

Representative Scott H. Chew proposes the following substitute bill:

PERMANENT COMMUNITY IMPACT FUND BOARD

AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ronald M. Winterton

House Sponsor: Scott H. Chew

LONG TITLE

General Description:

This bill addresses the Permanent Community Impact Fund Board.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ modifies the membership of the Permanent Community Impact Fund Board (impact board);
- ▶ designates the member appointed by the governor who resides in a rural county as the chair of the impact board;
- ▶ describes the responsibilities of the chair of the impact board;
- ▶ requires the majority vote of a quorum of the impact board to take action;
- ▶ directs the Department of Workforce Services to provide staff support to the impact board; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:



26 None

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **35A-8-302**, as last amended by Laws of Utah 2021, Chapter 339

30 **35A-8-304**, as last amended by Laws of Utah 2020, Chapters 352 and 373



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

33 Section 1. Section **35A-8-302** is amended to read:

34 **35A-8-302. Definitions.**

35 As used in this part:

36 (1) "Bonus payments" means that portion of the bonus payments received by the
37 United States government under the Leasing Act paid to the state under Section 35 of the
38 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those
39 payments.

40 (2) "Impact board" means the Permanent Community Impact Fund Board created under
41 Section **35A-8-304**.

42 (3) "Impact fund" means the Permanent Community Impact Fund established by this
43 chapter.

44 (4) "Interlocal agency" means a legal or administrative entity created by a subdivision
45 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal
46 Cooperation Act.

47 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et
48 seq.

49 (6) "Qualifying sales and use tax distribution reduction" means that, for the calendar
50 year beginning on January 1, 2008, the total sales and use tax distributions a city received
51 under Section **59-12-205** were reduced by at least 15% from the total sales and use tax
52 distributions the city received under Section **59-12-205** for the calendar year beginning on
53 January 1, 2007.

54 (7) (a) "Planning" means any of the following performed by or on behalf of the state, a
55 subdivision, or an interlocal entity:

56 (i) a study, analysis, plan, or survey; or

57 (ii) activities necessary to obtain a permit or land use approval, including review to
58 determine the need, cost, or feasibility of obtaining a permit or land use approval.

59 (b) "Planning" includes:

60 (i) the preparation of maps and guidelines;

61 (ii) land use planning;

62 (iii) a study or analysis of:

63 (A) the social or economic impacts associated with natural resource development;

64 (B) the demand for the transportation of individuals or goods;

65 (C) state, regional, and local development and growth;

66 (D) population and employment;

67 (E) development related to natural resources; and

68 (F) as related to any other activity described in this Subsection (7), engineering,

69 financial analysis, legal analysis, or any other analysis helpful to the state, subdivision, or
70 interlocal agency; and

71 (iv) any activity described in this Subsection (7) regardless of whether the activity is
72 for a public facility or a public service.

73 (8) "Public facility" means a facility:

74 (a) in whole or in part, owned, controlled, or operated by the state, a subdivision, or an
75 interlocal agency; and

76 (b) that serves a public purpose.

77 (9) (a) "Public service" means a service that:

78 (i) is provided, in whole or in part, by or on behalf of the state, a subdivision, or an
79 interlocal agency; and

80 (ii) serves a public purpose.

81 (b) "Public service" includes:

82 (i) a service described in Subsection (9)(a) regardless of whether the service is
83 provided in connection with a public facility;

84 (ii) the cost of providing a service described in Subsection (9)(a), including
85 administrative costs, wages, and legal fees; and

86 (iii) a contract with a public postsecondary institution to fund research, education, or a
87 public service program.

88 (10) "Rural county" means a county of the third, fourth, fifth, or sixth class.

89 ~~[(10)]~~ (11) "Subdivision" means a county, city, town, county service area, special
90 service district, special improvement district, water conservancy district, water improvement
91 district, sewer improvement district, housing authority, building authority, school district, or
92 public postsecondary institution organized under the laws of this state.

93 ~~[(11)]~~ (12) (a) "Throughput infrastructure project" means the following facilities,
94 whether located within, partially within, or outside of the state:

- 95 (i) a bulk commodities ocean terminal;
- 96 (ii) a pipeline for the transportation of liquid or gaseous hydrocarbons;
- 97 (iii) electric transmission lines and ancillary facilities;
- 98 (iv) a shortline freight railroad and ancillary facilities;
- 99 (v) a plant or facility for storing, distributing, or producing hydrogen, including the
- 100 liquification of hydrogen, for use as a fuel in zero emission motor vehicles, for electricity
- 101 generation, or for industrial use; or

102 (vi) a plant for the production of zero emission hydrogen fueled trucks.

103 (b) "Throughput infrastructure project" includes:

- 104 (i) an ownership interest or a joint or undivided ownership interest in a facility;
- 105 (ii) a membership interest in the owner of a facility; or
- 106 (iii) a contractual right, whether secured or unsecured, to use all or a portion of the
- 107 throughput, transportation, or transmission capacity of a facility.

108 Section 2. Section **35A-8-304** is amended to read:

109 **35A-8-304. Permanent Community Impact Fund Board created -- Members --**
110 **Terms -- Chair -- Expenses.**

111 (1) There is created within the department the Permanent Community Impact Fund
112 Board composed of 11 members as follows:

113 ~~[(a) the chair of the Board of Water Resources or the chair's designee;]~~

114 ~~[(b) the chair of the Water Quality Board or the chair's designee;]~~

115 ~~[(c) the director of the department or the director's designee;]~~

116 ~~[(d)]~~ (a) the state treasurer or the state treasurer's designee;

117 ~~[(e)]~~ (b) the chair of the Transportation Commission or the chair's designee;

118 (c) the executive director of the Governor's Office of Planning and Budget or the

119 executive director's designee;

120 ~~[(f)]~~ (d) a locally elected official who resides in Carbon, Emery, Grand, or San Juan
121 County;

122 ~~[(g)]~~ (e) a locally elected official who resides in Juab, Millard, Sanpete, Sevier, Piute,
123 or Wayne County;

124 ~~[(h)]~~ (f) a locally elected official who resides in Duchesne, Daggett, or Uintah County;

125 ~~[(i)]~~ (g) a locally elected official who resides in Beaver, Iron, Washington, Garfield, or
126 Kane County; ~~[and]~~

127 ~~[(j)]~~ a locally elected official from each of the two counties that produced the most
128 mineral lease money during the previous four-year period, prior to the term of appointment, as
129 determined by the department.]

130 (h) a locally elected official from the county that:

131 (i) produced the most mineral lease money related to oil extraction during the four-year
132 period immediately preceding the term of appointment, as determined by the department at the
133 end of each term; and

134 (ii) does not already have a representative on the impact board;

135 (i) a locally elected official from the county that:

136 (i) produced the most mineral lease money related to natural gas extraction during the
137 four-year period immediately preceding the term of appointment, as determined by the
138 department at the end of each term; and

139 (ii) does not already have a representative on the impact board;

140 (j) a locally elected official from the county that:

141 (i) produced the most mineral lease money related to coal extraction during the
142 four-year period immediately preceding the term of appointment, as determined by the
143 department at the end of each term; and

144 (ii) does not already have a representative on the impact board; and

145 (k) a representative who resides in a rural county, appointed by the governor with the
146 advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies.

147 (2) (a) The members specified under Subsections ~~[(+)(f)]~~ (1)(d) through (j) may not
148 reside in the same county and shall be:

149 (i) nominated by the Board of Directors of the Southeastern Association of Local

150 Governments, the Six County Association of Governments, the Uintah Basin Association of
151 Governments, and the Five County Association of Governments, respectively, except that [a
152 ~~member under Subsection (1)(j)] the members specified under Subsections (1)(h) through (j)
153 shall be nominated by the Board of Directors of the Association of Governments from the
154 region of the state in which the county is located; and~~

155 (ii) appointed by the governor with the advice and consent of the Senate in accordance
156 with Title 63G, Chapter 24, Part 2, Vacancies.

157 (b) Except as required by Subsection (2)(c), as terms of current board members expire,
158 the governor shall appoint each new member or reappointed member to a four-year term.

159 (c) Notwithstanding the requirements of Subsection (2)(b), the governor shall, at the
160 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
161 board members are staggered so that approximately half of the board is appointed every two
162 years.

163 (d) When a vacancy occurs in the membership for any reason, the replacement shall be
164 appointed for the unexpired term.

165 (3) The terms of office for the members [~~of the impact board~~] specified under
166 Subsections (1)(a) through [~~(1)(e)~~] (c) shall run concurrently with the [~~terms~~] term of office for
167 the [~~councils, boards, committees, commission, departments, or offices~~] commission,
168 department, or office from which [~~the members come~~] each member comes.

169 [~~(4) The executive director of the department, or the executive director's designee, is~~
170 ~~the chair of the impact board.]~~

171 (4) (a) The member specified under Subsection (1)(k) is the chair of the impact board.

172 (b) The chair of the impact board is responsible for the call and conduct of meetings.

173 (5) A member may not receive compensation or benefits for the member's service, but
174 may receive per diem and travel expenses in accordance with:

175 (a) Section [63A-3-106](#);

176 (b) Section [63A-3-107](#); and

177 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
178 [63A-3-107](#).

179 (6) A member described in Subsections [~~(1)(f) through (j)~~] (1)(d) through (k) shall
180 comply with the conflict of interest provisions described in Title 63G, Chapter 24, Part 3,

181 Conflicts of Interest.

182 (7) (a) A majority of the members of the impact board constitutes a quorum.

183 (b) Action by a majority vote of a quorum of the impact board constitutes action by the
184 impact board.

185 (8) The department shall provide staff support to the impact board.