

**Representative V. Lowry Snow** proposes the following substitute bill:

**POINT OF THE MOUNTAIN STATE LAND AUTHORITY**

**AMENDMENTS**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: V. Lowry Snow**

Senate Sponsor: Jerry W. Stevenson

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ authorizes the Point of the Mountain State Land Authority to impose an energy sales and use tax and an energy tax and to collect impact fees and other development fees;
- ▶ modifies the membership of a loan committee;
- ▶ moves the ability to approve a loan from the loan committee to the Authority board and requires Executive Appropriations Committee approval for a loan from the point of the mountain loan fund;
- ▶ modifies a provision relating to Authority powers;
- ▶ requires a lessee of point of the mountain state land to pay an annual fee and provides for the levy and collection of the fee;
- ▶ requires the Authority to be paid a portion of increased property tax revenue from parcels of land transferred to a private owner;



- 26           ▶ modifies limitations on individuals serving as board members;
- 27           ▶ modifies the purposes of a closed meeting to include certain discussions relating to
- 28 the development of land owned by the state;
- 29           ▶ modifies provisions relating to an Authority infrastructure fund; and
- 30           ▶ makes technical changes.

**31 Money Appropriated in this Bill:**

32           None

**33 Other Special Clauses:**

34           None

**35 Utah Code Sections Affected:**

36 AMENDS:

37           **10-1-304**, as last amended by Laws of Utah 2021, Chapter 414 and last amended by

38 Coordination Clause, Laws of Utah 2021, Chapter 367

39           **11-36a-102**, as last amended by Laws of Utah 2021, Chapter 35

40           **11-59-102**, as last amended by Laws of Utah 2021, Chapter 415

41           **11-59-104**, as enacted by Laws of Utah 2021, Chapter 415

42           **11-59-202**, as last amended by Laws of Utah 2020, Chapter 354

43           **11-59-306**, as enacted by Laws of Utah 2018, Chapter 388

44           **17D-4-102**, as last amended by Laws of Utah 2021, Chapter 415 and renumbered and

45 amended by Laws of Utah 2021, Chapter 314

46           **52-4-205**, as last amended by Laws of Utah 2021, Chapters 179 and 231

47           **59-2-924**, as last amended by Laws of Utah 2021, Chapters 214 and 388

48           **63A-3-401.5**, as enacted by Laws of Utah 2021, Chapter 415

49           **63A-3-402**, as enacted by Laws of Utah 2021, Chapter 415

50           **63A-3-404**, as enacted by Laws of Utah 2021, Chapter 415

51 ENACTS:

52           **11-59-205**, Utah Code Annotated 1953

53           **11-59-206**, Utah Code Annotated 1953

54           **11-59-207**, Utah Code Annotated 1953

55           **11-59-208**, Utah Code Annotated 1953

56 REPEALS:

57 **11-59-101**, as enacted by Laws of Utah 2018, Chapter 388



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

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

61 **10-1-304. Municipality, military installation development authority, and Point of**  
62 **the Mountain State Land Authority may levy tax -- Rate -- Imposition or repeal of tax --**  
63 **Tax rate change -- Effective date -- Notice requirements -- Exemptions.**

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

66 (i) by ordinance as provided in Section **10-1-305**; and

67 (ii) of up to 6% of the delivered value of the taxable energy.

68 (b) Subject to Section **63H-1-203**, the military installation development authority  
69 created in Section **63H-1-201** may levy a municipal energy sales and use tax under this part  
70 within a project area described in a project area plan adopted by the authority under Title 63H,  
71 Chapter 1, Military Installation Development Authority Act, as though the authority were a  
72 municipality.

73 (c) (i) Beginning July 1, 2022, the Point of the Mountain State Land Authority, created  
74 in Section **11-59-201**, may by resolution levy a municipal energy sales and use tax under this  
75 part within the area that constitutes the point of the mountain state land, as defined in Section  
76 **11-59-102**, as though the Point of the Mountain State Land Authority were a municipality.

77 (ii) The Point of the Mountain State Land Authority's adoption of a resolution under  
78 Subsection (1)(c)(i) that otherwise complies with the requirements under this part applicable to  
79 an ordinance is considered the equivalent of adopting an ordinance under this part.

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

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

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

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

87 (b) (i) If, on or after May 1, 2000, a city or town enacts or repeals a tax or changes the

88 rate of a tax under this part, the enactment, repeal, or change shall take effect:

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

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

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

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

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

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

97 (D) if the city or town enacts the tax or changes the rate of the tax described in  
98 Subsection (3)(b)(ii)(A), the new rate of the tax.

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

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

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

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

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

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

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

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

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

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

119 (5) (a) A municipality may not levy a municipal energy sales and use tax;  
120 (i) within any portion of the municipality that is within a project area described in a  
121 project area plan adopted by the military installation development authority under Title 63H,  
122 Chapter 1, Military Installation Development Authority Act[-]; or

123 (ii) on or after July 1, 2022, within the point of the mountain state land, as defined in  
124 Section 11-59-102.

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

126 (i) the military installation development authority's levy of a municipal energy sales  
127 and use tax[-]; or

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

130 Section 2. Section **11-36a-102** is amended to read:

131 **11-36a-102. Definitions.**

132 As used in this chapter:

133 (1) (a) "Affected entity" means each county, municipality, local district under Title  
134 17B, Limited Purpose Local Government Entities - Local Districts, special service district  
135 under Title 17D, Chapter 1, Special Service District Act, school district, interlocal cooperation  
136 entity established under Chapter 13, Interlocal Cooperation Act, and specified public utility:

137 (i) whose services or facilities are likely to require expansion or significant  
138 modification because of the facilities proposed in the proposed impact fee facilities plan; or

139 (ii) that has filed with the local political subdivision or private entity a copy of the  
140 general or long-range plan of the county, municipality, local district, special service district,  
141 school district, interlocal cooperation entity, or specified public utility.

142 (b) "Affected entity" does not include the local political subdivision or private entity  
143 that is required under Section **11-36a-501** to provide notice.

144 (2) "Charter school" includes:

145 (a) an operating charter school;

146 (b) an applicant for a charter school whose application has been approved by a charter  
147 school authorizer as provided in Title 53G, Chapter 5, Part 6, Charter School Credit  
148 Enhancement Program; and

149 (c) an entity that is working on behalf of a charter school or approved charter applicant

150 to develop or construct a charter school building.

151 (3) "Development activity" means any construction or expansion of a building,  
152 structure, or use, any change in use of a building or structure, or any changes in the use of land  
153 that creates additional demand and need for public facilities.

154 (4) "Development approval" means:

155 (a) except as provided in Subsection (4)(b), any written authorization from a local  
156 political subdivision that authorizes the commencement of development activity;

157 (b) development activity, for a public entity that may develop without written  
158 authorization from a local political subdivision;

159 (c) a written authorization from a public water supplier, as defined in Section 73-1-4,  
160 or a private water company:

161 (i) to reserve or provide:

162 (A) a water right;

163 (B) a system capacity; or

164 (C) a distribution facility; or

165 (ii) to deliver for a development activity:

166 (A) culinary water; or

167 (B) irrigation water; or

168 (d) a written authorization from a sanitary sewer authority, as defined in Section  
169 10-9a-103:

170 (i) to reserve or provide:

171 (A) sewer collection capacity; or

172 (B) treatment capacity; or

173 (ii) to provide sewer service for a development activity.

174 (5) "Enactment" means:

175 (a) a municipal ordinance, for a municipality;

176 (b) a county ordinance, for a county; and

177 (c) a governing board resolution, for a local district, special service district, or private  
178 entity.

179 (6) "Encumber" means:

180 (a) a pledge to retire a debt; or

- 181 (b) an allocation to a current purchase order or contract.
- 182 (7) "Expense for overhead" means a cost that a local political subdivision or private  
183 entity:
- 184 (a) incurs in connection with:
- 185 (i) developing an impact fee facilities plan;
- 186 (ii) developing an impact fee analysis; or
- 187 (iii) imposing an impact fee, including any related overhead expenses; and
- 188 (b) calculates in accordance with a methodology that is consistent with generally  
189 accepted cost accounting practices.
- 190 (8) "Hookup fee" means a fee for the installation and inspection of any pipe, line,  
191 meter, or appurtenance to connect to a gas, water, sewer, storm water, power, or other utility  
192 system of a municipality, county, local district, special service district, or private entity.
- 193 (9) (a) "Impact fee" means a payment of money imposed upon new development  
194 activity as a condition of development approval to mitigate the impact of the new development  
195 on public infrastructure.
- 196 (b) "Impact fee" does not mean a tax, a special assessment, a building permit fee, a  
197 hookup fee, a fee for project improvements, or other reasonable permit or application fee.
- 198 (10) "Impact fee analysis" means the written analysis of each impact fee required by  
199 Section [11-36a-303](#).
- 200 (11) "Impact fee facilities plan" means the plan required by Section [11-36a-301](#).
- 201 (12) "Level of service" means the defined performance standard or unit of demand for  
202 each capital component of a public facility within a service area.
- 203 (13) (a) "Local political subdivision" means a county, a municipality, a local district  
204 under Title 17B, Limited Purpose Local Government Entities - Local Districts, ~~[or]~~ a special  
205 service district under Title 17D, Chapter 1, Special Service District Act, or the Point of the  
206 Mountain State Land Authority, created in Section [11-59-201](#).
- 207 (b) "Local political subdivision" does not mean a school district, whose impact fee  
208 activity is governed by Section [11-36a-206](#).
- 209 (14) "Private entity" means an entity in private ownership with at least 100 individual  
210 shareholders, customers, or connections, that is located in a first, second, third, or fourth class  
211 county and provides water to an applicant for development approval who is required to obtain

212 water from the private entity either as a:

213 (a) specific condition of development approval by a local political subdivision acting  
214 pursuant to a prior agreement, whether written or unwritten, with the private entity; or

215 (b) functional condition of development approval because the private entity:

216 (i) has no reasonably equivalent competition in the immediate market; and

217 (ii) is the only realistic source of water for the applicant's development.

218 (15) (a) "Project improvements" means site improvements and facilities that are:

219 (i) planned and designed to provide service for development resulting from a

220 development activity;

221 (ii) necessary for the use and convenience of the occupants or users of development

222 resulting from a development activity; and

223 (iii) not identified or reimbursed as a system improvement.

224 (b) "Project improvements" does not mean system improvements.

225 (16) "Proportionate share" means the cost of public facility improvements that are

226 roughly proportionate and reasonably related to the service demands and needs of any

227 development activity.

228 (17) "Public facilities" means only the following impact fee facilities that have a life

229 expectancy of 10 or more years and are owned or operated by or on behalf of a local political

230 subdivision or private entity:

231 (a) water rights and water supply, treatment, storage, and distribution facilities;

232 (b) wastewater collection and treatment facilities;

233 (c) storm water, drainage, and flood control facilities;

234 (d) municipal power facilities;

235 (e) roadway facilities;

236 (f) parks, recreation facilities, open space, and trails;

237 (g) public safety facilities;

238 (h) environmental mitigation as provided in Section [11-36a-205](#); or

239 (i) municipal natural gas facilities.

240 (18) (a) "Public safety facility" means:

241 (i) a building constructed or leased to house police, fire, or other public safety entities;

242 or



243 (ii) a fire suppression vehicle costing in excess of \$500,000.

244 (b) "Public safety facility" does not mean a jail, prison, or other place of involuntary  
245 incarceration.

246 (19) (a) "Roadway facilities" means a street or road that has been designated on an  
247 officially adopted subdivision plat, roadway plan, or general plan of a political subdivision,  
248 together with all necessary appurtenances.

249 (b) "Roadway facilities" includes associated improvements to a federal or state  
250 roadway only when the associated improvements:

251 (i) are necessitated by the new development; and

252 (ii) are not funded by the state or federal government.

253 (c) "Roadway facilities" does not mean federal or state roadways.

254 (20) (a) "Service area" means a geographic area designated by an entity that imposes an  
255 impact fee on the basis of sound planning or engineering principles in which a public facility,  
256 or a defined set of public facilities, provides service within the area.

257 (b) "Service area" may include the entire local political subdivision or an entire area  
258 served by a private entity.

259 (21) "Specified public agency" means:

260 (a) the state;

261 (b) a school district; or

262 (c) a charter school.

263 (22) (a) "System improvements" means:

264 (i) existing public facilities that are:

265 (A) identified in the impact fee analysis under Section 11-36a-304; and

266 (B) designed to provide services to service areas within the community at large; and

267 (ii) future public facilities identified in the impact fee analysis under Section

268 11-36a-304 that are intended to provide services to service areas within the community at large.

269 (b) "System improvements" does not mean project improvements.

270 Section 3. Section 11-59-102 is amended to read:

271 **11-59-102. Definitions.**

272 As used in this chapter:

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

274 Section 11-59-201.

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

276 (3) "Development":

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

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

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

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

285 (b) includes all activities associated with:

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

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

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

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

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

297 (6) "Public entity" means:

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

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

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

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

304 (i) benefit the public; and

305 (ii) (A) are owned by a public entity or a utility; or  
 306 (B) are publicly maintained or operated by a public entity; and  
 307 (b) includes:  
 308 (i) facilities, lines, or systems that provide:  
 309 (A) water, chilled water, or steam; or  
 310 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,  
 311 microgrids, or telecommunications service;  
 312 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking  
 313 facilities, and public transportation facilities; and  
 314 (iii) greenspace, parks, trails, recreational amenities, or other similar facilities.  
 315 (8) "Taxing entity" means the same as that term is defined in Section [59-2-102](#).  
 316 Section 4. Section **11-59-104** is amended to read:  
 317 **11-59-104. Loan committee -- Approval of infrastructure loans.**  
 318 (1) As used in this section:  
 319 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).  
 320 (b) "Infrastructure loan" means the same as that term is defined in Section  
 321 [63A-3-401.5](#).  
 322 (c) "Infrastructure project" means the same as that term is defined in Section  
 323 [63A-3-401.5](#).  
 324 (d) "Point of the mountain fund" means the same as that term is defined in Section  
 325 [63A-3-401.5](#).  
 326 (e) "Loan [~~approval~~] committee" means a committee [~~consisting of:~~] established under  
 327 Subsection (2).  
 328 [~~(i) the board member;~~  
 329 [~~(A) who is a member of the Senate appointed under Subsection [11-59-302\(2\)\(a\)](#); and]~~  
 330 [~~(B) whose Senate district is closer to the boundary of the point of the mountain state~~  
 331 ~~land than is the Senate district of the other member of the Senate appointed under Subsection~~  
 332 ~~[11-59-302\(2\)\(a\)](#);~~  
 333 [~~(ii) the board member;~~  
 334 [~~(A) who is a member of the House of Representatives appointed under Subsection~~  
 335 ~~[11-59-302\(2\)\(b\)](#); and]~~

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

339 ~~[(iii) the board member who is appointed by the governor under Subsection~~  
 340 ~~[11-59-302\(2\)\(c\)\(i\)](#);~~]

341 ~~[(iv) the board member who is appointed by the governor under Subsection~~  
 342 ~~[11-59-302\(2\)\(c\)\(ii\)](#); and]~~

343 ~~[(v) the board member who is the mayor of Draper or a member of the Draper city~~  
 344 ~~council;]~~

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

346 (a) the individual who is the board member appointed by the governor under  
 347 Subsection [11-59-302\(2\)\(c\)\(ii\)](#);

348 (b) the individual who is a board member under Subsection [11-59-302\(2\)\(e\)](#) because  
 349 the individual is the mayor of Draper or a member of the Draper city council;

350 (c) the executive director of the Department of Transportation, or the executive  
 351 director's designee;

352 (d) an individual, appointed by the governor, who:

353 (i) is not an elected official; and

354 (ii) has expertise in public finance or infrastructure development; and

355 (e) an individual, appointed jointly by the president of the Senate and speaker of the  
 356 House of Representatives, who:

357 (i) is not an elected official; and

358 (ii) has expertise in public finance or infrastructure development.

359 ~~[(2)]~~ (3) (a) The loan [approval] committee may [approve] recommend for board  
 360 approval an infrastructure loan from the point of the mountain fund to a borrower for an  
 361 infrastructure project undertaken by the borrower.

362 (b) An infrastructure loan from the point of the mountain fund may not be made unless:

363 (i) the infrastructure loan is recommended by the loan committee; and

364 (ii) the board approves the infrastructure loan.

365 ~~[(3)]~~ (4) [The loan approval committee shall establish] If the loan committee  
 366 recommends an infrastructure loan, the loan committee shall recommend the terms of [an] the

367 infrastructure loan in accordance with Section [63A-3-404](#).

368 ~~[(4)]~~ (5) The ~~[loan approval committee]~~ board may establish policies and guidelines  
369 with respect to prioritizing requests for infrastructure loans and approving infrastructure loans.

370 ~~[(5)]~~ (6) Within 60 days after the execution of an infrastructure loan, the ~~[loan approval~~  
371 ~~committee]~~ board shall report the infrastructure loan, including the loan amount, terms, and  
372 security, to the Executive Appropriations Committee.

373 ~~[(6)]~~ (7) (a) Salaries and expenses of committee members who are legislators shall be  
374 paid in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3,  
375 Legislator Compensation.

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

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

381 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
382 [63A-3-107](#).

383 Section 5. Section **11-59-202** is amended to read:

384 **11-59-202. Authority powers.**

385 The authority may:

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

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

394 (3) sue and be sued;

395 (4) enter into contracts generally, including a contract for the sharing of records under  
396 Section [63G-2-206](#);

397 (5) buy, obtain an option upon, or otherwise acquire any interest in real or personal

398 property, as necessary to accomplish the duties and responsibilities of the authority, including  
399 an interest in real property, apart from point of the mountain state land, or personal property,  
400 outside point of the mountain state land, for publicly owned infrastructure and improvements,  
401 if the board considers the purchase, option, or other interest acquisition to be necessary for  
402 fulfilling the authority's development objectives;

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

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

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

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

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

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

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

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

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

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

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

428 (17) exercise powers and perform functions that the authority is authorized by statute

429 to exercise or perform;

430 (18) enter into one or more interlocal agreements under Title 11, Chapter 13, Interlocal  
431 Cooperation Act, with one or more local government entities for the delivery of services to the  
432 point of the mountain state land; ~~and~~

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

436 (20) provide funding for the development of publicly owned infrastructure and  
437 improvements or other infrastructure and improvements on or related to the point of the  
438 mountain state land; and

439 (21) impose impact fees under Title 11, Chapter 36a, Impact Fees Act, and other fees  
440 related to development activities.

441 Section 6. Section **11-59-205** is enacted to read:

442 **11-59-205. Authority funds.**

443 (1) Authority funds consist of all money that the authority receives from any source,  
444 including:

445 (a) money appropriated by the Legislature;

446 (b) money from lease revenue;

447 (c) revenue from fees or other charges imposed by the authority; and

448 (d) other money paid to or acquired by the authority, as provided in this chapter or  
449 other applicable law.

450 (2) The authority may use authority funds to carry out any of the powers of the  
451 authority under this chapter or for any purpose authorized under this chapter, including:

452 (a) providing long-term benefits to the state from the development or use of point of  
453 the mountain state land;

454 (b) investment in authority projects;

455 (c) repayment of point of the mountain infrastructure loans;

456 (d) repayment of or collateral for authority bonds;

457 (e) the sharing of money with other governmental entities under an interlocal  
458 agreement; and

459 (f) paying any consulting fees, staff salaries, and other administrative, overhead, legal,

460 and operating expenses of the authority.

461 (3) The authority may not spend or use any money the authority receives under Section  
462 10-1-304, 11-59-206, 11-59-207, or 11-59-208 until after June 30, 2023.

463 Section 7. Section **11-59-206** is enacted to read:

464 **11-59-206. Energy sales and use tax.**

465 (1) As provided in Subsection 10-1-304(1)(c), the authority may by resolution levy an  
466 energy sales and use tax, under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use  
467 Tax Act, on an energy supplier, as defined in Section 10-1-303, that supplies energy to a  
468 facility on the point of the mountain state land.

469 (2) An energy sales and use tax under this section is subject to the maximum rate under  
470 Subsection 10-3-304(1)(a)(ii), except that delivered value does not include the amount of a tax  
471 paid under this section.

472 (3) (a) An energy supplier may recover from the energy supplier's customers an amount  
473 equal to the energy sales and use tax, if the energy supplier includes the amount as a separate  
474 billing line item.

475 (b) An energy sales and use tax levied under this section is in addition to the rate  
476 approved by the Public Service Commission and charged to the customer.

477 (4) (a) An energy sales and use tax under this section is payable by the energy supplier  
478 to the authority on a monthly basis as described by the ordinance levying the tax.

479 (b) A resolution levying an energy sales and use tax shall allow the energy supplier to  
480 retain 1% of the tax remittance each month to offset the energy supplier's costs of collecting  
481 and remitting the tax.

482 (5) Beginning July 1, 2022, a municipality may not levy an energy sales and use tax on  
483 an energy supplier for energy that the energy supplier supplies to a facility located on the point  
484 of the mountain state land.

485 Section 8. Section **11-59-207** is enacted to read:

486 **11-59-207. Annual fee in lieu of property tax.**

487 (1) As used in this section:

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

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

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



491 be levied and collected on leased property by all taxing entities if the leased property were not  
492 exempt property.

493 (b) "Exempt property" means real property that is exempt from ad valorem property tax  
494 because the real property is owned by the state.

495 (c) "Lease agreement" means an agreement by which a private person leases from the  
496 state real property that is part of the point of the mountain state land.

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

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

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

500 (C) would be subject to ad valorem property tax if the real property were owned by the  
501 private person.

502 (ii) "Leased property" includes attachments and other improvements to the real  
503 property that would be included in an assessment of the value of the real property if the real  
504 property were not exempt property.

505 (e) "Leased property value" means the value that leased property would have if the  
506 leased property were subject to ad valorem property tax.

507 (f) "Lessee" means a private person that leases property that is part of the point of the  
508 mountain state land under a lease agreement.

509 (2) Beginning January 1 of the year immediately following the execution of a lease  
510 agreement, a lessee under the lease agreement shall pay an annual fee with respect to the leased  
511 property that is the subject of the lease agreement.

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

513 (a) the county assessor shall determine the leased property value of leased property that  
514 is subject to an annual fee as though the leased property were subject to ad valorem property  
515 tax;

516 (b) the county treasurer shall collect an annual fee in the same way and at the same  
517 time that the treasurer would collect ad valorem property tax on the leased property if the  
518 leased property were subject to ad valorem property tax;

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

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

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

527 Section 9. Section **11-59-208** is enacted to read:

528 **11-59-208. Portion of property tax augmentation to be paid to authority.**

529 (1) As used in this section:

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

531 (b) "Property tax augmentation":

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

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

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

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

538 (A) a county additional property tax or multicounty assessing and collecting levy  
539 imposed in accordance with Section [59-2-1602](#);

540 (B) a judgment levy imposed by a taxing entity under Section [59-2-1328](#) or [59-2-1330](#);  
541 or

542 (C) a levy imposed by a taxing entity under Section [11-14-310](#) to pay for a general  
543 obligation bond.

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

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

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

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

549 (2) Beginning with the first tax year that begins on or after January 1, 2023, the  
550 authority shall be paid 75% of property tax augmentation from a transferred parcel:

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

553 (b) for a period of an additional 15 years beyond the period stated in Subsection (2)(a)  
554 if:

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

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

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

563 Section 10. Section **11-59-306** is amended to read:

564 **11-59-306. Limitations on board members.**

565 (1) As used in this section:

566 (a) "Designated individual" means an individual:

567 (i) (A) who is a member of the Senate or House of Representatives:

568 (B) who has been appointed as a member of the board under Subsection

569 [11-59-302\(2\)\(a\)](#) or (b); and

570 (C) whose legislative district includes some or all of the point of the mountain state

571 land; or

572 (ii) who is designated to serve as a board member under Subsection [11-59-302\(2\)\(e\)](#) or

573 (f).

574 [~~(a)~~] (b) "Direct financial benefit":

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

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

578 and

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

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

582 [~~(b)~~] (c) "Family member" means a parent, spouse, sibling, child, or grandchild.

583 [~~(c)~~] (d) "Interest in real property" means every type of real property interest, whether

584 recorded or unrecorded, including:

585 (i) a legal or equitable interest;

586 (ii) an option on real property;

587 (iii) an interest under a contract;

588 (iv) fee simple ownership;

589 (v) ownership as a tenant in common or in joint tenancy or another joint ownership  
590 arrangement;

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

594 (vii) leasehold interest; and

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

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

597 (a) subject to Subsection (5) for a designated individual, the individual owns an interest  
598 in real property, other than a personal residence in which the individual resides, on or within  
599 five miles of the point of the mountain state land;

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

603 (c) the individual or a family member of the individual owns an interest in, is directly  
604 affiliated with, or is an employee or officer of a firm, company, or other entity that the  
605 individual reasonably believes is likely to participate in or receive compensation or other direct  
606 financial benefit from the development of the point of the mountain state land[~~;~~]; or

607 (d) the individual or a family member of the individual receives or is expected to  
608 receive a direct financial benefit.

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

611 (i) verifying that the individual's service as a board member does not violate  
612 Subsection (2)[~~;~~]; and

613 (ii) for a designated individual, identifying any interest in real property, other than a  
614 personal residence in which the individual resides, located on or within five miles of the point

615 of the mountain state land.

616 (b) If a designated individual takes action, during the individual's service as a board  
617 member, to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real  
618 property, other than a personal residence in which the individual intends to live, located on or  
619 within five miles of the point of the mountain state land, the designated individual shall submit  
620 a written statement to the board chair describing the action, the interest in real property that the  
621 designated individual intends to acquire, and the location of the real property.

622 (4) [~~A~~] Except for a board member who is a designated individual, a board member  
623 [may not,] is disqualified from further service as a board member if the board member, at any  
624 time during the board member's service on the board, [~~take~~] takes any action to initiate,  
625 negotiate, or otherwise arrange for the acquisition of an interest in real property, other than a  
626 personal residence in which the member intends to reside, located on or within five miles of the  
627 point of the mountain state land.

628 (5) A designated individual who submits a written statement under Subsection  
629 (3)(a)(ii) or (b) may not serve or continue to serve as a board member unless at least two-thirds  
630 of all other board members conclude that the designated individual's service as a board member  
631 does not and will not create a material conflict of interest impairing the ability of the  
632 designated individual to exercise fair and impartial judgment as a board member and to act in  
633 the best interests of the authority.

634 [~~5~~] (6) (a) The board may not allow a firm, company, or other entity to participate in  
635 planning, managing, or implementing the development of the point of the mountain state land  
636 if a board member or a family member of a board member owns an interest in, is directly  
637 affiliated with, or is an employee or officer of the firm, company, or other entity.

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

643 Section 11. Section **17D-4-102** is amended to read:

644 **17D-4-102. Definitions.**

645 As used in this chapter:

- 646 (1) "Board" means the board of trustees of a public infrastructure district.
- 647 (2) "Creating entity" means the county, municipality, or development authority that  
648 approves the creation of a public infrastructure district.
- 649 (3) "Development authority" means:
  - 650 (a) the Utah Inland Port Authority created in Section [11-58-201](#); ~~[or]~~
  - 651 (b) the Point of the Mountain State Land Authority created in Section [11-59-201](#); or
  - 652 ~~[(b)]~~ (c) the military installation development authority created in Section [63H-1-201](#).
- 653 (4) "District applicant" means the person proposing the creation of a public  
654 infrastructure district.
- 655 (5) "Division" means a division of a public infrastructure district:
  - 656 (a) that is relatively equal in number of eligible voters or potential eligible voters to all  
657 other divisions within the public infrastructure district, taking into account existing or potential  
658 developments which, when completed, would increase or decrease the population within the  
659 public infrastructure district; and
  - 660 (b) which a member of the board represents.
- 661 (6) "Governing document" means the document governing a public infrastructure  
662 district to which the creating entity agrees before the creation of the public infrastructure  
663 district, as amended from time to time, and subject to the limitations of Title 17B, Chapter 1,  
664 Provisions Applicable to All Local Districts, and this chapter.
- 665 (7) (a) "Limited tax bond" means a bond:
  - 666 (i) that is directly payable from and secured by ad valorem property taxes that are  
667 levied:
    - 668 (A) by a public infrastructure district that issues the bond; and
    - 669 (B) on taxable property within the district;
  - 670 (ii) that is a general obligation of the public infrastructure district; and
  - 671 (iii) for which the ad valorem property tax levy for repayment of the bond does not  
672 exceed the property tax levy rate limit established under Section [17D-4-303](#) for any fiscal year,  
673 except as provided in Subsection [17D-4-301](#)(8).
- 674 (b) "Limited tax bond" does not include:
  - 675 (i) a short-term bond;
  - 676 (ii) a tax and revenue anticipation bond; or

677 (iii) a special assessment bond.

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

679 (a) publicly owned infrastructure and improvements, as defined in Section 11-58-102,  
680 for a public infrastructure district created by the Utah Inland Port Authority created in Section  
681 11-58-201; and

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

684 Section 12. Section 52-4-205 is amended to read:

685 **52-4-205. Purposes of closed meetings -- Certain issues prohibited in closed**  
686 **meetings.**

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

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

690 (b) strategy sessions to discuss collective bargaining;

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

692 (d) strategy sessions to discuss the purchase, exchange, or lease of real property,  
693 including any form of a water right or water shares, or to discuss a proposed development  
694 agreement, project proposal, or financing proposal related to the development of land owned by  
695 the state, if public discussion [~~of the transaction~~] would:

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

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

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

700 (i) public discussion of the transaction would:

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

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

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

705 (iii) the terms of the sale are publicly disclosed before the public body approves the  
706 sale;

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

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

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

711 (i) as relates to an ethics committee of the Legislature, a purpose permitted under  
712 Subsection [52-4-204\(1\)\(a\)\(iii\)\(C\)](#);

713 (j) as relates to the Independent Executive Branch Ethics Commission created in  
714 Section [63A-14-202](#), conducting business relating to an ethics complaint;

715 (k) as relates to a county legislative body, discussing commercial information as  
716 defined in Section [59-1-404](#);

717 (l) as relates to the Utah Higher Education Assistance Authority and its appointed  
718 board of directors, discussing fiduciary or commercial information as defined in Section  
719 [53B-12-102](#);

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

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

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

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

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

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

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

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



739 (p) as relates to the governing board of a governmental nonprofit corporation, as that  
740 term is defined in Section 11-13a-102, the purpose of discussing information that is designated  
741 as a trade secret, as that term is defined in Section 13-24-2, if:

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

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

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

747 (2) The following meetings shall be closed:

748 (a) a meeting of the Health and Human Services Interim Committee to review a report  
749 described in Subsection 62A-16-301(1)(a), and the responses to the report described in  
750 Subsections 62A-16-301(2) and (4);

751 (b) a meeting of the Child Welfare Legislative Oversight Panel to:

752 (i) review a report described in Subsection 62A-16-301(1)(a), and the responses to the  
753 report described in Subsections 62A-16-301(2) and (4); or

754 (ii) review and discuss an individual case, as described in Subsection 62A-4a-207(5);

755 (c) a meeting of the Opioid and Overdose Fatality Review Committee, created in  
756 Section 26-7-13, to review and discuss an individual case, as described in Subsection  
757 26-7-13(10);

758 (d) a meeting of a conservation district as defined in Section 17D-3-102 for the  
759 purpose of advising the Natural Resource Conservation Service of the United States  
760 Department of Agriculture on a farm improvement project if the discussed information is  
761 protected information under federal law;

762 (e) a meeting of the Compassionate Use Board established in Section 26-61a-105 for  
763 the purpose of reviewing petitions for a medical cannabis card in accordance with Section  
764 26-61a-105; and

765 (f) a meeting of the Colorado River Authority of Utah if:

766 (i) the purpose of the meeting is to discuss an interstate claim to the use of the water in  
767 the Colorado River system; and

768 (ii) failing to close the meeting would:

769 (A) reveal the contents of a record classified as protected under Subsection

770 63G-2-305(82);

771 (B) reveal a legal strategy relating to the state's claim to the use of the water in the  
772 Colorado River system;

773 (C) harm the ability of the Colorado River Authority of Utah or river commissioner to  
774 negotiate the best terms and conditions regarding the use of water in the Colorado River  
775 system; or

776 (D) give an advantage to another state or to the federal government in negotiations  
777 regarding the use of water in the Colorado River system.

778 (3) In a closed meeting, a public body may not:

779 (a) interview a person applying to fill an elected position;

780 (b) discuss filling a midterm vacancy or temporary absence governed by Title 20A,  
781 Chapter 1, Part 5, Candidate Vacancy and Vacancy and Temporary Absence in Elected Office;  
782 or

783 (c) discuss the character, professional competence, or physical or mental health of the  
784 person whose name was submitted for consideration to fill a midterm vacancy or temporary  
785 absence governed by Title 20A, Chapter 1, Part 5, Candidate Vacancy and Vacancy and  
786 Temporary Absence in Elected Office.

787 Section 13. Section 59-2-924 is amended to read:

788 **59-2-924. Definitions -- Report of valuation of property to county auditor and**  
789 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**  
790 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**  
791 **commission.**

792 (1) As used in this section:

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

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

796 (A) interest;

797 (B) penalties;

798 (C) collections from redemptions; or

799 (D) revenue received by a taxing entity from personal property that is semiconductor  
800 manufacturing equipment assessed by a county assessor in accordance with Part 3, County

801 Assessment.

802 (b) "Adjusted tax increment" means the same as that term is defined in Section  
803 [17C-1-102](#).

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

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

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

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

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

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

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

817 (d) "Base taxable value" means:

818 (i) for an authority created under Section [11-58-201](#), the same as that term is defined in  
819 Section [11-58-102](#);

820 (ii) for the Point of the Mountain State Land Authority created in Section [11-59-201](#),  
821 the same as that term is defined in Section [11-59-207](#);

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

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

826 [~~(iv)~~] (v) for a host local government, the same as that term is defined in Section  
827 [63N-2-502](#).

828 (e) "Centrally assessed benchmark value" means an amount equal to the highest year  
829 end taxable value of real and personal property the commission assesses in accordance with  
830 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,  
831 2015, adjusted for taxable value attributable to:

832 (i) an annexation to a taxing entity; or  
833 (ii) an incorrect allocation of taxable value of real or personal property the commission  
834 assesses in accordance with Part 2, Assessment of Property.

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

836 (A) zero; or

837 (B) the amount calculated by subtracting the centrally assessed benchmark value  
838 adjusted for prior year end incremental value from the taxable value of real and personal  
839 property the commission assesses in accordance with Part 2, Assessment of Property, for the  
840 current year, adjusted for current year incremental value.

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

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

846 (h) "Community reinvestment agency" means the same as that term is defined in  
847 Section [17C-1-102](#).

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

849 (i) zero; or

850 (ii) the sum of:

851 (A) locally assessed new growth;

852 (B) centrally assessed new growth; and

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

854 (j) "Host local government" means the same as that term is defined in Section  
855 [63N-2-502](#).

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

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

859 (m) "Incremental property tax revenue" means the same as that term is defined in  
860 Section [63N-2-502](#).

861 (n) "Incremental value" means:

862 (i) for an authority created under Section [11-58-201](#), the amount calculated by

863 multiplying:

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

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

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

870 (A) the difference between the current assessed value of the property and the base  
871 taxable value; and

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

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

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

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

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

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

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

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

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

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

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

892 (A) zero; or

893 (B) the amount calculated by subtracting the year end taxable value of real property the  
894 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,  
895 adjusted for prior year end incremental value from the taxable value of real property the county  
896 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted  
897 for current year incremental value.

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

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

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

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

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

907 (p) "Project area" means:

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

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

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

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

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

917 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
918 an amount equal to the incremental value that is no longer provided to the Point of the  
919 Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;

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

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

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

926 (s) "Property tax allocation" means the same as that term is defined in Section  
927 63H-1-102.

928 (t) "Property tax differential" means the same as that term is defined in Section  
929 11-58-102.

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

931 (i) for the previous calendar year;

932 (ii) by a taxing entity;

933 (iii) from tangible personal property contained on the prior year's tax rolls that is  
934 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on  
935 January 1, 2022; and

936 (iv) on the aggregate 2021 year end taxable value of the tangible personal property that  
937 exceeds \$15,300.

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

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

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

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

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

947 (a) the statements described in Subsections (2)(a) and (b);

948 (b) an estimate of the revenue from personal property;

949 (c) the certified tax rate; and

950 (d) all forms necessary to submit a tax levy request.

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

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

957 (i) calculate for the taxing entity the difference between:

958 (A) the aggregate taxable value of all property taxed; and

959 (B) any adjustments for current year incremental value;

960 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount  
961 determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the  
962 average of the percentage net change in the value of taxable property for the equalization  
963 period for the three calendar years immediately preceding the current calendar year;

964 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product  
965 of:

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

967 (B) the percentage of property taxes collected for the five calendar years immediately  
968 preceding the current calendar year; and

969 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount  
970 determined by:

971 (A) multiplying the percentage of property taxes collected for the five calendar years  
972 immediately preceding the current calendar year by eligible new growth; and

973 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount  
974 calculated under Subsection (4)(b)(iii).

975 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be  
976 calculated as follows:

977 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified  
978 tax rate is zero;

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

980 (i) in a county of the first, second, or third class, the levy imposed for municipal-type  
981 services under Sections 17-34-1 and 17-36-9; and

982 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
983 purposes and such other levies imposed solely for the municipal-type services identified in  
984 Section 17-34-1 and Subsection 17-36-3(23);

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



986 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10,  
987 Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4)  
988 except that the commission shall treat the total revenue transferred to the community  
989 reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the  
990 prior year; and

991 (d) for debt service voted on by the public, the certified tax rate is the actual levy  
992 imposed by that section, except that a certified tax rate for the following levies shall be  
993 calculated in accordance with Section 59-2-913 and this section:

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

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

1000 (b) The ad valorem property tax revenue generated by a judgment levy described in  
1001 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax  
1002 rate.

1003 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

1004 (i) the taxable value of real property:

1005 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

1006 (B) contained on the assessment roll;

1007 (ii) the year end taxable value of personal property:

1008 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1009 (B) contained on the prior year's assessment roll; and

1010 (iii) the taxable value of real and personal property the commission assesses in  
1011 accordance with Part 2, Assessment of Property.

1012 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new  
1013 growth.

1014 (8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

1015 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall  
1016 notify the county auditor of:

1017 (i) the taxing entity's intent to exceed the certified tax rate; and  
1018 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.  
1019 (c) The county auditor shall notify property owners of any intent to levy a tax rate that  
1020 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

1021 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through  
1022 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim  
1023 Committee if:

1024 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end  
1025 taxable value of the real and personal property the commission assesses in accordance with  
1026 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental  
1027 value; and

1028 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end  
1029 taxable value of the real and personal property of a taxpayer the commission assesses in  
1030 accordance with Part 2, Assessment of Property, for the previous year.

1031 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by  
1032 subtracting the taxable value of real and personal property the commission assesses in  
1033 accordance with Part 2, Assessment of Property, for the current year, adjusted for current year  
1034 incremental value, from the year end taxable value of the real and personal property the  
1035 commission assesses in accordance with Part 2, Assessment of Property, for the previous year,  
1036 adjusted for prior year end incremental value.

1037 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by  
1038 subtracting the total taxable value of real and personal property of a taxpayer the commission  
1039 assesses in accordance with Part 2, Assessment of Property, for the current year, from the total  
1040 year end taxable value of the real and personal property of a taxpayer the commission assesses  
1041 in accordance with Part 2, Assessment of Property, for the previous year.

1042 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet  
1043 the requirement under Subsection (9)(a)(ii).

1044 Section 14. Section 63A-3-401.5 is amended to read:

1045 **63A-3-401.5. Definitions.**

1046 As used in this part:

1047 (1) "Borrower" means a person who borrows money from an infrastructure fund for an

- 1048 infrastructure project.
- 1049 (2) "Independent political subdivision" means:
- 1050 (a) the Utah Inland Port Authority created in Section 11-58-201;
- 1051 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; or
- 1052 (c) the Military Installation Development Authority created in Section 63H-1-201.
- 1053 (3) "Infrastructure fund" means a fund created in Subsection 63A-3-402(1).
- 1054 (4) "Infrastructure loan" means a loan of infrastructure fund money to finance an
- 1055 infrastructure project.
- 1056 (5) "Infrastructure project" means a project to acquire, construct, reconstruct,
- 1057 rehabilitate, equip, or improve public infrastructure and improvements:
- 1058 (a) within a project area; or
- 1059 (b) outside a project area, if the respective loan approval [~~committee~~] body determines
- 1060 by resolution that the public infrastructure and improvements are of benefit to the project area.
- 1061 (6) "Inland port" means the same as that term is defined in Section 11-58-102.
- 1062 (7) "Inland port fund" means the infrastructure fund created in Subsection
- 1063 63A-3-402(1)(a).
- 1064 (8) "Military development fund" means the infrastructure fund created in Subsection
- 1065 63A-3-402(1)(c).
- 1066 (9) "Point of the mountain fund" means the infrastructure fund created in Subsection
- 1067 63A-3-402(1)(b).
- 1068 (10) "Project area" means:
- 1069 (a) the same as that term is defined in Section 11-58-102, for purposes of an
- 1070 infrastructure loan from the inland port fund;
- 1071 (b) the point of the mountain state land, as defined in Section 11-59-102, for purposes
- 1072 of an infrastructure loan from the point of the mountain fund; and
- 1073 (c) the same as that term is defined in Section 63H-1-102, for purposes of an
- 1074 infrastructure loan from the military development fund.
- 1075 (11) "Property tax revenue" means:
- 1076 (a) property tax differential, as defined in Section 11-58-102, for purposes of an
- 1077 infrastructure loan from the inland port fund; or
- 1078 (b) property tax allocation, as defined in Section 63H-1-102, for purposes of an

1079 infrastructure loan from the military development fund.

1080 (12) "Public infrastructure and improvements":

1081 (a) for purposes of an infrastructure loan from the inland port fund:

1082 (i) means publicly owned infrastructure and improvements, as defined in Section

1083 [11-58-102](#); and

1084 (ii) includes an inland port facility; [~~and~~]

1085 (b) means publicly owned infrastructure and improvements, as defined in Section

1086 [11-59-102](#), for purposes of an infrastructure loan from the point of the mountain fund; and

1087 [~~(b)~~] (c) means the same as that term is defined in Section [63H-1-102](#), for purposes of  
1088 an infrastructure loan from the military development fund.

1089 (13) "Respective loan approval [~~committee~~] body" means:

1090 (a) the committee created in Section [11-58-106](#), for purposes of an infrastructure loan  
1091 from the inland port fund;

1092 (b) the [~~committee~~] board created in Section [~~11-59-104~~] [11-59-301](#), for purposes of an  
1093 infrastructure loan from the point of the mountain fund; and

1094 (c) the committee created in Section [63H-1-104](#), for purposes of an infrastructure loan  
1095 from the military development fund.

1096 Section 15. Section [63A-3-402](#) is amended to read:

1097 **[63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money](#)**  
1098 **in funds.**

1099 (1) There are created, as enterprise revolving loan funds:

1100 (a) the inland port infrastructure revolving loan fund;

1101 (b) the point of the mountain infrastructure revolving loan fund; and

1102 (c) the military development infrastructure revolving loan fund.

1103 (2) The purpose of each infrastructure fund is to provide funding, through  
1104 infrastructure loans, for infrastructure projects undertaken by a borrower.

1105 (3) (a) Money in an infrastructure fund may be used only to provide loans for  
1106 infrastructure projects.

1107 (b) The division may not loan money in an infrastructure fund without the approval of:

1108 (i) the respective loan approval [~~committee~~] body; and

1109 (ii) the Executive Appropriations Committee of the Legislature, for a loan from the

1110 point of the mountain fund.

1111 Section 16. Section **63A-3-404** is amended to read:

1112 **63A-3-404. Loan agreement.**

1113 (1) (a) A borrower that borrows money from an infrastructure fund shall enter into a  
1114 loan agreement with the division for repayment of the money.

1115 (b) (i) A loan agreement under Subsection (1)(a) shall be secured by:

1116 (A) bonds, notes, or another evidence of indebtedness validly issued under state law; or

1117 (B) revenue generated from an infrastructure project.

1118 (ii) The security provided under Subsection (1)(b)(i) may include the borrower's pledge  
1119 of some or all of a revenue source that the borrower controls.

1120 (c) The respective loan approval [~~committee~~] body may determine that property tax  
1121 revenue or revenue from the infrastructure project for which the infrastructure loan is obtained  
1122 is sufficient security for an infrastructure loan.

1123 (2) An infrastructure loan shall bear interest at a rate not to exceed .5% above bond  
1124 market interest rates available to the state.

1125 (3) (a) Subject to Subsection (3)(b), the respective loan approval [~~committee~~] body  
1126 shall determine the length of term of an infrastructure loan.

1127 (b) If the security for an infrastructure loan is property tax revenue, the repayment  
1128 terms of the infrastructure loan agreement shall allow sufficient time for the property tax  
1129 revenue to generate sufficient money to cover payments under the infrastructure loan.

1130 (4) An infrastructure loan agreement may provide for a portion of the loan proceeds to  
1131 be applied to a reserve fund to secure repayment of the infrastructure loan.

1132 (5) (a) If a borrower fails to comply with the terms of an infrastructure loan agreement,  
1133 the division may:

1134 (i) seek any legal or equitable remedy to obtain:

1135 (A) compliance with the agreement; or

1136 (B) the payment of damages; and

1137 (ii) request a state agency with money due to the borrower to withhold payment of the  
1138 money to the borrower and instead to pay the money to the division to pay any amount due  
1139 under the infrastructure loan agreement.

1140 (b) A state agency that receives a request from the division under Subsection (5)(a)(ii)

1141 shall pay to the division the money due to the borrower to the extent of the amount due under  
1142 the infrastructure loan agreement.

1143 (6) Upon approval from the respective loan approval [~~committee~~] body, the division  
1144 shall loan money from an infrastructure fund according to the terms established by the  
1145 respective loan approval [~~committee~~] body.

1146 (7) (a) The division shall administer and enforce an infrastructure loan according to the  
1147 terms of the infrastructure loan agreement.

1148 (b) (i) Beginning May 5, 2021, the division shall assume responsibility from the State  
1149 Infrastructure Bank Fund for servicing the loan under Subsection [63B-27-101\(3\)\(a\)](#).

1150 (ii) Payments due after May 5, 2021 under the loan under Subsection [63B-27-101\(3\)\(a\)](#)  
1151 shall be made to the division rather than to the State Infrastructure Bank Fund, to be deposited  
1152 into the military development fund.

1153 Section 17. **Repealer.**

1154 This bill repeals:

1155 Section [11-59-101](#), **Title.**