

Representative V. Lowry Snow proposes the following substitute bill:

1 **POINT OF THE MOUNTAIN STATE LAND AUTHORITY**

2 **AMENDMENTS**

3 2022 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: V. Lowry Snow**

6 Senate Sponsor: Jerry W. Stevenson

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions relating to the Point of the Mountain State Land
10 Authority.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ authorizes the Point of the Mountain State Land Authority to impose an energy sales
14 and use tax and an energy tax;

15 ▶ modifies the membership of a loan committee;

16 ▶ moves the ability to approve a loan from the loan committee to the Authority board;

17 ▶ modifies a provision relating to Authority powers;

18 ▶ requires a lessee of point of the mountain state land to pay an annual fee and
19 provides for the levy and collection of the fee;

20 ▶ requires the Authority to be paid a portion of increased property tax revenue from
21 parcels of land transferred to a private owner;

22 ▶ modifies limitations on individuals serving as board members;

23 ▶ modifies the purposes of a closed meeting to include certain discussions relating to
24 the development of land owned by the state;



26 ► modifies provisions relating to an Authority infrastructure fund; and
27 ► makes technical changes.

28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 This bill provides a special effective date.

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **10-1-304**, as last amended by Laws of Utah 2021, Chapter 414 and last amended by
35 Coordination Clause, Laws of Utah 2021, Chapter 367

36 **11-59-102**, as last amended by Laws of Utah 2021, Chapter 415

37 **11-59-104**, as enacted by Laws of Utah 2021, Chapter 415

38 **11-59-202**, as last amended by Laws of Utah 2020, Chapter 354

39 **11-59-306**, as enacted by Laws of Utah 2018, Chapter 388

40 **17D-4-102**, as last amended by Laws of Utah 2021, Chapter 415 and renumbered and
41 amended by Laws of Utah 2021, Chapter 314

42 **52-4-205**, as last amended by Laws of Utah 2021, Chapters 179 and 231

43 **59-2-924**, as last amended by Laws of Utah 2021, Chapters 214 and 388

44 **63A-3-401.5**, as enacted by Laws of Utah 2021, Chapter 415

45 **63A-3-402**, as enacted by Laws of Utah 2021, Chapter 415

46 **63A-3-404**, as enacted by Laws of Utah 2021, Chapter 415

47 ENACTS:

48 **11-59-205**, Utah Code Annotated 1953

49 **11-59-206**, Utah Code Annotated 1953

50 **11-59-207**, Utah Code Annotated 1953

51 REPEALS:

52 **11-59-101**, as enacted by Laws of Utah 2018, Chapter 388

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

54 Section 1. Section **10-1-304** is amended to read:

55 **10-1-304. Municipality, military installation development authority, and Point of**

57 **the Mountain State Land Authority may levy tax -- Rate -- Imposition or repeal of tax --**
58 **Tax rate change -- Effective date -- Notice requirements -- Exemptions.**

59 (1) (a) Except as provided in Subsections (4) and (5), a municipality may levy a
60 municipal energy sales and use tax on the sale or use of taxable energy within the municipality:

61 (i) by ordinance as provided in Section [10-1-305](#); and
62 (ii) of up to 6% of the delivered value of the taxable energy.

63 (b) Subject to Section [63H-1-203](#), the military installation development authority
64 created in Section [63H-1-201](#) may levy a municipal energy sales and use tax under this part
65 within a project area described in a project area plan adopted by the authority under Title 63H,
66 Chapter 1, Military Installation Development Authority Act, as though the authority were a
67 municipality.

68 (c) The Point of the Mountain State Land Authority, created in Section [11-59-201](#), may
69 levy a municipal energy sales and use tax under this part within the area that constitutes the
70 point of the mountain state land, as defined in Section [11-59-102](#), as though the Point of the
71 Mountain State Land Authority were a municipality.

72 (2) A municipal energy sales and use tax imposed under this part may be in addition to
73 any sales and use tax imposed by the municipality under Title 59, Chapter 12, Sales and Use
74 Tax Act.

75 (3) (a) For purposes of this Subsection (3):

76 (i) "Annexation" means an annexation to a municipality under Chapter 2, Part 4,
77 Annexation.

78 (ii) "Annexing area" means an area that is annexed into a municipality.

79 (b) (i) If, on or after May 1, 2000, a city or town enacts or repeals a tax or changes the
80 rate of a tax under this part, the enactment, repeal, or change shall take effect:

81 (A) on the first day of a calendar quarter; and

82 (B) after a 90-day period beginning on the date the commission receives notice meeting
83 the requirements of Subsection (3)(b)(ii) from the municipality.

84 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:

85 (A) that the city or town will enact or repeal a tax or change the rate of a tax under this
86 part;

87 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

88 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

89 (D) if the city or town enacts the tax or changes the rate of the tax described in

90 Subsection (3)(b)(ii)(A), the new rate of the tax.

91 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will
92 result in a change in the rate of a tax under this part for an annexing area, the change shall take
93 effect:

94 (A) on the first day of a calendar quarter; and

95 (B) after a 90-day period beginning on the date the commission receives notice meeting
96 the requirements of Subsection (3)(c)(ii) from the municipality that annexes the annexing area.

97 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:

98 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the
99 rate of a tax under this part for the annexing area;

100 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

101 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

102 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

103 (4) (a) Subject to Subsection (4)(b), a sale or use of electricity within a municipality is
104 exempt from the tax authorized by this section if the sale or use is made under a tariff adopted
105 by the Public Service Commission of Utah only for purchase of electricity produced from a
106 new source of alternative energy, as defined in Section 59-12-102, as designated in the tariff by
107 the Public Service Commission of Utah.

108 (b) The exemption under Subsection (4)(a) applies to the portion of the tariff rate a
109 customer pays under the tariff described in Subsection (4)(a) that exceeds the tariff rate under
110 the tariff described in Subsection (4)(a) that the customer would have paid absent the tariff.

111 (5) (a) A municipality may not levy a municipal energy sales and use tax within:

112 (i) any portion of the municipality that is within a project area described in a project
113 area plan adopted by the military installation development authority under Title 63H, Chapter
114 1, Military Installation Development Authority Act[:]; or

115 (ii) the point of the mountain state land, as defined in Section 11-59-102.

116 (b) Subsection (5)(a) does not apply to:

117 (i) the military installation development authority's levy of a municipal energy sales
118 and use tax[:]; or

119 (ii) the Point of the Mountain State Land Authority's levy of a municipal energy sales
120 and use tax.

121 Section 2. Section **11-59-102** is amended to read:

122 **11-59-102. Definitions.**

123 As used in this chapter:

124 (1) "Authority" means the Point of the Mountain State Land Authority, created in

125 Section **11-59-201**.

126 (2) "Board" means the authority's board, created in Section **11-59-301**.

127 (3) "Development":

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

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

133 (ii) surveying, testing, locating existing utilities and other infrastructure, and other
134 preliminary site work; and

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

136 (b) includes all activities associated with:

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

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

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

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

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

148 (6) "Public entity" means:

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

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

153 (7) "Publicly owned infrastructure and improvements":

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

155 (i) benefit the public; and

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

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

158 (b) includes:

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

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

161 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
162 microgrids, or telecommunications service;

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

165 (iii) greenspace, parks, trails, recreational amenities, or other similar facilities.

166 (8) "Taxing entity" means the same as that term is defined in Section [59-2-102](#).

167 Section 3. Section **11-59-104** is amended to read:

11-59-104. Loan committee -- Approval of infrastructure loans.

169 (1) As used in this section:

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

171 (b) "Infrastructure loan" means the same as that term is defined in Section

172 [63A-3-401.5](#).

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

174 [63A-3-401.5](#).

175 (d) "Point of the mountain fund" means the same as that term is defined in Section

176 [63A-3-401.5](#).

177 (e) "Loan [approval] committee" means a committee ~~[consisting of:]~~ established under
178 Subsection (2).

179 ~~(i) the board member.]~~

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

181 [(B) whose Senate district is closer to the boundary of the point of the mountain state
182 land than is the Senate district of the other member of the Senate appointed under Subsection
183 ~~11-59-302~~(2)(a);]

184 [(ii) the board member;]

185 [(A) who is a member of the House of Representatives appointed under Subsection
186 ~~11-59-302~~(2)(b); and]

187 [(B) whose House district is closer to the boundary of the point of the mountain state
188 land than is the House district of the other member of the House of Representatives appointed
189 under Subsection ~~11-59-302~~(2)(b);]

190 [(iii) the board member who is appointed by the governor under Subsection
191 ~~11-59-302~~(2)(c)(i);]

192 [(iv) the board member who is appointed by the governor under Subsection
193 ~~11-59-302~~(2)(c)(ii); and]

194 [(v) the board member who is the mayor of Draper or a member of the Draper city
195 council.]

196 (2) The authority shall establish a five-member loan committee consisting of:

197 (a) an individual who is the board member appointed by the governor under Subsection
198 ~~11-59-302~~(2)(c)(ii);

199 (b) the individual who is a board member under Subsection ~~11-59-302~~(2)(e) because
200 the individual is the mayor of Draper or a member of the Draper city council;

201 (c) the executive director of the Department of Transportation, or the executive
202 director's designee;

203 (d) an individual with expertise in public finance, appointed by the governor; and

204 (e) an individual with expertise in infrastructure development, appointed by the
205 governor.

206 [(2)] (3) The loan [approval] committee may [approve] recommend for board approval
207 an infrastructure loan from the point of the mountain fund to a borrower for an infrastructure
208 project undertaken by the borrower.

209 [(3)] (4) [The loan approval committee shall establish] If the loan committee
210 recommends an infrastructure loan, the loan committee shall recommend the terms of [an] the
211 infrastructure loan in accordance with Section ~~63A-3-404~~.

212 [4] (5) The [loan approval committee] board may establish policies and guidelines
213 with respect to prioritizing requests for infrastructure loans and approving infrastructure loans.

214 [5] (6) Within 60 days after the execution of an infrastructure loan, the [loan approval
215 committee] board shall report the infrastructure loan, including the loan amount, terms, and
216 security, to the Executive Appropriations Committee.

217 [6] (7) (a) Salaries and expenses of committee members who are legislators shall be
218 paid in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3,
219 Legislator Compensation.

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

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

225 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
226 63A-3-107.

227 Section 4. Section 11-59-202 is amended to read:

228 **11-59-202. Authority powers.**

229 The authority may:

230 (1) as provided in this chapter, plan, manage, and implement the development of the
231 point of the mountain state land, including the ongoing operation of facilities on the point of
232 the mountain state land;

233 (2) undertake, or engage a consultant to undertake, any study, effort, or activity the
234 board considers appropriate to assist or inform the board about any aspect of the proposed
235 development of the point of the mountain state land, including the best development model and
236 financial projections relevant to the authority's efforts to fulfill its duties and responsibilities
237 under this section and Section 11-59-203;

238 (3) sue and be sued;

239 (4) enter into contracts generally, including a contract for the sharing of records under
240 Section 63G-2-206;

241 (5) buy, obtain an option upon, or otherwise acquire any interest in real or personal
242 property, as necessary to accomplish the duties and responsibilities of the authority, including

243 an interest in real property, apart from point of the mountain state land, or personal property,
244 outside point of the mountain state land, for publicly owned infrastructure and improvements,
245 if the board considers the purchase, option, or other interest acquisition to be necessary for
246 fulfilling the authority's development objectives;

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

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

250 (8) provide for the development of the point of the mountain state land under one or
251 more contracts, including the development of publicly owned infrastructure and improvements
252 and other infrastructure and improvements on or related to the point of the mountain state land;

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

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

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

261 (12) issue bonds to finance the undertaking of any development objectives of the
262 authority, including bonds under Title 11, Chapter 17, Utah Industrial Facilities and
263 Development Act, and bonds under Title 11, Chapter 42, Assessment Area Act;

264 (13) hire employees, including contract employees, in addition to or in place of staff
265 provided under Section [11-59-304](#);

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

267 (15) enter into a development agreement with a developer of some or all of the point of
268 the mountain state land;

269 (16) provide for or finance an energy efficiency upgrade, a renewable energy system, or
270 electric vehicle charging infrastructure as defined in Section [11-42a-102](#), in accordance with
271 Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;

272 (17) exercise powers and perform functions that the authority is authorized by statute
273 to exercise or perform;

274 (18) enter into one or more interlocal agreements under Title 11, Chapter 13, Interlocal
275 Cooperation Act, with one or more local government entities for the delivery of services to the
276 point of the mountain state land; [and]

277 (19) enter into an agreement with the federal government or an agency of the federal
278 government, as the board considers necessary or advisable, to enable or assist the authority to
279 exercise its powers or fulfill its duties and responsibilities under this chapter[;]; and

280 (20) provide funding for the development of publicly owned infrastructure and
281 improvements or other infrastructure and improvements on or related to the point of the
282 mountain state land.

283 Section 5. Section 11-59-205 is enacted to read:

11-59-205. Energy tax.

285 (1) By ordinance, an authority board may levy an energy tax on an energy supplier, as
286 defined in Section 10-1-303, that supplies energy to a facility on the point of the mountain state
287 land.

288 (2) The maximum rate of the energy tax under this section is 6% of the delivered value
289 as defined in Section 10-1-303, except that delivered value does not include the amount of a
290 tax paid under this section.

291 (3) (a) An energy supplier may recover an amount equal to the energy tax from its
292 customers, if the energy supplier includes the amount as a separate billing line item.

293 (b) The energy tax levied under this section is in addition to the rate approved by the
294 Public Service Commission and charged to the customer.

(4) If the authority levies an energy use and sales tax under Section 10-1-304, the energy tax under this section paid by a customer is reduced by any energy sales and use tax paid by that customer on the same delivered value.

298 (5) (a) The energy tax under this section is payable by the energy supplier to the
299 authority on a monthly basis as described by the ordinance levying the tax.

300 (b) The ordinance shall allow the energy supplier to retain 1% of the tax remittance
301 each month to offset the energy supplier's costs of collecting and remitting the tax.

302 Section 6. Section 11-59-206 is enacted to read:

11-59-206. Annual fee in lieu of property tax.

304 (1) As used in this section:

305 (a) "Annual fee" means a fee:

306 (i) that is levied and collected each year, as provided in this section; and

307 (ii) in an amount that is the equivalent of the cumulative real property tax that would

308 be levied and collected on leased property by all taxing entities if the leased property were not

309 exempt property.

310 (b) "Exempt property" means real property that is exempt from ad valorem property tax

311 because the real property is owned by the state.

312 (c) "Lease agreement" means an agreement by which a private person leases from the

313 state real property that is part of the point of the mountain state land.

314 (d) (i) "Leased property" means real property that:

315 (A) is part of the point of the mountain state land;

316 (B) is leased by a private person; and

317 (C) would be subject to ad valorem property tax if the real property were owned by the

318 private person.

319 (ii) "Leased property" includes attachments and other improvements to the real

320 property that would be included in an assessment of the value of the real property if the real

321 property were not exempt property.

322 (e) "Leased property value" means the value that leased property would have if the

323 leased property were subject to ad valorem property tax.

324 (f) "Lessee" means a private person that leases property that is part of the point of the

325 mountain state land under a lease agreement.

326 (2) Beginning January 1 of the year immediately following the execution of a lease

327 agreement, a lessee under the lease agreement shall pay an annual fee with respect to the leased

328 property that is the subject of the lease agreement.

329 (3) In a county in which the point of the mountain state land is located:

330 (a) the county assessor shall determine the leased property value of leased property that

331 is subject to an annual fee as though the leased property were subject to ad valorem property

332 tax;

333 (b) the county treasurer shall collect an annual fee in the same way and at the same

334 time that the treasurer would collect ad valorem property tax on the leased property if the

335 leased property were subject to ad valorem property tax;

336 (c) the county may retain an administrative fee for collecting and distributing the
337 annual fee in the same amount that would apply if the leased property were not exempt
338 property; and

339 (d) the county treasurer shall distribute to the authority all revenue from an annual fee
340 on leased property in the same way and at the same time as the treasurer distributes ad valorem
341 property tax revenue to taxing entities in accordance with Section 59-2-1365.

342 (4) Leased property is not subject to a privilege tax under Title 59, Chapter 4, Privilege
343 Tax.

344 Section 7. Section **11-59-207** is enacted to read:

345 **11-59-207. Portion of property tax augmentation to be paid to authority.**

346 (1) As used in this section:

347 (a) "Base taxable value" means the taxable value in the year before the transfer date.

348 (b) "Property tax augmentation":

349 (i) means the amount of property tax that is the difference between:

350 (A) the amount of property tax revenues generated each tax year by all taxing entities
351 from a transferred parcel, using the current assessed value of the property; and

352 (B) the amount of property tax revenues that would be generated from that same
353 transferred parcel using the base taxable value of the property; and

354 (ii) does not include property tax revenue from:

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

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

358 or

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

361 (c) "Transfer date" means the date that fee title to land that is part of the point of the
362 mountain state land is transferred to a private person.

363 (d) "Transferred parcel" means a parcel of land:

364 (i) that is part of the point of the mountain state land; and

365 (ii) the fee title to which has been transferred to a private person.

366 (2) The authority shall be paid 75% of property tax augmentation from a transferred

367 parcel:

368 (a) for a period of 25 years beginning January 1 of the year immediately following the
369 transfer date for the transferred parcel; and

370 (b) for a period of an additional 15 years beyond the period stated in Subsection (2)(a)

371 if:

372 (i) the board determines by resolution that the additional years will produce a
373 significant benefit to the authority; and

374 (ii) the resolution is adopted before the end of the 25-year period under Subsection
375 (2)(a).

376 (3) A county that collects property tax on property within the county in which the point
377 of the mountain state land is located shall pay and distribute to the authority the amount of
378 property tax augmentation that the authority is entitled to collect under Subsection (2), in the
379 manner and at the time provided in Section 59-2-1365.

380 Section 8. Section **11-59-306** is amended to read:

381 **11-59-306. Limitations on board members.**

382 (1) As used in this section:

383 (a) "Direct financial benefit":

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

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

387 and

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

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

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

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

394 (i) a legal or equitable interest;

395 (ii) an option on real property;

396 (iii) an interest under a contract;

397 (iv) fee simple ownership;

398 (v) ownership as a tenant in common or in joint tenancy or another joint ownership
399 arrangement;

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

403 (vii) leasehold interest; and

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

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

406 [at] (i) except as provided in Subsection (2)(b), the individual owns an interest in real
407 property, other than a personal residence in which the individual resides, within five miles of
408 the point of the mountain state land;

409 [b] (ii) a family member of the individual owns an interest in real property, other than
410 a personal residence in which the family member resides, located within one-half mile of the
411 point of the mountain state land; [or]

412 [~~(e)~~] (iii) the individual or a family member of the individual owns an interest in, is
413 directly affiliated with, or is an employee or officer of a firm, company, or other entity that the
414 individual reasonably believes is likely to participate in or receive compensation or other direct
415 financial benefit from the development of the point of the mountain state land[-]; or

416 (iv) the individual or a family member of the individual receives or is expected to
417 receive a direct financial benefit.

418 (b) An individual appointed as a board member under Subsection 11-59-302(2)(e) or
419 (f) who owns an interest in real property, other than a personal residence in which the
420 individual resides, is not disqualified from serving as a board member.

421 (3) (a) Before taking office as a board member, an individual shall submit to the
422 authority a statement:

423 (i) verifying that the individual's service as a board member does not violate
424 Subsection (2)[:]; and

428 (b) If an individual appointed as a board member under Subsection 11-59-302(2)(e) or

429 (f) takes action, during the individual's service as a board member, to initiate, negotiate, or
430 otherwise arrange for the acquisition of an interest in real property, other than a personal
431 residence in which the individual intends to live, located within five miles of the point of the
432 mountain state land, the individual shall submit a written statement to the board chair
433 describing the action, the interest in real property that the individual intends to acquire, and the
434 location of the real property.

435 (4) [A] Except for a board member appointed under Subsection 11-59-302(2)(e) or (f),
436 a board member may not, at any time during the board member's service on the board, take any
437 action to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real
438 property, other than a personal residence in which the member intends to reside, located within
439 five miles of the point of the mountain state land.

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

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

449 Section 9. Section **17D-4-102** is amended to read:

450 **17D-4-102. Definitions.**

451 As used in this chapter:

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

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

455 (3) "Development authority" means:

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

457 (b) the Point of the Mountain State Land Authority created in Section **11-59-201**; or

458 [b] (c) the military installation development authority created in Section **63H-1-201**.

459 (4) "District applicant" means the person proposing the creation of a public

460 infrastructure district.

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

462 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
463 other divisions within the public infrastructure district, taking into account existing or potential
464 developments which, when completed, would increase or decrease the population within the
465 public infrastructure district; and

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

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

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

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

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

475 (B) on taxable property within the district;

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

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

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

481 (i) a short-term bond;

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

483 (iii) a special assessment bond.

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

485 (a) publicly owned infrastructure and improvements, as defined in Section 11-58-102,
486 for a public infrastructure district created by the Utah Inland Port Authority created in Section
487 11-58-201; and

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

490 Section 10. Section 52-4-205 is amended to read:

491 **52-4-205. Purposes of closed meetings -- Certain issues prohibited in closed**
492 **meetings.**

493 (1) A closed meeting described under Section **52-4-204** may only be held for:

494 (a) except as provided in Subsection (3), discussion of the character, professional
495 competence, or physical or mental health of an individual;

496 (b) strategy sessions to discuss collective bargaining;

497 (c) strategy sessions to discuss pending or reasonably imminent litigation;

498 (d) strategy sessions to discuss the purchase, exchange, or lease of real property,

499 including any form of a water right or water shares, or to discuss a proposed development
500 agreement, project proposal, or financing proposal related to the development of land owned by
501 the state, if public discussion [of the transaction] would:

502 (i) disclose the appraisal or estimated value of the property under consideration; or

503 (ii) prevent the public body from completing the transaction on the best possible terms;

504 (e) strategy sessions to discuss the sale of real property, including any form of a water
505 right or water shares, if:

506 (i) public discussion of the transaction would:

507 (A) disclose the appraisal or estimated value of the property under consideration; or

508 (B) prevent the public body from completing the transaction on the best possible terms;

509 (ii) the public body previously gave public notice that the property would be offered for
510 sale; and

511 (iii) the terms of the sale are publicly disclosed before the public body approves the
512 sale;

513 (f) discussion regarding deployment of security personnel, devices, or systems;

514 (g) investigative proceedings regarding allegations of criminal misconduct;

515 (h) as relates to the Independent Legislative Ethics Commission, conducting business
516 relating to the receipt or review of ethics complaints;

517 (i) as relates to an ethics committee of the Legislature, a purpose permitted under
518 Subsection **52-4-204**(1)(a)(iii)(C);

519 (j) as relates to the Independent Executive Branch Ethics Commission created in
520 Section **63A-14-202**, conducting business relating to an ethics complaint;

521 (k) as relates to a county legislative body, discussing commercial information as

522 defined in Section [59-1-404](#);

523 (l) as relates to the Utah Higher Education Assistance Authority and its appointed
524 board of directors, discussing fiduciary or commercial information as defined in Section
525 [53B-12-102](#);

526 (m) deliberations, not including any information gathering activities, of a public body
527 acting in the capacity of:

528 (i) an evaluation committee under Title 63G, Chapter 6a, Utah Procurement Code,
529 during the process of evaluating responses to a solicitation, as defined in Section [63G-6a-103](#);

530 (ii) a protest officer, defined in Section [63G-6a-103](#), during the process of making a
531 decision on a protest under Title 63G, Chapter 6a, Part 16, Protests; or

532 (iii) a procurement appeals panel under Title 63G, Chapter 6a, Utah Procurement
533 Code, during the process of deciding an appeal under Title 63G, Chapter 6a, Part 17,
534 Procurement Appeals Board;

535 (n) the purpose of considering information that is designated as a trade secret, as
536 defined in Section [13-24-2](#), if the public body's consideration of the information is necessary in
537 order to properly conduct a procurement under Title 63G, Chapter 6a, Utah Procurement Code;

538 (o) the purpose of discussing information provided to the public body during the
539 procurement process under Title 63G, Chapter 6a, Utah Procurement Code, if, at the time of
540 the meeting:

541 (i) the information may not, under Title 63G, Chapter 6a, Utah Procurement Code, be
542 disclosed to a member of the public or to a participant in the procurement process; and

543 (ii) the public body needs to review or discuss the information in order to properly
544 fulfill its role and responsibilities in the procurement process;

545 (p) as relates to the governing board of a governmental nonprofit corporation, as that
546 term is defined in Section [11-13a-102](#), the purpose of discussing information that is designated
547 as a trade secret, as that term is defined in Section [13-24-2](#), if:

548 (i) public knowledge of the discussion would reasonably be expected to result in injury
549 to the owner of the trade secret; and

550 (ii) discussion of the information is necessary for the governing board to properly
551 discharge the board's duties and conduct the board's business; or

552 (q) a purpose for which a meeting is required to be closed under Subsection (2).

593 Section 11. Section **59-2-924** is amended to read:

594 **59-2-924. Definitions -- Report of valuation of property to county auditor and**
595 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
596 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**
597 **commission.**

598 (1) As used in this section:

599 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with
600 this chapter.

601 (ii) "Ad valorem property tax revenue" does not include:

602 (A) interest;

603 (B) penalties;

604 (C) collections from redemptions; or

605 (D) revenue received by a taxing entity from personal property that is semiconductor
606 manufacturing equipment assessed by a county assessor in accordance with Part 3, County
607 Assessment.

608 (b) "Adjusted tax increment" means the same as that term is defined in Section

609 17C-1-102.

610 (c) (i) "Aggregate taxable value of all property taxed" means:

611 (A) the aggregate taxable value of all real property a county assessor assesses in
612 accordance with Part 3, County Assessment, for the current year;

613 (B) the aggregate taxable value of all real and personal property the commission
614 assesses in accordance with Part 2, Assessment of Property, for the current year; and

615 (C) the aggregate year end taxable value of all personal property a county assessor
616 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls
617 of the taxing entity.

618 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
619 end taxable value of personal property that is:

620 (A) semiconductor manufacturing equipment assessed by a county assessor in
621 accordance with Part 3, County Assessment; and

622 (B) contained on the prior year's tax rolls of the taxing entity.

623 (d) "Base taxable value" means:

624 (i) for an authority created under Section 11-58-201, the same as that term is defined in
625 Section 11-58-102;

[~~(iii)~~] (iii) for an agency created under Section [17C-1-201.5](#), the same as that term is defined in Section [17C-1-102](#);

[~~(iii)~~] (iv) for an authority created under Section [63H-1-201](#), the same as that term is defined in Section [63H-1-102](#); or

632 [~~(iv)~~] (v) for a host local government, the same as that term is defined in Section
633 63N-2-502.

634 (e) "Centrally assessed benchmark value" means an amount equal to the highest year
635 end taxable value of real and personal property the commission assesses in accordance with
636 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,
637 2015, adjusted for taxable value attributable to:

638 (i) an annexation to a taxing entity; or

639 (ii) an incorrect allocation of taxable value of real or personal property the commission
640 assesses in accordance with Part 2, Assessment of Property.

641 (f) (i) "Centrally assessed new growth" means the greater of:

642 (A) zero; or

643 (B) the amount calculated by subtracting the centrally assessed benchmark value
644 adjusted for prior year end incremental value from the taxable value of real and personal
645 property the commission assesses in accordance with Part 2, Assessment of Property, for

646 current year, adjusted for current year incremental value.

647 (ii) "Centrally assessed new growth" does not include a change in value as a result of a
648 change in the method of apportioning the value prescribed by the Legislature, a court, or the
649 commission in an administrative rule or administrative order.

650 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property
651 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.

652 (h) "Community reinvestment agency" means the same as that term is defined in
653 Section 17C-1-102.

654 (i) "Eligible new growth" means the greater of:

655 (i) zero; or

656 (ii) the sum of:

657 (A) locally assessed new growth;

658 (B) centrally assessed new growth; and

659 (C) project area new growth or hotel property new growth.

660 (j) "Host local government" means the same as that term is defined in Section
661 63N-2-502.

662 (k) "Hotel property" means the same as that term is defined in Section 63N-2-502.

663 (l) "Hotel property new growth" means an amount equal to the incremental value that
664 is no longer provided to a host local government as incremental property tax revenue.

665 (m) "Incremental property tax revenue" means the same as that term is defined in
666 Section 63N-2-502.

667 (n) "Incremental value" means:

668 (i) for an authority created under Section 11-58-201, the amount calculated by
669 multiplying:

670 (A) the difference between the taxable value and the base taxable value of the property
671 that is located within a project area and on which property tax differential is collected; and

672 (B) the number that represents the percentage of the property tax differential that is
673 paid to the authority;

674 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
675 an amount calculated by multiplying:

676 (A) the difference between the current assessed value of the property and the base

677 taxable value; and

678 (B) the number that represents the percentage of the property tax augmentation, as
679 defined in Section 11-59-207, that is paid to the Point of the Mountain State Land Authority;

680 [~~(ii)~~] (iii) for an agency created under Section 17C-1-201.5, the amount calculated by
681 multiplying:

682 (A) the difference between the taxable value and the base taxable value of the property
683 located within a project area and on which tax increment is collected; and

684 (B) the number that represents the adjusted tax increment from that project area that is
685 paid to the agency;

686 [~~(iii)~~] (iv) for an authority created under Section 63H-1-201, the amount calculated by
687 multiplying:

688 (A) the difference between the taxable value and the base taxable value of the property
689 located within a project area and on which property tax allocation is collected; and

690 (B) the number that represents the percentage of the property tax allocation from that
691 project area that is paid to the authority; or

692 [~~(iv)~~] (v) for a host local government, an amount calculated by multiplying:

693 (A) the difference between the taxable value and the base taxable value of the hotel
694 property on which incremental property tax revenue is collected; and

695 (B) the number that represents the percentage of the incremental property tax revenue
696 from that hotel property that is paid to the host local government.

697 (o) (i) "Locally assessed new growth" means the greater of:

698 (A) zero; or

699 (B) the amount calculated by subtracting the year end taxable value of real property the
700 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,
701 adjusted for prior year end incremental value from the taxable value of real property the county
702 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted
703 for current year incremental value.

704 (ii) "Locally assessed new growth" does not include a change in:

705 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or
706 another adjustment;

707 (B) assessed value based on whether a property is allowed a residential exemption for a
708 primary residence under Section 59-2-103;

709 (C) assessed value based on whether a property is assessed under Part 5, Farmland
710 Assessment Act; or

711 (D) assessed value based on whether a property is assessed under Part 17, Urban
712 Farming Assessment Act.

713 (p) "Project area" means:

714 (i) for an authority created under Section 11-58-201, the same as that term is defined in
715 Section 11-58-102;

716 (ii) for an agency created under Section 17C-1-201.5, the same as that term is defined
717 in Section 17C-1-102; or

718 (iii) for an authority created under Section 63H-1-201, the same as that term is defined
719 in Section 63H-1-102.

720 (q) "Project area new growth" means:

721 (i) for an authority created under Section 11-58-201, an amount equal to the
722 incremental value that is no longer provided to an authority as property tax differential;

723 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
724 an amount equal to the incremental value that is no longer provided to the Point of the
725 Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-20

[~~(ii)~~] (iii) for an agency created under Section 17C-1-201.5, an amount equal to the incremental value that is no longer provided to an agency as tax increment; or

[~~iii~~] iv for an authority created under Section 63H-1-201, an amount equal to the incremental value that is no longer provided to an authority as property tax allocation.

730 (r) "Project area incremental revenue" means the same as that term is defined in
731 Section 17C-1-1001.

732 (s) "Property tax allocation" means the same as that term is defined in Section
733 **63H-1-102.**

734 (t) "Property tax differential" means the same as that term is defined in Section
735 11-58-102.

736 (u) "Qualifying exempt revenue" means revenue received:

737 (i) for the previous calendar year;

738 (ii) by a taxing entity;

739 (iii) from tangible personal property contained on the prior year's tax rolls that is

740 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on

741 January 1, 2022; and

742 (iv) on the aggregate 2021 year end taxable value of the tangible personal property that

743 exceeds \$15,300.

744 (v) "Tax increment" means the same as that term is defined in Section 17C-1-102.

745 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
746 county auditor and the commission the following statements:

747 (a) a statement containing the aggregate valuation of all taxable real property a county
748 assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and

749 (b) a statement containing the taxable value of all personal property a county assessor
750 assesses in accordance with Part 3, County Assessment, from the prior year end values.

751 (3) The county auditor shall, on or before June 8, transmit to the governing body of
752 each taxing entity:

753 (a) the statements described in Subsections (2)(a) and (b);
754 (b) an estimate of the revenue from personal property;
755 (c) the certified tax rate; and
756 (d) all forms necessary to submit a tax levy request.

757 (4) (a) Except as otherwise provided in this section, the certified tax rate shall be
758 calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the
759 prior year minus the qualifying exempt revenue by the amount calculated under Subsection
760 (4)(b).

761 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
762 calculate an amount as follows:

763 (i) calculate for the taxing entity the difference between:
764 (A) the aggregate taxable value of all property taxed; and
765 (B) any adjustments for current year incremental value;
766 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
767 determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the
768 average of the percentage net change in the value of taxable property for the equalization

769 period for the three calendar years immediately preceding the current calendar year;

770 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product

771 of:

772 (A) the amount calculated under Subsection (4)(b)(ii); and

773 (B) the percentage of property taxes collected for the five calendar years immediately

774 preceding the current calendar year; and

775 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount

776 determined by:

777 (A) multiplying the percentage of property taxes collected for the five calendar years

778 immediately preceding the current calendar year by eligible new growth; and

779 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount

780 calculated under Subsection (4)(b)(iii).

781 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be

782 calculated as follows:

783 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified

784 tax rate is zero;

785 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

786 (i) in a county of the first, second, or third class, the levy imposed for municipal-type

787 services under Sections [17-34-1](#) and [17-36-9](#); and

788 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county

789 purposes and such other levies imposed solely for the municipal-type services identified in

790 Section [17-34-1](#) and Subsection [17-36-3](#)(23);

791 (c) for a community reinvestment agency that received all or a portion of a taxing

792 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10,

793 Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4)

794 except that the commission shall treat the total revenue transferred to the community

795 reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the

796 prior year; and

797 (d) for debt service voted on by the public, the certified tax rate is the actual levy

798 imposed by that section, except that a certified tax rate for the following levies shall be

799 calculated in accordance with Section [59-2-913](#) and this section:

800 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
801 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative
802 orders under Section 59-2-1602.

803 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be
804 imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more
805 eligible judgments.

806 (b) The ad valorem property tax revenue generated by a judgment levy described in
807 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax
808 rate.

809 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

810 (i) the taxable value of real property;

811 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

812 (B) contained on the assessment roll;

813 (ii) the year end taxable value of personal property;

814 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

815 (B) contained on the prior year's assessment roll; and

816 (iii) the taxable value of real and personal property the commission assesses in

817 accordance with Part 2, Assessment of Property.

818 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new

819 growth.

820 (8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget
821 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall
822 notify the county auditor of:

823 (i) the taxing entity's intent to exceed the certified tax rate; and

824 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

825 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
826 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

827 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through
828 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim
829 Committee if:

830 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end

831 taxable value of the real and personal property the commission assesses in accordance with
832 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental
833 value; and

834 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end
835 taxable value of the real and personal property of a taxpayer the commission assesses in
836 accordance with Part 2, Assessment of Property, for the previous year.

837 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
838 subtracting the taxable value of real and personal property the commission assesses in
839 accordance with Part 2, Assessment of Property, for the current year, adjusted for current year
840 incremental value, from the year end taxable value of the real and personal property the
841 commission assesses in accordance with Part 2, Assessment of Property, for the previous year,
842 adjusted for prior year end incremental value.

843 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
844 subtracting the total taxable value of real and personal property of a taxpayer the commission
845 assesses in accordance with Part 2, Assessment of Property, for the current year, from the total
846 year end taxable value of the real and personal property of a taxpayer the commission assesses
847 in accordance with Part 2, Assessment of Property, for the previous year.

848 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet
849 the requirement under Subsection (9)(a)(ii).

850 Section 12. Section **63A-3-401.5** is amended to read:

851 **63A-3-401.5. Definitions.**

852 As used in this part:

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

855 (2) "Independent political subdivision" means:

856 (a) the Utah Inland Port Authority created in Section **11-58-201**;
857 (b) the Point of the Mountain State Land Authority created in Section **11-59-201**; or
858 (c) the Military Installation Development Authority created in Section **63H-1-201**.

859 (3) "Infrastructure fund" means a fund created in Subsection **63A-3-402**(1).

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

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

864 (a) within a project area; or

865 (b) outside a project area, if the respective loan approval [committee] body determines
866 by resolution that the public infrastructure and improvements are of benefit to the project area.

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

868 (7) "Inland port fund" means the infrastructure fund created in Subsection
869 **63A-3-402**(1)(a).

870 (8) "Military development fund" means the infrastructure fund created in Subsection
871 **63A-3-402**(1)(c).

872 (9) "Point of the mountain fund" means the infrastructure fund created in Subsection
873 **63A-3-402**(1)(b).

874 (10) "Project area" means:

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

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

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

881 (11) "Property tax revenue" means:

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

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

886 (12) "Public infrastructure and improvements":

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

888 (i) means publicly owned infrastructure and improvements, as defined in Section
889 11-58-102; and

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

(b) means publicly owned infrastructure and improvements, as defined in Section 11-59-102, for purposes of an infrastructure loan from the point of the mountain fund; and

893 [~~(b)~~] (c) means the same as that term is defined in Section 63H-1-102, for purposes of
894 an infrastructure loan from the military development fund.

895 (13) "Respective loan approval [committee] body" means:

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

898 (b) the [committee] board created in Section [~~11-59-104~~] 11-59-301, for purposes of an
899 infrastructure loan from the point of the mountain fund; and

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

902 Section 13. Section **63A-3-402** is amended to read:

903 **63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money
904 in funds.**

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

906 (a) the inland port infrastructure revolving loan fund;
907 (b) the point of the mountain infrastructure revolving loan fund; and
908 (c) the military development infrastructure revolving loan fund.

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

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

913 (b) The division may not loan money in an infrastructure fund without the approval of
914 the respective loan approval [committee] body.

915 Section 14. Section **63A-3-404** is amended to read:

916 **63A-3-404. Loan agreement.**

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

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

920 (A) bonds, notes, or another evidence of indebtedness validly issued under state law; or
921 (B) revenue generated from an infrastructure project.

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

924 (c) The respective loan approval [committee] body may determine that property tax
925 revenue or revenue from the infrastructure project for which the infrastructure loan is obtained
926 is sufficient security for an infrastructure loan.

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

929 (3) (a) Subject to Subsection (3)(b), the respective loan approval [committee] body
930 shall determine the length of term of an infrastructure loan.

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

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

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

938 (i) seek any legal or equitable remedy to obtain:
939 (A) compliance with the agreement; or
940 (B) the payment of damages; and

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

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

947 (6) Upon approval from the respective loan approval [committee] body, the division
948 shall loan money from an infrastructure fund according to the terms established by the
949 respective loan approval [committee] body.

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

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

954 (ii) Payments due after May 5, 2021 under the loan under Subsection 63B-27-101(3)(a)

955 shall be made to the division rather than to the State Infrastructure Bank Fund, to be deposited
956 into the military development fund.

957 **Section 15. Repealer.**

958 This bill repeals:

959 **Section 11-59-101, Title.**

960 **Section 16. Effective date.**

961 (1) Except as provided in Subsection (2), this bill takes effect May 4, 2022.

962 (2) The amendments to Sections 10-1-304, 11-59-205, 11-59-206, 11-59-207, and

963 59-2-924 take effect July 1, 2022.