



- 32 generating unit that first produces electricity on or after May 6, 2002, and that is  
33 constructed or installed at or adjacent to the site of a project that first produced  
34 electricity before May 6, 2002, regardless of whether:
- 35 (i) the owners of the new generating unit are the same as or different from the owner  
36 of the project; and
  - 37 (ii) the purchasers of electricity from the new generating unit are the same as or  
38 different from the purchasers of electricity from the project.
- 39 (b) "Additional project capacity" does not mean or include replacement project capacity.
- 40 (2) "Board" means the Permanent Community Impact Fund Board created by Section  
41 35A-8-304, and its successors.
- 42 (3) "Candidate" means one or more of:
- 43 (a) the state;
  - 44 (b) a county, municipality, school district, special district, special service district, or  
45 other political subdivision of the state; and
  - 46 (c) a prosecution district.
- 47 (4) "Commercial project entity" means a project entity, defined in Subsection (18), that:
- 48 (a) has no taxing authority; and
  - 49 (b) is not supported in whole or in part by and does not expend or disburse tax revenues.
- 50 (5) "Direct impacts" means an increase in the need for public facilities or services that is  
51 attributable to the project or facilities providing additional project capacity, except  
52 impacts resulting from the construction or operation of a facility that is:
- 53 (a) owned by an owner other than the owner of the project or of the facilities providing  
54 additional project capacity; and
  - 55 (b) used to furnish fuel, construction, or operation materials for use in the project.
- 56 (6) "Electric interlocal entity" means an interlocal entity described in Subsection  
57 11-13-203(3).
- 58 (7) "Energy services interlocal entity" means an interlocal entity that is described in  
59 Subsection 11-13-203(4).
- 60 (8)(a) "Estimated electric requirements," when used with respect to a qualified energy  
61 services interlocal entity, includes any of the following that meets the requirements of  
62 Subsection (8)(b):
- 63 (i) generation capacity;
  - 64 (ii) generation output; or
  - 65 (iii) an electric energy production facility.

66 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements" if  
67 it is needed by the qualified energy services interlocal entity to perform the qualified  
68 energy services interlocal entity's contractual or legal obligations to any of its  
69 members.

70 (9)(a) "Facilities providing replacement project capacity" means facilities that have  
71 been, are being, or are proposed to be constructed, reconstructed, converted,  
72 repowered, acquired, leased, used, or installed to provide replacement project  
73 capacity.

74 (b) "Facilities providing replacement project capacity" includes facilities that have been,  
75 are being, or are proposed to be constructed, reconstructed, converted, repowered,  
76 acquired, leased, used, or installed:

77 (i) to support and facilitate the construction, reconstruction, conversion, repowering,  
78 installation, financing, operation, management, or use of replacement project  
79 capacity; or

80 (ii) for the distribution of power generated from existing capacity or replacement  
81 project capacity to facilities located on real property in which the project entity  
82 that owns the project has an ownership, leasehold, right-of-way, or permitted  
83 interest.

84 (10) "Governing authority" means a governing board or joint administrator.

85 (11)(a) "Governing board" means the body established in reliance on the authority  
86 provided under Subsection 11-13-206(1)(b) to govern an interlocal entity.

87 (b) "Governing board" includes a board of directors described in an agreement, as  
88 amended, that creates a project entity.

89 (c) "Governing board" does not include a board as defined in Subsection (2).

90 (12) "Interlocal entity" means:

91 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal  
92 entity; or

93 (b) a separate legal or administrative entity created under Section 11-13-205.

94 (13) "Joint administrator" means an administrator or joint board described in Section  
95 11-13-207 to administer a joint or cooperative undertaking.

96 (14) "Joint or cooperative undertaking" means an undertaking described in Section  
97 11-13-207 that is not conducted by an interlocal entity.

98 (15) "Member" means a public agency that, with another public agency, creates an  
99 interlocal entity under Section 11-13-203.

- 100 (16) "Out-of-state public agency" means a public agency as defined in Subsection (19)(c),  
101 (d), or (e).
- 102 (17)(a) "Project":
- 103 (i) means an electric generation and transmission facility owned by a Utah interlocal  
104 entity or an electric interlocal entity; and
- 105 (ii) includes fuel facilities, fuel production facilities, fuel transportation facilities,  
106 energy storage facilities, or water facilities that are:
- 107 (A) owned by that Utah interlocal entity or electric interlocal entity; and  
108 (B) required for the generation and transmission facility.
- 109 (b) "Project" includes a project entity's ownership interest in:
- 110 (i) facilities that provide additional project capacity;  
111 (ii) facilities providing replacement project capacity;  
112 (iii) additional generating, transmission, fuel, fuel transportation, water, or other  
113 facilities added to a project; and  
114 (iv) a Utah interlocal energy hub, as defined in Section 11-13-602.
- 115 (18) "Project entity" means a Utah interlocal entity or an electric interlocal entity that owns  
116 a project as defined in this section.
- 117 (19) "Public agency" means:
- 118 (a) a city, town, county, school district, special district, special service district, an  
119 interlocal entity, or other political subdivision of the state;
- 120 (b) the state or any department, division, or agency of the state;
- 121 (c) any agency of the United States;
- 122 (d) any political subdivision or agency of another state or the District of Columbia  
123 including any interlocal cooperation or joint powers agency formed under the  
124 authority of the law of the other state or the District of Columbia; or
- 125 (e) any Indian tribe, band, nation, or other organized group or community which is  
126 recognized as eligible for the special programs and services provided by the United  
127 States to Indians because of their status as Indians.
- 128 (20) "Public agency insurance mutual" means the same as that term is defined in Section  
129 31A-1-103.
- 130 [~~20~~] (21) "Qualified energy services interlocal entity" means an energy services interlocal  
131 entity that at the time that the energy services interlocal entity acquires its interest in  
132 facilities providing additional project capacity has at least five members that are Utah  
133 public agencies.

- 134 [(21)] (22) "Replacement project capacity" means electric generating capacity or  
135 transmission capacity that:
- 136 (a) replaces all or a portion of the existing electric generating or transmission capacity of  
137 a project; and
- 138 (b) is provided by a facility that is on, adjacent to, in proximity to, or interconnected  
139 with the site of a project, regardless of whether:
- 140 (i) the capacity replacing existing capacity is less than or exceeds the generating or  
141 transmission capacity of the project existing before installation of the capacity  
142 replacing existing capacity;
- 143 (ii) the capacity replacing existing capacity is owned by the project entity that is the  
144 owner of the project, a segment established by the project entity, or a person with  
145 whom the project entity or a segment established by the project entity has  
146 contracted; or
- 147 (iii) the facility that provides the capacity replacing existing capacity is constructed,  
148 reconstructed, converted, repowered, acquired, leased, used, or installed before or  
149 after any actual or anticipated reduction or modification to existing capacity of the  
150 project.
- 151 [(22)] (23) "Transportation reinvestment zone" means an area created by two or more public  
152 agencies by interlocal agreement to capture increased property or sales tax revenue  
153 generated by a transportation infrastructure project as described in Section 11-13-227.
- 154 [(23)] (24) "Utah interlocal entity":
- 155 (a) means an interlocal entity described in Subsection 11-13-203(2); and
- 156 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,  
157 Chapter 47, Section 3, as amended.
- 158 [(24)] (25) "Utah public agency" means a public agency under Subsection (19)(a) or (b).  
159 Section 2. Section **11-13-502** is amended to read:
- 160 **11-13-502 . Application -- Conflicts with federal law -- Other applicable law.**
- 161 (1) This part does not apply to a taxed interlocal entity as defined in Section 11-13-602.
- 162 (2) Except as provided in Subsection (1), and notwithstanding any other provision of law,  
163 this part governs an interlocal entity's fiscal procedures but only to the extent that the  
164 provision does not conflict with or cause an interlocal entity to be noncompliant with  
165 federal law.
- 166 (3) ~~[An]~~ Except as provided in Subsection (4), an interlocal entity is subject to Title 51,  
167 Chapter 7, State Money Management Act.

168 (4) A public agency insurance mutual is not subject to Title 51, Chapter 7, State Money  
169 Management Act.

170 Section 3. Section **11-13-533** is enacted to read:

171 **11-13-533 . Public agency insurance mutuals -- Investment standard for public**  
172 **agency insurance mutuals.**

173 (1) A public agency insurance mutual may form one or more captive insurance companies  
174 in accordance with Title 31A, Chapter 37, Captive Insurance Companies Act.

175 (2) A public agency insurance mutual shall invest the public agency insurance mutual's  
176 assets with the primary goal of providing for the stability, income, and growth of the  
177 principal.

178 (3) Nothing in this section requires a specific outcome from investing.

179 (4) A public agency insurance mutual may employ professional asset managers to assist in  
180 the investment of the public agency insurance mutual's assets.

181 (5)(a) To accomplish the primary goal described in Subsection (2), a public agency  
182 insurance mutual shall invest and manage the public agency insurance mutual's assets  
183 as a prudent investor would by:

184 (i) considering the purposes, terms, distribution requirements, and other  
185 circumstances of the public agency insurance mutual's investments; and

186 (ii) exercising reasonable care, skill, and caution to meet the standard of care of a  
187 prudent investor.

188 (b) In determining whether a public agency insurance mutual has met the standard of  
189 care of a prudent investor, a court shall:

190 (i) consider the public agency insurance mutual's actions in light of the facts and  
191 circumstances existing at the time of the investment decision or action; and

192 (ii) evaluate the public agency insurance mutual's investment and management  
193 decisions respecting individual assets:

194 (A) not in isolation, but in the context of an investment portfolio as a whole; and

195 (B) as part of an overall investment strategy that has risk and return objectives that  
196 are reasonably suited to the investments.

197 Section 4. Section **51-7-2** is amended to read:

198 **51-7-2 . Exemptions from chapter.**

199 (1) Except as provided in Subsection (2), the following funds are exempt from this chapter:

200 (a) funds invested in accordance with the participating employees' designation or  
201 direction pursuant to a public employees' deferred compensation plan established and

- 202 operated in compliance with Section 457 of the Internal Revenue Code of 1986, as  
203 amended;
- 204 (b) funds of the Utah State Retirement Board;
- 205 (c) funds of the Utah Housing Corporation;
- 206 (d) endowment funds of higher education institutions, including funds of the Higher  
207 Education Student Success Endowment, created in Section 53B-7-802;
- 208 (e) permanent and other land grant trust funds established pursuant to the Utah Enabling  
209 Act and the Utah Constitution;
- 210 (f) the State Post-Retirement Benefits Trust Fund;
- 211 (g) the funds of the Utah Educational Savings Plan;
- 212 (h) funds of the permanent state trust fund created by and operated under Utah  
213 Constitution, Article XXII, Section 4;
- 214 (i) the funds in the Navajo Trust Fund;
- 215 (j) the funds in the Radioactive Waste Perpetual Care and Maintenance Account;
- 216 (k) the funds in the Employers' Reinsurance Fund;
- 217 (l) the funds in the Uninsured Employers' Fund;
- 218 (m) the Utah State Developmental Center Long-Term Sustainability Fund, created in  
219 Section 26B-1-331;
- 220 (n) the funds in the Risk Management Fund created in Section 63A-4-201;
- 221 (o) the Utah fund of funds created in Section 63N-6-401;
- 222 (p) the funds deposited into the Utah Homes Investment Program from the  
223 Transportation Infrastructure General Fund Support Subfund created in Section  
224 72-2-134; [~~and~~]
- 225 (q) subject to Subsection 67-4-19(2), the portion of the funds in the following accounts  
226 invested by the state treasurer in precious metals:
- 227 (i) the State Disaster Recovery Restricted Account, created in Section 53-2a-603;
- 228 (ii) the General Fund Budget Reserve Account, created in Section 63J-1-312;
- 229 (iii) the Income Tax Fund Budget Reserve Account, created in Section 63J-1-313; and
- 230 (iv) the Medicaid Growth Reduction and Budget Stabilization Account, created in  
231 Section 63J-1-315[-] ; and
- 232 (r) the funds of a public agency insurance mutual as that term is defined in Section  
233 31A-1-103.
- 234 (2) Except for the funds of the Utah State Retirement Board and the Utah Educational  
235 Savings Plan, the funds described in Subsection (1) are not exempt from Subsections

236 51-7-14(2) and (3).

237 (3) Notwithstanding Title 52, Chapter 4, Open and Public Meetings Act, a public body that  
238 administers a fund described in Subsection (1) may hold a closed meeting to discuss the  
239 sale or purchase of identifiable securities, investment funds, or investment contracts.

240 (4) A paper, electronic, or other depiction or record of information relating to investment  
241 activities of a fund described in Subsection (1) is not subject to Title 63G, Chapter 2,  
242 Government Records Access and Management Act.

243 Section 5. Section **51-7-11** is amended to read:

244 **51-7-11 . Authorized deposits or investments of public funds.**

245 (1)(a) Except as provided in Subsections (1)(b) through (1)(d), a public treasurer shall  
246 conduct investment transactions through qualified depositories, certified dealers, or  
247 directly with issuers of the investment securities.

248 (b) A public treasurer may designate a certified investment adviser to make trades on  
249 behalf of the public treasurer.

250 (c) A public treasurer may make a deposit in accordance with Section 53B-7-601 in a  
251 foreign depository institution as defined in Section 7-1-103.

252 (d) The state treasurer is exempt from the requirement to conduct investment  
253 transactions through a certified dealer under Subsection (1)(a).

254 (2) The remaining term to maturity of the investment may not exceed the period of  
255 availability of the funds to be invested.

256 (3) Except as provided in Subsection (4), all public funds shall be deposited or invested in  
257 the following assets that meet the criteria of Section 51-7-17:

258 (a) negotiable or nonnegotiable deposits of qualified depositories;

259 (b) qualifying or nonqualifying repurchase agreements and reverse repurchase  
260 agreements with qualified depositories using collateral consisting of:

261 (i) Government National Mortgage Association mortgage pools;

262 (ii) Federal Home Loan Mortgage Corporation mortgage pools;

263 (iii) Federal National Mortgage Corporation mortgage pools;

264 (iv) Small Business Administration loan pools;

265 (v) Federal Agriculture Mortgage Corporation pools; or

266 (vi) other investments authorized by this section;

267 (c) qualifying repurchase agreements and reverse repurchase agreements with certified  
268 dealers, permitted depositories, or qualified depositories using collateral consisting of:

269 (i) Government National Mortgage Association mortgage pools;



- 270 (ii) Federal Home Loan Mortgage Corporation mortgage pools;
- 271 (iii) Federal National Mortgage Corporation mortgage pools;
- 272 (iv) Small Business Administration loan pools; or
- 273 (v) other investments authorized by this section;
- 274 (d) commercial paper that is classified as "first tier" by two nationally recognized
- 275 statistical rating organizations, which has a remaining term to maturity of:
- 276 (i) 270 days or fewer for paper issued under 15 U.S.C. Sec. 77c(a)(3); or
- 277 (ii) 365 days or fewer for paper issued under 15 U.S.C. Sec. 77d(2);
- 278 (e) bankers' acceptances that:
- 279 (i) are eligible for discount at a Federal Reserve bank; and
- 280 (ii) have a remaining term to maturity of 270 days or fewer;
- 281 (f) fixed rate negotiable deposits issued by a permitted depository that have a remaining
- 282 term to maturity of 365 days or fewer;
- 283 (g) obligations of the United States Treasury, including United States Treasury bills,
- 284 United States Treasury notes, and United States Treasury bonds that, unless the funds
- 285 invested are pledged or otherwise deposited in an irrevocable trust escrow account,
- 286 have a remaining term to final maturity of:
- 287 (i) five years or less; or
- 288 (ii) if the funds are invested by an institution of higher education as defined in
- 289 Section 53B-3-102, a city of the first class, or a county of the first class, 10 years
- 290 or less; ~~or~~
- 291 ~~[(iii) if the funds are invested by a public agency insurance mutual, as defined in~~
- 292 ~~Subsection 31A-1-103(7)(a), 20 years or less;]~~
- 293 (h) obligations other than mortgage pools and other mortgage derivative products that:
- 294 (i) are issued by, or fully guaranteed as to principal and interest by, the following
- 295 agencies or instrumentalities of the United States in which a market is made by a
- 296 primary reporting government securities dealer, unless the agency or
- 297 instrumentality has become private and is no longer considered to be a
- 298 government entity:
- 299 (A) Federal Farm Credit banks;
- 300 (B) Federal Home Loan banks;
- 301 (C) Federal National Mortgage Association;
- 302 (D) Federal Home Loan Mortgage Corporation;
- 303 (E) Federal Agriculture Mortgage Corporation; and

- 304 (F) Tennessee Valley Authority; and
- 305 (ii) unless the funds invested are pledged or otherwise deposited in an irrevocable
- 306 trust escrow account, have a remaining term to final maturity of:
- 307 (A) five years or less; or
- 308 (B) if the funds are invested by an institution of higher education as defined in
- 309 Section 53B-3-102, a city of the first class, or a county of the first class, 10
- 310 years or less; ~~[-or]~~
- 311 ~~[(C) if the funds are invested by a public agency insurance mutual, as defined in~~
- 312 ~~Subsection 31A-1-103(7)(a), 20 years or less;]~~
- 313 (i) fixed rate corporate obligations that:
- 314 (i) are rated "A" or higher or the equivalent of "A" or higher by two nationally
- 315 recognized statistical rating organizations;
- 316 (ii) are senior unsecured or secured obligations of the issuer, excluding covered
- 317 bonds;
- 318 (iii) are publicly traded; and
- 319 (iv) have a remaining term to final maturity of 15 months or less or are subject to a
- 320 hard put at par value or better, within 365 days;
- 321 (j) tax anticipation notes and general obligation bonds of the state or a county,
- 322 incorporated city or town, school district, or other political subdivision of the state,
- 323 including bonds offered on a when-issued basis without regard to the limitations
- 324 described in Subsection (7) that, unless the funds invested are pledged or otherwise
- 325 deposited in an irrevocable trust escrow account, have a remaining term to final
- 326 maturity of:
- 327 (i) five years or less; or
- 328 (ii) if the funds are invested by an institution of higher education as defined in
- 329 Section 53B-3-102, a city of the first class, or a county of the first class, 10 years
- 330 or less; ~~[-or]~~
- 331 ~~[(iii) if the funds are invested by a public agency insurance mutual, as defined in~~
- 332 ~~Subsection 31A-1-103(7)(a), 20 years or less;]~~
- 333 (k) bonds, notes, or other evidence of indebtedness of a county, incorporated city or
- 334 town, school district, or other political subdivision of the state that are payable from
- 335 assessments or from revenues or earnings specifically pledged for payment of the
- 336 principal and interest on these obligations, including bonds offered on a when-issued
- 337 basis without regard to the limitations described in Subsection (7) that, unless the

- 338 funds invested are pledged or otherwise deposited in an irrevocable trust escrow  
339 account, have a remaining term to final maturity of:
- 340 (i) five years or less;
  - 341 (ii) if the funds are invested by an institution of higher education as defined in  
342 Section 53B-3-102, a city of the first class, or a county of the first class, 10 years  
343 or less; or
  - 344 (iii) if the funds are invested by a public agency insurance mutual, as defined in  
345 Subsection 31A-1-103(7)(a), 20 years or less;
- 346 (l) shares or certificates in a money market mutual fund;
- 347 (m) variable rate negotiable deposits that:
- 348 (i) are issued by a qualified depository or a permitted depository;
  - 349 (ii) are repriced at least semiannually; and
  - 350 (iii) have a remaining term to final maturity not to exceed three years;
- 351 (n) variable rate securities that:
- 352 (i)(A) are rated "A" or higher or the equivalent of "A" or higher by two nationally  
353 recognized statistical rating organizations;
  - 354 (B) are senior unsecured or secured obligations of the issuer, excluding covered  
355 bonds;
  - 356 (C) are publicly traded;
  - 357 (D) are repriced at least semiannually; and
  - 358 (E) have a remaining term to final maturity not to exceed three years or are subject  
359 to a hard put at par value or better, within 365 days;
  - 360 (ii) are not mortgages, mortgage-backed securities, mortgage derivative products, or a  
361 security making unscheduled periodic principal payments other than optional  
362 redemptions;
- 363 (o) reciprocal deposits made in accordance with Subsection 51-7-17(4); and
- 364 (p) negotiable brokered certificates of deposit made in accordance with Subsection  
365 51-7-17(4).
- 366 (4) The following public funds are exempt from the requirements of Subsection (3):
- 367 (a) a local government other post-employment benefits trust fund under Section  
368 51-7-12.2; and
  - 369 (b) a nonnegotiable deposit made in accordance with Section 53B-7-601 in a foreign  
370 depository institution as defined in Section 7-1-103.
- 371 (5) If any of the deposits authorized by Subsection (3)(a) are negotiable or nonnegotiable

- 372 large time deposits issued in amounts of \$100,000 or more, the interest shall be  
373 calculated on the basis of the actual number of days divided by 360 days.
- 374 (6) A public treasurer may maintain fully insured deposits in demand accounts in a  
375 federally insured nonqualified depository only if a qualified depository is not reasonably  
376 convenient to the entity's geographic location.
- 377 (7) Except as provided under Subsections (3)(j) and (k), the public treasurer shall ensure  
378 that all purchases and sales of securities are settled within:
- 379 (a) 15 days of the trade date for outstanding issues; and  
380 (b) 30 days for new issues.

381 Section 1. **Effective Date.**

382 This bill takes effect on May 7, 2025.