

HYDROGEN FUEL PRODUCTION INCENTIVES

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Douglas V. Sagers

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill provides potential incentives for the production of hydrogen fuel.

Highlighted Provisions:

This bill:

▶ expands the uses for money in the Community Impact Fund to include a plant for the production of hydrogen fuel for zero emission motor vehicles ~~H~~→ or a plant for the manufacture of zero emission hydrogen fueled trucks ←~~H~~ ; and

▶ provides for an oil and gas severance tax credit for a taxpayer that produces natural gas for use in the production of hydrogen fuel for zero emission motor vehicles.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

35A-8-302, as last amended by Laws of Utah 2016, Chapter 184

59-5-102, as last amended by Laws of Utah 2016, Chapters 135 and 324

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

Section 1. Section **35A-8-302** is amended to read:

35A-8-302. Definitions.



28 As used in this part:

29 (1) "Bonus payments" means that portion of the bonus payments received by the
30 United States government under the Leasing Act paid to the state under Section 35 of the
31 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those
32 payments.

33 (2) "Impact board" means the Permanent Community Impact Fund Board created under
34 Section 35A-8-304.

35 (3) "Impact fund" means the Permanent Community Impact Fund established by this
36 chapter.

37 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision
38 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal
39 Cooperation Act.

40 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et
41 seq.

42 (6) "Qualifying sales and use tax distribution reduction" means that, for the calendar
43 year beginning on January 1, 2008, the total sales and use tax distributions a city received
44 under Section 59-12-205 were reduced by at least 15% from the total sales and use tax
45 distributions the city received under Section 59-12-205 for the calendar year beginning on
46 January 1, 2007.

47 (7) "Subdivision" means a county, city, town, county service area, special service
48 district, special improvement district, water conservancy district, water improvement district,
49 sewer improvement district, housing authority, building authority, school district, or public
50 postsecondary institution organized under the laws of this state.

51 (8) (a) "Throughput infrastructure project" means the following facilities, whether
52 located within, partially within, or outside of the state:

53 (i) a bulk commodities ocean terminal;

54 (ii) a pipeline for the transportation of liquid or gaseous hydrocarbons;

55 (iii) electric transmission lines and ancillary facilities; ~~or~~

56 (iv) a shortline freight railroad and ancillary facilities~~[-];~~ ~~H→~~ ~~[or]~~ ~~←H~~

57 (v) a plant for producing hydrogen, including the liquification of hydrogen, for use as a
58 fuel in zero emission motor vehicles ~~H→~~ ~~[-];~~ ~~or~~

58a (vi) a plant for the production of zero emission hydrogen fueled trucks. ~~←H~~