

David Shallenberger proposes the following substitute bill:

Extracted Natural Resources Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ann Millner

House Sponsor: David Shallenberger

LONG TITLE

General Description:

This bill addresses natural resources within the state.

Highlighted Provisions:

This bill:

- ▶ facilitates faster permitting by the Department of Environmental Quality and the Division of Oil, Gas, and Mining;
- ▶ modifies the tax credit for mining exploration;
- ▶ creates the State Reinvestment Restricted Account and diverts various streams of income related to severance taxes into the State Reinvestment Restricted Account;
- ▶ requires additional reporting regarding mineral severance taxes;
- ▶ 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;
- ▶ makes money appropriated to the council nonlapsing;
- ▶ 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;

- 29 ▸ coordinates with H.B. 373, Higher Education Innovation, to address inclusion of critical
30 minerals projects in the eligible research areas for research grants; and
31 ▸ makes technical and conforming amendments.

32 **Money Appropriated in this Bill:**

33 This bill appropriates \$14,016,200 in restricted fund and account transfers for fiscal year
34 2026, all of which is from the various sources as detailed in this bill.

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

37 **Other Special Clauses:**

38 This bill provides a special effective date.

39 This bill provides coordination clauses.

40 This bill provides retrospective operation.

41 **Utah Code Sections Affected:**

42 AMENDS:

43 **40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37)**, as
44 repealed and reenacted by Laws of Utah 2025, Chapter 159

45 **51-9-202 (Effective 07/01/26)**, as last amended by Laws of Utah 2021, Chapter 401

46 **51-9-302 (Effective 07/01/26)**, as last amended by Laws of Utah 2010, Chapter 219

47 **51-9-305 (Effective 07/01/26)**, as last amended by Laws of Utah 2014, Chapter 241

48 **59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
49 Utah 2025, First Special Session, Chapter 15

50 **59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
51 Utah 2023, Chapters 446, 537

52 **59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
53 Utah 2021, Chapter 401

54 **59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
55 Utah 2021, Chapter 401

56 **59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
57 Utah 2008, Chapter 382

58 **59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
59 Utah 2024, Chapter 25

60 **59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37)**, as
61 renumbered and amended by Laws of Utah 2025, Chapter 159

62 **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws

63 of Utah 2025, First Special Session, Chapter 17
 64 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws of
 65 Utah 2025, Chapter 93

66 ENACTS:

67 **19-1-209 (Effective 05/06/26)**, Utah Code Annotated 1953
 68 **40-8-5.5 (Effective 05/06/26)**, Utah Code Annotated 1953
 69 **51-9-1001 (Effective 07/01/26)**, Utah Code Annotated 1953
 70 **51-9-1002 (Effective 07/01/26)**, Utah Code Annotated 1953
 71 **51-9-1003 (Effective 07/01/26)**, Utah Code Annotated 1953
 72 **79-10-101 (Effective 05/06/26)**, Utah Code Annotated 1953
 73 **79-10-201 (Effective 05/06/26)**, Utah Code Annotated 1953
 74 **79-10-202 (Effective 05/06/26)**, Utah Code Annotated 1953
 75 **79-10-301 (Effective 05/06/26)**, Utah Code Annotated 1953
 76 **79-10-302 (Effective 05/06/26)**, Utah Code Annotated 1953
 77 **79-10-303 (Effective 05/06/26)**, Utah Code Annotated 1953
 78 **79-10-401 (Effective 05/06/26)**, Utah Code Annotated 1953
 79 **79-10-402 (Effective 05/06/26)**, Utah Code Annotated 1953
 80 **79-10-403 (Effective 05/06/26)**, Utah Code Annotated 1953
 81 **79-10-501 (Effective 05/06/26)**, Utah Code Annotated 1953
 82 **79-10-601 (Effective 05/06/26)**, Utah Code Annotated 1953
 83 **79-10-602 (Effective 05/06/26)**, Utah Code Annotated 1953
 84 **79-10-701 (Effective 05/06/26)**, Utah Code Annotated 1953

85 REPEALS:

86 **51-9-301 (Effective 07/01/26)**, as last amended by Laws of Utah 2021, Chapter 401
 87 **51-9-303 (Effective 07/01/26)**, as last amended by Laws of Utah 2016, Chapter 128
 88 **51-9-307 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 25

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

90 **53H-8-211 (07/01/26)**, Utah Code Annotated 1953

91

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

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

94 **19-1-209 (Effective 05/06/26). Fast track permitting for critical minerals.**

95 (1) As used in this section:

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

- 97 (b) "Critical minerals project" means an activity requiring one or more state permits
 98 related to the extraction or processing of a critical mineral.
- 99 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 100 (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 101 (2)(a) A division within the department shall prioritize division resources to process a
 102 permit that is:
- 103 (i) requested to be issued by the division; and
 104 (ii) related to a critical minerals project described in Subsection (2)(b).
- 105 (b) This Subsection (2) applies to a critical mineral project that is:
- 106 (i) for the extraction or processing of a critical mineral within a critical minerals
 107 zone; or
- 108 (ii) included in the strategic plan developed by the Critical Minerals Council under
 109 Subsection 79-10-302(1).
- 110 (3) The department shall work cooperatively with the Division of Oil, Gas, and Mining to
 111 develop processes under which permits for a critical minerals project described in
 112 Subsection (2)(b) that are issued by a division within the department and the Division of
 113 Oil, Gas, and Mining:
- 114 (a) may be issued at parallel times rather than sequentially; and
 115 (b) minimize the need for a person to comply with duplicative, overlapping, or
 116 conflicting requirements.
- 117 (4) Nothing in this section abrogates or interferes with the powers or duties of the Division
 118 of Oil, Gas, and Mining.

119 Section 2. Section **40-6-24** is amended to read:

120 **40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).**

121 **Tax credit for mining exploration -- Division to issue certificates.**

122 (1) As used in this section:

123 (a) "Activity" means:

- 124 (i) surveying by a geophysical method or by a geochemical method;
 125 (ii) drilling one or more exploration holes;
 126 (iii) conducting underground exploration;
 127 (iv) surface trenching or bulk sampling;
 128 (v) taking aerial photographs;
 129 (vi) geological and geophysical logging;
 130 (vii) sample analysis; or

- 131 (viii) metallurgical testing.
- 132 ~~[(b) "Assigned tax credit certificate" means a tax credit certificate the division issues to a~~
 133 ~~person to which a claimant assigns the claimant's tax credit.]~~
- 134 ~~[(e)]~~ (b)(i) "Certified expenditure" means a cost incurred for an activity in direct
 135 support of an eligible exploration activity conducted at a specific site.
- 136 (ii) "Certified expenditure" includes:
- 137 (A) the cost of obtaining an approval, a permit, a license, or a certificate for an
 138 eligible exploration activity;
- 139 (B) a direct labor cost and the cost of benefits for employees directly associated
 140 with work described in Subsection ~~[(1)(e)(i)]~~ (1)(b)(i);
- 141 (C) the cost of leasing equipment from a third party;
- 142 (D) the cost of owning, maintaining, or operating equipment;
- 143 (E) insurance and bond premiums associated with the activities described in
 144 Subsections ~~[(1)(e)(ii)(A)]~~ (1)(b)(ii)(A) through (D);
- 145 (F) the cost of a consultant or an independent contractor; and
- 146 (G) any general expense related to operating the business engaged in the eligible
 147 exploration activity to the extent the expense is directly attributable to the work
 148 described in Subsection ~~[(1)(e)(i)]~~ (1)(b)(i).
- 149 (iii) "Certified expenditure" does not include:
- 150 (A) return on investment; or
- 151 (B) insurance or bond premiums not described in Subsection ~~[(1)(e)(ii)(E)]~~
 152 (1)(b)(ii)(E).
- 153 ~~[(d)]~~ (c)(i) "Claimant" means a person that:
- 154 (A) is engaged in the business of mining or extracting minerals;
- 155 (B) is subject to a severance tax, for the taxable year in which the person applies
 156 for a tax credit certificate, under Title 59, Chapter 5, Part 2, Mining Severance
 157 Tax, as a direct result of minerals produced from eligible exploration activities;
 158 and
- 159 (C) makes a certified expenditure.
- 160 (ii) "Claimant" does not include a person in the business of mining or extracting
 161 minerals on the Great Salt Lake from:
- 162 (A) the brines of the Great Salt Lake, except for a person using a nonevaporative
 163 mining or extraction method; or
- 164 (B) a material or secondary source, including tails, slag, waste dumps, or another

- 165 similar secondary source, derived from the brines of the Great Salt Lake.
- 166 ~~[(e) "Eligible claimant" means a claimant or a person to which a claimant assigns a tax~~
167 ~~credit in accordance with Subsections (4)(a)(vi) and (7).]~~
- 168 ~~[(f)] (d) "Eligible exploration activity" means an activity performed in the state that is~~
169 ~~associated with:~~
- 170 (i) producing a mineral from a natural deposit that is not part of a mine that exists at
171 the time the activity begins;
- 172 (ii) producing a mineral not under production within a mine that exists at the time the
173 activity begins; or
- 174 (iii) recovering a mineral not under production from a secondary source at the time
175 the activity begins, including tails, slag, waste dumps, or another similar
176 secondary source, whether in solution or otherwise[;] .
- 177 ~~[(iv) expanding production of a mineral using a mining method not used within a~~
178 ~~mine that exists at the time the activity begins; or]~~
- 179 ~~[(v) expanding existing production of a mineral that requires a new exploration or~~
180 ~~mining permit or the modification of a permit issued before the activity begins.]~~
- 181 ~~[(g)] (e) "Geochemical method" means a method of gathering geochemical data,~~
182 ~~including collecting soil, rock, water, air, vegetation, or any other similar item and~~
183 ~~performing a chemical analysis on the item.~~
- 184 ~~[(h)] (f) "Geophysical method" means a method of gathering geophysical data that is~~
185 ~~used in mineral exploration, including seismic, gravity, magnetic, radiometric, radar,~~
186 ~~electromagnetic, and other remote sensing measurements.~~
- 187 ~~[(i)] (g) "Mine" means the same as that term is defined in Section 59-5-201.~~
- 188 ~~[(j)] (h) "Mineral" means:~~
- 189 (i) a metalliferous mineral as defined in Section 59-5-201; or
- 190 (ii) a metalliferous compound as defined in Section 59-5-202.
- 191 ~~[(k)] (i) "Tax credit certificate" means a certificate the division issues that:~~
- 192 (i) lists the claimant's name and taxpayer identification number;
- 193 (ii) lists the amount of the claimant's tax credit authorized under this section for a
194 taxable year; and
- 195 (iii) includes other information as determined by the division.
- 196 (2) Before claiming a tax credit under Section 59-5-304, a person shall apply to the division
197 to enter into an agreement and, upon becoming [~~an eligible~~] a claimant, to receive a tax
198 credit certificate.

- 199 (3)~~[(a) Except as provided in Subsection (3)(b), a]~~ A person shall enter into an
200 agreement with the division before beginning eligible exploration activities.
- 201 ~~[(b) A person that has certified expenditures from an eligible exploration activity for a~~
202 ~~taxable year beginning on or after January 1, 2025, and beginning before January 1,~~
203 ~~2026, shall enter an agreement with the division as provided by rule.]~~
- 204 (4)(a) The agreement shall provide:
- 205 (i) the eligible exploration activities for which the person may incur certified
206 expenditures eligible to receive a tax credit certificate, which may include
207 certified expenditures from a taxable year beginning on or after January 1, 2025,
208 and beginning before January 1, 2027;
- 209 (ii) the type of mineral the person intends to produce;
- 210 (iii) the maximum number of years a person has between the beginning of eligible
211 exploration activities and the production of minerals as a direct result of the
212 eligible exploration activities;
- 213 (iv) the maximum number of years, which may not exceed ~~[20]~~ five years, that a
214 person may receive a tax credit certificate; and
- 215 (v) the requirements for reporting certified expenditures and production of minerals
216 as a direct result of eligible exploration activity, including:
- 217 (A) a description of the mine where the eligible exploration activity occurred;
- 218 (B) evidence that the certified expenditure occurred and the amount of the
219 certified expenditure; and
- 220 (C) the means for verifying that severance tax liability occurs as a direct result of
221 an eligible exploration activity~~[-and] .~~
- 222 ~~[(vi) a requirement that, if a claimant intends to assign a tax credit, the claimant shall~~
223 ~~provide to the division a written notice of intent to assign the tax credit to another~~
224 ~~person, in a form the division approves, that includes:]~~
- 225 ~~[(A) written certification or other proof that the claimant irrevocably elects not to~~
226 ~~claim the tax credit authorized by the tax credit certificate; and]~~
- 227 ~~[(B) contact information for the person to which the claimant is assigning the tax~~
228 ~~credit.]~~
- 229 (b) The parties to the agreement may modify the terms of the agreement.
- 230 (c)(i) The division shall approve certified expenditures upon receiving a report of a
231 certified expenditure unless the division determines that the expenditure does not
232 meet the definition of certified expenditure.

- 233 (ii) If the division determines that an expenditure does not meet the definition of
234 certified expenditure, the division shall provide the person a written explanation
235 that states each reason the division denied the expenditure and give the person an
236 opportunity to correct any deficiency or provide additional information.
- 237 (5)(a) A person with an agreement may apply for a tax credit certificate:
- 238 (i) upon becoming [~~an eligible~~] a claimant; and
239 (ii) for a taxable year beginning on or after January 1, 2027.
- 240 (b) The person shall include in the application for a tax credit certificate the following
241 information for the taxable year in which the person seeks a tax credit certificate:
- 242 (i) proof that the person is [~~an eligible~~] a claimant;
243 (ii) a description of the mineral that the [~~eligible~~] claimant produced and evidence to
244 support that the mineral is produced from an eligible exploration activity;
245 (iii) the amount of severance tax liability as a direct result of minerals produced from
246 an eligible exploration activity that the [~~eligible~~] claimant incurred for the taxable
247 year; and
248 (iv) any other information the division requests.
- 249 (6)(a) After the division receives an application for a tax credit certificate, the division
250 shall:
- 251 (i) verify that the person is [~~an eligible~~] a claimant; and
252 (ii) determine whether the [~~eligible~~] claimant has approved certified expenditures.
- 253 (b) Subject to Subsection (6)(c), the division shall issue a tax credit certificate in an
254 amount equal to the lesser of:
- 255 (i) 50% of the amount of certified expenditures minus any certified expenditures for
256 which the division previously issued a tax credit certificate; or
257 (ii) 50% of the claimant's severance tax liability as a direct result of minerals
258 produced from an eligible exploration activity for the taxable year.
- 259 (c)(i) The division may not issue a tax credit certificate if the aggregate value of tax
260 credit certificates issued for certified expenditures related to eligible exploration
261 activities at the same mine exceeds [~~\$20,000,000~~] \$10,000,000.
- 262 (ii) Notwithstanding Subsection (6)(c)(i), the division may issue a tax credit
263 certificate up to an aggregate value of [~~\$30,000,000~~] \$15,000,000 for certified
264 expenditures related to eligible exploration activities at the same mine if the
265 certified expenditures that exceed [~~\$20,000,000~~] \$10,000,000 are for eligible
266 exploration activities undertaken to produce a mineral for which the United States

267 is greater than 50% net import reliant, as provided in the Mineral Commodity
 268 Summaries published by the United States Geological Survey, in the calendar year
 269 in which an eligible exploration activity commences.

270 ~~[(7)(a) If the claimant meets the requirements of Subsection (4)(a)(vi), the division shall~~
 271 ~~issue an assigned tax credit certificate to the person identified by the claimant in an~~
 272 ~~amount equal to the lesser of:]~~

273 ~~[(i) the amount of the claimant's certified expenditures minus any certified~~
 274 ~~expenditures for which the division previously issued a tax credit certificate; or]~~

275 ~~[(ii) the person's severance tax liability as a direct result of minerals produced from~~
 276 ~~an eligible exploration activity for the taxable year.]~~

277 ~~[(b) A person that receives an assigned tax credit certificate may claim the tax credit~~
 278 ~~under Section 59-5-304 as if the person met the requirements of Section 59-5-304, if~~
 279 ~~the person files a return under Title 59, Chapter 5, Part 2, Mining Severance Tax.]~~

280 ~~[(8)] (7) [An eligible] A claimant that receives a tax credit certificate [or assigned tax credit~~
 281 ~~certificate] in accordance with this section shall retain the tax credit certificate [or~~
 282 ~~assigned tax credit certificate] for the same time period that a person is required to keep~~
 283 ~~books and records under Section 59-1-1406.~~

284 ~~[(9)] (8) The division shall submit annually to the State Tax Commission an electronic list~~
 285 ~~that includes:~~

286 (a) the name and identifying information for[:]

287 ~~[(i)]~~ each claimant to which the division issues a tax credit certificate; and

288 ~~[(ii) each person to which the division issues an assigned tax credit certificate in~~
 289 ~~accordance with Subsection (7);]~~

290 (b) for each ~~[person described in Subsection (9)(a)]~~ claimant, the amount of tax credit
 291 stated on the tax credit certificate ~~[or assigned tax credit certificate; and] .~~

292 ~~[(c) for each person described in Subsection (9)(a)(ii), information necessary to identify~~
 293 ~~the original tax credit certificate and the assigned tax credit certificate.]~~

294 ~~[(10)] (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~
 295 ~~the division may make rules governing the administration of the agreement and tax~~
 296 ~~credit certificate process described in this section.~~

297 Section 3. Section **40-8-5.5** is enacted to read:

298 **40-8-5.5 (Effective 05/06/26). Fast track permitting for critical minerals.**

299 (1) As used in this section:

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

- 301 (b) "Critical minerals project" means an activity requiring one or more state permits
302 related to the extraction or processing of a critical mineral.
- 303 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 304 (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 305 (2)(a) The division shall prioritize division resources to process a permit that is:
306 (i) requested to be issued by the division; and
307 (ii) related to a critical minerals project described in Subsection (2)(b).
- 308 (b) This Subsection (2) applies to a critical minerals project that is:
309 (i) for the extraction or processing of a critical mineral within a critical minerals
310 zone; or
311 (ii) included in the strategic plan developed by the Critical Minerals Council under
312 Subsection 79-10-302(1).
- 313 (3) The division shall work cooperatively with the Department of Environmental Quality to
314 develop processes under which permits for a critical minerals project described in
315 Subsection (2)(b) that are issued by the division and the Department of Environmental
316 Quality:
317 (a) may be issued at parallel times rather than sequentially; and
318 (b) minimize the need for a person to comply with duplicative, overlapping, or
319 conflicting requirements.
- 320 (4) Nothing in this section abrogates or interferes with the powers or duties of the
321 Department of Environmental Quality.
- 322 Section 4. Section **51-9-202** is amended to read:
323 **51-9-202 (Effective 07/01/26). Permanent state trust fund.**
- 324 (1) Until July 1, 2003, 50% of all funds of every kind that are received by the state that are
325 related to the settlement agreement that the state entered into with leading tobacco
326 manufacturers on November 23, 1998, shall be deposited into the permanent state trust
327 fund created by and operated under Utah Constitution, Article XXII, Section 4.
- 328 (2) On and after July 1, 2003, and until July 1, 2004, 20% of the funds of any kind received
329 by the state that are related to the settlement agreement that the state entered into with
330 leading tobacco manufacturers shall be deposited into the permanent state trust fund
331 created by and operated under Utah Constitution, Article XXII, Section 4.
- 332 (3) On and after July 1, 2004, and until July 1, 2005, 30% of all funds of any kind received
333 by the state that are related to the settlement agreement that the state entered into with
334 leading tobacco manufacturers shall be deposited into the General Fund Budget Reserve

- 335 Account created in Section 63J-1-312.
- 336 (4) On and after July 1, 2005, and until July 1, 2007, 25% of all funds of any kind received
 337 by the state that are related to the settlement agreement that the state entered into with
 338 leading tobacco manufacturers shall be deposited into the permanent state trust fund
 339 created by and operated under Utah Constitution, Article XXII, Section 4.
- 340 (5) On and after July 1, 2007, 40% of all funds of every kind that are received by the state
 341 that are related to the settlement agreement that the state entered into with leading
 342 tobacco manufacturers on November 23, 1998, shall be deposited into the General Fund
 343 and the remaining funds deposited as directed.
- 344 (6) Funds in the permanent state trust fund shall be deposited or invested [~~pursuant to~~] in
 345 accordance with Chapter 7b, Investment of Permanent State Trust Fund Money.
- 346 (7)(a) In accordance with Utah Constitution, Article XXII, Section 4, the interest and
 347 dividends earned annually from the permanent state trust fund shall be deposited in
 348 the General Fund. There shall be transferred on an ongoing basis from the General
 349 Fund to the permanent state trust fund created under Utah Constitution, Article XXII,
 350 Section 4, an amount equal to 50% of the interest and dividends earned annually from
 351 the permanent state trust fund. The amount transferred into the fund under this
 352 Subsection (7)(a) shall be treated as principal.
- 353 (b) Any annual interest or dividends earned from the permanent state trust fund that
 354 remain in the General Fund after Subsection (7)(a) may be appropriated by the
 355 Legislature.
- 356 (c) Any realized or unrealized gains or losses on investments in the permanent state trust
 357 fund shall remain in the permanent state trust fund.
- 358 (8) This section does not apply to funds deposited under [~~Chapter 9, Part 3, Infrastructure~~
 359 ~~and Economic Diversification Investment Account and Deposit or Credit of Certain~~
 360 ~~Severance Taxes Act]~~ Part 3, Deposit or Credit of Certain Severance Taxes and Interest
 361 and Dividends, into the permanent state trust fund.

362 Section 5. Section **51-9-302** is amended to read:

363 **Part 3. Deposit or Credit of Certain Severance Taxes and Interest and Dividends**

364 **51-9-302 (Effective 07/01/26). Definitions.**

365 As used in this part[?]

- 366 [(1) "~~Infrastructure and Economic Diversification Investment Account~~" means the
 367 ~~Infrastructure and Economic Diversification Investment Account~~ created in Section
 368 51-9-303.]

369 [(2) "Permanent] , "permanent state trust fund" means the permanent state trust fund created
 370 under Utah Constitution, Article XXII, Section 4.

371 Section 6. Section **51-9-305** is amended to read:

372 **51-9-305 (Effective 07/01/26). Deposit and credit of certain severance tax**
 373 **revenue.**

374 (1) As used in this section, "aggregate annual revenue" means the aggregate annual revenue
 375 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Severance
 376 Tax on Oil, Gas, and Mining, after subtracting the amounts required to be distributed
 377 under Sections 59-5-116 and 59-5-119.

378 (2) After making the deposits of oil and gas severance tax revenue as required under
 379 Sections 59-5-116 and 59-5-119, the Division of Finance shall make the credit required
 380 under Subsection (3).

381 (3) Beginning on July 1, 2016, the Division of Finance shall credit to the permanent state
 382 trust fund the following aggregate annual revenue:

383 (a) 25% of the first \$50,000,000 of aggregate annual revenue;

384 (b) 50% of the next \$50,000,000 of aggregate annual revenue; and

385 (c) 75% of the aggregate annual revenue that exceeds \$100,000,000.

386 (4) The state treasurer shall invest and separately account for the earnings on funds that are
 387 credited to the permanent state trust fund under this section.

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

391 (b) Interest and dividends earned on revenue from severance taxes that are credited to
 392 the General Fund [~~pursuant to~~] in accordance with Subsection (5)(a) shall be credited
 393 to the [~~Infrastructure and Economic Diversification Investment Account created in~~
 394 ~~Section 51-9-303~~] State Reinvestment Restricted Account created in Section
 395 51-9-1002.

396 Section 7. Section **51-9-1001** is enacted to read:

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

398 **51-9-1001 (Effective 07/01/26). Definitions.**

399 As used in this part:

400 (1) "Account" means the State Reinvestment Restricted Account created in Section
 401 51-9-1002.

402 (2) "Generational water infrastructure" means physical facilities or other physical assets

403 designed to meet generational demands for water.

404 (3) "New revenue" means revenue collected above \$100,000,000 from the taxes imposed
 405 under Title 59, Chapter 5, Severance Tax on Oil, Gas, and Mining, after subtracting the
 406 amounts required to be distributed under Sections 51-9-305, 51-9-306, 59-5-116,
 407 59-5-119, and 59-5-121 and under Subsection 59-5-202(5)(c).

408 Section 8. Section **51-9-1002** is enacted to read:

409 **51-9-1002 (Effective 07/01/26). State Reinvestment Restricted Account created.**

410 (1) There is created within the General Fund a restricted account known as the "State
 411 Reinvestment Restricted Account."

412 (2) The account shall consist of:

413 (a) new revenue that the State Tax Commission shall deposit into the account until the
 414 new revenue equals or exceeds \$200,000,000 in a fiscal year;

415 (b) revenue credited to the account in accordance with Section 59-5-215;

416 (c) revenue credited to the account in accordance with Section 51-9-305; and

417 (d) interest and earnings on money in the account.

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

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

422 **51-9-1003 (Effective 07/01/26). Authorized use of the State Reinvestment**
 423 **Restricted Account.**

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

425 (a) income tax relief;

426 (b) development of generational water infrastructure;

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

429 (d) regionally significant transit development and regionally significant transit
 430 infrastructure;

431 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy
 432 Act; and

433 (f) development of critical mineral resources, as described in Title 79, Chapter 10,
 434 Critical Minerals Strategic Act.

435 (2) Money in the account that is derived from a local source may not be used in an area
 436 outside the area in which the money was generated unless the money is used for a

437 purpose described in Subsection (1).

438 Section 10. Section **59-2-924** is amended to read:

439 **59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions -- Report**
440 **of valuation of property to county auditor and commission -- Transmittal by auditor to**
441 **governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption**
442 **of tentative budget -- Notice provided by the commission.**

443 (1) As used in this section:

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

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

447 (A) interest;

448 (B) penalties;

449 (C) collections from redemptions; or

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

453 (b) "Adjusted tax increment" means the same as that term is defined in Section
454 17C-1-102.

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

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

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

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

464 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
465 year end taxable value of personal property that is:

466 (A) semiconductor manufacturing equipment assessed by a county assessor in
467 accordance with Part 3, County Assessment; and

468 (B) contained on the prior year's tax rolls of the taxing entity.

469 (d) "Base taxable value" means:

470 (i) for an authority created under Section 11-58-201, the same as that term is defined

- 471 in Section 11-58-102;
- 472 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
473 the same as that term is defined in Section 11-59-207;
- 474 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
475 11-70-201, the same as that term is defined in Section 11-70-101;
- 476 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
477 defined in Section 17C-1-102;
- 478 (v) for an authority created under Section 63H-1-201, the same as that term is defined
479 in Section 63H-1-102;
- 480 (vi) for a host local government, the same as that term is defined in Section
481 63N-2-502;
- 482 (vii) for a housing and transit reinvestment zone or convention center reinvestment
483 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
484 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 485 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
486 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
487 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
488 upon the assessment roll last equalized during the base year, as that term is
489 defined in Section 10-21-101 or Section 17-80-101;
- 490 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
491 First Home Investment Zone Act, a property's taxable value as shown upon the
492 assessment roll last equalized during the base year, as that term is defined in
493 Section 63N-3-1601;
- 494 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
495 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
496 upon the assessment roll last equalized during the property tax base year, as that
497 term is defined in Section 63N-3-1701;~~or~~
- 498 (xi) for an electrical energy development zone created under Section 79-6-1104, the
499 value of the property within an electrical energy development zone, as shown on
500 the assessment roll last equalized before the creation of the electrical development
501 zone, as that term is defined in Section 79-6-1104[-] ; or
- 502 (xii) for a critical minerals zone created under Title 79, Chapter 10, Part 4, Critical
503 Minerals Zone, the value of the property within a critical minerals zone, as shown
504 on the assessment roll last equalized before the creation of the critical minerals

- 505 zone, as that term is defined in Section 79-10-101.
- 506 (e) "Centrally assessed benchmark value" means an amount equal to the average year
507 end taxable value of real and personal property the commission assesses in
508 accordance with Part 2, Assessment of Property, for the previous three calendar
509 years, adjusted for taxable value attributable to:
- 510 (i) an annexation to a taxing entity;
- 511 (ii) an incorrect allocation of taxable value of real or personal property the
512 commission assesses in accordance with Part 2, Assessment of Property; or
- 513 (iii) a change in value as a result of a change in the method of apportioning the value
514 prescribed by the Legislature, a court, or the commission in an administrative rule
515 or administrative order.
- 516 (f) "Centrally assessed industry" means the following industry classes the commission
517 assesses in accordance with Part 2, Assessment of Property:
- 518 (i) air carrier;
- 519 (ii) coal;
- 520 (iii) coal load out property;
- 521 (iv) electric generation;
- 522 (v) electric rural;
- 523 (vi) electric utility;
- 524 (vii) gas utility;
- 525 (viii) ground access property;
- 526 (ix) land only property;
- 527 (x) liquid pipeline;
- 528 (xi) metalliferous mining;
- 529 (xii) nonmetalliferous mining;
- 530 (xiii) oil and gas gathering;
- 531 (xiv) oil and gas production;
- 532 (xv) oil and gas water disposal;
- 533 (xvi) railroad;
- 534 (xvii) sand and gravel; and
- 535 (xviii) uranium.
- 536 (g)(i) "Centrally assessed new growth" means the greater of:
- 537 (A) for each centrally assessed industry, zero; or
- 538 (B) the amount calculated by subtracting the centrally assessed benchmark value

- 539 for each centrally assessed industry, adjusted for prior year end incremental
540 value, from the taxable value of real and personal property the commission
541 assesses in accordance with Part 2, Assessment of Property, for each centrally
542 assessed industry for the current year, adjusted for current year incremental
543 value.
- 544 (ii) "Centrally assessed new growth" does not include a change in value for a
545 centrally assessed industry as a result of a change in the method of apportioning
546 the value prescribed by the Legislature, a court, or the commission in an
547 administrative rule or administrative order.
- 548 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
549 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 550 (i) "Community reinvestment agency" means the same as that term is defined in Section
551 17C-1-102.
- 552 (j) "Eligible new growth" means the greater of:
553 (i) zero; or
554 (ii) the sum of:
555 (A) locally assessed new growth;
556 (B) centrally assessed new growth; and
557 (C) project area new growth or hotel property new growth.
- 558 (k) "Host local government" means the same as that term is defined in Section
559 63N-2-502.
- 560 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 561 (m) "Hotel property new growth" means an amount equal to the incremental value that is
562 no longer provided to a host local government as incremental property tax revenue.
- 563 (n) "Incremental property tax revenue" means the same as that term is defined in Section
564 63N-2-502.
- 565 (o) "Incremental value" means:
566 (i) for an authority created under Section 11-58-201, the amount calculated by
567 multiplying:
568 (A) the difference between the taxable value and the base taxable value of the
569 property that is located within a project area and on which property tax
570 differential is collected; and
571 (B) the number that represents the percentage of the property tax differential that
572 is paid to the authority;

- 573 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
574 an amount calculated by multiplying:
- 575 (A) the difference between the current assessed value of the property and the base
576 taxable value; and
- 577 (B) the number that represents the percentage of the property tax augmentation, as
578 defined in Section 11-59-207, that is paid to the Point of the Mountain State
579 Land Authority;
- 580 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
581 11-70-201, the amount calculated by multiplying:
- 582 (A) the difference between the taxable value for the current year and the base
583 taxable value of the property that is located within a project area; and
- 584 (B) the number that represents the percentage of enhanced property tax revenue,
585 as defined in Section 11-70-101;
- 586 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
587 multiplying:
- 588 (A) the difference between the taxable value and the base taxable value of the
589 property located within a project area and on which tax increment is collected;
590 and
- 591 (B) the number that represents the adjusted tax increment from that project area
592 that is paid to the agency;
- 593 (v) for an authority created under Section 63H-1-201, the amount calculated by
594 multiplying:
- 595 (A) the difference between the taxable value and the base taxable value of the
596 property located within a project area and on which property tax allocation is
597 collected; and
- 598 (B) the number that represents the percentage of the property tax allocation from
599 that project area that is paid to the authority;
- 600 (vi) for a housing and transit reinvestment zone or convention center reinvestment
601 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
602 Reinvestment Zone Act, an amount calculated by multiplying:
- 603 (A) the difference between the taxable value and the base taxable value of the
604 property that is located within a housing and transit reinvestment zone or
605 convention center reinvestment zone and on which tax increment is collected;
606 and

- 607 (B) the number that represents the percentage of the tax increment that is paid to
608 the housing and transit reinvestment zone or convention center reinvestment
609 zone;
- 610 (vii) for a host local government, an amount calculated by multiplying:
611 (A) the difference between the taxable value and the base taxable value of the
612 hotel property on which incremental property tax revenue is collected; and
613 (B) the number that represents the percentage of the incremental property tax
614 revenue from that hotel property that is paid to the host local government;
- 615 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
616 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
617 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
618 (A) the difference between the taxable value and the base taxable value of the
619 property that is located within a home ownership promotion zone and on which
620 tax increment is collected; and
621 (B) the number that represents the percentage of the tax increment that is paid to
622 the home ownership promotion zone;
- 623 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
624 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
625 (A) the difference between the taxable value and the base taxable value of the
626 property that is located within a first home investment zone and on which tax
627 increment is collected; and
628 (B) the number that represents the percentage of the tax increment that is paid to
629 the first home investment zone;
- 630 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
631 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
632 calculated by multiplying:
633 (A) the difference between the taxable value and the base taxable value of the
634 property located within a qualified development zone for a major sporting
635 event venue zone and upon which property tax increment is collected; and
636 (B) the number that represents the percentage of tax increment that is paid to the
637 major sporting event venue zone, as approved by a major sporting event venue
638 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 639 (xi) for an electrical energy development zone created under Section 79-6-1104, the
640 amount calculated by multiplying:

- 641 (A) the difference between the taxable value and the base taxable value of the
642 property that is located within the electrical energy developmental zone; and
643 (B) the number that represents the percentage of the tax increment that is paid to a
644 community reinvestment agency and the Electrical Energy Development
645 Investment Fund created in Section 79-6-1105[-] ; or
646 (xii) for a critical minerals zone created under Section 79-10-403, the amount
647 calculated by multiplying:
648 (A) the difference between the taxable value and the base taxable value of the
649 property that is located within the critical minerals zone; and
650 (B) the number that represents the percentage of the tax increment that is paid to a
651 community reinvestment agency or a state land use authority, as defined in
652 Section 79-10-401, and the Critical Minerals Development Account created in
653 Section 79-10-701.
- 654 (p)(i) "Locally assessed new growth" means the greater of:
655 (A) zero; or
656 (B) the amount calculated by subtracting the year end taxable value of real
657 property the county assessor assesses in accordance with Part 3, County
658 Assessment, for the previous year, adjusted for prior year end incremental
659 value from the taxable value of real property the county assessor assesses in
660 accordance with Part 3, County Assessment, for the current year, adjusted for
661 current year incremental value.
- 662 (ii) "Locally assessed new growth" does not include a change in:
663 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
664 or another adjustment;
665 (B) assessed value based on whether a property is allowed a residential exemption
666 for a primary residence under Section 59-2-103;
667 (C) assessed value based on whether a property is assessed under Part 5, Farmland
668 Assessment Act; or
669 (D) assessed value based on whether a property is assessed under Part 17, Urban
670 Farming Assessment Act.
- 671 (q) "Project area" means:
672 (i) for an authority created under Section 11-58-201, the same as that term is defined
673 in Section 11-58-102;
674 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section

- 675 11-70-201, the same as that term is defined in Section 11-70-101;
- 676 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
677 defined in Section 17C-1-102;
- 678 (iv) for an authority created under Section 63H-1-201, the same as that term is
679 defined in Section 63H-1-102;
- 680 (v) for a housing and transit reinvestment zone or convention center reinvestment
681 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
682 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 683 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
684 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
685 5, Home Ownership Promotion Zone, the same as that term is defined in Section
686 10-21-101 or Section 17-80-101;
- 687 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
688 First Home Investment Zone Act, the same as that term is defined in Section
689 63N-3-1601; or
- 690 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
691 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
692 as defined in Section 63N-3-1701.
- 693 (r) "Project area new growth" means:
- 694 (i) for an authority created under Section 11-58-201, an amount equal to the
695 incremental value that is no longer provided to an authority as property tax
696 differential;
- 697 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
698 an amount equal to the incremental value that is no longer provided to the Point of
699 the Mountain State Land Authority as property tax augmentation, as defined in
700 Section 11-59-207;
- 701 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
702 11-70-201, an amount equal to the incremental value that is no longer provided to
703 the Utah Fairpark Area Investment and Restoration District;
- 704 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
705 incremental value that is no longer provided to an agency as tax increment;
- 706 (v) for an authority created under Section 63H-1-201, an amount equal to the
707 incremental value that is no longer provided to an authority as property tax
708 allocation;

- 709 (vi) for a housing and transit reinvestment zone or convention center reinvestment
710 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
711 Reinvestment Zone Act, an amount equal to the incremental value that is no
712 longer provided to a housing and transit reinvestment zone or convention center
713 reinvestment zone as tax increment;
- 714 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
715 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
716 5, Home Ownership Promotion Zone, an amount equal to the incremental value
717 that is no longer provided to a home ownership promotion zone as tax increment;
- 718 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
719 First Home Investment Zone Act, an amount equal to the incremental value that is
720 no longer provided to a first home investment zone as tax increment; or
- 721 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
722 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
723 value that is no longer provided to the creating entity of a major sporting event
724 venue zone as property tax increment.
- 725 (s) "Project area incremental revenue" means the same as that term is defined in Section
726 17C-1-1001.
- 727 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 728 (u) "Property tax differential" means the same as that term is defined in Sections
729 11-58-102[~~and~~] , 79-6-1104, and 79-10-401.
- 730 (v) "Tax increment" means:
- 731 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
732 in Section 17C-1-102;
- 733 (ii) for a housing and transit reinvestment zone or convention center reinvestment
734 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
735 Reinvestment Zone Act, the same as the term "property tax increment" is defined
736 in Section 63N-3-602;
- 737 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
738 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
739 5, Home Ownership Promotion Zone, the same as that term is defined in Section
740 10-21-101 or Section 17-80-101;
- 741 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
742 First Home Investment Zone Act, the same as that term is defined in Section

- 743 63N-3-1601; or
- 744 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 745 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 746 defined in Section 63N-3-1701.
- 747 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
- 748 the commission the following statements:
- 749 (a) a statement containing the aggregate valuation of all taxable real property a county
- 750 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 751 entity; and
- 752 (b) a statement containing the taxable value of all personal property a county assessor
- 753 assesses in accordance with Part 3, County Assessment, from the prior year end
- 754 values.
- 755 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 756 taxing entity:
- 757 (a) the statements described in Subsections (2)(a) and (b);
- 758 (b) an estimate of the revenue from personal property;
- 759 (c) the certified tax rate; and
- 760 (d) all forms necessary to submit a tax levy request.
- 761 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 762 calculated by dividing the ad valorem property tax revenue that a taxing entity
- 763 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 764 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 765 calculate an amount as follows:
- 766 (i) calculate for the taxing entity the difference between:
- 767 (A) the aggregate taxable value of all property taxed; and
- 768 (B) any adjustments for current year incremental value;
- 769 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 770 determined by increasing or decreasing the amount calculated under Subsection
- 771 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 772 property for the equalization period for the three calendar years immediately
- 773 preceding the current calendar year;
- 774 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 775 product of:
- 776 (A) the amount calculated under Subsection (4)(b)(ii); and

- 777 (B) the percentage of property taxes collected for the five calendar years
778 immediately preceding the current calendar year; and
- 779 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
780 amount determined by:
- 781 (A) multiplying the percentage of property taxes collected for the five calendar
782 years immediately preceding the current calendar year by eligible new growth;
783 and
- 784 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
785 amount calculated under Subsection (4)(b)(iii).
- 786 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
787 as follows:
- 788 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
789 tax rate is zero;
- 790 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 791 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
792 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
793 to Unincorporated Areas; and
- 794 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
795 purposes and such other levies imposed solely for the municipal-type services
796 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 797 (c) for a community reinvestment agency that received all or a portion of a taxing
798 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
799 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
800 Subsection (4) except that the commission shall treat the total revenue transferred to
801 the community reinvestment agency as ad valorem property tax revenue that the
802 taxing entity budgeted for the prior year; and
- 803 (d) for debt service voted on by the public, the certified tax rate is the actual levy
804 imposed by that section, except that a certified tax rate for the following levies shall
805 be calculated in accordance with Section 59-2-913 and this section:
- 806 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
807 (ii) a levy to pay for the costs of state legislative mandates or judicial or
808 administrative orders under Section 59-2-1602.
- 809 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
810 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy

- 811 one or more eligible judgments.
- 812 (b) The ad valorem property tax revenue generated by a judgment levy described in
813 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
814 certified tax rate.
- 815 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 816 (i) the taxable value of real property:
- 817 (A) the county assessor assesses in accordance with Part 3, County Assessment;
818 and
819 (B) contained on the assessment roll;
- 820 (ii) the year end taxable value of personal property:
- 821 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
822 (B) contained on the prior year's assessment roll; and
- 823 (iii) the taxable value of real and personal property the commission assesses in
824 accordance with Part 2, Assessment of Property.
- 825 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
826 growth.
- 827 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 828 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
829 the county auditor of:
- 830 (i) the taxing entity's intent to exceed the certified tax rate; and
831 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 832 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
833 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 834 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
835 electronic means on or before July 31, to a taxing entity and the Revenue and
836 Taxation Interim Committee if:
- 837 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
838 taxable value of the real and personal property the commission assesses in
839 accordance with Part 2, Assessment of Property, for the previous year, adjusted
840 for prior year end incremental value; and
- 841 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
842 end taxable value of the real and personal property of a taxpayer the commission
843 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 844 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by

845 subtracting the taxable value of real and personal property the commission assesses
 846 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
 847 current year incremental value, from the year end taxable value of the real and
 848 personal property the commission assesses in accordance with Part 2, Assessment of
 849 Property, for the previous year, adjusted for prior year end incremental value.

850 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
 851 subtracting the total taxable value of real and personal property of a taxpayer the
 852 commission assesses in accordance with Part 2, Assessment of Property, for the
 853 current year, from the total year end taxable value of the real and personal property of
 854 a taxpayer the commission assesses in accordance with Part 2, Assessment of
 855 Property, for the previous year.

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

858 Section 11. Section **59-5-115** is amended to read:

859 **59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of taxes**
 860 **collected -- Credit to General Fund.**

861 (1) As used in this section, "above-trend revenue" means the amount by which the actual
 862 revenue from the oil and gas severance tax deposited into the General Fund under
 863 Subsection (2) exceeds the long-term trend of oil and gas severance tax revenue to the
 864 General Fund as determined by the Office of the Legislative Fiscal Analyst and the
 865 Governor's Office of Planning and Budget.

866 (2) Except as provided in Section 51-9-305, 51-9-306, [~~51-9-307,~~] 51-9-1002, 59-5-116,
 867 59-5-119, or 59-5-121, a tax imposed and collected under Section 59-5-102 shall be paid
 868 to the commission, promptly remitted to the state treasurer, and credited to the General
 869 Fund.

870 (3) The Division of Finance shall transfer above-trend revenue up to [~~\$20 million~~]
 871 \$20,000,000 from the General Fund into the Transportation Investment Fund each year
 872 beginning in the fiscal year beginning July 1, 2023, until the amount deposited into the
 873 Transportation Investment Fund totals [~~\$88.5 million~~] \$88,500,000.

874 Section 12. Section **59-5-116** is amended to read:

875 **59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of certain**
 876 **taxes collected on Ute Indian land.**

877 (1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin
 878 Revitalization Fund established in Section 35A-8-1602:

- 879 (a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other
880 hydrocarbon substances produced from a well:
- 881 (i) for which production began on or before June 30, 1995; and
882 (ii) attributable to interests:
- 883 (A) held in trust by the United States for the Tribe and [its] the Tribe's members; or
884 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);
- 885 (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
886 hydrocarbon substances produced from a well:
- 887 (i) for which production began on or after July 1, 1995; and
888 (ii) attributable to interests:
- 889 (A) held in trust by the United States for the Tribe and [its] the Tribe's members; or
890 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and
- 891 (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
892 hydrocarbon substances produced from a well:
- 893 (i) for which production began on or after January 1, 2001; and
894 (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land
895 Restoration Act, Pub. L. No. 106-398, Sec. 3303.
- 896 (2)(a) The maximum amount deposited in the Uintah Basin Revitalization Fund may not
897 exceed:
- 898 (i) \$3,000,000 in fiscal year 2005-06;
899 (ii) \$5,000,000 in fiscal year 2006-07;
900 (iii) \$6,000,000 in fiscal years 2007-08 and 2008-09; and
901 (iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the
902 commission as described in Subsection (2)(b).
- 903 (b)(i) The commission shall increase or decrease the dollar amount described in
904 Subsection (2)(a)(iii) by a percentage equal to the percentage difference between
905 the consumer price index for the preceding calendar year and the consumer price
906 index for calendar year 2008; and
907 (ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar
908 amount to the nearest whole dollar.
- 909 (c) For purposes of this Subsection (2), "consumer price index" is as described in
910 Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal
911 Revenue Code.
- 912 (d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be

913 credited as provided in Sections 51-9-305, 51-9-306, [~~51-9-307~~] 51-9-1002, and
914 59-5-115.

915 Section 13. Section **59-5-119** is amended to read:

916 **59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of certain**
917 **taxes collected on Navajo Nation land located in Utah.**

918 (1) Except as provided in Subsection (2), there shall be deposited into the Navajo
919 Revitalization Fund established in Section 35A-8-1704 for taxes imposed under this part
920 beginning on July 1, 1997:

921 (a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced
922 from a well:

923 (i) for which production began on or before June 30, 1996; and

924 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
925 Nation and [~~its~~] the Navajo Nation's members; and

926 (b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced
927 from a well:

928 (i) for which production began on or after July 1, 1996; and

929 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
930 Nation and [~~its~~] the Navajo Nation's members.

931 (2)(a) The maximum amount deposited in the Navajo Revitalization Fund may not
932 exceed:

933 (i) \$2,000,000 in fiscal year 2006-07; and

934 (ii) \$3,000,000 for fiscal years beginning with fiscal year 2007-08.

935 (b) Any amounts in excess of the maximum described in Subsection (2)(a) shall be
936 credited as provided in Sections 51-9-305, 51-9-306, [~~51-9-307~~] 51-9-1002, and
937 59-5-115.

938 Section 14. Section **59-5-204** is amended to read:

939 **59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26). Statements filed --**
940 **Contents -- Verification -- Falsification as perjury.**

941 (1) Every person engaged in the business of mining or extracting metalliferous minerals
942 shall make and file with the commission, on or before June 1 of each year on forms
943 furnished by the commission, a statement containing:

944 (a) the name, description, and location of the mine owned and operated by the person
945 during the preceding calendar year;

946 (b) the number of tons of minerals described in Subsection (2)(b)(i) that are mined

947 during the preceding calendar year and the disposition of the minerals;
 948 (c) the total amount received during the preceding year from the sale of the minerals
 949 described in Subsection (1)(b);
 950 [(b)] (d) the number of tons of [mineral] minerals not described in Subsection (1)(b) that
 951 are mined during the preceding calendar year and the disposition of the [mineral]
 952 minerals;
 953 [(e)] (e) the total amount received during the preceding calendar year from the sale of
 954 minerals not described in Subsection (1)(b); and
 955 [(f)] (f) such other reasonable and necessary information as the commission may require
 956 for the proper enforcement of this chapter as specified in a rule adopted under Title
 957 63G, Chapter 3, Utah Administrative Rulemaking Act.

958 (2) The owner of the mine shall be responsible for the statement or report required by this
 959 section, but the principal lessee, contractor, or operator may, with the consent of the
 960 commission, report and pay the tax as agent for the owner. The owner shall be entitled
 961 to deduct and remit to the commission any tax chargeable upon the operations conducted
 962 by the lessees or other parties.

963 (3) The statements or reports required to be filed with the commission shall be signed and
 964 sworn to by the person required to file the statements or reports, by a partner if a
 965 partnership, or by the president, secretary, or managing officer, if a corporation. Any
 966 willful false swearing as to the purported material facts set out in this report constitutes
 967 the crime of perjury and shall be punished as such under Title 76, Utah Criminal Code.

968 Section 15. Section **59-5-215** is amended to read:

969 **59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of taxes**
 970 **collected -- Credit to General Fund -- Transfer to State Reinvestment Restricted Account.**

971 (1) Except as provided in Section 51-9-305, 51-9-306, or [51-9-307] 51-9-1002, or
 972 Subsection 59-5-202(5), a tax imposed and collected under Section 59-5-202 shall be
 973 paid to the commission, promptly remitted to the state treasurer, and credited to the
 974 General Fund.

975 (2)(a) For fiscal year 2027, the Division of Finance shall transfer 50% of the revenue
 976 collected under Section 59-5-202 for calendar year 2026 that exceeds \$11,526,000
 977 from the General Fund to the State Reinvestment Restricted Account created in
 978 Section 51-9-1002.

979 (b) For a fiscal year beginning on or after July 1, 2027, the Division of Finance shall:
 980 (i) determine from the commission the amount of revenue that is collected for

981 calendar year 2026 under Section 59-5-202 for a mineral for which the United
 982 States is greater than 50% net import reliant as provided in the Mineral
 983 Commodity Summaries published by the United States Geological Survey, as of
 984 the December 15 immediately proceeding the calendar year for which the tax is
 985 collected and published by the Division of Oil, Gas, and Mining under Subsection
 986 (3);

987 (ii) determine from the commission the amount of revenue that is collected for the
 988 previous calendar year for a mineral for which the United States is greater than
 989 50% net import reliant as provided in the Mineral Commodity Summaries
 990 published by the United States Geological Survey, as of the December 15
 991 immediately proceeding the calendar year for which the tax is collected and
 992 published by the Division of Oil, Gas, and Mining under Subsection (3); and

993 (iii) transfer from the General Fund to the State Reinvestment Restricted Account
 994 created in Section 51-9-1002 the greater of 0 or the difference calculated by
 995 subtracting (2)(b)(i) from (ii).

996 (3) The Division of Oil, Gas, and Mining shall by no later than December 31 of each year:

997 (a) publish a list of minerals that meet the condition described in Subsection (1)(b)(ii);
 998 and

999 (b) submit an electronic copy of the list described in Subsection (3)(a) to the Division of
 1000 Finance.

1001 Section 16. Section **59-5-304** is amended to read:

1002 **59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).**

1003 **Tax credit for mining exploration.**

1004 (1) As used in this section:

1005 [(a) "Assigned tax credit certificate" means the same as that term is defined in Section
 1006 40-6-24.]

1007 [(b)] (a) "Eligible claimant" means a person[;]

1008 [(i)] _that is a claimant as defined in Section 40-6-24 and obtains a tax credit
 1009 certificate[; or] .

1010 [(ii) to which a person described in Subsection (1)(b)(i) assigns a tax credit certificate
 1011 and that obtains an assigned tax credit certificate in accordance with Section
 1012 40-6-24.]

1013 [(e)] (b) "Tax credit certificate" means the same as that term is defined in Section 40-6-24.

1014 (2) For a taxable year beginning on or after January 1, 2027, an eligible claimant may claim

1015 a nonrefundable tax credit against severance tax otherwise due under Part 2, Mining
 1016 Severance Tax, in an amount equal to the amount stated on^[:] the tax credit certificate
 1017 for the taxable year.

1018 [~~(a) the tax credit certificate for the taxable year for an eligible claimant described in~~
 1019 ~~Subsection (1)(b)(i); or]~~

1020 [~~(b) the assigned tax credit certificate for the taxable year for an eligible claimant~~
 1021 ~~described in Subsection (1)(b)(ii).]~~

1022 (3) An eligible claimant may carry forward to the next 15 taxable years the amount of the
 1023 eligible claimant's tax credit that exceeds the amount described in Subsection (2).

1024 Section 17. Section **63J-1-602.2** is amended to read:

1025 **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29). List of nonlapsing**
 1026 **appropriations to programs.**

1027 Appropriations made to the following programs are nonlapsing:

1028 (1) The Legislature and the Legislature's committees.

1029 (2) The State Board of Education, including all appropriations to agencies, line items, and
 1030 programs under the jurisdiction of the State Board of Education, in accordance with
 1031 Section 53F-9-103.

1032 (3) The Rangeland Improvement Act created in Section 4-20-101.

1033 (4) The Percent-for-Art Program created in Section 9-6-404.

1034 (5) The LeRay McAllister Working Farm and Ranch Fund Program created in Title 4,
 1035 Chapter 46, Part 3, LeRay McAllister Working Farm and Ranch Fund.

1036 (6) The Utah Lake Authority created in Section 11-65-201.

1037 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under
 1038 Subsection 17-66-303(2)(d)(ii).

1039 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.

1040 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection
 1041 26B-3-108(7).

1042 (10) The primary care grant program created in Section 26B-4-310.

1043 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.

1044 (12) The Utah Health Care Workforce Financial Assistance Program created in Section
 1045 26B-4-702.

1046 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.

1047 (14) The Utah Medical Education Council for the:

1048 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;

- 1049 (b) provision of medical residency grants described in Section 26B-4-711; and
1050 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.
- 1051 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.
1052 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program
1053 created in Section 26B-7-122.
1054 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with
1055 Subsection 32B-2-301(8)(a) or (b).
1056 (18) The General Assistance program administered by the Department of Workforce
1057 Services, as provided in Section 35A-3-401.
1058 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
1059 (20) The Search and Rescue Financial Assistance Program, as provided in Section
1060 53-2a-1102.
1061 (21) The Emergency Medical Services Grant Program, as provided in Section 53-2d-207.
1062 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
1063 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in
1064 Section 53H-5-402.
1065 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection
1066 53G-10-608(3).
1067 (25) The Division of Fleet Operations for the purpose of upgrading underground storage
1068 tanks under Section 63A-9-401.
1069 (26) The Division of Technology Services for technology innovation as provided under
1070 Section 63A-16-903.
1071 (27) The State Capitol Preservation Board created by Section 63O-2-201.
1072 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
1073 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado
1074 River Authority of Utah Act.
1075 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as
1076 provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
1077 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion
1078 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion
1079 Program.
1080 (32) County correctional facility contracting program for state inmates as described in
1081 Section 64-13e-103.
1082 (33) County correctional facility reimbursement program for state probationary inmates and

- 1083 state parole inmates as described in Section 64-13e-104.
- 1084 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 1085 (35) The Division of Human Resource Management user training program, as provided in
1086 Section 63A-17-106.
- 1087 (36) A public safety answering point's emergency telecommunications service fund, as
1088 provided in Section 69-2-301.
- 1089 (37) The Traffic Noise Abatement Program created in Section 72-6-112.
- 1090 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the
1091 Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a
1092 settlement of federal reserved water right claims.
- 1093 (39) The Judicial Council for compensation for special prosecutors, as provided in Section
1094 77-10a-19.
- 1095 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 1096 (41) The Utah Geological Survey, as provided in Section 79-3-401.
- 1097 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 1098 (43) Adoption document access as provided in Sections 81-13-103, 81-13-504, and
1099 81-13-505.
- 1100 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense
1101 Commission.
- 1102 (45) The program established by the Division of Facilities Construction and Management
1103 under Section 63A-5b-703 under which state agencies receive an appropriation and pay
1104 lease payments for the use and occupancy of buildings owned by the Division of
1105 Facilities Construction and Management.
- 1106 (46) The State Tax Commission for reimbursing counties for deferrals in accordance with
1107 Section 59-2-1802.5.
- 1108 (47) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.
- 1109 (48) The Critical Minerals Council created by Section 79-10-301.
- 1110 Section 18. Section **79-2-201** is amended to read:
- 1111 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29). Department of**
1112 **Natural Resources created.**
- 1113 (1) There is created the Department of Natural Resources.
- 1114 (2) The department comprises the following:
- 1115 (a) Board of Water Resources, created in Section 73-10-1.5;
- 1116 (b) Board of Oil, Gas, and Mining, created in Section 40-6-4;

- 1117 (c) Office of Energy Development, created in Section 79-6-401;
- 1118 (d) Wildlife Board, created in Section 23A-2-301;
- 1119 (e) Board of the Utah Geological Survey, created in Section 79-3-301;
- 1120 (f) Water Development Coordinating Council, created in Section 73-10c-3;
- 1121 (g) Division of Water Rights, created in Section 73-2-1.1;
- 1122 (h) Division of Water Resources, created in Section 73-10-18;
- 1123 (i) Division of Forestry, Fire, and State Lands, created in Section 65A-1-4;
- 1124 (j) Division of Oil, Gas, and Mining, created in Section 40-6-15;
- 1125 (k) Division of State Parks, created in Section 79-4-201;
- 1126 (l) Division of Outdoor Recreation, created in Section 79-7-201;
- 1127 (m) Division of Wildlife Resources, created in Section 23A-2-201;
- 1128 (n) Utah Geological Survey, created in Section 79-3-201;
- 1129 (o) Utah Outdoor Recreation Infrastructure Advisory Committee, created in Section
1130 79-7-206;
- 1131 (p)(i) an advisory council that includes in the advisory council's duties advising on
1132 state boating policy, authorized by Section 73-18-3.5; or
- 1133 (ii) an advisory council that includes in the advisory council's duties advising on
1134 off-highway vehicle use, authorized by Section 41-22-10;
- 1135 (q) Wildlife Board Nominating Committee, created in Section 23A-2-302;
- 1136 (r) Wildlife Regional Advisory Councils, created in Section 23A-2-303;
- 1137 (s) Utah Watersheds Council, created in Section 73-10g-304;
- 1138 (t) Public Lands Policy Coordinating Office created in Section 63L-11-201;~~and~~
- 1139 (u) the Great Salt Lake commissioner, appointed under Section 73-32-201, and the
1140 Office of the Great Salt Lake Commissioner, created in Section 73-32-301[-] ; and
- 1141 (v) the Critical Minerals Council, created in Section 79-10-301.

1142 Section 19. Section **79-10-101** is enacted to read:

1143 **CHAPTER 10. Critical Minerals Strategic Act**

1144 **Part 1. General Provisions**

1145 **79-10-101 (Effective 05/06/26). Definitions.**

1146 As used in this chapter:

- 1147 (1) "Atlas" means a depository of geological data maintained in accordance with Part 5,
1148 Critical Minerals Atlas.
- 1149 (2) "Center" means the Minerals for Industrial, National, and Economic Security Center

- 1150 created in accordance with Part 6, Minerals for Industrial, National, and Economic
 1151 Security Center.
- 1152 (3) "Council" means the Critical Minerals Council created in Section 79-10-301.
- 1153 (4) "Critical mineral" means a mineral identified by the United States Geological Survey or
 1154 the council as essential to the economic security of the state or national security.
- 1155 (5) "Critical minerals zone" means a critical minerals zone designated by the council under
 1156 Part 4, Critical Minerals Zone.
- 1157 (6) "Permit" means one of the following issued by a state agency:
- 1158 (a) a permit;
- 1159 (b) a plan;
- 1160 (c) a license;
- 1161 (d) an approval order; or
- 1162 (e) another administrative authorization.

1163 Section 20. Section **79-10-201** is enacted to read:

1164 **Part 2. State Critical Minerals Objectives and Policy**

1165 **79-10-201 (Effective 05/06/26). State critical mineral objectives and policy.**

- 1166 (1) The state's long-term objectives related to critical minerals are:
- 1167 (a) to capture 20% to 25% of United States domestic critical minerals demand;
- 1168 (b) to process within the state 50% of the critical minerals extracted from within the
 1169 state;
- 1170 (c) to reduce average permitting timelines to less than 18 months;
- 1171 (d) to establish and build out the Minerals for Industrial, National, and Economic
 1172 Security Center, as provided in Part 6, Minerals for Industrial, National, and
 1173 Economic Security Center; and
- 1174 (e) to secure federal designation of an entity within the state as a United States critical
 1175 minerals national laboratory.
- 1176 (2) The state's policy related to critical minerals is to:
- 1177 (a) pursue market-based solutions while using public policy to accelerate market
 1178 performance;
- 1179 (b) foster the long-term viability of extraction and processing operations;
- 1180 (c) foster the long-term health of marketplaces to ensure private parties can invest
 1181 confidently in the critical minerals industry;
- 1182 (d) maximize resources available across the state, including natural, talent, processing,
 1183 financial, and technological resources;

- 1184 (e) leverage the Utah System of Higher Education, including technical colleges, to create
 1185 a specialized talent pipeline for mining, geology, and processing;
 1186 (f) create a positive regulatory framework, including streamlined permitting for critical
 1187 minerals processes;
 1188 (g) create intrastate, interstate, and federal partnerships that leverage available resources
 1189 for state, regional, and national benefit;
 1190 (h) accelerate development of critical minerals zones; and
 1191 (i) support applied research partnerships between higher education, industry, and the
 1192 state that support commercialization.

1193 (3) State agencies, academia, and industry are encouraged to conduct activities consistent
 1194 with Subsections (1) and (2).

1195 (4) This section does not create a cause of action against the state's or a state agency's action
 1196 that is inconsistent with Subsections (1) and (2) and does not waive governmental
 1197 immunity under Title 63G, Chapter 7, Governmental Immunity Act of Utah.

1198 Section 21. Section **79-10-202** is enacted to read:

1199 **79-10-202 (Effective 05/06/26). Legislative review of objectives and policy.**

1200 The Natural Resources, Agriculture, and Environment Interim Committee shall annually
 1201 review the state's critical mineral objectives and policy under Section 79-10-201 and propose
 1202 any changes to the Legislature.

1203 Section 22. Section **79-10-301** is enacted to read:

1204 **Part 3. Critical Minerals Coordinating Council**

1205 **79-10-301 (Effective 05/06/26). Critical Minerals Council created.**

1206 (1) There is created within the Department of Natural Resources a mixed purpose board
 1207 known as the "Critical Minerals Council."

1208 (2) The council consists of the following 11 members:

1209 (a) the director of the Office of Energy Development, or the director's designee;

1210 (b) the director of the Division of Oil, Gas, and Mining, or the director's designee;

1211 (c) one of the following appointed by the governor:

1212 (i) the executive director of the Governor's Office of Economic Opportunity; or

1213 (ii) the executive director of the Nucleus Institute, created in Section 53H-16-202;

1214 (d) a member of the House of Representatives, appointed by the speaker of the House of
 1215 Representatives;

1216 (e) a member of the Senate, appointed by the president of the Senate;

1217 (f) the president of the University of Utah, or the president's designee;

- 1218 (g) the president of an association representing Utah's mining industry, including
1219 hardrock operators, industrial mineral operators, coal operators, mineral processing
1220 operations, and mining services companies, appointed by the governor;
- 1221 (h) a representative from an organization designed to create jobs in Utah by expanding
1222 international sales, attracting foreign investment, and facilitating international
1223 partnerships, appointed by the governor;
- 1224 (i) a representative from a state land use authority, as defined in Section 79-10-401,
1225 appointed by the governor; and
- 1226 (j) two at-large members who represent a relevant industry, represent a state research
1227 center, or have expertise in environmental regulation, appointed by the members of
1228 the council described in Subsections (2)(a) through (i).
- 1229 (3)(a)(i) The director of the Office of Energy Development, or the director's designee,
1230 is the co-chair of the council.
- 1231 (ii) The president of the Senate and the speaker of the House of Representatives shall
1232 jointly appoint a co-chair of the council from members of the council.
- 1233 (b) The vice-chairs of the council are:
- 1234 (i) the director of the Division of Oil, Gas, and Mining, or the director's designee; and
1235 (ii) the individual appointed under Subsection (1)(c).
- 1236 (4)(a) The majority of the members constitutes a quorum of the council.
- 1237 (b) The majority vote of the members present when a quorum is present constitutes
1238 action of the council.
- 1239 (5) The council shall meet:
- 1240 (a) at the time and place designated by the chairs; and
1241 (b) no less than once every month or as frequently as the council determines.
- 1242 (6)(a) A member appointed under Subsections (2)(g) through (j) shall serve a term of
1243 four years.
- 1244 (b) The appointing authority may appoint an individual to a position under Subsections
1245 (2)(g) through (j) to more than one term.
- 1246 (c) Notwithstanding Subsection (6)(a), the council shall, at the time of appointment or
1247 reappointment, adjust the length of terms to ensure that the terms of the members
1248 appointed under Subsections (2)(g) through (j) are staggered so that approximately
1249 half of the members appointed under Subsections (2)(g) through (j) are appointed
1250 every two years.
- 1251 (7)(a) A vacancy that occurs on the council for any reason shall be filled in the same

- 1252 manner as the original appointment.
- 1253 (b) If an at-large representative vacates the position, the council shall appoint a new
- 1254 member for the unexpired term of the vacated member.
- 1255 (8) A member may not receive compensation or benefits for the member's service, but may
- 1256 receive per diem and travel expenses in accordance with:
- 1257 (a) Section 63A-3-106;
- 1258 (b) Section 63A-3-107; and
- 1259 (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
- 1260 63A-3-107.
- 1261 (9)(a) A council member who has, will have, or later acquires an interest, direct or
- 1262 indirect, in a transaction with the council shall immediately disclose the nature and
- 1263 extent of that interest in writing to the council as soon as the council member has
- 1264 knowledge of the actual or prospective interest.
- 1265 (b) The council shall enter a disclosure described in this Subsection (9) upon the minutes
- 1266 of the council.
- 1267 (c) Upon disclosure, that council member may participate in an action by the council
- 1268 authorizing the transaction.
- 1269 (10) The Department of Natural Resources shall provide staff support to the council.
- 1270 Section 23. Section **79-10-302** is enacted to read:
- 1271 **79-10-302 (Effective 05/06/26). Powers and duties of the council.**
- 1272 (1) The council shall:
- 1273 (a) develop a strategic plan to prioritize activities and projects related to the exploration,
- 1274 development, production, and processing of critical minerals in the state consistent
- 1275 with the state's critical minerals objectives and policy as outlined in Section
- 1276 79-10-201;
- 1277 (b) ensure that efforts among Utah public, private, and academic partners regarding
- 1278 critical minerals are coordinated efficiently and effectively;
- 1279 (c) act as a clearinghouse for information related to federal, state, or local grants and
- 1280 determine whether a grant application is consistent with the strategic plan developed
- 1281 under Subsection (1)(a);
- 1282 (d) investigate and participate in studies of problems unique to the exploration,
- 1283 development, production, and processing of critical minerals in the state;
- 1284 (e) oversee the development of the center in accordance with Part 6, Minerals for
- 1285 Industrial, National, and Economic Security Center;

- 1286 (f) take actions consistent with this chapter to promote, protect, and stabilize the critical
1287 minerals industry;
- 1288 (g) cooperate with local, state, or national organizations engaged in activities similar to
1289 those of the council;
- 1290 (h) partner with other western states for the development of critical minerals mining and
1291 processing capabilities;
- 1292 (i) accept grants, donations, or gifts for use consistent with this chapter;
- 1293 (j) catalyze critical minerals extraction and processing for industries in the state;
- 1294 (k) accelerate development of critical minerals zones in the state for extraction and
1295 processing of critical minerals;
- 1296 (l) identify transportation and logistics needs and strategic investments to facilitate
1297 high-capacity, efficient handling of critical minerals; and
- 1298 (m) advise the Legislature about the need, if any, for legislative action.
- 1299 (2) The council may enter into agreements necessary to fulfill the council's duties.
- 1300 (3) The council may make rules, in accordance with Title 63G, Chapter 3, Utah
1301 Administrative Rulemaking Act, creating a dispute resolution process to resolve
1302 conflicts between agencies or private entities represented by a member of the council.
- 1303 (4)(a) The council may organize standing or ad hoc committees that operate in
1304 accordance with guidelines established by the council, regarding specific state and
1305 industry needs related to critical minerals development, including:
- 1306 (i) education and workforce needs;
- 1307 (ii) research and commercialization;
- 1308 (iii) entrepreneurship and investment;
- 1309 (iv) aerospace and defense requirements;
- 1310 (v) logistics and infrastructure;
- 1311 (vi) international trade; or
- 1312 (vii) other needs related to critical minerals development.
- 1313 (b) The council may appoint a member of a standing or ad hoc committee that is not a
1314 member of the council.
- 1315 (5)(a) The council shall report annually by no later than October 1 to the Natural
1316 Resources, Agriculture, and Environment Interim Committee.
- 1317 (b) The report required by this Subsection (5) shall include information regarding:
- 1318 (i) the state's progress towards the objectives described in Subsection 79-10-201(1);
- 1319 (ii) critical minerals zones as required by Section 79-10-402;

1320 (iii) the state's progress towards development of the center, including the center's
1321 activities and fiscal needs; and

1322 (iv) the Critical Minerals Development Account required by Section 79-10-701.

1323 (6) Notwithstanding the other provisions of this chapter, the council may not:

1324 (a) interfere or impair with the statutory authority of a state agency to issue a permit; or

1325 (b) vote on an individual permit.

1326 Section 24. Section **79-10-303** is enacted to read:

1327 **79-10-303 (Effective 05/06/26). Areas for coordination.**

1328 (1) Council members are designated as area leads as provided in this section. In conducting
1329 the council's business, the council may assign a council member who is an area lead to
1330 coordinate on an issue within the council member's area.

1331 (2) The council shall ensure:

1332 (a) the coordination of state policy with federal policy; and

1333 (b) the development of infrastructure within the state related to critical minerals.

1334 (3)(a) The director of the Division of Oil, Gas, and Mining, or the director's designee,
1335 shall address regulation and permitting and coordinate with state agencies related to:

1336 (i) permitting for extraction or reclamation projects; and

1337 (ii) information gathering for extraction or reclamation projects.

1338 (b) In coordinating under this Subsection (3), the director of the Division of Oil, Gas,
1339 and Mining, or the director's designee, shall at a minimum coordinate with:

1340 (i) the Department of Environmental Quality; and

1341 (ii) the Utah Geological Survey.

1342 (4)(a) The council member appointed under Subsection 79-10-301(2)(c) shall address
1343 incentives and critical minerals zones and coordinate:

1344 (i) implementation of state tax incentives;

1345 (ii) domestic recruitment;

1346 (iii) foreign investment;

1347 (iv) accessing federal appropriations and other federal funding sources; and

1348 (v) defense or national security requirements.

1349 (b) In coordinating under this Subsection (4), the council member appointed under
1350 Subsection 79-10-301(2)(c) shall at a minimum coordinate with:

1351 (i) the council member appointed under Subsection 79-10-301(2)(h); and

1352 (ii) public and private entities that may act as a liaison with federal agencies that may
1353 provide funding for critical minerals.

- 1354 (5)(a) The council member representing the University of Utah shall coordinate issues
 1355 related to innovation including:
 1356 (i) workforce training and talent pipelines;
 1357 (ii) pilot technology testing;
 1358 (iii) research and development; and
 1359 (iv) industry concerns.
- 1360 (b) In coordinating under this Subsection (5), the council member representing the
 1361 University of Utah shall at a minimum coordinate with:
 1362 (i) the center;
 1363 (ii) other institutions of higher education, including Utah State University;
 1364 (iii) an association representing Utah's mining industry, including hardrock operators,
 1365 industrial mineral operators, coal operators, mineral processing operations, and
 1366 mining services companies; and
 1367 (iv) the aerospace and defense industry.

1368 Section 25. Section **79-10-401** is enacted to read:

1369 **Part 4. Critical Minerals Zone**

1370 **79-10-401 (Effective 05/06/26). Definitions.**

1371 As used in this part:

- 1372 (1) "Base taxable value" means the value of property within a critical minerals zone, as
 1373 shown on the assessment roll last equalized before the creation of the critical minerals
 1374 zone.
- 1375 (2) "Community reinvestment agency" means the same as that term is defined in Section
 1376 17C-1-102.
- 1377 (3) "Community reinvestment project area" means a project area under a community
 1378 reinvestment project area plan as defined in Section 17C-1-102.
- 1379 (4) "Property tax differential" means the difference between:
 1380 (a) the amount of property tax revenues generated each tax year by all taxing entities
 1381 from a critical minerals zone, using the current assessed value of the property; and
 1382 (b) the amount of property tax revenues that would be generated from that same area
 1383 using the base taxable value of the property.
- 1384 (5) "Property tax differential revenue" means revenue generated based on the property tax
 1385 differential.
- 1386 (6) "State land use authority" means:
 1387 (a) the Utah Inland Port Authority created in Section 11-58-201;

- 1388 (b) the Military Installation Development Authority created in Section 63H-1-201;
1389 (c) the School and Institutional Trust Lands Administration created in Section 53C-1-201;
1390 or
1391 (d) any other land use authority created by the state that has jurisdiction over state lands.

1392 Section 26. Section **79-10-402** is enacted to read:

1393 **79-10-402 (Effective 05/06/26). Council responsibilities and powers.**

1394 (1) The council shall:

1395 (a) establish and implement:

1396 (i) processes for designating critical minerals zones; and

1397 (ii) criteria for evaluating proposed critical minerals zones;

1398 (b) consult with state land use authorities regarding:

1399 (i) identification of state lands suitable for critical minerals extraction or processing;

1400 (ii) designation of critical minerals zones; and

1401 (iii) opportunities for coordinated development of extraction or processing projects
1402 on state lands;

1403 (c) assess and address potential public health impacts of critical minerals zones;

1404 (d) report annually by October 1 to the Natural Resources, Agriculture, and Environment
1405 Interim Committee regarding:

1406 (i) infrastructure needs related to extraction and processing of critical minerals;

1407 (ii) the status of designated critical minerals zones; and

1408 (iii) recommendations for how the property tax differential revenue collected under
1409 this section should be divided and distributed between the state, counties, and
1410 municipalities; and

1411 (e) negotiate with the applicable county or municipality regarding the distribution of
1412 property tax differential revenue.

1413 (2) The council may enter agreements with state land use authorities to address the
1414 implementation of critical minerals zones and the administration of property tax
1415 differential revenue.

1416 Section 27. Section **79-10-403** is enacted to read:

1417 **79-10-403 (Effective 05/06/26). Critical minerals zones designated.**

1418 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer
1419 financial incentives for a critical minerals extraction or processing project that is not
1420 located within a designated critical minerals zone.

1421 (b) Subsection (1)(a) does not apply to a critical minerals extraction or processing

- 1422 project for which a project area plan has been approved before May 6, 2026.
- 1423 (2) A county or municipality may:
- 1424 (a) pass a resolution declaring an intent to establish within the county or municipality
- 1425 boundaries a critical minerals zone;
- 1426 (b) enter into an interlocal agreement with the council outlining each parties'
- 1427 responsibilities relating to a critical minerals zone; and
- 1428 (c) apply to the council for the designation of a critical minerals zone by submitting:
- 1429 (i) a description of the proposed boundaries of the critical minerals zone;
- 1430 (ii) an assessment of existing critical minerals extraction or processing infrastructure
- 1431 within and proximate to the proposed critical minerals zone;
- 1432 (iii) a development plan that includes:
- 1433 (A) proposed critical minerals extraction or processing projects;
- 1434 (B) anticipated infrastructure improvements;
- 1435 (C) projected economic benefits to the county; and
- 1436 (D) evidence of local support including any interlocal agreement entered into
- 1437 between the county or municipality and the council, as applicable;
- 1438 (iv) if the applicant is a municipality, evidence of coordination with the county in
- 1439 which the proposed critical minerals zone is located, including any interlocal
- 1440 agreement entered into between the county or municipality and the council, as
- 1441 applicable;
- 1442 (v) if the applicant is a county and any portion of the proposed critical minerals zone
- 1443 is within the boundaries of a municipality, evidence of an agreement with the
- 1444 municipality regarding the establishment of the critical minerals zone; and
- 1445 (vi) any other information required by the council.
- 1446 (3) A state land use authority may:
- 1447 (a) propose a critical minerals zone within lands under the state land use authority's
- 1448 jurisdiction; and
- 1449 (b) apply to the council for the designation of a critical minerals zone by submitting:
- 1450 (i) a description of the proposed boundaries of the critical minerals zone;
- 1451 (ii) an assessment of existing critical minerals extraction or processing infrastructure
- 1452 within and proximate to the proposed critical minerals zone;
- 1453 (iii) a development plan that includes:
- 1454 (A) proposed critical minerals extraction or processing projects;
- 1455 (B) anticipated infrastructure improvements; and

- 1456 (C) projected economic benefits;
1457 (iv) evidence that the proposed critical minerals zone is consistent with applicable
1458 land use plans and regulations; and
1459 (v) any other information required by the council.
- 1460 (4) The council shall:
- 1461 (a) approve an application for a critical minerals zone designation if the application
1462 demonstrates:
- 1463 (i) the proposed critical minerals zone includes land suitable for critical minerals
1464 extraction or processing development based on:
- 1465 (A) adequate transportation access; and
1466 (B) sufficient land area for proposed development; and
- 1467 (ii) the critical minerals zone plan:
- 1468 (A) aligns with state critical minerals objectives and policy under Section
1469 79-10-201;
- 1470 (B) includes realistic timelines and milestones;
1471 (C) identifies specific infrastructure improvements; and
1472 (D) quantifies projected economic benefits;
- 1473 (b) make a determination on an application within 60 days of submission;
1474 (c) provide written notice to the applicant explaining the basis for approval or denial;
1475 (d) if a critical minerals zone overlaps with an area designated by a community
1476 reinvestment agency as a community reinvestment project area as of May 6, 2026,
1477 enter into an agreement with the community reinvestment agency to determine the
1478 percentage division of the property tax differential between:
- 1479 (i) the Critical Minerals Development Account; and
1480 (ii) the community reinvestment agency; and
- 1481 (e) if a critical minerals zone overlaps with a project area of a state land use authority,
1482 enter into an agreement with the state land use authority to determine the percentage
1483 division of the property tax differential between:
- 1484 (i) the Critical Minerals Development Account; and
1485 (ii) the state land use authority.
- 1486 (5) Within 30 days after the council designates a critical minerals zone:
- 1487 (a) the county auditor shall certify to the council the base taxable value of property
1488 within the critical minerals zone; and
1489 (b) the county shall transmit to the council copies of the property tax assessment rolls for

- 1490 the property within the critical minerals zone.
- 1491 (6)(a) Each year, the county auditor shall:
- 1492 (i) determine the amount of the property tax differential for the critical minerals zone
- 1493 by comparing:
- 1494 (A) the current assessed value of property within the critical minerals zone; and
- 1495 (B) the base taxable value of property within the critical minerals zone;
- 1496 (ii) inform the county treasurer of the property tax differential amount; and
- 1497 (iii) provide notice to the council of the amount calculated under this Subsection
- 1498 (6)(a).
- 1499 (b) The county treasurer shall transfer the property tax differential to the council for
- 1500 deposit into the Critical Minerals Development Account created in Section 79-10-701,
- 1501 subject to any agreements entered into under Subsections (4)(d) and (4)(e).
- 1502 (c) The county treasurer shall make a distribution required under this section:
- 1503 (i) at the same time as regular annual property tax distributions; and
- 1504 (ii) using the same method as other property tax distributions.
- 1505 (d) For property tax differential not subject to Subsection (4)(d) or (4)(e), the council
- 1506 may enter into agreements with taxing entities regarding the allocation of the
- 1507 property tax differential.

1508 Section 28. Section **79-10-501** is enacted to read:

1509 **Part 5. Critical Minerals Atlas**

1510 **79-10-501 (Effective 05/06/26). Critical Minerals Atlas created -- Processes to be**

1511 **developed.**

- 1512 (1)(a) The Division of Oil, Gas, and Mining shall lead a joint effort with the Utah
- 1513 Geological Survey and Office of Energy Development to organize and maintain a
- 1514 clearinghouse of geological data related to critical minerals known as the "Critical
- 1515 Minerals Atlas."
- 1516 (b) The purpose of the atlas is to:
- 1517 (i) compile reliable data that can be used by:
- 1518 (A) the council, including the council using the data in developing the strategic
- 1519 plan required under Subsection 79-10-302(1);
- 1520 (B) other government agencies;
- 1521 (C) academia; and
- 1522 (D) private entities; and
- 1523 (ii) reconcile differences in the data submitted to the atlas.

- 1524 (2)(a) The agencies described in Subsection (1)(a) shall:
1525 (i) develop a process by which a state agency, state institution of higher education, or
1526 private entity, including a nonprofit entity, may submit information to the atlas;
1527 (ii) recommend which state agencies and state institutions of higher education should
1528 be required to submit data to the atlas;
1529 (iii) develop a process by which differences in the data submitted to the atlas may be
1530 reconciled; and
1531 (iv) develop policies consistent with Title 63G, Chapter 2, Government Records
1532 Access and Management Act, related to confidentiality of information submitted
1533 to the atlas.
1534 (b) The Division of Oil, Gas, and Mining shall report the processes, recommendations,
1535 and policies described in Subsection (2)(a) to the Natural Resources, Agriculture, and
1536 Environment Interim Committee by no later than October 1, 2026.

1537 Section 29. Section **79-10-601** is enacted to read:

1538 **Part 6. Minerals for Industrial, National, and Economic Security Center**

1539 **79-10-601 (Effective 05/06/26). Minerals for Industrial, National, and Economic**
1540 **Security Center process for creation -- Governance.**

- 1541 (1) There is created under the general supervision of the council a center known as the
1542 "Minerals for Industrial, National, and Economic Security Center," to serve the
1543 objectives described in Section 79-10-602.
1544 (2) The council shall create a plan and budget for the center that address:
1545 (a) the governance of the center;
1546 (b) the operations of the center;
1547 (c) how the creation and activities of the center are to be funded; and
1548 (d) other issues the council determines are relevant to the governance and operations of
1549 the center.
1550 (3) The council shall report the council's development of a plan and budget under this
1551 section to:
1552 (a) the Executive Appropriations Committee by no later than the 2026 September
1553 meeting of the Executive Appropriations Committee; and
1554 (b) the Natural Resources, Agriculture, and Environment Interim Committee by no later
1555 than the 2026 October interim meeting of the Natural Resources, Agriculture, and
1556 Environment Interim Committee.

1557 Section 30. Section **79-10-602** is enacted to read:

1558 **79-10-602 (Effective 05/06/26). Center objectives.**

1559 The center shall:

- 1560 (1) serve as the state's primary partner for issues related to developing critical mineral
 1561 extraction and processing from research to commercialization, including:
 1562 (a) workforce training;
 1563 (b) the testing and piloting of technology;
 1564 (c) federal grant coordination; and
 1565 (d) development of processing capacity;
 1566 (2) coordinate the center's operations with the strategic plan established by the council in
 1567 accordance with Subsection 79-10-302(1);
 1568 (3) partner with industry and academia to:
 1569 (a) develop processing and separation processes;
 1570 (b) provide technology benchmarking and performance validation;
 1571 (c) provide pilot-scale demonstrations and scale-up;
 1572 (d) integrate physical, chemical, electrochemical, and thermal processing; and
 1573 (e) provide for autonomous sampling and real-time analysis; and
 1574 (4) lay groundwork for securing federal designation of an entity within the state as a United
 1575 States critical minerals national laboratory.

1576 Section 31. Section **79-10-701** is enacted to read:

1577 **Part 7. Fiscal Matters**

1578 **79-10-701 (Effective 05/06/26). Critical Minerals Development Account.**

- 1579 (1) There is created within the General Fund a restricted account known as the "Critical
 1580 Minerals Development Account."
 1581 (2) Subject to appropriation, the council shall administer the Critical Minerals Development
 1582 Account for the purposes described in Subsection (5).
 1583 (3) The Critical Minerals Development Account consists of:
 1584 (a) revenue deposited into the Critical Minerals Development Account under Section
 1585 79-10-403;
 1586 (b) money appropriated by the Legislature;
 1587 (c) federal money;
 1588 (d) donations or grants from public or private entities; and
 1589 (e) interest and other earnings earned on money in the Critical Minerals Development
 1590 Account.
 1591 (4)(a) The Critical Minerals Development Account shall earn interest.

1592 (b) The state treasurer shall invest account money in accordance with Title 51, Chapter
1593 7, State Money Management Act, and credit the interest and earnings from the
1594 investments to the Critical Minerals Development Account.

1595 (5) Subject to appropriation, the council may use account money to:

1596 (a) pay the costs of administering this chapter;

1597 (b) fund the operations of the center in accordance with the plan and budget developed
1598 by the council in accordance with Section 79-10-601;

1599 (c) facilitate critical minerals extraction and processing infrastructure development
1600 within the state, including funding research, site selection, permitting, public
1601 outreach, and other activities related to the development of critical minerals
1602 extraction or processing infrastructure;

1603 (d) provide matching funds for federal critical minerals grants;

1604 (e) support critical minerals workforce development programs; and

1605 (f) provide incentives for critical minerals extraction or processing projects.

1606 (6) The council shall include a report of how money from the Critical Minerals
1607 Development Account was used in the annual report described in Section 79-10-302.

1608 Section 32. **Repealer.**

1609 This bill repeals:

1610 Section **51-9-301, Title.**

1611 Section **51-9-303, Creation of Infrastructure and Economic Diversification Investment**
1612 **Account.**

1613 Section **51-9-307, New Severance Tax Revenue Special Revenue Fund.**

1614 Section 33. **FY 2026 Appropriations.**

1615 The following sums of money are appropriated for the fiscal year beginning July 1,
1616 2025, and ending June 30, 2026. These are additions to amounts previously appropriated for
1617 fiscal year 2026.

1618 Subsection 33(a). **Restricted Fund and Account Transfers**

1619 The Legislature authorizes the State Division of Finance to transfer the following
1620 amounts between the following funds or accounts as indicated. Expenditures and outlays from
1621 the funds to which the money is transferred must be authorized by an appropriation.

1622 ITEM 1 To General Fund Restricted - State Reinvestment Restricted Account

1623 From Infrastructure and Economic Diversification

1624 Investment Account, One-time

14,016,200

1625 Schedule of Programs:

1626 State Reinvestment Restricted Account 14,016,200
 1627 The Legislature intends that the Division of
 1628 Finance transfer any balances remaining in the
 1629 Infrastructure and Economic Diversification Investment
 1630 Account after fiscal year 2026 closeout to the State
 1631 Reinvestment Restricted Account.

1632 Section 34. **FY 2027 Appropriations.**

1633 The following sums of money are appropriated for the fiscal year beginning July 1,
 1634 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for
 1635 fiscal year 2027.

1636 Subsection 34(a). **Operating and Capital Budgets**

1637 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
 1638 Legislature appropriates the following sums of money from the funds or accounts indicated for
 1639 the use and support of the government of the state of Utah.

1640 ITEM 2 To Department of Natural Resources - Critical Minerals Council

1641	From State Reinvestment Restricted Account	1,000,000
1642	From State Reinvestment Restricted Account, One-time	10,000,000
1643	Schedule of Programs:	
1644	Critical Minerals Council	11,000,000

1645 Section 35. **Effective Date.**

1646 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

1647 (2) The actions affecting the following sections take effect on July 1, 2026:

- 1648 (a) Section 51-9-202 (Effective 07/01/26);
 1649 (b) Section 51-9-301;
 1650 (c) Section 51-9-302 (Effective 07/01/26);
 1651 (d) Section 51-9-303;
 1652 (e) Section 51-9-305 (Effective 07/01/26);
 1653 (f) Section 51-9-307;
 1654 (g) Section 51-9-1001 (Effective 07/01/26);
 1655 (h) Section 51-9-1002 (Effective 07/01/26); and
 1656 (i) Section 51-9-1003 (Effective 07/01/26).

1657 Section 36. **Retrospective operation.**

1658 The following sections have retrospective operation to January 1, 2026:

- 1659 (1) Section 40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37);

- 1660 (2) Section 59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26);
1661 (3) Section 59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26);
1662 (4) Section 59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26);
1663 (5) Section 59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26);
1664 (6) Section 59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26);
1665 (7) Section 59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26); and
1666 (8) Section 59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).

1667 **Section 37. Coordinating S.B. 254 with H.B. 373.**

1668 If S.B. 254, Critical Minerals Amendments, and H.B. 373, Higher Education Innovation,
1669 both pass and become law, the Legislature intends that, on July 1, 2026:

1670 (1) Subsection 53H-8-211(4)(a)(ii)(C) enacted in H.B. 373 be amended to read:

1671 "(C) ensure that the eligible research areas described in Subsection (4)(a)(ii)(A) reflect the
1672 state's priority industry clusters and public policy needs and include critical minerals projects
1673 that are consistent with the strategic plan of the Critical Minerals Council created under
1674 Subsection 79-10-302(1);"; and

1675 (2) Subsection 53H-8-211(5)(a) enacted in H.B. 373 be amended to read:

1676 "(a) the eligible research areas described in Subsection (4)(a)(ii) and the extent to which the
1677 areas reflect the state's priority industry clusters and public policy needs, including critical
1678 minerals projects described in Subsection (4)(a)(ii)(C); and".