

Senator Jerry W. Stevenson proposes the following substitute bill:

POLITICAL SUBDIVISIONS AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: Francis D. Gibson

LONG TITLE

General Description:

This bill modifies and enacts provisions relating to political subdivisions.

Highlighted Provisions:

This bill:

- ▶ authorizes the Utah Inland Port Authority to levy an assessment under the Assessment Area Act and makes provisions of that act applicable to the inland port authority;
- ▶ excludes a public infrastructure district created by the inland port authority from the definition of "taxing entity" applicable to the Utah Inland Port Authority Act;
- ▶ creates enterprise revolving loan funds, to be administered by the Division of Finance, to provide funding for infrastructure projects relating to the Utah Inland Port Authority, the Point of the Mountain State Land Authority, and the Military Installation Development Authority, and enacts provisions governing those funds;
- ▶ provides an exception to Open and Public Meeting Act requirements for electronic meetings held by the board of the Point of the Mountain State Land Authority, under certain circumstances;
- ▶ modifies limitations on board members and the executive director of the Utah Inland Port Authority and the Point of the Mountain State Land Authority;



- 26 ▶ authorizes the Utah Inland Port Authority to create public infrastructure districts;
- 27 ▶ defines "public entity" in the context of provisions applicable to the Point of the
- 28 Mountain State Land Authority;
- 29 ▶ modifies election provisions relating to a local district whose board members are
- 30 elected by property owners;
- 31 ▶ makes an exception to a voter approval requirement for general obligation bonds
- 32 issued by a local district whose board members are elected by property owners;
- 33 ▶ modifies a definition related to public infrastructure and improvements in the
- 34 context of provisions applicable to the Military Installation Development Authority;
- 35 and
- 36 ▶ makes technical changes.

37 Money Appropriated in this Bill:

38 None

39 Other Special Clauses:

40 None

41 Utah Code Sections Affected:

42 AMENDS:

- 43 **11-42-102**, as last amended by Laws of Utah 2020, Chapter 282
- 44 **11-42-106**, as last amended by Laws of Utah 2020, Chapter 282
- 45 **11-42-202**, as last amended by Laws of Utah 2020, Chapter 282
- 46 **11-42-411**, as last amended by Laws of Utah 2020, Chapter 282
- 47 **11-58-102**, as last amended by Laws of Utah 2020, Chapter 126
- 48 **11-58-304**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1
- 49 **11-59-102**, as enacted by Laws of Utah 2018, Chapter 388
- 50 **11-59-204**, as enacted by Laws of Utah 2018, Chapter 388
- 51 **11-59-306**, as enacted by Laws of Utah 2018, Chapter 388
- 52 **17B-1-306**, as last amended by Laws of Utah 2020, Chapter 31
- 53 **17B-1-1102**, as last amended by Laws of Utah 2019, Chapter 490
- 54 **17B-2a-1202**, as last amended by Laws of Utah 2020, Chapters 282 and 397
- 55 **17B-2a-1205**, as last amended by Laws of Utah 2020, Chapters 282 and 397
- 56 **17B-2a-1206**, as last amended by Laws of Utah 2020, Chapter 282

57 **63H-1-102**, as last amended by Laws of Utah 2020, Chapter 282

58 ENACTS:

59 **11-58-106**, Utah Code Annotated 1953

60 **11-59-104**, Utah Code Annotated 1953

61 **63A-3-401.5**, Utah Code Annotated 1953

62 **63A-3-402**, Utah Code Annotated 1953

63 **63A-3-403**, Utah Code Annotated 1953

64 **63A-3-404**, Utah Code Annotated 1953

65 **63H-1-104**, Utah Code Annotated 1953

66

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

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

69 **11-42-102. Definitions.**

70 (1) As used in this chapter:

71 (a) "Adequate protests" means, for all proposed assessment areas except sewer
72 assessment areas, timely filed, written protests under Section **11-42-203** that represent at least
73 40% of the frontage, area, taxable value, fair market value, lots, number of connections, or
74 equivalent residential units of the property proposed to be assessed, according to the same
75 assessment method by which the assessment is proposed to be levied, after eliminating:

76 (i) protests relating to:

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

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

80 (ii) protests that have been withdrawn under Subsection **11-42-203(3)**.

81 (b) "Adequate protests" means, for a proposed sewer assessment area, timely filed,
82 written protests under Section **11-42-203** that represent at least 70% of the frontage, area,
83 taxable value, fair market value, lots, number of connections, or equivalent residential units of
84 the property proposed to be assessed, according to the same assessment method by which the
85 assessment is proposed to be levied, after eliminating adequate protests under Subsection
86 (1)(a).

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

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

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

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

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

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

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

100 (6) "Assessment method" means the method:

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

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

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

108 (8) "Assessment resolution" means a resolution adopted by a local entity under Section
109 11-42-404 that levies an assessment on benefitted property within an assessment area.

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

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

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

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

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

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

- 121 (i) commercial;
- 122 (ii) mining;
- 123 (iii) industrial;
- 124 (iv) manufacturing;
- 125 (v) governmental;
- 126 (vi) trade;
- 127 (vii) professional;
- 128 (viii) a private or public club;
- 129 (ix) a lodge;
- 130 (x) a business; or
- 131 (xi) a similar purpose.

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

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

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

138 (15) "Contract price" means:

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

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

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

146 (18) "Development authority" means:

- 147 (a) the Utah Inland Port Authority created in Section [11-58-201](#); or
- 148 (b) the military installation development authority created in Section [63H-1-201](#).

149 [(18)] (19) "Economic promotion activities" means activities that promote economic

150 growth in a commercial area of a local entity, including:

- 151 (a) sponsoring festivals and markets;
 - 152 (b) promoting business investment or activities;
 - 153 (c) helping to coordinate public and private actions; and
 - 154 (d) developing and issuing publications designed to improve the economic well-being
- 155 of the commercial area.

156 [~~(19)~~] (20) "Environmental remediation activity" means a surface or subsurface
157 enhancement, effort, cost, initial or ongoing maintenance expense, facility, installation, system,
158 earth movement, or change to grade or elevation that improves the use, function, aesthetics, or
159 environmental condition of publicly owned property.

160 [~~(20)~~] (21) "Equivalent residential unit" means a dwelling, unit, or development that is
161 equal to a single-family residence in terms of the nature of its use or impact on an improvement
162 to be provided in the assessment area.

163 [~~(21)~~] (22) "Governing body" means:

- 164 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 165 (b) for a local district, the board of trustees of the local district;
- 166 (c) for a special service district:
 - 167 (i) the legislative body of the county, city, or town that established the special service
 - 168 district, if no administrative control board has been appointed under Section 17D-1-301; or
 - 169 (ii) the administrative control board of the special service district, if an administrative
 - 170 control board has been appointed under Section 17D-1-301;
- 171 (d) for the military installation development authority created in Section 63H-1-201,
172 the board, as defined in Section 63H-1-102; and
- 173 (e) for the Utah Inland Port Authority, created in Section 11-58-201, the board, as
174 defined in Section 11-58-102.

175 [~~(22)~~] (23) "Guaranty fund" means the fund established by a local entity under Section
176 11-42-701.

177 [~~(23)~~] (24) "Improved property" means property upon which a residential, commercial,
178 or other building has been built.

179 [~~(24)~~] (25) "Improvement":

- 180 (a) (i) means a publicly owned infrastructure, facility, system, or environmental

181 remediation activity that:

182 (A) a local entity is authorized to provide;

183 (B) the governing body of a local entity determines is necessary or convenient to
184 enable the local entity to provide a service that the local entity is authorized to provide; or

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

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

189 (A) can be conveniently installed at the same time as an infrastructure, system, or other
190 facility described in Subsection ~~[(24)]~~ (25)(a)(i); and

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

193 (b) for a local district created to assess groundwater rights in accordance with Section
194 17B-1-202, means a system or plan to regulate groundwater withdrawals within a specific
195 groundwater basin in accordance with Sections 17B-1-202 and 73-5-15.

196 ~~[(25)]~~ (26) "Improvement revenues":

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

199 (b) does not include revenue from assessments.

200 ~~[(26)]~~ (27) "Incidental refunding costs" means any costs of issuing refunding
201 assessment bonds and calling, retiring, or paying prior bonds, including:

202 (a) legal and accounting fees;

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

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

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

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

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

211 (g) any interest on the prior bonds that is required to be paid in connection with the

212 issuance of the refunding assessment bonds.

213 ~~[(27)]~~ (28) "Installment payment date" means the date on which an installment
214 payment of an assessment is payable.

215 ~~[(28)]~~ (29) "Interim warrant" means a warrant issued by a local entity under Section
216 11-42-601.

217 ~~[(29)]~~ (30) "Jurisdictional boundaries" means:

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

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

220 ~~[(30)]~~ (31) "Local district" means a local district under Title 17B, Limited Purpose
221 Local Government Entities - Local Districts.

222 ~~[(31)]~~ (32) "Local entity" means:

223 (a) a county, city, town, special service district, or local district;

224 (b) an interlocal entity as defined in Section 11-13-103;

225 (c) the military installation development authority, created in Section 63H-1-201;

226 (d) a public infrastructure district created by ~~[the military installation]~~ a development
227 authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act;

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

229 (f) any other political subdivision of the state.

230 ~~[(32)]~~ (33) "Local entity obligations" means assessment bonds, refunding assessment
231 bonds, interim warrants, and bond anticipation notes issued by a local entity.

232 ~~[(33)]~~ (34) "Mailing address" means:

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

235 (b) if the property is improved property:

236 (i) the property's street number; or

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

239 ~~[(34)]~~ (35) "Net improvement revenues" means all improvement revenues that a local
240 entity has received since the last installment payment date, less all amounts payable by the local
241 entity from those improvement revenues for operation and maintenance costs.

242 ~~[(35)]~~ (36) "Operation and maintenance costs":

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

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

248 [~~36~~] (37) "Overhead costs" means the actual costs incurred or the estimated costs to
249 be incurred by a local entity in connection with an assessment area for appraisals, legal fees,
250 filing fees, financial advisory charges, underwriting fees, placement fees, escrow, trustee, and
251 paying agent fees, publishing and mailing costs, costs of levying an assessment, recording
252 costs, and all other incidental costs.

253 [~~37~~] (38) "Prior assessment ordinance" means the ordinance levying the assessments
254 from which the prior bonds are payable.

255 [~~38~~] (39) "Prior assessment resolution" means the resolution levying the assessments
256 from which the prior bonds are payable.

257 [~~39~~] (40) "Prior bonds" means the assessment bonds that are refunded in part or in
258 whole by refunding assessment bonds.

259 [~~40~~] (41) "Project engineer" means the surveyor or engineer employed by or the
260 private consulting engineer engaged by a local entity to perform the necessary engineering
261 services for and to supervise the construction or installation of the improvements.

262 [~~41~~] (42) "Property" includes real property and any interest in real property, including
263 water rights and leasehold rights.

264 [~~42~~] (43) "Property price" means the price at which a local entity purchases or
265 acquires by eminent domain property to make improvements in an assessment area.

266 [~~43~~] (44) "Provide" or "providing," with reference to an improvement, includes the
267 acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and
268 expansion of an improvement.

269 [~~44~~] (45) "Public agency" means:

270 (a) the state or any agency, department, or division of the state; and

271 (b) a political subdivision of the state.

272 [~~45~~] (46) "Reduced payment obligation" means the full obligation of an owner of
273 property within an assessment area to pay an assessment levied on the property after the

274 assessment has been reduced because of the issuance of refunding assessment bonds, as
275 provided in Section 11-42-608.

276 ~~[(46)]~~ (47) "Refunding assessment bonds" means assessment bonds that a local entity
277 issues under Section 11-42-607 to refund, in part or in whole, assessment bonds.

278 ~~[(47)]~~ (48) "Reserve fund" means a fund established by a local entity under Section
279 11-42-702.

280 ~~[(48)]~~ (49) "Service" means:

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

283 (b) economic promotion activities; or

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

285 ~~[(49)]~~ (50) (a) "Sewer assessment area" means an assessment area that has as the
286 assessment area's primary purpose the financing and funding of public improvements to
287 provide sewer service where there is, in the opinion of the local board of health, substantial
288 evidence of septic system failure in the defined area due to inadequate soils, high water table,
289 or other factors proven to cause failure.

290 (b) "Sewer assessment area" does not include property otherwise located within the
291 assessment area:

292 (i) on which an approved conventional or advanced wastewater system has been
293 installed during the previous five calendar years;

294 (ii) for which the local health department has inspected the system described in
295 Subsection ~~[(49)]~~ (50)(b)(i) to ensure that the system is functioning properly; and

296 (iii) for which the property owner opts out of the proposed assessment area for the
297 earlier of a period of 10 calendar years or until failure of the system described in Subsection
298 ~~[(49)]~~ (50)(b)(i).

299 ~~[(50)]~~ (51) "Special service district" means the same as that term is defined in Section
300 17D-1-102.

301 ~~[(51)]~~ (52) "Unassessed benefitted government property" means property that a local
302 entity may not assess in accordance with Section 11-42-408 but is benefitted by an
303 improvement, operation and maintenance, or economic promotion activities.

304 ~~[(52)]~~ (53) "Unimproved property" means property upon which no residential,

305 commercial, or other building has been built.

306 ~~[(53)]~~ (54) "Voluntary assessment area" means an assessment area that contains only
307 property whose owners have voluntarily consented to an assessment.

308 Section 2. Section **11-42-106** is amended to read:

309 **11-42-106. Action to contest assessment or proceeding -- Requirements --**
310 **Exclusive remedy -- Bonds and assessment incontestable.**

311 (1) A person who contests an assessment or any proceeding to designate an assessment
312 area or levy an assessment may commence a civil action against the local entity to:

- 313 (a) set aside a proceeding to designate an assessment area; or
- 314 (b) enjoin the levy or collection of an assessment.

315 (2) (a) Each action under Subsection (1) shall be commenced in the district court with
316 jurisdiction in the county in which the assessment area is located.

317 (b) (i) Except as provided in Subsection (2)(b)(ii), an action under Subsection (1) may
318 not be commenced against and a summons relating to the action may not be served on the local
319 entity more than 60 days after the effective date of the:

- 320 (A) designation resolution or designation ordinance, if the challenge is to the
321 designation of an assessment area;
- 322 (B) assessment resolution or ordinance, if the challenge is to an assessment; or
- 323 (C) amended resolution or ordinance, if the challenge is to an amendment.

324 (ii) The period for commencing an action and serving a summons under Subsection
325 (2)(b)(i) is 30 days if the designation resolution, assessment resolution, or amended resolution
326 was:

327 (A) adopted by ~~[the military installation]~~ a development authority~~[- created in Section~~
328 ~~63H-1-201]~~, or a public infrastructure district created by ~~[the military installation]~~ a
329 development authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act;
330 and

331 (B) all owners of property within the assessment area or proposed assessment area
332 consent in writing to the designation resolution, assessment resolution, or amended resolution.

333 (3) (a) An action under Subsection (1) is the exclusive remedy of a person who:

- 334 (i) claims an error or irregularity in an assessment or in any proceeding to designate an
335 assessment area or levy an assessment; or

336 (ii) challenges a bondholder's right to repayment.

337 (b) A court may not hear any complaint under Subsection (1) that a person was
338 authorized to make but did not make in a protest under Section 11-42-203 or at a hearing under
339 Section 11-42-204.

340 (c) (i) If a person has not brought a claim for which the person was previously
341 authorized to bring but is otherwise barred from making under Subsection (2)(b), the claim
342 may not be brought later because of an amendment to the resolution or ordinance unless the
343 claim arises from the amendment itself.

344 (ii) In an action brought pursuant to Subsection (1), a person may not contest a
345 previous decision, proceeding, or determination for which the service deadline described in
346 Subsection (2)(b) has expired by challenging a subsequent decision, proceeding, or
347 determination.

348 (4) An assessment or a proceeding to designate an assessment area or to levy an
349 assessment may not be declared invalid or set aside in part or in whole because of an error or
350 irregularity that does not go to the equity or justice of the proceeding or the assessment meeting
351 the requirements of Section 11-42-409.

352 (5) After the expiration of the period referred to in Subsection (2)(b):

353 (a) assessment bonds and refunding assessment bonds issued or to be issued with
354 respect to an assessment area and assessments levied on property in the assessment area
355 become at that time incontestable against all persons who have not commenced an action and
356 served a summons as provided in this section; and

357 (b) a suit to enjoin the issuance or payment of assessment bonds or refunding
358 assessment bonds, the levy, collection, or enforcement of an assessment, or to attack or
359 question in any way the legality of assessment bonds, refunding assessment bonds, or an
360 assessment may not be commenced, and a court may not inquire into those matters.

361 (6) (a) This section may not be interpreted to insulate a local entity from a claim of
362 misuse of assessment funds after the expiration of the period described in Subsection (2)(b).

363 (b) (i) Except as provided in Subsection (6)(b)(ii), an action in the nature of mandamus
364 is the sole form of relief available to a party challenging the misuse of assessment funds.

365 (ii) The limitation in Subsection (6)(b)(i) does not prohibit the filing of criminal
366 charges against or the prosecution of a party for the misuse of assessment funds.

367 Section 3. Section 11-42-202 is amended to read:

368 **11-42-202. Requirements applicable to a notice of a proposed assessment area**
369 **designation.**

370 (1) Each notice required under Subsection 11-42-201(2)(a) shall:

371 (a) state that the local entity proposes to:

372 (i) designate one or more areas within the local entity's jurisdictional boundaries as an
373 assessment area;

374 (ii) provide an improvement to property within the proposed assessment area; and

375 (iii) finance some or all of the cost of improvements by an assessment on benefitted
376 property within the assessment area;

377 (b) describe the proposed assessment area by any reasonable method that allows an
378 owner of property in the proposed assessment area to determine that the owner's property is
379 within the proposed assessment area;

380 (c) describe, in a general and reasonably accurate way, the improvements to be
381 provided to the assessment area, including:

382 (i) the nature of the improvements; and

383 (ii) the location of the improvements, by reference to streets or portions or extensions
384 of streets or by any other means that the governing body chooses that reasonably describes the
385 general location of the improvements;

386 (d) state the estimated cost of the improvements as determined by a project engineer;

387 (e) for the version of notice mailed in accordance with Subsection (4)(b), state the
388 estimated total assessment specific to the benefitted property for which the notice is mailed;

389 (f) state that the local entity proposes to levy an assessment on benefitted property
390 within the assessment area to pay some or all of the cost of the improvements according to the
391 estimated benefits to the property from the improvements;

392 (g) if applicable, state that an unassessed benefitted government property will receive
393 improvements for which the cost will be allocated proportionately to the remaining benefitted
394 properties within the proposed assessment area and that a description of each unassessed
395 benefitted government property is available for public review at the location or website
396 described in Subsection (6);

397 (h) state the assessment method by which the governing body proposes to calculate the

398 proposed assessment, including, if the local entity is a municipality or county, whether the
399 assessment will be collected:

400 (i) by directly billing a property owner; or

401 (ii) by inclusion on a property tax notice issued in accordance with Section 59-2-1317

402 and in compliance with Section 11-42-401;

403 (i) state:

404 (i) the date described in Section 11-42-203 and the location at which protests against
405 designation of the proposed assessment area or of the proposed improvements are required to
406 be filed;

407 (ii) the method by which the governing body will determine the number of protests
408 required to defeat the designation of the proposed assessment area or acquisition or
409 construction of the proposed improvements; and

410 (iii) in large, boldface, and conspicuous type that a property owner must protest the
411 designation of the assessment area in writing if the owner objects to the area designation or
412 being assessed for the proposed improvements, operation and maintenance costs, or economic
413 promotion activities;

414 (j) state the date, time, and place of the public hearing required in Section 11-42-204;

415 (k) if the governing body elects to create and fund a reserve fund under Section

416 11-42-702, include a description of:

417 (i) how the reserve fund will be funded and replenished; and

418 (ii) how remaining money in the reserve fund is to be disbursed upon full payment of
419 the bonds;

420 (l) if the governing body intends to designate a voluntary assessment area, include a
421 property owner consent form that:

422 (i) estimates the total assessment to be levied against the particular parcel of property;

423 (ii) describes any additional benefits that the governing body expects the assessed
424 property to receive from the improvements;

425 (iii) designates the date and time by which the fully executed consent form is required
426 to be submitted to the governing body; and

427 (iv) if the governing body intends to enforce an assessment lien on the property in
428 accordance with Subsection 11-42-502.1(2)(a)(ii)(C):

- 429 (A) appoints a trustee that satisfies the requirements described in Section 57-1-21;
- 430 (B) gives the trustee the power of sale;
- 431 (C) is binding on the property owner and all successors; and
- 432 (D) explains that if an assessment or an installment of an assessment is not paid when
- 433 due, the local entity may sell the property owner's property to satisfy the amount due plus
- 434 interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances;
- 435 (m) if the local entity intends to levy an assessment to pay operation and maintenance
- 436 costs or for economic promotion activities, include:
- 437 (i) a description of the operation and maintenance costs or economic promotion
- 438 activities to be paid by assessments and the initial estimated annual assessment to be levied;
- 439 (ii) a description of how the estimated assessment will be determined;
- 440 (iii) a description of how and when the governing body will adjust the assessment to
- 441 reflect the costs of:
- 442 (A) in accordance with Section 11-42-406, current economic promotion activities; or
- 443 (B) current operation and maintenance costs;
- 444 (iv) a description of the method of assessment if different from the method of
- 445 assessment to be used for financing any improvement; and
- 446 (v) a statement of the maximum number of years over which the assessment will be
- 447 levied for:
- 448 (A) operation and maintenance costs; or
- 449 (B) economic promotion activities;
- 450 (n) if the governing body intends to divide the proposed assessment area into
- 451 classifications under Subsection 11-42-201(1)(b), include a description of the proposed
- 452 classifications;
- 453 (o) if applicable, state the portion and value of the improvement that will be increased
- 454 in size or capacity to serve property outside of the assessment area and how the increases will
- 455 be financed; and
- 456 (p) state whether the improvements will be financed with a bond and, if so, the
- 457 currently estimated interest rate and term of financing, subject to Subsection (2), for which the
- 458 benefitted properties within the assessment area may be obligated.
- 459 (2) The estimated interest rate and term of financing in Subsection (1)(p) may not be

460 interpreted as a limitation to the actual interest rate incurred or the actual term of financing as
461 subject to the market rate at the time of the issuance of the bond.

462 (3) A notice required under Subsection 11-42-201(2)(a) may contain other information
463 that the governing body considers to be appropriate, including:

464 (a) the amount or proportion of the cost of the improvement to be paid by the local
465 entity or from sources other than an assessment;

466 (b) the estimated total amount of each type of assessment for the various improvements
467 to be financed according to the method of assessment that the governing body chooses; and

468 (c) provisions for any improvements described in Subsection
469 11-42-102[(24)](25)(a)(ii).

470 (4) Each notice required under Subsection 11-42-201(2)(a) shall:

471 (a) (i) (A) be published in a newspaper of general circulation within the local entity's
472 jurisdictional boundaries, once a week for four consecutive weeks, with the last publication at
473 least five but not more than 20 days before the day of the hearing required in Section
474 11-42-204; or

475 (B) if there is no newspaper of general circulation within the local entity's jurisdictional
476 boundaries, be posted in at least three public places within the local entity's jurisdictional
477 boundaries at least 20 but not more than 35 days before the day of the hearing required in
478 Section 11-42-204; and

479 (ii) be published on the Utah Public Notice Website described in Section 63F-1-701 for
480 four weeks before the deadline for filing protests specified in the notice under Subsection
481 (1)(i); and

482 (b) be mailed, postage prepaid, within 10 days after the first publication or posting of
483 the notice under Subsection (4)(a) to each owner of property to be assessed within the proposed
484 assessment area at the property owner's mailing address.

485 (5) (a) The local entity may record the version of the notice that is published or posted
486 in accordance with Subsection (4)(a) with the office of the county recorder, by legal description
487 and tax identification number as identified in county records, against the property proposed to
488 be assessed.

489 (b) The notice recorded under Subsection (5)(a) expires and is no longer valid one year
490 after the day on which the local entity records the notice if the local entity has failed to adopt

491 the designation ordinance or resolution under Section 11-42-201 designating the assessment
492 area for which the notice was recorded.

493 (6) A local entity shall make available on the local entity's website, or, if no website is
494 available, at the local entity's place of business, the address and type of use of each unassessed
495 benefitted government property described in Subsection (1)(g).

496 (7) If a governing body fails to provide actual or constructive notice under this section,
497 the local entity may not assess a levy against a benefitted property omitted from the notice
498 unless:

499 (a) the property owner gives written consent;

500 (b) the property owner received notice under Subsection 11-42-401(2)(a)(iii) and did
501 not object to the levy of the assessment before the final hearing of the board of equalization; or

502 (c) the benefitted property is conveyed to a subsequent purchaser and, before the date
503 of conveyance, the requirements of Subsections 11-42-206(3)(a)(i) and (ii), or, if applicable,
504 Subsection 11-42-207(1)(d)(i) are met.

505 Section 4. Section 11-42-411 is amended to read:

506 **11-42-411. Installment payment of assessments.**

507 (1) (a) In an assessment resolution or ordinance, the governing body may, subject to
508 Subsection (1)(b), provide that some or all of the assessment be paid in installments over a
509 period:

510 (i) not to exceed 20 years from the effective date of the resolution or ordinance, except
511 as provided in Subsection (1)(a)(ii); or

512 (ii) not to exceed 30 years from the effective date of the resolution, for a resolution
513 adopted by:

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

515 or

516 (B) a public infrastructure district created by ~~[the military installation]~~ a development
517 authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act.

518 (b) If an assessment resolution or ordinance provides that some or all of the assessment
519 be paid in installments for a period exceeding 10 years from the effective date of the resolution
520 or ordinance, the governing body:

521 (i) shall make a determination that:

522 (A) the improvement for which the assessment is made has a reasonable useful life for
523 the full period during which installments are to be paid; or

524 (B) it would be in the best interests of the local entity and the property owners for
525 installments to be paid for more than 10 years; and

526 (ii) may provide in the resolution or ordinance that no assessment is payable during
527 some or all of the period ending three years after the effective date of the resolution or
528 ordinance.

529 (2) An assessment resolution or ordinance that provides for the assessment to be paid
530 in installments may provide that the unpaid balance be paid over the period of time that
531 installments are payable:

532 (a) in substantially equal installments of principal; or

533 (b) in substantially equal installments of principal and interest.

534 (3) (a) Each assessment resolution or ordinance that provides for the assessment to be
535 paid in installments shall, subject to Subsections (3)(b) and (c), provide that the unpaid balance
536 of the assessment bear interest at a fixed rate, variable rate, or a combination of fixed and
537 variable rates, as determined by the governing body, from the effective date of the resolution or
538 ordinance or another date specified in the resolution or ordinance.

539 (b) If the assessment is for operation and maintenance costs or for the costs of
540 economic promotion activities:

541 (i) a local entity may charge interest only from the date each installment is due; and

542 (ii) the first installment of an assessment shall be due 15 days after the effective date of
543 the assessment resolution or ordinance.

544 (c) If an assessment resolution or ordinance provides for the unpaid balance of the
545 assessment to bear interest at a variable rate, the assessment resolution or ordinance shall
546 specify:

547 (i) the basis upon which the rate is to be determined from time to time;

548 (ii) the manner in which and schedule upon which the rate is to be adjusted; and

549 (iii) a maximum rate that the assessment may bear.

550 (4) Interest payable on assessments may include:

551 (a) interest on assessment bonds;

552 (b) ongoing local entity costs incurred for administration of the assessment area; and

553 (c) any costs incurred with respect to:

554 (i) securing a letter of credit or other instrument to secure payment or repurchase of
555 bonds; or

556 (ii) retaining a marketing agent or an indexing agent.

557 (5) Interest imposed in an assessment resolution or ordinance shall be paid in addition
558 to the amount of each installment annually or at more frequent intervals as provided in the
559 assessment resolution or ordinance.

560 (6) (a) Except for an assessment for operation and maintenance costs or for the costs of
561 economic promotion activities, a property owner may pay some or all of the entire assessment
562 without interest if paid within 25 days after the assessment resolution or ordinance takes effect.

563 (b) After the 25-day period stated in Subsection (6)(a), a property owner may at any
564 time prepay some or all of the assessment levied against the owner's property.

565 (c) A local entity may require a prepayment of an installment to include:

566 (i) an amount equal to the interest that would accrue on the assessment to the next date
567 on which interest is payable on bonds issued in anticipation of the collection of the assessment;
568 and

569 (ii) the amount necessary, in the governing body's opinion or the opinion of the officer
570 designated by the governing body, to assure the availability of money to pay:

571 (A) interest that becomes due and payable on those bonds; and

572 (B) any premiums that become payable on bonds that are called in order to use the
573 money from the prepaid assessment installment.

574 Section 5. Section **11-58-102** is amended to read:

575 **11-58-102. Definitions.**

576 As used in this chapter:

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

578 (2) "Authority jurisdictional land" means land within the authority boundary
579 delineated:

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

582 (b) beginning April 1, 2020, as provided in Subsection [11-58-202\(3\)](#).

583 (3) "Base taxable value" means:

584 (a) (i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the
585 authority jurisdictional land, the taxable value of authority jurisdictional land in calendar year
586 2018; and

587 (ii) for an area described in Subsection 11-58-601(5), the taxable value of that area in
588 calendar year 2017; or

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

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

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

598 (6) "Development" means:

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

603 (b) the planning of, arranging for, or participation in any of the activities listed in
604 Subsection (6)(a).

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

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

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

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

610 (ii) together are intended to:

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

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

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

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

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

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

623 (a) for an inland port;

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

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

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

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

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

634 (12) "Project area" means:

635 (a) the authority jurisdictional land; or

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

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

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

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

- 646 (16) "Property tax differential":
647 (a) means the difference between:
648 (i) the amount of property tax revenues generated each tax year by all taxing entities
649 from a project area, using the current assessed value of the property; and
650 (ii) the amount of property tax revenues that would be generated from that same area
651 using the base taxable value of the property; and
652 (b) does not include property tax revenue from:
653 (i) a county additional property tax or multicounty assessing and collecting levy
654 imposed in accordance with Section 59-2-1602;
655 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;
656 or
657 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
658 obligation bond.
- 659 (17) "Public entity" means:
660 (a) the state, including each department, division, or other agency of the state; or
661 (b) a county, city, town, metro township, school district, local district, special service
662 district, interlocal cooperation entity, community reinvestment agency, or other political
663 subdivision of the state, including the authority.
- 664 (18) "Publicly owned infrastructure and improvements":
665 (a) means infrastructure, improvements, facilities, or buildings that:
666 (i) benefit the public; and
667 (ii) (A) are owned by a public entity or a utility; or
668 (B) are publicly maintained or operated by a public entity;
669 (b) includes:
670 (i) facilities, lines, or systems that provide:
671 (A) water, chilled water, or steam; or
672 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
673 microgrids, or telecommunications service; and
674 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
675 facilities, and public transportation facilities.
676 (19) "Shapefile" means the digital vector storage format for storing geometric location

677 and associated attribute information.

678 (20) "Taxable value" means the value of property as shown on the last equalized
679 assessment roll.

680 (21) "Taxing entity":

681 (a) means a public entity that levies a tax on property within a project area[-]; and

682 (b) does not include a public infrastructure district that the authority creates under Title
683 17B, Chapter 2a, Part 12, Public Infrastructure District Act.

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

686 Section 6. Section **11-58-106** is enacted to read:

687 **11-58-106. Loan approval committee -- Approval of infrastructure loans.**

688 (1) As used in this section:

689 (a) "Borrower" means the same as that term is defined in Section 63A-3-401.5.

690 (b) "Infrastructure loan" means the same as that term is defined in Section
691 63A-3-401.5.

692 (c) "Infrastructure project" means the same as that term is defined in Section
693 63A-3-401.5.

694 (d) "Inland port fund" means the same as that term is defined in Section 63A-3-401.5.

695 (e) "Loan approval committee" means a committee consisting of:

696 (i) the two board members appointed by the governor;

697 (ii) the board member appointed by the president of the Senate;

698 (iii) the board member appointed by the speaker of the House of Representatives; and

699 (iv) the board member appointed by the chair of the Permanent Community Impact
700 Fund Board.

701 (2) The loan approval committee may approve an infrastructure loan from the inland
702 port fund to a borrower for an infrastructure project undertaken by the borrower.

703 (3) (a) The loan approval committee shall establish the terms of an infrastructure loan
704 in accordance with Section 63A-3-404.

705 (b) The loan approval committee shall require the terms of an infrastructure loan
706 secured by property tax differential to include a requirement that money from the infrastructure
707 loan be used only for an infrastructure project within the project area that generates the

708 property tax differential.

709 (c) The terms of an infrastructure loan that the loan approval committee approves may
710 include provisions allowing for the infrastructure loan to be forgiven if:

711 (i) the infrastructure loan is to a public university in the state;

712 (ii) the infrastructure loan is to fund a vehicle electrification pilot project;

713 (iii) the amount of the infrastructure loan does not exceed \$15,000,000; and

714 (iv) the public university receives matching funds for the vehicle electrification pilot
715 project from another source.

716 (4) (a) The loan approval committee shall establish policies and guidelines with respect
717 to prioritizing requests for infrastructure loans and approving infrastructure loans.

718 (b) With respect to infrastructure loan requests for an infrastructure project on authority
719 jurisdictional land, the policies and guidelines established under Subsection (4)(a) shall give
720 priority to an infrastructure loan request that furthers the policies and best practices
721 incorporated into the environmental sustainability component of the authority's business plan
722 under Subsection [11-58-202\(1\)\(a\)](#).

723 (5) Within 60 days after the execution of an infrastructure loan, the loan approval
724 committee shall report the infrastructure loan, including the loan amount, terms, and security,
725 to the Executive Appropriations Committee.

726 (6) (a) Salaries and expenses of committee members who are legislators shall be paid
727 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator
728 Compensation.

729 (b) A committee member who is not a legislator may not receive compensation or
730 benefits for the member's service on the committee, but may receive per diem and
731 reimbursement for travel expenses incurred as a committee member at the rates established by
732 the Division of Finance under:

733 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

734 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
735 [63A-3-107](#).

736 Section 7. Section **11-58-304** is amended to read:

737 **11-58-304. Limitations on board members and executive director.**

738 (1) As used in this section:

- 739 (a) "Direct financial benefit":
740 (i) means any form of financial benefit that accrues to an individual directly, including:
741 (A) compensation, commission, or any other form of a payment or increase of money;
742 and
743 (B) an increase in the value of a business or property; and
744 (ii) does not include a financial benefit that accrues to the public generally.
745 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.
746 (2) An individual may not serve as a voting member of the board or as executive
747 director if:
748 (a) the individual owns real property, other than a personal residence in which the
749 individual resides, [~~on or within five miles of the authority jurisdictional land~~] within a project
750 area, whether or not the ownership interest is a recorded interest;
751 (b) a family member of the individual owns an interest in real property, other than a
752 personal residence in which the family member resides, located [~~on or within one-half mile of~~
753 ~~the authority jurisdictional land~~] within a project area; or
754 (c) the individual or a family member of the individual owns an interest in, is directly
755 affiliated with, or is an employee or officer of a private firm, private company, or other private
756 entity that the individual reasonably believes is likely to:
757 (i) participate in or receive a direct financial benefit from the development of the
758 authority jurisdictional land; or
759 (ii) acquire an interest in or locate a facility [~~on the authority jurisdictional land~~] within
760 a project area.
761 (3) Before taking office as a voting member of the board or accepting employment as
762 executive director, an individual shall submit to the authority:
763 (a) a statement verifying that the individual's service as a board member or
764 employment as executive director does not violate Subsection (2); or
765 (b) for an individual to whom Subsection 11-58-302(8) applies, the disclosure required
766 under that subsection.
767 (4) (a) An individual may not, at any time during the individual's service as a voting
768 member or employment with the authority, acquire, or take any action to initiate, negotiate, or
769 otherwise arrange for the acquisition of, an interest in real property located [~~on or within five~~

770 ~~miles of the authority jurisdictional land]~~ within a project area, if:

771 (i) the acquisition is in the individual's personal capacity or in the individual's capacity
772 as an employee or officer of a private firm, private company, or other private entity; and

773 (ii) the acquisition will enable the individual to receive a direct financial benefit as a
774 result of the development of the [~~authority jurisdictional land]~~ project area.

775 (b) Subsection (4)(a) does not apply to an individual's acquisition of, or action to
776 initiate, negotiate, or otherwise arrange for the acquisition of, an interest in real property that is
777 a personal residence in which the individual will reside upon acquisition of the real property.

778 (5) (a) A voting member or nonvoting member of the board or an employee of the
779 authority may not receive a direct financial benefit from the development of [~~authority~~
780 ~~jurisdictional land]~~ a project area.

781 (b) For purposes of Subsection (5)(a), a direct financial benefit does not include:

782 (i) expense reimbursements;

783 (ii) per diem pay for board member service, if applicable; or

784 (iii) an employee's compensation or benefits from employment with the authority.

785 (6) Nothing in this section may be construed to affect the application or effect of any
786 other code provision applicable to a board member or employee relating to ethics or conflicts
787 of interest.

788 Section 8. Section **11-59-102** is amended to read:

789 **11-59-102. Definitions.**

790 As used in this chapter:

791 (1) "Authority" means the Point of the Mountain State Land Authority, created in
792 Section [11-59-201](#).

793 (2) "Board" means the authority's board, created in Section [11-59-301](#).

794 (3) "Development":

795 (a) means the construction, reconstruction, modification, expansion, or improvement of
796 a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or
797 other facility, including:

798 (i) the demolition or preservation or repurposing of a building, infrastructure, or other
799 facility;

800 (ii) surveying, testing, locating existing utilities and other infrastructure, and other

801 preliminary site work; and

802 (iii) any associated planning, design, engineering, and related activities; and

803 (b) includes all activities associated with:

804 (i) marketing and business recruiting activities and efforts;

805 (ii) leasing, or selling or otherwise disposing of, all or any part of the point of the
806 mountain state land; and

807 (iii) planning and funding for mass transit infrastructure to service the point of the
808 mountain state land.

809 (4) "New correctional facility" means the state correctional facility being developed in
810 Salt Lake City to replace the state correctional facility in Draper.

811 (5) "Point of the mountain state land" means the approximately 700 acres of
812 state-owned land in Draper, including land used for the operation of a state correctional facility
813 until completion of the new correctional facility and state-owned land in the vicinity of the
814 current state correctional facility.

815 (6) "Public entity" means:

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

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

820 Section 9. Section **11-59-104** is enacted to read:

821 **11-59-104. Loan approval committee -- Approval of infrastructure loans.**

822 (1) As used in this section:

823 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

824 (b) "Infrastructure loan" means the same as that term is defined in Section
825 [63A-3-401.5](#).

826 (c) "Infrastructure project" means the same as that term is defined in Section
827 [63A-3-401.5](#).

828 (d) "Point of the mountain fund" means the same as that term is defined in Section
829 [63A-3-401.5](#).

830 (e) "Loan approval committee" means a committee consisting of:

831 (i) the board member:

832 (A) who is a member of the Senate appointed under Subsection [11-59-302\(2\)\(a\)](#); and

833 (B) whose Senate district is closer to the boundary of the point of the mountain state
834 land than is the Senate district of the other member of the Senate appointed under Subsection
835 [11-59-302\(2\)\(a\)](#);

836 (ii) the board member:

837 (A) who is a member of the House of Representatives appointed under Subsection
838 [11-59-302\(2\)\(b\)](#); and

839 (B) whose House district is closer to the boundary of the point of the mountain state
840 land than is the House district of the other member of the House of Representatives appointed
841 under Subsection [11-59-302\(2\)\(b\)](#);

842 (iii) the board member who is appointed by the governor under Subsection
843 [11-59-302\(2\)\(c\)\(i\)](#);

844 (iv) the board member who is appointed by the governor under Subsection
845 [11-59-302\(2\)\(c\)\(ii\)](#); and

846 (v) the board member who is the mayor of Draper or a member of the Draper city
847 council.

848 (2) The loan approval committee may approve an infrastructure loan from the point of
849 the mountain fund to a borrower for an infrastructure project undertaken by the borrower.

850 (3) The loan approval committee shall establish the terms of an infrastructure loan in
851 accordance with Section [63A-3-404](#).

852 (4) The loan approval committee may establish policies and guidelines with respect to
853 prioritizing requests for infrastructure loans and approving infrastructure loans.

854 (5) Within 60 days after the execution of an infrastructure loan, the loan approval
855 committee shall report the infrastructure loan, including the loan amount, terms, and security,
856 to the Executive Appropriations Committee.

857 (6) (a) Salaries and expenses of committee members who are legislators shall be paid
858 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator
859 Compensation.

860 (b) A committee member who is not a legislator may not receive compensation or
861 benefits for the member's service on the committee, but may receive per diem and
862 reimbursement for travel expenses incurred as a committee member at the rates established by

863 the Division of Finance under:

864 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

865 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
866 [63A-3-107](#).

867 Section 10. Section **11-59-204** is amended to read:

868 **11-59-204. Applicability of other law -- Coordination with municipality.**

869 (1) The authority and the point of the mountain state land are not subject to:

870 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

871 (b) the jurisdiction of a local district under Title 17B, Limited Purpose Local

872 Government Entities - Local Districts, or a special service district under Title 17D, Chapter 1,

873 Special Service District Act, except to the extent that:

874 (i) some or all of the point of the mountain state land is, on May 8, 2018, included
875 within the boundary of a local district or special service district; and

876 (ii) the authority elects to receive service from the local district or special service
877 district for the point of the mountain state land that is included within the boundary of the local
878 district or special service district, respectively.

879 (2) In formulating and implementing a development plan for the point of the mountain
880 state land, the authority shall consult with officials of the municipality within which the point
881 of the mountain state land is located on planning and zoning matters.

882 (3) The authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
883 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed
884 by Title 63E, Independent Entities Code.

885 (4) Nothing in this chapter may be construed to remove the point of the mountain state
886 land from the service area of the municipality in which the point of the mountain state land is
887 located, for purposes of water, sewer, and other similar municipal services currently being
888 provided.

889 (5) The authority is subject to Title 52, Chapter 4, Open and Public Meetings Act,
890 except that for an electronic meeting of the authority board that otherwise complies with
891 Section [52-4-207](#), the authority board:

892 (a) is not required to establish an anchor location; and

893 (b) may convene and conduct the meeting without the written determination otherwise

894 required under Subsection [52-4-207\(4\)](#).

895 Section 11. Section **11-59-306** is amended to read:

896 **11-59-306. Limitations on board members.**

897 (1) As used in this section:

898 (a) "Direct financial benefit":

899 (i) means any form of financial benefit that accrues to an individual directly as a result
900 of the development of the point of the mountain state land, including:

901 (A) compensation, commission, or any other form of a payment or increase of money;

902 and

903 (B) an increase in the value of a business or property; and

904 (ii) does not include a financial benefit that accrues to the public generally as a result of
905 the development of the point of the mountain state land.

906 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.

907 (c) "Interest in real property" means every type of real property interest, whether
908 recorded or unrecorded, including:

909 (i) a legal or equitable interest;

910 (ii) an option on real property;

911 (iii) an interest under a contract;

912 (iv) fee simple ownership;

913 (v) ownership as a tenant in common or in joint tenancy or another joint ownership
914 arrangement;

915 (vi) ownership through a partnership, limited liability company, or corporation that
916 holds title to a real property interest in the name of the partnership, limited liability company,
917 or corporation;

918 (vii) leasehold interest; and

919 (viii) any other real property interest that is capable of being owned.

920 (2) An individual may not serve as a member of the board if:

921 (a) the individual owns an interest in real property, other than a personal residence in
922 which the individual resides, [~~within five miles of~~] that is part of the point of the mountain
923 state land;

924 (b) a family member of the individual owns an interest in real property, other than a

925 personal residence in which the family member resides, [~~located within one-half mile of~~] that is
926 part of the point of the mountain state land; or

927 (c) the individual or a family member of the individual owns an interest in, is directly
928 affiliated with, or is an employee or officer of a firm, company, or other entity that the
929 individual reasonably believes is likely to participate in or receive compensation or other direct
930 financial benefit from the development of the point of the mountain state land.

931 (3) Before taking office as a board member, an individual shall submit to the authority
932 a statement verifying that the individual's service as a board member does not violate
933 Subsection (2).

934 (4) A board member may not, at any time during the board member's service on the
935 board, take any action to initiate, negotiate, or otherwise arrange for the acquisition of an
936 interest in real property [~~located within five miles of~~] that is part of the point of the mountain
937 state land.

938 (5) (a) The board may not allow a firm, company, or other entity to participate in
939 planning, managing, or implementing the development of the point of the mountain state land
940 if a board member or a family member of a board member owns an interest in, is directly
941 affiliated with, or is an employee or officer of the firm, company, or other entity.

942 (b) Before allowing a firm, company, or other entity to participate in planning,
943 managing, or implementing the development of the point of the mountain state land, the board
944 may require the firm, company, or other entity to certify that no board member or family
945 member of a board member owns an interest in, is directly affiliated with, or is an employee or
946 officer of the firm, company, or other entity.

947 Section 12. Section **17B-1-306** is amended to read:

948 **17B-1-306. Local district board -- Election procedures.**

949 (1) Except as provided in Subsection (12), each elected board member shall be selected
950 as provided in this section.

951 (2) (a) Each election of a local district board member shall be held:

952 (i) at the same time as the municipal general election or the regular general election, as
953 applicable; and

954 (ii) at polling places designated by the local district board in consultation with the
955 county clerk for each county in which the local district is located, which polling places shall

956 coincide with municipal general election or regular general election polling places, as
957 applicable, whenever feasible.

958 (b) The local district board, in consultation with the county clerk, may consolidate two
959 or more polling places to enable voters from more than one district to vote at one consolidated
960 polling place.

961 (c) (i) Subject to Subsections (5)(h) and (i), the number of polling places under
962 Subsection (2)(a)(ii) in an election of board members of an irrigation district shall be one
963 polling place per division of the district, designated by the district board.

964 (ii) Each polling place designated by an irrigation district board under Subsection
965 (2)(c)(i) shall coincide with a polling place designated by the county clerk under Subsection
966 (2)(a)(ii).

967 (3) The clerk of each local district with a board member position to be filled at the next
968 municipal general election or regular general election, as applicable, shall provide notice of:

969 (a) each elective position of the local district to be filled at the next municipal general
970 election or regular general election, as applicable;

971 (b) the constitutional and statutory qualifications for each position; and

972 (c) the dates and times for filing a declaration of candidacy.

973 (4) The clerk of the local district shall publish the notice described in Subsection (3):

974 (a) by posting the notice on the Utah Public Notice Website created in Section
975 [63F-1-701](#), for 10 days before the first day for filing a declaration of candidacy; and

976 (b) (i) by posting the notice in at least five public places within the local district at least
977 10 days before the first day for filing a declaration of candidacy; or

978 (ii) publishing the notice:

979 (A) in a newspaper of general circulation within the local district at least three but no
980 more than 10 days before the first day for filing a declaration of candidacy;

981 (B) in accordance with Section [45-1-101](#), for 10 days before the first day for filing a
982 declaration of candidacy; and

983 (c) if the local district has a website, on the local district's website for 10 days before
984 the first day for filing a declaration of candidacy.

985 (5) (a) Except as provided in Subsection (5)(c), to become a candidate for an elective
986 local district board position, an individual shall file a declaration of candidacy in person with

987 an official designated by the local district, during office hours, within the candidate filing
988 period for the applicable election year in which the election for the local district board is held.

989 (b) When the candidate filing deadline falls on a Saturday, Sunday, or holiday, the
990 filing time shall be extended until the close of normal office hours on the following regular
991 business day.

992 (c) Subject to Subsection (5)(f), an individual may designate an agent to file a
993 declaration of candidacy with the official designated by the local district if:

994 (i) the individual is located outside of the state during the entire filing period;

995 (ii) the designated agent appears in person before the official designated by the local
996 district; and

997 (iii) the individual communicates with the official designated by the local district using
998 an electronic device that allows the individual and official to see and hear each other.

999 (d) (i) Before the filing officer may accept any declaration of candidacy from an
1000 individual, the filing officer shall:

1001 (A) read to the individual the constitutional and statutory qualification requirements for
1002 the office that the individual is seeking; and

1003 (B) require the individual to state whether the individual meets those requirements.

1004 (ii) If the individual does not meet the qualification requirements for the office, the
1005 filing officer may not accept the individual's declaration of candidacy.

1006 (iii) If it appears that the individual meets the requirements of candidacy, the filing
1007 officer shall accept the individual's declaration of candidacy.

1008 (e) The declaration of candidacy shall be in substantially the following form:

1009 "I, (print name) _____, being first duly sworn, say that I reside at (Street)
1010 _____, City of _____, County of _____, state of Utah, (Zip
1011 Code) _____, (Telephone Number, if any) _____; that I meet the qualifications for the
1012 office of board of trustees member for _____ (state the name of the local
1013 district); that I am a candidate for that office to be voted upon at the next election; and that, if
1014 filing via a designated agent, I will be out of the state of Utah during the entire candidate filing
1015 period, and I hereby request that my name be printed upon the official ballot for that election.

1016 (Signed) _____

1017 Subscribed and sworn to (or affirmed) before me by _____ on this _____ day

1018 of _____, ____.

1019 (Signed) _____

1020 (Clerk or Notary Public)".

1021 (f) An agent designated under Subsection (5)(c) may not sign the form described in
1022 Subsection (5)(e).

1023 (g) Each individual wishing to become a valid write-in candidate for an elective local
1024 district board position is governed by Section 20A-9-601.

1025 (h) If at least one individual does not file a declaration of candidacy as required by this
1026 section, an individual shall be appointed to fill that board position in accordance with the
1027 appointment provisions of Section 20A-1-512.

1028 (i) If only one candidate files a declaration of candidacy and there is no write-in
1029 candidate who complies with Section 20A-9-601, the board, in accordance with Section
1030 20A-1-206, may:

1031 (i) consider the candidate to be elected to the position; and

1032 (ii) cancel the election.

1033 (6) (a) A primary election may be held if:

1034 (i) the election is authorized by the local district board; and

1035 (ii) the number of candidates for a particular local board position or office exceeds
1036 twice the number of persons needed to fill that position or office.

1037 (b) The primary election shall be conducted:

1038 (i) on the same date as the municipal primary election or the regular primary election,
1039 as applicable; and

1040 (ii) according to the procedures for primary elections provided under Title 20A,
1041 Election Code.

1042 (7) (a) Except as provided in Subsection (7)(c), within one business day after the
1043 deadline for filing a declaration of candidacy, the local district clerk shall certify the candidate
1044 names to the clerk of each county in which the local district is located.

1045 (b) (i) Except as provided in Subsection (7)(c) and in accordance with Section
1046 20A-6-305, the clerk of each county in which the local district is located and the local district
1047 clerk shall coordinate the placement of the name of each candidate for local district office in
1048 the nonpartisan section of the ballot with the appropriate election officer.

1049 (ii) If consolidation of the local district election ballot with the municipal general
1050 election ballot or the regular general election ballot, as applicable, is not feasible, the local
1051 district board of trustees, in consultation with the county clerk, shall provide for a separate
1052 local district election ballot to be administered by poll workers at polling locations designated
1053 under Subsection (2).

1054 (c) (i) Subsections (7)(a) and (b) do not apply to an election of a member of the board
1055 of an irrigation district established under Chapter 2a, Part 5, Irrigation District Act.

1056 (ii) (A) Subject to Subsection (7)(c)(ii)(B), the board of each irrigation district shall
1057 prescribe the form of the ballot for each board member election.

1058 (B) Each ballot for an election of an irrigation district board member shall be in a
1059 nonpartisan format.

1060 (C) The name of each candidate shall be placed on the ballot in the order specified
1061 under Section [20A-6-305](#).

1062 (8) (a) Each voter at an election for a board of trustees member of a local district shall:

1063 (i) be a registered voter within the district, except for an election of:

1064 (A) an irrigation district board of trustees member; or

1065 (B) a basic local district board of trustees member who is elected by property owners;

1066 and

1067 (ii) meet the requirements to vote established by the district.

1068 (b) Each voter may vote for as many candidates as there are offices to be filled.

1069 (c) The candidates who receive the highest number of votes are elected.

1070 (9) Except as otherwise provided by this section, the election of local district board
1071 members is governed by Title 20A, Election Code.

1072 (10) (a) Except as provided in Subsection [17B-1-303](#)(8), a person elected to serve on a
1073 local district board shall serve a four-year term, beginning at noon on the January 1 after the
1074 person's election.

1075 (b) A person elected shall be sworn in as soon as practical after January 1.

1076 (11) (a) Except as provided in Subsection (11)(b), each local district shall reimburse
1077 the county or municipality holding an election under this section for the costs of the election
1078 attributable to that local district.

1079 (b) Each irrigation district shall bear [its] the district's own costs of each election [it]

1080 the district holds under this section.

1081 (12) This section does not apply to an improvement district that provides electric or gas
1082 service.

1083 (13) Except as provided in Subsection [20A-3a-605\(1\)\(b\)](#), the provisions of Title 20A,
1084 Chapter 3a, Part 6, Early Voting, do not apply to an election under this section.

1085 (14) (a) As used in this Subsection (14), "board" means:

1086 (i) a local district board; or

1087 (ii) the administrative control board of a special service district that has elected
1088 members on the board.

1089 (b) A board may hold elections for membership on the board at a regular general
1090 election instead of a municipal general election if the board submits an application to the
1091 lieutenant governor that:

1092 (i) requests permission to hold elections for membership on the board at a regular
1093 general election instead of a municipal general election; and

1094 (ii) indicates that holding elections at the time of the regular general election is
1095 beneficial, based on potential cost savings, a potential increase in voter turnout, or another
1096 material reason.

1097 (c) Upon receipt of an application described in Subsection (14)(b), the lieutenant
1098 governor may approve the application if the lieutenant governor concludes that holding the
1099 elections at the regular general election is beneficial based on the criteria described in
1100 Subsection (14)(b)(ii).

1101 (d) If the lieutenant governor approves a board's application described in this section:

1102 (i) all future elections for membership on the board shall be held at the time of the
1103 regular general election; and

1104 (ii) the board may not hold elections at the time of a municipal general election unless
1105 the board receives permission from the lieutenant governor to hold all future elections for
1106 membership on the board at a municipal general election instead of a regular general election,
1107 under the same procedure, and by applying the same criteria, described in this Subsection (14).

1108 (15) (a) This Subsection (15) applies to a local district if:

1109 (i) the local district's board members are elected by the owners of real property, as
1110 provided in Subsection [17B-1-1402\(1\)\(b\)](#); and

- 1111 (ii) the local district was created before January 1, 2020.
- 1112 (b) The board of a local district described in Subsection (15)(a) may conduct an
- 1113 election:
- 1114 (i) to fill a board member position that expires at the end of the term for that board
- 1115 member's position; and
- 1116 (ii) notwithstanding Subsection 20A-1-512(1)(a)(i), to fill a vacancy in an unexpired
- 1117 term of a board member.
- 1118 (c) An election under Subsection (15)(b) may be conducted as determined by the local
- 1119 district board, subject to Subsection (15)(d).
- 1120 (d) (i) The local district board shall provide to property owners eligible to vote at the
- 1121 local district election:
- 1122 (A) notice of the election; and
- 1123 (B) a form to nominate an eligible individual to be elected as a board member.
- 1124 (ii) (A) The local district board may establish a deadline for a property owner to submit
- 1125 a nomination form.
- 1126 (B) A deadline under Subsection (15)(d)(ii)(A) may not be earlier than 15 days after
- 1127 the board provides the notice and nomination form under Subsection (15)(d)(i).
- 1128 (iii) (A) After the deadline for submitting nomination forms, the local district board
- 1129 shall provide a ballot to all property owners eligible to vote at the local district election.
- 1130 (B) A local district board shall allow at least five days for ballots to be returned.
- 1131 (iv) A local district board shall certify the results of an election under this Subsection
- 1132 (15) during an open meeting of the board.
- 1133 Section 13. Section **17B-1-1102** is amended to read:
- 1134 **17B-1-1102. General obligation bonds.**
- 1135 (1) Except as provided in [~~Subsection (3)~~] Subsections (3) and (7), if a district intends
- 1136 to issue general obligation bonds, the district shall first obtain the approval of district voters for
- 1137 issuance of the bonds at an election held for that purpose as provided in Title 11, Chapter 14,
- 1138 Local Government Bonding Act.
- 1139 (2) General obligation bonds shall be secured by a pledge of the full faith and credit of
- 1140 the district, subject to:
- 1141 (a) for a water conservancy district, the property tax levy limits of Section

1142 17B-2a-1006; and

1143 (b) for a limited tax bond as defined in Section 17B-2a-1202 that a public
1144 infrastructure district issues, the property tax levy limits of Section 17B-2a-1209.

1145 (3) A district may issue refunding general obligation bonds, as provided in Title 11,
1146 Chapter 27, Utah Refunding Bond Act, without obtaining voter approval.

1147 (4) (a) A local district may not issue general obligation bonds if the issuance of the
1148 bonds will cause the outstanding principal amount of all of the district's general obligation
1149 bonds to exceed the amount that results from multiplying the fair market value of the taxable
1150 property within the district, as determined under Subsection 11-14-301(3)(b), by a number that
1151 is:

1152 (i) .05, for a basic local district, except as provided in Subsection (7);

1153 (ii) .004, for a cemetery maintenance district;

1154 (iii) .002, for a drainage district;

1155 (iv) .004, for a fire protection district;

1156 (v) .024, for an improvement district;

1157 (vi) .1, for an irrigation district;

1158 (vii) .1, for a metropolitan water district;

1159 (viii) .0004, for a mosquito abatement district;

1160 (ix) .03, for a public transit district;

1161 (x) .12, for a service area;

1162 (xi) .05 for a municipal services district; or

1163 (xii) except for a limited tax bond as defined in Section 17B-2a-1202, .15 for a public
1164 infrastructure district.

1165 (b) Bonds or other obligations of a local district that are not general obligation bonds
1166 are not included in the limit stated in Subsection (4)(a).

1167 (5) A district may not be considered to be a municipal corporation for purposes of the
1168 debt limitation of the Utah Constitution, Article XIV, Section 4.

1169 (6) Bonds issued by an administrative or legal entity created under Title 11, Chapter
1170 13, Interlocal Cooperation Act, may not be considered to be bonds of a local district that
1171 participates in the agreement creating the administrative or legal entity.

1172 (7) (a) As used in this Subsection (7), "property owner district" means a local district

1173 whose board members are elected by property owners, as provided in Subsection
1174 17B-1-1402(1)(b).

1175 (b) A property owner district may issue a general obligation bond with the consent of:
1176 (i) the owners of all property within the district; and
1177 (ii) all registered voters, if any, within the boundary of the district.

1178 (c) A property owner district may use proceeds from a bond issued under this
1179 Subsection (7) to fund:

1180 (i) the acquisition and construction of a system or improvement authorized in the
1181 district's creation resolution; and
1182 (ii) a connection outside the boundary of the district between systems or improvements
1183 within the boundary of the district.

1184 (d) The consent under Subsection (7)(b) is sufficient for any requirement necessary for
1185 the issuance of a general obligation bond.

1186 (e) A general obligation bond issued under this Subsection (7):
1187 (i) shall mature no later than 40 years after the date of issuance; and
1188 (ii) is not subject to the limit under Subsection (4)(a)(i).

1189 (f) (i) A property owner district may not issue a general obligation bond under this
1190 Subsection (7) if the issuance will cause the outstanding principal amount of all the district's
1191 general obligation bonds to exceed one-half of the market value of all real property within the
1192 district.

1193 (ii) Market value under Subsection (7)(f)(i) shall:
1194 (A) be based on the value that the real property will have after all improvements
1195 financed by the general obligation bonds are constructed; and
1196 (B) be determined by appraisal by an appraiser who is a member of the Appraisal
1197 Institute.

1198 (g) With respect to a general obligation bond issued under this Subsection (7), the
1199 board of a property owner district may, by resolution, delegate to one or more officers of the
1200 district, the authority to:

1201 (i) approve the final interest rate, price, principal amount, maturity, redemption
1202 features, and other terms of the bond;
1203 (ii) approve and execute a document relating to the issuance of the bond; and

1204 (iii) approve a contract related to the acquisition and construction of an improvement,
1205 facility, or property to be financed with proceeds from the bond.

1206 (h) (i) A person may commence a lawsuit or other proceeding to contest the legality of
1207 the issuance of a general obligation bond issued under this Subsection (7) or any provision
1208 relating to the security or payment of the bond if the lawsuit or other proceeding is commenced
1209 within 30 days after the publication of:

1210 (A) the resolution authorizing the issuance of the general obligation bond; or

1211 (B) a notice of the bond issuance containing substantially the items required under
1212 Subsection 11-14-316(2).

1213 (ii) Following the period described in Subsection (7)(h)(i), no person may bring a
1214 lawsuit or other proceeding to contest for any reason the regularity, formality, or legality of a
1215 general obligation bond issued under this Subsection (7).

1216 (i) (i) A property owner district that charges and collects an impact fee or other fee on
1217 real property at the time the real property is sold may proportionally pay down a general
1218 obligation bond issued under this Subsection (7) from the money collected from the impact fee
1219 or other fee.

1220 (ii) A property owner district that proportionally pays down a general obligation bond
1221 under Subsection (7)(i)(i) shall reduce the property tax rate on the parcel of real property on
1222 which the district charged and collected an impact fee or other charge, to reflect the amount of
1223 outstanding principal of a general obligation bond issued under this Subsection (7) that was
1224 paid down and is attributable to that parcel.

1225 (j) If a property owner fails to pay a property tax that the property owner district
1226 imposes in connection with a general obligation bond issued under this Subsection (7), the
1227 district may impose a property tax penalty at an annual rate of .07, in addition to any other
1228 penalty allowed by law.

1229 Section 14. Section **17B-2a-1202** is amended to read:

1230 **17B-2a-1202. Definitions.**

1231 As used in this part:

1232 (1) "Board" means the board of trustees of a public infrastructure district.

1233 (2) "Creating entity" means the county, municipality, or development authority that
1234 approves the creation of the public infrastructure district.

- 1235 (3) "Development authority" means:
- 1236 (a) the Utah Inland Port Authority created in Section 11-58-201; or
- 1237 (b) the military installation development authority created in Section 63H-1-201.
- 1238 (4) "District applicant" means the person proposing the creation of the public
- 1239 infrastructure district.
- 1240 (5) "Division" means a division of a public infrastructure district:
- 1241 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
- 1242 other divisions within the public infrastructure district, taking into account existing or potential
- 1243 developments which, when completed, would increase or decrease the population within the
- 1244 public infrastructure district; and
- 1245 (b) which a member of the board represents.
- 1246 (6) "Governing document" means the document governing the public infrastructure
- 1247 district to which the creating entity agrees before the creation of the public infrastructure
- 1248 district, as amended from time to time, and subject to the limitations of Chapter 1, Provisions
- 1249 Applicable to All Local Districts, and this part.
- 1250 (7) (a) "Limited tax bond" means a bond:
- 1251 (i) that is directly payable from and secured by ad valorem property taxes that are
- 1252 levied:
- 1253 (A) by the public infrastructure district that issues the bond; and
- 1254 (B) on taxable property within the district;
- 1255 (ii) that is a general obligation of the public infrastructure district; and
- 1256 (iii) for which the ad valorem property tax levy for repayment of the bond does not
- 1257 exceed the property tax levy rate limit established under Section 17B-2a-1209 for any fiscal
- 1258 year, except as provided in Subsection 17B-2a-1207(8).
- 1259 (b) "Limited tax bond" does not include:
- 1260 (i) a short-term bond;
- 1261 (ii) a tax and revenue anticipation bond; or
- 1262 (iii) a special assessment bond.
- 1263 (8) "Public infrastructure and improvements" means:
- 1264 (a) publicly owned infrastructure and improvements, as defined in Section 11-58-102,
- 1265 for a public infrastructure district created by the Utah Inland Port Authority created in Section

1266 [11-58-201](#); and

1267 (b) the same as that term is defined in Section [63H-1-102](#), for a public infrastructure
1268 district created by the military installation development authority created in Section [63H-1-201](#).

1269 Section 15. Section **17B-2a-1205** is amended to read:

1270 **17B-2a-1205. Public infrastructure district board -- Governing document.**

1271 (1) The legislative body or board of the creating entity shall appoint the members of the
1272 board, in accordance with the governing document.

1273 (2) (a) Unless otherwise limited in the governing document and except as provided in
1274 Subsection (2)(b), the initial term of each member of the board is four years.

1275 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial
1276 board shall serve a six-year term so that, after the expiration of the initial term, the term of
1277 approximately half the board members expires every two years.

1278 (c) A board may elect that a majority of the board serve an initial term of six years.

1279 (d) After the initial term, the term of each member of the board is four years.

1280 (3) (a) Notwithstanding Subsection [17B-1-302](#)(1)(b), a board member is not required
1281 to be a resident within the boundaries of the public infrastructure district if:

1282 (i) all of the surface property owners consent to the waiver of the residency
1283 requirement;

1284 (ii) there are no residents within the boundaries of the public infrastructure district;

1285 (iii) no qualified candidate timely files to be considered for appointment to the board;

1286 or

1287 (iv) no qualified individual files a declaration of candidacy for a board position in
1288 accordance with Subsection [17B-1-306](#)~~(4)~~[\(5\)](#).

1289 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the
1290 residency requirement in Subsection [17B-1-302](#)(1)(b) is applicable to any board member
1291 elected for a division or board position that has transitioned from an appointed to an elected
1292 board member in accordance with this section.

1293 (c) An individual who is not a resident within the boundaries of the public
1294 infrastructure district may not serve as a board member unless the individual is:

1295 (i) an owner of land or an agent or officer of the owner of land within the boundaries of
1296 the public infrastructure district; and

1297 (ii) a registered voter at the individual's primary residence.

1298 (4) (a) A governing document may provide for a transition from legislative body
1299 appointment under Subsection (1) to a method of election by registered voters based upon
1300 milestones or events that the governing document identifies, including a milestone for each
1301 division or individual board position providing that when the milestone is reached:

1302 (i) for a division, the registered voters of the division elect a member of the board in
1303 place of an appointed member at the next municipal general election for the board position; or

1304 (ii) for an at large board position established in the governing document, the registered
1305 voters of the public infrastructure district elect a member of the board in place of an appointed
1306 member at the next municipal general election for the board position.

1307 (b) Regardless of whether a board member is elected under Subsection (4)(a), the
1308 position of each remaining board member shall continue to be appointed under Subsection (1)
1309 until the member's respective division or board position surpasses the density milestone
1310 described in the governing document.

1311 (5) (a) Subject to Subsection (5)(c), the board may, in the board's discretion but no
1312 more frequently than every four years, reestablish the boundaries of each division so that each
1313 division that has reached a milestone specified in the governing document, as described in
1314 Subsection (4)(a), has, as nearly as possible, the same number of eligible voters.

1315 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall
1316 consider existing or potential developments within the divisions which, when completed,
1317 would increase or decrease the number of eligible voters within the division.

1318 (c) The governing document may prohibit the board from reestablishing, without the
1319 consent of the creating entity, the division boundaries as described in Subsection (5)(a).

1320 (6) The public infrastructure district may not compensate a board member for the
1321 member's service on the board under Section [17B-1-307](#) unless the board member is a resident
1322 within the boundaries of the public infrastructure district.

1323 (7) The governing document shall:

1324 (a) include a boundary description and a map of the public infrastructure district;

1325 (b) state the number of board members;

1326 (c) describe any divisions of the public infrastructure district;

1327 (d) establish any applicable property tax levy rate limit for the public infrastructure

1328 district;

1329 (e) establish any applicable limitation on the principal amount of indebtedness for the
1330 public infrastructure district; and

1331 (f) include other information that the public infrastructure district or the creating entity
1332 determines to be necessary or advisable.

1333 (8) (a) Except as provided in Subsection (8)(b), the board and the governing body of
1334 the creating entity may amend a governing document by each adopting a resolution that
1335 approves the amended governing document.

1336 (b) Notwithstanding Subsection (8)(a), any amendment to a property tax levy rate
1337 limitation requires the consent of:

1338 (i) 100% of surface property owners within the boundaries of the public infrastructure
1339 district; and

1340 (ii) 100% of the registered voters, if any, within the boundaries of the public
1341 infrastructure district.

1342 (9) A board member is not in violation of Section 67-16-9 if the board member:

1343 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8
1344 and files the disclosure with the creating entity:

1345 (i) before any appointment or election; and

1346 (ii) upon any significant change in the business relationship; and

1347 (b) conducts the affairs of the public infrastructure district in accordance with this title
1348 and any parameters described in the governing document.

1349 (10) Notwithstanding any other provision of this section, the governing document
1350 governs the number, appointment, and terms of board members of a public infrastructure
1351 district created by the development authority.

1352 Section 16. Section 17B-2a-1206 is amended to read:

1353 **17B-2a-1206. Additional public infrastructure district powers.**

1354 In addition to the powers conferred on a public infrastructure district under Section
1355 17B-1-103, a public infrastructure district may:

1356 (1) issue negotiable bonds to pay:

1357 (a) all or part of the costs of acquiring, acquiring an interest in, improving, or extending
1358 any of the improvements, facilities, or property allowed under Section 11-14-103;

1359 (b) capital costs of improvements in an energy assessment area, as defined in Section
1360 11-42a-102, and other related costs, against the funds that the public infrastructure district will
1361 receive because of an assessment in an energy assessment area, as defined in Section
1362 11-42a-102;

1363 (c) public improvements related to the provision of housing;

1364 (d) capital costs related to public transportation; and

1365 (e) for a public infrastructure district created by ~~the~~ a development authority, the cost
1366 of acquiring or financing ~~publicly owned~~ public infrastructure and improvements;

1367 (2) enter into an interlocal agreement in accordance with Title 11, Chapter 13,
1368 Interlocal Cooperation Act, provided that the interlocal agreement may not expand the powers
1369 of the public infrastructure district, within the limitations of Title 11, Chapter 13, Interlocal
1370 Cooperation Act, without the consent of the creating entity;

1371 (3) acquire completed or partially completed improvements for fair market value as
1372 reasonably determined by:

1373 (a) the board;

1374 (b) the creating entity, if required in the governing document; or

1375 (c) a surveyor or engineer that a public infrastructure district employs or engages to
1376 perform the necessary engineering services for and to supervise the construction or installation
1377 of the improvements;

1378 (4) contract with the creating entity for the creating entity to provide administrative
1379 services on behalf of the public infrastructure district, when agreed to by both parties, in order
1380 to achieve cost savings and economic efficiencies, at the discretion of the creating entity; and

1381 (5) for a public infrastructure district created by a development authority:

1382 (a) (i) operate and maintain ~~publicly owned~~ public infrastructure and improvements
1383 the district acquires or finances; and

1384 (ii) use fees, assessments, or taxes to pay for the operation and maintenance of those
1385 ~~publicly owned~~ public infrastructure and improvements; and

1386 (b) issue bonds under Title 11, Chapter 42, Assessment Area Act.

1387 Section 17. Section **63A-3-401.5** is enacted to read:

1388 **Part 4. Infrastructure Revolving Loan Funds**

1389 **63A-3-401.5. Definitions.**

1390 As used in this part:

1391 (1) "Borrower" means a person who borrows money from an infrastructure fund for an
1392 infrastructure project.

1393 (2) "Independent political subdivision" means:

1394 (a) the Utah Inland Port Authority created in Section [11-58-201](#);

1395 (b) the Point of the Mountain State Land Authority created in Section [11-59-201](#); or

1396 (c) the Military Installation Development Authority created in Section [63H-1-201](#).

1397 (3) "Infrastructure fund" means a fund created in Subsection [63A-3-402\(1\)](#).

1398 (4) "Infrastructure loan" means a loan of infrastructure fund money to finance an
1399 infrastructure project.

1400 (5) "Infrastructure project" means a project to acquire, construct, reconstruct,
1401 rehabilitate, equip, or improve public infrastructure and improvements:

1402 (a) within a project area; or

1403 (b) outside a project area, if the respective loan approval committee determines by
1404 resolution that the public infrastructure and improvements are of benefit to the project area.

1405 (6) "Inland port" means the same as that term is defined in Section [11-58-102](#).

1406 (7) "Inland port fund" means the infrastructure fund created in Subsection
1407 [63A-3-402\(1\)\(a\)](#).

1408 (8) "Military development fund" means the infrastructure fund created in Subsection
1409 [63A-3-402\(1\)\(c\)](#).

1410 (9) "Point of the mountain fund" means the infrastructure fund created in Subsection
1411 [63A-3-402\(1\)\(b\)](#).

1412 (10) "Project area" means:

1413 (a) the same as that term is defined in Section [11-58-102](#), for purposes of an
1414 infrastructure loan from the inland port fund;

1415 (b) the point of the mountain state land, as defined in Section [11-59-102](#), for purposes
1416 of an infrastructure loan from the point of the mountain fund; and

1417 (c) the same as that term is defined in Section [63H-1-102](#), for purposes of an
1418 infrastructure loan from the military development fund.

1419 (11) "Property tax revenue" means:

1420 (a) property tax differential, as defined in Section [11-58-102](#), for purposes of an

1421 infrastructure loan from the inland port fund; or

1422 (b) property tax allocation, as defined in Section 63H-1-102, for purposes of an
1423 infrastructure loan from the military development fund.

1424 (12) "Public infrastructure and improvements":

1425 (a) for purposes of an infrastructure loan from the inland port fund:

1426 (i) means publicly owned infrastructure and improvements, as defined in Section
1427 11-58-102; and

1428 (ii) includes an inland port facility; and

1429 (b) means the same as that term is defined in Section 63H-1-102, for purposes of an
1430 infrastructure loan from the military development fund.

1431 (13) "Respective loan approval committee" means:

1432 (a) the committee created in Section 11-58-106, for purposes of an infrastructure loan
1433 from the inland port fund;

1434 (b) the committee created in Section 11-59-104, for purposes of an infrastructure loan
1435 from the point of the mountain fund; and

1436 (c) the committee created in Section 63H-1-104, for purposes of an infrastructure loan
1437 from the military development fund.

1438 Section 18. Section **63A-3-402** is enacted to read:

1439 **63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money**
1440 **in funds.**

1441 (1) There are created, as enterprise revolving loan funds:

1442 (a) the inland port infrastructure revolving loan fund;

1443 (b) the point of the mountain infrastructure revolving loan fund; and

1444 (c) the military development infrastructure revolving loan fund.

1445 (2) The purpose of each infrastructure fund is to provide funding, through
1446 infrastructure loans, for infrastructure projects undertaken by a borrower.

1447 (3) (a) Money in an infrastructure fund may be used only to provide loans for
1448 infrastructure projects.

1449 (b) The division may not loan money in an infrastructure fund without the approval of
1450 the respective loan approval committee.

1451 Section 19. Section **63A-3-403** is enacted to read:

1452 **63A-3-403. Money in infrastructure funds.**

1453 (1) Money in each of the infrastructure funds shall be kept separate and accounted for
1454 separately from money in the other infrastructure funds.

1455 (2) Each infrastructure fund includes money:

1456 (a) appropriated to that fund by the Legislature;

1457 (b) transferred to the fund from the State Infrastructure Bank Fund created in Section
1458 72-2-202, if applicable;

1459 (c) from federal, state, or other public grants or contributions;

1460 (d) that an independent political subdivision transfers to the fund from other money
1461 available to the independent political subdivision;

1462 (e) contributed or granted to the infrastructure fund from a private source; and

1463 (f) collected from repayments of loans of infrastructure fund money.

1464 (3) In addition to money identified in Subsection (2), the military development fund
1465 includes money repaid after May 5, 2021 from a loan under Subsection 63B-27-101(3)(a).

1466 (4) (a) Each infrastructure fund shall earn interest.

1467 (b) All interest earned on infrastructure fund money shall be deposited into the
1468 respective infrastructure fund and included in the money of the infrastructure fund available to
1469 be loaned.

1470 (5) The state treasurer shall invest infrastructure fund money as provided in Title 51,
1471 Chapter 7, State Money Management Act.

1472 Section 20. Section **63A-3-404** is enacted to read:

1473 **63A-3-404. Loan agreement.**

1474 (1) (a) A borrower that borrows money from an infrastructure fund shall enter into a
1475 loan agreement with the division for repayment of the money.

1476 (b) (i) A loan agreement under Subsection (1)(a) shall be secured by:

1477 (A) bonds, notes, or another evidence of indebtedness validly issued under state law; or

1478 (B) revenue generated from an infrastructure project.

1479 (ii) The security provided under Subsection (1)(b)(i) may include the borrower's pledge
1480 of some or all of a revenue source that the borrower controls.

1481 (c) The respective loan approval committee may determine that property tax revenue or
1482 revenue from the infrastructure project for which the infrastructure loan is obtained is sufficient

1483 security for an infrastructure loan.

1484 (2) An infrastructure loan shall bear interest at a rate not to exceed .5% above bond
1485 market interest rates available to the state.

1486 (3) (a) Subject to Subsection (3)(b), the respective loan approval committee shall
1487 determine the length of term of an infrastructure loan.

1488 (b) If the security for an infrastructure loan is property tax revenue, the repayment
1489 terms of the infrastructure loan agreement shall allow sufficient time for the property tax
1490 revenue to generate sufficient money to cover payments under the infrastructure loan.

1491 (4) An infrastructure loan agreement may provide for a portion of the loan proceeds to
1492 be applied to a reserve fund to secure repayment of the infrastructure loan.

1493 (5) (a) If a borrower fails to comply with the terms of an infrastructure loan agreement,
1494 the division may:

1495 (i) seek any legal or equitable remedy to obtain:

1496 (A) compliance with the agreement; or

1497 (B) the payment of damages; and

1498 (ii) request a state agency with money due to the borrower to withhold payment of the
1499 money to the borrower and instead to pay the money to the division to pay any amount due
1500 under the infrastructure loan agreement.

1501 (b) A state agency that receives a request from the division under Subsection (5)(a)(ii)
1502 shall pay to the division the money due to the borrower to the extent of the amount due under
1503 the infrastructure loan agreement.

1504 (6) Upon approval from the respective loan approval committee, the division shall loan
1505 money from an infrastructure fund according to the terms established by the respective loan
1506 approval committee.

1507 (7) (a) The division shall administer and enforce an infrastructure loan according to the
1508 terms of the infrastructure loan agreement.

1509 (b) (i) Beginning May 5, 2021, the division shall assume responsibility from the State
1510 Infrastructure Bank Fund for servicing the loan under Subsection [63B-27-101\(3\)\(a\)](#).

1511 (ii) Payments due after May 5, 2021 under the loan under Subsection [63B-27-101\(3\)\(a\)](#)
1512 shall be made to the division rather than to the State Infrastructure Bank Fund, to be deposited
1513 into the military development fund.

1514 Section 21. Section **63H-1-102** is amended to read:

1515 **63H-1-102. Definitions.**

1516 As used in this chapter:

1517 (1) "Authority" means the Military Installation Development Authority, created under
1518 Section **63H-1-201**.

1519 (2) "Base taxable value" means:

1520 (a) for military land or other land that was exempt from a property tax at the time that a
1521 project area was created that included the military land or other land, a taxable value of zero; or

1522 (b) for private property that is included in a project area, the taxable value of the
1523 property within any portion of the project area, as designated by board resolution, from which
1524 the property tax allocation will be collected, as shown upon the assessment roll last equalized:

1525 (i) before the year in which the authority creates the project area; or

1526 (ii) before the year in which the project area plan is amended, for property added to a
1527 project area by an amendment to a project area plan.

1528 (3) "Board" means the governing body of the authority created under Section
1529 **63H-1-301**.

1530 (4) (a) "Dedicated tax collections" means the property tax that remains after the
1531 authority is paid the property tax allocation the authority is entitled to receive under Subsection
1532 **63H-1-501**(1), for a property tax levied by:

1533 (i) a county, including a district the county has established under Subsection **17-34-3**(2)
1534 to levy a property tax under Title 17, Chapter 34, Municipal-Type Services to Unincorporated
1535 Areas; or

1536 (ii) an included municipality.

1537 (b) "Dedicated tax collections" does not include a county additional property tax or
1538 multicounty assessing and collecting levy imposed in accordance with Section **59-2-1602**.

1539 (5) (a) "Development" means an activity occurring:

1540 (i) on land within a project area that is owned or operated by the military, the authority,
1541 another public entity, or a private entity; or

1542 (ii) on military land associated with a project area.

1543 (b) "Development" includes the demolition, construction, reconstruction, modification,
1544 expansion, or improvement of a building, facility, utility, landscape, parking lot, park, trail, or

1545 recreational amenity.

1546 (6) "Development project" means a project to develop land within a project area.

1547 (7) "Elected member" means a member of the authority board who:

1548 (a) is a mayor or member of a legislative body appointed under Subsection

1549 [63H-1-302](#)(2)(b); or

1550 (b) (i) is appointed to the authority board under Subsection [63H-1-302](#)(2)(a) or (3); and

1551 (ii) concurrently serves in an elected state, county, or municipal office.

1552 (8) "Included municipality" means a municipality, some or all of which is included

1553 within a project area.

1554 (9) (a) "Military" means a branch of the armed forces of the United States, including
1555 the Utah National Guard.

1556 (b) "Military" includes, in relation to property, property that is occupied by the military
1557 and is owned by the government of the United States or the state.

1558 (10) "Military Installation Development Authority accommodations tax" or "MIDA
1559 accommodations tax" means the tax imposed under Section [63H-1-205](#).

1560 (11) "Military Installation Development Authority energy tax" or "MIDA energy tax"
1561 means the tax levied under Section [63H-1-204](#).

1562 (12) "Military land" means land or a facility, including leased land or a leased facility,
1563 that is part of or affiliated with a base, camp, post, station, yard, center, or installation under the
1564 jurisdiction of the United States Department of Defense, the United States Department of
1565 Veterans Affairs, or the Utah National Guard.

1566 (13) "Municipal energy tax" means a municipal energy sales and use tax under Title
1567 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act.

1568 (14) "Municipal services revenue" means revenue that the authority:

1569 (a) collects from the authority's:

1570 (i) levy of a municipal energy tax;

1571 (ii) levy of a MIDA energy tax;

1572 (iii) levy of a telecommunications tax;

1573 (iv) imposition of a transient room tax; and

1574 (v) imposition of a resort communities tax;

1575 (b) receives under Subsection [59-12-205](#)(2)(b)(ii); and

1576 (c) receives as dedicated tax collections.

1577 (15) "Municipal tax" means a municipal energy tax, MIDA energy tax, MIDA
1578 accommodations tax, telecommunications tax, transient room tax, or resort communities tax.

1579 (16) "Project area" means the land, including military land, whether consisting of a
1580 single contiguous area or multiple noncontiguous areas, described in a project area plan or draft
1581 project area plan, where the development project set forth in the project area plan or draft
1582 project area plan takes place or is proposed to take place.

1583 (17) "Project area budget" means a multiyear projection of annual or cumulative
1584 revenues and expenses and other fiscal matters pertaining to a project area that includes:

1585 (a) the base taxable value of property in the project area;

1586 (b) the projected property tax allocation expected to be generated within the project
1587 area;

1588 (c) the amount of the property tax allocation expected to be shared with other taxing
1589 entities;

1590 (d) the amount of the property tax allocation expected to be used to implement the
1591 project area plan, including the estimated amount of the property tax allocation to be used for
1592 land acquisition, public improvements, infrastructure improvements, and loans, grants, or other
1593 incentives to private and public entities;

1594 (e) the property tax allocation expected to be used to cover the cost of administering
1595 the project area plan;

1596 (f) if the property tax allocation is to be collected at different times or from different
1597 portions of the project area, or both:

1598 (i) (A) the tax identification numbers of the parcels from which the property tax
1599 allocation will be collected; or

1600 (B) a legal description of the portion of the project area from which the property tax
1601 allocation will be collected; and

1602 (ii) an estimate of when other portions of the project area will become subject to
1603 collection of the property tax allocation; and

1604 (g) for property that the authority owns or leases and expects to sell or sublease, the
1605 expected total cost of the property to the authority and the expected selling price or lease
1606 payments.

1607 (18) "Project area plan" means a written plan that, after the plan's effective date, guides
1608 and controls the development within a project area.

1609 (19) (a) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4,
1610 Privilege Tax, except as described in Subsection (19)(b), and each levy on an ad valorem basis
1611 on tangible or intangible personal or real property.

1612 (b) "Property tax" does not include a privilege tax on the taxable value:

1613 (i) attributable to a portion of a facility leased to the military for a calendar year when:

1614 (A) a lessee of military land has constructed a facility on the military land that is part of
1615 a project area;

1616 (B) the lessee leases space in the facility to the military for the entire calendar year; and

1617 (C) the lease rate paid by the military for the space is \$1 or less for the entire calendar
1618 year, not including any common charges that are reimbursements for actual expenses; or

1619 (ii) of the following property owned by the authority, regardless of whether the
1620 authority enters into a long-term operating agreement with a privately owned entity under
1621 which the privately owned entity agrees to operate the property:

1622 (A) a hotel;

1623 (B) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;

1624 and

1625 (C) a commercial condominium unit in a condominium project, as defined in Section
1626 57-8-3.

1627 (20) "Property tax allocation" means the difference between:

1628 (a) the amount of property tax revenues generated each tax year by all taxing entities
1629 from the area within a project area designated in the project area plan as the area from which
1630 the property tax allocation is to be collected, using the current assessed value of the property;
1631 and

1632 (b) the amount of property tax revenues that would be generated from that same area
1633 using the base taxable value of the property.

1634 (21) "Public entity" means:

1635 (a) the state, including each department or agency of the state; or

1636 (b) a political subdivision of the state, including a county, city, town, school district,
1637 local district, special service district, or interlocal cooperation entity, including the authority.

1638 (22) (a) [~~"Publicly owned"~~] "Public infrastructure and improvements" means
1639 infrastructure, improvements, facilities, or buildings that:
1640 (i) benefit the public, the authority, the military, or military-related entities [~~and are~~];
1641 and
1642 [(~~†~~)] (ii) (A) are publicly owned by the military, the authority, a public infrastructure
1643 district under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act, or another
1644 public entity;
1645 [(~~†~~)] (B) are owned by a utility; or
1646 [(~~†††~~)] (C) are publicly maintained or operated by the military, the authority, or another
1647 public entity.
1648 (b) "Public infrastructure and improvements" also means infrastructure, improvements,
1649 facilities, or buildings that:
1650 (i) are privately owned; and
1651 (ii) provide a substantial benefit, as determined by the board, to the development and
1652 operation of a project area.
1653 [(~~b~~)] (c) [~~"Publicly owned"~~] "Public infrastructure and improvements" includes:
1654 (i) facilities, lines, or systems that harness geothermal energy or provide water, chilled
1655 water, steam, sewer, storm drainage, natural gas, electricity, or telecommunications;
1656 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
1657 facilities, public transportation facilities, and parks, trails, and other recreational facilities;
1658 (iii) snowmaking equipment and related improvements that can also be used for water
1659 storage or fire suppression purposes; and
1660 (iv) a building and related improvements for occupancy by the public, the authority, the
1661 military, or military-related entities.
1662 (23) "Remaining municipal services revenue" means municipal services revenue that
1663 the authority has not:
1664 (a) spent during the authority's fiscal year for municipal services as provided in
1665 Subsection [63H-1-503\(1\)](#); or
1666 (b) redirected to use in accordance with Subsection [63H-1-502\(3\)](#).
1667 (24) "Resort communities tax" means a sales and use tax imposed under Section
1668 [59-12-401](#).

1669 (25) "Taxable value" means the value of property as shown on the last equalized
1670 assessment roll.

1671 (26) "Taxing entity":

1672 (a) means a public entity that levies a tax on property within a project area; and

1673 (b) does not include a public infrastructure district that the authority creates under Title
1674 17B, Chapter 2a, Part 12, Public Infrastructure District Act.

1675 (27) "Telecommunications tax" means a telecommunications license tax under Title
1676 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act.

1677 (28) "Transient room tax" means a tax under Section [59-12-352](#).

1678 Section 22. Section **63H-1-104** is enacted to read:

1679 **63H-1-104. Loan approval committee -- Approval of infrastructure loans.**

1680 (1) As used in this section:

1681 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

1682 (b) "Infrastructure loan" means the same as that term is defined in Section
1683 [63A-3-401.5](#).

1684 (c) "Infrastructure project" means the same as that term is defined in Section
1685 [63A-3-401.5](#).

1686 (d) "Military development fund" means the same as that term is defined in Section
1687 [63A-3-401.5](#).

1688 (e) "Loan approval committee" means a committee consisting of:

1689 (i) the board member who is appointed by the governor under Subsection
1690 [63H-1-302\(2\)\(a\)](#);

1691 (ii) the board member who is appointed by the governor under Subsection
1692 [63H-1-302\(2\)\(c\)](#);

1693 (iii) the board members who are appointed by the president of the Senate and the
1694 speaker of the House of Representatives under Subsection [63H-1-302\(3\)](#); and

1695 (iv) a voting or nonvoting board member designated by the board.

1696 (2) The loan approval committee may approve an infrastructure loan from the military
1697 development fund to a borrower for an infrastructure project undertaken by the borrower.

1698 (3) The loan approval committee shall establish the terms of an infrastructure loan in
1699 accordance with Section [63A-3-404](#).

1700 (4) The loan approval committee may establish policies and guidelines with respect to
1701 prioritizing requests for infrastructure loans and approving infrastructure loans.

1702 (5) Beginning May 5, 2021, the loan approval committee shall assume jurisdiction
1703 from the State Infrastructure Bank Fund relating to the terms of a loan under Subsection
1704 63B-27-101(3)(a).

1705 (6) Within 60 days after the execution of an infrastructure loan, the loan approval
1706 committee shall report the infrastructure loan, including the loan amount, terms, and security,
1707 to the Executive Appropriations Committee.

1708 (7) (a) A meeting of the loan approval committee does not constitute a meeting of the
1709 board, even if a quorum of the board is present at a loan approval committee meeting.

1710 (b) A quorum of board members present at a meeting of the loan approval committee
1711 may not conduct board business at the loan approval committee meeting.

1712 (8) (a) Salaries and expenses of committee members who are legislators shall be paid
1713 in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator
1714 Compensation.

1715 (b) A committee member who is not a legislator may not receive compensation or
1716 benefits for the member's service on the committee, but may receive per diem and
1717 reimbursement for travel expenses incurred as a committee member at the rates established by
1718 the Division of Finance under:

1719 (i) Sections 63A-3-106 and 63A-3-107; and

1720 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1721 63A-3-107.