



UTAH STATE SENATE

UTAH STATE CAPITOL COMPLEX • 320 STATE CAPITOL
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March 5, 2019

Mr. President,

The Government Operations and Political Subdivisions Committee reports a favorable recommendation on **3rd Sub. H.B. 245**, COMMUNITY REINVESTMENT AGENCY REVISIONS, by Representative M. Winder, with the following amendments:

1. *Page 1, Line 25 through 26:*

25 Other Special Clauses:

26 { ~~This bill provides a coordination clause.~~ } None

2. *Page 3, Line 70 through 71:*

70 { ~~Utah Code Sections Affected by Coordination Clause:~~

71 ~~—17C-5-202, as last amended by Laws of Utah 2017, Chapter 456—~~ }

3. *Page 64, Line 1961 through 1962:*

1961 (b) provide a notice of the meeting { ~~which includes a statement that the~~
interlocal

1962 agreement authorizes the diversion of property tax for a community reinvestment
project area. } titled "Diversion of Property Tax for a Community
Reinvestment Project Area."

Bill Number



HB0245S03

Action Class



S

Action Code



SCRAMD

4. Page 71, Line 2167 through 2199:

2167 ~~{ Section 42. Coordinating H.B. 245 with S.B. 98 -- Substantive~~
 ~~amendments:~~
2168 ~~— If this H.B. 245 and S.B. 98, Community Reinvestment Agency Amendments,~~
 ~~both~~
2169 ~~pass and become law, it is the intent of the Legislature that Section 17C-5-202 shall~~
 ~~be~~
2170 ~~amended to read:~~
2171 ~~— "17C-5-202. Community reinvestment project area funding options:~~
2172 ~~— (1) (a) [Except] Beginning on May 14, 2019, and except as provided in~~
 ~~Subsection (2);~~
2173 ~~for the purpose of receiving project area funds for use within a community~~
 ~~reinvestment project~~
2174 ~~area, an agency shall negotiate and enter into an interlocal agreement with a taxing~~
 ~~entity in~~
2175 ~~accordance with Section 17C-5-204 to receive all or a portion of the taxing entity's~~
 ~~tax~~
2176 ~~increment or sales and use tax revenue in accordance with the interlocal agreement.~~
2177 ~~— (b) If a community reinvestment project area is subject to an interlocal~~
 ~~agreement~~
2178 ~~under Subsection (1)(a) and the agency subsequently amends the community~~
 ~~reinvestment~~
2179 ~~project area plan as described in Subsection 17C-5-112(4), the agency shall continue~~
 ~~to receive~~
2180 ~~project area funds under the interlocal agreement.~~
2181 ~~— (2) If an agency plans to create a community reinvestment project area and~~
 ~~adopt a~~
2182 ~~community reinvestment project area plan that provides for the use of eminent~~
 ~~domain to~~
2183 ~~acquire property within the community reinvestment project area, the agency shall~~
 ~~create a~~
2184 ~~taxing entity committee as described in Section 17C-1-402 and receive tax increment~~
 ~~in~~

2185 ~~accordance with Section 17C-5-203.}~~
2186 ~~—{(3) An agency shall comply with Chapter 5, Part 3, Community Reinvestment~~
2187 ~~Project~~
2187 ~~Area Budget, regardless of whether an agency enters into an interlocal agreement~~
2188 ~~under~~
2188 ~~Subsection (1) or creates a taxing entity committee under Subsection (2).}~~
2189 ~~—(2) Notwithstanding Subsection (1), an agency may receive tax increment in~~
2190 ~~accordance with Section 17C-5-203 if the agency created a community reinvestment~~
2191 ~~project~~
2191 ~~area before May 14, 2019, that is subject to a taxing entity committee and provides~~
2192 ~~for the use~~
2192 ~~of eminent domain to acquire property within the community reinvestment project~~
2193 ~~area.~~
2193 ~~—(3) Regardless of whether an agency enters into an interlocal agreement under~~
2194 ~~Subsection (1) or receives tax increment under Subsection (2), an agency:~~
2195 ~~—(a) shall comply with Part 3, Community Reinvestment Project Area Budget;~~
2195 ~~and~~
2195 ~~—~~
2196 ~~—(b) except as provided in Subsection 17C-1-409(6)(b), may not pay a taxing~~
2197 ~~entity that~~
2197 ~~is not the community that created the agency a one-time or ongoing:~~
2198 ~~—(i) administrative fee; or~~
2199 ~~—(ii) fee related to the creation, operation, or administration of a project area."~~
2199 ~~}~~

Respectfully,

Daniel W. Thatcher
Chair

Voting: 5-0-2

5 HB0245.SC1.wpd 3/5/19 8:27 am bbean/BJB MC/MLB