

## SB0248S03 compared with SB0248S02

~~{deleted text}~~ shows text that was in SB0248S02 but was deleted in SB0248S03.

Inserted text shows text that was not in SB0248S02 but was inserted into SB0248S03.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

**Representative Michael K. McKell** proposes the following substitute bill:

### THROUGHPUT INFRASTRUCTURE AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ralph Okerlund**

House Sponsor: Michael K. McKell

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#### LONG TITLE

##### General Description:

This bill addresses throughput infrastructure amendments.

##### Highlighted Provisions:

This bill:

~~{~~ → ~~addresses definitions;~~

- ~~{~~ ▶ imposes requirements for the first throughput infrastructure project considered by the Permanent Community Impact Fund Board; and
- ▶ makes technical changes.

##### Money Appropriated in this Bill:

None

##### Other Special Clauses:

None

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### Utah Code Sections Affected:

AMENDS:

~~{ 35A-8-302, as last amended by Laws of Utah 2017, Chapter 262~~

+ 35A-8-309, as last amended by Laws of Utah 2017, Chapters 181 and 421

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

Section 1. Section ~~{35A-8-302}~~35A-8-309 is amended to read:

~~{ 35A-8-302. Definitions:~~

~~As used in this part:~~

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

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

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

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

~~(5) "Intermodal facility" means a hub or other facility for trade combining any combination of rail, trucking, air cargo, and other transportation services.~~

~~[(5)] (6) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et seq.~~

~~[(6)] (7) "Qualifying sales and use tax distribution reduction" means that, for the calendar year beginning on January 1, 2008, the total sales and use tax distributions a city received under Section 59-12-205 were reduced by at least 15% from the total sales and use tax distributions the city received under Section 59-12-205 for the calendar year beginning on January 1, 2007.~~

~~[(7)] (8) "Subdivision" means a county, city, town, county service area, special service district, special improvement district, water conservancy district, water improvement district,~~

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~~sewer improvement district, housing authority, building authority, school district, or public postsecondary institution organized under the laws of this state.~~

~~—— [(8)] (9) (a) "Throughput infrastructure project" means the following facilities, whether located within, partially within, or outside of the state:~~

~~—— (i) a bulk commodities ocean terminal;~~

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

~~—— (iii) electric transmission lines and ancillary facilities;~~

~~—— (iv) a shortline freight railroad and ancillary facilities;~~

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

~~—— (vi) a plant for the production of zero emission hydrogen fueled trucks[.];~~

~~—— (vii) an inland port; or~~

~~—— (viii) an intermodal facility.~~

~~—— (b) "Throughput infrastructure project" includes:~~

~~—— (i) an ownership interest or a joint or undivided ownership interest in a facility;~~

~~—— (ii) a membership interest in the owner of a facility; or~~

~~—— (iii) a contractual right, whether secured or unsecured, to use all or a portion of the throughput, transportation, or transmission capacity of a facility.~~

~~—— Section 2. Section 35A-8-309 is amended to read:~~

‡ **35A-8-309. Throughput Infrastructure Fund administered by impact board -- Uses -- Review by board -- Annual report.**

(1) The impact board shall:

(a) make grants and loans from the Throughput Infrastructure Fund created in Section 35A-8-308 for a throughput infrastructure project;

(b) use money transferred to the Throughput Infrastructure Fund in accordance with Subsection 59-12-103(12) to provide a loan or grant to finance the cost of acquisition or construction of a throughput infrastructure project to one or more local political subdivisions, including a Utah interlocal [entity] agency created under Title 11, Chapter 13, Interlocal Cooperation Act;

(c) administer the Throughput Infrastructure Fund in a manner that will keep a portion of the fund revolving;

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- (d) determine provisions for repayment of loans;
- (e) establish criteria for awarding loans and grants; and
- (f) establish criteria for determining eligibility for assistance under this section.

(2) The cost of acquisition or construction of a throughput infrastructure project includes amounts for working capital, reserves, transaction costs, and other amounts determined by the impact board to be allocable to a throughput infrastructure project.

(3) The impact board may restructure or forgive all or part of a local political subdivision's or interlocal [~~entity's~~] agency's obligation to repay loans for extenuating circumstances.

(4) [~~In order to~~] To receive assistance under this section, a local political subdivision or an interlocal [~~entity~~] agency shall submit a formal application containing the information that the impact board requires.

(5) (a) The impact board shall:

(i) review the proposed uses of the Throughput Infrastructure Fund for a loan or grant before approving the loan or grant and may condition its approval on whatever assurances the impact board considers necessary to ensure that proceeds of the loan or grant will be used in accordance with this section;

(ii) ensure that each loan specifies terms for interest deferments, accruals, and scheduled principal repayment; and

(iii) ensure that repayment terms are evidenced by bonds, notes, or other obligations of the appropriate local political subdivision or interlocal [~~entity~~] agency issued to the impact board and payable from the net revenues of a throughput infrastructure project.

(b) An instrument described in Subsection (5)(a)(iii) may be:

(i) non-recourse to the local political subdivision or interlocal [~~entity~~] agency; and

(ii) limited to a pledge of the net revenues from a throughput infrastructure project.

(6) (a) Subject to the restriction in Subsection (6)(b), the impact board shall allocate from the Throughput Infrastructure Fund to the board those amounts that are appropriated by the Legislature for the administration of the Throughput Infrastructure Fund.

(b) The amount described in Subsection (6)(a) may not exceed 2% of the annual receipts to the fund.

(7) The board shall include in the annual written report described in Section

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35A-1-109:

- (a) the number and type of loans and grants made under this section; and
- (b) a list of local political subdivisions or interlocal [~~entities~~] agencies that received

assistance under this section.

(8) (a) The first throughput infrastructure project considered by the impact board shall be:

~~— (i) a bulk commodities ocean terminal project;~~

~~— (ii) an inland port; or~~

~~— (iii) an intermodal facility.~~

(b) Upon receipt of an application from an interlocal agency created for the sole purpose of undertaking a throughput infrastructure project that is ~~{described in Subsection (8)(a)}~~ a bulk commodities ocean terminal project, the impact board shall:

(i) grant up to 2% of the money in the Throughput Infrastructure Fund to the interlocal agency to pay or reimburse costs incurred by the interlocal agency preliminary to its acquisition of the throughput infrastructure project; and

(ii) fund the interlocal agency's application if the application meets all criteria established by the impact board.