

30 certain circumstances; and

31 ▶ makes technical and conforming changes.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 This bill provides a special effective date.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **11-58-102**, as last amended by Laws of Utah 2021, Chapter 415

39 **11-58-106**, as enacted by Laws of Utah 2021, Chapter 415

40 **11-58-202**, as last amended by Laws of Utah 2020, Chapters 126 and 263

41 **11-58-203**, as last amended by Laws of Utah 2020, Chapter 126

42 **11-58-205**, as last amended by Laws of Utah 2020, Chapter 126

43 **11-58-302**, as last amended by Laws of Utah 2020, Chapter 126

44 **11-58-303**, as last amended by Laws of Utah 2020, Chapter 126

45 **11-58-304**, as last amended by Laws of Utah 2021, Chapter 415

46 **11-58-305**, as last amended by Laws of Utah 2020, Chapter 126

47 **11-58-601**, as last amended by Laws of Utah 2020, Chapter 126

48 **11-58-602**, as last amended by Laws of Utah 2020, Chapter 126

49 **11-58-801**, as last amended by Laws of Utah 2021, Chapters 84 and 345

50 **17D-4-102**, as last amended by Laws of Utah 2021, Chapter 415 and renumbered and
51 amended by Laws of Utah 2021, Chapter 314

52 **17D-4-203**, as last amended by Laws of Utah 2021, Chapters 414, 415 and renumbered
53 and amended by Laws of Utah 2021, Chapter 314

54 **35A-16-304**, as renumbered and amended by Laws of Utah 2021, Chapter 281

55 **41-6a-2003**, as last amended by Laws of Utah 2020, Chapter 68

56 **59-12-205**, as last amended by Laws of Utah 2021, Chapter 281

57 **63A-3-401.5**, as enacted by Laws of Utah 2021, Chapter 415

58 **63H-1-102**, as last amended by Laws of Utah 2021, Chapters 314, 414, and 415

59 **63H-1-502**, as last amended by Laws of Utah 2021, Chapter 414

60 ENACTS:

61 **11-58-603**, Utah Code Annotated 1953

62 **11-58-604**, Utah Code Annotated 1953

63 REPEALS:

64 **11-58-101**, as enacted by Laws of Utah 2018, Chapter 179



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

67 Section 1. Section **11-58-102** is amended to read:

68 **11-58-102. Definitions.**

69 As used in this chapter:

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

71 (2) "Authority jurisdictional land" means land within the authority boundary

72 delineated:

73 (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah

74 Inland Port Authority Amendments, 2018 Second Special Session; and

75 (b) beginning April 1, 2020, as provided in Subsection **11-58-202**(3).

76 (3) "Base taxable value" means:

77 (a) (i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the

78 authority jurisdictional land, the taxable value of authority jurisdictional land in calendar year

79 2018; and

80 (ii) for an area described in Subsection **11-58-601**(5), the taxable value of that area in

81 calendar year 2017; or

82 (b) for a project area that consists of land outside the authority jurisdictional land, the

83 taxable value of property within any portion of a project area, as designated by board

84 resolution, from which the property tax differential will be collected, as shown upon the

85 assessment roll last equalized before the year in which the authority adopts a project area plan

86 for that area.

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

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

91 (6) "Development" means:

92 (a) the demolition, construction, reconstruction, modification, expansion, or
93 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,
94 recreational amenity, or other facility, including [~~publicly owned~~] public infrastructure and
95 improvements; and

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

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

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

101 (a) contain multimodal [~~transportation assets and~~] facilities, intermodal facilities, or
102 other facilities that:

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

104 (ii) together are intended to:

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

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

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

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

113 (b) may include a satellite customs clearance terminal, an intermodal facility, a

114 customs pre-clearance for international trade, or other facilities that facilitate, encourage, and
115 enhance regional, national, and international trade.

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

117 (a) for an inland port;

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

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

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

123 (10) "Intermodal facility" means a facility for transferring containerized cargo between
124 rail, truck, air, or other transportation modes.

125 [~~(10)~~] (11) "Multimodal facility" means a hub or other facility for
126 trade combining any combination of rail, trucking, air cargo, and other transportation services.

127 [~~(11)~~] (12) "Nonvoting member" means an individual appointed as a member of the
128 board under Subsection 11-58-302[~~(6)~~](3) who does not have the power to vote on matters of
129 authority business.

130 [~~(12)~~] (13) "Project area" means:

131 (a) the authority jurisdictional land; or

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

136 [~~(13)~~] (14) "Project area budget" means a multiyear projection of annual or cumulative
137 revenues and expenses and other fiscal matters pertaining to the project area.

138 [~~(14)~~] (15) "Project area plan" means a written plan that, after its effective date, guides
139 and controls the development within a project area.

140 [~~(15)~~] (16) "Property tax" includes a privilege tax and each levy on an ad valorem basis
141 on tangible or intangible personal or real property.

142 ~~[(16)]~~ (17) "Property tax differential":

143 (a) means the difference between:

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

146 (ii) the amount of property tax revenues that would be generated from that same area
147 using the base taxable value of the property; and

148 (b) does not include property tax revenue from:

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

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

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

155 ~~[(17)]~~ (18) "Public entity" means:

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

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

160 ~~[(18) "Publicly owned"]~~ (19) "Public infrastructure and improvements":

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

162 (i) benefit the public; and

163 (ii) (A) are owned by a public entity or a utility; or

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

165 (b) includes:

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

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

168 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
169 microgrids, or telecommunications service; ~~[and]~~

170 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
171 facilities, ~~and~~ rail lines, intermodal facilities, multimodal facilities, and public transportation
172 facilities[-];

173 (iii) an inland port; and

174 (iv) infrastructure, improvements, facilities, or buildings that:

175 (A) are privately owned;

176 (B) benefit the public;

177 (C) as determined by the board, provide a substantial benefit to the development and
178 operation of a project area; and

179 (D) are built according to the applicable county or municipal design and safety
180 standards for public infrastructure.

181 ~~[(19)]~~ (20) "Shapefile" means the digital vector storage format for storing geometric
182 location and associated attribute information.

183 ~~[(20)]~~ (21) "Taxable value" means the value of property as shown on the last equalized
184 assessment roll.

185 ~~[(21)]~~ (22) "Taxing entity":

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

187 (b) does not include a public infrastructure district that the authority creates under Title
188 17D, Chapter 4, Public Infrastructure District Act.

189 ~~[(22)]~~ (23) "Voting member" means an individual appointed or designated as a member
190 of the board under Subsection [11-58-302\(2\)](#).

191 Section 2. Section **11-58-106** is amended to read:

192 **11-58-106. Loan approval committee -- Approval of infrastructure loans.**

193 (1) As used in this section:

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

195 (b) "Infrastructure loan" means the same as that term is defined in Section
196 [63A-3-401.5](#).

197 (c) "Infrastructure project" means the same as that term is defined in Section

198 63A-3-401.5.

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

200 [~~(e)~~] (d) "Loan approval committee" means a committee consisting of~~[-]~~ the individuals
201 who are the voting members of the board.

202 [~~(i)~~ the two board members appointed by the governor;]

203 [~~(ii)~~ the board member appointed by the president of the Senate;]

204 [~~(iii)~~ the board member appointed by the speaker of the House of Representatives; and]

205 [~~(iv)~~ the board member appointed by the chair of the Permanent Community Impact
206 Fund Board.]

207 (2) The loan approval committee may approve an infrastructure loan from the inland
208 port fund, as defined in Section 63A-3-401.5, to a borrower for an infrastructure project
209 undertaken by the borrower.

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

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

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

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

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

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

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

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

225 (b) With respect to infrastructure loan requests for an infrastructure project on authority

226 jurisdictional land, the policies and guidelines established under Subsection (4)(a) shall give
227 priority to an infrastructure loan request that furthers the policies and best practices
228 incorporated into the environmental sustainability component of the authority's business plan
229 under Subsection 11-58-202(1)(a).

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

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

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

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

241 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
242 63A-3-107.

243 Section 3. Section 11-58-202 is amended to read:

244 **11-58-202. Authority powers and duties.**

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

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

252 (i) emissions monitoring and reporting; and

253 (ii) strategies that use the best available technology to mitigate environmental impacts

254 from development and uses on the authority jurisdictional land;

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

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

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

260 (2) The authority may:

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

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

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

267 (b) facilitate and provide funding for the development of [~~the authority jurisdictional~~
268 ~~land and land in other authority project areas~~] land in a project area, including the development
269 of [~~publicly owned~~] public infrastructure and improvements and other infrastructure and
270 improvements on or related to [~~the authority jurisdictional land~~] land in a project area;

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

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

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

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

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

- 282 (iii) enter into a lease agreement on real or personal property, either as lessee or lessor;
- 283 (f) sue and be sued;
- 284 (g) enter into contracts generally;
- 285 (h) provide funding for the development of [~~publicly owned~~] public infrastructure and
286 improvements or other infrastructure and improvements on or related to the authority
287 jurisdictional land or other authority project areas;
- 288 (i) exercise powers and perform functions under a contract, as authorized in the
289 contract;
- 290 (j) receive the property tax differential, as provided in this chapter;
- 291 (k) accept financial or other assistance from any public or private source for the
292 authority's activities, powers, and duties, and expend any funds so received for any of the
293 purposes of this chapter;
- 294 (l) borrow money, contract with, or accept financial or other assistance from the federal
295 government, a public entity, or any other source for any of the purposes of this chapter and
296 comply with any conditions of the loan, contract, or assistance;
- 297 (m) issue bonds to finance the undertaking of any development objectives of the
298 authority, including bonds under Chapter 17, Utah Industrial Facilities and Development Act,
299 bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial
300 Property Assessed Clean Energy Act;
- 301 (n) hire employees, including contract employees;
- 302 (o) transact other business and exercise all other powers provided for in this chapter;
- 303 (p) engage one or more consultants to advise or assist the authority in the performance
304 of the authority's duties and responsibilities;
- 305 (q) work with other political subdivisions and neighboring property owners and
306 communities to mitigate potential negative impacts from the development of authority
307 jurisdictional land;
- 308 [~~(r) own and operate an intermodal facility if the authority considers the authority's~~
309 ~~ownership and operation of an intermodal facility to be necessary or desirable;~~]

310 ~~[(s) own and operate publicly owned]~~ (r) own, lease, operate, or otherwise control
311 public infrastructure and improvements in a project area [outside the authority jurisdictional
312 land]; [and]

313 ~~[(t)]~~ (s) exercise powers and perform functions that the authority is authorized by
314 statute to exercise or perform[-];

315 (t) develop and implement world-class, state-of-the-art, zero-emissions logistics to:

316 (i) support continued growth of the state's economy;

317 (ii) promote the state as the global center of efficient and sustainable supply chain
318 logistics;

319 (iii) facilitate the efficient movement of goods on roads and rails and through the air;

320 and

321 (iv) benefit the commercial viability of tenants and users; and

322 (u) attract capital and expertise in pursuit of the next generation of logistics solutions.

323 (3) (a) Beginning April 1, 2020, the authority shall:

324 (i) be the repository of the official delineation of the boundary of the authority
325 jurisdictional land, identical to the boundary as delineated in the shapefile that is the electronic
326 component of H.B. 2001, Utah Inland Port Authority Amendments, 2018 Second Special
327 Session, subject to Subsection (3)(b) and any later changes to the boundary enacted by the
328 Legislature; and

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

331 (b) (i) As used in this Subsection (3)(b), "split property" means a piece of land:

332 (A) with a single tax identification number; and

333 (B) that is partly included within and partly excluded from the authority jurisdictional
334 land by the boundary delineated in the shapefile described in Subsection 11-58-102(2).

335 (ii) With the consent of the mayor of the municipality in which the split property is
336 located, the executive director may adjust the boundary of the authority jurisdictional land to
337 include an excluded portion of a split property or exclude an included portion of a split

338 property.

339 (iii) In adjusting the boundary under Subsection (3)(b)(ii), the executive director shall
340 consult with the county assessor, the county surveyor, the owner of the split property, and the
341 municipality in which the split property is located.

342 (iv) A boundary adjustment under this Subsection (3)(b) affecting the northwest
343 boundary of the authority jurisdictional land shall maintain the buffer area between authority
344 jurisdictional land intended for development and land outside the boundary of the authority
345 jurisdictional land to be preserved from development.

346 (v) Upon completing boundary adjustments under this Subsection (3)(b), the executive
347 director shall cause to be recorded in the county recorder's office a map or other description,
348 sufficient for purposes of the county recorder, of the adjusted boundary of the authority
349 jurisdictional land.

350 (vi) The authority shall modify the official delineation of the boundary of the authority
351 jurisdictional land under Subsection (3)(a) to reflect a boundary adjustment under this
352 Subsection (3)(b).

353 (4) (a) The authority may establish a community enhancement program designed to
354 address the impacts that development or inland port uses within project areas have on adjacent
355 communities.

356 (b) (i) The authority may use authority money to support the community enhancement
357 program and to pay for efforts to address the impacts described in Subsection (4)(a).

358 (ii) Authority money designated for use under Subsection (4)(b)(i) is exempt from
359 execution or any other process in the collection of a judgment against or debt or other
360 obligation of the authority arising out of the authority's activities with respect to the community
361 enhancement program.

362 (c) On or before October 31, 2020, the authority shall report on the authority's actions
363 under this Subsection (4) to:

364 (i) the Business, Economic Development, and Labor Appropriations Subcommittee of
365 the Legislature;

366 (ii) the Economic Development and Workforce Services Interim Committee of the
367 Legislature; and

368 (iii) the Business and Labor Interim Committee of the Legislature.

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

371 Section 4. Section **11-58-203** is amended to read:

372 **11-58-203. Policies and objectives of the authority -- Additional duties of the**
373 **authority.**

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

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

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

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

379 (d) improve air quality and minimize resource use;

380 (e) respect existing land use and other agreements and arrangements between property
381 owners within the authority jurisdictional land and within other authority project areas and
382 applicable governmental authorities;

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

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

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

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

392 (h) facilitate the transportation of goods;

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

394 internationally;

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

398 (k) establish a project of regional significance;

399 (l) facilitate an intermodal facility;

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

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

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

405 (p) encourage all class 5 through 8 designated truck traffic entering the authority
406 jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and
407 urban bus exhaust emission standards for year 2007 and later; ~~and~~

408 (q) encourage the development and use of cost-efficient renewable energy in project
409 areas[-];

410 (r) aggressively pursue world-class businesses that employ cutting-edge technologies to
411 locate within a project area; and

412 (s) pursue land remediation and development opportunities for publicly owned land to
413 add value to a project area.

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

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

420 (b) review and identify land use and zoning policies and practices to recommend to
421 municipal land use policymakers and administrators that are consistent with and will help to

422 achieve:

423 (i) the policies and objectives stated in Subsection (1); and

424 (ii) the mutual goals of the state and local governments that have authority

425 jurisdictional land with their boundaries with respect to the authority jurisdictional land;

426 (c) consult and coordinate with other applicable governmental entities to improve and
427 enhance transportation and other infrastructure and facilities in order to maximize the potential
428 of the authority jurisdictional land to attract, retain, and service users who will help maximize
429 the long-term economic benefit to the state; and

430 (d) pursue policies that the board determines are designed to avoid or minimize
431 negative environmental impacts of development.

432 ~~[(3)(a) The authority may use property tax differential and other authority money to
433 encourage, incentivize, or require development that:]~~

434 ~~[(i) mitigates noise, air pollution, light pollution, surface and groundwater pollution;
435 and other negative environmental impacts;]~~

436 ~~[(ii) mitigates traffic congestion; or]~~

437 ~~[(iii) uses high efficiency building construction and operation.]~~

438 ~~[(b)(i) In consultation with the municipality in which development is expected to
439 occur, the authority shall establish minimum mitigation and environmental standards that a
440 landowner is required to meet to qualify for the use of property tax differential in the
441 landowner's development.]~~

442 ~~[(ii) The authority may not use property tax differential for a landowner's development
443 in a project area unless the minimum mitigation and environmental standards are followed with
444 respect to that landowner's development.]~~

445 ~~[(c) The authority may develop and implement world-class, state-of-the-art,
446 zero-emissions logistics that support continued growth of the state's economy in order to:]~~

447 ~~[(i) promote the state as the global center of efficient and sustainable supply chain
448 logistics;]~~

449 ~~[(ii) facilitate the efficient movement of goods on roads and rails and through the air;]~~

450 ~~[(iii) benefit the commercial viability of developers, landowners, and tenants and users;~~
451 ~~and]~~

452 ~~[(iv) attract capital and expertise in pursuit of the next generation of logistics~~
453 ~~solutions.]~~

454 (3) The board may consider the emissions profile of road, yard, or rail vehicles:

455 (a) in determining access by those vehicles to facilities that the authority owns or
456 finances; or

457 (b) in setting fees applicable to those vehicles for the use of facilities that the authority
458 owns or finances.

459 Section 5. Section **11-58-205** is amended to read:

460 **11-58-205. Applicability of other law -- Cooperation of state and local**
461 **governments -- Municipality to consider board input -- Prohibition relating to natural**
462 **resources -- Inland port as permitted or conditional use -- Municipal services --**
463 **Disclosure by nonauthority governing body member.**

464 (1) Except as otherwise provided in this chapter, the authority does not have and may
465 not exercise any powers relating to the regulation of land uses on the authority jurisdictional
466 land.

467 (2) The authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
468 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed
469 by Title 63E, Independent Entities Code.

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

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

477 (5) (a) No later than December 31, 2018, the ordinances of a municipality with

478 authority jurisdictional land within its boundary shall allow an inland port as a permitted or
479 conditional use, subject to standards that are:

- 480 (i) determined by the municipality; and
- 481 (ii) consistent with the policies and objectives stated in Subsection 11-58-203(1).

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

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

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

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

495 (8) (a) As used in this Subsection (8):

496 (i) "Direct financial benefit" means the same as that term is defined in Section
497 11-58-304.

498 (ii) "Nonauthority governing body member" means a member of the board or other
499 body that has authority to make decisions for a nonauthority government owner.

500 (iii) "Nonauthority government owner" mean a state agency or nonauthority local
501 government entity that owns land that is part of the authority jurisdictional land.

502 (iv) "Nonauthority local government entity":

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

505 (B) excludes the authority.

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

508 (b) A nonauthority governing body member who owns or has a financial interest in
509 land that is part of the authority jurisdictional land or who reasonably expects to receive a
510 direct financial benefit from development of authority jurisdictional land shall submit a written
511 disclosure to the authority board and the nonauthority government owner.

512 (c) A written disclosure under Subsection (8)(b) shall describe, as applicable:

513 (i) the nonauthority governing body member's ownership or financial interest in
514 property that is part of the authority jurisdictional land; and

515 (ii) the direct financial benefit the nonauthority governing body member expects to
516 receive from development of authority jurisdictional land.

517 (d) A nonauthority governing body member required under Subsection (8)(b) to submit
518 a written disclosure shall submit the disclosure no later than 30 days after:

519 (i) the nonauthority governing body member:

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

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

524 (ii) the effective date of this Subsection (8), if that date is later than the period
525 described in Subsection (8)(d)(i).

526 (e) A written disclosure submitted under this Subsection (8) is a public record.

527 (9) No later than December 31, 2022, a primary municipality, as defined in Section
528 11-58-601, shall enter into an agreement with the authority under which the primary
529 municipality agrees to facilitate the efficient processing of land use applications, as defined in
530 Section 10-9a-103, relating to authority jurisdictional land within the primary municipality,
531 including providing for at least one full-time employee as a single point of contact for the
532 processing of those land use applications.

533 Section 6. Section 11-58-302 is amended to read:

534 **11-58-302. Number of board members -- Appointment -- Vacancies.**

535 (1) The authority's board shall consist of [~~11~~] five voting members, as provided in
536 Subsection (2).

537 (2) (a) The governor shall appoint [~~two~~] as board members two individuals who are not
538 elected government officials:

539 (i) one of whom shall be an individual engaged in statewide economic development or
540 corporate recruitment and retention; and

541 (ii) one of whom shall be an individual engaged in statewide trade, import and export
542 activities, [~~or~~] foreign direct investment, or public-private partnerships.

543 (b) The president of the Senate shall appoint [~~one~~] as a board member one individual
544 with relevant business expertise.

545 (c) The speaker of the House of Representatives shall appoint [~~one~~] as a board member
546 one individual with relevant business expertise.

547 [~~(d) The mayor of Salt Lake County, or the mayor's designee, shall serve as a board~~
548 ~~member.]~~

549 [~~(e) The chair of the Permanent Community Impact Fund Board, created in Section~~
550 ~~35A-8-304, shall appoint one board member from among the members of the Permanent~~
551 ~~Community Impact Fund Board.]~~

552 [~~(f) The mayor of Salt Lake City, or the mayor's designee, shall serve as a board~~
553 ~~member.]~~

554 [~~(g) A member of the Salt Lake City council, selected by the Salt Lake City council,~~
555 ~~shall serve as a board member.]~~

556 [~~(h) The city manager of West Valley City, with the consent of the city council of West~~
557 ~~Valley City, shall appoint one board member.]~~

558 [~~(i) The director of the Salt Lake County office of Regional Economic Development~~
559 ~~shall serve as a board member.]~~

560 [~~(j) The mayor of the Magna metro township, or the mayor's designee, shall serve as a~~
561 ~~board member.]~~

562 (d) The president of the Senate and speaker of the House of Representatives shall
563 jointly appoint as a board member one individual with relevant business expertise.

564 (3) (a) The board shall include three nonvoting board members.

565 (b) The board shall appoint as nonvoting board members two individuals with
566 expertise in transportation and logistics.

567 (c) One of the nonvoting board members shall be a member of the Salt Lake City
568 Council, designated by the Salt Lake City Council, who represents a council district whose
569 boundary includes authority jurisdictional land.

570 (d) The board may set the term of office for nonvoting board members appointed under
571 Subsection (3)(b).

572 ~~[(3)]~~ (4) An individual required under Subsection (2) to appoint a board member shall
573 appoint each initial board member the individual is required to appoint no later than June 1,
574 ~~[2018]~~ 2022.

575 ~~[(4)]~~ (5) (a) A vacancy in the board shall be filled in the same manner under this
576 section as the appointment of the member whose vacancy is being filled.

577 (b) A person appointed to fill a vacancy shall serve the remaining unexpired term of
578 the member whose vacancy the person is filling.

579 ~~[(5)]~~ (6) A member of the board appointed ~~[by the governor, president of the Senate, or~~
580 ~~speaker of the House of Representatives]~~ under Subsection (2) serves at the pleasure of and
581 may be removed and replaced at any time, with or without cause, by the ~~[governor, president of~~
582 ~~the Senate, or speaker of the House of Representatives, respectively]~~ individual or individuals
583 who appointed the member.

584 ~~[(6) The authority may appoint nonvoting members of the board and set terms for those~~
585 ~~nonvoting members:]~~

586 (7) Upon a vote of a majority of all board members, the board may appoint a board
587 chair and any other officer of the board.

588 ~~[(8) (a) An individual designated as a board member under Subsection (2)(g), (i), or (j)~~
589 ~~who would be precluded from serving as a board member because of Subsection~~

590 ~~11-58-304(2):]~~

591 [~~(i) may serve as a board member notwithstanding Subsection 11-58-304(2); and]~~

592 [~~(ii) shall disclose in writing to the board the circumstances that would otherwise have~~
593 ~~precluded the individual from serving as a board member under Subsection 11-58-304(2).]~~

594 [~~(b) A written disclosure under Subsection (8)(a)(ii) is a public record under Title 63G,~~
595 ~~Chapter 2, Government Records Access and Management Act.]~~

596 [(9)] (8) The board may appoint one or more advisory committees that may include
597 individuals from impacted public entities, community organizations, environmental
598 organizations, business organizations, or other organizations or associations.

599 Section 7. Section **11-58-303** is amended to read:

600 **11-58-303. Term of board members -- Quorum -- Compensation.**

601 (1) The term of a board member appointed under Subsection ~~11-58-302(2)~~[(a), (b), (c);
602 (e), (g), or (h)] is four years, except that the initial term of one of the two members appointed
603 under Subsection ~~11-58-302(2)~~(a) and of the [members] member appointed under [Subsections
604 ~~11-58-302(2)(e) and (g)] Subsection ~~11-58-302(2)~~(d) is two years.~~

605 (2) Each board member shall serve until a successor is duly appointed and qualified.

606 (3) A board member may serve multiple terms if duly appointed to serve each term
607 under Subsection ~~11-58-302(2)~~.

608 (4) A majority of board members constitutes a quorum, and the action of a majority of
609 a quorum constitutes action of the board.

610 (5) (a) A board member who is not a legislator may not receive compensation or
611 benefits for the member's service on the board, but may receive per diem and reimbursement
612 for travel expenses incurred as a board member as allowed in:

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

614 (ii) rules made by the Division of Finance according to Sections ~~63A-3-106~~ and
615 ~~63A-3-107~~.

616 (b) Compensation and expenses of a board member who is a legislator are governed by
617 Section ~~36-2-2~~ and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

618 Section 8. Section **11-58-304** is amended to read:

619 **11-58-304. Limitations on board members and executive director.**

620 (1) As used in this section:

621 (a) "Direct financial benefit":

622 (i) means any form of financial benefit that accrues to an individual directly, including:

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

624 and

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

626 (ii) does not include a financial benefit that accrues to the public generally.

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

628 (2) An individual may not serve as a voting member of the board or as executive

629 director if:

630 (a) the individual owns real property, other than a personal residence in which the
631 individual resides, within a project area, whether or not the ownership interest is a recorded
632 interest;

633 (b) a family member of the individual owns an interest in real property, other than a
634 personal residence in which the family member resides, located within a project area; or

635 (c) the individual or a family member of the individual owns an interest in, is directly
636 affiliated with, or is an employee or officer of a private firm, private company, or other private
637 entity that the individual reasonably believes is likely to:

638 (i) participate in or receive a direct financial benefit from the development of the
639 authority jurisdictional land; or

640 (ii) acquire an interest in or locate a facility within a project area.

641 (3) Before taking office as a voting member of the board or accepting employment as
642 executive director, an individual shall submit to the authority[~~:(a)~~] a statement verifying that
643 the individual's service as a board member or employment as executive director does not
644 violate Subsection (2)[~~;~~or].

645 [~~(b)~~ for an individual to whom Subsection ~~11-58-302~~(8) applies, the disclosure

646 ~~required under that subsection.]~~

647 (4) (a) An individual may not, at any time during the individual's service as a voting
648 member or employment with the authority, acquire, or take any action to initiate, negotiate, or
649 otherwise arrange for the acquisition of, an interest in real property located within a project
650 area, if:

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

653 (ii) the acquisition will enable the individual to receive a direct financial benefit as a
654 result of the development of the project area.

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

658 (5) (a) A voting member or nonvoting member of the board or an employee of the
659 authority may not receive a direct financial benefit from the development of a project area.

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

661 (i) expense reimbursements;

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

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

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

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

668 **11-58-305. Executive director.**

669 (1) [~~On or before July 1, 2019, the~~] The board shall hire and oversee a full-time
670 executive director.

671 (2) (a) The executive director is the chief executive officer of the authority.

672 (b) The role of the executive director is to:

673 (i) manage and oversee the day-to-day operations of the authority;

674 (ii) fulfill the executive and administrative duties and responsibilities of the authority;
675 and

676 (iii) perform other functions, as directed by the board.

677 (3) The executive director shall have the education, experience, and training necessary
678 to perform the executive director's duties in a way that maximizes the potential for successfully
679 achieving and implementing the strategies, policies, and objectives stated in Subsection
680 [11-58-203\(1\)](#).

681 (4) An executive director is an at-will employee who serves at the pleasure of the board
682 and may be removed by the board at any time.

683 (5) The board shall establish the duties, compensation, and benefits of an executive
684 director.

685 Section 10. Section **11-58-601** is amended to read:

686 **11-58-601. Port authority receipt and use of property tax differential --**

687 **Distribution of property tax differential.**

688 (1) As used in this section:

689 (a) "Designation resolution" means a resolution adopted by the board that designates a
690 transition date for the parcel specified in the resolution.

691 (b) "Exempt area" means the authority jurisdictional land that is within a primary
692 municipality, excluding areas described in Subsection (5)(a) and parcels of land described in
693 Subsection (5)(b).

694 (c) "Exempt area property tax" means the same as that term is defined in Section
695 [11-58-604](#).

696 ~~(b)~~ (d) "Post-designation differential" means 75% of property tax differential
697 generated from a post-designation parcel.

698 ~~(c)~~ (e) "Post-designation parcel" means a parcel within a project area after the
699 transition date for that parcel.

700 ~~(d)~~ (f) "Pre-designation differential" means 75% of property tax differential generated
701 from all pre-designation parcels within a project area.

702 ~~[(e)]~~ (g) "Pre-designation parcel" means a parcel within a project area before the
703 transition date for that parcel.

704 (h) "Primary municipality" means the municipality that has more authority jurisdictional
705 land within the municipality's boundary than is included within the boundary of any other
706 municipality.

707 ~~[(f)]~~ (i) "Transition date" means the date after which the authority is to be paid
708 post-designation differential for the parcel that is the subject of a designation resolution.

709 (2) (a) The authority shall be paid pre-designation differential generated within the
710 authority jurisdictional land:

- 711 (i) for the period beginning November 2019 and ending November 2044; and
- 712 (ii) for a period of 15 years following the period described in Subsection (2)(a)(i) if,
713 before the end of the period described in Subsection (2)(a)(i), the board adopts a resolution
714 extending the period described in Subsection (2)(a)(i) for 15 years.

715 (b) The authority shall be paid pre-designation differential generated within a project
716 area, other than the authority jurisdictional land:

- 717 (i) for a period of 25 years beginning the date the board adopts a project area plan
718 under Section 11-58-502 establishing the project area; and
- 719 (ii) for a period of 15 years following the period described in Subsection (2)(b)(i) if,
720 before the end of the period described in Subsection (2)(b)(i), the board adopts a resolution
721 extending the period described in Subsection (2)(b)(i) for 15 years.

722 (3) The authority shall be paid post-designation differential generated from a
723 post-designation parcel:

- 724 (a) for a period of 25 years beginning on the transition date for that parcel; and
- 725 (b) for a period of an additional 15 years beyond the period stated in Subsection (3)(a)
726 if the board determines by resolution that the additional years of post-designation differential
727 from that parcel will produce a significant benefit.

728 (4) (a) For purposes of this section, the authority may designate an improved portion of
729 a parcel in a project area as a separate parcel.

730 (b) An authority designation of an improved portion of a parcel as a separate parcel
731 under Subsection (4)(a) does not constitute a subdivision, as defined in Section 10-9a-103 or
732 Section 17-27a-103.

733 (c) A county recorder shall assign a separate tax identification number to the improved
734 portion of a parcel designated by the authority as a separate parcel under Subsection (4)(a).

735 (5) The authority may not receive:

736 (a) a taxing entity's portion of property tax differential generated from an area included
737 within a community reinvestment project area under a community reinvestment project area
738 plan, as defined in Section 17C-1-102, adopted before October 1, 2018, if the taxing entity has,
739 before October 1, 2018, entered into a fully executed, legally binding agreement under which
740 the taxing entity agrees to the use of its tax increment, as defined in Section 17C-1-102, under
741 the community reinvestment project area plan; or

742 (b) property tax differential from a parcel of land:

743 (i) that was substantially developed before December 1, 2018;

744 (ii) for which a certificate of occupancy was issued before December 1, 2018; and

745 (iii) that is identified in a list that the municipality in which the land is located provides
746 to the authority and the county assessor by April 1, 2020.

747 (6) (a) Subsection (6)(b) applies if:

748 (i) the primary municipality, the primary municipality's agency, as defined in Section
749 11-58-604, and the authority have entered into the agreement described in Section 11-58-604;
750 and

751 (ii) the primary municipality and the authority have entered into the agreement
752 described in Subsection 11-58-205(9).

753 (b) If the conditions under Subsection (6)(a) have been met, beginning with the first tax
754 year that begins on or after January 1, 2023:

755 (i) the distribution of exempt area property tax to the authority:

756 (A) is not governed by Subsections (2) and (3); and

757 (B) is governed by Section 11-58-604; and

758 (ii) the primary municipality shall be paid, for the primary municipality's use for
759 municipal operations, all exempt area property tax remaining after the payment of exempt area
760 property tax as required under Section 11-58-604.

761 ~~[(6)]~~ (7) (a) As used in this Subsection ~~[(6)]~~ (7):

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

765 (ii) "Applicable differential" means the amount of property tax differential paid to the
766 authority that is generated from agency land.

767 (iii) "Eligible community reinvestment agency" means the community reinvestment
768 agency in which agency land is located.

769 (b) The authority shall pay 10% of applicable differential to the eligible community
770 reinvestment agency, to be used for affordable housing as provided in Section 17C-1-412.

771 ~~[(7)]~~ (8) (a) Subject to Subsection ~~[(7)]~~ (8)(b), a county that collects property tax on
772 property within a project area shall ~~[pay and distribute to the authority the property tax~~
773 ~~differential that the authority is entitled to collect under this chapter]~~, in the manner and at the
774 time provided in Section 59-2-1365[:]:

775 (i) pay and distribute to the authority the property tax differential that the authority is
776 entitled to collect under this chapter, including exempt area property tax the authority is
777 entitled to collect under Section 11-58-604;

778 (ii) pay and distribute to a primary municipality's agency, as defined in Section
779 11-58-604, the exempt area property tax that the primary municipality's agency is required to
780 use for affordable housing, as provided in Subsection 11-58-604(4)(c); and

781 (iii) pay and distribute to a primary municipality the exempt area property tax
782 described in Subsection (6)(b)(ii).

783 (b) For property tax differential that a county collects for tax year 2019, a county shall
784 pay and distribute to the authority, on or before June 30, 2020, the property tax differential that
785 the authority is entitled to collect:

786 (i) according to the provisions of this section; and
 787 (ii) based on the boundary of the authority jurisdictional land as of May 31, 2020.
 788 (9) Notwithstanding any other provision of this chapter, beginning with the first tax
 789 year that begins on or after January 1, 2023, the authority may not use the portion of property
 790 tax differential generated by a property tax levied by a primary municipality on the exempt area
 791 unless the primary municipality, the primary municipality's agency, as defined in Section
 792 11-58-604, and the authority have entered into an agreement as provided in Section 11-58-604.

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

794 **11-58-602. Allowable uses of property tax differential and other funds.**

795 (1) (a) The authority may use ~~[the]~~ money from property tax differential, money the
 796 authority receives from the state, money the authority receives under Subsection
 797 59-12-205(2)(~~b~~)(~~iii~~)(a)(ii)(C), and other ~~[funds]~~ money available to the authority:
 798 ~~[(a)]~~ (i) for any purpose authorized under this chapter;
 799 ~~[(b)]~~ (ii) for administrative, overhead, legal, consulting, and other operating expenses of
 800 the authority;
 801 ~~[(c)]~~ (iii) to pay for, including financing or refinancing, all or part of the development
 802 of land within a project area, including assisting the ongoing operation of a development or
 803 facility within the project area;
 804 ~~[(d)]~~ (iv) to pay the cost of the installation and construction of ~~[publicly owned]~~ public
 805 infrastructure and improvements within the project area from which the property tax
 806 differential funds were collected;
 807 ~~[(e)]~~ (v) to pay the cost of the installation of ~~[publicly owned]~~ public infrastructure and
 808 improvements outside a project area if the board determines by resolution that the
 809 infrastructure and improvements are of benefit to the project area;
 810 ~~[(f)]~~ (vi) to pay to a community reinvestment agency for affordable housing, as
 811 provided in Subsection 11-58-601~~[(6)](7)~~; ~~[and]~~
 812 ~~[(g)]~~ (vii) to pay the principal and interest on bonds issued by the authority~~[-];~~ and
 813 (viii) subject to Subsection (1)(b), to encourage, incentivize, or require development

814 that:

815 (A) mitigates noise, air pollution, light pollution, surface and groundwater pollution,
816 and other negative environmental impacts;

817 (B) mitigates traffic congestion; or

818 (C) uses high efficiency building construction and operation.

819 (b) (i) The authority shall establish minimum mitigation and environmental standards
820 that a landowner is required to meet to qualify for the use of property tax differential under
821 Subsection (1)(a)(viii) in the landowner's development.

822 (ii) In establishing minimum mitigation and environmental standards, the authority
823 shall consult with:

824 (A) the municipality in which the development is expected to occur, for development
825 expected to occur within a municipality; or

826 (B) the county in whose unincorporated area the development is expected to occur, for
827 development expected to occur within the unincorporated area of a county.

828 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)
829 for a landowner's development in a project area unless the minimum mitigation and
830 environmental standards are followed with respect to that landowner's development.

831 (2) The authority may use revenue generated from the operation of [~~publicly owned~~]
832 public infrastructure operated by the authority or improvements, including an intermodal
833 facility, operated by the authority to:

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

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

837 (3) The determination of the board under Subsection [~~(1)(e)~~] (1)(a)(v) regarding benefit
838 to the project area is final.

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

841 (5) Until the authority adopts a business plan under Subsection 11-58-202(1)(a), the

842 authority may not spend property tax differential revenue collected from authority jurisdictional
 843 land.

844 (6) (a) As used in this Subsection (6):

845 (i) "Authority sales and use tax revenue" means money distributed to the authority
 846 under Subsection [59-12-205\(2\)\[\(b\)\(iii\)\]\(a\)\(ii\)\(C\)](#).

847 (ii) "Eligible county" means a county that would be entitled to receive sales and use tax
 848 revenue under Subsection [59-12-205\(2\)\[\(b\)\(i\)\]\(a\)\(ii\)\(A\)](#) in the absence of Subsection
 849 [59-12-205\(2\)\[\(b\)\(iii\)\]\(a\)\(ii\)\(C\)](#).

850 (iii) "Eligible municipality" means a municipality that would be entitled to receive
 851 sales and use tax revenue under Subsection [59-12-205\(2\)\[\(b\)\(i\)\]\(a\)\(ii\)\(A\)](#) in the absence of
 852 Subsection [59-12-205\(2\)\[\(b\)\(iii\)\]\(a\)\(ii\)\(C\)](#).

853 (iv) "Point of sale portion" means:

854 (A) for an eligible county, the amount of sales and use tax revenue the eligible county
 855 would have received under Subsection [59-12-205\(2\)\[\(b\)\(i\)\]\(a\)\(ii\)\(A\)](#) in the absence of
 856 Subsection [59-12-205\(2\)\[\(b\)\(iii\)\]\(a\)\(ii\)\(C\)](#), excluding the retail sales portion; and

857 (B) for an eligible municipality, the amount of sales and use tax revenue the eligible
 858 municipality would have received under Subsection [59-12-205\(2\)\[\(b\)\(i\)\]\(a\)\(ii\)\(A\)](#) in the
 859 absence of Subsection [59-12-205\(2\)\[\(b\)\(iii\)\]\(a\)\(ii\)\(C\)](#), excluding the retail sales portion.

860 (v) "Retail sales portion" means the amount of sales and use tax revenue collected
 861 under Subsection [59-12-205\(2\)\[\(b\)\(i\)\]\(a\)\(ii\)\(A\)](#) from retail sales transactions that occur on
 862 authority jurisdictional land.

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

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

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

869 Section 12. Section **11-58-603** is enacted to read:

870 11-58-603. Use of authority money for business recruitment incentive.

871 (1) As used in this section:

872 (a) "Business recruitment incentive" means the post-performance payment of property
873 tax differential as an incentive for a capital expenditure or for the creation of high-paying jobs
874 within a project area, as provided in this section.

875 (b) "Capital expenditure" means an expenditure of money, other than property tax
876 differential:

877 (i) by an applicant under an incentive application; and

878 (ii) for the development of capital facilities that are:

879 (A) constructed within a project area; and

880 (B) focused on value-added manufacturing that optimizes the use of rail facilities.

881 (c) "High-paying job" means a job:

882 (i) created because of development activity within a project area; and

883 (ii) that pays at least 130% of the average for all wages within the county in which the
884 project area is located for the year during which an incentive application is submitted.

885 (d) "Incentive application" means an application for a business recruitment incentive.

886 (e) "Tax differential parcel" means a parcel of land:

887 (i) on which capital facilities are constructed from a capital expenditure; or

888 (ii) where development activity occurs that results in the creation of high-paying jobs.

889 (2) The authority may use property tax differential as a business recruitment incentive
890 as provided in this section.

891 (3) The board shall establish the application timeline, documentation requirements, and
892 approval criteria applicable to an incentive application and approval of an incentive
893 application, consistent with this section.

894 (4) (a) Subject to Subsection (4)(b), a person may qualify for a business recruitment
895 incentive if:

896 (i) the person submits an incentive application according to requirements established
897 by the board;

898 (ii) the person meets the requirements under Subsection (5) or (6) for a business
899 recruitment incentive; and

900 (iii) the board approves the incentive application.

901 (b) A person may not qualify for a business recruitment incentive if the person's
902 development project relates primarily to retail operations or the distribution of goods.

903 (5) The authority may pay a person, on a post-performance basis:

904 (a) up to 20% of the property tax differential generated from a tax differential parcel
905 for a period of 20 years, if the person demonstrates that at least \$1,000,000,000 of capital
906 expenditure will occur on the tax differential parcel due to the person's development project;

907 (b) up to 15% of the property tax differential generated from a tax differential parcel
908 for a period of 15 years, if the person demonstrates that at least \$500,000,000 of capital
909 expenditure will occur on the tax differential parcel due to the person's development project; or

910 (c) up to 10% of the property tax differential generated from a tax differential parcel
911 for a period of 10 years, if the person demonstrates that at least \$100,000,000 of capital
912 expenditure will occur on the tax differential parcel due to the person's development project.

913 (6) The authority may pay a person, on a post-performance basis:

914 (a) up to 10% of the property tax differential generated from a tax differential parcel
915 for a period of 20 years, if the person demonstrates that the person's development activity on
916 the tax differential parcel will result in the creation of at least 1,000 high-paying jobs;

917 (b) up to 8% of the property tax differential generated from a tax differential parcel for
918 a period of 15 years, if the person demonstrates that the person's development activity on the
919 tax differential parcel will result in the creation of at least 500 high-paying jobs; or

920 (c) up to 5% of the property tax differential generated from a tax differential parcel for
921 a period of 10 years, if the person demonstrates that the person's development activity on the
922 tax differential parcel will result in the creation of at least 250 high-paying jobs.

923 (7) Subject to the limits stated in Subsections (5) and (6), the amount of property tax
924 differential to be paid under this section and the timing of any payment are at the discretion of
925 the board.

926 (8) A person may not receive a business recruitment incentive under both Subsection
927 (5) and Subsection (6).

928 Section 13. Section **11-58-604** is enacted to read:

929 **11-58-604. Agreement relating to expenditure of mitigation money -- Distribution**
930 **and use of exempt area property tax.**

931 (1) As used in this section:

932 (a) "Exempt area" means the same as that term is defined in Section [11-58-601](#).

933 (b) "Exempt area property tax" means the portion of property tax differential generated
934 by a property tax levied by a primary municipality on property in the exempt area.

935 (c) "Mitigation money" means the exempt area property tax required to be used as
936 provided in Subsections (6)(a) and (b).

937 (d) "Participating entities" means a primary municipality, the primary municipality's
938 agency, and the authority.

939 (e) "Primary municipality" means the same as that term is defined in Section
940 [11-58-601](#).

941 (f) "Primary municipality's agency" means the community development and renewal
942 agency created by a primary municipality.

943 (2) (a) No later than December 31, 2022, participating entities shall enter into an
944 agreement as provided in this section.

945 (b) An agreement under Subsection (2)(a) shall:

946 (i) provide:

947 (A) how the authority is to spend mitigation money; or

948 (B) a process for determining how the authority is to spend mitigation money;

949 (ii) include a requirement that the authority consult with the primary municipality in
950 determining how to spend mitigation money; and

951 (iii) require the primary municipality's agency to spend money the primary
952 municipality's agency receives under Subsection (4)(c) for affordable housing, as provided in
953 Section [17C-1-412](#).

954 (3) If participating entities enter into an agreement under this section, beginning
955 January 1, 2023:

956 (a) Subsections 11-58-601(2) and (3) do not apply to exempt area property tax; and

957 (b) exempt area property tax shall be paid and distributed as provided in Subsection
958 11-58-601(8) and in accordance with Subsections (4) and (5).

959 (4) If participating entities enter into an agreement under this section, beginning the
960 first tax year that begins on or after January 1, 2023:

961 (a) the authority shall be paid 25% of the exempt area property tax:

962 (i) for the authority's use as provided in Subsection (6); and

963 (ii) (A) for a period of 25 years beginning January 1, 2023; and

964 (B) for a period of time not exceeding an additional 15 years beyond the period stated
965 in Subsection (4)(a)(ii)(A) if the board determines by resolution, adopted before the expiration
966 of the 25-year period under Subsection (4)(a)(ii)(A), that the additional years will produce a
967 significant benefit to the uses described in Subsection (6) and if the primary municipality and
968 the authority agree to the additional period of time;

969 (b) the authority shall be paid, in addition to the amounts under Subsection (4)(a), a
970 percentage, as defined in Subsection (5), of the exempt area property tax for the authority's use
971 as provided in Subsection (6); and

972 (c) the primary municipality's agency shall be paid, for the same period of time that the
973 authority is paid exempt area property tax under Subsection (4)(a), 10% of exempt area
974 property tax, to be used for affordable housing as provided in Section 17C-1-412.

975 (5) The percentage of the exempt area property tax paid to the authority as provided in
976 Subsection (4)(b):

977 (a) shall be 40% for the first tax year that begins on or after January 1, 2023,
978 decreasing 2% each year after the 2023 tax year, so that in 2029 the percentage is 28;

979 (b) beginning January 1, 2030, and for a period of seven years, shall be 10%;

980 (c) beginning January 1, 2037, and for a period of 11 years, shall be 8%; and

981 (d) after 2047, shall be 0%.

- 982 (6) Of the exempt area property tax the authority receives, the authority shall use:
983 (a) 40% for environmental mitigation projects within the authority jurisdictional land;
984 (b) 40% for mitigation projects, which may include a regional traffic study and an
985 environmental impact mitigation analysis, for communities that are:
986 (i) within the primary municipality;
987 (ii) adjacent to the authority jurisdictional land; and
988 (iii) west of the east boundary of the right of way of a fixed guideway used, as of
989 January 1, 2022, for commuter rail within the primary municipality; and
990 (c) 20% for economic development activities on the authority jurisdictional land.

991 Section 14. Section **11-58-801** is amended to read:

992 **11-58-801. Annual port authority budget -- Fiscal year -- Public hearing required**
993 **-- Auditor forms -- Requirement to file annual budget.**

994 (1) The authority shall prepare and its board adopt an annual budget of revenues and
995 expenditures for the authority for each fiscal year.

996 (2) Each annual authority budget shall be adopted before June [22] 30, except that the
997 authority's initial budget shall be adopted as soon as reasonably practicable after the
998 organization of the board and the beginning of authority operations.

999 (3) The authority's fiscal year shall be the period from July 1 to the following June 30.

1000 (4) (a) Before adopting an annual budget, the board shall hold a public hearing on the
1001 annual budget.

1002 (b) The authority shall provide notice of the public hearing on the annual budget by
1003 publishing notice:

1004 (i) at least once in a newspaper of general circulation within the state, at least one week
1005 before the public hearing; and

1006 (ii) on the Utah Public Notice Website created in Section 63A-16-601, [~~for~~] at least
1007 one week immediately before the public hearing.

1008 (c) The authority shall make the annual budget available for public inspection at least
1009 three days before the date of the public hearing.

1010 (5) The state auditor shall prescribe the budget forms and the categories to be contained
1011 in each authority budget, including:

1012 (a) revenues and expenditures for the budget year;

1013 (b) legal fees; and

1014 (c) administrative costs, including rent, supplies, and other materials, and salaries of
1015 authority personnel.

1016 (6) (a) Within 30 days after adopting an annual budget, the board shall file a copy of
1017 the annual budget with the auditor of each county in which the authority jurisdictional land is
1018 located, the State Tax Commission, the state auditor, the State Board of Education, and each
1019 taxing entity that levies a tax on property from which the authority collects property tax
1020 differential.

1021 (b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the
1022 state as a taxing entity is met if the authority files a copy with the State Tax Commission and
1023 the state auditor.

1024 Section 15. Section **17D-4-102** is amended to read:

1025 **17D-4-102. Definitions.**

1026 As used in this chapter:

1027 (1) "Board" means the board of trustees of a public infrastructure district.

1028 (2) "Creating entity" means the county, municipality, or development authority that
1029 approves the creation of a public infrastructure district.

1030 (3) "Development authority" means:

1031 (a) the Utah Inland Port Authority created in Section [11-58-201](#); or

1032 (b) the military installation development authority created in Section [63H-1-201](#).

1033 (4) "District applicant" means the person proposing the creation of a public
1034 infrastructure district.

1035 (5) "Division" means a division of a public infrastructure district:

1036 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
1037 other divisions within the public infrastructure district, taking into account existing or potential

1038 developments which, when completed, would increase or decrease the population within the
1039 public infrastructure district; and

1040 (b) which a member of the board represents.

1041 (6) "Governing document" means the document governing a public infrastructure
1042 district to which the creating entity agrees before the creation of the public infrastructure
1043 district, as amended from time to time, and subject to the limitations of Title 17B, Chapter 1,
1044 Provisions Applicable to All Local Districts, and this chapter.

1045 (7) (a) "Limited tax bond" means a bond:

1046 (i) that is directly payable from and secured by ad valorem property taxes that are
1047 levied:

1048 (A) by a public infrastructure district that issues the bond; and

1049 (B) on taxable property within the district;

1050 (ii) that is a general obligation of the public infrastructure district; and

1051 (iii) for which the ad valorem property tax levy for repayment of the bond does not
1052 exceed the property tax levy rate limit established under Section 17D-4-303 for any fiscal year,
1053 except as provided in Subsection 17D-4-301(8).

1054 (b) "Limited tax bond" does not include:

1055 (i) a short-term bond;

1056 (ii) a tax and revenue anticipation bond; or

1057 (iii) a special assessment bond.

1058 (8) "Public infrastructure and improvements" means:

1059 (a) [~~publicly owned infrastructure and improvements, as~~] the same as that term is
1060 defined in Section 11-58-102, for a public infrastructure district created by the Utah Inland Port
1061 Authority created in Section 11-58-201; and

1062 (b) the same as that term is defined in Section 63H-1-102, for a public infrastructure
1063 district created by the military installation development authority created in Section 63H-1-201.

1064 Section 16. Section 17D-4-203 is amended to read:

1065 **17D-4-203. Public infrastructure district powers.**

1066 A public infrastructure district shall have all of the authority conferred upon a local
1067 district under Section 17B-1-103, and in addition a public infrastructure district may:

1068 (1) issue negotiable bonds to pay:

1069 (a) all or part of the costs of acquiring, acquiring an interest in, improving, or extending
1070 any of the improvements, facilities, or property allowed under Section 11-14-103;

1071 (b) capital costs of improvements in an energy assessment area, as defined in Section
1072 11-42a-102, and other related costs, against the funds that the public infrastructure district will
1073 receive because of an assessment in an energy assessment area, as defined in Section
1074 11-42a-102;

1075 (c) public improvements related to the provision of housing;

1076 (d) capital costs related to public transportation; and

1077 (e) for a public infrastructure district created by a development authority, the cost of
1078 acquiring or financing public infrastructure and improvements~~[- as defined in Section~~
1079 ~~63H-1-102]~~;

1080 (2) enter into an interlocal agreement in accordance with Title 11, Chapter 13,
1081 Interlocal Cooperation Act, provided that the interlocal agreement may not expand the powers
1082 of the public infrastructure district, within the limitations of Title 11, Chapter 13, Interlocal
1083 Cooperation Act, without the consent of the creating entity;

1084 (3) acquire completed or partially completed improvements for fair market value as
1085 reasonably determined by:

1086 (a) the board;

1087 (b) the creating entity, if required in the governing document; or

1088 (c) a surveyor or engineer that a public infrastructure district employs or engages to
1089 perform the necessary engineering services for and to supervise the construction or installation
1090 of the improvements;

1091 (4) contract with the creating entity for the creating entity to provide administrative
1092 services on behalf of the public infrastructure district, when agreed to by both parties, in order
1093 to achieve cost savings and economic efficiencies, at the discretion of the creating entity; and

- 1094 (5) for a public infrastructure district created by a development authority:
- 1095 (a) (i) operate and maintain public infrastructure and improvements the district
- 1096 acquires or finances; and
- 1097 (ii) use fees, assessments, or taxes to pay for the operation and maintenance of those
- 1098 public infrastructure and improvements; and
- 1099 (b) issue bonds under Title 11, Chapter 42, Assessment Area Act.
- 1100 Section 17. Section **35A-16-304** is amended to read:
- 1101 **35A-16-304. Homeless Shelter Cities Mitigation Restricted Account.**
- 1102 (1) As used in this section:
- 1103 (a) "Annual local contribution" means:
- 1104 (i) for a participating local government, the lesser of \$200,000 or an amount equal to
- 1105 1.8% of the participating local government's tax revenue distribution amount under Subsection
- 1106 [59-12-205\(2\)\(a\)\(i\)](#) for the previous fiscal year; or
- 1107 (ii) for an eligible municipality or a grant eligible entity that is certified in accordance
- 1108 with Section [35A-8-609](#), \$0.
- 1109 (b) "Eligible municipality" means the same as that term is defined in Section
- 1110 [35A-16-305](#).
- 1111 (c) "Grant eligible entity" means the same as that term is defined in Section
- 1112 [35A-16-306](#).
- 1113 (d) "Participating local government" means a county or municipality, as defined in
- 1114 Section [10-1-104](#), that is not an eligible municipality or grant eligible entity as certified by the
- 1115 department in accordance with Section [35A-16-307](#).
- 1116 (2) There is created a restricted account within the General Fund known as the
- 1117 Homeless Shelter Cities Mitigation Restricted Account.
- 1118 (3) The account shall be funded by:
- 1119 (a) local sales and use tax revenue deposited into the account in accordance with
- 1120 Section [59-12-205](#); and
- 1121 (b) interest earned on the account.

1122 (4) (a) The office shall administer the account.

1123 (b) Subject to appropriation, the office shall disburse funds from the account to:

1124 (i) eligible municipalities in accordance with Sections 35A-16-305 and 63J-1-802; and

1125 (ii) grant eligible entities in accordance with Sections 35A-16-306 and 63J-1-802.

1126 Section 18. Section 41-6a-2003 is amended to read:

1127 **41-6a-2003. Automatic license plate reader systems -- Restrictions.**

1128 (1) Except as provided in Subsection (2), a governmental entity may not use an
1129 automatic license plate reader system.

1130 (2) An automatic license plate reader system may be used:

1131 (a) by a law enforcement agency for the purpose of protecting public safety, conducting
1132 criminal investigations, or ensuring compliance with local, state, and federal laws;

1133 (b) by a governmental parking enforcement entity for the purpose of enforcing state
1134 and local parking laws;

1135 (c) by a parking enforcement entity for regulating the use of a parking facility;

1136 (d) for the purpose of controlling access to a secured area;

1137 (e) for the purpose of collecting an electronic toll;

1138 (f) for the purpose of enforcing motor carrier laws;

1139 (g) by a public transit district for the purpose of assessing parking needs and
1140 conducting a travel pattern analysis; [or]

1141 (h) by an institution of higher education within the state system of higher education as
1142 described in Section 53B-1-102:

1143 (i) for a purpose described in Subsections (2)(a) through (d); or

1144 (ii) if the data collected is anonymized, for research and educational purposes[-]; or

1145 (i) by the Utah Inland Port Authority, created in Section 11-58-201, or by a contractor
1146 of the Utah Inland Port Authority with the approval of the board of the Utah Inland Port
1147 Authority, if:

1148 (i) the automatic license plate reader system is used only within a project area, as
1149 defined in Section 11-58-102, of the Utah Inland Port Authority;

1150 (ii) the purpose of using the automatic license plate reader system is to improve supply
1151 chain efficiency or the efficiency of the movement of goods by analyzing and researching data
1152 related to commercial vehicle traffic; and

1153 (iii) specific license plate information is anonymized.

1154 Section 19. Section **59-12-205** is amended to read:

1155 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
1156 **tax revenue -- Determination of population.**

1157 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
1158 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's
1159 sales and use tax ordinances:

1160 (a) within 30 days of the day on which the state makes an amendment to an applicable
1161 provision of Part 1, Tax Collection; and

1162 (b) as required to conform to the amendments to Part 1, Tax Collection.

1163 (2) (a) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

1164 ~~[(a)]~~ (i) 50% of each dollar collected from the sales and use tax authorized by this part
1165 shall be distributed to each county, city, and town on the basis of the percentage that the
1166 population of the county, city, or town bears to the total population of all counties, cities, and
1167 towns in the state; and

1168 ~~[(b)(i)]~~ (ii) (A) except as provided in Subsections ~~[(2)(b)(ii) and (iii)]~~ (2)(a)(ii)(B) and
1169 (C), 50% of each dollar collected from the sales and use tax authorized by this part shall be
1170 distributed to each county, city, and town on the basis of the location of the transaction as
1171 determined under Sections **59-12-211** through **59-12-215**;

1172 ~~[(i)]~~ (B) 50% of each dollar collected from the sales and use tax authorized by this part
1173 within a project area described in a project area plan adopted by the military installation
1174 development authority under Title 63H, Chapter 1, Military Installation Development
1175 Authority Act, shall be distributed to the military installation development authority created in
1176 Section **63H-1-201**; and

1177 ~~[(iii)]~~ (C) beginning July 1, 2022, 50% of each dollar collected from the sales and use

1178 tax authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port
1179 Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section
1180 [11-58-201](#).

1181 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
1182 July 1, 2022.

1183 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
1184 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

1185 (i) the county, city, or town is a:

1186 (A) county of the third, fourth, fifth, or sixth class;

1187 (B) city of the fifth class; or

1188 (C) town;

1189 (ii) the county, city, or town received a distribution under this section for the calendar
1190 year beginning on January 1, 2008, that was less than the distribution under this section that the
1191 county, city, or town received for the calendar year beginning on January 1, 2007;

1192 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
1193 within the unincorporated area of the county for one or more days during the calendar year
1194 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
1195 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
1196 American Industry Classification System of the federal Executive Office of the President,
1197 Office of Management and Budget; or

1198 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1199 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
1200 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
1201 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
1202 2002 North American Industry Classification System of the federal Executive Office of the
1203 President, Office of Management and Budget; and

1204 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
1205 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for

1206 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
1207 a direct payment permit under Section 59-12-107.1; or

1208 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1209 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
1210 city or town for one or more days during the calendar year beginning on January 1, 2008, was
1211 not the holder of a direct payment permit under Section 59-12-107.1.

1212 (b) The commission shall make the distribution required by this Subsection (3) to a
1213 county, city, or town described in Subsection (3)(a):

1214 (i) from the distribution required by Subsection (2)(a); and

1215 (ii) before making any other distribution required by this section.

1216 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
1217 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

1218 (ii) For purposes of Subsection (3)(c)(i):

1219 (A) the numerator of the fraction is the difference calculated by subtracting the
1220 distribution a county, city, or town described in Subsection (3)(a) received under this section
1221 for the calendar year beginning on January 1, 2008, from the distribution under this section that
1222 the county, city, or town received for the calendar year beginning on January 1, 2007; and

1223 (B) the denominator of the fraction is \$333,583.

1224 (d) A distribution required by this Subsection (3) is in addition to any other distribution
1225 required by this section.

1226 (4) (a) As used in this Subsection (4):

1227 (i) "Eligible county, city, or town" means a county, city, or town that:

1228 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)
1229 equal to the amount described in Subsection (4)(b)(ii); and

1230 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
1231 2016.

1232 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
1233 distributions an eligible county, city, or town received from a tax imposed in accordance with

1234 this part for fiscal year 2004-05.

1235 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
1236 imposed in accordance with this part equal to the greater of:

1237 (i) the payment required by Subsection (2); or

1238 (ii) the minimum tax revenue distribution.

1239 (5) (a) For purposes of this Subsection (5):

1240 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
1241 1.8% of the participating local government's tax revenue distribution amount under Subsection
1242 (2)(a) for the previous fiscal year.

1243 (ii) "Participating local government" means a county or municipality, as defined in
1244 Section [10-1-104](#), that is not an eligible municipality or grant eligible entity certified in
1245 accordance with Section [35A-16-307](#).

1246 (b) For revenue collected from the tax authorized by this part that is distributed on or
1247 after January 1, 2019, the commission, before making a tax revenue distribution under
1248 Subsection (2)(a) to a participating local government, shall:

1249 (i) subtract one-twelfth of the annual local contribution for each participating local
1250 government from the participating local government's tax revenue distribution under
1251 Subsection (2)(a); and

1252 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
1253 Cities Mitigation Restricted Account created in Section [35A-16-304](#).

1254 (c) For a participating local government that qualifies to receive a distribution
1255 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection
1256 (5) after the commission applies the provisions of Subsections (3) and (4).

1257 (6) (a) Population figures for purposes of this section shall be based on the most recent
1258 official census or census estimate of the United States Bureau of the Census.

1259 (b) If a needed population estimate is not available from the United States Bureau of
1260 the Census, population figures shall be derived from the estimate from the Utah Population
1261 Committee.

1262 (c) The population of a county for purposes of this section shall be determined only
1263 from the unincorporated area of the county.

1264 Section 20. Section **63A-3-401.5** is amended to read:

1265 **63A-3-401.5. Definitions.**

1266 As used in this part:

1267 (1) "Borrower" means a person who borrows money from an infrastructure fund for an
1268 infrastructure project.

1269 (2) "Independent political subdivision" means:

1270 (a) the Utah Inland Port Authority created in Section [11-58-201](#);

1271 (b) the Point of the Mountain State Land Authority created in Section [11-59-201](#); or

1272 (c) the Military Installation Development Authority created in Section [63H-1-201](#).

1273 (3) "Infrastructure fund" means a fund created in Subsection [63A-3-402\(1\)](#).

1274 (4) "Infrastructure loan" means a loan of infrastructure fund money to finance an
1275 infrastructure project.

1276 (5) "Infrastructure project" means a project to acquire, construct, reconstruct,
1277 rehabilitate, equip, or improve public infrastructure and improvements:

1278 (a) within a project area; or

1279 (b) outside a project area, if the respective loan approval committee determines by
1280 resolution that the public infrastructure and improvements are of benefit to the project area.

1281 (6) "Inland port" means the same as that term is defined in Section [11-58-102](#).

1282 (7) "Inland port fund" means the infrastructure fund created in Subsection
1283 [63A-3-402\(1\)\(a\)](#).

1284 (8) "Military development fund" means the infrastructure fund created in Subsection
1285 [63A-3-402\(1\)\(c\)](#).

1286 (9) "Point of the mountain fund" means the infrastructure fund created in Subsection
1287 [63A-3-402\(1\)\(b\)](#).

1288 (10) "Project area" means:

1289 (a) the same as that term is defined in Section [11-58-102](#), for purposes of an

1290 infrastructure loan from the inland port fund;

1291 (b) the point of the mountain state land, as defined in Section 11-59-102, for purposes
1292 of an infrastructure loan from the point of the mountain fund; and

1293 (c) the same as that term is defined in Section 63H-1-102, for purposes of an
1294 infrastructure loan from the military development fund.

1295 (11) "Property tax revenue" means:

1296 (a) property tax differential, as defined in Section 11-58-102, for purposes of an
1297 infrastructure loan from the inland port fund; or

1298 (b) property tax allocation, as defined in Section 63H-1-102, for purposes of an
1299 infrastructure loan from the military development fund.

1300 (12) "Public infrastructure and improvements":

1301 (a) means the same as that term is defined in Section 11-58-102, for purposes of an
1302 infrastructure loan from the inland port fund[;]; and

1303 [~~(i) means publicly owned infrastructure and improvements, as defined in Section~~
1304 ~~11-58-102; and]~~

1305 [~~(ii) includes an inland port facility; and]~~

1306 (b) means the same as that term is defined in Section 63H-1-102, for purposes of an
1307 infrastructure loan from the military development fund.

1308 (13) "Respective loan approval committee" means:

1309 (a) the committee created in Section 11-58-106, for purposes of an infrastructure loan
1310 from the inland port fund;

1311 (b) the committee created in Section 11-59-104, for purposes of an infrastructure loan
1312 from the point of the mountain fund; and

1313 (c) the committee created in Section 63H-1-104, for purposes of an infrastructure loan
1314 from the military development fund.

1315 Section 21. Section 63H-1-102 is amended to read:

1316 **63H-1-102. Definitions.**

1317 As used in this chapter:

1318 (1) "Authority" means the Military Installation Development Authority, created under
1319 Section [63H-1-201](#).

1320 (2) "Base taxable value" means:

1321 (a) for military land or other land that was exempt from a property tax at the time that a
1322 project area was created that included the military land or other land, a taxable value of zero; or

1323 (b) for private property that is included in a project area, the taxable value of the
1324 property within any portion of the project area, as designated by board resolution, from which
1325 the property tax allocation will be collected, as shown upon the assessment roll last equalized:

1326 (i) before the year in which the authority creates the project area; or

1327 (ii) before the year in which the project area plan is amended, for property added to a
1328 project area by an amendment to a project area plan.

1329 (3) "Board" means the governing body of the authority created under Section
1330 [63H-1-301](#).

1331 (4) (a) "Dedicated tax collections" means the property tax that remains after the
1332 authority is paid the property tax allocation the authority is entitled to receive under Subsection
1333 [63H-1-501](#)(1), for a property tax levied by:

1334 (i) a county, including a district the county has established under Subsection [17-34-3](#)(2)
1335 to levy a property tax under Title 17, Chapter 34, Municipal-Type Services to Unincorporated
1336 Areas; or

1337 (ii) an included municipality.

1338 (b) "Dedicated tax collections" does not include a county additional property tax or
1339 multicounty assessing and collecting levy imposed in accordance with Section [59-2-1602](#).

1340 (5) "Develop" means to engage in development.

1341 (6) (a) "Development" means an activity occurring:

1342 (i) on land within a project area that is owned or operated by the military, the authority,
1343 another public entity, or a private entity; or

1344 (ii) on military land associated with a project area.

1345 (b) "Development" includes the demolition, construction, reconstruction, modification,

1346 expansion, maintenance, operation, or improvement of a building, facility, utility, landscape,
1347 parking lot, park, trail, or recreational amenity.

1348 (7) "Development project" means a project to develop land within a project area.

1349 (8) "Elected member" means a member of the authority board who:

1350 (a) is a mayor or member of a legislative body appointed under Subsection

1351 [63H-1-302\(2\)\(b\)](#); or

1352 (b) (i) is appointed to the authority board under Subsection [63H-1-302\(2\)\(a\)](#) or (3); and

1353 (ii) concurrently serves in an elected state, county, or municipal office.

1354 (9) "Included municipality" means a municipality, some or all of which is included
1355 within a project area.

1356 (10) (a) "Military" means a branch of the armed forces of the United States, including
1357 the Utah National Guard.

1358 (b) "Military" includes, in relation to property, property that is occupied by the military
1359 and is owned by the government of the United States or the state.

1360 (11) "Military Installation Development Authority accommodations tax" or "MIDA
1361 accommodations tax" means the tax imposed under Section [63H-1-205](#).

1362 (12) "Military Installation Development Authority energy tax" or "MIDA energy tax"
1363 means the tax levied under Section [63H-1-204](#).

1364 (13) "Military land" means land or a facility, including leased land or a leased facility,
1365 that is part of or affiliated with a base, camp, post, station, yard, center, or installation under the
1366 jurisdiction of the United States Department of Defense, the United States Department of
1367 Veterans Affairs, or the Utah National Guard.

1368 (14) "Municipal energy tax" means a municipal energy sales and use tax under Title
1369 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act.

1370 (15) "Municipal services revenue" means revenue that the authority:

1371 (a) collects from the authority's:

1372 (i) levy of a municipal energy tax;

1373 (ii) levy of a MIDA energy tax;

- 1374 (iii) levy of a telecommunications tax;
- 1375 (iv) imposition of a transient room tax; and
- 1376 (v) imposition of a resort communities tax;
- 1377 (b) receives under Subsection [59-12-205\(2\)](#)~~(b)(ii)~~(a)(ii)(B); and
- 1378 (c) receives as dedicated tax collections.
- 1379 (16) "Municipal tax" means a municipal energy tax, MIDA energy tax, MIDA
- 1380 accommodations tax, telecommunications tax, transient room tax, or resort communities tax.
- 1381 (17) "Project area" means the land, including military land, whether consisting of a
- 1382 single contiguous area or multiple noncontiguous areas, described in a project area plan or draft
- 1383 project area plan, where the development project set forth in the project area plan or draft
- 1384 project area plan takes place or is proposed to take place.
- 1385 (18) "Project area budget" means a multiyear projection of annual or cumulative
- 1386 revenues and expenses and other fiscal matters pertaining to a project area that includes:
- 1387 (a) the base taxable value of property in the project area;
- 1388 (b) the projected property tax allocation expected to be generated within the project
- 1389 area;
- 1390 (c) the amount of the property tax allocation expected to be shared with other taxing
- 1391 entities;
- 1392 (d) the amount of the property tax allocation expected to be used to implement the
- 1393 project area plan, including the estimated amount of the property tax allocation to be used for
- 1394 land acquisition, public improvements, infrastructure improvements, and loans, grants, or other
- 1395 incentives to private and public entities;
- 1396 (e) the property tax allocation expected to be used to cover the cost of administering
- 1397 the project area plan;
- 1398 (f) if the property tax allocation is to be collected at different times or from different
- 1399 portions of the project area, or both:
- 1400 (i) (A) the tax identification numbers of the parcels from which the property tax
- 1401 allocation will be collected; or

1402 (B) a legal description of the portion of the project area from which the property tax
1403 allocation will be collected; and

1404 (ii) an estimate of when other portions of the project area will become subject to
1405 collection of the property tax allocation; and

1406 (g) for property that the authority owns or leases and expects to sell or sublease, the
1407 expected total cost of the property to the authority and the expected selling price or lease
1408 payments.

1409 (19) "Project area plan" means a written plan that, after the plan's effective date, guides
1410 and controls the development within a project area.

1411 (20) (a) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4,
1412 Privilege Tax, except as described in Subsection (20)(b), and each levy on an ad valorem basis
1413 on tangible or intangible personal or real property.

1414 (b) "Property tax" does not include a privilege tax on the taxable value:

1415 (i) attributable to a portion of a facility leased to the military for a calendar year when:

1416 (A) a lessee of military land has constructed a facility on the military land that is part of
1417 a project area;

1418 (B) the lessee leases space in the facility to the military for the entire calendar year; and

1419 (C) the lease rate paid by the military for the space is \$1 or less for the entire calendar
1420 year, not including any common charges that are reimbursements for actual expenses; or

1421 (ii) of the following property owned by the authority, regardless of whether the
1422 authority enters into a long-term operating agreement with a privately owned entity under
1423 which the privately owned entity agrees to operate the property:

1424 (A) a hotel;

1425 (B) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;

1426 and

1427 (C) a commercial condominium unit in a condominium project, as defined in Section
1428 57-8-3.

1429 (21) "Property tax allocation" means the difference between:

1430 (a) the amount of property tax revenues generated each tax year by all taxing entities
1431 from the area within a project area designated in the project area plan as the area from which
1432 the property tax allocation is to be collected, using the current assessed value of the property;
1433 and

1434 (b) the amount of property tax revenues that would be generated from that same area
1435 using the base taxable value of the property.

1436 (22) "Public entity" means:

1437 (a) the state, including each department or agency of the state; or

1438 (b) a political subdivision of the state, including a county, city, town, school district,
1439 local district, special service district, or interlocal cooperation entity, including the authority.

1440 (23) (a) "Public infrastructure and improvements" means infrastructure,
1441 improvements, facilities, or buildings that:

1442 (i) benefit the public, the authority, the military, or military-related entities; and

1443 (ii) (A) are publicly owned by the military, the authority, a public infrastructure district
1444 under Title 17D, Chapter 4, Public Infrastructure District Act, or another public entity;

1445 (B) are owned by a utility; or

1446 (C) are publicly maintained or operated by the military, the authority, or another public
1447 entity.

1448 (b) "Public infrastructure and improvements" also means infrastructure, improvements,
1449 facilities, or buildings that:

1450 (i) are privately owned; and

1451 (ii) provide a substantial benefit, as determined by the board, to the development and
1452 operation of a project area.

1453 (c) "Public infrastructure and improvements" includes:

1454 (i) facilities, lines, or systems that harness geothermal energy or provide water, chilled
1455 water, steam, sewer, storm drainage, natural gas, electricity, or telecommunications;

1456 (ii) streets, roads, curb, gutter, sidewalk, walkways, tunnels, solid waste facilities,
1457 parking facilities, public transportation facilities, and parks, trails, and other recreational

1458 facilities;

1459 (iii) snowmaking equipment and related improvements that can also be used for water
1460 storage or fire suppression purposes; and

1461 (iv) a building and related improvements for occupancy by the public, the authority, the
1462 military, or military-related entities.

1463 (24) "Remaining municipal services revenue" means municipal services revenue that
1464 the authority has not:

1465 (a) spent during the authority's fiscal year for municipal services as provided in
1466 Subsection 63H-1-503(1); or

1467 (b) redirected to use in accordance with Subsection 63H-1-502(3).

1468 (25) "Resort communities tax" means a sales and use tax imposed under Section
1469 59-12-401.

1470 (26) "Taxable value" means the value of property as shown on the last equalized
1471 assessment roll.

1472 (27) "Taxing entity":

1473 (a) means a public entity that levies a tax on property within a project area; and

1474 (b) does not include a public infrastructure district that the authority creates under Title
1475 17D, Chapter 4, Public Infrastructure District Act.

1476 (28) "Telecommunications tax" means a telecommunications license tax under Title
1477 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act.

1478 (29) "Transient room tax" means a tax under Section 59-12-352.

1479 Section 22. Section 63H-1-502 is amended to read:

1480 **63H-1-502. Allowable uses of property tax allocation and other funds.**

1481 (1) Other than municipal services revenue, the authority may use the property tax
1482 allocation and other funds available to the authority:

1483 (a) for any purpose authorized under this chapter;

1484 (b) for administrative, overhead, legal, and other operating expenses of the authority;

1485 (c) to pay for, including financing or refinancing, all or part of the development of land

1486 within the project area from which the property tax allocation or other funds were collected,
1487 including assisting the ongoing operation of a development or facility within the project area;

1488 (d) to pay the cost of the installation and construction of public infrastructure and
1489 improvements within the project area from which the property tax allocation funds were
1490 collected;

1491 (e) to pay the cost of the installation and construction of public infrastructure and
1492 improvements, including a passenger ropeway, as defined in Section 72-11-102, outside the
1493 project area if:

1494 (i) the authority board determines by resolution that the infrastructure and
1495 improvements are of benefit to the project area; and

1496 (ii) for a passenger ropeway, at least one end of the ropeway is located within the
1497 project area;

1498 (f) to pay the principal and interest on bonds issued by the authority;

1499 (g) to pay for a morale, welfare, and recreation program of a United States Air Force
1500 base in Utah, affiliated with the project area from which the funds were collected; or

1501 (h) to pay for the promotion of:

1502 (i) a development within the project area; or

1503 (ii) amenities outside of the project area that are associated with a development within
1504 the project area.

1505 (2) The authority may use revenue generated from the authority's operation of public
1506 infrastructure and improvements to:

1507 (a) operate and maintain the public infrastructure and improvements; and

1508 (b) pay for authority operating expenses, including administrative, overhead, and legal
1509 expenses.

1510 (3) For purposes of Subsection (1), the authority may use:

1511 (a) tax revenue received under Subsection 59-12-205(2)[(b)(ii)](a)(ii)(B);

1512 (b) resort communities tax revenue;

1513 (c) MIDA energy tax revenue, received under Section 63H-1-204, which does not have

1514 to be used in the project area where the revenue was generated;

1515 (d) MIDA accommodations tax revenue, received under Section 63H-1-205;

1516 (e) transient room tax revenue generated from hotels located on authority-owned or

1517 other public-entity-owned property;

1518 (f) municipal energy tax revenue generated from hotels located on authority-owned or

1519 other public-entity-owned property; or

1520 (g) payments received under Subsection 63H-1-501(4).

1521 (4) The determination of the authority board under Subsection (1)(e) regarding benefit

1522 to the project area is final.

1523 **Section 23. Repealer.**

1524 This bill repeals:

1525 Section 11-58-101, Title.

1526 **Section 24. Effective date.**

1527 If approved by two-thirds of all the members elected to each house, this bill takes effect

1528 upon approval by the governor, or the day following the constitutional time limit of Utah

1529 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,

1530 the date of veto override.