

Ann Millner proposes the following substitute bill:

Critical Minerals Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ann Millner

House Sponsor: David Shallenberger

LONG TITLE

General Description:

This bill addresses critical minerals.

Highlighted Provisions:

This bill:

- ▶ facilitates faster permitting by the Department of Environmental Quality and the Division of Oil, Gas, and Mining;
- ▶ addresses property tax differentials based on critical minerals zones;
- ▶ defines terms;
- ▶ establishes the state critical minerals objectives and policy, including providing for annual reviews;
- ▶ creates the Critical Minerals Council (council), including establishing the council's operations, powers, and duties;
- ▶ addresses areas of coordination by certain council members;
- ▶ establishes a process to designate critical minerals zones, including providing for property tax differential revenue;
- ▶ provides for the creation of a clearinghouse of data to be known as the "Critical Minerals Atlas";
- ▶ addresses the creation of the Minerals for Industrial, National, and Economic Security Center;
- ▶ creates the Critical Minerals Development Account, and credits certain interest and dividends to the account that are earned annually on revenue from severance taxes that are credited to the permanent state trust fund;
- ▶ coordinates with H.B. 373, Higher Education Innovation, to address inclusion of critical minerals projects in the eligible research areas for research grants; and
- ▶ makes technical and conforming amendments.

29 **Money Appropriated in this Bill:**

30 This bill appropriates \$11,000,000 in operating and capital budgets for fiscal year 2027, all
31 of which is from the various sources as detailed in this bill.

32 This bill appropriates \$10,000,000 in restricted fund and account transfers for fiscal year 2027,
33 all of which is from the various sources as detailed in this bill.

34 **Other Special Clauses:**

35 This bill provides a coordination clause.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **51-9-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2014, Chapter 241

39 **59-2-924 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
40 Session, Chapter 15

41 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws of
42 Utah 2025, Chapter 93

43 ENACTS:

44 **19-1-209 (Effective 05/06/26)**, Utah Code Annotated 1953

45 **40-8-5.5 (Effective 05/06/26)**, Utah Code Annotated 1953

46 **79-10-101 (Effective 05/06/26)**, Utah Code Annotated 1953

47 **79-10-201 (Effective 05/06/26)**, Utah Code Annotated 1953

48 **79-10-202 (Effective 05/06/26)**, Utah Code Annotated 1953

49 **79-10-301 (Effective 05/06/26)**, Utah Code Annotated 1953

50 **79-10-302 (Effective 05/06/26)**, Utah Code Annotated 1953

51 **79-10-303 (Effective 05/06/26)**, Utah Code Annotated 1953

52 **79-10-401 (Effective 05/06/26)**, Utah Code Annotated 1953

53 **79-10-402 (Effective 05/06/26)**, Utah Code Annotated 1953

54 **79-10-403 (Effective 05/06/26)**, Utah Code Annotated 1953

55 **79-10-501 (Effective 05/06/26)**, Utah Code Annotated 1953

56 **79-10-601 (Effective 05/06/26)**, Utah Code Annotated 1953

57 **79-10-602 (Effective 05/06/26)**, Utah Code Annotated 1953

58 **79-10-701 (Effective 05/06/26)**, Utah Code Annotated 1953

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

60 **53H-8-211 (07/01/26)**, Utah Code Annotated 1953



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

62

63 Section 1. Section **19-1-209** is enacted to read:

64 **19-1-209 (Effective 05/06/26). Fast track permitting for critical minerals.**

65 (1) As used in this section:

66 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.

67 (b) "Critical minerals project" means an activity requiring one or more state permits
68 related to the extraction or processing of a critical mineral.

69 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.

70 (d) "Permit" means the same as that term is defined in Section 79-10-101.

71 (2)(a) A division within the department shall prioritize division resources to process a
72 permit that is:

73 (i) requested to be issued by the division; and

74 (ii) related to a critical minerals project described in Subsection (2)(b).

75 (b) This Subsection (2) applies to a critical mineral project that is:

76 (i) for the extraction or processing of a critical mineral within a critical minerals
77 zone; or

78 (ii) included in the strategic plan developed by the Critical Minerals Council under
79 Subsection 79-10-302(1).

80 (3) The department shall work cooperatively with the Division of Oil, Gas, and Mining to
81 develop processes under which permits for a critical minerals project described in
82 Subsection (2)(b) that are issued by a division within the department and the Division of
83 Oil, Gas, and Mining:

84 (a) may be issued at parallel times rather than sequentially; and

85 (b) minimize the need for a person to comply with duplicative, overlapping, or
86 conflicting requirements.

87 (4) Nothing in this section abrogates or interferes with the powers or duties of the Division
88 of Oil, Gas, and Mining.

89 Section 2. Section **40-8-5.5** is enacted to read:

90 **40-8-5.5 (Effective 05/06/26). Fast track permitting for critical minerals.**

91 (1) As used in this section:

92 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.

93 (b) "Critical minerals project" means an activity requiring one or more state permits
94 related to the extraction or processing of a critical mineral.

95 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.

96 (d) "Permit" means the same as that term is defined in Section 79-10-101.

- 97 (2)(a) The division shall prioritize division resources to process a permit that is:
98 (i) requested to be issued by the division; and
99 (ii) related to a critical minerals project described in Subsection (2)(b).
- 100 (b) This Subsection (2) applies to a critical minerals project that is:
101 (i) for the extraction or processing of a critical mineral within a critical minerals
102 zone; or
103 (ii) included in the strategic plan developed by the Critical Minerals Council under
104 Subsection 79-10-302(1).
- 105 (3) The division shall work cooperatively with the Department of Environmental Quality to
106 develop processes under which permits for a critical minerals project described in
107 Subsection (2)(b) that are issued by the division and the Department of Environmental
108 Quality:
109 (a) may be issued at parallel times rather than sequentially; and
110 (b) minimize the need for a person to comply with duplicative, overlapping, or
111 conflicting requirements.
- 112 (4) Nothing in this section abrogates or interferes with the powers or duties of the
113 Department of Environmental Quality.
- 114 Section 3. Section **51-9-305** is amended to read:
115 **51-9-305 (Effective 05/06/26). Deposit and credit of certain severance tax**
116 **revenue.**
- 117 (1) As used in this section, "aggregate annual revenue" means the aggregate annual revenue
118 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Severance
119 Tax on Oil, Gas, and Mining, after subtracting the amounts required to be distributed
120 under Sections 59-5-116 and 59-5-119.
- 121 (2) After making the deposits of oil and gas severance tax revenue as required under
122 Sections 59-5-116 and 59-5-119, the Division of Finance shall make the credit required
123 under Subsection (3).
- 124 (3) Beginning on July 1, 2016, the Division of Finance shall credit to the permanent state
125 trust fund the following aggregate annual revenue:
126 (a) 25% of the first \$50,000,000 of aggregate annual revenue;
127 (b) 50% of the next \$50,000,000 of aggregate annual revenue; and
128 (c) 75% of the aggregate annual revenue that exceeds \$100,000,000.
- 129 (4) The state treasurer shall invest and separately account for the earnings on funds that are
130 credited to the permanent state trust fund under this section.

131 (5)(a) In accordance with Utah Constitution Article XXII, Section 4, the interest and
 132 dividends earned annually on revenue from severance taxes that are credited to the
 133 permanent state trust fund shall be credited to the General Fund.

134 (b)(i) ~~[Interest-]~~ Until July 1, 2026, interest and dividends earned on revenue from
 135 severance taxes that are credited to the General Fund [pursuant to] in accordance
 136 with Subsection (5)(a) shall be credited to the Infrastructure and Economic
 137 Diversification Investment Account created in Section 51-9-303.

138 (ii) On and after July 1, 2026, interest and dividends earned on revenue from
 139 severance taxes that are credited to the General Fund in accordance with
 140 Subsection (5)(a) shall be credited as follows:

141 (A) up to the first \$1,000,000 of interest and dividends earned shall be credited to
 142 the Critical Minerals Development Account created in Section 79-10-701; and

143 (B) the amount of interest or dividends earned in excess of \$1,000,000 shall be
 144 credited to the Infrastructure and Economic Diversification Investment
 145 Account created in Section 51-9-303.

146 Section 4. Section **59-2-924** is amended to read:

147 **59-2-924 (Effective 05/06/26). Definitions -- Report of valuation of property to**
 148 **county auditor and commission -- Transmittal by auditor to governing bodies --**
 149 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**
 150 **-- Notice provided by the commission.**

151 (1) As used in this section:

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

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

155 (A) interest;

156 (B) penalties;

157 (C) collections from redemptions; or

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

161 (b) "Adjusted tax increment" means the same as that term is defined in Section
 162 17C-1-102.

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

164 (A) the aggregate taxable value of all real property a county assessor assesses in

- 165 accordance with Part 3, County Assessment, for the current year;
- 166 (B) the aggregate taxable value of all real and personal property the commission
167 assesses in accordance with Part 2, Assessment of Property, for the current
168 year; and
- 169 (C) the aggregate year end taxable value of all personal property a county assessor
170 assesses in accordance with Part 3, County Assessment, contained on the prior
171 year's tax rolls of the taxing entity.
- 172 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
173 year end taxable value of personal property that is:
- 174 (A) semiconductor manufacturing equipment assessed by a county assessor in
175 accordance with Part 3, County Assessment; and
- 176 (B) contained on the prior year's tax rolls of the taxing entity.
- 177 (d) "Base taxable value" means:
- 178 (i) for an authority created under Section 11-58-201, the same as that term is defined
179 in Section 11-58-102;
- 180 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
181 the same as that term is defined in Section 11-59-207;
- 182 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
183 11-70-201, the same as that term is defined in Section 11-70-101;
- 184 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
185 defined in Section 17C-1-102;
- 186 (v) for an authority created under Section 63H-1-201, the same as that term is defined
187 in Section 63H-1-102;
- 188 (vi) for a host local government, the same as that term is defined in Section
189 63N-2-502;
- 190 (vii) for a housing and transit reinvestment zone or convention center reinvestment
191 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
192 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 193 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
194 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
195 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
196 upon the assessment roll last equalized during the base year, as that term is
197 defined in Section 10-21-101 or Section 17-80-101;
- 198 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,

- 199 First Home Investment Zone Act, a property's taxable value as shown upon the
200 assessment roll last equalized during the base year, as that term is defined in
201 Section 63N-3-1601;
- 202 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
203 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
204 upon the assessment roll last equalized during the property tax base year, as that
205 term is defined in Section 63N-3-1701; [~~or~~]
- 206 (xi) for an electrical energy development zone created under Section 79-6-1104, the
207 value of the property within an electrical energy development zone, as shown on
208 the assessment roll last equalized before the creation of the electrical development
209 zone, as that term is defined in Section 79-6-1104[-] ; or
- 210 (xii) for a critical minerals zone created under Title 79, Chapter 10, Part 4, Critical
211 Minerals Zone, the value of the property within a critical minerals zone, as shown
212 on the assessment rule last equalized before the creation of the critical minerals
213 zone, as that term is defined in Section 79-10-101.
- 214 (e) "Centrally assessed benchmark value" means an amount equal to the average year
215 end taxable value of real and personal property the commission assesses in
216 accordance with Part 2, Assessment of Property, for the previous three calendar
217 years, adjusted for taxable value attributable to:
- 218 (i) an annexation to a taxing entity;
- 219 (ii) an incorrect allocation of taxable value of real or personal property the
220 commission assesses in accordance with Part 2, Assessment of Property; or
- 221 (iii) a change in value as a result of a change in the method of apportioning the value
222 prescribed by the Legislature, a court, or the commission in an administrative rule
223 or administrative order.
- 224 (f) "Centrally assessed industry" means the following industry classes the commission
225 assesses in accordance with Part 2, Assessment of Property:
- 226 (i) air carrier;
- 227 (ii) coal;
- 228 (iii) coal load out property;
- 229 (iv) electric generation;
- 230 (v) electric rural;
- 231 (vi) electric utility;
- 232 (vii) gas utility;

- 233 (viii) ground access property;
- 234 (ix) land only property;
- 235 (x) liquid pipeline;
- 236 (xi) metalliferous mining;
- 237 (xii) nonmetalliferous mining;
- 238 (xiii) oil and gas gathering;
- 239 (xiv) oil and gas production;
- 240 (xv) oil and gas water disposal;
- 241 (xvi) railroad;
- 242 (xvii) sand and gravel; and
- 243 (xviii) uranium.
- 244 (g)(i) "Centrally assessed new growth" means the greater of:
- 245 (A) for each centrally assessed industry, zero; or
- 246 (B) the amount calculated by subtracting the centrally assessed benchmark value
- 247 for each centrally assessed industry, adjusted for prior year end incremental
- 248 value, from the taxable value of real and personal property the commission
- 249 assesses in accordance with Part 2, Assessment of Property, for each centrally
- 250 assessed industry for the current year, adjusted for current year incremental
- 251 value.
- 252 (ii) "Centrally assessed new growth" does not include a change in value for a
- 253 centrally assessed industry as a result of a change in the method of apportioning
- 254 the value prescribed by the Legislature, a court, or the commission in an
- 255 administrative rule or administrative order.
- 256 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
- 257 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 258 (i) "Community reinvestment agency" means the same as that term is defined in Section
- 259 17C-1-102.
- 260 (j) "Eligible new growth" means the greater of:
- 261 (i) zero; or
- 262 (ii) the sum of:
- 263 (A) locally assessed new growth;
- 264 (B) centrally assessed new growth; and
- 265 (C) project area new growth or hotel property new growth.
- 266 (k) "Host local government" means the same as that term is defined in Section

- 267 63N-2-502.
- 268 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 269 (m) "Hotel property new growth" means an amount equal to the incremental value that is
270 no longer provided to a host local government as incremental property tax revenue.
- 271 (n) "Incremental property tax revenue" means the same as that term is defined in Section
272 63N-2-502.
- 273 (o) "Incremental value" means:
- 274 (i) for an authority created under Section 11-58-201, the amount calculated by
275 multiplying:
- 276 (A) the difference between the taxable value and the base taxable value of the
277 property that is located within a project area and on which property tax
278 differential is collected; and
- 279 (B) the number that represents the percentage of the property tax differential that
280 is paid to the authority;
- 281 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
282 an amount calculated by multiplying:
- 283 (A) the difference between the current assessed value of the property and the base
284 taxable value; and
- 285 (B) the number that represents the percentage of the property tax augmentation, as
286 defined in Section 11-59-207, that is paid to the Point of the Mountain State
287 Land Authority;
- 288 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
289 11-70-201, the amount calculated by multiplying:
- 290 (A) the difference between the taxable value for the current year and the base
291 taxable value of the property that is located within a project area; and
- 292 (B) the number that represents the percentage of enhanced property tax revenue,
293 as defined in Section 11-70-101;
- 294 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
295 multiplying:
- 296 (A) the difference between the taxable value and the base taxable value of the
297 property located within a project area and on which tax increment is collected;
298 and
- 299 (B) the number that represents the adjusted tax increment from that project area
300 that is paid to the agency;

- 301 (v) for an authority created under Section 63H-1-201, the amount calculated by
302 multiplying:
- 303 (A) the difference between the taxable value and the base taxable value of the
304 property located within a project area and on which property tax allocation is
305 collected; and
- 306 (B) the number that represents the percentage of the property tax allocation from
307 that project area that is paid to the authority;
- 308 (vi) for a housing and transit reinvestment zone or convention center reinvestment
309 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
310 Reinvestment Zone Act, an amount calculated by multiplying:
- 311 (A) the difference between the taxable value and the base taxable value of the
312 property that is located within a housing and transit reinvestment zone or
313 convention center reinvestment zone and on which tax increment is collected;
314 and
- 315 (B) the number that represents the percentage of the tax increment that is paid to
316 the housing and transit reinvestment zone or convention center reinvestment
317 zone;
- 318 (vii) for a host local government, an amount calculated by multiplying:
- 319 (A) the difference between the taxable value and the base taxable value of the
320 hotel property on which incremental property tax revenue is collected; and
- 321 (B) the number that represents the percentage of the incremental property tax
322 revenue from that hotel property that is paid to the host local government;
- 323 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
324 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
325 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 326 (A) the difference between the taxable value and the base taxable value of the
327 property that is located within a home ownership promotion zone and on which
328 tax increment is collected; and
- 329 (B) the number that represents the percentage of the tax increment that is paid to
330 the home ownership promotion zone;
- 331 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
332 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 333 (A) the difference between the taxable value and the base taxable value of the
334 property that is located within a first home investment zone and on which tax

- 335 increment is collected; and
- 336 (B) the number that represents the percentage of the tax increment that is paid to
- 337 the first home investment zone;
- 338 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
- 339 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 340 calculated by multiplying:
- 341 (A) the difference between the taxable value and the base taxable value of the
- 342 property located within a qualified development zone for a major sporting
- 343 event venue zone and upon which property tax increment is collected; and
- 344 (B) the number that represents the percentage of tax increment that is paid to the
- 345 major sporting event venue zone, as approved by a major sporting event venue
- 346 zone committee described in Section 63N-1a-1706; ~~[or]~~
- 347 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 348 amount calculated by multiplying:
- 349 (A) the difference between the taxable value and the base taxable value of the
- 350 property that is located within the electrical energy developmental zone; and
- 351 (B) the number that represents the percentage of the tax increment that is paid to a
- 352 community reinvestment agency and the Electrical Energy Development
- 353 Investment Fund created in Section 79-6-1105~~[-]~~ ; or
- 354 (xii) for a critical minerals zone created under Section 79-10-403, the amount
- 355 calculated by multiplying:
- 356 (A) the difference between the taxable value and the base taxable value of the
- 357 property that is located within the critical minerals zone; and
- 358 (B) the number that represents the percentage of the tax increment that is paid to a
- 359 community reinvestment agency or a state land use authority, as defined in
- 360 Section 79-10-401, and the Critical Minerals Development Account created in
- 361 Section 79-10-701.
- 362 (p)(i) "Locally assessed new growth" means the greater of:
- 363 (A) zero; or
- 364 (B) the amount calculated by subtracting the year end taxable value of real
- 365 property the county assessor assesses in accordance with Part 3, County
- 366 Assessment, for the previous year, adjusted for prior year end incremental
- 367 value from the taxable value of real property the county assessor assesses in
- 368 accordance with Part 3, County Assessment, for the current year, adjusted for

- 369 current year incremental value.
- 370 (ii) "Locally assessed new growth" does not include a change in:
- 371 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 372 or another adjustment;
- 373 (B) assessed value based on whether a property is allowed a residential exemption
- 374 for a primary residence under Section 59-2-103;
- 375 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 376 Assessment Act; or
- 377 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 378 Farming Assessment Act.
- 379 (q) "Project area" means:
- 380 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 381 in Section 11-58-102;
- 382 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 383 11-70-201, the same as that term is defined in Section 11-70-101;
- 384 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 385 defined in Section 17C-1-102;
- 386 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 387 defined in Section 63H-1-102;
- 388 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 389 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 390 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 391 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 392 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 393 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 394 10-21-101 or Section 17-80-101;
- 395 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 396 First Home Investment Zone Act, the same as that term is defined in Section
- 397 63N-3-1601; or
- 398 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 399 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 400 as defined in Section 63N-3-1701.
- 401 (r) "Project area new growth" means:
- 402 (i) for an authority created under Section 11-58-201, an amount equal to the

- 403 incremental value that is no longer provided to an authority as property tax
404 differential;
- 405 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
406 an amount equal to the incremental value that is no longer provided to the Point of
407 the Mountain State Land Authority as property tax augmentation, as defined in
408 Section 11-59-207;
- 409 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
410 11-70-201, an amount equal to the incremental value that is no longer provided to
411 the Utah Fairpark Area Investment and Restoration District;
- 412 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
413 incremental value that is no longer provided to an agency as tax increment;
- 414 (v) for an authority created under Section 63H-1-201, an amount equal to the
415 incremental value that is no longer provided to an authority as property tax
416 allocation;
- 417 (vi) for a housing and transit reinvestment zone or convention center reinvestment
418 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
419 Reinvestment Zone Act, an amount equal to the incremental value that is no
420 longer provided to a housing and transit reinvestment zone or convention center
421 reinvestment zone as tax increment;
- 422 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
423 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
424 5, Home Ownership Promotion Zone, an amount equal to the incremental value
425 that is no longer provided to a home ownership promotion zone as tax increment;
- 426 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
427 First Home Investment Zone Act, an amount equal to the incremental value that is
428 no longer provided to a first home investment zone as tax increment; or
- 429 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
430 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
431 value that is no longer provided to the creating entity of a major sporting event
432 venue zone as property tax increment.
- 433 (s) "Project area incremental revenue" means the same as that term is defined in Section
434 17C-1-1001.
- 435 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 436 (u) "Property tax differential" means the same as that term is defined in Sections

- 437 11-58-102[~~and~~] , 79-6-1104, and 79-10-401.
- 438 (v) "Tax increment" means:
- 439 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
- 440 in Section 17C-1-102;
- 441 (ii) for a housing and transit reinvestment zone or convention center reinvestment
- 442 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 443 Reinvestment Zone Act, the same as the term "property tax increment" is defined
- 444 in Section 63N-3-602;
- 445 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 446 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 447 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 448 10-21-101 or Section 17-80-101;
- 449 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 450 First Home Investment Zone Act, the same as that term is defined in Section
- 451 63N-3-1601; or
- 452 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 453 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 454 defined in Section 63N-3-1701.
- 455 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
- 456 the commission the following statements:
- 457 (a) a statement containing the aggregate valuation of all taxable real property a county
- 458 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 459 entity; and
- 460 (b) a statement containing the taxable value of all personal property a county assessor
- 461 assesses in accordance with Part 3, County Assessment, from the prior year end
- 462 values.
- 463 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 464 taxing entity:
- 465 (a) the statements described in Subsections (2)(a) and (b);
- 466 (b) an estimate of the revenue from personal property;
- 467 (c) the certified tax rate; and
- 468 (d) all forms necessary to submit a tax levy request.
- 469 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 470 calculated by dividing the ad valorem property tax revenue that a taxing entity

- 471 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 472 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 473 calculate an amount as follows:
- 474 (i) calculate for the taxing entity the difference between:
- 475 (A) the aggregate taxable value of all property taxed; and
- 476 (B) any adjustments for current year incremental value;
- 477 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 478 determined by increasing or decreasing the amount calculated under Subsection
- 479 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 480 property for the equalization period for the three calendar years immediately
- 481 preceding the current calendar year;
- 482 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 483 product of:
- 484 (A) the amount calculated under Subsection (4)(b)(ii); and
- 485 (B) the percentage of property taxes collected for the five calendar years
- 486 immediately preceding the current calendar year; and
- 487 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
- 488 amount determined by:
- 489 (A) multiplying the percentage of property taxes collected for the five calendar
- 490 years immediately preceding the current calendar year by eligible new growth;
- 491 and
- 492 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
- 493 amount calculated under Subsection (4)(b)(iii).
- 494 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
- 495 as follows:
- 496 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
- 497 tax rate is zero;
- 498 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 499 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 500 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
- 501 to Unincorporated Areas; and
- 502 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
- 503 purposes and such other levies imposed solely for the municipal-type services
- 504 identified in Section 17-78-501 and Subsection 17-63-101(23);

- 505 (c) for a community reinvestment agency that received all or a portion of a taxing
506 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
507 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
508 Subsection (4) except that the commission shall treat the total revenue transferred to
509 the community reinvestment agency as ad valorem property tax revenue that the
510 taxing entity budgeted for the prior year; and
- 511 (d) for debt service voted on by the public, the certified tax rate is the actual levy
512 imposed by that section, except that a certified tax rate for the following levies shall
513 be calculated in accordance with Section 59-2-913 and this section:
- 514 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
515 (ii) a levy to pay for the costs of state legislative mandates or judicial or
516 administrative orders under Section 59-2-1602.
- 517 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
518 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
519 one or more eligible judgments.
- 520 (b) The ad valorem property tax revenue generated by a judgment levy described in
521 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
522 certified tax rate.
- 523 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 524 (i) the taxable value of real property:
- 525 (A) the county assessor assesses in accordance with Part 3, County Assessment;
526 and
527 (B) contained on the assessment roll;
- 528 (ii) the year end taxable value of personal property:
- 529 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
530 (B) contained on the prior year's assessment roll; and
- 531 (iii) the taxable value of real and personal property the commission assesses in
532 accordance with Part 2, Assessment of Property.
- 533 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
534 growth.
- 535 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 536 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
537 the county auditor of:
- 538 (i) the taxing entity's intent to exceed the certified tax rate; and

- 539 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 540 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 541 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 542 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 543 electronic means on or before July 31, to a taxing entity and the Revenue and
- 544 Taxation Interim Committee if:
- 545 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 546 taxable value of the real and personal property the commission assesses in
- 547 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 548 for prior year end incremental value; and
- 549 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 550 end taxable value of the real and personal property of a taxpayer the commission
- 551 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 552 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 553 subtracting the taxable value of real and personal property the commission assesses
- 554 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 555 current year incremental value, from the year end taxable value of the real and
- 556 personal property the commission assesses in accordance with Part 2, Assessment of
- 557 Property, for the previous year, adjusted for prior year end incremental value.
- 558 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 559 subtracting the total taxable value of real and personal property of a taxpayer the
- 560 commission assesses in accordance with Part 2, Assessment of Property, for the
- 561 current year, from the total year end taxable value of the real and personal property of
- 562 a taxpayer the commission assesses in accordance with Part 2, Assessment of
- 563 Property, for the previous year.
- 564 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
- 565 requirement under Subsection (9)(a)(ii).

566 Section 5. Section **79-2-201** is amended to read:

567 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29). Department of**

568 **Natural Resources created.**

- 569 (1) There is created the Department of Natural Resources.
- 570 (2) The department comprises the following:
- 571 (a) Board of Water Resources, created in Section 73-10-1.5;
- 572 (b) Board of Oil, Gas, and Mining, created in Section 40-6-4;

- 573 (c) Office of Energy Development, created in Section 79-6-401;
 574 (d) Wildlife Board, created in Section 23A-2-301;
 575 (e) Board of the Utah Geological Survey, created in Section 79-3-301;
 576 (f) Water Development Coordinating Council, created in Section 73-10c-3;
 577 (g) Division of Water Rights, created in Section 73-2-1.1;
 578 (h) Division of Water Resources, created in Section 73-10-18;
 579 (i) Division of Forestry, Fire, and State Lands, created in Section 65A-1-4;
 580 (j) Division of Oil, Gas, and Mining, created in Section 40-6-15;
 581 (k) Division of State Parks, created in Section 79-4-201;
 582 (l) Division of Outdoor Recreation, created in Section 79-7-201;
 583 (m) Division of Wildlife Resources, created in Section 23A-2-201;
 584 (n) Utah Geological Survey, created in Section 79-3-201;
 585 (o) Utah Outdoor Recreation Infrastructure Advisory Committee, created in Section
 586 79-7-206;
 587 (p)(i) an advisory council that includes in the advisory council's duties advising on
 588 state boating policy, authorized by Section 73-18-3.5; or
 589 (ii) an advisory council that includes in the advisory council's duties advising on
 590 off-highway vehicle use, authorized by Section 41-22-10;
 591 (q) Wildlife Board Nominating Committee, created in Section 23A-2-302;
 592 (r) Wildlife Regional Advisory Councils, created in Section 23A-2-303;
 593 (s) Utah Watersheds Council, created in Section 73-10g-304;
 594 (t) Public Lands Policy Coordinating Office created in Section 63L-11-201;[-and]
 595 (u) the Great Salt Lake commissioner, appointed under Section 73-32-201, and the
 596 Office of the Great Salt Lake Commissioner, created in Section 73-32-301[-]; and
 597 (v) the Critical Minerals Council, created in Section 79-10-301.

598 Section 6. Section **79-10-101** is enacted to read:

599 **CHAPTER 10. Critical Minerals Strategic Act**

600 **Part 1. General Provisions**

601 **79-10-101 (Effective 05/06/26). Definitions.**

602 As used in this chapter:

- 603 (1) "Atlas" means a depository of geological data maintained in accordance with Part 5,
 604 Critical Minerals Atlas.
 605 (2) "Center" means the Minerals for Industrial, National, and Economic Security Center

- 606 created in accordance with Part 6, Minerals for Industrial, National, and Economic
 607 Security Center.
- 608 (3) "Council" means the Critical Minerals Council created in Section 79-10-301.
- 609 (4) "Critical mineral" means a mineral identified by the United States Geological Survey or
 610 the council as essential to the economic security of the state or national security.
- 611 (5) "Critical minerals zone" means a critical minerals zone designated by the council under
 612 Part 4, Critical Minerals Zone.
- 613 (6) "Permit" means one of the following issued by a state agency:
- 614 (a) a permit;
- 615 (b) a plan;
- 616 (c) a license;
- 617 (d) an approval order; or
- 618 (e) another administrative authorization.

619 Section 7. Section **79-10-201** is enacted to read:

620 **Part 2. State Critical Minerals Objectives and Policy**

621 **79-10-201 (Effective 05/06/26). State critical mineral objectives and policy.**

- 622 (1) The state's long-term objectives related to critical minerals are:
- 623 (a) to capture 20% to 25% of United States domestic critical minerals demand;
- 624 (b) to process within the state 50% of the critical minerals extracted from within the
 625 state;
- 626 (c) to reduce average permitting timelines to less than 18 months;
- 627 (d) to establish and build out the Minerals for Industrial, National, and Economic
 628 Security Center, as provided in Part 6, Minerals for Industrial, National, and
 629 Economic Security Center; and
- 630 (e) to secure federal designation of an entity within the state as a United States critical
 631 minerals national laboratory.
- 632 (2) The state's policy related to critical minerals is to:
- 633 (a) pursue market-based solutions while using public policy to accelerate market
 634 performance;
- 635 (b) foster the long-term viability of extraction and processing operations;
- 636 (c) foster the long-term health of marketplaces to ensure private parties can invest
 637 confidently in the critical minerals industry;
- 638 (d) maximize resources available across the state, including natural, talent, processing,
 639 financial, and technological resources;

- 640 (e) leverage the Utah System of Higher Education, including technical colleges, to create
 641 a specialized talent pipeline for mining, geology, and processing;
 642 (f) create a positive regulatory framework, including streamlined permitting for critical
 643 minerals processes;
 644 (g) create intrastate, interstate, and federal partnerships that leverage available resources
 645 for state, regional, and national benefit;
 646 (h) accelerate development of critical minerals zones; and
 647 (i) support applied research partnerships between higher education, industry, and the
 648 state that support commercialization.

649 (3) State agencies, academia, and industry are encouraged to conduct activities consistent
 650 with Subsections (1) and (2).

651 (4) This section does not create a cause of action against the state's or a state agency's action
 652 that is inconsistent with Subsections (1) and (2) and does not waive governmental
 653 immunity under Title 63G, Chapter 7, Governmental Immunity Act of Utah.

654 Section 8. Section **79-10-202** is enacted to read:

655 **79-10-202 (Effective 05/06/26). Legislative review of objectives and policy.**

656 The Natural Resources, Agriculture, and Environment Interim Committee shall annually
 657 review the state's critical mineral objectives and policy under Section 79-10-201 and propose
 658 any changes to the Legislature.

659 Section 9. Section **79-10-301** is enacted to read:

660 **Part 3. Critical Minerals Coordinating Council**

661 **79-10-301 (Effective 05/06/26). Critical Minerals Council created.**

662 (1) There is created within the Department of Natural Resources a mixed purpose board
 663 known as the "Critical Minerals Council."

664 (2) The council consists of the following 11 members:

- 665 (a) the director of the Office of Energy Development, or the director's designee;
 666 (b) the director of the Division of Oil, Gas, and Mining, or the director's designee;
 667 (c) one of the following appointed by the governor:
 668 (i) the executive director of the Governor's Office of Economic Opportunity; or
 669 (ii) the executive director of the Nucleus Institute, created in Section 53H-16-202;
 670 (d) a member of the House of Representatives, appointed by the speaker of the House of
 671 Representatives;
 672 (e) a member of the Senate, appointed by the president of the Senate;
 673 (f) the president of the University of Utah, or the president's designee;

- 674 (g) the president of an association representing Utah's mining industry, including
675 hardrock operators, industrial mineral operators, coal operators, mineral processing
676 operations, and mining services companies, appointed by the governor;
- 677 (h) a representative from an organization designed to create jobs in Utah by expanding
678 international sales, attracting foreign investment, and facilitating international
679 partnerships, appointed by the governor;
- 680 (i) a representative from a state land use authority, as defined in Section 79-10-401,
681 appointed by the governor; and
- 682 (j) two at-large members who represent a relevant industry, represent a state research
683 center, or have expertise in environmental regulation, appointed by the members of
684 the council described in Subsections (2)(a) through (i).
- 685 (3)(a)(i) The director of the Office of Energy Development, or the director's designee,
686 is the co-chair of the council.
- 687 (ii) The president of the Senate and the speaker of the House of Representatives shall
688 jointly appoint a co-chair of the council from members of the council.
- 689 (b) The vice-chairs of the council are:
- 690 (i) the director of the Division of Oil, Gas, and Mining, or the director's designee; and
691 (ii) the individual appointed under Subsection (1)(c).
- 692 (4)(a) The majority of the members constitutes a quorum of the council.
- 693 (b) The majority vote of the members present when a quorum is present constitutes
694 action of the council.
- 695 (5) The council shall meet:
- 696 (a) at the time and place designated by the chairs; and
697 (b) no less than once every month or as frequently as the council determines.
- 698 (6)(a) A member appointed under Subsections (2)(g) through (j) shall serve a term of
699 four years.
- 700 (b) The appointing authority may appoint an individual to a position under Subsections
701 (2)(g) through (j) to more than one term.
- 702 (c) Notwithstanding Subsection (6)(a), the council shall, at the time of appointment or
703 reappointment, adjust the length of terms to ensure that the terms of the members
704 appointed under Subsections (2)(g) through (j) are staggered so that approximately
705 half of the members appointed under Subsections (2)(g) through (j) are appointed
706 every two years.
- 707 (7)(a) A vacancy that occurs on the council for any reason shall be filled in the same

- 708 manner as the original appointment.
- 709 (b) If an at-large representative vacates the position, the council shall appoint a new
- 710 member for the unexpired term of the vacated member.
- 711 (8) A member may not receive compensation or benefits for the member's service, but may
- 712 receive per diem and travel expenses in accordance with:
- 713 (a) Section 63A-3-106;
- 714 (b) Section 63A-3-107; and
- 715 (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
- 716 63A-3-107.
- 717 (9)(a) A council member who has, will have, or later acquires an interest, direct or
- 718 indirect, in a transaction with the council shall immediately disclose the nature and
- 719 extent of that interest in writing to the council as soon as the council member has
- 720 knowledge of the actual or prospective interest.
- 721 (b) The council shall enter a disclosure described in this Subsection (9) upon the minutes
- 722 of the council.
- 723 (c) Upon disclosure, that council member may participate in an action by the council
- 724 authorizing the transaction.
- 725 (10) The Department of Natural Resources shall provide staff support to the council.
- 726 Section 10. Section **79-10-302** is enacted to read:
- 727 **79-10-302 (Effective 05/06/26). Powers and duties of the council.**
- 728 (1) The council shall:
- 729 (a) develop a strategic plan to prioritize activities and projects related to the exploration,
- 730 development, production, and processing of critical minerals in the state consistent
- 731 with the state's critical minerals objectives and policy as outlined in Section
- 732 79-10-201;
- 733 (b) ensure that efforts among Utah public, private, and academic partners regarding
- 734 critical minerals are coordinated efficiently and effectively;
- 735 (c) act as a clearinghouse for information related to federal, state, or local grants and
- 736 determine whether a grant application is consistent with the strategic plan developed
- 737 under Subsection (1)(a);
- 738 (d) investigate and participate in studies of problems unique to the exploration,
- 739 development, production, and processing of critical minerals in the state;
- 740 (e) oversee the development of the center in accordance with Part 6, Minerals for
- 741 Industrial, National, and Economic Security Center;

- 742 (f) take actions consistent with this chapter to promote, protect, and stabilize the critical
743 minerals industry;
- 744 (g) cooperate with local, state, or national organizations engaged in activities similar to
745 those of the council;
- 746 (h) partner with other western states for the development of critical minerals mining and
747 processing capabilities;
- 748 (i) accept grants, donations, or gifts for use consistent with this chapter;
- 749 (j) catalyze critical minerals extraction and processing for industries in the state;
- 750 (k) accelerate development of critical minerals zones in the state for extraction and
751 processing of critical minerals;
- 752 (l) identify transportation and logistics needs and strategic investments to facilitate
753 high-capacity, efficient handling of critical minerals; and
- 754 (m) advise the Legislature about the need, if any, for legislative action.
- 755 (2) The council may enter into agreements necessary to fulfill the council's duties.
- 756 (3) The council may make rules, in accordance with Title 63G, Chapter 3, Utah
757 Administrative Rulemaking Act, creating a dispute resolution process to resolve
758 conflicts between agencies or private entities represented by a member of the council.
- 759 (4)(a) The council may organize standing or ad hoc committees that operate in
760 accordance with guidelines established by the council, regarding specific state and
761 industry needs related to critical minerals development, including:
- 762 (i) education and workforce needs;
- 763 (ii) research and commercialization;
- 764 (iii) entrepreneurship and investment;
- 765 (iv) aerospace and defense requirements;
- 766 (v) logistics and infrastructure;
- 767 (vi) international trade; or
- 768 (vii) other needs related to critical minerals development.
- 769 (b) The council may appoint a member of a standing or ad hoc committee that is not a
770 member of the council.
- 771 (5)(a) The council shall report annually by no later than October 1 to the Natural
772 Resources, Agriculture, and Environment Interim Committee.
- 773 (b) The report required by this Subsection (5) shall include information regarding:
- 774 (i) the state's progress towards the objectives described in Subsection 79-10-201(1);
- 775 (ii) critical minerals zones as required by Section 79-10-402;

776 (iii) the state's progress towards development of the center, including the center's
777 activities and fiscal needs; and

778 (iv) the Critical Minerals Development Account required by Section 79-10-701.

779 (6) Notwithstanding the other provisions of this chapter, the council may not:

780 (a) interfere or impair with the statutory authority of a state agency to issue a permit; or

781 (b) vote on an individual permit.

782 Section 11. Section **79-10-303** is enacted to read:

783 **79-10-303 (Effective 05/06/26). Areas for coordination.**

784 (1) Council members are designated as area leads as provided in this section. In conducting
785 the council's business, the council may assign a council member who is an area lead to
786 coordinate on an issue within the council member's area.

787 (2) The council shall ensure:

788 (a) the coordination of state policy with federal policy; and

789 (b) the development of infrastructure within the state related to critical minerals.

790 (3)(a) The director of the Division of Oil, Gas, and Mining, or the director's designee,
791 shall address regulation and permitting and coordinate with state agencies related to:

792 (i) permitting for extraction or reclamation projects; and

793 (ii) information gathering for extraction or reclamation projects.

794 (b) In coordinating under this Subsection (3), the director of the Division of Oil, Gas,
795 and Mining, or the director's designee, shall at a minimum coordinate with:

796 (i) the Department of Environmental Quality; and

797 (ii) the Utah Geological Survey.

798 (4)(a) The council member appointed under Subsection 79-10-301(2)(c) shall address
799 incentives and critical minerals zones and coordinate:

800 (i) implementation of state tax incentives;

801 (ii) domestic recruitment;

802 (iii) foreign investment;

803 (iv) accessing federal appropriations and other federal funding sources; and

804 (v) defense or national security requirements.

805 (b) In coordinating under this Subsection (4), the council member appointed under
806 Subsection 79-10-301(2)(c) shall at a minimum coordinate with:

807 (i) the council member appointed under Subsection 79-10-301(2)(h); and

808 (ii) public and private entities that may act as a liaison with federal agencies that may
809 provide funding for critical minerals.

- 810 (5)(a) The council member representing the University of Utah shall coordinate issues
 811 related to innovation including:
- 812 (i) workforce training and talent pipelines;
 - 813 (ii) pilot technology testing;
 - 814 (iii) research and development; and
 - 815 (iv) industry concerns.
- 816 (b) In coordinating under this Subsection (5), the council member representing the
 817 University of Utah shall at a minimum coordinate with:
- 818 (i) the center;
 - 819 (ii) other institutions of higher education, including Utah State University;
 - 820 (iii) an association representing Utah's mining industry, including hardrock operators,
 821 industrial mineral operators, coal operators, mineral processing operations, and
 822 mining services companies; and
 - 823 (iv) the aerospace and defense industry.

824 Section 12. Section **79-10-401** is enacted to read:

825 **Part 4. Critical Minerals Zone**

826 **79-10-401 (Effective 05/06/26). Definitions.**

827 As used in this part:

- 828 (1) "Base taxable value" means the value of property within a critical minerals zone, as
 829 shown on the assessment roll last equalized before the creation of the critical minerals
 830 zone.
- 831 (2) "Community reinvestment agency" means the same as that term is defined in Section
 832 17C-1-102.
- 833 (3) "Community reinvestment project area" means a project area under a community
 834 reinvestment project area plan as defined in Section 17C-1-102.
- 835 (4) "Property tax differential" means the difference between:
 - 836 (a) the amount of property tax revenues generated each tax year by all taxing entities
 837 from a critical minerals zone, using the current assessed value of the property; and
 - 838 (b) the amount of property tax revenues that would be generated from that same area
 839 using the base taxable value of the property.
- 840 (5) "Property tax differential revenue" means revenue generated based on the property tax
 841 differential.
- 842 (6) "State land use authority" means:
 - 843 (a) the Utah Inland Port Authority created in Section 11-58-201;

- 844 (b) the Military Installation Development Authority created in Section 63H-1-201;
 845 (c) the School and Institutional Trust Lands Administration created in Section 53C-1-201;
 846 or
 847 (d) any other land use authority created by the state that has jurisdiction over state lands.

848 Section 13. Section **79-10-402** is enacted to read:

849 **79-10-402 (Effective 05/06/26). Council responsibilities and powers.**

850 (1) The council shall:

851 (a) establish and implement:

852 (i) processes for designating critical minerals zones; and

853 (ii) criteria for evaluating proposed critical minerals zones;

854 (b) consult with state land use authorities regarding:

855 (i) identification of state lands suitable for critical minerals extraction or processing;

856 (ii) designation of critical minerals zones; and

857 (iii) opportunities for coordinated development of extraction or processing projects
 858 on state lands;

859 (c) assess and address potential public health impacts of critical minerals zones;

860 (d) report annually by October 1 to the Natural Resources, Agriculture, and Environment
 861 Interim Committee regarding:

862 (i) infrastructure needs related to extraction and processing of critical minerals;

863 (ii) the status of designated critical minerals zones; and

864 (iii) recommendations for how the property tax differential revenue collected under
 865 this section should be divided and distributed between the state, counties, and
 866 municipalities; and

867 (e) negotiate with the applicable county or municipality regarding the distribution of
 868 property tax differential revenue.

869 (2) The council may enter agreements with state land use authorities to address the
 870 implementation of critical minerals zones and the administration of property tax
 871 differential revenue.

872 Section 14. Section **79-10-403** is enacted to read:

873 **79-10-403 (Effective 05/06/26). Critical minerals zones designated.**

874 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer
 875 financial incentives for a critical minerals extraction or processing project that is not
 876 located within a designated critical minerals zone.

877 (b) Subsection (1)(a) does not apply to a critical minerals extraction or processing

- 878 project for which a project area plan has been approved before May 6, 2026.
- 879 (2) A county or municipality may:
- 880 (a) pass a resolution declaring an intent to establish within the county or municipality
- 881 boundaries a critical minerals zone;
- 882 (b) enter into an interlocal agreement with the council outlining each parties'
- 883 responsibilities relating to a critical minerals zone; and
- 884 (c) apply to the council for the designation of a critical minerals zone by submitting:
- 885 (i) a description of the proposed boundaries of the critical minerals zone;
- 886 (ii) an assessment of existing critical minerals extraction or processing infrastructure
- 887 within and proximate to the proposed critical minerals zone;
- 888 (iii) a development plan that includes:
- 889 (A) proposed critical minerals extraction or processing projects;
- 890 (B) anticipated infrastructure improvements;
- 891 (C) projected economic benefits to the county; and
- 892 (D) evidence of local support including any interlocal agreement entered into
- 893 between the county or municipality and the council, as applicable;
- 894 (iv) if the applicant is a municipality, evidence of coordination with the county in
- 895 which the proposed critical minerals zone is located, including any interlocal
- 896 agreement entered into between the county or municipality and the council, as
- 897 applicable;
- 898 (v) if the applicant is a county and any portion of the proposed critical minerals zone
- 899 is within the boundaries of a municipality, evidence of an agreement with the
- 900 municipality regarding the establishment of the critical minerals zone; and
- 901 (vi) any other information required by the council.
- 902 (3) A state land use authority may:
- 903 (a) propose a critical minerals zone within lands under the state land use authority's
- 904 jurisdiction; and
- 905 (b) apply to the council for the designation of a critical minerals zone by submitting:
- 906 (i) a description of the proposed boundaries of the critical minerals zone;
- 907 (ii) an assessment of existing critical minerals extraction or processing infrastructure
- 908 within and proximate to the proposed critical minerals zone;
- 909 (iii) a development plan that includes:
- 910 (A) proposed critical minerals extraction or processing projects;
- 911 (B) anticipated infrastructure improvements; and

- 912 (C) projected economic benefits;
913 (iv) evidence that the proposed critical minerals zone is consistent with applicable
914 land use plans and regulations; and
915 (v) any other information required by the council.
- 916 (4) The council shall:
- 917 (a) approve an application for a critical minerals zone designation if the application
918 demonstrates:
- 919 (i) the proposed critical minerals zone includes land suitable for critical minerals
920 extraction or processing development based on:
- 921 (A) adequate transportation access; and
922 (B) sufficient land area for proposed development; and
- 923 (ii) the critical minerals zone plan:
- 924 (A) aligns with state critical minerals objectives and policy under Section
925 79-10-201;
- 926 (B) includes realistic timelines and milestones;
927 (C) identifies specific infrastructure improvements; and
928 (D) quantifies projected economic benefits;
- 929 (b) make a determination on an application within 60 days of submission;
930 (c) provide written notice to the applicant explaining the basis for approval or denial;
931 (d) if a critical minerals zone overlaps with an area designated by a community
932 reinvestment agency as a community reinvestment project area as of May 6, 2026,
933 enter into an agreement with the community reinvestment agency to determine the
934 percentage division of the property tax differential between:
- 935 (i) the Critical Minerals Development Account; and
936 (ii) the community reinvestment agency; and
- 937 (e) if a critical minerals zone overlaps with a project area of a state land use authority,
938 enter into an agreement with the state land use authority to determine the percentage
939 division of the property tax differential between:
- 940 (i) the Critical Minerals Development Account; and
941 (ii) the state land use authority.
- 942 (5) Within 30 days after the council designates a critical minerals zone:
- 943 (a) the county auditor shall certify to the council the base taxable value of property
944 within the critical minerals zone; and
945 (b) the county shall transmit to the council copies of the property tax assessment rolls for

- 946 the property within the critical minerals zone.
- 947 (6)(a) Each year, the county auditor shall:
- 948 (i) determine the amount of the property tax differential for the critical minerals zone
- 949 by comparing:
- 950 (A) the current assessed value of property within the critical minerals zone; and
- 951 (B) the base taxable value of property within the critical minerals zone;
- 952 (ii) inform the county treasurer of the property tax differential amount; and
- 953 (iii) provide notice to the council of the amount calculated under this Subsection
- 954 (6)(a).
- 955 (b) The county treasurer shall transfer the property tax differential to the council for
- 956 deposit into the Critical Minerals Development Account created in Section 79-10-701,
- 957 subject to any agreements entered into under Subsections (4)(d) and (4)(e).
- 958 (c) The county treasurer shall make a distribution required under this section:
- 959 (i) at the same time as regular annual property tax distributions; and
- 960 (ii) using the same method as other property tax distributions.
- 961 (d) For property tax differential not subject to Subsection (4)(d) or (4)(e), the council
- 962 may enter into agreements with taxing entities regarding the allocation of the
- 963 property tax differential.

964 Section 15. Section **79-10-501** is enacted to read:

965 **Part 5. Critical Minerals Atlas**

966 **79-10-501 (Effective 05/06/26). Critical Minerals Atlas created -- Processes to be**

967 **developed.**

- 968 (1)(a) The Division of Oil, Gas, and Mining shall lead a joint effort with the Utah
- 969 Geological Survey and Office of Energy Development to organize and maintain a
- 970 clearinghouse of geological data related to critical minerals known as the "Critical
- 971 Minerals Atlas."
- 972 (b) The purpose of the atlas is to:
- 973 (i) compile reliable data that can be used by:
- 974 (A) the council, including the council using the data in developing the strategic
- 975 plan required under Subsection 79-10-302(1);
- 976 (B) other government agencies;
- 977 (C) academia; and
- 978 (D) private entities; and
- 979 (ii) reconcile differences in the data submitted to the atlas.

- 980 (2)(a) The agencies described in Subsection (1)(a) shall:
- 981 (i) develop a process by which a state agency, state institution of higher education, or
- 982 private entity, including a nonprofit entity, may submit information to the atlas;
- 983 (ii) recommend which state agencies and state institutions of higher education should
- 984 be required to submit data to the atlas;
- 985 (iii) develop a process by which differences in the data submitted to the atlas may be
- 986 reconciled; and
- 987 (iv) develop policies consistent with Title 63G, Chapter 2, Government Records
- 988 Access and Management Act, related to confidentiality of information submitted
- 989 to the atlas.
- 990 (b) The Division of Oil, Gas, and Mining shall report the processes, recommendations,
- 991 and policies described in Subsection (2)(a) to the Natural Resources, Agriculture, and
- 992 Environment Interim Committee by no later than October 1, 2026.

993 Section 16. Section **79-10-601** is enacted to read:

994 **Part 6. Minerals for Industrial, National, and Economic Security Center**

995 **79-10-601 (Effective 05/06/26). Minerals for Industrial, National, and Economic**

996 **Security Center process for creation -- Governance.**

- 997 (1) There is created under the general supervision of the council a center known as the
- 998 "Minerals for Industrial, National, and Economic Security Center," to serve the
- 999 objectives described in Section 79-10-602.
- 1000 (2) The council shall create a plan and budget for the center that address:
- 1001 (a) the governance of the center;
- 1002 (b) the operations of the center;
- 1003 (c) how the creation and activities of the center are to be funded; and
- 1004 (d) other issues the council determines are relevant to the governance and operations of
- 1005 the center.
- 1006 (3) The council shall report the council's development of a plan and budget under this
- 1007 section to:
- 1008 (a) the Executive Appropriations Committee by no later than the 2026 September
- 1009 meeting of the Executive Appropriations Committee; and
- 1010 (b) the Natural Resources, Agriculture, and Environment Interim Committee by no later
- 1011 than the 2026 October interim meeting of the Natural Resources, Agriculture, and
- 1012 Environment Interim Committee.

1013 Section 17. Section **79-10-602** is enacted to read:

1014 **79-10-602 (Effective 05/06/26). Center objectives.**

1015 The center shall:

- 1016 (1) serve as the state's primary partner for issues related to developing critical mineral
 1017 extraction and processing from research to commercialization, including:
 1018 (a) workforce training;
 1019 (b) the testing and piloting of technology;
 1020 (c) federal grant coordination; and
 1021 (d) development of processing capacity;
 1022 (2) coordinate the center's operations with the strategic plan established by the council in
 1023 accordance with Subsection 79-10-302(1);
 1024 (3) partner with industry and academia to:
 1025 (a) develop processing and separation processes;
 1026 (b) provide technology benchmarking and performance validation;
 1027 (c) provide pilot-scale demonstrations and scale-up;
 1028 (d) integrate physical, chemical, electrochemical, and thermal processing; and
 1029 (e) provide for autonomous sampling and real-time analysis; and
 1030 (4) lay groundwork for securing federal designation of an entity within the state as a United
 1031 States critical minerals national laboratory.

1032 Section 18. Section **79-10-701** is enacted to read:

1033 **Part 7. Fiscal Matters**

1034 **79-10-701 (Effective 05/06/26). Critical Minerals Development Account.**

- 1035 (1) There is created within the General Fund a restricted account known as the "Critical
 1036 Minerals Development Account."
 1037 (2) Subject to appropriation, the council shall administer the Critical Minerals Development
 1038 Account for the purposes described in Subsection (5).
 1039 (3) The Critical Minerals Development Account consists of:
 1040 (a) money credited to the Critical Minerals Development Account under Section
 1041 51-9-305;
 1042 (b) revenue deposited into the Critical Minerals Development Account under Section
 1043 79-10-403;
 1044 (c) money appropriated by the Legislature;
 1045 (d) federal money;
 1046 (e) donations or grants from public or private entities; and
 1047 (f) interest and other earnings earned on money in the Critical Minerals Development

- 1048 Account.
- 1049 (4)(a) The Critical Minerals Development Account shall earn interest.
- 1050 (b) The state treasurer shall invest account money in accordance with Title 51, Chapter
- 1051 7, State Money Management Act, and credit the interest and earnings from the
- 1052 investments to the Critical Minerals Development Account.
- 1053 (5) Subject to appropriation, the council may use fund money to:
- 1054 (a) pay the costs of administering this chapter;
- 1055 (b) fund the operations of the center in accordance with the plan and budget developed
- 1056 by the council in accordance with Section 79-10-601;
- 1057 (c) facilitate critical minerals extraction and processing infrastructure development
- 1058 within the state, including funding research, site selection, permitting, public
- 1059 outreach, and other activities related to the development of critical minerals
- 1060 extraction or processing infrastructure;
- 1061 (d) provide matching funds for federal critical minerals grants;
- 1062 (e) support critical minerals workforce development programs; and
- 1063 (f) provide incentives for critical minerals extraction or processing projects.
- 1064 (6) The council shall include a report of how money from the Critical Minerals
- 1065 Development Account was used in the annual report described in Section 79-10-302.

1066 **Section 19. FY 2027 Appropriations.**

1067 The following sums of money are appropriated for the fiscal year beginning July 1,

1068 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for

1069 fiscal year 2027.

1070 **Subsection 19(a). Operating and Capital Budgets**

1071 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the

1072 Legislature appropriates the following sums of money from the funds or accounts indicated for

1073 the use and support of the government of the state of Utah.

1074 **ITEM 1 To Department of Natural Resources - Critical Minerals Council**

From Critical Minerals Development Account	1,000,000
From Critical Minerals Development Account, One-time	10,000,000

1077 **Schedule of Programs:**

Critical Minerals Council	11,000,000
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1079 **Subsection 19(b). Restricted Fund and Account Transfers**

1080 The Legislature authorizes the State Division of Finance to transfer the following

1081 amounts between the following funds or accounts as indicated. Expenditures and outlays from

1082 the funds to which the money is transferred must be authorized by an appropriation.
 1083 ITEM 2 To Critical Minerals Development Account
 1084 From Infrastructure and Economic Diversification
 1085 Investment Account, One-time 10,000,000
 1086 Schedule of Programs:
 1087 Critical Minerals Development Account 10,000,000

1088 Section 20. **Effective Date.**

1089 This bill takes effect on May 6, 2026.

1090 Section 21. **Coordinating S.B. 254 with H.B. 373.**

1091 If S.B. 254, Critical Minerals Amendments, and H.B. 373, Higher Education

1092 Innovation, both pass and become law, the Legislature intends that, on July 1, 2026:

1093 (1) Subsection 53H-8-211(4)(a)(ii)(C) enacted in H.B. 373 be amended to read:

1094 "(C) ensure that the eligible research areas described in Subsection (4)(a)(ii)(A) reflect the
 1095 state's priority industry clusters and public policy needs and include critical minerals projects
 1096 that are consistent with the strategic plan of the Critical Minerals Council created under
 1097 Subsection 79-10-302(1);"; and

1098 (2) Subsection 53H-8-211(5)(a) enacted in H.B. 373 be amended to read:

1099 "(a) the eligible research areas described in Subsection (4)(a)(ii) and the extent to which the
 1100 areas reflect the state's priority industry clusters and public policy needs, including critical
 1101 minerals projects described in Subsection (4)(a)(ii)(C); and".