordinate with the appropriate state agency; and

177 (i) help promote the Division of Facilities Construction and Management's measures to

178 improve energy efficiency in state buildings.

179 (11) The director has standing to testify on behalf of the governor at the Public Service

180 Commission created in Section 54-1-1.

181 (12) The office shall include best practices in developing actionable goals and

182 recommendations as part of preparing and updating every two years the strategic energy

183 plan required under Subsection (9).

184 (13) The office shall maintain and regularly update a public website that provides an

185 accessible dashboard of relevant metrics and reports and makes available the data used

186 to create the strategic energy plan.

187 Section 2. Section **79-6-405** is amended to read:

188 **79-6-405 . Reports -- Study.**

189 (1) The director shall report annually to the Public Utilities, Energy, and Technology

190 Interim Committee.

191 (2) The report required in Subsection (1) shall:

192 (a) summarize the status and development of the state's energy resources;

193 (b) summarize the activities and accomplishments of the office;

194 (c) address the director's activities under this part;

195 (d) recommend any energy-related executive or legislative action the director or office

196 considers beneficial to the state, including updates to the state energy policy under

197 Section 79-6-301; [and]

198 (e) address long-term energy planning required under Subsection [79-6-401(10).]

- (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

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

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

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

270 (iii) status of the operator contract;

271 (iv) environmental compliance status; and

272 (v) recommendations for legislation.

273 (2) The council shall negotiate with the applicable county or municipality regarding the

274 distribution of property tax differential revenue collected under Section 79-6-1104.

275 (3) Any portion of the property tax differential that is not distributed to the council shall be

276 distributed to the applicable county or municipality for impact mitigation and affordable

277 housing.

278 (4)(a) The portion of the property tax differential that is distributed to the municipality

279 shall be used for:

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

281 programs; and

282 (ii) the remaining portion shall be used to mitigate impacts within the municipality

283 resulting from electrical energy development.

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

285 used for:

286 (i) at least 10% of the total distribution shall be placed in a registered non-profit

287 established to administer housing programs on behalf of an association

288 representing 10 or more counties in the state; and

289 (ii) the remaining portion shall be used to mitigate impacts within the county

290 resulting from electrical energy development.

291 (5) If the council acquires a project entity asset under Section 11-13-318, the council shall

292 enter into an agreement with the project entity that:

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

294 (b) ensures the transfer, disposition, and future operation does not interfere with the

295 project entity's ownership or operation of electrical generation facilities powered by

296 natural gas, hydrogen, or a combination of natural gas and hydrogen.

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

298 **Part 15. Nuclear Fuel Recycling**

299 **79-6-1501 . Definitions.**

300 As used in this part:

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

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

326 **79-6-1502 . Nuclear fuel recycling facilitation -- Office duties.**

327 (1) The office shall facilitate nuclear fuel recycling facility development in the state by:
328 (a) coordinating with private entities interested in developing nuclear fuel recycling
329 facilities in the state;
330 (b) coordinating with federal agencies regarding:
331 (i) federal regulatory requirements for nuclear fuel recycling facilities;
332 (ii) federal funding opportunities for nuclear fuel recycling facility development; and
333 (iii) potential partnerships between the state and federal agencies;
334 (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.