1	DEPARTMENT OF NATURAL RESOURCES MODIFICATIONS
2	2024 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Casey Snider
5	Senate Sponsor:
6 7	LONG TITLE
8	General Description:
9	This bill modifies provisions related to the Department of Natural Resources.
0	Highlighted Provisions:
1	This bill:
2	<ul> <li>clarifies that the Species Protection Account is administered by the Division of</li> </ul>
3	Wildlife Resources;
4	<ul> <li>modifies requirements related to the off-highway vehicle safety education and</li> </ul>
5	training program;
6	<ul> <li>changes how the off-highway vehicle safety user fee is set and allows the Division</li> </ul>
7	of Outdoor Recreation to collect an electronic payment fee;
8	<ul> <li>clarifies provisions related to the Public Lands Policy Coordinating Office;</li> </ul>
9	<ul> <li>repeals a provision related to actions brought to a district court challenging a</li> </ul>
0	groundwater management plan;
1	repeals a requirement that the Board of Water Resources establish a benefit to cost
22	ratio for certain water projects;
23	<ul><li>repeals the definition of "species protection";</li></ul>
4	<ul> <li>repeals a provision requiring the Utah Geological Survey to seek federal funds and</li> </ul>
5	administer federally funded state programs related to energy;
6	<ul> <li>modifies provisions related to the director of the Office of Energy Development and</li> </ul>
7	removes references to energy advisor;



28	<ul> <li>clarifies the status of an employee of the Office of Energy Development;</li> </ul>
29	<ul> <li>repeals a requirement that the governor approve the purchase or acceptance of</li> </ul>
30	property by the Division of Outdoor Recreation;
31	<ul> <li>repeals a requirement that 10% of certain expenditures by the Board of Water</li> </ul>
32	Resources be allocated for credit enhancement and interest buy-down agreements;
33	<ul> <li>clarifies that the Division of Outdoor Recreation has duties related to a contingency</li> </ul>
34	plan for federal property during a fiscal emergency;
35	<ul> <li>repeals outdated language, including appropriation language; and</li> </ul>
36	<ul><li>makes technical and conforming changes.</li></ul>
37	Money Appropriated in this Bill:
38	None
39	Other Special Clauses:
40	This bill provides a special effective date.
41	This bill provides a coordination clause.
42	<b>Utah Code Sections Affected:</b>
43	AMENDS:
44	41-22-31, as repealed and reenacted by Laws of Utah 2023, Chapter 11
45	41-22-35, as last amended by Laws of Utah 2022, Chapters 68, 143
46	59-12-103 (Contingently Superseded 01/01/25), as last amended by Laws of Utah
47	2023, Chapters 22, 213, 329, 361, and 471
48	59-12-103 (Contingently Effective 01/01/25), as last amended by Laws of Utah 2023,
49	Chapters 22, 213, 329, 361, 459, and 471
50	59-23-4, as last amended by Laws of Utah 2018, Chapter 413
51	63L-11-102, as last amended by Laws of Utah 2023, Chapter 16
52	63L-11-201, as last amended by Laws of Utah 2021, Chapter 345 and renumbered and
53	amended by Laws of Utah 2021, Chapter 382
54	63L-11-202, as last amended by Laws of Utah 2023, Chapter 160
55	63L-11-305, as last amended by Laws of Utah 2022, Chapter 313
56	63L-11-402, as last amended by Laws of Utah 2023, Chapter 160
57	63L-11-403, as renumbered and amended by Laws of Utah 2021, Chapter 382
58	67-22-2 as last amended by Laws of Utah 2023. Chanter 205

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            73-5-15, as last amended by Laws of Utah 2023, Chapters 16, 230
            73-10-27, as last amended by Laws of Utah 2012, Chapter 347
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            79-2-102, as last amended by Laws of Utah 2023, Chapter 34
62
            79-2-406, as enacted by Laws of Utah 2022, Chapter 216
63
            79-3-202, as last amended by Laws of Utah 2022, Chapter 216
64
            79-6-102, as renumbered and amended by Laws of Utah 2021, Chapter 280
65
            79-6-106, as enacted by Laws of Utah 2023, Chapter 233
            79-6-401, as last amended by Laws of Utah 2023, Chapter 196
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67
            79-6-901, as renumbered and amended by Laws of Utah 2022. Chapter 44
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            79-6-902, as renumbered and amended by Laws of Utah 2022, Chapter 44
69
            79-7-203, as last amended by Laws of Utah 2023, Chapter 33
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     ENACTS:
71
            41-22-35.5, Utah Code Annotated 1953
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     RENUMBERS AND AMENDS:
73
            23A-3-214, (Renumbered from 79-2-303, as renumbered and amended by Laws of
74
     Utah 2009, Chapter 344)
75
            79-6-404, (Renumbered from 79-6-202, as renumbered and amended by Laws of Utah
76
     2021, Chapter 280)
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            79-6-405, (Renumbered from 79-6-203, as renumbered and amended by Laws of Utah
78
     2021, Chapter 280)
79
            79-7-601, (Renumbered from 79-4-1102, as enacted by Laws of Utah 2014, Chapter
80
     313)
            79-7-602, (Renumbered from 79-4-1103, as last amended by Laws of Utah 2022,
81
82
     Chapter 68)
83
     REPEALS:
84
            40-6-22, as last amended by Laws of Utah 2022, Chapter 443
85
            73-10-12, as Utah Code Annotated 1953
            73-10-13, as enacted by Laws of Utah 1963, Chapter 199
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87
            73-10-31, as enacted by Laws of Utah 1996, Chapter 199
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            79-4-1101, as enacted by Laws of Utah 2014, Chapter 313
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            79-6-201, as renumbered and amended by Laws of Utah 2021, Chapter 280
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91	Be it enacted by the Legislature of the state of Utah:
92	Section 1. Section 23A-3-214, which is renumbered from Section 79-2-303 is
93	renumbered and amended to read:
94	[ <del>79-2-303</del> ]. <u>23A-3-214.</u> Species Protection Account.
95	(1) There is created within the General Fund a restricted account known as the Species
96	Protection Account.
97	(2) The account shall consist of:
98	(a) revenue generated by the brine shrimp tax provided for in Title 59, Chapter 23,
99	Brine Shrimp Royalty Act; and
100	(b) interest earned on money in the account.
101	(3) Money in the account may be appropriated by the Legislature to:
102	(a) develop and implement species status assessments and species protection measures;
103	(b) obtain biological opinions of proposed species protection measures;
104	(c) conduct studies, investigations, and research into the effects of proposed species
105	protection measures;
106	(d) verify species protection proposals that are not based on valid biological data;
107	(e) implement Great Salt Lake wetlands mitigation projects in connection with the
108	western transportation corridor;
109	(f) pay for the state's voluntary contributions to the Utah Reclamation Mitigation and
110	Conservation Account under the Central Utah Project Completion Act, Pub. L. No. 102-575,
111	Titles II-VI, 106 Stat. 4605-4655; and
112	(g) pay for expenses of the State Tax Commission under Title 59, Chapter 23, Brine
113	Shrimp Royalty Act.
114	(4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished

- (4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished by the state or, in an appropriation act, the Legislature may authorize the department to award grants to political subdivisions of the state to accomplish those purposes.
- (5) Money in the account may not be used to develop or implement a habitat conservation plan required under federal law unless the federal government pays for at least 1/3 of the habitat conservation plan costs.
  - Section 2. Section **41-22-31** is amended to read:

121	41-22-31. Division to set standards for safety program Safety certificates issued
122	Cooperation with public and private entities State immunity from suit.
123	(1) (a) The division shall:
124	(i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
125	make rules, after notifying the commission, that establish curriculum standards for a
126	comprehensive off-highway vehicle safety education and training program as described in this
127	section; and
128	(ii) implement the program.
129	(b) (i) The division shall design the program to develop and instill the knowledge,
130	attitudes, habits, and skills necessary for the safe and ethical operation of an off-highway
131	vehicle.
132	(ii) Components of the program shall include:
133	(A) the preparation and dissemination of off-highway vehicle information and safety
134	advice to the public;
135	(B) the training of off-highway vehicle operators;
136	(C) education concerning the importance of gates and fences used in agriculture and
137	how to properly close a gate; and
138	(D) education concerning respectful, sustainable, and on-trail off-highway vehicle
139	operation, and respect for communities affected by off-highway vehicle operation.
140	(iii) Off-highway vehicle safety certificates shall be issued to those who successfully
141	complete training or pass the knowledge and skills test established under the program and
142	described in Subsections (2) and (3).
143	(iv) The division shall ensure that an individual has the option to complete the program
144	online.
145	(2) Except as provided in Subsection (4)(b), an individual under 18 years old may not
146	operate an off-highway vehicle on public lands in this state unless the individual has completed
147	the requirements of the program established in accordance with this section and rules made in
148	accordance with Subsection (1) by completing:
149	(a) an in-person safety and skills course offered by the division; or
150	(b) a safety and skills course approved by the division that is offered online.

(3) Except as provided in Subsection [(4)] (4)(a), an individual [that] who is 18 years

152	old or older may not operate an off-highway vehicle on public lands in this state unless the
153	individual has completed the requirements of the program established in accordance with this
154	section and rules made in accordance with Subsection (1) by completing:
155	(a) a course described in Subsection (2); or
156	(b) a one-time course offered or approved by the division.
157	(4) The requirements described in this section do not apply to:
158	(a) an individual who is 18 years old or older operating:
159	(i) a snowmobile [or];
160	(ii) an off-highway implement of husbandry; or
161	[(b)] (iii) [an individual operating] an off-highway vehicle as part of a guided tour or a
162	sanctioned off-highway vehicle event[-]; or
163	(b) an individual under 18 years old operating an off-highway implement of husbandry.
164	(5) A person may not rent an off-highway vehicle to an individual until the individual
165	who will operate the off-highway vehicle presents a certificate of completion of the
166	off-highway vehicle safety education and training program established in accordance with this
167	section and rules made under Subsection (1).
168	(6) The division may cooperate with appropriate private organizations and
169	associations, private and public corporations, and local government units to implement the
170	program established under this section.
171	(7) In addition to the governmental immunity granted in Title 63G, Chapter 7,
172	Governmental Immunity Act of Utah, the state is immune from suit for any act, or failure to
173	act, in any capacity relating to the off-highway vehicle safety education and training program.
174	The state is also not responsible for any insufficiency or inadequacy in the quality of training
175	provided by this program.
176	(8) A person convicted of a violation of this section is guilty of an infraction and shall
177	be fined not more than \$150 per offense.
178	Section 3. Section 41-22-35 is amended to read:
179	41-22-35. Off-highway vehicle user fee Decal Agents Penalty for fraudulent
180	issuance of decal Deposit and use of fee revenue.
181	(1) (a) Except as provided in Subsection (1)(b), any person owning or operating a
182	nonresident off-highway vehicle who operates or gives another person permission to operate

183	the nonresident off-highway vehicle on any public land, trail, street, or highway in this state
184	shall:
185	(i) apply for an off-highway vehicle decal issued exclusively for an off-highway
186	vehicle owned by a nonresident of the state;
187	(ii) pay an annual off-highway vehicle user fee;
188	(iii) provide evidence that the owner is a nonresident; and
189	(iv) provide evidence of completion of the safety course and program described in
190	Section [ <del>41-22-35</del> ] <u>41-22-31</u> .
191	(b) The provisions of Subsection (1)(a) do not apply to an off-highway vehicle if the
192	off-highway vehicle is:
193	(i) used exclusively as an off-highway implement of husbandry;
194	(ii) used exclusively for the purposes of a scheduled competitive event sponsored by a
195	public or private entity or another event sponsored by a governmental entity under rules made
196	by the division, after notifying the commission;
197	(iii) owned and operated by a state government agency and the operation of the
198	off-highway vehicle within the boundaries of the state is within the course and scope of the
199	duties of the agency;
200	(iv) used exclusively for the purpose of an off-highway vehicle manufacturer
201	sponsored event within the state under rules made by the division; or
202	(v) operated as part of a sanctioned off-highway vehicle event or part of an official tour
203	by a person licensed as a off-highway vehicle tour guide in this state.
204	(2) [The off-highway vehicle user fee is \$30.] The division may:
205	(a) after notifying the commission, set a resident and nonresident off-highway vehicle
206	user fee in accordance with Section 63J-1-504; and
207	(b) collect an electronic payment fee in accordance with Section 41-22-35.5.
208	(3) Upon compliance with [the provisions of] Subsection (1)(a), the nonresident shall:
209	(a) receive a nonresident off-highway vehicle user decal indicating compliance with the
210	provisions of Subsection (1)(a); and
211	(b) display the decal on the off-highway vehicle in accordance with rules made by the
212	division.

(4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

214	division, after notifying the commission, shall make rules establishing:
215	(a) procedures for:
216	(i) the payment of off-highway vehicle user fees; and
217	(ii) the display of a decal on an off-highway vehicle as required under Subsection
218	(3)(b);
219	(b) acceptable evidence indicating compliance with Subsection (1);
220	(c) eligibility for scheduled competitive events or other events under Subsection
221	(1)(b)(ii); and
222	(d) eligibility for an off-highway vehicle manufacturer sponsored event under
223	Subsection (1)(b)(iv).
224	(5) (a) An off-highway vehicle user decal may be issued and the off-highway vehicle
225	user fee may be collected by the division or agents of the division.
226	(b) An agent shall retain 10% of all off-highway vehicle user fees collected.
227	(c) The division may require agents to obtain a bond in a reasonable amount.
228	(d) On or before the tenth day of each month, each agent shall:
229	(i) report all sales to the division; and
230	(ii) submit all off-highway vehicle user fees collected less the remuneration provided in
231	Subsection (5)(b).
232	(e) (i) If an agent fails to pay the amount due, the division may assess a penalty of $20\%$
233	of the amount due.
234	(ii) Delinquent payments shall bear interest at the rate of 1% per month.
235	(iii) If the amount due is not paid because of bad faith or fraud, the division shall assess
236	a penalty of 100% of the total amount due together with interest.
237	(f) All fees collected by an agent, except the remuneration provided in Subsection
238	(5)(b), shall:
239	(i) be kept separate and apart from the private funds of the agent; and
240	(ii) belong to the state.
241	(g) An agent may not issue an off-highway vehicle user decal to any person unless the
242	person furnishes evidence of compliance with the provisions of Subsection (1)(a).
243	(h) A violation of any provision of this Subsection (5) is a class B misdemeanor and
244	may be cause for revocation of the agent authorization.

245	(6) Revenue generated by off-highway vehicle user fees shall be deposited into the
246	Off-highway Vehicle Account created in Section 41-22-19.
247	Section 4. Section 41-22-35.5 is enacted to read:
248	41-22-35.5. Electronic payment fee.
249	(1) As used in this section:
250	(a) "Electronic payment" means use of a form of payment processed through electronic
251	means, including use of a credit card, debit card, or automatic clearinghouse transaction.
252	(b) "Electronic payment fee" means the fee assessed to defray:
253	(i) a charge, discount fee, or process fee charged by a processing agent to process an
254	electronic payment, including a credit card company; or
255	(ii) costs associated with the purchase of equipment necessary for processing an
256	electronic payment.
257	(2) (a) The division may impose and collect an electronic payment fee on an electronic
258	payment related to an off-highway vehicle user fee.
259	(b) The division may charge an electronic payment fee under this section in an amount
260	not to exceed 3% of the electronic payment.
261	(c) With regard to the electronic payment fee, the division is not required to separately
262	identify the electronic payment fee from a fee imposed for an off-highway vehicle user fee.
263	(3) The division shall deposit the electronic payment fee into the Off-highway Vehicle
264	Account described in Section 41-22-19.
265	Section 5. Section 59-12-103 (Contingently Superseded 01/01/25) is amended to
266	read:
267	59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base Rates
268	Effective dates Use of sales and use tax revenues.
269	(1) A tax is imposed on the purchaser as provided in this part on the purchase price or
270	sales price for amounts paid or charged for the following transactions:
271	(a) retail sales of tangible personal property made within the state;
272	(b) amounts paid for:
273	(i) telecommunications service, other than mobile telecommunications service, that
274	originates and terminates within the boundaries of this state;
275	(ii) mobile telecommunications service that originates and terminates within the

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       boundaries of one state only to the extent permitted by the Mobile Telecommunications
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       Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
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               (iii) an ancillary service associated with a:
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               (A) telecommunications service described in Subsection (1)(b)(i); or
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               (B) mobile telecommunications service described in Subsection (1)(b)(ii);
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               (c) sales of the following for commercial use:
282
               (i) gas;
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               (ii) electricity;
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               (iii) heat;
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               (iv) coal;
               (v) fuel oil; or
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               (vi) other fuels;
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               (d) sales of the following for residential use:
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               (i) gas;
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               (ii) electricity;
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               (iii) heat;
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               (iv) coal;
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               (v) fuel oil: or
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               (vi) other fuels;
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               (e) sales of prepared food;
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               (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
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       user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
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       exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
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       fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
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       television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
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       driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
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       tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
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       horseback rides, sports activities, or any other amusement, entertainment, recreation,
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       exhibition, cultural, or athletic activity;
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               (g) amounts paid or charged for services for repairs or renovations of tangible personal
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       property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
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307	(i) the tangible personal property; and
308	(ii) parts used in the repairs or renovations of the tangible personal property described
309	in Subsection (1)(g)(i), regardless of whether:
310	(A) any parts are actually used in the repairs or renovations of that tangible personal
311	property; or
312	(B) the particular parts used in the repairs or renovations of that tangible personal
313	property are exempt from a tax under this chapter;
314	(h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
315	assisted cleaning or washing of tangible personal property;
316	(i) amounts paid or charged for tourist home, hotel, motel, or trailer court
317	accommodations and services that are regularly rented for less than 30 consecutive days;
318	(j) amounts paid or charged for laundry or dry cleaning services;
319	(k) amounts paid or charged for leases or rentals of tangible personal property if within
320	this state the tangible personal property is:
321	(i) stored;
322	(ii) used; or
323	(iii) otherwise consumed;
324	(l) amounts paid or charged for tangible personal property if within this state the
325	tangible personal property is:
326	(i) stored;
327	(ii) used; or
328	(iii) consumed;
329	(m) amounts paid or charged for a sale:
330	(i) (A) of a product transferred electronically; or
331	(B) of a repair or renovation of a product transferred electronically, and
332	(ii) regardless of whether the sale provides:
333	(A) a right of permanent use of the product; or
334	(B) a right to use the product that is less than a permanent use, including a right:
335	(I) for a definite or specified length of time; and
336	(II) that terminates upon the occurrence of a condition; and
337	(n) sales of leased tangible personal property from the lessor to the lessee made in the

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338	state.
339	(2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
340	are imposed on a transaction described in Subsection (1) equal to the sum of:
341	(i) a state tax imposed on the transaction at a tax rate equal to the sum of:
342	(A) 4.70% plus the rate specified in Subsection (11)(a); and
343	(B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
344	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
345	through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
346	State Sales and Use Tax Act; and
347	(II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
348	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
349	through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
350	imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
351	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
352	transaction under this chapter other than this part.
353	(b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
354	state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
355	the sum of:
356	(i) a state tax imposed on the transaction at a tax rate of 2%; and
357	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
358	transaction under this chapter other than this part.
359	(c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are
360	imposed on amounts paid or charged for food and food ingredients equal to the sum of:
361	(i) a state tax imposed on the amounts paid or charged for food and food ingredients at
362	a tax rate of 1.75%; and
363	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
364	amounts paid or charged for food and food ingredients under this chapter other than this part.

(e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed

(d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts

paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at

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a rate of 4.85%.

by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.

- (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.
- (C) The commission shall verify that a shared vehicle is an individual-owned shared vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.
- (D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.
  - (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).
- (B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.
- (iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.
- (v) (A) A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.
  - (vi) A car-sharing program shall:
  - (A) retain tax information for each car-sharing program transaction; and
- (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.
- (f) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a local tax is imposed on the entire bundled transaction equal to the sum of:

400	(A) a state tax imposed on the entire bundled transaction equal to the sum of:
401	(I) the tax rate described in Subsection (2)(a)(i)(A); and
402	(II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
403	Sales and Use Tax Act, if the location of the transaction as determined under Sections
404	59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
405	Additional State Sales and Use Tax Act; and
406	(Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
407	Sales and Use Tax Act, if the location of the transaction as determined under Sections
408	59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
409	the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
410	(B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
411	described in Subsection (2)(a)(ii).
412	(ii) If an optional computer software maintenance contract is a bundled transaction that
413	consists of taxable and nontaxable products that are not separately itemized on an invoice or
414	similar billing document, the purchase of the optional computer software maintenance contract
415	is 40% taxable under this chapter and 60% nontaxable under this chapter.
416	(iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
417	transaction described in Subsection (2)(f)(i) or (ii):
418	(A) if the sales price of the bundled transaction is attributable to tangible personal
419	property, a product, or a service that is subject to taxation under this chapter and tangible
420	personal property, a product, or service that is not subject to taxation under this chapter, the
421	entire bundled transaction is subject to taxation under this chapter unless:
422	(I) the seller is able to identify by reasonable and verifiable standards the tangible
423	personal property, product, or service that is not subject to taxation under this chapter from the
424	books and records the seller keeps in the seller's regular course of business; or
425	(II) state or federal law provides otherwise; or
426	(B) if the sales price of a bundled transaction is attributable to two or more items of
427	tangible personal property, products, or services that are subject to taxation under this chapter
428	at different rates, the entire bundled transaction is subject to taxation under this chapter at the
429	higher tax rate unless:

(I) the seller is able to identify by reasonable and verifiable standards the tangible

personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business; or

- (II) state or federal law provides otherwise.
- (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:
- (A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
  - (ii) A purchaser and a seller may correct the taxability of a transaction if:
- (A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and
- (B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
- (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (h) (i) If the sales price of a transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate

unless the seller, at the time of the transaction:

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- (A) separately states the items subject to taxation under this chapter at each of the different rates on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business.
- (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate imposed under the following shall take effect on the first day of a calendar quarter:
  - (i) Subsection (2)(a)(i)(A);
- 474 (ii) Subsection (2)(b)(i);
  - (iii) Subsection (2)(c)(i); or
- 476 (iv) Subsection (2)(f)(i)(A)(I).
- (j) (i) A tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the tax rate increase if the billing period for the transaction begins before the effective date of a tax rate increase imposed under:
- 480 (A) Subsection (2)(a)(i)(A);
- 481 (B) Subsection (2)(b)(i);
  - (C) Subsection (2)(c)(i); or
- 483 (D) Subsection (2)(f)(i)(A)(I).
  - (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax or the tax rate decrease imposed under:
    - (A) Subsection (2)(a)(i)(A);
- 488 (B) Subsection (2)(b)(i);
- 489 (C) Subsection (2)(c)(i); or
- 490 (D) Subsection (2)(f)(i)(A)(I).
- 491 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale 492 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal

493	or change in a tax rate takes effect:
494	(A) on the first day of a calendar quarter; and
495	(B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
496	(ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
497	(A) Subsection (2)(a)(i)(A);
498	(B) Subsection (2)(b)(i);
499	(C) Subsection (2)(c)(i); or
500	(D) Subsection $(2)(f)(i)(A)(I)$ .
501	(iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
502	the commission may by rule define the term "catalogue sale."
503	(l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
504	the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
505	predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
506	(ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
507	or other fuel is furnished through a single meter for two or more of the following uses:
508	(A) a commercial use;
509	(B) an industrial use; or
510	(C) a residential use.
511	(3) (a) The following state taxes shall be deposited into the General Fund:
512	(i) the tax imposed by Subsection (2)(a)(i)(A);
513	(ii) the tax imposed by Subsection (2)(b)(i);
514	(iii) the tax imposed by Subsection (2)(c)(i); and
515	(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
516	(b) The following local taxes shall be distributed to a county, city, or town as provided
517	in this chapter:
518	(i) the tax imposed by Subsection (2)(a)(ii);
519	(ii) the tax imposed by Subsection (2)(b)(ii);
520	(iii) the tax imposed by Subsection (2)(c)(ii); and
521	(iv) the tax imposed by Subsection (2)(f)(i)(B).
522	(c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
523	Fund.

524	(4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
525	2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
526	through (g):
527	(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
528	(A) by a 1/16% tax rate on the transactions described in Subsection (1); and
529	(B) for the fiscal year; or
530	(ii) \$17,500,000.
531	(b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
532	described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
533	revenue to the [Department of Natural Resources] Division of Wildlife Resources to:
534	(A) implement the measures described in [Subsections 79-2-303(3)(a)] Subsections
535	23A-3-214(3)(a) through (d) to protect sensitive plant and animal species; or
536	(B) award grants, up to the amount authorized by the Legislature in an appropriations
537	act, to political subdivisions of the state to implement the measures described in [Subsections
538	79-2-303(3)(a) Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
539	species.
540	(ii) Money transferred to the [Department of Natural Resources] Division of Wildlife
541	Resources under Subsection (4)(b)(i) may not be used to assist the United States Fish and
542	Wildlife Service or any other person to list or attempt to have listed a species as threatened or
543	endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
544	(iii) At the end of each fiscal year:
545	(A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
546	Water Resources Conservation and Development Fund created in Section 73-10-24;
547	(B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
548	Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
549	(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
550	Drinking Water Loan Program Subaccount created in Section 73-10c-5.
551	(c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
552	Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
553	created in Section 4-18-106.
554	(d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described

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555	in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
556	the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
557	the adjudication of water rights.
558	(ii) At the end of each fiscal year:
559	(A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
560	Water Resources Conservation and Development Fund created in Section 73-10-24;
561	(B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
562	Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
563	(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
564	Drinking Water Loan Program Subaccount created in Section 73-10c-5.
565	(e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
566	in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
567	Development Fund created in Section 73-10-24 for use by the Division of Water Resources.
568	(ii) In addition to the uses allowed of the Water Resources Conservation and
569	Development Fund under Section 73-10-24, the Water Resources Conservation and
570	Development Fund may also be used to:
571	(A) conduct hydrologic and geotechnical investigations by the Division of Water
572	Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
573	quantifying surface and ground water resources and describing the hydrologic systems of an
574	area in sufficient detail so as to enable local and state resource managers to plan for and
575	accommodate growth in water use without jeopardizing the resource;
576	(B) fund state required dam safety improvements; and
577	(C) protect the state's interest in interstate water compact allocations, including the
578	hiring of technical and legal staff.
579	(f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
580	in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
581	created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.
582	(g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
583	in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount

(i) provide for the installation and repair of collection, treatment, storage, and

created in Section 73-10c-5 for use by the Division of Drinking Water to:

586	distribution facilities for any public water system, as defined in Section 19-4-102;
587	(ii) develop underground sources of water, including springs and wells; and
588	(iii) develop surface water sources.
589	(5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
590	2006, the difference between the following amounts shall be expended as provided in this
591	Subsection (5), if that difference is greater than \$1:
592	(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
593	fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
594	(ii) \$17,500,000.
595	(b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
596	(A) transferred each fiscal year to the Department of Natural Resources as designated
597	sales and use tax revenue; and
598	(B) expended by the Department of Natural Resources for watershed rehabilitation or
599	restoration.
600	(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
601	tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
602	and Development Fund created in Section 73-10-24.
603	(c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
604	remaining difference described in Subsection (5)(a) shall be:
605	(A) transferred each fiscal year to the Division of Water Resources as designated sales
606	and use tax revenue; and
607	(B) expended by the Division of Water Resources for cloud-seeding projects
608	authorized by Title 73, Chapter 15, Modification of Weather.
609	(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
610	tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
611	and Development Fund created in Section 73-10-24.
612	(d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
613	remaining difference described in Subsection (5)(a) shall be deposited into the Water
614	Resources Conservation and Development Fund created in Section 73-10-24 for use by the
615	Division of Water Resources for:
616	(i) preconstruction costs:

617	(A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
618	26, Bear River Development Act; and
619	(B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
620	authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
621	(ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
622	Chapter 26, Bear River Development Act;
623	(iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
624	authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and
625	(iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
626	Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).
627	(e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
628	remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
629	Rights Restricted Account created by Section 73-2-1.6.
630	(6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
631	each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
632	created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
633	transactions described in Subsection (1) for the fiscal year.
634	(7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
635	year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
636	Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
637	Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:
638	(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
639	(ii) the tax imposed by Subsection (2)(b)(i);
640	(iii) the tax imposed by Subsection (2)(c)(i); and
641	(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
642	(b) (i) As used in this Subsection (7)(b):
643	(A) "Additional growth revenue" means the amount of relevant revenue collected in
644	the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
645	previous fiscal year.
646	(B) "Combined amount" means the combined total amount of money deposited into the
647	Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

(C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).

- (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv).
- (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (7)(b)(iii).
- (iii) The commission shall annually deposit the amount described in Subsection (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
- (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant revenue.
- (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1, 2023, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:
- (A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv);
- (B) the amount of revenue generated in the current fiscal year by registration fees designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund of 2005; and
- (C) revenues transferred by the Division of Finance to the Transportation Investment Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.
- (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a given fiscal year.
- (iii) The commission shall annually deposit the amount described in Subsection
   (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

- (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:
  - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
  - (ii) the tax imposed by Subsection (2)(b)(i);
    - (iii) the tax imposed by Subsection (2)(c)(i); and
    - (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- (c) The commission shall annually deposit the amount described in Subsection (8)(b) into the Transit Transportation Investment Fund created in Section 72-2-124.
  - (d) (i) As used in this Subsection (8)(d):
- (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
- (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
- (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).
- (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through (iv).
- (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the

710 limit in Subsection (8)(d)(iii).

(iii) The commission shall annually deposit the amount described in Subsection (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.

- (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant revenue.
- (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal year during which the commission receives notice under Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.
  - (11) (a) The rate specified in this subsection is 0.15%.
- (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.
- (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.
- (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall

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- 741 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under 742 Subsections (7) and (8) during the fiscal year to the General Fund. 743 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, 744 beginning the first day of the calendar quarter one year after the sales and use tax boundary for 745 a housing and transit reinvestment zone is established, the commission, at least annually, shall 746 transfer an amount equal to 15% of the sales and use tax increment within an established sales 747 and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation 748 Investment Fund created in Section 72-2-124. 749 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure 750 751 Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection 752 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes: 753 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate; 754 (b) the tax imposed by Subsection (2)(b)(i); 755 (c) the tax imposed by Subsection (2)(c)(i); and 756 (d) the tax imposed by Subsection (2)(f)(i)(A)(I). 757 Section 6. Section **59-12-103 (Contingently Effective 01/01/25)** is amended to read: 758 59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --759 Effective dates -- Use of sales and use tax revenues. 760 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or 761 sales price for amounts paid or charged for the following transactions: 762 (a) retail sales of tangible personal property made within the state; 763 (b) amounts paid for: (i) telecommunications service, other than mobile telecommunications service, that 764 765 originates and terminates within the boundaries of this state; 766 (ii) mobile telecommunications service that originates and terminates within the 767 boundaries of one state only to the extent permitted by the Mobile Telecommunications 768 Sourcing Act, 4 U.S.C. Sec. 116 et seg.; or
  - (B) mobile telecommunications service described in Subsection (1)(b)(ii);

(A) telecommunications service described in Subsection (1)(b)(i); or

(iii) an ancillary service associated with a:

772 (c) sales of the following for commercial use: 773 (i) gas; 774 (ii) electricity; 775 (iii) heat; 776 (iv) coal; 777 (v) fuel oil; or 778 (vi) other fuels; 779 (d) sales of the following for residential use: 780 (i) gas; 781 (ii) electricity; 782 (iii) heat; 783 (iv) coal; (v) fuel oil; or 784 785 (vi) other fuels; 786 (e) sales of prepared food; 787 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or 788 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, 789 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, 790 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit 791 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf 792 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, 793 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, 794 horseback rides, sports activities, or any other amusement, entertainment, recreation, 795 exhibition, cultural, or athletic activity; 796 (g) amounts paid or charged for services for repairs or renovations of tangible personal 797 property, unless Section 59-12-104 provides for an exemption from sales and use tax for: 798 (i) the tangible personal property; and 799 (ii) parts used in the repairs or renovations of the tangible personal property described 800 in Subsection (1)(g)(i), regardless of whether: 801 (A) any parts are actually used in the repairs or renovations of that tangible personal 802 property; or

803	(B) the particular parts used in the repairs or renovations of that tangible personal
804	property are exempt from a tax under this chapter;
805	(h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
806	assisted cleaning or washing of tangible personal property;
807	(i) amounts paid or charged for tourist home, hotel, motel, or trailer court
808	accommodations and services that are regularly rented for less than 30 consecutive days;
809	(j) amounts paid or charged for laundry or dry cleaning services;
810	(k) amounts paid or charged for leases or rentals of tangible personal property if within
811	this state the tangible personal property is:
812	(i) stored;
813	(ii) used; or
814	(iii) otherwise consumed;
815	(l) amounts paid or charged for tangible personal property if within this state the
816	tangible personal property is:
817	(i) stored;
818	(ii) used; or
819	(iii) consumed;
820	(m) amounts paid or charged for a sale:
821	(i) (A) of a product transferred electronically; or
822	(B) of a repair or renovation of a product transferred electronically; and
823	(ii) regardless of whether the sale provides:
824	(A) a right of permanent use of the product; or
825	(B) a right to use the product that is less than a permanent use, including a right:
826	(I) for a definite or specified length of time; and
827	(II) that terminates upon the occurrence of a condition; and
828	(n) sales of leased tangible personal property from the lessor to the lessee made in the
829	state.
830	(2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
831	are imposed on a transaction described in Subsection (1) equal to the sum of:
832	(i) a state tax imposed on the transaction at a tax rate equal to the sum of:
833	(A) 4.70% plus the rate specified in Subsection (11)(a); and

(B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and

- (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
- (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to the sum of:
  - (i) a state tax imposed on the transaction at a tax rate of 2%; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
- (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on amounts paid or charged for food and food ingredients equal to the sum of the tax rates a county, city, or town imposes under this chapter on the amounts paid or charged for food or food ingredients.
- (ii) There is no state tax imposed on amounts paid or charged for food and food ingredients.
- (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at a rate of 4.85%.
- (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.
- (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.
  - (C) The commission shall verify that a shared vehicle is an individual-owned shared

vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.

- (D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.
  - (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).
- (B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.
- (iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.
- (v) (A) A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.
  - (vi) A car-sharing program shall:
  - (A) retain tax information for each car-sharing program transaction; and
- (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.
- (f) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a local tax is imposed on the entire bundled transaction equal to the sum of:
  - (A) a state tax imposed on the entire bundled transaction equal to the sum of:
  - (I) the tax rate described in Subsection (2)(a)(i)(A); and
- (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and

(Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

- (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates described in Subsection (2)(a)(ii).
- (ii) If an optional computer software maintenance contract is a bundled transaction that consists of taxable and nontaxable products that are not separately itemized on an invoice or similar billing document, the purchase of the optional computer software maintenance contract is 40% taxable under this chapter and 60% nontaxable under this chapter.
- (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled transaction described in Subsection (2)(f)(i) or (ii):
- (A) if the sales price of the bundled transaction is attributable to tangible personal property, a product, or a service that is subject to taxation under this chapter and tangible personal property, a product, or service that is not subject to taxation under this chapter, the entire bundled transaction is subject to taxation under this chapter unless:
- (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or
  - (II) state or federal law provides otherwise; or

- (B) if the sales price of a bundled transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire bundled transaction is subject to taxation under this chapter at the higher tax rate unless:
- (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business; or
  - (II) state or federal law provides otherwise.
- (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.

- (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:
- (A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
  - (ii) A purchaser and a seller may correct the taxability of a transaction if:
- (A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and
- (B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
- (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (h) (i) If the sales price of a transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate unless the seller, at the time of the transaction:
- (A) separately states the items subject to taxation under this chapter at each of the different rates on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business.

(ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes. (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate imposed under the following shall take effect on the first day of a calendar quarter: (i) Subsection (2)(a)(i)(A);

- 964 (ii) Subsection (2)(b)(i); or

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- (iii) Subsection (2)(f)(i)(A)(I).
- (j) (i) A tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the tax rate increase if the billing period for the transaction begins before the effective date of a tax rate increase imposed under:
- 969 (A) Subsection (2)(a)(i)(A);
- 970 (B) Subsection (2)(b)(i); or
- 971 (C) Subsection (2)(f)(i)(A)(I).
- 972 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing 973 statement for the billing period is rendered on or after the effective date of the repeal of the tax 974 or the tax rate decrease imposed under:
- 975 (A) Subsection (2)(a)(i)(A);
  - (B) Subsection (2)(b)(i); or
- 977 (C) Subsection (2)(f)(i)(A)(I).
  - (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or change in a tax rate takes effect:
    - (A) on the first day of a calendar quarter; and
- 982 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
  - (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 984 (A) Subsection (2)(a)(i)(A);
- 985 (B) Subsection (2)(b)(i); or
- 986 (C) Subsection (2)(f)(i)(A)(I).
- (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, 987 988 the commission may by rule define the term "catalogue sale."

989	(1) (i) For a location described in Subsection (2)(1)(ii), the commission shall determine
990	the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
991	predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
992	(ii) Subsection (2)(1)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
993	or other fuel is furnished through a single meter for two or more of the following uses:
994	(A) a commercial use;
995	(B) an industrial use; or
996	(C) a residential use.
997	(3) (a) The following state taxes shall be deposited into the General Fund:
998	(i) the tax imposed by Subsection (2)(a)(i)(A);
999	(ii) the tax imposed by Subsection (2)(b)(i); and
1000	(iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
1001	(b) The following local taxes shall be distributed to a county, city, or town as provided
1002	in this chapter:
1003	(i) the tax imposed by Subsection (2)(a)(ii);
1004	(ii) the tax imposed by Subsection (2)(b)(ii);
1005	(iii) the tax imposed by Subsection (2)(c); and
1006	(iv) the tax imposed by Subsection (2)(f)(i)(B).
1007	(c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1008	Fund.
1009	(4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1010	2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
1011	through (g):
1012	(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
1013	(A) by a 1/16% tax rate on the transactions described in Subsection (1); and
1014	(B) for the fiscal year; or
1015	(ii) \$17,500,000.
1016	(b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1017	described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
1018	revenue to the [Department of Natural Resources] Division of Wildlife Resources to:
1019	(A) implement the measures described in [Subsections 79-2-303(3)(a)] Subsections

- 1020 <u>23A-3-214(3)(a)</u> through (d) to protect sensitive plant and animal species; or
- (B) award grants, up to the amount authorized by the Legislature in an appropriations act, to political subdivisions of the state to implement the measures described in [Subsections 79-2-303(3)(a)] Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal species.
  - (ii) Money transferred to the [Department of Natural Resources] Division of Wildlife Resources under Subsection (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other person to list or attempt to have listed a species as threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
    - (iii) At the end of each fiscal year:

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- (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24;
- (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund created in Section 4-18-106.
- (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of water rights.
  - (ii) At the end of each fiscal year:
- (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24;
- (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described

1051	in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1052	Development Fund created in Section 73-10-24 for use by the Division of Water Resources

- (ii) In addition to the uses allowed of the Water Resources Conservation and Development Fund under Section 73-10-24, the Water Resources Conservation and Development Fund may also be used to:
- (A) conduct hydrologic and geotechnical investigations by the Division of Water Resources in a cooperative effort with other state, federal, or local entities, for the purpose of quantifying surface and ground water resources and describing the hydrologic systems of an area in sufficient detail so as to enable local and state resource managers to plan for and accommodate growth in water use without jeopardizing the resource;
  - (B) fund state required dam safety improvements; and
- (C) protect the state's interest in interstate water compact allocations, including the hiring of technical and legal staff.
- (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.
- (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- (i) provide for the installation and repair of collection, treatment, storage, and distribution facilities for any public water system, as defined in Section 19-4-102;
  - (ii) develop underground sources of water, including springs and wells; and
  - (iii) develop surface water sources.
- (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2006, the difference between the following amounts shall be expended as provided in this Subsection (5), if that difference is greater than \$1:
- (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
  - (ii) \$17,500,000.
  - (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- 1081 (A) transferred each fiscal year to the Department of Natural Resources as designated

sales and use tax revenue; and

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- 1083 (B) expended by the Department of Natural Resources for watershed rehabilitation or restoration.
  - (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.
  - (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the remaining difference described in Subsection (5)(a) shall be:
  - (A) transferred each fiscal year to the Division of Water Resources as designated sales and use tax revenue; and
  - (B) expended by the Division of Water Resources for cloud-seeding projects authorized by Title 73, Chapter 15, Modification of Weather.
  - (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.
  - (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the remaining difference described in Subsection (5)(a) shall be deposited into the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources for:
    - (i) preconstruction costs:
  - (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter 26, Bear River Development Act; and
  - (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
  - (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73, Chapter 26, Bear River Development Act;
    - (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and
- (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).
- (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the

- remaining difference described in Subsection (5)(a) shall be deposited each year into the Water Rights Restricted Account created by Section 73-2-1.6.
  - (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection (1) for the fiscal year.
  - (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:
    - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
    - (ii) the tax imposed by Subsection (2)(b)(i); and
      - (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
      - (b) (i) As used in this Subsection (7)(b):
  - (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
  - (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
  - (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).
  - (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iii).
  - (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (7)(b)(iii).
- (iii) The commission shall annually deposit the amount described in Subsection (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.

(iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant revenue.

- (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1, 2023, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:
- (A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv);
- (B) the amount of revenue generated in the current fiscal year by registration fees designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund of 2005; and
- (C) revenues transferred by the Division of Finance to the Transportation Investment Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.
- (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a given fiscal year.
- (iii) The commission shall annually deposit the amount described in Subsection (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).
- (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:
  - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
  - (ii) the tax imposed by Subsection (2)(b)(i); and
  - (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
- (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale

- or use in this state that exceeds 29.4 cents per gallon.
- 1176 (c) The commission shall annually deposit the amount described in Subsection (8)(b) 1177 into the Transit Transportation Investment Fund created in Section 72-2-124.
  - (d) (i) As used in this Subsection (8)(d):
  - (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
  - (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
  - (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).
  - (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through (iii).
  - (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (8)(d)(iii).
  - (iii) The commission shall annually deposit the amount described in Subsection (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
  - (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant revenue.
  - (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 1204 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the 1205 fiscal year during which the commission receives notice under Section 63N-2-510 that

construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.

(11) (a) The rate specified in this subsection is 0.15%.

- (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.
- (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.
- (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall transfer the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) during the fiscal year to the General Fund.
- (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning the first day of the calendar quarter one year after the sales and use tax boundary for a housing and transit reinvestment zone is established, the commission, at least annually, shall transfer an amount equal to 15% of the sales and use tax increment within an established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation Investment Fund created in Section 72-2-124.
- (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:
  - (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1237	(b) the tax imposed by Subsection (2)(b)(i); and
1238	(c) the tax imposed by Subsection (2)(f)(i)(A)(I).
1239	Section 7. Section <b>59-23-4</b> is amended to read:
1240	59-23-4. Brine shrimp royalty Royalty rate Commission to prepare billing
1241	statement Deposit of revenue.
1242	(1) A person shall pay for each tax year a brine shrimp royalty of 3.25 cents multiplied
1243	by the total number of pounds of unprocessed brine shrimp eggs that the person harvests within
1244	the state during the tax year.
1245	(2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the
1246	Department of Natural Resources the total number of pounds of unprocessed brine shrimp eggs
1247	harvested by that person for that tax year on or before the February 15 immediately following
1248	the last day of that tax year.
1249	(b) The Department of Natural Resources shall provide the following information to
1250	the commission on or before the March 1 immediately following the last day of a tax year:
1251	(i) the total number of pounds of unprocessed brine shrimp eggs harvested for that tax
1252	year; and
1253	(ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:
1254	(A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1255	person for that tax year; and
1256	(B) a current billing address for that person; and
1257	(iii) any additional information required by the commission.
1258	(c) (i) The commission shall prepare and mail a billing statement to each person that
1259	harvested unprocessed brine shrimp eggs in a tax year by the March 30 immediately following
1260	the last day of a tax year.
1261	(ii) The billing statement under Subsection (2)(c)(i) shall specify:
1262	(A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1263	person for that tax year;
1264	(B) the brine shrimp royalty that the person owes; and
1265	(C) the date that the brine shrimp royalty payment is due as provided in Section
1266	59-23-5.
1267	(d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1268	commission may make rules prescribing the information required under Subsection (2)(b)(iii).
1269	(3) Revenue generated by the brine shrimp royalty shall be deposited as follows:
1270	(a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
1271	the Sovereign Lands Management Account created in Section 65A-5-1; and
1272	(b) the remainder of the revenue generated by the brine shrimp royalty shall be
1273	deposited in the Species Protection Account created in [Section 79-2-303] Section 23A-3-214.
1274	Section 8. Section <b>63L-11-102</b> is amended to read:
1275	63L-11-102. Definitions.
1276	As used in this chapter:
1277	(1) "Coordinating committee" means the committee created in Section 63L-11-401.
1278	(2) ["Executive director"] "Director" means the public lands policy [executive] director
1279	appointed under Section 63L-11-201.
1280	(3) "Office" means the Public Lands Policy Coordinating Office created in Section
1281	63L-11-201.
1282	(4) "Political subdivision" means:
1283	(a) a county, municipality, special district, special service district, school district, or
1284	interlocal entity, as defined in Section 11-13-103; or
1285	(b) an administrative subunit of an entity listed in Subsection (4)(a).
1286	Section 9. Section <b>63L-11-201</b> is amended to read:
1287	63L-11-201. Public Lands Policy Coordinating Office Director Appointment
1288	Qualifications Compensation.
1289	(1) There is created within the Department of Natural Resources the Public Lands
1290	Policy Coordinating Office to be administered by [an executive] a director.
1291	(2) The [executive] director shall be appointed by the governor with the advice and
1292	consent of the Senate and shall serve at the pleasure of the governor.
1293	(3) (a) The [executive] director shall have demonstrated the necessary administrative
1294	and professional ability through education and experience to efficiently and effectively manage
1295	the office's affairs.
1296	(b) The director shall serve as an advisor to the governor on public lands issues.
1297	(4) (a) The governor shall establish the director's salary within the salary range fixed by
1298	the Legislature in Title 67, Chapter 22, State Officer Compensation.

1299	(b) The [executive director and] employees of the office shall receive compensation as
1300	provided in Title 63A, Chapter 17, Utah State Personnel Management Act.
1301	[(b)] (c) The office space for the [executive] director and employees of the office shall
1302	be in a building where the Department of Natural Resources is located.
1303	Section 10. Section 63L-11-202 is amended to read:
1304	63L-11-202. Powers and duties of the office and director.
1305	(1) The office shall:
1306	(a) make a report to the Constitutional Defense Council created under Section
1307	63C-4a-202 concerning R.S. 2477 rights and other public lands issues under Title 63C, Chapter
1308	4a, Constitutional and Federalism Defense Act;
1309	(b) provide staff assistance to the Constitutional Defense Council created under Section
1310	63C-4a-202 for meetings of the council;
1311	(c) (i) prepare and submit a constitutional defense plan under Section 63C-4a-403; and
1312	(ii) execute any action assigned in a constitutional defense plan;
1313	(d) develop public lands policies by:
1314	(i) developing cooperative contracts and agreements between the state, political
1315	subdivisions, and agencies of the federal government for involvement in the development of
1316	public lands policies;
1317	(ii) producing research, documents, maps, studies, analysis, or other information that
1318	supports the state's participation in the development of public lands policy;
1319	(iii) preparing comments to ensure that the positions of the state and political
1320	subdivisions are considered in the development of public lands policy; and
1321	(iv) partnering with state agencies and political subdivisions in an effort to:
1322	(A) prepare coordinated public lands policies;
1323	(B) develop consistency reviews and responses to public lands policies;
1324	(C) develop management plans that relate to public lands policies; and
1325	(D) develop and maintain a statewide land use plan that is based on cooperation and in
1326	conjunction with political subdivisions;
1327	(e) facilitate and coordinate the exchange of information, comments, and
1328	recommendations on public lands policies between and among:
1329	(i) state agencies;

1330	(ii) political subdivisions;
1331	(iii) the [Office of] Center for Rural Development created under Section 63N-4-102;
1332	(iv) the coordinating committee;
1333	(v) School and Institutional Trust Lands Administration created under Section
1334	53C-1-201;
1335	(vi) the committee created under Section 63A-16-507 to award grants to counties to
1336	inventory and map R.S. 2477 rights-of-way, associated structures, and other features; and
1337	(vii) the Constitutional Defense Council created under Section 63C-4a-202;
1338	(f) perform the duties established in Title 9, Chapter 8a, Part 3, Antiquities, and Title 9,
1339	Chapter 8a, Part 4, Historic Sites;
1340	(g) consistent with other statutory duties, encourage agencies to responsibly preserve
1341	archaeological resources;
1342	(h) maintain information concerning grants made under Subsection (1)(j), if available;
1343	(i) report annually, or more often if necessary or requested, concerning the office's
1344	activities and expenditures to:
1345	(i) the Constitutional Defense Council; and
1346	(ii) the Legislature's Natural Resources, Agriculture, and Environment Interim
1347	Committee jointly with the Constitutional Defense Council;
1348	(j) make grants of up to 16% of the office's total annual appropriations from the
1349	Constitutional Defense Restricted Account to a county or statewide association of counties to
1350	be used by the county or association of counties for public lands matters if the executive
1351	director, with the advice of the Constitutional Defense Council, determines that the action
1352	provides a state benefit;
1353	(k) provide staff services to the Snake Valley Aquifer Advisory Council created in
1354	Section 63C-12-103;
1355	(l) coordinate and direct the Snake Valley Aquifer Research Team created in Section
1356	63C-12-107;
1357	(m) conduct the public lands transfer study and economic analysis required by Section
1358	63L-11-304; and
1359	(n) fulfill the duties described in Section 63L-10-103.
1360	(2) The [executive] director shall comply with Subsection 63C-4a-203(8) before

1361	submitting a comment to a federal agency, if the governor would be subject to Subsection
1362	63C-4a-203(8) in submitting the comment.
1363	(3) The office may enter into an agreement with another state agency to provide
1364	information and services related to:
1365	(a) the duties authorized by Title 72, Chapter 3, Highway Jurisdiction and
1366	Classification Act;
1367	(b) legal actions concerning Title 72, Chapter 3, Highway Jurisdiction and
1368	Classification Act, or R.S. 2477 matters; or
1369	(c) any other matter within the office's responsibility.
1370	(4) In fulfilling the duties under this part, the office shall consult, as necessary, with:
1371	(a) the Department of Natural Resources;
1372	(b) the Department of Agriculture and Food;
1373	(c) the Department of Environmental Quality;
1374	(d) other applicable state agencies;
1375	(e) political subdivisions of the state;
1376	(f) federal land management agencies; and
1377	(g) elected officials.
1378	Section 11. Section 63L-11-305 is amended to read:
1379	63L-11-305. Facilitating the acquisition of federal land.
1380	(1) As used in this section:
1381	(a) "Federal land" means land that the secretary is authorized to dispose of under the
1382	federal land disposal law.
1383	(b) "Federal land disposal law" means the Recreation and Public Purposes Act, 43
1384	U.S.C. Sec. 869 et seq.
1385	(c) "Government entity" means any state or local government entity allowed to submit
1386	a land application under the federal land disposal law.
1387	(d) "Land application" means an application under the federal land disposal law
1388	requesting the secretary to sell or lease federal land.
1389	(e) "Land application process" means the actions involved in the process of submitting
1390	and obtaining a final decision on a land application.
1391	(f) "Secretary" means the Secretary of the Interior of the United States.

1392	(2) The office shall:
1393	(a) develop expertise:
1394	(i) in the land application process; and
1395	(ii) concerning the factors that tend to increase the chances that a land application will
1396	result in the secretary selling or leasing federal land as requested in the land application;
1397	(b) work to educate government entities concerning:
1398	(i) the availability of federal land pursuant to the federal land disposal law; and
1399	(ii) the land application process;
1400	(c) advise and consult with a government entity that requests assistance from the office
1401	to formulate and submit a land application and to pursue a decision on the land application;
1402	(d) advise and consult with a government entity that requests assistance from the office
1403	to identify and quantify the amount of any funds needed to provide the public use described in
1404	a land application;
1405	(e) adopt a list of factors to be considered in determining the degree to which a land
1406	application or potential land application is in the public interest;
1407	(f) recommend a prioritization of land applications or potential land applications in the
1408	state according to the extent to which the land applications are in the public interest, based on
1409	the factors adopted under Subsection (2)(e);
1410	(g) prepare and submit a written report of land applications:
1411	(i) to the Natural Resources, Agriculture, and Environment Interim Committee and the
1412	Federalism Commission;
1413	(ii) (A) annually no later than August 31; and
1414	(B) at other times, if and as requested by the committee or commission; and
1415	(iii) (A) on the activities of the office under this section;
1416	(B) on the land applications and potential land applications in the state;
1417	(C) on the decisions of the secretary on land applications submitted by government
1418	entities in the state; and
1419	(D) the quantity of land acquired under the land applications;
1420	(h) present a summary of information contained in the report described in Subsection
1421	(2)(g):
1422	(i) at a meeting of the Natural Resources, Agriculture, and Environment Interim

1423	Committee and at a meeting of the Federalism Commission;
1424	(ii) annually no later than August 31; and
1425	(iii) at other times, if and as requested by the committee or commission; and
1426	(i) report to the Executive Appropriations Committee of the Legislature, as frequently
1427	as the [executive] director considers appropriate or as requested by the Executive
1428	Appropriations Committee, on the need for legislative appropriations to provide funds for the
1429	public purposes described in land applications.
1430	(3) The office may:
1431	(a) assist a government entity or the secretary in the filing and processing of a land
1432	application; and
1433	(b) enter into an agreement with the secretary related to the office assisting in
1434	processing a land application.
1435	Section 12. Section 63L-11-402 is amended to read:
1436	63L-11-402. Membership Terms Chair Expenses.
1437	(1) The Resource Development Coordinating Committee consists of the following 26
1438	members:
1439	(a) the state science advisor;
1440	(b) a representative from the Department of Agriculture and Food appointed by the
1441	commissioner of the Department of Agriculture and Food;
1442	(c) a representative from the Department of Cultural and Community Engagement
1443	appointed by the executive director of the Department of Cultural and Community
1444	Engagement;
1445	(d) a representative from the Department of Environmental Quality appointed by the
1446	executive director of the Department of Environmental Quality;
1447	(e) a representative from the Department of Natural Resources appointed by the
1448	executive director of the Department of Natural Resources;
1449	(f) a representative from the Department of Transportation appointed by the executive
1450	director of the Department of Transportation;
1451	(g) a representative from the Governor's Office of Economic Opportunity appointed by
1452	the director of the Governor's Office of Economic Opportunity;
1453	(h) a representative from the Housing and Community Development Division

1454 appointed by the director of the Housing and Community Development Division; 1455 (i) a representative from the Utah Historical Society appointed by the director of the 1456 Utah Historical Society; 1457 (i) a representative from the Division of Air Quality appointed by the director of the 1458 Division of Air Quality; 1459 (k) a representative from the Division of Drinking Water appointed by the director of 1460 the Division of Drinking Water; (1) a representative from the Division of Environmental Response and Remediation 1461 1462 appointed by the director of the Division of Environmental Response and Remediation; 1463 (m) a representative from the Division of Waste Management and Radiation Control 1464 appointed by the director of the Division of Waste Management and Radiation Control; 1465 (n) a representative from the Division of Water Quality appointed by the director of the 1466 Division of Water Ouality: 1467 (o) a representative from the Division of Oil, Gas, and Mining appointed by the 1468 director of the Division of Oil, Gas, and Mining; 1469 (p) a representative from the Division of Parks appointed by the director of the 1470 Division of Parks; 1471 (g) a representative from the Division of Outdoor Recreation appointed by the director 1472 of the Division of Outdoor Recreation; 1473 (r) a representative from the Division of Forestry, Fire, and State Lands appointed by 1474 the director of the Division of Forestry, Fire, and State Lands; 1475 (s) a representative from the Utah Geological Survey appointed by the director of the 1476 Utah Geological Survey; 1477 (t) a representative from the Division of Water Resources appointed by the director of 1478 the Division of Water Resources; 1479 (u) a representative from the Division of Water Rights appointed by the director of the

(v) a representative from the Division of Wildlife Resources appointed by the director of the Division of Wildlife Resources;

(w) a representative from the School and Institutional Trust Lands Administration appointed by the director of the School and Institutional Trust Lands Administration;

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Division of Water Rights;

1485	(x) a representative from the Division of Facilities Construction and Management
1486	appointed by the director of the Division of Facilities Construction and Management;
1487	(y) a representative from the Division of Emergency Management appointed by the
1488	director of the Division of Emergency Management; and
1489	(z) a representative from the Division of Conservation, created under Section 4-46-401
1490	appointed by the director of the Division of Conservation.
1491	(2) (a) As particular issues require, the coordinating committee may, by majority vote
1492	of the members present, appoint additional temporary members to serve as ex officio voting
1493	members.
1494	(b) Those ex officio members may discuss and vote on the issue or issues for which
1495	they were appointed.
1496	(3) A chair shall be selected by a vote of 14 committee members with the concurrence
1497	of the [executive] director.
1498	(4) A member may not receive compensation or benefits for the member's service, but
1499	may receive per diem and travel expenses in accordance with:
1500	(a) Sections 63A-3-106 and 63A-3-107; and
1501	(b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1502	63A-3-107.
1503	Section 13. Section 63L-11-403 is amended to read:
1504	63L-11-403. Director responsibilities.
1505	The [executive] director shall:
1506	(1) administer this part;
1507	(2) subject to the direction and approval of the governor, take necessary action to
1508	implement this part; and
1509	(3) inform political subdivision representatives, in advance, of all coordinating
1510	committee meetings.
1511	Section 14. Section 67-22-2 is amended to read:
1512	67-22-2. Compensation Other state officers.
1513	(1) As used in this section:
1514	(a) "Appointed executive" means the:
1515	(i) commissioner of the Department of Agriculture and Food;

1516	(ii) commissioner of the Insurance Department;
1517	(iii) commissioner of the Labor Commission;
1518	(iv) director, Department of Alcoholic Beverage Services;
1519	(v) commissioner of the Department of Financial Institutions;
1520	(vi) executive director, Department of Commerce;
1521	(vii) executive director, Commission on Criminal and Juvenile Justice;
1522	(viii) adjutant general;
1523	(ix) executive director, Department of Cultural and Community Engagement;
1524	(x) executive director, Department of Corrections;
1525	(xi) commissioner, Department of Public Safety;
1526	(xii) executive director, Department of Natural Resources;
1527	(xiii) executive director, Governor's Office of Planning and Budget;
1528	(xiv) executive director, Department of Government Operations;
1529	(xv) executive director, Department of Environmental Quality;
1530	(xvi) executive director, Governor's Office of Economic Opportunity;
1531	(xvii) executive director, Department of Workforce Services;
1532	(xviii) executive director, Department of Health, Nonphysician;
1533	(xix) executive director, Department of Human Services;
1534	(xx) executive director, Department of Transportation;
1535	(xxi) executive director, Department of Veterans and Military Affairs;
1536	(xxii) [executive] director, Public Lands Policy Coordinating Office, created in Section
1537	63L-11-201; and
1538	(xxiii) Great Salt Lake commissioner, appointed under Section 73-32-201.
1539	(b) "Board or commission executive" means:
1540	(i) members, Board of Pardons and Parole;
1541	(ii) chair, State Tax Commission;
1542	(iii) commissioners, State Tax Commission;
1543	(iv) executive director, State Tax Commission;
1544	(v) chair, Public Service Commission; and
1545	(vi) commissioners, Public Service Commission.
1546	(c) "Deputy" means the person who acts as the appointed executive's second in

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1547 command as determined by the Division of Human Resource Management.

- (2) (a) The director of the Division of Human Resource Management shall:
- 1549 (i) before October 31 of each year, recommend to the governor a compensation plan for 1550 the appointed executives and the board or commission executives; and
  - (ii) base those recommendations on market salary studies conducted by the Division of Human Resource Management.
  - (b) (i) The Division of Human Resource Management shall determine the salary range for the appointed executives by:
    - (A) identifying the salary range assigned to the appointed executive's deputy;
  - (B) designating the lowest minimum salary from those deputies' salary ranges as the minimum salary for the appointed executives' salary range; and
  - (C) designating 105% of the highest maximum salary range from those deputies' salary ranges as the maximum salary for the appointed executives' salary range.
  - (ii) If the deputy is a medical doctor, the Division of Human Resource Management may not consider that deputy's salary range in designating the salary range for appointed executives.
  - (c) (i) Except as provided in Subsection (2)(c)(ii), in establishing the salary ranges for board or commission executives, the Division of Human Resource Management shall set the maximum salary in the salary range for each of those positions at 90% of the salary for district judges as established in the annual appropriation act under Section 67-8-2.
  - (ii) In establishing the salary ranges for an individual described in Subsection (1)(b)(ii) or (iii), the Division of Human Resource Management shall set the maximum salary in the salary range for each of those positions at 100% of the salary for district judges as established in the annual appropriation act under Section 67-8-2.
  - (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a specific salary for each appointed executive within the range established under Subsection (2)(b).
  - (ii) If the executive director of the Department of Health is a physician, the governor shall establish a salary within the highest physician salary range established by the Division of Human Resource Management.
    - (iii) The governor may provide salary increases for appointed executives within the

1578	range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).
1579	(b) The governor shall apply the same overtime regulations applicable to other FLSA
1580	exempt positions.
1581	(c) The governor may develop standards and criteria for reviewing the appointed
1582	executives.
1583	(4) Salaries for other Schedule A employees, as defined in Section 63A-17-301, that
1584	are not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial
1585	Salary Act, shall be established as provided in Section 63A-17-301.
1586	(5) (a) The Legislature fixes benefits for the appointed executives and the board or
1587	commission executives as follows:
1588	(i) the option of participating in a state retirement system established by Title 49, Utah
1589	State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
1590	by the State Retirement Office in accordance with the Internal Revenue Code and its
1591	accompanying rules and regulations;
1592	(ii) health insurance;
1593	(iii) dental insurance;
1594	(iv) basic life insurance;
1595	(v) unemployment compensation;
1596	(vi) workers' compensation;
1597	(vii) required employer contribution to Social Security;
1598	(viii) long-term disability income insurance;
1599	(ix) the same additional state-paid life insurance available to other noncareer service
1600	employees;
1601	(x) the same severance pay available to other noncareer service employees;
1602	(xi) the same leave, holidays, and allowances granted to Schedule B state employees as
1603	follows:
1604	(A) sick leave;
1605	(B) converted sick leave if accrued prior to January 1, 2014;
1606	(C) educational allowances;
1607	(D) holidays; and

(E) annual leave except that annual leave shall be accrued at the maximum rate

1009	provided to Schedule B state employees;
1610	(xii) the option to convert accumulated sick leave to cash or insurance benefits as
1611	provided by law or rule upon resignation or retirement according to the same criteria and
1612	procedures applied to Schedule B state employees;
1613	(xiii) the option to purchase additional life insurance at group insurance rates according
1614	to the same criteria and procedures applied to Schedule B state employees; and
1615	(xiv) professional memberships if being a member of the professional organization is a
1616	requirement of the position.
1617	(b) Each department shall pay the cost of additional state-paid life insurance for its
1618	executive director from its existing budget.
1619	(6) The Legislature fixes the following additional benefits:
1620	(a) for the executive director of the State Tax Commission a vehicle for official and
1621	personal use;
1622	(b) for the executive director of the Department of Transportation a vehicle for official
1623	and personal use;
1624	(c) for the executive director of the Department of Natural Resources a vehicle for
1625	commute and official use;
1626	(d) for the commissioner of Public Safety:
1627	(i) an accidental death insurance policy if POST certified; and
1628	(ii) a public safety vehicle for official and personal use;
1629	(e) for the executive director of the Department of Corrections:
1630	(i) an accidental death insurance policy if POST certified; and
1631	(ii) a public safety vehicle for official and personal use;
1632	(f) for the adjutant general a vehicle for official and personal use; and
1633	(g) for each member of the Board of Pardons and Parole a vehicle for commute and
1634	official use.
1635	Section 15. Section 73-5-15 is amended to read:
1636	73-5-15. Groundwater management plan.
1637	(1) As used in this section:
1638	(a) "Critical management area" means a groundwater basin in which the groundwater
1639	withdrawals consistently exceed the safe yield.

1640 (b) "Safe yield" means the amount of groundwater that can be withdrawn from a 1641 groundwater basin over a period of time without exceeding the long-term recharge of the basin or unreasonably affecting the basin's physical and chemical integrity. 1642 1643 (2) (a) The state engineer may regulate groundwater withdrawals within a specific 1644 groundwater basin by adopting a groundwater management plan in accordance with this section 1645 for any groundwater basin or aquifer or combination of hydrologically connected groundwater 1646 basins or aquifers. 1647 (b) The objectives of a groundwater management plan are to: 1648 (i) limit groundwater withdrawals to safe yield; 1649 (ii) protect the physical integrity of the aquifer; and 1650 (iii) protect water quality. 1651 (c) The state engineer shall adopt a groundwater management plan for a groundwater 1652 basin if more than one-third of the water right owners in the groundwater basin request that the 1653 state engineer adopt a groundwater management plan. 1654 (3) (a) In developing a groundwater management plan, the state engineer may consider: 1655 (i) the hydrology of the groundwater basin; 1656 (ii) the physical characteristics of the groundwater basin; 1657 (iii) the relationship between surface water and groundwater, including whether the 1658 groundwater should be managed in conjunction with hydrologically connected surface waters; 1659 (iv) the conjunctive management of water rights to facilitate and coordinate the lease, 1660 purchase, or voluntary use of water rights subject to the groundwater management plan; 1661 (v) the geographic spacing and location of groundwater withdrawals: (vi) water quality; 1662 1663 (vii) local well interference; and 1664 (viii) other relevant factors. (b) The state engineer shall base the provisions of a groundwater management plan on 1665 1666 the principles of prior appropriation. (c) (i) The state engineer shall use the best available scientific method to determine 1667 1668 safe yield.

(ii) As hydrologic conditions change or additional information becomes available, safe

yield determinations made by the state engineer may be revised by following the procedures

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listed in Subsection (5).

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- 1672 (4) (a) (i) Except as provided in Subsection (4)(b), the withdrawal of water from a groundwater basin shall be limited to the basin's safe yield.
  - (ii) Before limiting withdrawals in a groundwater basin to safe yield, the state engineer shall:
    - (A) determine the groundwater basin's safe yield; and
    - (B) adopt a groundwater management plan for the groundwater basin.
    - (iii) If the state engineer determines that groundwater withdrawals in a groundwater basin exceed the safe yield, the state engineer shall regulate groundwater rights in that groundwater basin based on the priority date of the water rights under the groundwater management plan, unless a voluntary arrangement exists under Subsection (4)(c) that requires a different distribution.
    - (iv) A groundwater management plan shall include a list of each groundwater right in the proposed groundwater management area known to the state engineer identifying the water right holder, the land to which the groundwater right is appurtenant, and any identification number the state engineer uses in the administration of water rights.
    - (b) When adopting a groundwater management plan for a critical management area, the state engineer shall, based on economic and other impacts to an individual water user or a local community caused by the implementation of safe yield limits on withdrawals, allow gradual implementation of the groundwater management plan.
    - (c) (i) In consultation with the state engineer, water users in a groundwater basin may agree to participate in a voluntary arrangement for managing withdrawals at any time, either before or after a determination that groundwater withdrawals exceed the groundwater basin's safe yield.
    - (ii) A voluntary arrangement under Subsection (4)(c)(i) shall be consistent with other law.
    - (iii) The adoption of a voluntary arrangement under this Subsection (4)(c) by less than all of the water users in a groundwater basin does not affect the rights of water users who do not agree to the voluntary arrangement.
      - (5) To adopt a groundwater management plan, the state engineer shall:
- (a) give notice as specified in Subsection (7) at least 30 days before the first public

1702	meeting held in accordance with Subsection (5)(b):
1703	(i) that the state engineer proposes to adopt a groundwater management plan;
1704	(ii) describing generally the land area proposed to be included in the groundwater
1705	management plan; and
1706	(iii) stating the location, date, and time of each public meeting to be held in accordance
1707	with Subsection (5)(b);
1708	(b) hold one or more public meetings in the geographic area proposed to be included
1709	within the groundwater management plan to:
1710	(i) address the need for a groundwater management plan;
1711	(ii) present any data, studies, or reports that the state engineer intends to consider in
1712	preparing the groundwater management plan;
1713	(iii) address safe yield and any other subject that may be included in the groundwater
1714	management plan;
1715	(iv) outline the estimated administrative costs, if any, that groundwater users are likely
1716	to incur if the plan is adopted; and
1717	(v) receive any public comments and other information presented at the public
1718	meeting, including comments from any of the entities listed in Subsection (7)(a)(iii);
1719	(c) receive and consider written comments concerning the proposed groundwater
1720	management plan from any person for a period determined by the state engineer of not less
1721	than 60 days after the day on which the notice required by Subsection (5)(a) is given;
1722	(d) (i) at least 60 days prior to final adoption of the groundwater management plan,
1723	publish notice:
1724	(A) that a draft of the groundwater management plan has been proposed; and
1725	(B) specifying where a copy of the draft plan may be reviewed; and
1726	(ii) promptly provide a copy of the draft plan in printed or electronic form to each of
1727	the entities listed in Subsection (7)(a)(iii) that makes written request for a copy; and
1728	(e) provide notice of the adoption of the groundwater management plan.
1729	(6) A groundwater management plan shall become effective on the date notice of
1730	adoption is completed under Subsection (7), or on a later date if specified in the plan.

1732 (i) published:

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(7) (a) A notice required by this section shall be:

1/33	(A) once a week for two successive weeks in a newspaper of general circulation in
1734	each county that encompasses a portion of the land area proposed to be included within the
1735	groundwater management plan; and
1736	(B) in accordance with Section 45-1-101 for two weeks;
1737	(ii) published conspicuously on the state engineer's website; and
1738	(iii) mailed to each of the following that has within its boundaries a portion of the land
1739	area to be included within the proposed groundwater management plan:
1740	(A) county;
1741	(B) incorporated city or town;
1742	(C) a special district created to acquire or assess a groundwater right under Title 17B,
1743	Chapter 1, Provisions Applicable to All Special Districts;
1744	(D) improvement district under Title 17B, Chapter 2a, Part 4, Improvement District
1745	Act;
1746	(E) service area, under Title 17B, Chapter 2a, Part 9, Service Area Act;
1747	(F) drainage district, under Title 17B, Chapter 2a, Part 2, Drainage District Act;
1748	(G) irrigation district, under Title 17B, Chapter 2a, Part 5, Irrigation District Act;
1749	(H) metropolitan water district, under Title 17B, Chapter 2a, Part 6, Metropolitan
1750	Water District Act;
1751	(I) special service district providing water, sewer, drainage, or flood control services,
1752	under Title 17D, Chapter 1, Special Service District Act;
1753	(J) water conservancy district, under Title 17B, Chapter 2a, Part 10, Water
1754	Conservancy District Act; and
1755	(K) conservation district, under Title 17D, Chapter 3, Conservation District Act.
1756	(b) A notice required by this section is effective upon substantial compliance with
1757	Subsections (7)(a)(i) through (iii).
1758	(8) A groundwater management plan may be amended in the same manner as a
1759	groundwater management plan may be adopted under this section.
1760	(9) The existence of a groundwater management plan does not preclude any otherwise
1761	eligible person from filing any application or challenging any decision made by the state
1762	engineer within the affected groundwater basin.
1763	(10) (a) A person aggrieved by a groundwater management plan may challenge any

aspect of the groundwater management plan by filing a complaint within 60 days after the adoption of the groundwater management plan in the district court for any county in which the groundwater basin is found.

(b) Notwithstanding Subsection (9), a person may challenge the components of a groundwater management plan only in the manner provided by Subsection (10)(a).

- (c) An action brought under this Subsection (10) is reviewed de novo by the district court.
- (d) A person challenging a groundwater management plan under this Subsection (10) shall join the state engineer as a defendant in the action challenging the groundwater management plan.
- (e) (i) Within 30 days after the day on which a person files an action challenging any aspect of a groundwater management plan under Subsection (10)(a), the person filing the action shall publish notice of the action:
- (A) in a newspaper of general circulation in the county in which the district court is located; and
  - (B) in accordance with Section 45-1-101 for two weeks.
- (ii) The notice required by Subsection (10)(e)(i)(A) shall be published once a week for two consecutive weeks.
  - (iii) The notice required by Subsection (10)(e)(i) shall:
  - (A) identify the groundwater management plan the person is challenging;
  - (B) identify the case number assigned by the district court;
- (C) state that a person affected by the groundwater management plan may petition the district court to intervene in the action challenging the groundwater management plan; and
  - (D) list the address for the clerk of the district court in which the action is filed.
- (iv) (A) Any person affected by the groundwater management plan may petition to intervene in the action within 60 days after the day on which notice is last published under Subsections (10)(e)(i) and (ii).
- (B) The district court's treatment of a petition to intervene under this Subsection (10)(e)(iv) is governed by the Utah Rules of Civil Procedure.
- [(v) A district court in which an action is brought under Subsection (10)(a) shall consolidate all actions brought under that subsection and include in the consolidated action any

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- (11) A groundwater management plan adopted or amended in accordance with this section is exempt from the requirements in Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (12) (a) Except as provided in Subsection (12)(b), recharge and recovery projects permitted under Chapter 3b, Groundwater Recharge and Recovery Act, are exempted from this section.
- (b) In a critical management area, the artificial recharge of a groundwater basin that uses surface water naturally tributary to the groundwater basin, in accordance with Chapter 3b, Groundwater Recharge and Recovery Act, constitutes a beneficial use of the water under Section 73-1-3 if:
- 1806 (i) the recharge is done during the time the area is designated as a critical management area;
  - (ii) the recharge is done with a valid recharge permit;
  - (iii) the water placed in the aquifer is not recovered under a recovery permit; and
  - (iv) the water placed in the aquifer is used to replenish the groundwater basin.
  - (13) Nothing in this section may be interpreted to require the development, implementation, or consideration of a groundwater management plan as a prerequisite or condition to the exercise of the state engineer's enforcement powers under other law, including powers granted under Section 73-2-25.
  - (14) A groundwater management plan adopted in accordance with this section may not apply to the dewatering of a mine.
  - (15) (a) A groundwater management plan adopted by the state engineer before May 1, 2006, remains in force and has the same legal effect as it had on the day on which it was adopted by the state engineer.
  - (b) If a groundwater management plan that existed before May 1, 2006, is amended on or after May 1, 2006, the amendment is subject to this section's provisions.
  - Section 16. Section **73-10-27** is amended to read:
- 73-10-27. Definitions -- Project priorities -- Considerations -- Bids and contracts
   -- Definitions -- Retainage.
  - (1) As used in this section:

1826	(a) "Board" means the Board of Water Resources created in Section 73-10-1.5.
1827	(b) "Estimated cost" means the cost of the labor, material, and equipment necessary for
1828	construction of the contemplated project.
1829	(c) "Lowest responsible bidder" means a licensed contractor:
1830	(i) who:
1831	(A) submits the lowest bid; and
1832	(B) furnishes a payment bond and a performance bond under Sections 14-1-18 and
1833	63G-6a-1103; and
1834	(ii) whose bid:
1835	(A) is in compliance with the invitation for a bid; and
1836	(B) meets the plans and specifications.
1837	(2) In considering the priority for a project to be built or financed with funds made
1838	available under Section 73-10-24, the board shall give preference to a project that:
1839	(a) is sponsored by, or for the benefit of, the state or a political subdivision of the state;
1840	(b) meets a critical local need;
1841	(c) has greater economic feasibility;
1842	(d) will yield revenue to the state within a reasonable time or will return a reasonable
1843	rate of interest, based on financial feasibility; and
1844	(e) meets other considerations deemed necessary by the board, including wildlife
1845	management and recreational needs.
1846	[(3) (a) In determining the economic feasibility, the board shall establish a
1847	benefit-to-cost ratio for each project, using a uniform standard of procedure for all projects.]
1848	[(b) In considering whether a project should be built, the benefit-to-cost ratio for each
1849	project shall be weighted based on the relative cost of the project.]
1850	[(c) A project, when considered in total with all other projects constructed under this
1851	chapter and still the subject of a repayment contract, may not cause the accumulative
1852	benefit-to-cost ratio of the projects to be less than one to one.]
1853	[(4)] (3) A project may not be built if the project is not:
1854	(a) in the public interest, as determined by the board; or
1855	(b) adequately designed based on sound engineering and geologic considerations.
1856	[ <del>(5)</del> ] (4) In preparing a project constructed by the board, the board shall:

1837	(a) based on a competitive oid, award a contract for:
1858	(i) a flood control project:
1859	(A) involving a city or county; and
1860	(B) costing in excess of \$35,000;
1861	(ii) the construction of a storage reservoir in excess of 100 acre-feet; or
1862	(iii) the construction of a hydroelectric generating facility;
1863	(b) publish an advertisement for a competitive bid:
1864	(i) at least once a week for three consecutive weeks in a newspaper with general
1865	circulation in the state, with the last date of publication appearing at least five days before the
1866	schedule bid opening; and
1867	(ii) indicating that the board:
1868	(A) will award the contract to the lowest responsible bidder; and
1869	(B) reserves the right to reject any and all bids;
1870	(c) readvertise the project in the manner specified in Subsection $[(5)(b)]$ $(4)(b)$ if the
1871	board rejects all of the initial bids on the project; and
1872	(d) keep an accurate record of all facts and representations relied upon in preparing the
1873	board's estimated cost for a project that is subject to the competitive bidding requirements of
1874	this section.
1875	[(6)] (5) If no satisfactory bid is received by the board upon the readvertisement of the
1876	project in accordance with Subsection $[(5)]$ $(4)$ , the board may proceed to construct the project
1877	in accordance with the plan and specifications used to calculate the estimated cost of the
1878	project.
1879	[ <del>(7)</del> ] (6) If a payment on a contract with a private contractor for construction of a
1880	project under this section is retained or withheld, it shall be retained or withheld and released
1881	as provided in Section 13-8-5.
1882	Section 17. Section <b>79-2-102</b> is amended to read:
1883	79-2-102. Definitions.
1884	As used in this chapter:
1885	(1) "Conservation officer" is as defined in Section 23A-1-101.
1886	[(2) "Species protection" means an action to protect a plant or animal species identified
1887	as:

1888	[ <del>(a) sensitive by the state; or</del> ]
1889	[(b) threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C.
1890	Sec. 1531 et seq.]
1891	[(3)] (2) "Volunteer" means a person who donates a service to the department or a
1892	division of the department without pay or other compensation.
1893	Section 18. Section <b>79-2-406</b> is amended to read:
1894	79-2-406. Wetlands In-lieu fee program study.
1895	(1) As used in this section, "committee" means the Natural Resources, Agriculture, and
1896	Environment Interim Committee.
1897	(2) The department shall publish, on the department's website, the land use permits
1898	collected by the Utah Geological Survey pursuant to Subsection [ <del>79-3-202(1)(r)</del> ]
1899	<u>79-3-202(1)(q)</u> .
1900	(3) (a) The department shall study and make recommendations to the committee on the
1901	viability of an in-lieu fee program for wetland mitigation, including:
1902	(i) the viability of the state establishing and administering an in-lieu fee program; and
1903	(ii) the viability of the state partnering with a private organization to establish and
1904	administer an in-lieu fee program.
1905	(b) As part of the study described in Subsection (3)(a), the department shall consult
1906	with public and private individuals and entities that may be necessary or helpful to the
1907	establishment or administration of an in-lieu fee program for wetland mitigation, which may
1908	include:
1909	(i) the Utah Department of Environmental Quality;
1910	(ii) the United States Army Corps of Engineers;
1911	(iii) the United States Fish and Wildlife Service;
1912	(iv) the United States Environmental Protection Agency; or
1913	(v) a non-profit entity that has experience with the establishment and administration of
1914	in-lieu fee programs.
1915	(c) The department shall provide a report on the status of the department's study during
1916	or before the committee's November interim meeting in 2022.
1917	(d) The department shall provide a final report of the department's study and
1918	recommendations, including any recommended legislation, during or before the committee's

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1919	first interim meeting in 2023.
1920	Section 19. Section <b>79-3-202</b> is amended to read:
1921	79-3-202. Powers and duties of survey.
1922	(1) The survey shall:
1923	(a) assist and advise state and local agencies and state educational institutions on
1924	geologic, paleontologic, and mineralogic subjects;
1925	(b) collect and distribute reliable information regarding the mineral industry and
1926	mineral resources, topography, paleontology, and geology of the state;
1927	(c) survey the geology of the state, including mineral occurrences and the ores of
1928	metals, energy resources, industrial minerals and rocks, mineral-bearing waters, and surface
1929	and ground water resources, with special reference to their economic contents, values, uses,
1930	kind, and availability in order to facilitate their economic use;
1931	(d) investigate the kind, amount, and availability of mineral substances contained in
1932	lands owned and controlled by the state, to contribute to the most effective and beneficial
1933	administration of these lands for the state;
1934	(e) determine and investigate areas of geologic and topographic hazards that could
1935	affect the safety of, or cause economic loss to, the citizens of the state;
1936	(f) assist local and state agencies in their planning, zoning, and building regulation
1937	functions by publishing maps, delineating appropriately wide special earthquake risk areas,
1938	and, at the request of state agencies or other governmental agencies, review the siting of critical
1939	facilities;
1940	(g) cooperate with state agencies, political subdivisions of the state,
1941	quasi-governmental agencies, federal agencies, schools of higher education, and others in fields
1942	of mutual concern, which may include field investigations and preparation, publication, and
1943	distribution of reports and maps;
1944	(h) collect and preserve data pertaining to mineral resource exploration and
1945	development programs and construction activities, such as claim maps, location of drill holes,
1946	location of surface and underground workings, geologic plans and sections, drill logs, and
1947	assay and sample maps, including the maintenance of a sample library of cores and cuttings;

(i) study and analyze other scientific, economic, or aesthetic problems as, in the

judgment of the board, should be undertaken by the survey to serve the needs of the state and to

1950 support the development of natural resources and utilization of lands within the state; 1951 (i) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the 1952 work accomplished by the survey, directly or in collaboration with others, and collect and 1953 prepare exhibits of the geological and mineral resources of this state and interpret their 1954 significance; 1955 (k) collect, maintain, and preserve data and information in order to accomplish the purposes of this section and act as a repository for information concerning the geology of this 1956 1957 state: 1958 (1) stimulate research, study, and activities in the field of paleontology; 1959 (m) mark, protect, and preserve critical paleontological sites; 1960 (n) collect, preserve, and administer critical paleontological specimens until the 1961 specimens are placed in a repository or curation facility; 1962 (o) administer critical paleontological site excavation records: (p) edit and publish critical paleontological records and reports; and 1963 (g) by following the procedures and requirements of Title 63J, Chapter 5, Federal 1964 1965 Funds Procedures Act, seek federal grants, loans, or participation in federal programs, and, in 1966 accordance with applicable federal program guidelines, administer federally funded state 1967 programs regarding: 1968 (i) renewable energy; 1969 [(ii) energy efficiency; and] 1970 [(iii) energy conservation; and] 1971  $\left[\frac{\mathbf{r}}{\mathbf{r}}\right]$  (q) collect the land use permits described in Sections 10-9a-521 and 17-27a-520. 1972 (2) (a) The survey may maintain as confidential, and not as a public record, 1973 information provided to the survey by any source. 1974

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(b) The board shall adopt rules in order to determine whether to accept the information described in Subsection (2)(a) and to maintain the confidentiality of the accepted information.

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(c) The survey shall maintain information received from any source at the level of confidentiality assigned to it by the source.

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(3) Upon approval of the board, the survey shall undertake other activities consistent with Subsection (1).

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(4) (a) Subject to the authority granted to the department, the survey may enter into

1981	cooperative agreements with the entities specified in Subsection (1)(g), if approved by the
1982	board, and may accept or commit allocated or budgeted funds in connection with those
1983	agreements.
1984	(b) The survey may undertake joint projects with private entities if:
1985	(i) the action is approved by the board;
1986	(ii) the projects are not inconsistent with the state's objectives; and
1987	(iii) the results of the projects are available to the public.
1988	Section 20. Section <b>79-6-102</b> is amended to read:
1989	79-6-102. Definitions.
1990	As used in this chapter:
1991	[(1) "Appointing authority" means:]
1992	[(a) on and before June 30, 2029, the governor; and]
1993	[(b) on and after July 1, 2029, the executive director.]
1994	[(2) (a) On and before June 30, 2029, "energy advisor" means the governor's energy
1995	advisor appointed under Section 79-6-401.]
1996	[(b) On and after July 1, 2029, "energy advisor" means the energy advisor appointed by
1997	the executive director under Section 79-6-401.]
1998	[(3)] (1) "Office" means the Office of Energy Development created in Section
1999	79-6-401.
2000	[ <del>(4)</del> ] <u>(2)</u> "State agency" means an executive branch:
2001	(a) department;
2002	(b) agency;
2003	(c) board;
2004	(d) commission;
2005	(e) division; or
2006	(f) state educational institution.
2007	Section 21. Section <b>79-6-106</b> is amended to read:
2008	79-6-106. Hydrogen advisory council.
2009	(1) The department shall create a hydrogen advisory council within the office that
2010	consists of seven to nine members appointed by the executive director, in consultation with the
2011	[energy advisor] director. The executive director shall appoint members with expertise in:

2012	(a) hydrogen energy in general;
2013	(b) hydrogen project facilities;
2014	(c) technology suppliers;
2015	(d) hydrogen producers or processors;
2016	(e) renewable and fossil based power generation industries; and
2017	(f) fossil fuel based hydrogen feedstock providers.
2018	(2) (a) Except as required by Subsection (2)(b), a member shall serve a four-year term.
2019	(b) The executive director shall, at the time of appointment or reappointment, adjust
2020	the length of terms to ensure that the terms of council members are staggered so that
2021	approximately half of the hydrogen advisory council is appointed every two years.
2022	(c) When a vacancy occurs in the membership for any reason, the replacement shall be
2023	appointed for the unexpired term.
2024	(3) (a) A majority of the members appointed under this section constitutes a quorum of
2025	the hydrogen advisory council.
2026	(b) The hydrogen advisory council shall determine:
2027	(i) the time and place of meetings; and
2028	(ii) any other procedural matter not specified in this section.
2029	(4) A member may not receive compensation or benefits for the member's service, but
2030	may receive per diem and travel expenses in accordance with:
2031	(a) Section 63A-3-106;
2032	(b) Section 63A-3-107; and
2033	(c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
2034	63A-3-107.
2035	(5) The office shall staff the hydrogen advisory council.
2036	(6) The hydrogen advisory council may:
2037	(a) develop hydrogen facts and figures that facilitate use of hydrogen fuel within the
2038	state;
2039	(b) encourage cross-state cooperation with states that have hydrogen programs;
2040	(c) work with state agencies, the private sector, and other stakeholders, such as
2041	environmental groups, to:
2042	(i) recommend realistic goals for hydrogen development that can be executed within

2043	realistic time frames; and
2044	(ii) educate, discuss, consult, and make recommendations in hydrogen related matters
2045	that benefit the state;
2046	(d) promote hydrogen research at state institutions of higher education, as defined in
2047	Section 53B-3-102;
2048	(e) make recommendations regarding how to qualify for federal funding of hydrogen
2049	projects, including hydrogen related projects for:
2050	(i) the state;
2051	(ii) a local government;
2052	(iii) a privately commissioned project;
2053	(iv) an educational project;
2054	(v) scientific development; and
2055	(vi) engineering and novel technologies;
2056	(f) make recommendations related to the development of multiple feedstock or energy
2057	resources in the state such as wind, solar, hydroelectric, geothermal, coal, natural gas, oil,
2058	water, electrolysis, coal gasification, liquefaction, hydrogen storage, safety handling,
2059	compression, and transportation;
2060	(g) make recommendations to establish statewide safety protocols for production,
2061	transportation, and handling of hydrogen for both residential and commercial applications;
2062	(h) facilitate public events to raise the awareness of hydrogen and hydrogen related
2063	fuels within the state and how hydrogen can be advantageous to all forms of transportation,
2064	heat, and power generation;
2065	(i) review and make recommendations regarding legislation; and
2066	(j) make other recommendations to the [energy advisor] director related to hydrogen
2067	development in the state.
2068	Section 22. Section <b>79-6-401</b> is amended to read:
2069	79-6-401. Office of Energy Development Director Purpose Rulemaking
2070	regarding confidential information Fees Duties and powers.
2071	(1) There is created an Office of Energy Development [in] within the Department of
2072	Natural Resources to be administered by a director.
2073	(2) (a) The governor shall appoint the director and the director shall serve at the

2074	pleasure of the governor.
2075	(b) The director shall have demonstrated the necessary administrative and professional
2076	ability through education and experience to efficiently and effectively manage the office's
2077	affairs.
2078	(c) The director shall serve as an advisor to the governor on energy related matters.
2079	[(2) (a) The energy advisor shall serve as the director of the office or, on or before June
2080	30, 2029, appoint a director of the office.]
2081	[ <del>(b) The director:</del> ]
2082	[(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to the
2083	energy advisor; and]
2084	[(ii) may appoint staff as funding within existing budgets allows.]
2085	[(c) The office may consolidate energy staff and functions existing in the state energy
2086	program.]
2087	(3) The purposes of the office are to:
2088	(a) serve as the primary resource for advancing energy and mineral development in the
2089	state;
2090	(b) implement:
2091	(i) the state energy policy under Section 79-6-301; and
2092	(ii) the governor's energy and mineral development goals and objectives;
2093	(c) advance energy education, outreach, and research, including the creation of
2094	elementary, higher education, and technical college energy education programs;
2095	(d) promote energy and mineral development workforce initiatives; and
2096	(e) support collaborative research initiatives targeted at Utah-specific energy and
2097	mineral development.
2098	(4) By following the procedures and requirements of Title 63J, Chapter 5, Federal
2099	Funds Procedures Act, the office may:
2100	(a) seek federal grants or loans;
2101	(b) seek to participate in federal programs; and
2102	(c) in accordance with applicable federal program guidelines, administer federally
2103	funded state energy programs.
2104	(5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102,

biofuel, and hydroelectric;

2105	59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax Credit Act
2106	and Part 6, High Cost Infrastructure Development Tax Credit Act.
2107	(6) (a) For purposes of administering this section, the office may make rules, by
2108	following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
2109	confidential, and not as a public record, information that the office receives from any source.
2110	(b) The office shall maintain information the office receives from any source at the
2111	level of confidentiality assigned by the source.
2112	(7) The office may charge application, filing, and processing fees in amounts
2113	determined by the office in accordance with Section 63J-1-504 as dedicated credits for
2114	performing office duties described in this part.
2115	(8) (a) An employee of the office on April 30, 2024, is an at-will employee.
2116	(b) For an employee [of the] described in Subsection (8)(a) who was employed by the
2117	office on [July 1, 2021] April 30, 2024, the employee shall have the same salary and benefit
2118	options [the] an employee had when the office was part of the office of the governor.
2119	(c) An employee of the office hired on or after May 1, 2024, shall receive
2120	compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.
2121	(9) (a) The office shall prepare a strategic energy plan to achieve the state's energy
2122	policy, including:
2123	(i) technological and infrastructure innovation needed to meet future energy demand
2124	including:
2125	(A) energy production technologies;
2126	(B) battery and storage technologies;
2127	(C) smart grid technologies;
2128	(D) energy efficiency technologies; and
2129	(E) any other developing energy technology, energy infrastructure planning, or
2130	investments that will assist the state in meeting energy demand;
2131	(ii) the state's efficient utilization and development of:
2132	(A) nonrenewable energy resources, including natural gas, coal, clean coal, hydrogen,
2133	oil, oil shale, and oil sands;
2134	(B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass

2136	(C) nuclear power; and
2137	(D) earth minerals;
2138	(iii) areas of energy-related academic research;
2139	(iv) specific areas of workforce development necessary for an evolving energy
2140	industry;
2141	(v) the development of partnerships with national laboratories; and
2142	(vi) a proposed state budget for economic development and investment.
2143	(b) In preparing the strategic energy plan, the office shall consult with stakeholders,
2144	including representatives from:
2145	(i) energy companies in the state;
2146	(ii) private and public institutions of higher education within the state conducting
2147	energy-related research; and
2148	(iii) other state agencies.
2149	[(c) On or before the October 2023 interim meeting, the office shall report to the Public
2150	Utilities, Energy, and Technology Interim Committee and the Executive Appropriations
2151	Interim Committee describing:
2152	[(i) progress towards creation of the strategic energy plan; and]
2153	[(ii) a proposed budget for the office to continue development of the strategic energy
2154	<del>plan.</del> ]
2155	(10) The director shall:
2156	(a) annually review and propose updates to the state's energy policy, as contained in
2157	Section 79-6-301;
2158	(b) promote as the governor considers necessary:
2159	(i) the development of cost-effective energy resources both renewable and
2160	nonrenewable; and
2161	(ii) educational programs, including programs supporting conservation and energy
2162	efficiency measures;
2163	(c) coordinate across state agencies to assure consistency with state energy policy,
2164	including:
2165	(i) working with the State Energy Program to promote access to federal assistance for
2166	energy-related projects for state agencies and members of the public;

2167	(ii) working with the Division of Emergency Management to assist the governor in
2168	carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10,
2169	Energy Emergency Powers of the Governor Act;
2170	(iii) participating in the annual review of the energy emergency plan and the
2171	maintenance of the energy emergency plan and a current list of contact persons required by
2172	Section 53-2a-902; and
2173	(iv) identifying and proposing measures necessary to facilitate low-income consumers'
2174	access to energy services;
2175	(d) coordinate with the Division of Emergency Management ongoing activities
2176	designed to test an energy emergency plan to ensure coordination and information sharing
2177	among state agencies and political subdivisions in the state, public utilities and other energy
2178	suppliers, and other relevant public sector persons as required by Sections 53-2a-902,
2179	53-2a-1004, 53-2a-1008, and 53-2a-1010;
2180	(e) coordinate with requisite state agencies to study:
2181	(i) the creation of a centralized state repository for energy-related information;
2182	(ii) methods for streamlining state review and approval processes for energy-related
2183	projects; and
2184	(iii) the development of multistate energy transmission and transportation
2185	infrastructure;
2186	(f) coordinate energy-related regulatory processes within the state;
2187	(g) compile, and make available to the public, information about federal, state, and
2188	local approval requirements for energy-related projects;
2189	(h) act as the state's advocate before federal and local authorities for energy-related
2190	infrastructure projects or coordinate with the appropriate state agency; and
2191	(i) help promote the Division of Facilities Construction and Management's measures to
2192	improve energy efficiency in state buildings.
2193	(11) The director has standing to testify on behalf of the governor at the Public Service
2194	Commission created in Section 54-1-1.
2195	Section 23. Section 79-6-404, which is renumbered from Section 79-6-202 is
2196	renumbered and amended to read:
2197	[ <del>79-6-202</del> ]. 79-6-404. Agency cooperation.

2198	A state agency shall provide the [energy advisor] office with any energy-related
2199	information requested by the [energy advisor if the energy advisor's] office if the office's
2200	request is consistent with other law.
2201	Section 24. Section 79-6-405, which is renumbered from Section 79-6-203 is
2202	renumbered and amended to read:
2203	[ <del>79-6-203</del> ]. <u>79-6-405.</u> Reports.
2204	(1) The [energy advisor] director shall report annually to:
2205	(a) the [appointing authority] governor; and
2206	(b) the Natural Resources, Agriculture, and Environment Interim Committee.
2207	(2) The report required in Subsection (1) shall:
2208	(a) summarize the status and development of the state's energy resources;
2209	(b) summarize the activities and accomplishments of the Office of Energy
2210	Development;
2211	(c) address the [energy advisor's] director's activities under this part; and
2212	(d) recommend any energy-related executive or legislative action the [energy advisor]
2213	director considers beneficial to the state, including updates to the state energy policy under
2214	Section 79-6-301.
2215	Section 25. Section <b>79-6-901</b> is amended to read:
2216	79-6-901. Definitions.
2217	As used in this part:
2218	(1) "Application" means an application for a tax credit under Title 79, Chapter 6, Part
2219	6, High Cost Infrastructure Development Tax Credit Act.
2220	(2) "Board" means the Utah Energy Infrastructure Board created in Section 79-6-902.
2221	(3) "Electric interlocal entity" means the same as that term is defined in Section
2222	11-13-103.
2223	[(4) "Energy advisor" means the energy advisor appointed under Section 79-6-201.]
2224	[(5)] (4) "Fuel standard compliance project" means the same as that term is defined in
2225	Section 79-6-602.
2226	[(6)] (5) "Office" means the Office of Energy Development created in Section
2227	79-6-401.
2228	$\left[\frac{7}{1}\right]$ (6) "Tax credit" means the same as that term is defined in Section 79-6-602.

2229	Section 26. Section <b>79-6-902</b> is amended to read:				
2230	79-6-902. Utah Energy Infrastructure Board.				
2231	(1) There is created within the office the Utah Energy Infrastructure Board that consists				
2232	of nine members as follows:				
2233	(a) members appointed by the governor:				
2234	(i) [the energy advisor or] the director of the Office of Energy Development, who shall				
2235	serve as chair of the board;				
2236	(ii) one member from the Governor's Office of Economic Opportunity;				
2237	(iii) one member from a public utility or electric interlocal entity that operates electric				
2238	transmission facilities within the state;				
2239	(iv) two members representing the economic development interests of rural				
2240	communities as follows:				
2241	(A) one member currently serving as county commissioner of a county of the third,				
2242	fourth, fifth, or sixth class, as described in Section 17-50-501; and				
2243	(B) one member of a rural community with work experience in the energy industry;				
2244	(v) two members of the general public with relevant industry or community				
2245	experience; and				
2246	(vi) one member of the general public who has experience with public finance and				
2247	bonding; and				
2248	(b) the director of the School and Institutional Trust Lands Administration created in				
2249	Section 53C-1-201.				
2250	(2) (a) The term of an appointed board member is four years.				
2251	(b) Notwithstanding Subsection (2)(a), the governor shall, at the time of appointment				
2252	or reappointment, adjust the length of terms to ensure that the terms of board members are				
2253	staggered so that approximately half of the board is appointed every two years.				
2254	(c) The governor may remove a member of the board for cause.				
2255	(d) The governor shall fill a vacancy in the board in the same manner under this section				
2256	as the appointment of the member whose vacancy is being filled.				
2257	(e) An individual appointed to fill a vacancy shall serve the remaining unexpired term				
2258	of the member whose vacancy the individual is filling.				
2259	(f) A board member shall serve until a successor is appointed and qualified.				

- (3) (a) Five members of the board constitute a quorum for conducting board business.
   (b) A majority vote of the quorum present is required for an action to be taken by the
- 2262 board.

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- 2263 (4) The board shall meet as needed to review an application.
- 2264 (5) A member may not receive compensation or benefits for the member's service, but 2265 may receive per diem and travel expenses in accordance with:
- 2266 (a) Section 63A-3-106;
- 2267 (b) Section 63A-3-107; and
- 2268 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 2269 63A-3-107.
- Section 27. Section **79-7-203** is amended to read:

## 79-7-203. Powers and duties of division.

- (1) As used in this section, "real property" includes land under water, upland, and all other property commonly or legally defined as real property.
- (2) The Division of Wildlife Resources shall retain the power and jurisdiction conferred upon the Division of Wildlife Resources by law on property controlled by the division with reference to fish and game.
- (3) For purposes of property controlled by the division, the division shall permit multiple uses of the property for purposes such as grazing, fishing, hunting, camping, mining, and the development and use of water and other natural resources.
- (4) (a) The division may acquire real and personal property in the name of the state by legal and proper means, including purchase, gift, devise, eminent domain, lease, exchange, or otherwise, subject to the approval of the executive director [and the governor].
- (b) In acquiring real or personal property, the credit of the state may not be pledged without the consent of the Legislature.
- (5) (a) Before acquiring any real property, the division shall notify the county legislative body of the county where the property is situated of the division's intention to acquire the property.
- (b) If the county legislative body requests a hearing within 10 days of receipt of the notice, the division shall hold a public hearing in the county concerning the matter.
- 2290 (6) Acceptance of gifts or devises of land or other property is at the discretion of the

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2291	division, subject to the approval of the executive director [and the governor].
2292	(7) The division shall acquire property by eminent domain in the manner authorized by
2293	Title 78B, Chapter 6, Part 5, Eminent Domain.
2294	(8) (a) The division may make charges for special services and use of facilities, the
2295	income from which is available for recreation purposes.
2296	(b) The division may conduct and operate those services necessary for the comfort and
2297	convenience of the public.
2298	(9) (a) The division may lease or rent concessions of lawful kinds and nature on
2299	property to persons, partnerships, and corporations for a valuable consideration after notifying
2300	the commission.
2301	(b) The division shall comply with Title 63G, Chapter 6a, Utah Procurement Code, in
2302	selecting concessionaires.
2303	(10) The division shall proceed without delay to negotiate with the federal government
2304	concerning the Weber Basin and other recreation and reclamation projects.
2305	(11) (a) The division shall coordinate with and annually report to the following
2306	regarding land acquisition and development and grants administered under this chapter or
2307	Chapter 8, Outdoor Recreation Grants:
2308	(i) the Division of State Parks; and
2309	(ii) the [Office of] Center for Rural Development.
2310	(b) The report required under Subsection (11)(a) shall be in writing, made public, and
2311	include a description and the amount of any grant awarded under this chapter or Chapter 8,
2312	Outdoor Recreation Grants.
2313	(12) The division shall:
2314	(a) coordinate outdoor recreation policy, management, and promotion:
2315	(i) among state and federal agencies and local government entities in the state;
2316	(ii) with the Public Lands Policy Coordinating Office created in Section 63L-11-201, if
2317	public land is involved; and

economic development in the state by:

of the Governor's Office of Economic Opportunity;

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(iii) on at least a quarterly basis, with the executive director and the executive director

(b) in cooperation with the Governor's Office of Economic Opportunity, promote

2322	(i) coordinating with outdoor recreation stakeholders;			
2323	(ii) improving recreational opportunities; and			
2324	(iii) recruiting outdoor recreation business;			
2325	(c) promote all forms of outdoor recreation, including motorized and nonmotorized			
2326	outdoor recreation;			
2327	(d) recommend to the governor and Legislature policies and initiatives to enhance			
2328	recreational amenities and experiences in the state and help implement those policies and			
2329	initiatives;			
2330	(e) in performing the division's duties, seek to ensure safe and adequate access to			
2331	outdoor recreation for all user groups and for all forms of recreation;			
2332	(f) develop data regarding the impacts of outdoor recreation in the state; and			
2333	(g) promote the health and social benefits of outdoor recreation, especially to young			
2334	people.			
2335	(13) By following Title 63J, Chapter 5, Federal Funds Procedures Act, the division			
2336	may:			
2337	(a) seek federal grants or loans;			
2338	(b) seek to participate in federal programs; and			
2339	(c) in accordance with applicable federal program guidelines, administer federally			
2340	funded outdoor recreation programs.			
2341	Section 28. Section 79-7-601, which is renumbered from Section 79-4-1102 is			
2342	renumbered and amended to read:			
2343	Part 6. Contingency Planning for Management of Federal Land			
2344	[ <del>79-4-1102</del> ]. <u>79-7-601.</u> Contingency plan for federal property.			
2345	(1) As used in this part, "fiscal emergency" means a major disruption in the operation			
2346	of one or more national parks, national monuments, national forests, or national recreation			
2347	areas in the state caused by the unforseen or sudden significant decrease or elimination of			
2348	funding from the federal government.			
2349	(2) During a fiscal emergency, and subject to congressional approval, the governor's			
2350	agreement with the United States Department of the Interior, or a presidential executive order			
2351	the governor [is authorized to] may enter into an agreement with the federal government to			
2352	ensure that one or more national parks, national monuments, national forests, or national			

2353	recreation areas in the state, according to the priority set under [Section 79-4-1103] Section		
2354	79-7-602, remain open to the public.		
2355	Section 29. Section	<b>79-7-602</b> , w	hich is renumbered from Section 79-4-1103 is
2356	renumbered and amended to	read:	
2357	[ <del>79-4-1103</del> ].	<u>79-7-602.</u>	Governor's duties Priority of federal property.
2358	(1) During a fiscal e	mergency, tl	ne governor shall:
2359	(a) if financially practicable, work with the federal government to open and maintain		
2360	the operation of one or more national parks, national monuments, national forests, and national		
2361	recreation areas in the state,	in the order	established under this section; and
2362	(b) report to the speaker of the House and the president of the Senate on the need, if		
2363	any, for additional appropria	tions to assi	st the division in opening and operating one or more
2364	national parks, national mon	uments, nat	ional forests, and national recreation areas in the state.
2365	(2) The director of the	he Division	of Outdoor Recreation, in consultation with the
2366	executive director of the [Go	overnor's Of	Fice of Economic Opportunity] Department of Natural
2367	Resources, shall determine,	by rule, the 1	priority of national parks, national monuments,
2368	national forests, and national	l recreation	areas in the state.
2369	(3) In determining the	ne priority d	escribed in Subsection (2), the director of the Division
2370	of Outdoor Recreation shall	consider the	::
2371	(a) economic impac	t of the natio	onal park, national monument, national forest, or
2372	national recreation area in th	e state; and	
2373	(b) recreational valu	e offered by	the national park, national monument, national forest,
2374	or national recreation area.		
2375	(4) The director of t	he Division	of Outdoor Recreation shall annually review the
2376	priority set under Subsection	(2) to deter	mine whether the priority list should be amended.
2377	Section 30. Repeale	er.	
2378	This bill repeals:		
2379	Section 40-6-22, Reg	gulatory cer	rtainty to support economic recovery.
2380	Section 73-10-12, A	ppropriatio	ns.
2381	Section 73-10-13, A	ppropriatio	n for loan fund.
2382	Section 73-10-31, Al	location of	funds for credit enhancement and interest
2383	buy-down agreements.		

2384	Section 79-4-1101, Title.
2385	Section 79-6-201, Advisor Duties.
2386	Section 31. Effective date.
2387	(1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.
2388	(2) The actions affecting Section 59-12-103, (Contingently Effective 01/01/25),
2389	contingently take effect on January 1, 2025.
2390	Section 32. Coordinating H.B. 519 with other 2024 General Session legislation.
2391	The Legislature intends that, on May 1, 2024, in legislation that passes in the 2024
2392	General Session and becomes law:
2393	(1) any reference to the executive director of the Public Lands Policy Coordinating
2394	Office be changed to director of the Public Lands Policy Coordinating Office in any new
2395	language added to the Utah Code;
2396	(2) any occurrence of "executive director" be changed to "director" in any new
2397	language added to Title 63L, Chapter 11, Public Lands Planning; and
2398	(3) any reference to energy advisor be changed to the director of the Office of Energy
2399	Development in any new language added to the Utah Code.