

HB0433S01 compared with HB0433

~~{deleted text}~~ shows text that was in HB0433 but was deleted in HB0433S01.

Inserted text shows text that was not in HB0433 but was inserted into HB0433S01.

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Representative Francis D. Gibson proposes the following substitute bill:

INLAND PORT AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Francis D. Gibson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions relating to the Utah Inland Port Authority.

Highlighted Provisions:

This bill:

- ▶ specifies the applicability of the Assessment Area Act to the Utah Inland Port Authority and extends the applicability of the Commercial Property Assessed Clean Energy Act to the Utah Inland Port Authority;
- ▶ modifies definitions applicable to the Utah Inland Port Authority;
- ▶ authorizes the Utah Inland Port Authority to adopt a project area plan for an area outside the authority jurisdictional land under certain conditions and modifies related provisions;
- ▶ authorizes the Utah Inland Port Authority to own and operate a trade hub;

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- ▶ prohibits a political subdivision from challenging the creation, existence, funding, powers, project areas, or duties of the Utah Inland Port Authority and prohibits the use of public money for any challenge;
- ▶ modifies a provision relating to the use of authority funds;
- ▶ modifies the date by which an executive director of the Utah Inland Port Authority is to be hired;
- ▶ modifies provisions relating to the adoption of a project area plan;
- ▶ bars an action to a project area or project area plan if not brought within a specified time;
- ▶ modifies project area budget provisions;
- ▶ modifies property tax differential provisions, including authorizing the authority to be paid property tax differential for an additional period under certain circumstances;
- ▶ modifies the amount of property tax differential the authority may use for operating expenses;
- ▶ authorizes the Utah Inland Port Authority to be paid certain sales and use tax revenue;
- ▶ authorizes the Public Service Commission to provide for a renewable energy tariff for certain customers within authority jurisdictional land;
- ▶ extends to the Utah Inland Port Authority the applicability of provisions relating to tax credit incentives for economic development; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

~~{ None }~~ This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

11-42-102, as last amended by Laws of Utah 2017, Chapter 470

11-42a-102, as last amended by Laws of Utah 2018, Chapter 431

11-58-102, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

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11-58-201, as enacted by Laws of Utah 2018, Chapter 179

11-58-202, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

11-58-203, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

11-58-205, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

11-58-206, as enacted by Laws of Utah 2018, Chapter 179

11-58-305, as enacted by Laws of Utah 2018, Chapter 179

11-58-501, as enacted by Laws of Utah 2018, Chapter 179

11-58-502, as enacted by Laws of Utah 2018, Chapter 179

11-58-503, as enacted by Laws of Utah 2018, Chapter 179

11-58-505, as enacted by Laws of Utah 2018, Chapter 179

11-58-601, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

11-58-602, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

11-58-702, as enacted by Laws of Utah 2018, Chapter 179

54-17-806, as enacted by Laws of Utah 2016, Chapter 393

59-12-205, as last amended by Laws of Utah 2018, Chapters 258, 312, and 330

63N-2-103, as last amended by Laws of Utah 2016, Chapter 350

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

Section 1. Section 11-42-102 is amended to read:

11-42-102. Definitions.

(1) "Adequate protests" means timely filed, written protests under Section 11-42-203 that represent at least 40% of the frontage, area, taxable value, fair market value, lots, number of connections, or equivalent residential units of the property proposed to be assessed, according to the same assessment method by which the assessment is proposed to be levied, after eliminating:

(a) protests relating to:

(i) property that has been deleted from a proposed assessment area; or

(ii) an improvement that has been deleted from the proposed improvements to be provided to property within the proposed assessment area; and

(b) protests that have been withdrawn under Subsection 11-42-203(3).

(2) "Assessment area" means an area, or, if more than one area is designated, the

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aggregate of all areas within a local entity's jurisdictional boundaries that is designated by a local entity under Part 2, Designating an Assessment Area, for the purpose of financing the costs of improvements, operation and maintenance, or economic promotion activities that benefit property within the area.

(3) "Assessment bonds" means bonds that are:

(a) issued under Section 11-42-605; and

(b) payable in part or in whole from assessments levied in an assessment area, improvement revenues, and a guaranty fund or reserve fund.

(4) "Assessment fund" means a special fund that a local entity establishes under Section 11-42-412.

(5) "Assessment lien" means a lien on property within an assessment area that arises from the levy of an assessment, as provided in Section 11-42-501.

(6) "Assessment method" means the method:

(a) by which an assessment is levied against benefitted property, whether by frontage, area, taxable value, fair market value, lot, parcel, number of connections, equivalent residential unit, any combination of these methods, or any other method; and

(b) that, when applied to a benefitted property, accounts for an assessment that meets the requirements of Section 11-42-409.

(7) "Assessment ordinance" means an ordinance adopted by a local entity under Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

(8) "Assessment resolution" means a resolution adopted by a local entity under Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

(9) "Benefitted property" means property within an assessment area that directly or indirectly benefits from improvements, operation and maintenance, or economic promotion activities.

(10) "Bond anticipation notes" means notes issued under Section 11-42-602 in anticipation of the issuance of assessment bonds.

(11) "Bonds" means assessment bonds and refunding assessment bonds.

(12) "Commercial area" means an area in which at least 75% of the property is devoted to the interchange of goods or commodities.

(13) (a) "Commercial or industrial real property" means real property used directly or

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indirectly or held for one of the following purposes or activities, regardless of whether the purpose or activity is for profit:

- (i) commercial;
- (ii) mining;
- (iii) industrial;
- (iv) manufacturing;
- (v) governmental;
- (vi) trade;
- (vii) professional;
- (viii) a private or public club;
- (ix) a lodge;
- (x) a business; or
- (xi) a similar purpose.

(b) "Commercial or industrial real property" includes real property that:

- (i) is used as or held for dwelling purposes; and
- (ii) contains more than four rental units.

(14) "Connection fee" means a fee charged by a local entity to pay for the costs of connecting property to a publicly owned sewer, storm drainage, water, gas, communications, or electrical system, whether or not improvements are installed on the property.

(15) "Contract price" means:

- (a) the cost of acquiring an improvement, if the improvement is acquired; or
- (b) the amount payable to one or more contractors for the design, engineering, inspection, and construction of an improvement.

(16) "Designation ordinance" means an ordinance adopted by a local entity under Section 11-42-206 designating an assessment area.

(17) "Designation resolution" means a resolution adopted by a local entity under Section 11-42-206 designating an assessment area.

(18) "Economic promotion activities" means activities that promote economic growth in a commercial area of a local entity, including:

- (a) sponsoring festivals and markets;
- (b) promoting business investment or activities;

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(c) helping to coordinate public and private actions; and

(d) developing and issuing publications designed to improve the economic well-being of the commercial area.

(19) "Environmental remediation activity" means a surface or subsurface enhancement, effort, cost, initial or ongoing maintenance expense, facility, installation, system, earth movement, or change to grade or elevation that improves the use, function, aesthetics, or environmental condition of publicly owned property.

(20) "Equivalent residential unit" means a dwelling, unit, or development that is equal to a single-family residence in terms of the nature of its use or impact on an improvement to be provided in the assessment area.

(21) "Governing body" means:

(a) for a county, city, or town, the legislative body of the county, city, or town;

(b) for a local district, the board of trustees of the local district;

(c) for a special service district:

(i) the legislative body of the county, city, or town that established the special service district, if no administrative control board has been appointed under Section 17D-1-301; or

(ii) the administrative control board of the special service district, if an administrative control board has been appointed under Section 17D-1-301; ~~and~~

(d) for the military installation development authority created in Section 63H-1-201, the ~~authority~~ board, as defined in Section 63H-1-102~~[-]; and~~

(e) for the Utah Inland Port Authority, created in Section 11-58-201, the board, as defined in Section 11-58-102.

(22) "Guaranty fund" means the fund established by a local entity under Section 11-42-701.

(23) "Improved property" means property upon which a residential, commercial, or other building has been built.

(24) "Improvement":

(a) (i) means a publicly owned infrastructure, system, or environmental remediation activity that:

(A) a local entity is authorized to provide;

(B) the governing body of a local entity determines is necessary or convenient to

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enable the local entity to provide a service that the local entity is authorized to provide; or

(C) a local entity is requested to provide through an interlocal agreement in accordance with [Title 11,] Chapter 13, Interlocal Cooperation Act; and

(ii) includes facilities in an assessment area, including a private driveway, an irrigation ditch, and a water turnout, that:

(A) can be conveniently installed at the same time as an infrastructure, system, or other facility described in Subsection (24)(a)(i); and

(B) are requested by a property owner on whose property or for whose benefit the infrastructure, system, or other facility is being installed; or

(b) for a local district created to assess groundwater rights in accordance with Section 17B-1-202, means a system or plan to regulate groundwater withdrawals within a specific groundwater basin in accordance with Sections 17B-1-202 and 73-5-15.

(25) "Improvement revenues":

(a) means charges, fees, impact fees, or other revenues that a local entity receives from improvements; and

(b) does not include revenue from assessments.

(26) "Incidental refunding costs" means any costs of issuing refunding assessment bonds and calling, retiring, or paying prior bonds, including:

(a) legal and accounting fees;

(b) charges of financial advisors, escrow agents, certified public accountant verification entities, and trustees;

(c) underwriting discount costs, printing costs, the costs of giving notice;

(d) any premium necessary in the calling or retiring of prior bonds;

(e) fees to be paid to the local entity to issue the refunding assessment bonds and to refund the outstanding prior bonds;

(f) any other costs that the governing body determines are necessary and proper to incur in connection with the issuance of refunding assessment bonds; and

(g) any interest on the prior bonds that is required to be paid in connection with the issuance of the refunding assessment bonds.

(27) "Installment payment date" means the date on which an installment payment of an assessment is payable.

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(28) "Interim warrant" means a warrant issued by a local entity under Section 11-42-601.

(29) "Jurisdictional boundaries" means:

(a) for a county, the boundaries of the unincorporated area of the county; and

(b) for each other local entity, the boundaries of the local entity.

(30) "Local district" means a local district under Title 17B, Limited Purpose Local Government Entities - Local Districts.

(31) "Local entity" means:

(a) a county, city, town, special service district, or local district[5];

(b) an interlocal entity as defined in Section 11-13-103[5];

(c) a military installation development authority, created in Section 63H-1-201[5];

(d) the Utah Inland Port Authority, created in Section 11-58-201; or

(e) any other political subdivision of the state.

(32) "Local entity obligations" means assessment bonds, refunding assessment bonds, interim warrants, and bond anticipation notes issued by a local entity.

(33) "Mailing address" means:

(a) a property owner's last-known address using the name and address appearing on the last completed real property assessment roll of the county in which the property is located; and

(b) if the property is improved property:

(i) the property's street number; or

(ii) the post office box, rural route number, or other mailing address of the property, if a street number has not been assigned.

(34) "Net improvement revenues" means all improvement revenues that a local entity has received since the last installment payment date, less all amounts payable by the local entity from those improvement revenues for operation and maintenance costs.

(35) "Operation and maintenance costs":

(a) means the costs that a local entity incurs in operating and maintaining improvements in an assessment area, whether or not those improvements have been financed under this chapter; and

(b) includes service charges, administrative costs, ongoing maintenance charges, and tariffs or other charges for electrical, water, gas, or other utility usage.

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(36) "Overhead costs" means the actual costs incurred or the estimated costs to be incurred by a local entity in connection with an assessment area for appraisals, legal fees, filing fees, financial advisory charges, underwriting fees, placement fees, escrow, trustee, and paying agent fees, publishing and mailing costs, costs of levying an assessment, recording costs, and all other incidental costs.

(37) "Prior assessment ordinance" means the ordinance levying the assessments from which the prior bonds are payable.

(38) "Prior assessment resolution" means the resolution levying the assessments from which the prior bonds are payable.

(39) "Prior bonds" means the assessment bonds that are refunded in part or in whole by refunding assessment bonds.

(40) "Project engineer" means the surveyor or engineer employed by or the private consulting engineer engaged by a local entity to perform the necessary engineering services for and to supervise the construction or installation of the improvements.

(41) "Property" includes real property and any interest in real property, including water rights and leasehold rights.

(42) "Property price" means the price at which a local entity purchases or acquires by eminent domain property to make improvements in an assessment area.

(43) "Provide" or "providing," with reference to an improvement, includes the acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and expansion of an improvement.

(44) "Public agency" means:

- (a) the state or any agency, department, or division of the state; and
- (b) a political subdivision of the state.

(45) "Reduced payment obligation" means the full obligation of an owner of property within an assessment area to pay an assessment levied on the property after the assessment has been reduced because of the issuance of refunding assessment bonds, as provided in Section 11-42-608.

(46) "Refunding assessment bonds" means assessment bonds that a local entity issues under Section 11-42-607 to refund, in part or in whole, assessment bonds.

(47) "Reserve fund" means a fund established by a local entity under Section

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11-42-702.

(48) "Service" means:

(a) water, sewer, storm drainage, garbage collection, library, recreation, communications, or electric service;

(b) economic promotion activities; or

(c) any other service that a local entity is required or authorized to provide.

(49) "Special service district" means the same as that term is defined in Section 17D-1-102.

(50) "Unassessed benefitted government property" means property that a local entity may not assess in accordance with Section 11-42-408 but is benefitted by an improvement, operation and maintenance, or economic promotion activities.

(51) "Unimproved property" means property upon which no residential, commercial, or other building has been built.

(52) "Voluntary assessment area" means an assessment area that contains only property whose owners have voluntarily consented to an assessment.

Section 2. Section **11-42a-102** is amended to read:

11-42a-102. Definitions.

(1) (a) "Assessment" means the assessment that a local entity or the C-PACE district levies on private property under this chapter to cover the costs of an energy efficiency upgrade, a renewable energy system, or an electric vehicle charging infrastructure.

(b) "Assessment" does not constitute a property tax but shares the same priority lien as a property tax.

(2) "Assessment fund" means a special fund that a local entity establishes under Section 11-42a-206.

(3) "Benefitted property" means private property within an energy assessment area that directly benefits from improvements.

(4) "Bond" means an assessment bond and a refunding assessment bond.

(5) (a) "Commercial or industrial real property" means private real property used directly or indirectly or held for one of the following purposes or activities, regardless of whether the purpose or activity is for profit:

(i) commercial;

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- (ii) mining;
 - (iii) agricultural;
 - (iv) industrial;
 - (v) manufacturing;
 - (vi) trade;
 - (vii) professional;
 - (viii) a private or public club;
 - (ix) a lodge;
 - (x) a business; or
 - (xi) a similar purpose.
- (b) "Commercial or industrial real property" includes:
- (i) private real property that is used as or held for dwelling purposes and contains:
 - (A) more than four rental units; or
 - (B) one or more owner-occupied or rental condominium units affiliated with a hotel;

and

- (ii) real property [~~that~~] owned by:
 - (A) the military installation development authority, created in Section 63H-1-201[;
owns.]; or

(B) the Utah Inland Port Authority, created in Section 11-58-201.

(6) "Contract price" means:

- (a) up to 100% of the cost of installing, acquiring, refinancing, or reimbursing for an improvement, as determined by the owner of the property benefitting from the improvement; or
- (b) the amount payable to one or more contractors for the assessment, design, engineering, inspection, and construction of an improvement.

(7) "C-PACE" means commercial property assessed clean energy.

(8) "C-PACE district" means the statewide authority established in Section 11-42a-106 to implement the C-PACE Act in collaboration with governing bodies, under the direction of OED.

(9) "Electric vehicle charging infrastructure" means equipment that is:

- (a) permanently affixed to commercial or industrial real property; and
- (b) designed to deliver electric energy to a qualifying electric vehicle or a qualifying

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plug-in hybrid vehicle, as those terms are defined in Section 59-7-605.

(10) "Energy assessment area" means an area:

(a) within the jurisdictional boundaries of a local entity that approves an energy assessment area or, if the C-PACE district or a state interlocal entity levies the assessment, the C-PACE district or the state interlocal entity;

(b) containing only the commercial or industrial real property of owners who have voluntarily consented to an assessment under this chapter for the purpose of financing the costs of improvements that benefit property within the energy assessment area; and

(c) in which the proposed benefitted properties in the area are:

(i) contiguous; or

(ii) located on one or more contiguous or adjacent tracts of land that would be contiguous or adjacent property but for an intervening right-of-way, including a sidewalk, street, road, fixed guideway, or waterway.

(11) "Energy assessment bond" means a bond:

(a) issued under Section 11-42a-401; and

(b) payable in part or in whole from assessments levied in an energy assessment area.

(12) "Energy assessment lien" means a lien on property within an energy assessment area that arises from the levy of an assessment in accordance with Section 11-42a-301.

(13) "Energy assessment ordinance" means an ordinance that a local entity adopts under Section 11-42a-201 that:

(a) designates an energy assessment area;

(b) levies an assessment on benefitted property within the energy assessment area; and

(c) if applicable, authorizes the issuance of energy assessment bonds.

(14) "Energy assessment resolution" means one or more resolutions adopted by a local entity under Section 11-42a-201 that:

(a) designates an energy assessment area;

(b) levies an assessment on benefitted property within the energy assessment area; and

(c) if applicable, authorizes the issuance of energy assessment bonds.

(15) "Energy efficiency upgrade" means an improvement that is:

(a) permanently affixed to commercial or industrial real property; and

(b) designed to reduce energy or water consumption, including:

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- (i) insulation in:
 - (A) a wall, roof, floor, or foundation; or
 - (B) a heating and cooling distribution system;
- (ii) a window or door, including:
 - (A) a storm window or door;
 - (B) a multiglazed window or door;
 - (C) a heat-absorbing window or door;
 - (D) a heat-reflective glazed and coated window or door;
 - (E) additional window or door glazing;
 - (F) a window or door with reduced glass area; or
 - (G) other window or door modifications;
- (iii) an automatic energy control system;
- (iv) in a building or a central plant, a heating, ventilation, or air conditioning and distribution system;
 - (v) caulk or weatherstripping;
 - (vi) a light fixture that does not increase the overall illumination of a building, unless an increase is necessary to conform with the applicable building code;
 - (vii) an energy recovery system;
 - (viii) a daylighting system;
 - (ix) measures to reduce the consumption of water, through conservation or more efficient use of water, including installation of:
 - (A) low-flow toilets and showerheads;
 - (B) timer or timing systems for a hot water heater; or
 - (C) rain catchment systems;
 - (x) a modified, installed, or remodeled fixture that is approved as a utility cost-saving measure by the governing body or executive of a local entity;
 - (xi) measures or other improvements to effect seismic upgrades;
 - (xii) structures, measures, or other improvements to provide automated parking or parking that reduces land use;
 - (xiii) the extension of an existing natural gas distribution company line;
 - (xiv) an energy efficient elevator, escalator, or other vertical transport device;

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(xv) any other improvement that the governing body or executive of a local entity approves as an energy efficiency upgrade; or

(xvi) any improvement that relates physically or functionally to any of the improvements listed in Subsections (15)(b)(i) through (xv).

(16) "Governing body" means:

(a) for a county, city, town, or metro township, the legislative body of the county, city, town, or metro township;

(b) for a local district, the board of trustees of the local district;

(c) for a special service district:

(i) if no administrative control board has been appointed under Section 17D-1-301, the legislative body of the county, city, town, or metro township that established the special service district; or

(ii) if an administrative control board has been appointed under Section 17D-1-301, the administrative control board of the special service district; ~~and~~

(d) for the military installation development authority created in Section 63H-1-201, the board, as that term is defined in Section 63H-1-102~~[-];~~ and

(e) for the Utah Inland Port Authority, created in Section 11-58-201, the board, as defined in Section 11-58-102.

(17) "Improvement" means a publicly or privately owned energy efficiency upgrade, renewable energy system, or electric vehicle charging infrastructure that:

(a) a property owner has requested; or

(b) has been or is being installed on a property for the benefit of the property owner.

(18) "Incidental refunding costs" means any costs of issuing a refunding assessment bond and calling, retiring, or paying prior bonds, including:

(a) legal and accounting fees;

(b) charges of financial advisors, escrow agents, certified public accountant verification entities, and trustees;

(c) underwriting discount costs, printing costs, and the costs of giving notice;

(d) any premium necessary in the calling or retiring of prior bonds;

(e) fees to be paid to the local entity to issue the refunding assessment bond and to refund the outstanding prior bonds;

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(f) any other costs that the governing body determines are necessary and proper to incur in connection with the issuance of a refunding assessment bond; and

(g) any interest on the prior bonds that is required to be paid in connection with the issuance of the refunding assessment bond.

(19) "Installment payment date" means the date on which an installment payment of an assessment is payable.

(20) "Jurisdictional boundaries" means:

(a) for the C-PACE district or any state interlocal entity, the boundaries of the state; and

(b) for each local entity, the boundaries of the local entity.

(21) "Local district" means a local district under Title 17B, Limited Purpose Local Government Entities - Local Districts.

(22) (a) "Local entity" means:

(i) a county, city, town, or metro township;

(ii) a special service district, a local district, or an interlocal entity as that term is defined in Section 11-13-103;

(iii) a state interlocal entity;

(iv) the military installation development authority, created in Section 63H-1-201; [~~or~~]

(v) the Utah Inland Port Authority, created in Section 11-58-201; or

~~(v)~~ (vi) any political subdivision of the state.

(b) "Local entity" includes the C-PACE district solely in connection with:

(i) the designation of an energy assessment area;

(ii) the levying of an assessment; and

(iii) the assignment of an energy assessment lien to a third-party lender under Section 11-42a-302.

(23) "Local entity obligations" means energy assessment bonds and refunding assessment bonds that a local entity issues.

(24) "OED" means the Office of Energy Development created in Section 63M-4-401.

(25) "Overhead costs" means the actual costs incurred or the estimated costs to be incurred in connection with an energy assessment area, including:

(a) appraisals, legal fees, filing fees, facilitation fees, and financial advisory charges;

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- (b) underwriting fees, placement fees, escrow fees, trustee fees, and paying agent fees;
- (c) publishing and mailing costs;
- (d) costs of levying an assessment;
- (e) recording costs; and
- (f) all other incidental costs.

(26) "Parameters resolution" means a resolution or ordinance that a local entity adopts in accordance with Section 11-42a-201.

(27) "Prior bonds" means the energy assessment bonds refunded in part or in whole by a refunding assessment bond.

(28) "Prior energy assessment ordinance" means the ordinance levying the assessments from which the prior bonds are payable.

(29) "Prior energy assessment resolution" means the resolution levying the assessments from which the prior bonds are payable.

(30) "Property" includes real property and any interest in real property, including water rights and leasehold rights.

(31) "Public electrical utility" means a large-scale electric utility as that term is defined in Section 54-2-1.

(32) "Reduced payment obligation" means the full obligation of an owner of property within an energy assessment area to pay an assessment levied on the property after the local entity has reduced the assessment because of the issuance of a refunding assessment bond, in accordance with Section 11-42a-403.

(33) "Refunding assessment bond" means an assessment bond that a local entity issues under Section 11-42a-403 to refund, in part or in whole, energy assessment bonds.

(34) (a) "Renewable energy system" means a product, system, device, or interacting group of devices that is permanently affixed to commercial or industrial real property not located in the certified service area of a distribution electrical cooperative, as that term is defined in Section 54-2-1, and:

- (i) produces energy from renewable resources, including:
 - (A) a photovoltaic system;
 - (B) a solar thermal system;
 - (C) a wind system;

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(D) a geothermal system, including a generation system, a direct-use system, or a ground source heat pump system;

(E) a microhydro system;

(F) a biofuel system; or

(G) any other renewable source system that the governing body of the local entity approves;

(ii) stores energy, including:

(A) a battery storage system; or

(B) any other energy storing system that the governing body or chief executive officer of a local entity approves; or

(iii) any improvement that relates physically or functionally to any of the products, systems, or devices listed in Subsection (34)(a)(i) or (ii).

(b) "Renewable energy system" does not include a system described in Subsection (34)(a)(i) if the system provides energy to property outside the energy assessment area, unless the system:

(i) (A) existed before the creation of the energy assessment area; and

(B) beginning before January 1, 2017, provides energy to property outside of the area that became the energy assessment area; or

(ii) provides energy to property outside the energy assessment area under an agreement with a public electrical utility that is substantially similar to agreements for other renewable energy systems that are not funded under this chapter.

(35) "Special service district" means the same as that term is defined in Section 17D-1-102.

(36) "State interlocal entity" means:

(a) an interlocal entity created under [~~Title 11,~~] Chapter 13, Interlocal Cooperation Act, by two or more counties, cities, towns, or metro townships that collectively represent at least a majority of the state's population; or

(b) an entity that another state authorized, before January 1, 2017, to issue bonds, notes, or other obligations or refunding obligations to finance or refinance projects in the state.

(37) "Third-party lender" means a trust company, savings bank, savings and loan association, bank, credit union, or any other entity that provides loans directly to property

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owners for improvements authorized under this chapter.

Section 3. Section 11-58-102 is amended to read:

11-58-102. Definitions.

As used in this chapter:

(1) "Authority" means the Utah Inland Port Authority, created in Section 11-58-201.

(2) "Authority jurisdictional land" means land within the authority boundary delineated in the electronic shapefile that:

(a) is the electronic component of H.B. 2001, Utah Inland Port Authority Amendments, 2018 Second Special Session; and

(b) may be accessed via the Utah Legislature's website.

(3) "Base taxable value" means:

(a) (i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the authority jurisdictional land, the taxable value of authority jurisdictional land in calendar year ~~2017~~2018; ~~for~~and

(ii) for an area described in Subsection 11-58-601(1)(c), the taxable value of that area in calendar year 2017; or

(b) for a project area that consists of land outside the authority jurisdictional land, the taxable value of property within any portion of a project area, as designated by board resolution, from which the property tax differential will be collected, as shown upon the assessment roll last equalized before the year in which the authority adopts a project area plan for that area.

(4) "Board" means the authority's governing body, created in Section 11-58-301.

(5) "Business plan" means a plan designed to facilitate, encourage, and bring about development of the authority jurisdictional land to achieve the goals and objectives described in Subsection 11-58-203(1), including the development and establishment of an inland port.

(6) "Development" means:

(a) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including publicly owned infrastructure and improvements; and

(b) the planning of, arranging for, or participation in any of the activities listed in

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Subsection (6)(a).

(7) "Development project" means a project for the development of land within a project area.

(8) "Inland port" means one or more sites that:

(a) contain multimodal transportation assets and other facilities that:

(i) are related but may be separately owned and managed; and

(ii) together are intended to:

(A) allow global trade to be processed and altered by value-added services as goods move through the supply chain;

(B) provide a regional merging point for transportation modes for the distribution of goods to and from ports and other locations in other regions;

(C) provide cargo-handling services to allow freight consolidation and distribution, temporary storage, customs clearance, and connection between transport modes; and

(D) provide international logistics and distribution services, including freight forwarding, customs brokerage, integrated logistics, and information systems; and

(b) may include a satellite customs clearance terminal, an intermodal [distribution] facility, a customs pre-clearance for international trade, or other facilities that facilitate, encourage, and enhance regional, national, and international trade.

(9) "Inland port use" means a use of land:

(a) for an inland port;

(b) that directly implements or furthers the purposes of an inland port, as stated in Subsection (8);

(c) that complements or supports the purposes of an inland port, as stated in Subsection (8); or

(d) that depends upon the presence of the inland port for the viability of the use.

(10) "Intermodal facility" means a hub or other facility for trade combining any combination of rail, trucking, air cargo, and other transportation services.

[(10)] (11) "Nonvoting member" means an individual appointed as a member of the board under Subsection 11-58-302(6) who does not have the power to vote on matters of authority business.

[(11)] (12) "Project area" means:

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(a) the authority jurisdictional land~~[-]; or~~

(b) land outside the authority jurisdictional land, whether consisting of a single contiguous area or multiple noncontiguous areas, described in a project area plan or draft project area plan, where the development project set forth in the project area plan or draft project area plan takes place or is proposed to take place.

~~[(12)]~~ (13) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to ~~[a]~~ the project area.

~~[(13)]~~ (14) "Project area plan" means a written plan that, after its effective date, guides and controls the development within a project area.

~~[(14)]~~ (15) "Property tax" includes a privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.

~~[(15)]~~ (16) "Property tax differential":

(a) means the difference between:

~~[(a)]~~ (i) the amount of property tax revenues generated each tax year by all taxing entities from a project area, using the current assessed value of the property; and

~~[(b)]~~ (ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property~~[-]~~

~~— (16) [-]; and~~

(b) does not include property tax revenue from:

(i) a county additional property tax or multicounty assessing and collecting levy imposed in accordance with Section 59-2-1602;

(ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;

or

(iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general obligation bond.

~~[(16)]~~ (17) "Public entity" means:

(a) the state, including each department, division, or other agency of the state; or

(b) a county, city, town, metro township, school district, local district, special service district, interlocal cooperation entity, community reinvestment agency, or other political subdivision of the state.

~~[(17)]~~ (18) "Publicly owned infrastructure and improvements":

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(a) means infrastructure, improvements, facilities, or buildings that:

(i) benefit the public; and

(ii) (A) are owned by ~~the authority,~~ a public entity ~~or~~ a utility; or

(B) are publicly maintained or operated by a public entity;

(b) includes:

(i) facilities, lines, or systems that provide:

(A) water, chilled water, or steam; or

(B) sewer, storm drainage, natural gas, electricity, or telecommunications service; and

(ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking facilities, and public transportation facilities.

~~[(18)]~~ [(19)] "Shapefile" means the digital vector storage format for storing geometric location and associated attribute information.

~~[(19)]~~ [(20)] "Taxable value" means the value of property as shown on the last equalized assessment roll as certified by the county assessor.

~~[(20)]~~ [(21)] "Taxing entity" means a public entity that levies a tax on property within a project area.

~~[(21)]~~ [(22)] "Voting member" means an individual appointed or designated as a member of the board under Subsection 11-58-302(2).

Section 4. Section **11-58-201** is amended to read:

11-58-201. Creation of Utah Inland Port Authority -- Status and purposes.

(1) Under the authority of Article XI, Section 8 of the Utah Constitution, there is created the Utah Inland Port Authority.

(2) The authority is:

(a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;

(b) a political subdivision of the state; and

(c) a public corporation, as defined in Section 63E-1-102.

(3) (a) The purpose of the authority is to fulfill the statewide public purpose of working in concert with applicable state and local government entities, property owners and other private parties, and other stakeholders to encourage and facilitate development of the authority jurisdictional land and land in other authority project areas to maximize the long-term

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economic and other benefit for the state, consistent with the strategies, policies, and objectives described in this chapter, including:

(i) the development of inland port uses on the authority jurisdictional land and on land in other [authority](#) project areas;

(ii) the development of infrastructure to support inland port uses and associated uses on the authority jurisdictional land and on land in other [authority](#) project areas; and

(iii) other development on the authority jurisdictional land and on land in other [authority](#) project areas.

(b) The duties and responsibilities of the authority under this chapter are beyond the scope and capacity of a municipality, which has many other responsibilities and functions that appropriately command the attention and resources of the municipality, and are not municipal functions of purely local concern but are matters of regional and statewide concern, importance, interest, and impact, due to multiple factors, including:

(i) the strategic location of the authority jurisdictional land in proximity to significant existing and potential transportation infrastructure, including infrastructure provided and maintained by the state, conducive to facilitating regional, national, and international trade and the businesses and facilities that promote and complement that trade;

(ii) the enormous potential for regional and statewide economic and other benefit that can come from the appropriate development of the authority jurisdictional land, including the establishment of a thriving inland port;

(iii) the regional and statewide impact that the development of the authority jurisdictional land will have; and

(iv) the considerable investment the state is making in connection with the development of the new correctional facility and associated infrastructure located on the authority jurisdictional land.

(c) The authority is the mechanism the state chooses to focus resources and efforts on behalf of the state to ensure that the regional and statewide interests, concerns, and purposes described in this Subsection (3) are properly addressed from more of a statewide perspective than any municipality can provide.

Section 5. Section **11-58-202** is amended to read:

11-58-202. Port authority powers and duties.

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(1) The authority has exclusive jurisdiction, responsibility, and power to coordinate the efforts of all applicable state and local government entities, property owners and other private parties, and other stakeholders to:

(a) develop and implement a business plan for the authority jurisdictional land ~~and for land in other project areas~~, to include ~~for the authority jurisdictional land,~~ an environmental sustainability component, developed in conjunction with the Utah Department of Environmental Quality, incorporating policies and best practices to meet or exceed applicable federal and state standards, including:

(i) emissions monitoring and reporting; and

(ii) strategies that use the best available technology to mitigate environmental impacts from development and uses on the authority jurisdictional land;

(b) plan and facilitate the development of inland port uses on authority jurisdictional land and on land in other authority project areas;

(c) manage any inland port located on land owned or leased by the authority; and

(d) establish a foreign trade zone, as provided under federal law, covering some or all of the authority jurisdictional land or land in other authority project areas.

(2) The authority may:

(a) facilitate and bring about the development of inland port uses on land that is part of the authority jurisdictional land or that is in other authority project areas, including engaging in marketing and business recruitment activities and efforts to encourage and facilitate:

(i) the development of an inland port on the authority jurisdictional land; and

(ii) other development of the authority jurisdictional land consistent with the policies and objectives described in Subsection 11-58-203(1);

(b) facilitate and provide funding for the development of the authority jurisdictional land and land in other authority project areas, including the development of publicly owned infrastructure and improvements and other infrastructure and improvements on or related to the authority jurisdictional land;

(c) engage in marketing and business recruitment activities and efforts to encourage and facilitate development of the authority jurisdictional land;

(d) apply for and take all other necessary actions for the establishment of a foreign trade zone, as provided under federal law, covering some or all of the authority jurisdictional

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land;

(e) as the authority considers necessary or advisable to carry out any of its duties or responsibilities under this chapter:

(i) buy, obtain an option upon, or otherwise acquire any interest in real or personal property;

(ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property; or

(iii) enter into a lease agreement on real or personal property, either as lessee or lessor;

(f) sue and be sued;

(g) enter into contracts generally;

(h) provide funding for the development of publicly owned infrastructure and improvements or other infrastructure and improvements on or related to the authority jurisdictional land or other authority project areas;

(i) exercise powers and perform functions under a contract, as authorized in the contract;

(j) receive the property tax differential, as provided in this chapter;

(k) accept financial or other assistance from any public or private source for the authority's activities, powers, and duties, and expend any funds so received for any of the purposes of this chapter;

(l) borrow money, contract with, or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this chapter and comply with any conditions of the loan, contract, or assistance;

(m) issue bonds to finance the undertaking of any development objectives of the authority, including bonds under [~~Title 17,~~] Chapter 17, Utah Industrial Facilities and Development Act, [~~and~~] bonds under [~~Title 17,~~] Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial Property Assessed Clean Energy Act;

(n) hire employees, including contract employees;

(o) transact other business and exercise all other powers provided for in this chapter;

(p) engage one or more consultants to advise or assist the authority in the performance of the authority's duties and responsibilities;

(q) enter into an agreement with a taxing entity to share property tax differential for

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services that the taxing entity provides within the authority jurisdictional land;

(r) work with other political subdivisions and neighboring property owners and communities to mitigate potential negative impacts from the development of authority jurisdictional land; ~~and~~

(s) own and operate ~~fa hub, described in Subsection 11-58-203(1)(f),~~ an intermodal facility if the authority considers the authority's ownership and operation of ~~fa hub~~ an intermodal facility to be necessary or desirable; and

(t) own and operate publicly owned infrastructure and improvements in a project area outside the authority jurisdictional land;

~~(s)~~ ~~(f)~~ (u) exercise powers and perform functions that the authority is authorized by statute to exercise or perform.

(3) Beginning January 1, 2020, the authority shall:

(a) be the repository of the official delineation of the boundary of the authority jurisdictional land, identical to the boundary as delineated in the shapefile that is the electronic component of H.B. 2001, Utah Inland Port Authority Amendments, 2018 Second Special Session, subject to any later changes to the boundary enacted by the Legislature; and

(b) maintain an accurate digital file of the boundary that is easily accessible by the public.

(4) An intermodal facility owned by the authority is subject to a privilege tax under Title 59, Chapter 4, Privilege Tax.

Section 6. Section **11-58-203** is amended to read:

11-58-203. Policies and objectives of the port authority -- Additional duties of the port authority.

(1) The policies and objectives of the authority are to:

(a) maximize long-term economic benefits to the area, the region, and the state;

(b) maximize the creation of high-quality jobs;

(c) respect and maintain sensitivity to the unique natural environment of areas in proximity to the authority jurisdictional land and land in other authority project areas;

(d) improve air quality and minimize resource use;

(e) respect existing land use and other agreements and arrangements between property owners within the authority jurisdictional land and within other authority project areas and

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applicable governmental authorities;

(f) promote and encourage development and uses that are compatible with or complement uses in areas in proximity to the authority jurisdictional land or land in other authority project areas;

(g) take advantage of the authority jurisdictional land's strategic location and other features, including the proximity to transportation and other infrastructure and facilities, that make the authority jurisdictional land attractive to:

(i) businesses that engage in regional, national, or international trade; and

(ii) businesses that complement businesses engaged in regional, national, or international trade;

(h) facilitate the transportation of goods;

(i) coordinate trade-related opportunities to export Utah products nationally and internationally;

(j) support and promote land uses on the authority jurisdictional land and land in other authority project areas that generate economic development, including rural economic development;

(k) establish a project of regional significance;

(l) facilitate ~~[a hub for trade combining rail, trucking, air cargo, and other transportation services]~~ an intermodal facility;

(m) support uses of the authority jurisdictional land for inland port uses, including warehousing, light manufacturing, and distribution facilities;

(n) facilitate an increase in trade in the region and in global commerce; and

(o) promote the development of facilities that help connect local businesses to potential foreign markets for exporting or that increase foreign direct investment.

(2) In fulfilling its duties and responsibilities relating to the development of the authority jurisdictional land and land in other authority project areas and to achieve and implement the development policies and objectives under Subsection (1), the authority shall:

(a) work to identify funding sources, including federal, state, and local government funding and private funding, for capital improvement projects in and around the authority jurisdictional land and land in other authority project areas and for an inland port;

(b) review and identify land use and zoning policies and practices to recommend to

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municipal land use policymakers and administrators that are consistent with and will help to achieve:

- (i) the policies and objectives stated in Subsection (1); and
- (ii) the mutual goals of the state and local governments that have authority jurisdictional land with their boundaries with respect to the authority jurisdictional land; and
- (c) consult and coordinate with other applicable governmental entities to improve and enhance transportation and other infrastructure and facilities in order to maximize the potential of the authority jurisdictional land to attract, retain, and service users who will help maximize the long-term economic benefit to the state.

Section 7. Section **11-58-205** is amended to read:

11-58-205. Applicability of other law -- Cooperation of state and local governments -- Municipality to consider board input -- Prohibition relating to natural resources -- Inland port as permitted or conditional use -- Municipal services -- Sharing property tax differential.

(1) Except as provided in Part 4, Appeals to Appeals Panel, the authority does not have and may not exercise any powers relating to the regulation of land uses on the authority jurisdictional land.

(2) The authority is subject to and governed by Sections 63E-2-106, 63E-2-107, 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed by Title 63E, Independent Entities Code.

(3) A department, division, or other agency of the state and a political subdivision of the state shall cooperate with the authority to the fullest extent possible to provide whatever support, information, or other assistance the board requests that is reasonably necessary to help the authority fulfill its duties and responsibilities under this chapter.

(4) In making decisions affecting the authority jurisdictional land, the legislative body of a municipality in which the authority jurisdictional land is located shall consider input from the authority board.

(5) (a) No later than December 31, 2018, the ordinances of a municipality with authority jurisdictional land within its boundary shall allow an inland port as a permitted or conditional use, subject to standards that are:

- (i) determined by the municipality; and

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(ii) consistent with the policies and objectives stated in Subsection 11-58-203(1).

(b) A municipality whose ordinances do not comply with Subsection (5)(a) within the time prescribed in that subsection shall allow an inland port as a permitted use without regard to any contrary provision in the municipality's land use ordinances.

(6) The transporting, unloading, loading, transfer, or temporary storage of natural resources may not be prohibited on the authority jurisdictional land.

(7) (a) (i) A municipality whose boundary includes authority jurisdictional land shall provide the same municipal services to the area of the municipality that is within the authority jurisdictional land as the municipality provides to other areas of the municipality with similar zoning and a similar development level.

(ii) The level and quality of municipal services that a municipality provides within authority jurisdictional land shall be fairly and reasonably consistent with the level and quality of municipal services that the municipality provides to other areas of the municipality with similar zoning and a similar development level.

(b) (i) The board shall negotiate and enter into an agreement with a municipality providing municipal services, as described in Subsection (7)(a), with respect to the appropriate amount of property tax differential the authority should share with the municipality to cover the cost of providing those municipal services.

(ii) Under an agreement described in Subsection (7)(b)(i), the board and municipality shall establish a method of determining the amount of property tax differential the authority shares over time with a municipality to cover the cost of providing municipal services, taking into account:

(A) the cost of those services as documented in the audited financial statements under Subsection (7)(c); and

(B) the variable level of need for those services within the authority jurisdictional land depending on the level, amount, and location of development and other relevant factors.

(c) A municipality providing municipal services, as described in Subsection (7)(a), shall, as requested by the board, provide the board audited financial statements documenting the cost of the municipal services the municipality provides within the authority jurisdictional land.

(8) (a) The board shall negotiate and enter into an agreement with a municipality or

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other taxing entity in which the authority jurisdictional land is located to share some of the increase in property tax differential that occurs over time as development occurs and the amount of property tax revenues increases.

(b) In an agreement described in Subsection (8)(a), the board and municipality or other taxing entity shall establish a method of determining the amount of property tax differential the authority shares over time to allow the municipality or other taxing entity to share in the benefit from increasing property tax revenues.

~~[(8)]~~ (9) The board may consult with other taxing entities, in addition to a municipality under Subsection (7), for the purpose of receiving input from those taxing entities on the appropriate allocation of property tax differential, considering the needs of the authority and the needs of the other taxing entities.

~~[(9)]~~ (10) (a) The board shall review and reassess the amount of property tax differential the authority retains and the amount the authority shares with other taxing entities so that the authority retains property tax differential it reasonably needs to meet its responsibilities and purposes and adjusts the amount the authority shares with other taxing entities accordingly.

(b) The board shall meet with taxing entities to review and reassess, as provided in Subsection ~~[(9)]~~ (10)(a):

- (i) before December 31, 2020; and
- (ii) at least every other year after 2020.

~~[(10)(a)]~~ (11) A political subdivision may not, without the approval of the political subdivision's legislative or governing body:

(a) bring a legal action or other challenge to dispute the creation, existence, funding, powers, project areas, or duties of the authority~~};~~ or

(b) ~~{No}use~~ public money from any source ~~{ may be used }~~ to fund a legal action or other challenge by any person to dispute the creation, existence, funding, powers, project areas, or duties of the authority.

~~[(11)]~~ (12) (a) As used in this Subsection ~~[(11)]~~ (12):

(i) "Direct financial benefit" means the same as that term is defined in Section 11-58-304.

(ii) "~~{Governing}~~ Non-authority governing body member" means a member of the

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board or other body ~~{with}~~that has authority to make decisions for a non-authority government owner.

(iii) "~~{Government}~~Non-authority government owner" mean a state agency or non-authority local government entity that owns land that is part of the authority jurisdictional land.

(iv) "~~{Local}~~Non-authority local government entity":

(A) means a county, city, town, metro township, local district, special service district, community reinvestment agency, or other political subdivision of the state~~{,};~~ and

(B) excludes the authority.

(v) "State agency" means a department, division, or other agency or instrumentality of the state, including an independent state agency.

(b) A non-authority governing body member who owns or has a financial interest in ~~{property}~~land that is part of the authority jurisdictional land or who reasonably expects to receive a direct financial benefit from development of authority jurisdictional land shall submit a written disclosure~~{,};~~

~~(i) that describes}~~ to the authority board and the non-authority government owner.

(c) A written disclosure under Subsection (12)(b) shall describe, as applicable:

~~{A}~~i) the non-authority governing body member's ownership or financial interest in property that is part of the authority jurisdictional land; and

~~{B}~~ii) the direct financial benefit the non-authority governing body member expects to receive from development of authority jurisdictional land{,};

~~{ii) to the authority board and the government owner; and~~

~~(iii) }d) A non-authority governing body member required under Subsection (12)(b) to submit a written disclosure shall submit the disclosure~~ no later than 30 days after:

~~{A}~~i) the non-authority governing body member:

(A) acquires an ownership or financial interest in property that is part of the authority jurisdictional land; or

(B) first knows that the non-authority governing body member expects to receive a direct financial benefit from the development of authority jurisdictional land; or

~~{B}~~ii) the effective date of this Subsection (~~{11}~~12), if that date is later than the period described in Subsection (~~{11}~~12)(~~{b}~~d)(~~{iii}~~(A)i).

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~~(f)(e)~~ A written disclosure submitted under this Subsection (~~(11)(b)12~~) is a public record.

Section 8. Section **11-58-206** is amended to read:

11-58-206. Port authority funds.

The authority may use authority funds for any purpose authorized under this chapter, including:

- (1) promoting, facilitating, ~~{owning, operating, }~~ and advancing inland port uses; ~~{and~~
~~(2)}~~ (2) owning and operating an intermodal facility; and
(2) (3) paying any consulting fees and staff salaries and other administrative, overhead, legal, and operating expenses of the authority.

Section 9. Section **11-58-305** is amended to read:

11-58-305. Executive director.

- (1) On or before [~~November 1, 2018~~] July 1, 2019, the board shall hire a full-time executive director to manage and oversee the day-to-day operations of the authority and to perform other functions, as directed by the board.
- (2) The executive director shall have the education, experience, and training necessary to perform the executive director's duties in a way that maximizes the potential for successfully achieving and implementing the strategies, policies, and objectives stated in Subsection 11-58-203(1).
- (3) An executive director is an at-will employee who serves at the pleasure of the board and may be removed by the board at any time.
- (4) The board shall establish the duties, compensation, and benefits of an executive director.

Section 10. Section **11-58-501** is amended to read:

11-58-501. Preparation of project area plan -- Required contents of project area plan.

- (1) (a) The authority jurisdictional land constitutes a single project area.
 - (b) The authority is not required to adopt a project area plan for a project area consisting of the authority jurisdictional land.
- ~~(1)~~ (2) (a) The board may adopt a project area plan for land that is outside the

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authority jurisdictional land, as provided in this part[-], if the board receives written consent to include the land in the project area described in the project area plan from:

(i) as applicable:

(A) the legislative body of the county in whose unincorporated area the land is located;

or

(B) the legislative body of the municipality in which the land is located; and

(ii) the owner of the land.

(b) Land included or to be included within a project area need not be contiguous or in close proximity to the authority jurisdictional land.

~~[(b)]~~ (c) In order to adopt a project area plan, the board shall:

(i) prepare a draft project area plan;

(ii) give notice as required under Subsection 11-58-502(2);

(iii) hold at least one public meeting, as required under Subsection 11-58-502(1); and

(iv) after holding at least one public meeting and subject to Subsection ~~[(1)(c)]~~ (2)(d),

adopt the draft project area plan as the project area plan.

~~[(c)]~~ (d) Before adopting a draft project area plan as the project area plan, the board may make modifications to the draft project area plan that the board considers necessary or appropriate.

~~[(2)]~~ (3) Each project area plan and draft project area plan shall contain:

(a) a legal description of the boundary of the project area;

(b) the authority's purposes and intent with respect to the project area; and

(c) the board's findings and determination that:

(i) there is a need to effectuate a public purpose;

(ii) there is a public benefit to the proposed development project;

(iii) it is economically sound and feasible to adopt and carry out the project area plan;

and

(iv) carrying out the project area plan will promote the goals and objectives stated in Subsection 11-58-203(1).

Section 11. Section **11-58-502** is amended to read:

11-58-502. Public meeting to consider and discuss draft project area plan --

Notice -- Adoption of plan.

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(1) The board shall hold at least one public meeting to consider and discuss a draft project area plan.

(2) At least 10 days before holding a public meeting under Subsection (1), the board shall give notice of the public meeting:

(a) to each taxing entity;

(b) to a municipality in which the proposed project area is located or that is located within one-half mile of the proposed project area; and

(c) on the Utah Public Notice Website created in Section 63F-1-701.

(3) Following consideration and discussion of the draft project area plan, and any modification of the project area plan under Subsection 11-58-501~~[(1)(c)]~~(2)(d), the board may adopt the draft project area plan or modified draft project area plan as the project area plan.

Section 12. Section **11-58-503** is amended to read:

11-58-503. Notice of project area plan adoption -- Effective date of plan -- Time for challenging a project area plan or project area.

(1) Upon the board's adoption of a project area plan, the board shall provide notice as provided in Subsection (2) by publishing or causing to be published legal notice:

(a) in a newspaper of general circulation within or near the project area; and

(b) as required by Section 45-1-101.

(2) (a) Each notice under Subsection (1) shall include:

~~[(a)]~~ (i) the board resolution adopting the project area plan or a summary of the resolution; and

~~[(b)]~~ (ii) a statement that the project area plan is available for general public inspection and the hours for inspection.

(b) The statement required under Subsection (2)(a)(ii) may be included within the board resolution adopting the project area plan or within the summary of the resolution.

(3) The project area plan shall become effective on the date ~~[of publication of the notice]~~ designated in the board resolution.

(4) The authority shall make the adopted project area plan available to the general public at its offices during normal business hours.

(5) Within 10 days after the day on which a project area plan is adopted that establishes a project area, or after an amendment to a project area plan is adopted under which the

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boundary of a project area is modified, the authority shall send notice of the establishment or modification of the project area and an accurate map or plat of the project area to:

- (a) the State Tax Commission;
- (b) the Automated Geographic Reference Center created in Section 63F-1-506; and
- (c) the assessor and recorder of each county where the project area is located.

(6) (a) A legal action or other challenge to a project area plan or a project area described in a project area plan is barred unless brought within 30 days after the effective date of the project area plan.

(b) A legal action or other challenge to a project area that consists of authority jurisdictional land is barred unless brought within 30 days after the board adopts a business plan under Subsection 11-58-202(1)(a) for the authority jurisdictional land.

Section 13. Section **11-58-505** is amended to read:

11-58-505. Project area budget.

(1) Before the authority may [~~receive or~~] use the property tax differential from a project area, the board shall prepare and adopt a project area budget.

(2) A project area budget shall include:

(a) the base taxable value of property in the project area;

(b) the projected property tax differential expected to be generated within the project area;

(c) the amount of the property tax differential expected to be shared with other taxing entities;

(d) the amount of the property tax differential expected to be used to implement the project area plan, including the estimated amount of the property tax differential to be used for land acquisition, public improvements, infrastructure improvements, and loans, grants, or other incentives to private and public entities;

(e) the property tax differential expected to be used to cover the cost of administering the project area plan; and

~~[(f) if the property tax differential is to be collected at different times or from different portions of the project area, or both:]~~

~~[(i) (A) the tax identification numbers of the parcels from which the property tax differential will be collected; or]~~

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~~[(B) a legal description of the portion of the project area from which the property tax differential will be collected; and]~~

~~[(ii) an estimate of when other portions of the project area will become subject to collection of the property tax differential; and]~~

~~[(g)]~~ (f) for property that the authority owns or leases and expects to sell or sublease, the expected total cost of the property to the authority and the expected selling price or lease payments.

(3) The board may amend an adopted project area budget as and when the board considers it appropriate.

(4) ~~[If a project area plan defines the project area as all]~~ For a project area that consists of the authority jurisdictional land, the budget requirements of this part are met by the authority complying with the budget requirements of Part 8, Port Authority Budget, Reporting, and Audits.

Section 14. Section **11-58-601** is amended to read:

11-58-601. Port authority receipt and use of property tax differential -- Distribution of property tax differential.

(1) (a) The authority ~~[may]~~:

(i) subject to Subsections (1)(b), (c), and (d)~~[, receive up to]~~:

(A) shall be paid 100% of the property tax differential, as provided in Subsection (3), for a period ~~[ending up to]~~ of 25 years after a certificate of occupancy is issued with respect to improvements on a parcel, as determined by the board and as provided in this part; and

(B) may be paid up to 100% of the property tax differential, as provided in Subsection (3), for a period of 15 additional years beyond the period stated in Subsection (1)(a)(i)(A) if the board determines that the additional years of property tax differential will produce a significant benefit; and

(ii) may use the property tax differential before, during, and after the period described in Subsection (1)(a)(i).

(b) With respect to a parcel located within a project area, the ~~[25-year]~~ period described in Subsection (1)(a)(i) begins on the day on which the authority receives the first property tax differential from that parcel.

(c) The authority may not receive property tax differential from: ;

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(i) an area included within a community reinvestment project area, as defined in Section 17C-1-102, under a community reinvestment project area plan, as defined in Section 17C-1-102, adopted before ~~March~~ October 1, 2018, from a taxing entity that has, before ~~March~~ October 1, 2018, entered into a fully executed, legally binding agreement under which the taxing entity agrees to the use of its tax increment, as defined in Section 17C-1-102, under the community reinvestment project area plan~~;~~

~~_____}~~ [~~;~~ or

(ii) a parcel of land for which a certificate of occupancy was issued before December 1, 2018.

~~[(d) The authority shall pay to a community reinvestment agency { in which the authority jurisdictional land is located} 10% of the property tax differential generated from land located within that community reinvestment agency, to be used for affordable housing as provided in Section 17C-1-412.]~~

(d) (i) As used in this Subsection (1)(d):

(A) "Agency land" means authority jurisdictional land that is within the boundary of an eligible community reinvestment agency and from which the authority is paid property tax differential.

(B) "Eligible community reinvestment agency" means the community reinvestment agency in which agency land is located.

(ii) The authority shall pay 10% of the property tax differential generated from agency land to the eligible community reinvestment agency, to be used for affordable housing as provided in Section 17C-1-412.

(2) A county that collects property tax on property within a project area shall pay and distribute to the authority the property tax differential that the authority is entitled to collect under this title, in the manner and at the time provided in Section 59-2-1365.

~~[(3)(a) The board shall determine by resolution when the entire project area or an individual parcel within a project area is subject to property tax differential.]~~

~~[(b) The board shall amend the project area budget to reflect whether a parcel within a project area is subject to property tax differential.]~~

(3) Until the end of the period described in Subsection (1)(a)(i), the county shall pay to the authority all property tax differential collected from a parcel within a project area,

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beginning:

(a) for a parcel that is part of the authority jurisdictional land, November 2019; and

(b) for a parcel in any other project area, November of the year following the year that forms the basis of the base taxable value calculation.

Section 15. Section **11-58-602** is amended to read:

11-58-602. Allowable uses of property tax differential and other funds.

(1) The authority may use the property tax differential, money the authority receives from the state, money the authority receives under Subsection 59-12-205(2)(b)(iii), and other funds available to the authority:

(a) for any purpose authorized under this chapter;

(b) subject to Subsection (4), for administrative, overhead, legal, consulting, and other operating expenses of the authority;

(c) to pay for, including financing or refinancing, all or part of the development of land within ~~[the]~~ a project area ~~[from which the property tax differential or other funds were collected]~~, including assisting the ongoing operation of a development or facility within the project area;

(d) to pay the cost of the installation and construction of publicly owned infrastructure and improvements within the project area from which the property tax differential funds were collected;

(e) to pay the cost of the installation of publicly owned infrastructure and improvements outside ~~[the]~~ a project area if the board determines by resolution that the infrastructure and improvements are of benefit to the project area;

(f) to pay for municipal services that a municipality provides within the authority jurisdictional land;

(g) to pay for other services that a taxing entity provides within the authority jurisdictional land; ~~[and]~~

(h) to share growth in the amount of property tax differential over time with other taxing entities;

~~(hi)~~ to pay to a community reinvestment agency for affordable housing, as provided in Subsection 11-58-601(1)(d); and

~~(h)~~ ~~(fi)~~ to pay the principal and interest on bonds issued by the authority.

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(2) The authority may use revenue generated from the operation of publicly owned infrastructure operated by the authority or improvements, including an intermodal facility, operated by the authority to:

(a) operate and maintain the infrastructure or improvements; and

(b) pay for authority operating expenses, including administrative, overhead, and legal expenses.

(3) The determination of the board under Subsection (1)(e) regarding benefit to the project area is final.

(4) The authority may not use more than [~~2%~~] 5% of property tax differential revenue collected during the period described in Subsection 11-58-601(1)(a)(i) to pay for authority operating expenses, including:

(a) administrative and overhead expenses; and

(b) legal expenses, except legal fees and expenses with respect to potential or pending litigation involving the authority.

(5) The authority may not use property tax differential revenue collected from one project area for a development project within another project area.

(6) Until the authority adopts a business plan under Subsection 11-58-202(1)(a), the authority may not spend property tax differential revenue collected from authority jurisdictional land.

(7) (a) As used in this Subsection (7):

(i) "Authority sales and use tax revenue" means money distributed to the authority under Subsection 59-12-205(2)(b)(iii).

(ii) "Eligible county" means a county that would be entitled to receive sales and use tax revenue under Subsection 59-12-205(2)(b)(i) in the absence of Subsection 59-12-205(2)(b)(iii).

(iii) "Eligible municipality" means a municipality that would be entitled to receive sales and use tax revenue under Subsection 59-12-205(2)(b)(i) in the absence of Subsection 59-12-205(2)(b)(iii).

(iv) "Point of sale portion" means:

(A) for an eligible county, the amount of sales and use tax revenue the eligible county would have received under Subsection 59-12-205(2)(b)(i) in the absence of Subsection 59-12-205(2)(b)(iii), excluding the retail sales portion; and

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(B) for an eligible municipality, the amount of sales and use tax revenue the eligible municipality would have received under Subsection 59-12-205(2)(b)(i) in the absence of Subsection 59-12-205(2)(b)(iii), excluding the retail sales portion.

(v) "Retail sales portion" means the amount of sales and use tax revenue collected under Subsection 59-12-205(2)(b)(i) from retail sales transactions that occur on authority jurisdictional land.

(b) Within 45 days after receiving authority sales and use tax revenue, the authority shall:

(i) distribute half of the point of sale portion to each eligible county and eligible municipality; and

(ii) distribute all of the retail sales portion to each eligible county and eligible municipality.

Section 16. Section **11-58-702** is amended to read:

11-58-702. Sources from which bonds may be made payable -- Port authority powers regarding bonds.

(1) The principal and interest on bonds issued by the authority may be made payable from:

(a) the income and revenues of the projects financed with the proceeds of the bonds;

(b) the income and revenues of certain designated projects whether or not they were financed in whole or in part with the proceeds of the bonds;

(c) the income, proceeds, revenues, property, and funds the authority derives from or holds in connection with its undertaking and carrying out development of authority jurisdictional land;

(d) property tax differential funds;

(e) authority revenues generally;

(f) a contribution, loan, grant, or other financial assistance from the federal government or a public entity in aid of the [~~development of military land~~] authority; or

(g) funds derived from any combination of the methods listed in Subsections (1)(a) through (f).

(2) In connection with the issuance of authority bonds, the authority may:

(a) pledge all or any part of its gross or net rents, fees, or revenues to which its right

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then exists or may thereafter come into existence;

(b) encumber by mortgage, deed of trust, or otherwise all or any part of its real or personal property, then owned or thereafter acquired; and

(c) make the covenants and take the action that may be necessary, convenient, or desirable to secure its bonds, or, except as otherwise provided in this chapter, that will tend to make the bonds more marketable, even though such covenants or actions are not specifically enumerated in this chapter.

Section 17. Section **54-17-806** is amended to read:

54-17-806. Qualified utility renewable energy tariff.

(1) The commission may authorize a qualified utility to implement a renewable energy tariff in accordance with this section if the commission determines the tariff that the qualified utility proposes is reasonable and in the public interest.

(2) ~~[H]~~ The commission may authorize a tariff ~~[is authorized]~~ under Subsection (1)~~;~~ to apply to:

(a) a qualified utility customer with an aggregated electrical load of at least five megawatts [and who agrees to]; or

(b) a combination of qualified utility customers who are separately metered if:

(i) the aggregated electrical load of the qualified utility customers is at least five megawatts; and

(ii) each of the qualified utility customers and the renewable energy source are located within authority jurisdictional land, as defined in Section 11-58-102.

(3) A customer who agrees to take service that is subject to the renewable energy tariff under this section shall pay:

(a) the customer's normal tariff rate;

(b) an incremental charge in an amount equal to the difference between the cost to the qualified utility to supply renewable generation to the renewable energy tariff customer and the qualified utility's avoided costs as defined in Subsection 54-2-1(1), or a different methodology recommended by the qualified utility; and

(c) an administrative fee in an amount approved by the commission.

~~[(3)]~~ (4) The commission shall allow a qualified utility to recover the qualified utility's prudently incurred cost of renewable generation procured pursuant to the tariff established in

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this section that is not otherwise recovered from the proceeds of the tariff paid by customers agreeing to service that is subject to the renewable energy tariff.

Section 18. Section **59-12-205** is amended to read:

59-12-205. Ordinances to conform with statutory amendments -- Distribution of tax revenue -- Determination of population.

(1) To maintain in effect sales and use tax ordinances adopted pursuant to Section 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's sales and use tax ordinances:

(a) within 30 days of the day on which the state makes an amendment to an applicable provision of Part 1, Tax Collection; and

(b) as required to conform to the amendments to Part 1, Tax Collection.

(2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

(a) 50% of each dollar collected from the sales and use tax authorized by this part shall be distributed to each county, city, and town on the basis of the percentage that the population of the county, city, or town bears to the total population of all counties, cities, and towns in the state; and

(b) (i) except as provided in ~~[Subsection]~~ Subsections (2)(b)(ii) and (iii), 50% of each dollar collected from the sales and use tax authorized by this part shall be distributed to each county, city, and town on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215; ~~and]~~

(ii) 50% of each dollar collected from the sales and use tax authorized by this part within a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act, shall be distributed to the military installation development authority created in Section 63H-1-201~~[-]; and~~

(iii) 50% of each dollar collected from the sales and use tax authorized by this part ~~{that is collected from transactions involving construction materials transported from out of state and delivered }~~ within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section 11-58-201.

(3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall

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distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

(i) the county, city, or town is a:

(A) county of the third, fourth, fifth, or sixth class;

(B) city of the fifth class; or

(C) town;

(ii) the county, city, or town received a distribution under this section for the calendar year beginning on January 1, 2008, that was less than the distribution under this section that the county, city, or town received for the calendar year beginning on January 1, 2007;

(iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located within the unincorporated area of the county for one or more days during the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget; or

(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection (3)(a)(i)(C), the city or town had located within the city or town for one or more days during the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget; and

(iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for one or more days during the calendar year beginning on January 1, 2008, was not the holder of a direct payment permit under Section 59-12-107.1; or

(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a city or town for one or more days during the calendar year beginning on January 1, 2008, was not the holder of a direct payment permit under Section 59-12-107.1.

(b) The commission shall make the distribution required by this Subsection (3) to a county, city, or town described in Subsection (3)(a):

(i) from the distribution required by Subsection (2)(a); and

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(ii) before making any other distribution required by this section.

(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

(ii) For purposes of Subsection (3)(c)(i):

(A) the numerator of the fraction is the difference calculated by subtracting the distribution a county, city, or town described in Subsection (3)(a) received under this section for the calendar year beginning on January 1, 2008, from the distribution under this section that the county, city, or town received for the calendar year beginning on January 1, 2007; and

(B) the denominator of the fraction is \$333,583.

(d) A distribution required by this Subsection (3) is in addition to any other distribution required by this section.

(4) (a) As used in this Subsection (4):

(i) "Eligible county, city, or town" means a county, city, or town that:

(A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b) equal to the amount described in Subsection (4)(b)(ii); and

(B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1, 2016.

(ii) "Minimum tax revenue distribution" means the total amount of tax revenue distributions an eligible county, city, or town received from a tax imposed in accordance with this part for fiscal year 2004-05.

(b) An eligible county, city, or town shall receive a tax revenue distribution for a tax imposed in accordance with this part equal to the greater of:

(i) the payment required by Subsection (2); or

(ii) the minimum tax revenue distribution.

(5) (a) For purposes of this Subsection (5):

(i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to 1.8% of the participating local government's tax revenue distribution amount under Subsection (2)(a) for the previous fiscal year.

(ii) "Participating local government" means a county or municipality, as defined in Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in accordance with Section 35A-8-609.

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(b) For revenue collected from the tax authorized by this part that is distributed on or after January 1, 2019, the commission, before making a tax revenue distribution under Subsection (2)(a) to a participating local government, shall:

(i) subtract one-twelfth of the annual local contribution for each participating local government from the participating local government's tax revenue distribution under Subsection (2)(a); and

(ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter Cities Mitigation Restricted Account created in Section 35A-8a-606.

(c) The commission shall make the calculation and distribution described in this Subsection (5) after making the distributions described in Subsections (3) and (4).

(6) (a) Population figures for purposes of this section shall be based on the most recent official census or census estimate of the United States Bureau of the Census.

(b) If a needed population estimate is not available from the United States Bureau of the Census, population figures shall be derived from the estimate from the Utah Population Committee.

(c) The population of a county for purposes of this section shall be determined only from the unincorporated area of the county.

Section 19. Section **63N-2-103** is amended to read:

63N-2-103. Definitions.

As used in this part:

(1) "Authority project area" means a project area of the inland port authority.

~~(1)~~ (2) "Business entity" means a person that enters into an agreement with the office to initiate a new commercial project in Utah that will qualify the person to receive a tax credit under Section 59-7-614.2 or 59-10-1107.

~~(2)~~ (3) "Community reinvestment agency" ~~[has]~~ means the same ~~[meaning]~~ as that term is defined in Section 17C-1-102.

~~(3)~~ (4) "Development zone" means an economic development zone created under Section 63N-2-104.

(5) "Gross wages" does not include healthcare or other paid or unpaid benefits.

~~(4)~~ (6) "High paying jobs" means:

(a) with respect to a business entity, the aggregate average annual gross wages~~[, not~~

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~~including healthcare or other paid or unpaid benefits,];~~

(i) of newly created full-time employment positions in a business entity; and

(ii) that are at least 110% of the average wage of a community in which the employment positions will exist;

(b) with respect to a county, the aggregate average annual gross wages [~~, not including healthcare or other paid or unpaid benefits,];~~

(i) of newly created full-time employment positions in a new commercial project within the county; and

(ii) that are at least 110% of the average wage of the county in which the employment positions will exist; [~~or~~]

(c) with respect to a city or town, the aggregate average annual gross wages [~~, not including healthcare or other paid or unpaid benefits,];~~

(i) of newly created full-time employment positions in a new commercial project within the city or town; and

(ii) that are at least 110% of the average wages of the city or town in which the employment positions will exist [~~;~~]; or

(d) with respect to the inland port authority, the aggregate average annual gross wages:

(i) of newly created full-time employment positions in a new commercial project within the city or town that is closest to the location of the authority project area; and

(ii) that are at least 110% of the average wages of the city or town.

(7) "Inland port authority" means the Utah Inland Port Authority, created in Section 11-58-201.

~~[(5)]~~ (8) "Local government entity" means a county, city, [~~or~~] town, or inland port authority that enters into an agreement with the office to have a new commercial project that:

(a) is initiated within [~~the county's, city's, or town's boundaries; and~~];

(i) the boundary of the county, city, or town; or

(ii) a project area of the inland port authority; and

(b) qualifies the county, city, [~~or~~] town, or inland port authority to receive a tax credit under Section 59-7-614.2.

~~[(6)]~~ (9) (a) "New commercial project" means an economic development opportunity that involves new or expanded industrial, manufacturing, distribution, or business services in

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Utah.

(b) "New commercial project" does not include retail business.

~~[(7)]~~ (10) (a) "New incremental jobs" means full-time employment positions that are filled by employees who work at least 30 hours per week and that are:

(i) with respect to a business entity, created in addition to the baseline count of employment positions that existed within the business entity before the new commercial project;

(ii) with respect to a county, created as a result of a new commercial project with respect to which the county or a community development and renewal agency seeks to claim a tax credit under Section 59-7-614.2; or

(iii) with respect to a city or town or the inland port authority, created as a result of a new commercial project with respect to which the city, town, or a community development and renewal agency, or inland port authority seeks to claim a tax credit under Section 59-7-614.2.

(b) "New incremental jobs" may include full-time equivalent positions that are filled by more than one employee, if each employee who works less than 30 hours per week is provided benefits comparable to a full-time employee.

(c) "New incremental jobs" does not include jobs that are shifted from one jurisdiction in the state to another jurisdiction in the state.

~~[(8)]~~ (11) "New state revenues" means:

(a) with respect to a business entity:

(i) incremental new state sales and use tax revenues that a business entity pays under Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development zone;

(ii) incremental new state tax revenues that a business entity pays as a result of a new commercial project in a development zone under:

(A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

(B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;

(C) Title 59, Chapter 10, Part 2, Trusts and Estates;

(D) Title 59, Chapter 10, Part 4, Withholding of Tax; or

(E) a combination of Subsections ~~[(8)]~~ (11)(a)(ii)(A) through (D);

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(iii) incremental new state tax revenues paid as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by employees of a new or expanded industrial, manufacturing, distribution, or business service within a new commercial project as evidenced by payroll records that indicate the amount of employee income taxes withheld and transmitted to the State Tax Commission by the new or expanded industrial, manufacturing, distribution, or business service within the new commercial project; or

(iv) a combination of Subsections [~~(8)~~] (11)(a)(i) through (iii); or

(b) with respect to a local government entity:

(i) incremental new state sales and use tax revenues that are collected under Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development zone;

(ii) incremental new state tax revenues that are collected as a result of a new commercial project in a development zone under:

(A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

(B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;

(C) Title 59, Chapter 10, Part 2, Trusts and Estates;

(D) Title 59, Chapter 10, Part 4, Withholding of Tax; or

(E) a combination of Subsections [~~(8)~~] (11)(b)(ii)(A) through (D);

(iii) incremental new state tax revenues paid as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by employees of a new or expanded industrial, manufacturing, distribution, or business service within a new commercial project as evidenced by payroll records that indicate the amount of employee income taxes withheld and transmitted to the State Tax Commission by the new or expanded industrial, manufacturing, distribution, or business service within the new commercial project; or

(iv) a combination of Subsections [~~(8)~~] (11)(b)(i) through (iii).

[~~(9)~~] (12) "Significant capital investment" means an amount of at least \$10,000,000 to purchase capital or fixed assets, which may include real property, personal property, and other fixtures related to a new commercial project:

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- (a) that represents an expansion of existing operations in the state; or
- (b) that maintains or increases the business entity's existing work force in the state.

~~[(10)]~~ (13) "Tax credit" means an economic development tax credit created by Section 59-7-614.2 or 59-10-1107.

~~[(11)]~~ (14) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit certificate for a taxable year.

~~[(12)]~~ (15) "Tax credit certificate" means a certificate issued by the office that:

- (a) lists the name of the business entity, local government entity, or community development and renewal agency to which the office authorizes a tax credit;
- (b) lists the business entity's, local government entity's, or community development and renewal agency's taxpayer identification number;
- (c) lists the amount of tax credit that the office authorizes the business entity, local government entity, or community development and renewal agency for the taxable year; and
- (d) may include other information as determined by the office.

Section 20. Effective date.

(1) Except as provided in Subsection (2), if approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.

(2) The amendments to Section 59-12-205 take effect January 1, 2020.