Representative Steve Eliason proposes the following substitute bill:

HOMELESSNESS AND VULNERABLE POPULATIONS	
AMENDMENTS	
2024 GENERAL SESSION	
STATE OF UTAH	
Chief Sponsor: Steve Eliason	
Senate Sponsor: Ronald M. Winterton	
LONG TITLE	
General Description:	
This bill modifies provisions related to the oversight and provision of services for	
individuals experiencing homelessness and other vulnerable populations.	
Highlighted Provisions:	
This bill:	
<ul> <li>authorizes the Utah State Hospital to contract for certain services;</li> </ul>	
<ul> <li>provides for the duty of the executive committee of the Utah Homelessness Council</li> </ul>	
(council) to serve in an advisory capacity for the council;	
<ul> <li>requires the council to establish standards for prioritizing beds in homeless shelters;</li> </ul>	
<ul> <li>prohibits a homeless shelter from receiving funds from the Office of Homeless</li> </ul>	
Services upon failing to comply with the council's prioritization standards;	
<ul> <li>allows a homeless shelter to receive grants from the council upon providing any</li> </ul>	
amount of matching funds;	
<ul> <li>requires the council to consider the amount of matching grants provided by a</li> </ul>	
homeless shelter in awarding grants;	
<ul> <li>clarifies that appropriations made from the Homeless Shelter Cities Mitigation</li> </ul>	
Restricted Account (mitigation funds) do not lapse;	



26	<ul> <li>allows the Department of Public Safety to receive mitigation funds under certain</li> </ul>
27	circumstances;
28	<ul> <li>requires the council to consider whether a municipality has enforced certain</li> </ul>
29	ordinances in determining whether to approve mitigation funds;
30	<ul> <li>prohibits a municipality from receiving mitigation funds unless the municipality</li> </ul>
31	enforces an ordinance prohibiting panhandling;
32	<ul><li>increases the temperature for a code blue alert to take effect;</li></ul>
33	<ul> <li>allows a municipality to implement emergency measures to assist individuals</li> </ul>
34	experiencing homelessness during dangerous weather conditions; and
35	<ul><li>makes technical and conforming changes.</li></ul>
36	Money Appropriated in this Bill:
37	None
38	Other Special Clauses:
39	This bill provides a special effective date.
40	This bill provides retrospective operation.
41	<b>Utah Code Sections Affected:</b>
42	AMENDS:
43	35A-16-205, as last amended by Laws of Utah 2022, Chapter 403
44	35A-16-302, as last amended by Laws of Utah 2023, Chapter 302
45	35A-16-402, as last amended by Laws of Utah 2023, Chapter 302
46	35A-16-403, as last amended by Laws of Utah 2023, Chapter 302
47	35A-16-701, as enacted by Laws of Utah 2023, Chapter 302
48	35A-16-702, as enacted by Laws of Utah 2023, Chapter 302
49	59-12-205, as last amended by Laws of Utah 2023, Chapters 302, 471 and 492
50	63J-1-602.1, as last amended by Laws of Utah 2023, Chapters 26, 33, 34, 194, 212,
51	330, 419, 434, 448, and 534
52	ENACTS:
53	<b>26B-5-381</b> , Utah Code Annotated 1953
54	<b>35A-16-205.1</b> , Utah Code Annotated 1953

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

57	Section 1. Section 26B-5-381 is enacted to read:
58	26B-5-381. Contracted state hospital services.
59	(1) In accordance with the authority, responsibilities, and duties granted to the division
60	and state hospital under this part, the state hospital may contract with any willing provider to:
61	(a) supervise and treat a patient with a mental illness who has been committed to the
62	state hospital's custody; or
63	(b) facilitate the reentry of a discharged patient into the community.
64	(2) A provider who enters into a contract with the state hospital under Subsection (1)
65	shall provide a level of supervision and security that is equal to or greater than the level of
66	supervision and security that:
67	(a) is necessary to treat the patient with a mental illness; and
68	(b) would be offered at or recommended by the state hospital.
69	(3) In collaboration with the Division of Integrated Healthcare, the superintendent and
70	clinical director shall provide a report to the Health and Human Services Interim Committee at
71	or before the committee's 2024 November interim meeting that includes information and
72	recommendations on:
73	(a) the number of patients with a mental illness served through a state hospital contract
74	in accordance with Subsection (1), and the nature of the services rendered;
75	(b) addressing the needs of patients with complex legal and mental health statuses who
76	are expected to have significantly long stays at the state hospital and who are not able to be
77	discharged into the community;
78	(c) the creation of a low-acuity step-down facility to assist patients described in
79	Subsection (3)(b); and
80	(d) opportunities for collaboration with local mental health authorities and other
81	willing providers to provide low-acuity step-down services to assist patients described in
82	Subsection (3)(b).
83	Section 2. Section <b>35A-16-205</b> is amended to read:
84	35A-16-205. Duties of the homelessness council and executive committee.
85	(1) The homelessness council:
86	[(1)] (a) shall provide final approval for:
87	[ <del>(a)</del> ] <u>(i)</u> the homeless services budget;

88	$\left[\frac{(b)}{(11)}\right]$ the strategic plan; and
89	[(c)] (iii) the awarding of funding for the provision of homeless services as described
90	in Subsection 35A-16-203(1)(d);
91	[(2)] (b) in cooperation with the coordinator, shall:
92	[(a)] (i) develop and maintain the homeless services budget;
93	[(b)] (ii) develop and maintain the strategic plan; and
94	[(c)] (iii) review applications and approve funding for the provision of homeless
95	services in the state as described in Subsection 35A-16-203(1)(d);
96	[(3)] (c) shall review local and regional plans for providing services to individuals
97	experiencing homelessness;
98	[(4)] (d) shall cooperate with local homeless councils to:
99	[(a)] (i) develop a common agenda and vision for reducing homelessness in each local
100	oversight body's respective region;
101	[(b)] (ii) as part of the homeless services budget, develop a spending plan that
102	coordinates the funding supplied to local stakeholders; and
103	[(c)] (iii) align local funding to projects that improve outcomes and target specific
104	needs in each community;
105	[(5)] (e) shall coordinate gap funding with private entities for providing services to
106	individuals experiencing homelessness;
107	[(6)] (f) shall recommend performance and accountability measures for service
108	providers, including the support of collecting consistent and transparent data; [and]
109	[(7)] (g) when reviewing and giving final approval for requests as described in
110	Subsection 35A-16-203(1)(d):
111	[(a)] (i) may only recommend funding if the proposed recipient has a policy to share
112	client-level service information with other entities in accordance with state and federal law to
113	enhance the coordination of services for individuals who are experiencing homelessness; and
114	[(b)] (ii) shall identify specific targets and benchmarks that align with the strategic plan
115	for each recommended award[-]; and
116	(h) shall establish standards for the prioritization of beds located in homeless shelters
117	in accordance with Section 35A-16-205.1.
118	(2) The executive committee shall act in an advisory capacity for the homelessness

119	council and make recommendations regarding the homelessness council's duties under
120	Subsection (1).
121	Section 3. Section 35A-16-205.1 is enacted to read:
122	35A-16-205.1. Homelessness council to establish standards for the prioritization of
123	homeless shelter beds Dissemination Compliance with standards required for receipt
124	of state funds.
125	(1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
126	homelessness council shall make rules establishing standards for the prioritization of beds
127	located in a homeless shelter.
128	(2) In establishing standards under Subsection (1), the homelessness council shall:
129	(a) assign highest priority for available beds to:
130	(i) individuals eligible for Temporary Assistance for Needy Families funds pursuant to
131	42 U.S.C. Sec. 604; and
132	(ii) individuals discharged from the Utah State Hospital created in Section 26B-5-302;
133	<u>and</u>
134	(b) require a homeless shelter, if feasible, to allocate an average of 85% of the total
135	number of beds located in a homeless shelter to individuals described in Subsection (2)(a)(i).
136	(3) The office shall disseminate the standards established by the homelessness council
137	under Subsection (1) to each homeless shelter located within the state.
138	(4) Notwithstanding any other provisions in this chapter, state funds may not be
139	awarded under this chapter directly to or for the benefit of a homeless shelter located within the
140	state unless the homeless shelter complies with the standards established by the homelessness
141	council under Subsection (1).
142	Section 4. Section <b>35A-16-302</b> is amended to read:
143	35A-16-302. Uses of Homeless to Housing Reform Restricted Account.
144	(1) The homelessness council may award ongoing or one-time grants or contracts
145	funded from the Homeless to Housing Reform Restricted Account created in Section
146	35A-16-303.
147	(2) As a condition of receiving money, including any ongoing money, from the
148	restricted account, an entity awarded a grant or contract under this section shall provide
149	detailed and accurate reporting on at least an annual basis to the homelessness council and the

150	coordinator that describes:
151	(a) how money provided from the restricted account has been spent by the entity; and
152	(b) the progress towards measurable outcome-based benchmarks agreed to between the
153	entity and the homelessness council before the awarding of the grant or contract.
154	(3) In determining the awarding of a grant or contract under this section, the
155	homelessness council and the coordinator shall:
156	(a) ensure that the services to be provided through the grant or contract will be
157	provided in a cost-effective manner;
158	(b) give priority to a project or contract that will include significant additional or
159	matching funds from a private organization, nonprofit organization, or local government entity;
160	(c) ensure that the project or contract will target the distinct housing needs of one or
161	more at-risk or homeless subpopulations, which may include:
162	(i) families with children;
163	(ii) transitional-aged youth;
164	(iii) single men or single women;
165	(iv) veterans;
166	(v) victims of domestic violence;
167	(vi) individuals with behavioral health disorders, including mental health or substance
168	use disorders;
169	(vii) individuals who are medically frail or terminally ill;
170	(viii) individuals exiting prison or jail; or
171	(ix) individuals who are homeless without shelter;
172	(d) consider whether the project will address one or more of the following goals:
173	(i) diverting homeless or imminently homeless individuals and families from
174	emergency shelters by providing better housing-based solutions;
175	(ii) meeting the basic needs of homeless individuals and families in crisis;
176	(iii) providing homeless individuals and families with needed stabilization services;
177	(iv) decreasing the state's homeless rate;
178	(v) implementing a coordinated entry system with consistent assessment tools to
179	provide appropriate and timely access to services for homeless individuals and families;
180	(vi) providing access to caseworkers or other individualized support for homeless

individuals and families;
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- (vii) encouraging employment and increased financial stability for individuals and families being diverted from or exiting homelessness;
  - (viii) creating additional affordable housing for state residents;
- (ix) providing services and support to prevent homelessness among at-risk individuals and adults;
- (x) providing services and support to prevent homelessness among at-risk children, adolescents, and young adults;
- (xi) preventing the reoccurrence of homelessness among individuals and families exiting homelessness; and
- (xii) providing medical respite care for homeless individuals where the homeless individuals can access medical care and other supportive services; and
- (e) address the needs identified in the strategic plan described in Section 35A-16-203 for inclusion in the annual written report described in Section 35A-1-109.
- (4) In addition to the other provisions of this section, in determining the awarding of a grant or contract under this section to design, build, create, or renovate a facility that will provide shelter or other resources for the homeless, of the homelessness council, with the concurrence of the coordinator, may consider whether the facility will be:
  - (a) located near mass transit services;
- (b) located in an area that meets or will meet all zoning regulations before a final dispersal of funds;
- (c) safe and welcoming both for individuals using the facility and for members of the surrounding community; and
  - (d) located in an area with access to employment, job training, and positive activities.
- (5) In accordance with Subsection (4), and subject to the approval the homelessness council, with the concurrence of the coordinator, the following may recommend a site location, acquire a site location, and hold title to real property, buildings, fixtures, and appurtenances of a facility that provides or will provide shelter or other resources for the homeless:
- (a) the county executive of a county of the first class on behalf of the county of the first class, if the facility is or will be located in the county of the first class in a location other than Salt Lake City;

212	(b) the state;
213	(c) a nonprofit entity approved by the homelessness council, with the concurrence of
214	the coordinator; and
215	(d) a mayor of a municipality on behalf of the municipality where a facility is or will be
216	located.
217	(6) (a) If a homeless shelter commits to provide any amount of matching funds under
218	this Subsection (6), the homelessness council, with the concurrence of the coordinator, may
219	award a grant for the ongoing operations of the homeless shelter.
220	(b) In awarding a grant under this Subsection (6), the homelessness council, with the
221	concurrence of the coordinator, shall consider:
222	(i) the number of beds available at the homeless shelter [and];
223	(ii) the number and quality of the homeless services provided by the homeless
224	shelter[-]; and
225	(iii) the amount of matching funds provided by the homeless shelter.
226	(7) The office may expend money from the restricted account to offset actual office and
227	homelessness council expenses related to administering this section.
228	Section 5. Section <b>35A-16-402</b> is amended to read:
229	35A-16-402. Homeless Shelter Cities Mitigation Restricted Account Formula
230	for disbursing account funds to eligible municipalities.
231	(1) There is created a restricted account within the General Fund known as the
232	Homeless Shelter Cities Mitigation Restricted Account.
233	(2) The account shall be funded by:
234	(a) local sales and use tax revenue deposited into the account in accordance with
235	Section 59-12-205;
236	(b) interest earned on the account; and
237	(c) appropriations made to the account by the Legislature.
238	(3) The office shall administer the account.
239	(4) (a) Subject to appropriations, the office shall annually disburse funds from the
240	account as follows:
241	(i) 87.5% shall be disbursed to first-tier eligible municipalities that have been approved
242	to receive account funds under Section 35A-16-403, of which:

- (A) 70% of the amount described in Subsection (4)(a)(i) shall be disbursed proportionately among applicants based on the total number of individuals experiencing homelessness who are served by eligible shelters within each municipality, as determined by the office;
- (B) 20% of the amount described in Subsection (4)(a)(i) shall be disbursed proportionately among applicants based on the total number of individuals experiencing homelessness who are served by eligible shelters within each municipality as compared to the total population of the municipality, as determined by the office; and
- (C) 10% of the amount described in Subsection (4)(a)(i) shall be disbursed proportionately among applicants based on the total year-round capacity of all eligible shelters within each municipality, as determined by the office;
- (ii) 2.5% shall be disbursed to second-tier eligible municipalities that have been approved to receive account funds under Section 35A-16-403, of which:
- (A) 70% of the amount described in Subsection (4)(a)(ii) shall be disbursed proportionately among applicants based on the total number of individuals experiencing homelessness who are served by eligible shelters within each municipality, as determined by the office;
- (B) 20% of the amount described in Subsection (4)(a)(ii) shall be disbursed proportionately among applicants based on the total number of individuals experiencing homelessness who are served by eligible shelters within each municipality as compared to the total population of the municipality, as determined by the office; and
- (C) 10% of the amount described in Subsection (4)(a)(ii) shall be disbursed proportionately among applicants based on the total year-round capacity of all eligible shelters within each municipality, as determined by the office; and
- (iii) 10% shall be disbursed to third-tier eligible municipalities that have been approved to receive account funds under Section 35A-16-403, in accordance with a formula established by the office and approved by the homelessness council.
- (b) In disbursing funds to second-tier municipalities under Subsection (4)(a)(ii), the maximum amount of funds that the office may disburse each year to a single second-tier municipality may not exceed 50% of the total amount of funds disbursed under Subsection (4)(a)(ii).

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Mitigation Restricted Account funds.

- 274 (c) The office may disburse funds under Subsection (4)(a)(iii) to an authorized provider 275 of a third-tier eligible municipality. 276 (d) The office may disburse funds to a third-tier municipality or an authorized provider 277 under Subsection (4)(a)(iii) regardless of whether the municipality receives funds under 278 Subsection (4)(a)(i) as a first-tier municipality or funds under Subsection (4)(a)(ii) as a 279 second-tier municipality. 280 (e) If any account funds are available to the office for disbursement under this section 281 after making the disbursements required in Subsection (4)(a), the office may disburse the 282 available account funds to third-tier municipalities that have been approved to receive account 283 funds under Section 35A-16-403. 284 (f) (i) Notwithstanding any other provision in this section, if an eligible municipality 285 requests account funds under Section 35A-16-403 and the request is denied for the sole reason 286 that the eligible municipality does not enforce an ordinance required by Subsection 35A-16-403(2)(g), the office may disburse the account funds that the eligible municipality 287 288 would otherwise have received: 289 (A) to eligible municipalities in accordance with the provisions of this Subsection (4); 290 or 291 (B) upon the recommendation of the homelessness council and subject to Subsection 292 (4)(f)(ii), to the Department of Public Safety. 293 (ii) Account funds disbursed to the Department of Public Safety under Subsection 294 (4)(f)(i) shall be used by the Department of Public Safety to aid in the enforcement of state 295 laws that promote the safety of individuals experiencing homelessness. 296 (5) The office may use up to 2.75% of any appropriations made to the account by the 297 Legislature to offset the office's administrative expenses under this part. 298 (6) In accordance with Section 63J-1-602.1, appropriations from the account are 299 nonlapsing. 300 Section 6. Section **35A-16-403** is amended to read: 301 35A-16-403. Eligible municipality application process for Homeless Shelter Cities
  - (1) An eligible municipality may apply for account funds to mitigate the impacts of the location of an eligible shelter through the provision of eligible services within the eligible

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- (2) (a) The homelessness council shall set aside time on the agenda of a homelessness council meeting that occurs before the beginning of the next fiscal year to allow an eligible municipality to present a request for account funds for that next fiscal year.
  - (b) An eligible municipality may present a request for account funds by:
- (i) sending an electronic copy of the request to the homelessness council before the meeting; and
  - (ii) appearing at the meeting to present the request.
  - (c) The request described in Subsection (2)(b)(ii) shall contain:
- (i) a proposal outlining the need for eligible services, including a description of each eligible service for which the eligible municipality requests account funds;
  - (ii) a description of the eligible municipality's proposed use of account funds;
- (iii) a description of the outcomes that the funding would be used to achieve, including indicators that would be used to measure progress toward the specified outcomes; and
  - (iv) the amount of account funds requested.
- (d) (i) On or before September 30, an eligible municipality that received account funds during the previous fiscal year shall file electronically with the homelessness council a report that includes:
- (A) a summary of the amount of account funds that the eligible municipality expended and the eligible municipality's specific use of those funds;
- (B) an evaluation of the eligible municipality's effectiveness in using the account funds to address the eligible municipality's needs due to the location of an eligible shelter;
- (C) an evaluation of the eligible municipality's progress regarding the outcomes and indicators described in Subsection (2)(c)(iii); and
- (D) any proposals for improving the eligible municipality's effectiveness in using account funds that the eligible municipality may receive in future fiscal years.
- (ii) The homelessness council may request additional information as needed to make the evaluation described in Subsection (2)(e).
- (e) The homelessness council shall evaluate a request made in accordance with this Subsection (2) and may take the following factors into consideration in determining whether to approve or deny the request:

336	(i) the strength of the proposal that the eligible municipality provided to support the
337	request;
338	(ii) if the eligible municipality received account funds during the previous fiscal year,
339	the efficiency with which the eligible municipality used any account funds during the previous
340	fiscal year;
341	(iii) the availability of funding for the eligible municipality under Subsection
342	35A-16-402(4);
343	(iv) the availability of alternative funding for the eligible municipality to address the
344	eligible municipality's needs due to the location of an eligible shelter; [and]
345	(v) for an eligible municipality that received account funds during the previous fiscal
346	year, the extent to which the eligible municipality enforced an ordinance required by
347	Subsection (2)(g) in the previous year; and
348	[(v)] (vi) any other considerations identified by the homelessness council.
349	(f) After making the evaluation described in Subsection (2)(e), and subject to
350	Subsection (2)(g), the homelessness council shall vote to either approve or deny an eligible
351	municipality's request for account funds.
352	(g) (i) Except as provided in Subsection (2)(g)(ii), an eligible municipality may not
353	receive account funds under this section unless the eligible municipality enforces:
354	(A) [enforces] an ordinance that prohibits camping; and
355	(B) an ordinance that prohibits conduct that impedes or blocks traffic in violation of
356	Subsection 41-6a-1009(4).
357	(ii) Subsection $(2)(g)(i)(A)$ does not apply if each homeless shelter located within the
358	county in which the eligible municipality is located is at full capacity, as defined by rule made
359	by the office in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
360	(h) If the homelessness council approves an eligible municipality's request to receive
361	account funds under Subsection (2)(f), the office, subject to appropriation, shall calculate the
362	amount of funds for disbursement to the eligible municipality under Subsection
363	35A-16-402(4).
364	(3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
365	office shall make rules governing the process for calculating the amount of funds that an
366	eligible municipality may receive under Subsection 35A-16-402(4).

367	Section 7. Section <b>35A-16-701</b> is amended to read:
368	<b>35A-16-701.</b> Definitions.
369	As used in this part:
370	(1) "Affected county" means a county of the first, second, third, or fourth class in
371	which a code blue event is anticipated.
372	(2) "Applicable local homeless council" means the local homeless council that is
373	responsible for coordinating homeless response within an affected county.
374	(3) "Capacity limit" means a limit as to the number of individuals that a homeless
375	shelter may provide temporary shelter to under a conditional use permit.
376	(4) "Code blue alert" means a proclamation issued by the Department of Health and
377	Human Services under Section 35A-16-702 to alert the public of a code blue event.
378	(5) "Code blue event" means a weather event in which the National Weather Service
379	predicts temperatures of [15] 18 degrees Fahrenheit or less, including wind chill, or any other
380	extreme weather conditions established in rules made by the Department of Health and Human
381	Services under Subsection 35A-16-702(4), to occur in any county of the first, second, third, or
382	fourth class for two hours or longer within the next 24 to 48 hours.
383	(6) "Homeless shelter" means a facility that provides temporary shelter to individuals
384	experiencing homelessness.
385	(7) "Municipality" means a city, town, or metro township.
386	Section 8. Section <b>35A-16-702</b> is amended to read:
387	35A-16-702. Code blue alert Content Dissemination Rulemaking.
388	(1) The Department of Health and Human Services shall:
389	(a) monitor and evaluate forecasts and advisories produced by the National Weather
390	Service;
391	(b) issue a code blue alert under this section if the Department of Health and Human
392	Services identifies a code blue event; and
393	(c) disseminate the code blue alert to:
394	(i) the public at large;
395	(ii) homeless shelters located within an affected county;
396	(iii) local government entities located within an affected county;
397	(iv) the office; and

398	(v) any other relevant public or private entities that provide services to individuals
399	experiencing homelessness within an affected county.
400	(2) The code blue alert shall:
401	(a) identify each affected county;
402	(b) specify the duration of the code blue alert;
403	(c) describe the provisions that take effect for the duration of the code blue alert as
404	described in Section 35A-16-703; and
405	(d) include the information prepared by the office under Subsection (3).
406	(3) (a) The office shall prepare and regularly update information to assist individuals
407	experiencing homelessness during a code blue event, including:
408	(i) the location and availability of homeless shelters and other community resources
409	and services for individuals experiencing homelessness;
410	(ii) information regarding public safety and emergency services; and
411	(iii) any other information considered relevant by the office.
412	(b) The office shall submit to the Department of Health and Human Services the
413	information prepared and updated under Subsection (3)(a).
414	(4) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
415	the Department of Health and Human Services, in coordination with the office, shall make
416	rules to implement this section.
417	(b) The rules under Subsection (4)(a) shall:
418	(i) establish any extreme weather conditions that warrant the issuance of a code blue
419	alert; and
420	(ii) establish standards for:
421	(A) monitoring and evaluating National Weather Service forecasts and advisories to
422	identify code blue events;
423	(B) issuing code blue alerts under this section, including the form, content, and
424	dissemination of code blue alerts;
425	(C) the provisions that take effect within an affected county for the duration of a code
426	blue alert[, as provided in] under Section 35A-16-703; and
427	(D) coordinating with the office to receive the information described in Subsection (3).
428	(5) Nothing in this section prohibits a municipality from [issuing a safety alert based on

429	other] implementing emergency plans or other measures to assist individuals experiencing
430	homelessness at times when environmental conditions [that] present a substantial threat to the
431	health or safety of individuals experiencing homelessness, provided that the emergency plans
432	or other measures implemented by the municipality do not conflict with any applicable
433	provisions that take effect during a code blue event in accordance with Section 35A-16-703.
434	Section 9. Section <b>59-12-205</b> is amended to read:
435	59-12-205. Ordinances to conform with statutory amendments Distribution of
436	tax revenue Determination of population.
437	(1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
438	59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's
439	sales and use tax ordinances:
440	(a) within 30 days of the day on which the state makes an amendment to an applicable
441	provision of Part 1, Tax Collection; and
442	(b) as required to conform to the amendments to Part 1, Tax Collection.
443	(2) (a) Except as provided in Subsections (3) and (4) and subject to Subsection (5):
444	(i) 50% of each dollar collected from the sales and use tax authorized by this part shall
445	be distributed to each county, city, and town on the basis of the percentage that the population
446	of the county, city, or town bears to the total population of all counties, cities, and towns in the
447	state; and
448	(ii) (A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
449	dollar collected from the sales and use tax authorized by this part shall be distributed to each
450	county, city, and town on the basis of the location of the transaction as determined under
451	Sections 59-12-211 through 59-12-215;
452	(B) 50% of each dollar collected from the sales and use tax authorized by this part
453	within a project area described in a project area plan adopted by the military installation
454	development authority under Title 63H, Chapter 1, Military Installation Development
455	Authority Act, shall be distributed to the military installation development authority created in
456	Section 63H-1-201;
457	(C) beginning July 1, 2022, 50% of each dollar collected from the sales and use tax
458	authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port
459	Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section

460	11-58-201; and
461	(D) 50% of each dollar collected from the sales and use tax authorized by this part
462	within the lake authority boundary, as defined in Section 11-65-101, shall be distributed to the
463	Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter
464	following the creation of the Utah Lake Authority.
465	(b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
466	July 1, 2022.
467	(3) (a) As used in this Subsection (3):
468	(i) "Eligible county, city, or town" means a county, city, or town that:
469	(A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (3)(b)
470	equal to the amount described in Subsection (3)(b)(ii); and
471	(B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
472	2016.
473	(ii) "Minimum tax revenue distribution" means the total amount of tax revenue
474	distributions an eligible county, city, or town received from a tax imposed in accordance with
475	this part for fiscal year 2004-05.
476	(b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
477	imposed in accordance with this part equal to the greater of:
478	(i) the payment required by Subsection (2); or
479	(ii) the minimum tax revenue distribution.
480	(4) (a) For purposes of this Subsection (4):
481	(i) "Annual local contribution" means the lesser of \$275,000 or an amount equal to
482	2.55% of the participating local government's tax revenue distribution amount under
483	Subsection (2)(a)(i) for the previous fiscal year.
484	(ii) "Participating local government" means a county or municipality, as defined in
485	Section 10-1-104, that is not an eligible municipality certified in accordance with Section
486	35A-16-404.
487	(b) For revenue collected from the tax authorized by this part that is distributed on or
488	after January 1, 2019, the commission, before making a tax revenue distribution under
489	Subsection (2)(a)(i) to a participating local government, shall:

(i) adjust a participating local government's tax revenue distribution under Subsection

491	(2)(a)(i)	by:
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- (A) subtracting an amount equal to one-twelfth of the annual local contribution for each participating local government from the participating local government's tax revenue distribution; and
- (B) if applicable, reducing the amount described in Subsection (4)(b)(i)(A) by <u>an</u> <u>amount equal to one-twelfth of</u> \$250 for each bed that is available at all homeless shelters located within the boundaries of the participating local government, as reported to the commission by the Office of Homeless Services in accordance with Section 35A-16-405; and
- (ii) deposit the resulting amount described in Subsection (4)(b)(i) into the Homeless Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.
- (c) For a participating local government that qualifies to receive a distribution described in Subsection (3), the commission shall apply the provisions of this Subsection (4) after the commission applies the provisions of Subsection (3).
  - (5) (a) As used in this Subsection (5):
- (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to the total revenue an establishment described in NAICS Code 327320, Ready-Mix Concrete Manufacturing, of the 2022 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget, collects and remits under this part for a calendar year.
  - (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.
  - (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:
- 512 (A) contains sand and gravel; and
- 513 (B) is assessed by the commission in accordance with Section 59-2-201.
- (iv) "Ton" means a short ton of 2,000 pounds.
- (v) "Tonnage ratio" means the ratio of:
  - (A) the total amount of sand and gravel, measured in tons, sold during a calendar year from all sand and gravel extraction sites located within a county, city, or town; to
  - (B) the total amount of sand and gravel, measured in tons, sold during the same calendar year from sand and gravel extraction sites statewide.
- 520 (b) For purposes of calculating the ratio described in Subsection (5)(a)(v), the 521 commission shall:

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Section 11-42a-106.

- 522 (i) use the gross sales data provided to the commission as part of the commission's 523 property tax valuation process; and 524 (ii) if a sand and gravel extraction site operates as a unit across municipal or county 525 lines, apportion the reported tonnage among the counties, cities, or towns based on the 526 percentage of the sand and gravel extraction site located in each county, city, or town, as 527 approximated by the commission. 528 (c) (i) Beginning July 2023, and each July thereafter, the commission shall distribute 529 from total collections under this part an amount equal to the annual dedicated sand and gravel 530 sales tax revenue for the preceding calendar year to each county, city, or town in the same 531 proportion as the county's, city's, or town's tonnage ratio for the preceding calendar year. 532 (ii) The commission shall ensure that the revenue distributed under this Subsection 533 (5)(c) is drawn from each jurisdiction's collections in proportion to the jurisdiction's share of 534 total collections for the preceding 12-month period. 535 (d) A county, city, or town shall use revenue described in Subsection (5)(c) for class B or class C roads. 536 537 (6) (a) Population figures for purposes of this section shall be based on the most recent 538 official census or census estimate of the United States Bureau of the Census. 539 (b) If a needed population estimate is not available from the United States Bureau of 540 the Census, population figures shall be derived from the estimate from the Utah Population 541 Committee. 542 (c) The population of a county for purposes of this section shall be determined only 543 from the unincorporated area of the county. 544 Section 10. Section **63J-1-602.1** is amended to read: 545 63J-1-602.1. List of nonlapsing appropriations from accounts and funds. Appropriations made from the following accounts or funds are nonlapsing: 546 547 (1) The Native American Repatriation Restricted Account created in Section 9-9-407. 548 (2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, 549 as provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.
  - (4) Money received by the Utah Inland Port Authority, as provided in Section

(3) Funds collected for directing and administering the C-PACE district created in

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553	11-58-105.
554	(5) The Commerce Electronic Payment Fee Restricted Account created in Section
555	13-1-17.
556	(6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in
557	Section 19-2a-106.
558	(7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in
559	Section 19-5-126.
560	(8) State funds for matching federal funds in the Children's Health Insurance Program
561	as provided in Section 26B-3-906.
562	(9) Funds collected from the program fund for local health department expenses
563	incurred in responding to a local health emergency under Section 26B-7-111.
564	(10) The Technology Development Restricted Account created in Section 31A-3-104.
565	(11) The Criminal Background Check Restricted Account created in Section
566	31A-3-105.
567	(12) The Captive Insurance Restricted Account created in Section 31A-3-304, except
568	to the extent that Section 31A-3-304 makes the money received under that section free revenue.
569	(13) The Title Licensee Enforcement Restricted Account created in Section
570	31A-23a-415.
571	(14) The Health Insurance Actuarial Review Restricted Account created in Section
572	31A-30-115.
573	(15) The State Mandated Insurer Payments Restricted Account created in Section
574	31A-30-118.
575	(16) The Insurance Fraud Investigation Restricted Account created in Section
576	31A-31-108.
577	(17) The Underage Drinking Prevention Media and Education Campaign Restricted
578	Account created in Section 32B-2-306.

- 579 (18) The Drinking While Pregnant Prevention Media and Education Campaign
- 580 Restricted Account created in Section 32B-2-308.
  - (19) The School Readiness Restricted Account created in Section 35A-15-203.
- 582 (20) Money received by the Utah State Office of Rehabilitation for the sale of certain 583 products or services, as provided in Section 35A-13-202.

584	(21) The Homeless Shelter Cities Mitigation Restricted Account created in Section
585	<u>35A-16-402.</u>
586	[(21)] (22) The Oil and Gas Administrative Penalties Account created in Section
587	40-6-11.
588	[(22)] (23) The Oil and Gas Conservation Account created in Section 40-6-14.5.
589	[(23)] (24) The Division of Oil, Gas, and Mining Restricted account created in Section
590	40-6-23.
591	[(24)] (25) The Electronic Payment Fee Restricted Account created by Section
592	41-1a-121 to the Motor Vehicle Division.
593	[(25)] (26) The License Plate Restricted Account created by Section 41-1a-122.
594	[(26)] (27) The Motor Vehicle Enforcement Division Temporary Permit Restricted
595	Account created by Section 41-3-110 to the State Tax Commission.
596	[(27)] (28) The State Disaster Recovery Restricted Account to the Division of
597	Emergency Management, as provided in Section 53-2a-603.
598	[(28)] (29) The Response, Recovery, and Post-disaster Mitigation Restricted Account
599	created in Section 53-2a-1302.
600	[(29)] (30) The Department of Public Safety Restricted Account to the Department of
601	Public Safety, as provided in Section 53-3-106.
602	[(30)] (31) The Utah Highway Patrol Aero Bureau Restricted Account created in
603	Section 53-8-303.
604	[(31)] (32) The DNA Specimen Restricted Account created in Section 53-10-407.
605	[(32)] (33) The Technical Colleges Capital Projects Fund created in Section
606	53B-2a-118.
607	[(33)] (34) The Higher Education Capital Projects Fund created in Section
608	53B-22-202.
609	[(34)] (35) A certain portion of money collected for administrative costs under the
610	School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.
611	[(35)] (36) The Public Utility Regulatory Restricted Account created in Section
612	54-5-1.5, subject to Subsection 54-5-1.5(4)(d).
613	[(36)] (37) Funds collected from a surcharge fee to provide certain licensees with
614	access to an electronic reference library, as provided in Section 58-3a-105.

615	[(37)] (38) Certain fines collected by the Division of Professional Licensing for
616	violation of unlawful or unprofessional conduct that are used for education and enforcement
617	purposes, as provided in Section 58-17b-505.
618	[(38)] (39) Funds collected from a surcharge fee to provide certain licensees with
619	access to an electronic reference library, as provided in Section 58-22-104.
620	[(39)] (40) Funds collected from a surcharge fee to provide certain licensees with
621	access to an electronic reference library, as provided in Section 58-55-106.
622	[(40)] (41) Funds collected from a surcharge fee to provide certain licensees with
623	access to an electronic reference library, as provided in Section 58-56-3.5.
624	[(41)] (42) Certain fines collected by the Division of Professional Licensing for use in
625	education and enforcement of the Security Personnel Licensing Act, as provided in Section
626	58-63-103.
627	[(42)] (43) The Relative Value Study Restricted Account created in Section 59-9-105.
628	[(43)] (44) The Cigarette Tax Restricted Account created in Section 59-14-204.
629	[(44)] (45) Funds paid to the Division of Real Estate for the cost of a criminal
630	background check for a mortgage loan license, as provided in Section 61-2c-202.
631	[(45)] (46) Funds paid to the Division of Real Estate for the cost of a criminal
632	background check for principal broker, associate broker, and sales agent licenses, as provided
633	in Section 61-2f-204.
634	[(46)] (47) Certain funds donated to the Department of Health and Human Services, as
635	provided in Section 26B-1-202.
636	[(47)] (48) Certain funds donated to the Division of Child and Family Services, as
637	provided in Section 80-2-404.
638	[(48)] (49) Funds collected by the Office of Administrative Rules for publishing, as
639	provided in Section 63G-3-402.
640	[(49)] (50) The Immigration Act Restricted Account created in Section 63G-12-103.
641	[(50)] Money received by the military installation development authority, as
642	provided in Section 63H-1-504.
643	[(51)] (52) The Computer Aided Dispatch Restricted Account created in Section
644	63H-7a-303.
645	[(52)] (53) The Unified Statewide 911 Emergency Service Account created in Section

646 63H-7a-304. [(53)] (54) The Utah Statewide Radio System Restricted Account created in Section 647 648 63H-7a-403. 649 [<del>(54)</del>] (55) The Utah Capital Investment Restricted Account created in Section 650 63N-6-204. 651 [(55)] (56) The Motion Picture Incentive Account created in Section 63N-8-103. 652 [(56)] (57) Funds collected by the housing of state probationary inmates or state parole 653 inmates, as provided in Subsection 64-13e-104(2). 654 [(57)] (58) Certain forestry and fire control funds utilized by the Division of Forestry, 655 Fire, and State Lands, as provided in Section 65A-8-103. 656 [(58)] (59) The Amusement Ride Safety Restricted Account, as provided in Section 657 72-16-204. 658 [(59)] (60) Certain funds received by the Office of the State Engineer for well drilling 659 fines or bonds, as provided in Section 73-3-25. 660 [(60)] (61) The Water Resources Conservation and Development Fund, as provided in 661 Section 73-23-2. 662 [<del>(61)</del>] (62) Award money under the State Asset Forfeiture Grant Program, as provided 663 under Section 77-11b-403. 664 [<del>(62)</del>] (63) Funds donated or paid to a juvenile court by private sources, as provided in 665 Subsection 78A-6-203(1)(c). 666 [<del>(63)</del>] (64) Fees for certificate of admission created under Section 78A-9-102. 667 [<del>(64)</del>] (65) Funds collected for adoption document access as provided in Sections 668 78B-6-141, 78B-6-144, and 78B-6-144.5. 669 [<del>(65)</del>] (66) Funds collected for indigent defense as provided in Title 78B, Chapter 22, 670 Part 4, Utah Indigent Defense Commission. 671 [(66)] (67) The Utah Geological Survey Oil, Gas, and Mining Restricted Account 672 created in Section 79-3-403. 673 [<del>(67)</del>] (68) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades 674 State Park, and Green River State Park, as provided under Section 79-4-403. 675 [<del>(68)</del>] (69) Certain funds received by the Division of State Parks from the sale or 676 disposal of buffalo, as provided under Section 79-4-1001.

# 1st Sub. (Buff) H.B. 421

677	Section 11. Effective date.
678	(1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.
679	(2) If approved by two-thirds of all the members elected to each house, Section
680	63J-1-602.1 takes effect upon approval by the governor, or the day following the constitutional
681	time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in
682	the case of a veto, the date of veto override.
683	Section 12. Retrospective operation.
684	Section 63J-1-602.1 has retrospective operation to January 1, 2024.