

1 **UTAH PERMANENT FUND**
 2 2024 GENERAL SESSION
 3 STATE OF UTAH
 4 **Chief Sponsor: Joseph Elison**
 5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill creates the Utah Permanent Fund.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ defines terms;
- 13 ▶ creates the Utah Permanent Fund; and
- 14 ▶ provides for the investment and distribution of the Utah Permanent Fund.

15 **Money Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 None

19 **Utah Code Sections Affected:**

20 ENACTS:

21 **51-12-101**, Utah Code Annotated 1953

22 **51-12-102**, Utah Code Annotated 1953

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

25 Section 1. Section **51-12-101** is enacted to read:

26 **CHAPTER 12. UTAH PERMANENT FUND**

27 **51-12-101. Definitions.**



28 As used in this chapter:

29 (1) "Division" means the Division of Finance created in Section [63A-3-101](#).

30 (2) (a) "Principal" means money deposited into the Utah Permanent Fund in
31 accordance with Section [51-12-102](#).

32 (b) "Principal" does not include interest earned on any money in the Utah Permanent
33 Fund.

34 (3) "Revenue growth" means the difference between, as determined by the Office of
35 the Legislative Fiscal Analyst:

36 (a) the estimated amount of ongoing General Fund and Income Tax Fund revenue
37 available for the Legislature to appropriate for the next fiscal year; and

38 (b) the amount of ongoing appropriations from the General Fund and the Income Tax
39 Fund in the current fiscal year.

40 Section 2. Section **51-12-102** is enacted to read:

41 **51-12-102. Utah Permanent Fund -- Creation -- Investment -- Distribution.**

42 (1) There is created a Utah Permanent Fund which consists of:

43 (a) revenue growth appropriated in accordance with the formula described in
44 Subsection (2);

45 (b) subject to Subsection (5), interest earned on any money in the Utah Permanent
46 Fund; and

47 (c) money appropriated by the Legislature.

48 (2) Beginning on July 1, 2025, the Legislature shall annually appropriate revenue
49 growth for the next fiscal year into the Utah Permanent Fund as follows:

50 (a) 1% of revenue growth in year one;

51 (b) in each of the following eight fiscal years, a percentage equal to the percentage
52 deposited the immediately preceding fiscal year, plus an additional 1% of revenue growth; and

53 (c) 10% of revenue growth in year 10 and each fiscal year thereafter.

54 (3) The division shall track the amount of revenue growth appropriated to the Utah
55 Permanent Fund from the General Fund and Income Tax Fund, respectively.

56 (4) If there is insufficient revenue growth to comply with Subsection (2), the
57 Legislature shall appropriate to the Utah Permanent Fund any revenue growth that remains
58 available after any constitutional and statutory deposit requirements created before July 1,

59 2025, are fulfilled.

60 (5) The state treasurer shall:

61 (a) (i) hold all money described in Subsection (1); and

62 (ii) in the same manner provided for in Title 51, Chapter 7b, Part 2, State Treasurer

63 Investment Duties, invest the money for the benefit of the people of the state in perpetuity; and

64 (b) distribute annually to the division the earnings from the investment of the Utah

65 Permanent Fund as follows:

66 (i) before July 1, 2040, 100% into the Utah Permanent Fund; and

67 (ii) after July 1, 2040:

68 (A) 50% into the General Fund or Income Tax Fund; and

69 (B) 50% into the Utah Permanent Fund.

70 (6) The Legislature may appropriate all or a portion of the Utah Permanent Fund

71 principal only by the affirmative vote of two-thirds of all the members elected to each chamber

72 of the Legislature.

73 **Section 3. Effective date.**

74 This bill takes effect on May 1, 2024.