

Representative Scott H. Chew proposes the following substitute bill:

DEPARTMENT OF NATURAL RESOURCES MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Casey Snider

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to the Department of Natural Resources.

Highlighted Provisions:

This bill:

- ▶ clarifies that the Species Protection Account is administered by the Division of Wildlife Resources;
- ▶ modifies requirements related to the off-highway vehicle safety education and training program;
- ▶ changes how the off-highway vehicle safety user fee is set and allows the Division of Outdoor Recreation to collect an electronic payment fee;
- ▶ clarifies provisions related to the executive director of the Public Lands Policy Coordinating Office;
- ▶ repeals a provision related to actions brought to a district court challenging a groundwater management plan;
- ▶ repeals a requirement that the Board of Water Resources establish a benefit to cost ratio for certain water projects;
- ▶ repeals the definition of "species protection";
- ▶ repeals a provision requiring the Utah Geological Survey to seek federal funds and



- 26 administer federally funded state programs related to energy;
- 27 ▶ modifies provisions related to mineral lease money being deposited into a restricted
- 28 account used by the Utah Geological Survey;
- 29 ▶ modifies provisions related to the director of the Office of Energy Development and
- 30 removes references to energy advisor;
- 31 ▶ clarifies the status of an employee of the Office of Energy Development;
- 32 ▶ repeals a requirement that the governor approve the purchase or acceptance of
- 33 property by the Division of Outdoor Recreation;
- 34 ▶ repeals a requirement that 10% of certain expenditures by the Board of Water
- 35 Resources be allocated for credit enhancement and interest buy-down agreements;
- 36 ▶ clarifies that the Division of Outdoor Recreation has duties related to a contingency
- 37 plan for federal property during a fiscal emergency;
- 38 ▶ repeals outdated language, including appropriation language; and
- 39 ▶ makes technical and conforming changes.

40 **Money Appropriated in this Bill:**

41 None

42 **Other Special Clauses:**

43 This bill provides a special effective date.

44 This bill provides a coordination clause.

45 **Utah Code Sections Affected:**

46 AMENDS:

47 **41-22-31**, as repealed and reenacted by Laws of Utah 2023, Chapter 11

48 **41-22-35**, as last amended by Laws of Utah 2022, Chapters 68, 143

49 **51-9-306**, as last amended by Laws of Utah 2023, Chapter 526

50 **59-12-103 (Contingently Superseded 01/01/25)**, as last amended by Laws of Utah

51 2023, Chapters 22, 213, 329, 361, and 471

52 **59-12-103 (Contingently Effective 01/01/25)**, as last amended by Laws of Utah 2023,

53 Chapters 22, 213, 329, 361, 459, and 471

54 **59-21-2**, as last amended by Laws of Utah 2023, Chapter 217

55 **59-23-4**, as last amended by Laws of Utah 2018, Chapter 413

56 **63J-1-602.1**, as last amended by Laws of Utah 2023, Chapters 26, 33, 34, 194, 212,

57 330, 419, 434, 448, and 534

58 **63L-11-201**, as last amended by Laws of Utah 2021, Chapter 345 and renumbered and
59 amended by Laws of Utah 2021, Chapter 382

60 **73-5-15**, as last amended by Laws of Utah 2023, Chapters 16, 230

61 **73-10-27**, as last amended by Laws of Utah 2012, Chapter 347

62 **79-2-102**, as last amended by Laws of Utah 2023, Chapter 34

63 **79-2-406**, as enacted by Laws of Utah 2022, Chapter 216

64 **79-3-202**, as last amended by Laws of Utah 2022, Chapter 216

65 **79-3-403**, as enacted by Laws of Utah 2021, Chapter 401

66 **79-6-102**, as renumbered and amended by Laws of Utah 2021, Chapter 280

67 **79-6-106**, as enacted by Laws of Utah 2023, Chapter 233

68 **79-6-401**, as last amended by Laws of Utah 2023, Chapter 196

69 **79-6-901**, as renumbered and amended by Laws of Utah 2022, Chapter 44

70 **79-6-902**, as renumbered and amended by Laws of Utah 2022, Chapter 44

71 **79-7-203**, as last amended by Laws of Utah 2023, Chapter 33

72 ENACTS:

73 **41-22-35.5**, Utah Code Annotated 1953

74 RENUMBERS AND AMENDS:

75 **23A-3-214**, (Renumbered from 79-2-303, as renumbered and amended by Laws of
76 Utah 2009, Chapter 344)

77 **79-6-404**, (Renumbered from 79-6-202, as renumbered and amended by Laws of Utah
78 2021, Chapter 280)

79 **79-6-405**, (Renumbered from 79-6-203, as renumbered and amended by Laws of Utah
80 2021, Chapter 280)

81 **79-7-601**, (Renumbered from 79-4-1102, as enacted by Laws of Utah 2014, Chapter
82 313)

83 **79-7-602**, (Renumbered from 79-4-1103, as last amended by Laws of Utah 2022,
84 Chapter 68)

85 REPEALS:

86 **40-6-22**, as last amended by Laws of Utah 2022, Chapter 443

87 **73-10-12**, as Utah Code Annotated 1953

- 88 **73-10-13**, as enacted by Laws of Utah 1963, Chapter 199
- 89 **73-10-31**, as enacted by Laws of Utah 1996, Chapter 199
- 90 **79-4-1101**, as enacted by Laws of Utah 2014, Chapter 313
- 91 **79-6-201**, as renumbered and amended by Laws of Utah 2021, Chapter 280

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

94 Section 1. Section **23A-3-214**, which is renumbered from Section 79-2-303 is
95 renumbered and amended to read:

96 ~~[79-2-303]~~. **23A-3-214. Species Protection Account.**

97 (1) There is created within the General Fund a restricted account known as the Species
98 Protection Account.

99 (2) The account shall consist of:

100 (a) revenue generated by the brine shrimp tax provided for in Title 59, Chapter 23,
101 Brine Shrimp Royalty Act; and

102 (b) interest earned on money in the account.

103 (3) Money in the account may be appropriated by the Legislature to:

104 (a) develop and implement species status assessments and species protection measures;

105 (b) obtain biological opinions of proposed species protection measures;

106 (c) conduct studies, investigations, and research into the effects of proposed species
107 protection measures;

108 (d) verify species protection proposals that are not based on valid biological data;

109 (e) implement Great Salt Lake wetlands mitigation projects in connection with the
110 western transportation corridor;

111 (f) pay for the state's voluntary contributions to the Utah Reclamation Mitigation and
112 Conservation Account under the Central Utah Project Completion Act, Pub. L. No. 102-575,
113 Titles II-VI, 106 Stat. 4605-4655; and

114 (g) pay for expenses of the State Tax Commission under Title 59, Chapter 23, Brine
115 Shrimp Royalty Act.

116 (4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished
117 by the state or, in an appropriation act, the Legislature may authorize the department to award
118 grants to political subdivisions of the state to accomplish those purposes.

119 (5) Money in the account may not be used to develop or implement a habitat
120 conservation plan required under federal law unless the federal government pays for at least 1/3
121 of the habitat conservation plan costs.

122 Section 2. Section **41-22-31** is amended to read:

123 **41-22-31. Division to set standards for safety program -- Safety certificates issued**
124 **-- Cooperation with public and private entities -- State immunity from suit.**

125 (1) (a) The division shall:

126 (i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
127 make rules, after notifying the commission, that establish curriculum standards for a
128 comprehensive off-highway vehicle safety education and training program as described in this
129 section; and

130 (ii) implement the program.

131 (b) (i) The division shall design the program to develop and instill the knowledge,
132 attitudes, habits, and skills necessary for the safe and ethical operation of an off-highway
133 vehicle.

134 (ii) Components of the program shall include:

135 (A) the preparation and dissemination of off-highway vehicle information and safety
136 advice to the public;

137 (B) the training of off-highway vehicle operators;

138 (C) education concerning the importance of gates and fences used in agriculture and
139 how to properly close a gate; and

140 (D) education concerning respectful, sustainable, and on-trail off-highway vehicle
141 operation, and respect for communities affected by off-highway vehicle operation.

142 (iii) Off-highway vehicle safety certificates shall be issued to those who successfully
143 complete training or pass the knowledge and skills test established under the program and
144 described in Subsections (2) and (3).

145 (iv) The division shall ensure that an individual has the option to complete the program
146 online.

147 (2) Except as provided in Subsection (4)(b), an individual under 18 years old may not
148 operate an off-highway vehicle on public lands in this state unless the individual has completed
149 the requirements of the program established in accordance with this section and rules made in

150 accordance with Subsection (1) by completing:

151 (a) an in-person safety and skills course offered by the division; or

152 (b) a safety and skills course approved by the division that is offered online.

153 (3) Except as provided in Subsection ~~[(4)]~~ (4)(a), an individual ~~[that]~~ who is 18 years
154 old or older may not operate an off-highway vehicle on public lands in this state unless the
155 individual has completed the requirements of the program established in accordance with this
156 section and rules made in accordance with Subsection (1) by completing:

157 (a) a course described in Subsection (2); or

158 (b) a one-time course offered or approved by the division.

159 (4) The requirements described in this section do not apply to:

160 (a) an individual who is 18 years old or older operating:

161 (i) a snowmobile ~~[or]~~;

162 (ii) an off-highway implement of husbandry; or

163 ~~[(b)]~~ (iii) ~~[an individual operating]~~ an off-highway vehicle as part of a guided tour or a
164 sanctioned off-highway vehicle event~~[-];~~ or

165 (b) an individual under 18 years old operating an off-highway implement of husbandry.

166 (5) A person may not rent an off-highway vehicle to an individual until the individual
167 who will operate the off-highway vehicle presents a certificate of completion of the
168 off-highway vehicle safety education and training program established in accordance with this
169 section and rules made under Subsection (1).

170 (6) The division may cooperate with appropriate private organizations and
171 associations, private and public corporations, and local government units to implement the
172 program established under this section.

173 (7) In addition to the governmental immunity granted in Title 63G, Chapter 7,
174 Governmental Immunity Act of Utah, the state is immune from suit for any act, or failure to
175 act, in any capacity relating to the off-highway vehicle safety education and training program.
176 The state is also not responsible for any insufficiency or inadequacy in the quality of training
177 provided by this program.

178 (8) A person convicted of a violation of this section is guilty of an infraction and shall
179 be fined not more than \$150 per offense.

180 Section 3. Section **41-22-35** is amended to read:

181 **41-22-35. Off-highway vehicle user fee -- Decal -- Agents -- Penalty for fraudulent**
182 **issuance of decal -- Deposit and use of fee revenue.**

183 (1) (a) Except as provided in Subsection (1)(b), any person owning or operating a
184 nonresident off-highway vehicle who operates or gives another person permission to operate
185 the nonresident off-highway vehicle on any public land, trail, street, or highway in this state
186 shall:

187 (i) apply for an off-highway vehicle decal issued exclusively for an off-highway
188 vehicle owned by a nonresident of the state;

189 (ii) pay an annual off-highway vehicle user fee;

190 (iii) provide evidence that the owner is a nonresident; and

191 (iv) provide evidence of completion of the safety course and program described in
192 Section ~~[41-22-35]~~ [41-22-31](#).

193 (b) The provisions of Subsection (1)(a) do not apply to an off-highway vehicle if the
194 off-highway vehicle is:

195 (i) used exclusively as an off-highway implement of husbandry;

196 (ii) used exclusively for the purposes of a scheduled competitive event sponsored by a
197 public or private entity or another event sponsored by a governmental entity under rules made
198 by the division, after notifying the commission;

199 (iii) owned and operated by a state government agency and the operation of the
200 off-highway vehicle within the boundaries of the state is within the course and scope of the
201 duties of the agency;

202 (iv) used exclusively for the purpose of an off-highway vehicle manufacturer
203 sponsored event within the state under rules made by the division; or

204 (v) operated as part of a sanctioned off-highway vehicle event or part of an official tour
205 by a person licensed as a off-highway vehicle tour guide in this state.

206 (2) ~~[The off-highway vehicle user fee is \$30.]~~ The division may:

207 (a) after notifying the commission, set a resident and nonresident off-highway vehicle
208 user fee in accordance with Section [63J-1-504](#); and

209 (b) collect an electronic payment fee in accordance with Section [41-22-35.5](#).

210 (3) Upon compliance with ~~[the provisions of]~~ Subsection (1)(a), the nonresident shall:

211 (a) receive a nonresident off-highway vehicle user decal indicating compliance with the

212 provisions of Subsection (1)(a); and

213 (b) display the decal on the off-highway vehicle in accordance with rules made by the
214 division.

215 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
216 division, after notifying the commission, shall make rules establishing:

217 (a) procedures for:

218 (i) the payment of off-highway vehicle user fees; and

219 (ii) the display of a decal on an off-highway vehicle as required under Subsection

220 (3)(b);

221 (b) acceptable evidence indicating compliance with Subsection (1);

222 (c) eligibility for scheduled competitive events or other events under Subsection

223 (1)(b)(ii); and

224 (d) eligibility for an off-highway vehicle manufacturer sponsored event under
225 Subsection (1)(b)(iv).

226 (5) (a) An off-highway vehicle user decal may be issued and the off-highway vehicle
227 user fee may be collected by the division or agents of the division.

228 (b) An agent shall retain 10% of all off-highway vehicle user fees collected.

229 (c) The division may require agents to obtain a bond in a reasonable amount.

230 (d) On or before the tenth day of each month, each agent shall:

231 (i) report all sales to the division; and

232 (ii) submit all off-highway vehicle user fees collected less the remuneration provided in
233 Subsection (5)(b).

234 (e) (i) If an agent fails to pay the amount due, the division may assess a penalty of 20%
235 of the amount due.

236 (ii) Delinquent payments shall bear interest at the rate of 1% per month.

237 (iii) If the amount due is not paid because of bad faith or fraud, the division shall assess
238 a penalty of 100% of the total amount due together with interest.

239 (f) All fees collected by an agent, except the remuneration provided in Subsection
240 (5)(b), shall:

241 (i) be kept separate and apart from the private funds of the agent; and

242 (ii) belong to the state.

243 (g) An agent may not issue an off-highway vehicle user decal to any person unless the
244 person furnishes evidence of compliance with the provisions of Subsection (1)(a).

245 (h) A violation of any provision of this Subsection (5) is a class B misdemeanor and
246 may be cause for revocation of the agent authorization.

247 (6) Revenue generated by off-highway vehicle user fees shall be deposited into the
248 Off-highway Vehicle Account created in Section [41-22-19](#).

249 Section 4. Section **41-22-35.5** is enacted to read:

250 **41-22-35.5. Electronic payment fee.**

251 (1) As used in this section:

252 (a) "Electronic payment" means use of a form of payment processed through electronic
253 means, including use of a credit card, debit card, or automatic clearinghouse transaction.

254 (b) "Electronic payment fee" means the fee assessed to defray:

255 (i) a charge, discount fee, or process fee charged by a processing agent to process an
256 electronic payment, including a credit card company; or

257 (ii) costs associated with the purchase of equipment necessary for processing an
258 electronic payment.

259 (2) (a) The division may impose and collect an electronic payment fee on an electronic
260 payment related to an off-highway vehicle user fee.

261 (b) The division may charge an electronic payment fee under this section in an amount
262 not to exceed 3% of the electronic payment.

263 (c) With regard to the electronic payment fee, the division is not required to separately
264 identify the electronic payment fee from a fee imposed for an off-highway vehicle user fee.

265 (3) The division shall deposit the electronic payment fee into the Off-highway Vehicle
266 Account described in Section [41-22-19](#).

267 Section 5. Section **51-9-306** is amended to read:

268 **51-9-306. Deposit of certain severance tax revenue for specified state agencies.**

269 (1) As used in this section:

270 (a) "Aggregate annual revenue" means the aggregate annual revenue collected in a
271 fiscal year from the taxes imposed under Title 59, Chapter 5, Severance Tax on Oil, Gas, and
272 Mining, after subtracting the amounts required to be distributed under Sections [51-9-305](#),
273 [59-5-116](#), and [59-5-119](#).

274 (b) "Aggregate annual mining revenue" means the aggregate annual revenue collected
275 in a fiscal year from taxes imposed under Title 59, Chapter 5, Part 2, Mining Severance Tax,
276 after subtracting the amounts required to be distributed under Section 51-9-305.

277 (c) "Aggregate annual oil and gas revenue" means the aggregate annual revenue
278 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Part 1, Oil and Gas
279 Severance Tax, after subtracting the amounts required to be distributed under Sections
280 51-9-305, 59-5-116, and 59-5-119.

281 (d) "Average aggregate annual revenue" means the three-year rolling average of the
282 aggregate annual revenue collected in a fiscal year from the taxes imposed under Title 59,
283 Chapter 5, Severance Tax on Oil, Gas, and Mining:

284 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
285 59-5-116, and 59-5-119; and

286 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit required
287 by this section.

288 (e) "Average aggregate annual mining revenue" means the three-year rolling average of
289 the aggregate annual revenue collected in a fiscal year from the taxes imposed under Title 59,
290 Chapter 5, Part 2, Mining Severance Tax:

291 (i) after subtracting the amounts required to be distributed under Section 51-9-305; and

292 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit required
293 by this section.

294 (f) "Average aggregate annual oil and gas revenue" means the three-year rolling
295 average of the aggregate annual revenue collected in a fiscal year from the taxes imposed under
296 Title 59, Chapter 5, Part 1, Oil and Gas Severance Tax:

297 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
298 59-5-116, and 59-5-119; and

299 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit required
300 by this section.

301 (2) After making the deposits of oil and gas severance tax revenue as required under
302 Sections 59-5-116 and 59-5-119 and making the credits under Section 51-9-305, for a fiscal
303 year beginning on or after July 1, 2021, the State Tax Commission shall annually make the
304 following deposits:

305 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
306 Section 19-2a-106, the following average aggregate annual revenue:

- 307 (i) 2.75% of the first \$50,000,000 of the average aggregate annual revenue;
308 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
309 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000;

310 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created
311 in Section 19-5-126, the following average aggregate annual revenue:

- 312 (i) .4% of the first \$50,000,000 of the average aggregate annual revenue;
313 (ii) .15% of the next \$50,000,000 of the average aggregate annual revenue; and
314 (iii) .08% of the average aggregate annual revenue that exceeds \$100,000,000;

315 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
316 40-6-23, the following:

- 317 (i) (A) 11.5% of the first \$50,000,000 of the average aggregate annual mining revenue;
318 (B) 3% of the next \$50,000,000 of the average aggregate annual mining revenue; and
319 (C) 1% of the average aggregate annual mining revenue that exceeds \$100,000,000;

320 and

321 (ii) (A) 18% of the first \$50,000,000 of the average aggregate annual oil and gas
322 revenue;

323 (B) 3% of the next \$50,000,000 of the average aggregate annual oil and gas revenue;

324 and

325 (C) 1% of the average aggregate annual oil and gas revenue that exceeds \$100,000,000;

326 and

327 (d) to the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account, created
328 in Section 79-3-403, the following average aggregate annual revenue:

- 329 (i) 2.5% of the first \$50,000,000 of the average aggregate annual revenue;
330 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
331 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000.

332 (3) If the money collected in a fiscal year from the taxes imposed under Title 59,
333 Chapter 5, Severance Tax on Oil, Gas, and Mining, is insufficient to make the deposits
334 required by Subsection (2), the State Tax Commission shall deposit money collected in the
335 fiscal year as follows:

336 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
337 Section 19-2a-106, the following revenue:

- 338 (i) 2.75% of the first \$50,000,000 of the aggregate annual revenue;
- 339 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
- 340 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000;

341 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created
342 in Section 19-5-126, the following revenue:

- 343 (i) .4% of the first \$50,000,000 of the aggregate annual revenue;
- 344 (ii) .15% of the next \$50,000,000 of the aggregate annual revenue; and
- 345 (iii) .08% of the aggregate annual revenue that exceeds \$100,000,000;

346 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
347 40-6-23, the following:

- 348 (i) (A) 11.5% of the first \$50,000,000 of the aggregate annual mining revenue;
- 349 (B) 3% of the next \$50,000,000 of the aggregate annual mining revenue; and
- 350 (C) 1% of the aggregate annual mining revenue that exceeds \$100,000,000; and
- 351 (ii) (A) 18% of the first \$50,000,000 of the aggregate annual oil and gas revenue;
- 352 (B) 3% of the next \$50,000,000 of the aggregate annual oil and gas revenue; and
- 353 (C) 1% of the aggregate annual oil and gas revenue that exceeds \$100,000,000; and
- 354 (d) to the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account, created
355 in Section 79-3-403, the following revenue:

- 356 (i) 2.5% of the first \$50,000,000 of the aggregate annual revenue;
- 357 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
- 358 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000.

359 (4) The severance tax revenues deposited under this section into restricted accounts for
360 the state agencies specified in Subsection (2) and appropriated from the restricted accounts
361 offset and supplant General Fund appropriations used to pay the costs of programs or projects
362 administered by the state agencies that are primarily related to oil, gas, and mining.

363 Section 6. Section 59-12-103 (Contingently Superseded 01/01/25) is amended to
364 read:

365 **59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base -- Rates --**
366 **Effective dates -- Use of sales and use tax revenues.**

367 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
368 sales price for amounts paid or charged for the following transactions:
369 (a) retail sales of tangible personal property made within the state;
370 (b) amounts paid for:
371 (i) telecommunications service, other than mobile telecommunications service, that
372 originates and terminates within the boundaries of this state;
373 (ii) mobile telecommunications service that originates and terminates within the
374 boundaries of one state only to the extent permitted by the Mobile Telecommunications
375 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
376 (iii) an ancillary service associated with a:
377 (A) telecommunications service described in Subsection (1)(b)(i); or
378 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
379 (c) sales of the following for commercial use:
380 (i) gas;
381 (ii) electricity;
382 (iii) heat;
383 (iv) coal;
384 (v) fuel oil; or
385 (vi) other fuels;
386 (d) sales of the following for residential use:
387 (i) gas;
388 (ii) electricity;
389 (iii) heat;
390 (iv) coal;
391 (v) fuel oil; or
392 (vi) other fuels;
393 (e) sales of prepared food;
394 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or
395 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
396 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
397 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit

398 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
399 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
400 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
401 horseback rides, sports activities, or any other amusement, entertainment, recreation,
402 exhibition, cultural, or athletic activity;

403 (g) amounts paid or charged for services for repairs or renovations of tangible personal
404 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

405 (i) the tangible personal property; and

406 (ii) parts used in the repairs or renovations of the tangible personal property described
407 in Subsection (1)(g)(i), regardless of whether:

408 (A) any parts are actually used in the repairs or renovations of that tangible personal
409 property; or

410 (B) the particular parts used in the repairs or renovations of that tangible personal
411 property are exempt from a tax under this chapter;

412 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
413 assisted cleaning or washing of tangible personal property;

414 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
415 accommodations and services that are regularly rented for less than 30 consecutive days;

416 (j) amounts paid or charged for laundry or dry cleaning services;

417 (k) amounts paid or charged for leases or rentals of tangible personal property if within
418 this state the tangible personal property is:

419 (i) stored;

420 (ii) used; or

421 (iii) otherwise consumed;

422 (l) amounts paid or charged for tangible personal property if within this state the
423 tangible personal property is:

424 (i) stored;

425 (ii) used; or

426 (iii) consumed;

427 (m) amounts paid or charged for a sale:

428 (i) (A) of a product transferred electronically; or

- 429 (B) of a repair or renovation of a product transferred electronically; and
430 (ii) regardless of whether the sale provides:
431 (A) a right of permanent use of the product; or
432 (B) a right to use the product that is less than a permanent use, including a right:
433 (I) for a definite or specified length of time; and
434 (II) that terminates upon the occurrence of a condition; and
435 (n) sales of leased tangible personal property from the lessor to the lessee made in the
436 state.
- 437 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
438 are imposed on a transaction described in Subsection (1) equal to the sum of:
439 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
440 (A) 4.70% plus the rate specified in Subsection (11)(a); and
441 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
442 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
443 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
444 State Sales and Use Tax Act; and
445 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
446 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
447 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
448 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
449 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
450 transaction under this chapter other than this part.
- 451 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
452 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
453 the sum of:
454 (i) a state tax imposed on the transaction at a tax rate of 2%; and
455 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
456 transaction under this chapter other than this part.
- 457 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are
458 imposed on amounts paid or charged for food and food ingredients equal to the sum of:
459 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at

460 a tax rate of 1.75%; and

461 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
462 amounts paid or charged for food and food ingredients under this chapter other than this part.

463 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts
464 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
465 a rate of 4.85%.

466 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed
467 by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax
468 imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a
469 shared vehicle driver, or a shared vehicle owner.

470 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
471 required once during the time that the shared vehicle owner owns the shared vehicle.

472 (C) The commission shall verify that a shared vehicle is an individual-owned shared
473 vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the
474 purchase of the shared vehicle.

475 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
476 individual-owned shared vehicle shared through a car-sharing program even if non-certified
477 shared vehicles are also available to be shared through the same car-sharing program.

478 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

479 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
480 representation that the shared vehicle is an individual-owned shared vehicle certified with the
481 commission as described in Subsection (2)(e)(i).

482 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
483 representation that the shared vehicle is an individual-owned shared vehicle certified with the
484 commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any
485 tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

486 (iv) If all shared vehicles shared through a car-sharing program are certified as
487 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation
488 to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

489 (v) (A) A car-sharing program is not required to list or otherwise identify an
490 individual-owned shared vehicle on a return or an attachment to a return.

491 (vi) A car-sharing program shall:

492 (A) retain tax information for each car-sharing program transaction; and

493 (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at
494 the commission's request.

495 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
496 tangible personal property other than food and food ingredients, a state tax and a local tax is
497 imposed on the entire bundled transaction equal to the sum of:

498 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

499 (I) the tax rate described in Subsection (2)(a)(i)(A); and

500 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
501 Sales and Use Tax Act, if the location of the transaction as determined under Sections
502 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
503 Additional State Sales and Use Tax Act; and

504 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
505 Sales and Use Tax Act, if the location of the transaction as determined under Sections
506 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
507 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

508 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
509 described in Subsection (2)(a)(ii).

510 (ii) If an optional computer software maintenance contract is a bundled transaction that
511 consists of taxable and nontaxable products that are not separately itemized on an invoice or
512 similar billing document, the purchase of the optional computer software maintenance contract
513 is 40% taxable under this chapter and 60% nontaxable under this chapter.

514 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
515 transaction described in Subsection (2)(f)(i) or (ii):

516 (A) if the sales price of the bundled transaction is attributable to tangible personal
517 property, a product, or a service that is subject to taxation under this chapter and tangible
518 personal property, a product, or service that is not subject to taxation under this chapter, the
519 entire bundled transaction is subject to taxation under this chapter unless:

520 (I) the seller is able to identify by reasonable and verifiable standards the tangible
521 personal property, product, or service that is not subject to taxation under this chapter from the

522 books and records the seller keeps in the seller's regular course of business; or

523 (II) state or federal law provides otherwise; or

524 (B) if the sales price of a bundled transaction is attributable to two or more items of
525 tangible personal property, products, or services that are subject to taxation under this chapter
526 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
527 higher tax rate unless:

528 (I) the seller is able to identify by reasonable and verifiable standards the tangible
529 personal property, product, or service that is subject to taxation under this chapter at the lower
530 tax rate from the books and records the seller keeps in the seller's regular course of business; or

531 (II) state or federal law provides otherwise.

532 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
533 seller's regular course of business includes books and records the seller keeps in the regular
534 course of business for nontax purposes.

535 (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii)
536 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
537 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
538 of tangible personal property, other property, a product, or a service that is not subject to
539 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
540 the seller, at the time of the transaction:

541 (A) separately states the portion of the transaction that is not subject to taxation under
542 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

543 (B) is able to identify by reasonable and verifiable standards, from the books and
544 records the seller keeps in the seller's regular course of business, the portion of the transaction
545 that is not subject to taxation under this chapter.

546 (ii) A purchaser and a seller may correct the taxability of a transaction if:

547 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
548 the transaction that is not subject to taxation under this chapter was not separately stated on an
549 invoice, bill of sale, or similar document provided to the purchaser because of an error or
550 ignorance of the law; and

551 (B) the seller is able to identify by reasonable and verifiable standards, from the books
552 and records the seller keeps in the seller's regular course of business, the portion of the

553 transaction that is not subject to taxation under this chapter.

554 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps
555 in the seller's regular course of business includes books and records the seller keeps in the
556 regular course of business for nontax purposes.

557 (h) (i) If the sales price of a transaction is attributable to two or more items of tangible
558 personal property, products, or services that are subject to taxation under this chapter at
559 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
560 unless the seller, at the time of the transaction:

561 (A) separately states the items subject to taxation under this chapter at each of the
562 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

563 (B) is able to identify by reasonable and verifiable standards the tangible personal
564 property, product, or service that is subject to taxation under this chapter at the lower tax rate
565 from the books and records the seller keeps in the seller's regular course of business.

566 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
567 seller's regular course of business includes books and records the seller keeps in the regular
568 course of business for nontax purposes.

569 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax
570 rate imposed under the following shall take effect on the first day of a calendar quarter:

571 (i) Subsection (2)(a)(i)(A);

572 (ii) Subsection (2)(b)(i);

573 (iii) Subsection (2)(c)(i); or

574 (iv) Subsection (2)(f)(i)(A)(I).

575 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
576 begins on or after the effective date of the tax rate increase if the billing period for the
577 transaction begins before the effective date of a tax rate increase imposed under:

578 (A) Subsection (2)(a)(i)(A);

579 (B) Subsection (2)(b)(i);

580 (C) Subsection (2)(c)(i); or

581 (D) Subsection (2)(f)(i)(A)(I).

582 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
583 statement for the billing period is rendered on or after the effective date of the repeal of the tax

584 or the tax rate decrease imposed under:

585 (A) Subsection (2)(a)(i)(A);

586 (B) Subsection (2)(b)(i);

587 (C) Subsection (2)(c)(i); or

588 (D) Subsection (2)(f)(i)(A)(I).

589 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
590 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
591 or change in a tax rate takes effect:

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

593 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

594 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:

595 (A) Subsection (2)(a)(i)(A);

596 (B) Subsection (2)(b)(i);

597 (C) Subsection (2)(c)(i); or

598 (D) Subsection (2)(f)(i)(A)(I).

599 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
600 the commission may by rule define the term "catalogue sale."

601 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
602 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
603 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

604 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
605 or other fuel is furnished through a single meter for two or more of the following uses:

606 (A) a commercial use;

607 (B) an industrial use; or

608 (C) a residential use.

609 (3) (a) The following state taxes shall be deposited into the General Fund:

610 (i) the tax imposed by Subsection (2)(a)(i)(A);

611 (ii) the tax imposed by Subsection (2)(b)(i);

612 (iii) the tax imposed by Subsection (2)(c)(i); and

613 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

614 (b) The following local taxes shall be distributed to a county, city, or town as provided

615 in this chapter:

616 (i) the tax imposed by Subsection (2)(a)(ii);

617 (ii) the tax imposed by Subsection (2)(b)(ii);

618 (iii) the tax imposed by Subsection (2)(c)(ii); and

619 (iv) the tax imposed by Subsection (2)(f)(i)(B).

620 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
621 Fund.

622 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
623 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
624 through (g):

625 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

626 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

627 (B) for the fiscal year; or

628 (ii) \$17,500,000.

629 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
630 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
631 revenue to the [~~Department of Natural Resources~~] Division of Wildlife Resources to:

632 (A) implement the measures described in [~~Subsections 79-2-303(3)(a)~~] Subsections
633 23A-3-214(3)(a) through (d) to protect sensitive plant and animal species; or

634 (B) award grants, up to the amount authorized by the Legislature in an appropriations
635 act, to political subdivisions of the state to implement the measures described in [~~Subsections~~
636 ~~79-2-303(3)(a)~~] Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
637 species.

638 (ii) Money transferred to the [~~Department of Natural Resources~~] Division of Wildlife
639 Resources under Subsection (4)(b)(i) may not be used to assist the United States Fish and
640 Wildlife Service or any other person to list or attempt to have listed a species as threatened or
641 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

642 (iii) At the end of each fiscal year:

643 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
644 Water Resources Conservation and Development Fund created in Section 73-10-24;

645 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the

646 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

647 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

648 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

649 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in

650 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund

651 created in Section 4-18-106.

652 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described

653 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to

654 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for

655 the adjudication of water rights.

656 (ii) At the end of each fiscal year:

657 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the

658 Water Resources Conservation and Development Fund created in Section 73-10-24;

659 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the

660 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

661 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

662 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

663 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described

664 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and

665 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

666 (ii) In addition to the uses allowed of the Water Resources Conservation and

667 Development Fund under Section 73-10-24, the Water Resources Conservation and

668 Development Fund may also be used to:

669 (A) conduct hydrologic and geotechnical investigations by the Division of Water

670 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of

671 quantifying surface and ground water resources and describing the hydrologic systems of an

672 area in sufficient detail so as to enable local and state resource managers to plan for and

673 accommodate growth in water use without jeopardizing the resource;

674 (B) fund state required dam safety improvements; and

675 (C) protect the state's interest in interstate water compact allocations, including the

676 hiring of technical and legal staff.

677 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
678 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
679 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

680 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
681 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
682 created in Section 73-10c-5 for use by the Division of Drinking Water to:

683 (i) provide for the installation and repair of collection, treatment, storage, and
684 distribution facilities for any public water system, as defined in Section 19-4-102;

685 (ii) develop underground sources of water, including springs and wells; and

686 (iii) develop surface water sources.

687 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
688 2006, the difference between the following amounts shall be expended as provided in this
689 Subsection (5), if that difference is greater than \$1:

690 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
691 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

692 (ii) \$17,500,000.

693 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

694 (A) transferred each fiscal year to the Department of Natural Resources as designated
695 sales and use tax revenue; and

696 (B) expended by the Department of Natural Resources for watershed rehabilitation or
697 restoration.

698 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
699 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
700 and Development Fund created in Section 73-10-24.

701 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
702 remaining difference described in Subsection (5)(a) shall be:

703 (A) transferred each fiscal year to the Division of Water Resources as designated sales
704 and use tax revenue; and

705 (B) expended by the Division of Water Resources for cloud-seeding projects
706 authorized by Title 73, Chapter 15, Modification of Weather.

707 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use

708 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
709 and Development Fund created in Section 73-10-24.

710 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
711 remaining difference described in Subsection (5)(a) shall be deposited into the Water
712 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
713 Division of Water Resources for:

714 (i) preconstruction costs:

715 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
716 26, Bear River Development Act; and

717 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
718 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

719 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
720 Chapter 26, Bear River Development Act;

721 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
722 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

723 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
724 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

725 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
726 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
727 Rights Restricted Account created by Section 73-2-1.6.

728 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
729 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
730 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
731 transactions described in Subsection (1) for the fiscal year.

732 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
733 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
734 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
735 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:

736 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

737 (ii) the tax imposed by Subsection (2)(b)(i);

738 (iii) the tax imposed by Subsection (2)(c)(i); and

739 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

740 (b) (i) As used in this Subsection (7)(b):

741 (A) "Additional growth revenue" means the amount of relevant revenue collected in
742 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
743 previous fiscal year.

744 (B) "Combined amount" means the combined total amount of money deposited into the
745 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

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

748 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
749 equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv).

750 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
751 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
752 an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
753 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
754 limit in Subsection (7)(b)(iii).

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

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

762 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
763 2023, the commission shall annually reduce the deposit into the Transportation Investment
764 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

765 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
766 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
767 in Subsections (7)(a)(i) through (iv);

768 (B) the amount of revenue generated in the current fiscal year by registration fees
769 designated under Section [41-1a-1201](#) to be deposited into the Transportation Investment Fund

770 of 2005; and

771 (C) revenues transferred by the Division of Finance to the Transportation Investment
772 Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

773 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
774 given fiscal year.

775 (iii) The commission shall annually deposit the amount described in Subsection
776 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

777 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
778 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or
779 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
780 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
781 in an amount equal to 3.68% of the revenues collected from the following taxes:

782 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

783 (ii) the tax imposed by Subsection (2)(b)(i);

784 (iii) the tax imposed by Subsection (2)(c)(i); and

785 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

786 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
787 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
788 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
789 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
790 or use in this state that exceeds 29.4 cents per gallon.

791 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
792 into the Transit Transportation Investment Fund created in Section 72-2-124.

793 (d) (i) As used in this Subsection (8)(d):

794 (A) "Additional growth revenue" means the amount of relevant revenue collected in
795 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
796 previous fiscal year.

797 (B) "Combined amount" means the combined total amount of money deposited into the
798 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

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

801 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
802 equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through
803 (iv).

804 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
805 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
806 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
807 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
808 limit in Subsection (8)(d)(iii).

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

812 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
813 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
814 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
815 revenue.

816 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
817 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
818 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

819 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
820 fiscal year during which the commission receives notice under Section 63N-2-510 that
821 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission
822 shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by
823 the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in
824 Section 63N-2-512.

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

826 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
827 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
828 rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax
829 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.

830 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
831 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit

832 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
833 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

834 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
835 annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund
836 of 2005 under Subsections (7) and (8) to the General Fund.

837 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
838 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
839 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
840 Subsections (7) and (8) during the fiscal year to the General Fund.

841 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,
842 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
843 a housing and transit reinvestment zone is established, the commission, at least annually, shall
844 transfer an amount equal to 15% of the sales and use tax increment within an established sales
845 and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation
846 Investment Fund created in Section 72-2-124.

847 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
848 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
849 Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
850 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

- 851 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 852 (b) the tax imposed by Subsection (2)(b)(i);
- 853 (c) the tax imposed by Subsection (2)(c)(i); and
- 854 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).

855 Section 7. Section 59-12-103 (Contingently Effective 01/01/25) is amended to read:

856 **59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --**
857 **Effective dates -- Use of sales and use tax revenues.**

858 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
859 sales price for amounts paid or charged for the following transactions:

- 860 (a) retail sales of tangible personal property made within the state;
- 861 (b) amounts paid for:
 - 862 (i) telecommunications service, other than mobile telecommunications service, that

863 originates and terminates within the boundaries of this state;

864 (ii) mobile telecommunications service that originates and terminates within the

865 boundaries of one state only to the extent permitted by the Mobile Telecommunications

866 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

867 (iii) an ancillary service associated with a:

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

869 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

870 (c) sales of the following for commercial use:

871 (i) gas;

872 (ii) electricity;

873 (iii) heat;

874 (iv) coal;

875 (v) fuel oil; or

876 (vi) other fuels;

877 (d) sales of the following for residential use:

878 (i) gas;

879 (ii) electricity;

880 (iii) heat;

881 (iv) coal;

882 (v) fuel oil; or

883 (vi) other fuels;

884 (e) sales of prepared food;

885 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or

886 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,

887 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,

888 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit

889 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf

890 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,

891 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,

892 horseback rides, sports activities, or any other amusement, entertainment, recreation,

893 exhibition, cultural, or athletic activity;

894 (g) amounts paid or charged for services for repairs or renovations of tangible personal
895 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

896 (i) the tangible personal property; and

897 (ii) parts used in the repairs or renovations of the tangible personal property described
898 in Subsection (1)(g)(i), regardless of whether:

899 (A) any parts are actually used in the repairs or renovations of that tangible personal
900 property; or

901 (B) the particular parts used in the repairs or renovations of that tangible personal
902 property are exempt from a tax under this chapter;

903 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
904 assisted cleaning or washing of tangible personal property;

905 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
906 accommodations and services that are regularly rented for less than 30 consecutive days;

907 (j) amounts paid or charged for laundry or dry cleaning services;

908 (k) amounts paid or charged for leases or rentals of tangible personal property if within
909 this state the tangible personal property is:

910 (i) stored;

911 (ii) used; or

912 (iii) otherwise consumed;

913 (l) amounts paid or charged for tangible personal property if within this state the
914 tangible personal property is:

915 (i) stored;

916 (ii) used; or

917 (iii) consumed;

918 (m) amounts paid or charged for a sale:

919 (i) (A) of a product transferred electronically; or

920 (B) of a repair or renovation of a product transferred electronically; and

921 (ii) regardless of whether the sale provides:

922 (A) a right of permanent use of the product; or

923 (B) a right to use the product that is less than a permanent use, including a right:

924 (I) for a definite or specified length of time; and

925 (II) that terminates upon the occurrence of a condition; and
926 (n) sales of leased tangible personal property from the lessor to the lessee made in the
927 state.

928 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
929 are imposed on a transaction described in Subsection (1) equal to the sum of:

930 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

931 (A) 4.70% plus the rate specified in Subsection (11)(a); and

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

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

940 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
941 transaction under this chapter other than this part.

942 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
943 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
944 the sum of:

945 (i) a state tax imposed on the transaction at a tax rate of 2%; and

946 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
947 transaction under this chapter other than this part.

948 (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on amounts
949 paid or charged for food and food ingredients equal to the sum of the tax rates a county, city, or
950 town imposes under this chapter on the amounts paid or charged for food or food ingredients.

951 (ii) There is no state tax imposed on amounts paid or charged for food and food
952 ingredients.

953 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts
954 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
955 a rate of 4.85%.

956 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed
957 by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax
958 imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a
959 shared vehicle driver, or a shared vehicle owner.

960 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
961 required once during the time that the shared vehicle owner owns the shared vehicle.

962 (C) The commission shall verify that a shared vehicle is an individual-owned shared
963 vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the
964 purchase of the shared vehicle.

965 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
966 individual-owned shared vehicle shared through a car-sharing program even if non-certified
967 shared vehicles are also available to be shared through the same car-sharing program.

968 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

969 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
970 representation that the shared vehicle is an individual-owned shared vehicle certified with the
971 commission as described in Subsection (2)(e)(i).

972 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
973 representation that the shared vehicle is an individual-owned shared vehicle certified with the
974 commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any
975 tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

976 (iv) If all shared vehicles shared through a car-sharing program are certified as
977 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation
978 to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

979 (v) (A) A car-sharing program is not required to list or otherwise identify an
980 individual-owned shared vehicle on a return or an attachment to a return.

981 (vi) A car-sharing program shall:

982 (A) retain tax information for each car-sharing program transaction; and

983 (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at
984 the commission's request.

985 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
986 tangible personal property other than food and food ingredients, a state tax and a local tax is

987 imposed on the entire bundled transaction equal to the sum of:

988 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

989 (I) the tax rate described in Subsection (2)(a)(i)(A); and

990 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State

991 Sales and Use Tax Act, if the location of the transaction as determined under Sections

992 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,

993 Additional State Sales and Use Tax Act; and

994 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State

995 Sales and Use Tax Act, if the location of the transaction as determined under Sections

996 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which

997 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

998 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates

999 described in Subsection (2)(a)(ii).

1000 (ii) If an optional computer software maintenance contract is a bundled transaction that

1001 consists of taxable and nontaxable products that are not separately itemized on an invoice or

1002 similar billing document, the purchase of the optional computer software maintenance contract

1003 is 40% taxable under this chapter and 60% nontaxable under this chapter.

1004 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled

1005 transaction described in Subsection (2)(f)(i) or (ii):

1006 (A) if the sales price of the bundled transaction is attributable to tangible personal

1007 property, a product, or a service that is subject to taxation under this chapter and tangible

1008 personal property, a product, or service that is not subject to taxation under this chapter, the

1009 entire bundled transaction is subject to taxation under this chapter unless:

1010 (I) the seller is able to identify by reasonable and verifiable standards the tangible

1011 personal property, product, or service that is not subject to taxation under this chapter from the

1012 books and records the seller keeps in the seller's regular course of business; or

1013 (II) state or federal law provides otherwise; or

1014 (B) if the sales price of a bundled transaction is attributable to two or more items of

1015 tangible personal property, products, or services that are subject to taxation under this chapter

1016 at different rates, the entire bundled transaction is subject to taxation under this chapter at the

1017 higher tax rate unless:

1018 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1019 personal property, product, or service that is subject to taxation under this chapter at the lower
1020 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1021 (II) state or federal law provides otherwise.

1022 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
1023 seller's regular course of business includes books and records the seller keeps in the regular
1024 course of business for nontax purposes.

1025 (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii)
1026 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
1027 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
1028 of tangible personal property, other property, a product, or a service that is not subject to
1029 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
1030 the seller, at the time of the transaction:

1031 (A) separately states the portion of the transaction that is not subject to taxation under
1032 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1033 (B) is able to identify by reasonable and verifiable standards, from the books and
1034 records the seller keeps in the seller's regular course of business, the portion of the transaction
1035 that is not subject to taxation under this chapter.

1036 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1037 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
1038 the transaction that is not subject to taxation under this chapter was not separately stated on an
1039 invoice, bill of sale, or similar document provided to the purchaser because of an error or
1040 ignorance of the law; and

1041 (B) the seller is able to identify by reasonable and verifiable standards, from the books
1042 and records the seller keeps in the seller's regular course of business, the portion of the
1043 transaction that is not subject to taxation under this chapter.

1044 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps
1045 in the seller's regular course of business includes books and records the seller keeps in the
1046 regular course of business for nontax purposes.

1047 (h) (i) If the sales price of a transaction is attributable to two or more items of tangible
1048 personal property, products, or services that are subject to taxation under this chapter at

1049 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
1050 unless the seller, at the time of the transaction:

1051 (A) separately states the items subject to taxation under this chapter at each of the
1052 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1053 (B) is able to identify by reasonable and verifiable standards the tangible personal
1054 property, product, or service that is subject to taxation under this chapter at the lower tax rate
1055 from the books and records the seller keeps in the seller's regular course of business.

1056 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
1057 seller's regular course of business includes books and records the seller keeps in the regular
1058 course of business for nontax purposes.

1059 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax
1060 rate imposed under the following shall take effect on the first day of a calendar quarter:

1061 (i) Subsection (2)(a)(i)(A);

1062 (ii) Subsection (2)(b)(i); or

1063 (iii) Subsection (2)(f)(i)(A)(I).

1064 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
1065 begins on or after the effective date of the tax rate increase if the billing period for the
1066 transaction begins before the effective date of a tax rate increase imposed under:

1067 (A) Subsection (2)(a)(i)(A);

1068 (B) Subsection (2)(b)(i); or

1069 (C) Subsection (2)(f)(i)(A)(I).

1070 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1071 statement for the billing period is rendered on or after the effective date of the repeal of the tax
1072 or the tax rate decrease imposed under:

1073 (A) Subsection (2)(a)(i)(A);

1074 (B) Subsection (2)(b)(i); or

1075 (C) Subsection (2)(f)(i)(A)(I).

1076 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
1077 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
1078 or change in a tax rate takes effect:

1079 (A) on the first day of a calendar quarter; and

1080 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

1081 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:

1082 (A) Subsection (2)(a)(i)(A);

1083 (B) Subsection (2)(b)(i); or

1084 (C) Subsection (2)(f)(i)(A)(I).

1085 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1086 the commission may by rule define the term "catalogue sale."

1087 (1) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
1088 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
1089 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

1090 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
1091 or other fuel is furnished through a single meter for two or more of the following uses:

1092 (A) a commercial use;

1093 (B) an industrial use; or

1094 (C) a residential use.

1095 (3) (a) The following state taxes shall be deposited into the General Fund:

1096 (i) the tax imposed by Subsection (2)(a)(i)(A);

1097 (ii) the tax imposed by Subsection (2)(b)(i); and

1098 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1099 (b) The following local taxes shall be distributed to a county, city, or town as provided
1100 in this chapter:

1101 (i) the tax imposed by Subsection (2)(a)(ii);

1102 (ii) the tax imposed by Subsection (2)(b)(ii);

1103 (iii) the tax imposed by Subsection (2)(c); and

1104 (iv) the tax imposed by Subsection (2)(f)(i)(B).

1105 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1106 Fund.

1107 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1108 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
1109 through (g):

1110 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

- 1111 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
1112 (B) for the fiscal year; or
1113 (ii) \$17,500,000.
- 1114 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1115 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
1116 revenue to the [~~Department of Natural Resources~~] Division of Wildlife Resources to:
1117 (A) implement the measures described in [~~Subsections 79-2-303(3)(a)~~] Subsections
1118 23A-3-214(3)(a) through (d) to protect sensitive plant and animal species; or
1119 (B) award grants, up to the amount authorized by the Legislature in an appropriations
1120 act, to political subdivisions of the state to implement the measures described in [~~Subsections~~
1121 ~~79-2-303(3)(a)~~] Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
1122 species.
- 1123 (ii) Money transferred to the [~~Department of Natural Resources~~] Division of Wildlife
1124 Resources under Subsection (4)(b)(i) may not be used to assist the United States Fish and
1125 Wildlife Service or any other person to list or attempt to have listed a species as threatened or
1126 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
- 1127 (iii) At the end of each fiscal year:
1128 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
1129 Water Resources Conservation and Development Fund created in Section 73-10-24;
1130 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1131 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
1132 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1133 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 1134 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
1135 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
1136 created in Section 4-18-106.
- 1137 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
1138 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
1139 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
1140 the adjudication of water rights.
- 1141 (ii) At the end of each fiscal year:

1142 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
1143 Water Resources Conservation and Development Fund created in Section 73-10-24;

1144 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1145 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1146 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1147 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1148 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
1149 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1150 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1151 (ii) In addition to the uses allowed of the Water Resources Conservation and
1152 Development Fund under Section 73-10-24, the Water Resources Conservation and
1153 Development Fund may also be used to:

1154 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1155 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
1156 quantifying surface and ground water resources and describing the hydrologic systems of an
1157 area in sufficient detail so as to enable local and state resource managers to plan for and
1158 accommodate growth in water use without jeopardizing the resource;

1159 (B) fund state required dam safety improvements; and

1160 (C) protect the state's interest in interstate water compact allocations, including the
1161 hiring of technical and legal staff.

1162 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1163 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1164 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1165 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1166 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1167 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1168 (i) provide for the installation and repair of collection, treatment, storage, and
1169 distribution facilities for any public water system, as defined in Section 19-4-102;

1170 (ii) develop underground sources of water, including springs and wells; and

1171 (iii) develop surface water sources.

1172 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,

1173 2006, the difference between the following amounts shall be expended as provided in this
1174 Subsection (5), if that difference is greater than \$1:

1175 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1176 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1177 (ii) \$17,500,000.

1178 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1179 (A) transferred each fiscal year to the Department of Natural Resources as designated
1180 sales and use tax revenue; and

1181 (B) expended by the Department of Natural Resources for watershed rehabilitation or
1182 restoration.

1183 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1184 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
1185 and Development Fund created in Section 73-10-24.

1186 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1187 remaining difference described in Subsection (5)(a) shall be:

1188 (A) transferred each fiscal year to the Division of Water Resources as designated sales
1189 and use tax revenue; and

1190 (B) expended by the Division of Water Resources for cloud-seeding projects
1191 authorized by Title 73, Chapter 15, Modification of Weather.

1192 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1193 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
1194 and Development Fund created in Section 73-10-24.

1195 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1196 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1197 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1198 Division of Water Resources for:

1199 (i) preconstruction costs:

1200 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
1201 26, Bear River Development Act; and

1202 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1203 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1204 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
1205 Chapter 26, Bear River Development Act;

1206 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
1207 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1208 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1209 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1210 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
1211 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
1212 Rights Restricted Account created by Section 73-2-1.6.

1213 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
1214 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
1215 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
1216 transactions described in Subsection (1) for the fiscal year.

1217 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
1218 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
1219 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
1220 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:

1221 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1222 (ii) the tax imposed by Subsection (2)(b)(i); and

1223 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1224 (b) (i) As used in this Subsection (7)(b):

1225 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1226 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1227 previous fiscal year.

1228 (B) "Combined amount" means the combined total amount of money deposited into the
1229 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1230 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1231 Investment Fund created in Subsection 72-2-124(10).

1232 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1233 equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iii).

1234 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually

1235 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
1236 an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
1237 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1238 limit in Subsection (7)(b)(iii).

1239 (iii) The commission shall annually deposit the amount described in Subsection
1240 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1241 for any single fiscal year of \$20,000,000.

1242 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1243 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1244 Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant
1245 revenue.

1246 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1247 2023, the commission shall annually reduce the deposit into the Transportation Investment
1248 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

1249 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
1250 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
1251 in Subsections (7)(a)(i) through (iv);

1252 (B) the amount of revenue generated in the current fiscal year by registration fees
1253 designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund
1254 of 2005; and

1255 (C) revenues transferred by the Division of Finance to the Transportation Investment
1256 Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

1257 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1258 given fiscal year.

1259 (iii) The commission shall annually deposit the amount described in Subsection
1260 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

1261 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1262 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or
1263 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
1264 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
1265 in an amount equal to 3.68% of the revenues collected from the following taxes:

- 1266 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1267 (ii) the tax imposed by Subsection (2)(b)(i); and
- 1268 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1269 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1270 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
1271 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1272 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
1273 or use in this state that exceeds 29.4 cents per gallon.

1274 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1275 into the Transit Transportation Investment Fund created in Section [72-2-124](#).

1276 (d) (i) As used in this Subsection (8)(d):

1277 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1278 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1279 previous fiscal year.

1280 (B) "Combined amount" means the combined total amount of money deposited into the
1281 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1282 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1283 Investment Fund created in Subsection [72-2-124](#)(10).

1284 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1285 equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through
1286 (iii).

1287 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1288 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
1289 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
1290 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1291 limit in Subsection (8)(d)(iii).

1292 (iii) The commission shall annually deposit the amount described in Subsection
1293 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1294 for any single fiscal year of \$20,000,000.

1295 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1296 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood

1297 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
1298 revenue.

1299 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1300 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1301 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

1302 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
1303 fiscal year during which the commission receives notice under Section 63N-2-510 that
1304 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission
1305 shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by
1306 the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in
1307 Section 63N-2-512.

1308 (11) (a) The rate specified in this subsection is 0.15%.

1309 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1310 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
1311 rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax
1312 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.

1313 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1314 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit
1315 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
1316 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1317 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
1318 annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund
1319 of 2005 under Subsections (7) and (8) to the General Fund.

1320 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
1321 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
1322 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
1323 Subsections (7) and (8) during the fiscal year to the General Fund.

1324 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,
1325 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
1326 a housing and transit reinvestment zone is established, the commission, at least annually, shall
1327 transfer an amount equal to 15% of the sales and use tax increment within an established sales

1328 and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation
1329 Investment Fund created in Section 72-2-124.

1330 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1331 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1332 Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
1333 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

1334 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1335 (b) the tax imposed by Subsection (2)(b)(i); and

1336 (c) the tax imposed by Subsection (2)(f)(i)(A)(I).

1337 Section 8. Section 59-21-2 is amended to read:

1338 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**
1339 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**
1340 **from Mineral Lease Account.**

1341 (1) (a) There is created a restricted account within the General Fund known as the
1342 "Mineral Bonus Account."

1343 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
1344 deposited pursuant to Subsection 59-21-1(3).

1345 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
1346 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

1347 (d) The state treasurer shall:

1348 (i) invest the money in the Mineral Bonus Account by following the procedures and
1349 requirements of Title 51, Chapter 7, State Money Management Act; and

1350 (ii) deposit all interest or other earnings derived from the account into the Mineral
1351 Bonus Account.

1352 (e) The Division of Finance shall, beginning on July 1, 2017, annually deposit 30% of
1353 mineral lease bonus payments deposited under Subsection (1)(b) from the previous fiscal year
1354 into the Wildland Fire Suppression Fund created in Section 65A-8-204, up to \$2,000,000 but
1355 not to exceed 20% of the amount expended in the previous fiscal year from the Wildland Fire
1356 Suppression Fund.

1357 (2) (a) There is created a restricted account within the General Fund known as the
1358 "Mineral Lease Account."

1359 (b) The Mineral Lease Account consists of federal mineral lease money deposited
1360 pursuant to Subsection 59-21-1(1).

1361 (c) The Legislature shall make appropriations from the Mineral Lease Account as
1362 provided in Subsection 59-21-1(1) and this Subsection (2).

1363 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the
1364 Mineral Lease Account to the Permanent Community Impact Fund established by Section
1365 35A-8-303.

1366 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the
1367 Mineral Lease Account to the State Board of Education, to be used for education research and
1368 experimentation in the use of staff and facilities designed to improve the quality of education in
1369 Utah.

1370 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the
1371 Mineral Lease Account to the Utah Geological Survey Restricted Account, created in Section
1372 79-3-403, to be used by the Utah Geological Survey for activities carried on by the [survey]
1373 Utah Geological Survey having as a purpose the development and exploitation of natural
1374 resources in the state.

1375 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the
1376 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used
1377 for activities carried on by the laboratory having as a purpose the development and exploitation
1378 of water resources in the state.

1379 (h) (i) The Legislature shall annually appropriate to the Division of Finance 40% of all
1380 deposits made to the Mineral Lease Account to be distributed as provided in Subsection
1381 (2)(h)(ii) to:

1382 (A) counties;

1383 (B) special service districts established:

1384 (I) by counties;

1385 (II) under Title 17D, Chapter 1, Special Service District Act; and

1386 (III) for the purpose of constructing, repairing, or maintaining roads; or

1387 (C) special service districts established:

1388 (I) by counties;

1389 (II) under Title 17D, Chapter 1, Special Service District Act; and

- 1390 (III) for other purposes authorized by statute.
- 1391 (ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):
- 1392 (A) in amounts proportionate to the amount of mineral lease money generated by each
- 1393 county; and
- 1394 (B) to a county or special service district established by a county under Title 17D,
- 1395 Chapter 1, Special Service District Act, as determined by the county legislative body.
- 1396 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the
- 1397 Mineral Lease Account to the Department of Workforce Services to be distributed to:
- 1398 (A) special service districts established:
- 1399 (I) by counties;
- 1400 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1401 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 1402 (B) special service districts established:
- 1403 (I) by counties;
- 1404 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1405 (III) for other purposes authorized by statute.
- 1406 (ii) The Department of Workforce Services may distribute the amounts described in
- 1407 Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1,
- 1408 Special Service District Act, by counties:
- 1409 (A) of the third, fourth, fifth, or sixth class;
- 1410 (B) in which 4.5% or less of the mineral lease money within the state is generated; and
- 1411 (C) that are significantly socially or economically impacted as provided in Subsection
- 1412 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.
- 1413 181 et seq.
- 1414 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)
- 1415 shall be as a result of:
- 1416 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons
- 1417 as defined in Section [59-5-101](#);
- 1418 (B) the employment of persons residing within the county in hydrocarbon extraction,
- 1419 including the extraction of solid hydrocarbons as defined in Section [59-5-101](#); or
- 1420 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

1421 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to
1422 special service districts established by counties under Title 17D, Chapter 1, Special Service
1423 District Act, the Department of Workforce Services shall:

1424 (A) (I) allocate 50% of the appropriations equally among the counties meeting the
1425 requirements of Subsections (2)(i)(ii) and (iii); and

1426 (II) allocate 50% of the appropriations based on the ratio that the population of each
1427 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population
1428 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

1429 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the
1430 allocated revenues to special service districts established by the counties under Title 17D,
1431 Chapter 1, Special Service District Act, as determined by the executive director of the
1432 Department of Workforce Services after consulting with the county legislative bodies of the
1433 counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

1434 (v) The executive director of the Department of Workforce Services:

1435 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)
1436 and (iii);

1437 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
1438 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that
1439 meet the requirements of Subsections (2)(i)(ii) and (iii); and

1440 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1441 may make rules:

1442 (I) providing a procedure for making the distributions under this Subsection (2)(i) to
1443 special service districts; and

1444 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

1445 (j) (i) The Legislature shall annually make the following appropriations from the
1446 Mineral Lease Account:

1447 (A) an amount equal to 52 cents multiplied by the number of acres of school or
1448 institutional trust lands, lands owned by the Division of State Parks or the Division of Outdoor
1449 Recreation, and lands owned by the Division of Wildlife Resources that are not under an in lieu
1450 of taxes contract, to each county in which those lands are located;

1451 (B) to each county in which school or institutional trust lands are transferred to the

1452 federal government after December 31, 1992, an amount equal to the number of transferred
1453 acres in the county multiplied by a payment per acre equal to the difference between 52 cents
1454 per acre and the per acre payment made to that county in the most recent payment under the
1455 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal
1456 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this
1457 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

1458 (C) to each county in which federal lands, which are entitlement lands under the federal
1459 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to
1460 the number of transferred acres in the county multiplied by a payment per acre equal to the
1461 difference between the most recent per acre payment made under the federal payment in lieu of
1462 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52
1463 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for
1464 the transferred land; and

1465 (D) to a county of the fifth or sixth class, an amount equal to the product of:

1466 (I) \$1,000; and

1467 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
1468 the county.

1469 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
1470 county legislative body, distribute the money or a portion of the money to:

1471 (A) special service districts established by the county under Title 17D, Chapter 1,
1472 Special Service District Act;

1473 (B) school districts; or

1474 (C) public institutions of higher education.

1475 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
1476 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
1477 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
1478 consumers published by the Department of Labor.

1479 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
1480 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average
1481 annual change in the Consumer Price Index for all urban consumers published by the
1482 Department of Labor.

1483 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

1484 (A) owned by:

1485 (I) the Division of State Parks;

1486 (II) the Division of Outdoor Recreation; or

1487 (III) the Division of Wildlife Resources;

1488 (B) located on lands that are owned by:

1489 (I) the Division of State Parks;

1490 (II) the Division of Outdoor Recreation; or

1491 (III) the Division of Wildlife Resources; and

1492 (C) are not subject to taxation under:

1493 (I) Chapter 2, Property Tax Act; or

1494 (II) Chapter 4, Privilege Tax.

1495 (k) The Legislature shall annually appropriate to the Permanent Community Impact
1496 Fund all deposits remaining in the Mineral Lease Account after making the appropriations
1497 provided for in Subsections (2)(d) through (j).

1498 (3) (a) Each agency, board, institution of higher education, and political subdivision
1499 receiving money under this chapter shall provide the Legislature, through the Office of the
1500 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual
1501 basis.

1502 (b) The accounting required under Subsection (3)(a) shall:

1503 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
1504 current fiscal year, and planned expenditures for the following fiscal year; and

1505 (ii) be reviewed by the Business, Economic Development, and Labor Appropriations
1506 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary
1507 Procedures Act.

1508 Section 9. Section **59-23-4** is amended to read:

1509 **59-23-4. Brine shrimp royalty -- Royalty rate -- Commission to prepare billing**
1510 **statement -- Deposit of revenue.**

1511 (1) A person shall pay for each tax year a brine shrimp royalty of 3.25 cents multiplied
1512 by the total number of pounds of unprocessed brine shrimp eggs that the person harvests within
1513 the state during the tax year.

1514 (2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the
1515 ~~[Department of Natural Resources]~~ Division of Wildlife Resources the total number of pounds
1516 of unprocessed brine shrimp eggs harvested by that person for that tax year on or before the
1517 February 15 immediately following the last day of that tax year.

1518 (b) The ~~[Department of Natural Resources]~~ Division of Wildlife Resources shall
1519 provide the following information to the commission on or before the March 1 immediately
1520 following the last day of a tax year:

1521 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that tax
1522 year; and

1523 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:

1524 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1525 person for that tax year; and

1526 (B) a current billing address for that person; and

1527 (iii) any additional information required by the commission.

1528 (c) (i) The commission shall prepare and mail a billing statement to each person that
1529 harvested unprocessed brine shrimp eggs in a tax year by the March 30 immediately following
1530 the last day of a tax year.

1531 (ii) The billing statement under Subsection (2)(c)(i) shall specify:

1532 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1533 person for that tax year;

1534 (B) the brine shrimp royalty that the person owes; and

1535 (C) the date that the brine shrimp royalty payment is due as provided in Section
1536 [59-23-5](#).

1537 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1538 commission may make rules prescribing the information required under Subsection (2)(b)(iii).

1539 (3) Revenue generated by the brine shrimp royalty shall be deposited as follows:

1540 (a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
1541 the Sovereign Lands Management Account created in Section [65A-5-1](#); and

1542 (b) the remainder of the revenue generated by the brine shrimp royalty shall be
1543 deposited in the Species Protection Account created in ~~[Section 79-2-303]~~ Section [23A-3-214](#).

1544 Section 10. Section **63J-1-602.1** is amended to read:

- 1545 **63J-1-602.1. List of nonlapsing appropriations from accounts and funds.**
1546 Appropriations made from the following accounts or funds are nonlapsing:
1547 (1) The Native American Repatriation Restricted Account created in Section [9-9-407](#).
1548 (2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission,
1549 as provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.
1550 (3) Funds collected for directing and administering the C-PACE district created in
1551 Section [11-42a-106](#).
1552 (4) Money received by the Utah Inland Port Authority, as provided in Section
1553 [11-58-105](#).
1554 (5) The Commerce Electronic Payment Fee Restricted Account created in Section
1555 [13-1-17](#).
1556 (6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in
1557 Section [19-2a-106](#).
1558 (7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in
1559 Section [19-5-126](#).
1560 (8) State funds for matching federal funds in the Children's Health Insurance Program
1561 as provided in Section [26B-3-906](#).
1562 (9) Funds collected from the program fund for local health department expenses
1563 incurred in responding to a local health emergency under Section [26B-7-111](#).
1564 (10) The Technology Development Restricted Account created in Section [31A-3-104](#).
1565 (11) The Criminal Background Check Restricted Account created in Section
1566 [31A-3-105](#).
1567 (12) The Captive Insurance Restricted Account created in Section [31A-3-304](#), except
1568 to the extent that Section [31A-3-304](#) makes the money received under that section free revenue.
1569 (13) The Title Licensee Enforcement Restricted Account created in Section
1570 [31A-23a-415](#).
1571 (14) The Health Insurance Actuarial Review Restricted Account created in Section
1572 [31A-30-115](#).
1573 (15) The State Mandated Insurer Payments Restricted Account created in Section
1574 [31A-30-118](#).
1575 (16) The Insurance Fraud Investigation Restricted Account created in Section

- 1576 31A-31-108.
- 1577 (17) The Underage Drinking Prevention Media and Education Campaign Restricted
- 1578 Account created in Section 32B-2-306.
- 1579 (18) The Drinking While Pregnant Prevention Media and Education Campaign
- 1580 Restricted Account created in Section 32B-2-308.
- 1581 (19) The School Readiness Restricted Account created in Section 35A-15-203.
- 1582 (20) Money received by the Utah State Office of Rehabilitation for the sale of certain
- 1583 products or services, as provided in Section 35A-13-202.
- 1584 (21) The Oil and Gas Administrative Penalties Account created in Section 40-6-11.
- 1585 (22) The Oil and Gas Conservation Account created in Section 40-6-14.5.
- 1586 (23) The Division of Oil, Gas, and Mining Restricted account created in Section
- 1587 40-6-23.
- 1588 (24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to
- 1589 the Motor Vehicle Division.
- 1590 (25) The License Plate Restricted Account created by Section 41-1a-122.
- 1591 (26) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account
- 1592 created by Section 41-3-110 to the State Tax Commission.
- 1593 (27) The State Disaster Recovery Restricted Account to the Division of Emergency
- 1594 Management, as provided in Section 53-2a-603.
- 1595 (28) The Response, Recovery, and Post-disaster Mitigation Restricted Account created
- 1596 in Section 53-2a-1302.
- 1597 (29) The Department of Public Safety Restricted Account to the Department of Public
- 1598 Safety, as provided in Section 53-3-106.
- 1599 (30) The Utah Highway Patrol Aero Bureau Restricted Account created in Section
- 1600 53-8-303.
- 1601 (31) The DNA Specimen Restricted Account created in Section 53-10-407.
- 1602 (32) The Technical Colleges Capital Projects Fund created in Section 53B-2a-118.
- 1603 (33) The Higher Education Capital Projects Fund created in Section 53B-22-202.
- 1604 (34) A certain portion of money collected for administrative costs under the School
- 1605 Institutional Trust Lands Management Act, as provided under Section 53C-3-202.
- 1606 (35) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5,

1607 subject to Subsection 54-5-1.5(4)(d).

1608 (36) Funds collected from a surcharge fee to provide certain licensees with access to an
1609 electronic reference library, as provided in Section 58-3a-105.

1610 (37) Certain fines collected by the Division of Professional Licensing for violation of
1611 unlawful or unprofessional conduct that are used for education and enforcement purposes, as
1612 provided in Section 58-17b-505.

1613 (38) Funds collected from a surcharge fee to provide certain licensees with access to an
1614 electronic reference library, as provided in Section 58-22-104.

1615 (39) Funds collected from a surcharge fee to provide certain licensees with access to an
1616 electronic reference library, as provided in Section 58-55-106.

1617 (40) Funds collected from a surcharge fee to provide certain licensees with access to an
1618 electronic reference library, as provided in Section 58-56-3.5.

1619 (41) Certain fines collected by the Division of Professional Licensing for use in
1620 education and enforcement of the Security Personnel Licensing Act, as provided in Section
1621 58-63-103.

1622 (42) The Relative Value Study Restricted Account created in Section 59-9-105.

1623 (43) The Cigarette Tax Restricted Account created in Section 59-14-204.

1624 (44) Funds paid to the Division of Real Estate for the cost of a criminal background
1625 check for a mortgage loan license, as provided in Section 61-2c-202.

1626 (45) Funds paid to the Division of Real Estate for the cost of a criminal background
1627 check for principal broker, associate broker, and sales agent licenses, as provided in Section
1628 61-2f-204.

1629 (46) Certain funds donated to the Department of Health and Human Services, as
1630 provided in Section 26B-1-202.

1631 (47) Certain funds donated to the Division of Child and Family Services, as provided
1632 in Section 80-2-404.

1633 (48) Funds collected by the Office of Administrative Rules for publishing, as provided
1634 in Section 63G-3-402.

1635 (49) The Immigration Act Restricted Account created in Section 63G-12-103.

1636 (50) Money received by the military installation development authority, as provided in
1637 Section 63H-1-504.

- 1638 (51) The Computer Aided Dispatch Restricted Account created in Section [63H-7a-303](#).
- 1639 (52) The Unified Statewide 911 Emergency Service Account created in Section
- 1640 [63H-7a-304](#).
- 1641 (53) The Utah Statewide Radio System Restricted Account created in Section
- 1642 [63H-7a-403](#).
- 1643 (54) The Utah Capital Investment Restricted Account created in Section [63N-6-204](#).
- 1644 (55) The Motion Picture Incentive Account created in Section [63N-8-103](#).
- 1645 (56) Funds collected by the housing of state probationary inmates or state parole
- 1646 inmates, as provided in Subsection [64-13e-104\(2\)](#).
- 1647 (57) Certain forestry and fire control funds utilized by the Division of Forestry, Fire,
- 1648 and State Lands, as provided in Section [65A-8-103](#).
- 1649 (58) The Amusement Ride Safety Restricted Account, as provided in Section
- 1650 [72-16-204](#).
- 1651 (59) Certain funds received by the Office of the State Engineer for well drilling fines or
- 1652 bonds, as provided in Section [73-3-25](#).
- 1653 (60) The Water Resources Conservation and Development Fund, as provided in
- 1654 Section [73-23-2](#).
- 1655 (61) Award money under the State Asset Forfeiture Grant Program, as provided under
- 1656 Section [77-11b-403](#).
- 1657 (62) Funds donated or paid to a juvenile court by private sources, as provided in
- 1658 Subsection [78A-6-203\(1\)\(c\)](#).
- 1659 (63) Fees for certificate of admission created under Section [78A-9-102](#).
- 1660 (64) Funds collected for adoption document access as provided in Sections [78B-6-141](#),
- 1661 [78B-6-144](#), and [78B-6-144.5](#).
- 1662 (65) Funds collected for indigent defense as provided in Title 78B, Chapter 22, Part 4,
- 1663 Utah Indigent Defense Commission.
- 1664 (66) The Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account created in
- 1665 Section [79-3-403](#).
- 1666 (67) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State
- 1667 Park, and Green River State Park, as provided under Section [79-4-403](#).
- 1668 (68) Certain funds received by the Division of State Parks from the sale or disposal of

1669 buffalo, as provided under Section 79-4-1001.

1670 Section 11. Section 63L-11-201 is amended to read:

1671 **63L-11-201. Public Lands Policy Coordinating Office -- Executive director --**
1672 **Appointment -- Qualifications -- Compensation.**

1673 (1) There is created within the Department of Natural Resources the Public Lands
1674 Policy Coordinating Office to be administered by an executive director.

1675 (2) The executive director shall be appointed by the governor with the advice and
1676 consent of the Senate and shall serve at the pleasure of the governor.

1677 (3) (a) The executive director shall have demonstrated the necessary administrative and
1678 professional ability through education and experience to efficiently and effectively manage the
1679 office's affairs.

1680 (b) The executive director shall serve as an advisor to the governor on public lands
1681 issues.

1682 (4) (a) The governor shall establish the executive director's salary within the salary
1683 range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

1684 (b) The [~~executive director and~~] employees of the office shall receive compensation as
1685 provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

1686 [~~(b)~~] (c) The office space for the executive director and employees of the office shall be
1687 in a building where the Department of Natural Resources is located.

1688 Section 12. Section 73-5-15 is amended to read:

1689 **73-5-15. Groundwater management plan.**

1690 (1) As used in this section:

1691 (a) "Critical management area" means a groundwater basin in which the groundwater
1692 withdrawals consistently exceed the safe yield.

1693 (b) "Safe yield" means the amount of groundwater that can be withdrawn from a
1694 groundwater basin over a period of time without exceeding the long-term recharge of the basin
1695 or unreasonably affecting the basin's physical and chemical integrity.

1696 (2) (a) The state engineer may regulate groundwater withdrawals within a specific
1697 groundwater basin by adopting a groundwater management plan in accordance with this section
1698 for any groundwater basin or aquifer or combination of hydrologically connected groundwater
1699 basins or aquifers.

- 1700 (b) The objectives of a groundwater management plan are to:
- 1701 (i) limit groundwater withdrawals to safe yield;
- 1702 (ii) protect the physical integrity of the aquifer; and
- 1703 (iii) protect water quality.
- 1704 (c) The state engineer shall adopt a groundwater management plan for a groundwater
- 1705 basin if more than one-third of the water right owners in the groundwater basin request that the
- 1706 state engineer adopt a groundwater management plan.
- 1707 (3) (a) In developing a groundwater management plan, the state engineer may consider:
- 1708 (i) the hydrology of the groundwater basin;
- 1709 (ii) the physical characteristics of the groundwater basin;
- 1710 (iii) the relationship between surface water and groundwater, including whether the
- 1711 groundwater should be managed in conjunction with hydrologically connected surface waters;
- 1712 (iv) the conjunctive management of water rights to facilitate and coordinate the lease,
- 1713 purchase, or voluntary use of water rights subject to the groundwater management plan;
- 1714 (v) the geographic spacing and location of groundwater withdrawals;
- 1715 (vi) water quality;
- 1716 (vii) local well interference; and
- 1717 (viii) other relevant factors.
- 1718 (b) The state engineer shall base the provisions of a groundwater management plan on
- 1719 the principles of prior appropriation.
- 1720 (c) (i) The state engineer shall use the best available scientific method to determine
- 1721 safe yield.
- 1722 (ii) As hydrologic conditions change or additional information becomes available, safe
- 1723 yield determinations made by the state engineer may be revised by following the procedures
- 1724 listed in Subsection (5).
- 1725 (4) (a) (i) Except as provided in Subsection (4)(b), the withdrawal of water from a
- 1726 groundwater basin shall be limited to the basin's safe yield.
- 1727 (ii) Before limiting withdrawals in a groundwater basin to safe yield, the state engineer
- 1728 shall:
- 1729 (A) determine the groundwater basin's safe yield; and
- 1730 (B) adopt a groundwater management plan for the groundwater basin.

1731 (iii) If the state engineer determines that groundwater withdrawals in a groundwater
1732 basin exceed the safe yield, the state engineer shall regulate groundwater rights in that
1733 groundwater basin based on the priority date of the water rights under the groundwater
1734 management plan, unless a voluntary arrangement exists under Subsection (4)(c) that requires a
1735 different distribution.

1736 (iv) A groundwater management plan shall include a list of each groundwater right in
1737 the proposed groundwater management area known to the state engineer identifying the water
1738 right holder, the land to which the groundwater right is appurtenant, and any identification
1739 number the state engineer uses in the administration of water rights.

1740 (b) When adopting a groundwater management plan for a critical management area, the
1741 state engineer shall, based on economic and other impacts to an individual water user or a local
1742 community caused by the implementation of safe yield limits on withdrawals, allow gradual
1743 implementation of the groundwater management plan.

1744 (c) (i) In consultation with the state engineer, water users in a groundwater basin may
1745 agree to participate in a voluntary arrangement for managing withdrawals at any time, either
1746 before or after a determination that groundwater withdrawals exceed the groundwater basin's
1747 safe yield.

1748 (ii) A voluntary arrangement under Subsection (4)(c)(i) shall be consistent with other
1749 law.

1750 (iii) The adoption of a voluntary arrangement under this Subsection (4)(c) by less than
1751 all of the water users in a groundwater basin does not affect the rights of water users who do
1752 not agree to the voluntary arrangement.

1753 (5) To adopt a groundwater management plan, the state engineer shall:

1754 (a) give notice as specified in Subsection (7) at least 30 days before the first public
1755 meeting held in accordance with Subsection (5)(b):

1756 (i) that the state engineer proposes to adopt a groundwater management plan;

1757 (ii) describing generally the land area proposed to be included in the groundwater
1758 management plan; and

1759 (iii) stating the location, date, and time of each public meeting to be held in accordance
1760 with Subsection (5)(b);

1761 (b) hold one or more public meetings in the geographic area proposed to be included

1762 within the groundwater management plan to:

1763 (i) address the need for a groundwater management plan;

1764 (ii) present any data, studies, or reports that the state engineer intends to consider in
1765 preparing the groundwater management plan;

1766 (iii) address safe yield and any other subject that may be included in the groundwater
1767 management plan;

1768 (iv) outline the estimated administrative costs, if any, that groundwater users are likely
1769 to incur if the plan is adopted; and

1770 (v) receive any public comments and other information presented at the public
1771 meeting, including comments from any of the entities listed in Subsection (7)(a)(iii);

1772 (c) receive and consider written comments concerning the proposed groundwater
1773 management plan from any person for a period determined by the state engineer of not less
1774 than 60 days after the day on which the notice required by Subsection (5)(a) is given;

1775 (d) (i) at least 60 days prior to final adoption of the groundwater management plan,
1776 publish notice:

1777 (A) that a draft of the groundwater management plan has been proposed; and

1778 (B) specifying where a copy of the draft plan may be reviewed; and

1779 (ii) promptly provide a copy of the draft plan in printed or electronic form to each of
1780 the entities listed in Subsection (7)(a)(iii) that makes written request for a copy; and

1781 (e) provide notice of the adoption of the groundwater management plan.

1782 (6) A groundwater management plan shall become effective on the date notice of
1783 adoption is completed under Subsection (7), or on a later date if specified in the plan.

1784 (7) (a) A notice required by this section shall be:

1785 (i) published:

1786 (A) once a week for two successive weeks in a newspaper of general circulation in
1787 each county that encompasses a portion of the land area proposed to be included within the
1788 groundwater management plan; and

1789 (B) in accordance with Section 45-1-101 for two weeks;

1790 (ii) published conspicuously on the state engineer's website; and

1791 (iii) mailed to each of the following that has within its boundaries a portion of the land
1792 area to be included within the proposed groundwater management plan:

- 1793 (A) county;
- 1794 (B) incorporated city or town;
- 1795 (C) a special district created to acquire or assess a groundwater right under Title 17B,
1796 Chapter 1, Provisions Applicable to All Special Districts;
- 1797 (D) improvement district under Title 17B, Chapter 2a, Part 4, Improvement District
1798 Act;
- 1799 (E) service area, under Title 17B, Chapter 2a, Part 9, Service Area Act;
- 1800 (F) drainage district, under Title 17B, Chapter 2a, Part 2, Drainage District Act;
- 1801 (G) irrigation district, under Title 17B, Chapter 2a, Part 5, Irrigation District Act;
- 1802 (H) metropolitan water district, under Title 17B, Chapter 2a, Part 6, Metropolitan
1803 Water District Act;
- 1804 (I) special service district providing water, sewer, drainage, or flood control services,
1805 under Title 17D, Chapter 1, Special Service District Act;
- 1806 (J) water conservancy district, under Title 17B, Chapter 2a, Part 10, Water
1807 Conservancy District Act; and
- 1808 (K) conservation district, under Title 17D, Chapter 3, Conservation District Act.
- 1809 (b) A notice required by this section is effective upon substantial compliance with
1810 Subsections (7)(a)(i) through (iii).
- 1811 (8) A groundwater management plan may be amended in the same manner as a
1812 groundwater management plan may be adopted under this section.
- 1813 (9) The existence of a groundwater management plan does not preclude any otherwise
1814 eligible person from filing any application or challenging any decision made by the state
1815 engineer within the affected groundwater basin.
- 1816 (10) (a) A person aggrieved by a groundwater management plan may challenge any
1817 aspect of the groundwater management plan by filing a complaint within 60 days after the
1818 adoption of the groundwater management plan in the district court for any county in which the
1819 groundwater basin is found.
- 1820 (b) Notwithstanding Subsection (9), a person may challenge the components of a
1821 groundwater management plan only in the manner provided by Subsection (10)(a).
- 1822 (c) An action brought under this Subsection (10) is reviewed de novo by the district
1823 court.

1824 (d) A person challenging a groundwater management plan under this Subsection (10)
1825 shall join the state engineer as a defendant in the action challenging the groundwater
1826 management plan.

1827 (e) (i) Within 30 days after the day on which a person files an action challenging any
1828 aspect of a groundwater management plan under Subsection (10)(a), the person filing the action
1829 shall publish notice of the action:

1830 (A) in a newspaper of general circulation in the county in which the district court is
1831 located; and

1832 (B) in accordance with Section 45-1-101 for two weeks.

1833 (ii) The notice required by Subsection (10)(e)(i)(A) shall be published once a week for
1834 two consecutive weeks.

1835 (iii) The notice required by Subsection (10)(e)(i) shall:

1836 (A) identify the groundwater management plan the person is challenging;

1837 (B) identify the case number assigned by the district court;

1838 (C) state that a person affected by the groundwater management plan may petition the
1839 district court to intervene in the action challenging the groundwater management plan; and

1840 (D) list the address for the clerk of the district court in which the action is filed.

1841 (iv) (A) Any person affected by the groundwater management plan may petition to
1842 intervene in the action within 60 days after the day on which notice is last published under
1843 Subsections (10)(e)(i) and (ii).

1844 (B) The district court's treatment of a petition to intervene under this Subsection
1845 (10)(e)(iv) is governed by the Utah Rules of Civil Procedure.

1846 ~~[(v) A district court in which an action is brought under Subsection (10)(a) shall~~
1847 ~~consolidate all actions brought under that subsection and include in the consolidated action any~~
1848 ~~person whose petition to intervene is granted.]~~

1849 (11) A groundwater management plan adopted or amended in accordance with this
1850 section is exempt from the requirements in Title 63G, Chapter 3, Utah Administrative
1851 Rulemaking Act.

1852 (12) (a) Except as provided in Subsection (12)(b), recharge and recovery projects
1853 permitted under Chapter 3b, Groundwater Recharge and Recovery Act, are exempted from this
1854 section.

1855 (b) In a critical management area, the artificial recharge of a groundwater basin that
1856 uses surface water naturally tributary to the groundwater basin, in accordance with Chapter 3b,
1857 Groundwater Recharge and Recovery Act, constitutes a beneficial use of the water under
1858 Section 73-1-3 if:

1859 (i) the recharge is done during the time the area is designated as a critical management
1860 area;

1861 (ii) the recharge is done with a valid recharge permit;

1862 (iii) the water placed in the aquifer is not recovered under a recovery permit; and

1863 (iv) the water placed in the aquifer is used to replenish the groundwater basin.

1864 (13) Nothing in this section may be interpreted to require the development,
1865 implementation, or consideration of a groundwater management plan as a prerequisite or
1866 condition to the exercise of the state engineer's enforcement powers under other law, including
1867 powers granted under Section 73-2-25.

1868 (14) A groundwater management plan adopted in accordance with this section may not
1869 apply to the dewatering of a mine.

1870 (15) (a) A groundwater management plan adopted by the state engineer before May 1,
1871 2006, remains in force and has the same legal effect as it had on the day on which it was
1872 adopted by the state engineer.

1873 (b) If a groundwater management plan that existed before May 1, 2006, is amended on
1874 or after May 1, 2006, the amendment is subject to this section's provisions.

1875 Section 13. Section 73-10-27 is amended to read:

1876 **73-10-27. Definitions -- Project priorities -- Considerations -- Bids and contracts**
1877 **-- Definitions -- Retainage.**

1878 (1) As used in this section:

1879 (a) "Board" means the Board of Water Resources created in Section 73-10-1.5.

1880 (b) "Estimated cost" means the cost of the labor, material, and equipment necessary for
1881 construction of the contemplated project.

1882 (c) "Lowest responsible bidder" means a licensed contractor:

1883 (i) who:

1884 (A) submits the lowest bid; and

1885 (B) furnishes a payment bond and a performance bond under Sections 14-1-18 and

1886 63G-6a-1103; and

1887 (ii) whose bid:

1888 (A) is in compliance with the invitation for a bid; and

1889 (B) meets the plans and specifications.

1890 (2) In considering the priority for a project to be built or financed with funds made
1891 available under Section 73-10-24, the board shall give preference to a project that:

1892 (a) is sponsored by, or for the benefit of, the state or a political subdivision of the state;

1893 (b) meets a critical local need;

1894 (c) has greater economic feasibility;

1895 (d) will yield revenue to the state within a reasonable time or will return a reasonable
1896 rate of interest, based on financial feasibility; and

1897 (e) meets other considerations deemed necessary by the board, including wildlife
1898 management and recreational needs.

1899 ~~[(3) (a) In determining the economic feasibility, the board shall establish a
1900 benefit-to-cost ratio for each project, using a uniform standard of procedure for all projects.]~~

1901 ~~[(b) In considering whether a project should be built, the benefit-to-cost ratio for each
1902 project shall be weighted based on the relative cost of the project.]~~

1903 ~~[(c) A project, when considered in total with all other projects constructed under this
1904 chapter and still the subject of a repayment contract, may not cause the accumulative
1905 benefit-to-cost ratio of the projects to be less than one to one.]~~

1906 ~~[(4)]~~ (3) A project may not be built if the project is not:

1907 (a) in the public interest, as determined by the board; or

1908 (b) adequately designed based on sound engineering and geologic considerations.

1909 ~~[(5)]~~ (4) In preparing a project constructed by the board, the board shall:

1910 (a) based on a competitive bid, award a contract for:

1911 (i) a flood control project:

1912 (A) involving a city or county; and

1913 (B) costing in excess of \$35,000;

1914 (ii) the construction of a storage reservoir in excess of 100 acre-feet; or

1915 (iii) the construction of a hydroelectric generating facility;

1916 (b) publish an advertisement for a competitive bid:

1917 (i) at least once a week for three consecutive weeks in a newspaper with general
 1918 circulation in the state, with the last date of publication appearing at least five days before the
 1919 schedule bid opening; and

1920 (ii) indicating that the board:

1921 (A) will award the contract to the lowest responsible bidder; and

1922 (B) reserves the right to reject any and all bids;

1923 (c) readvertise the project in the manner specified in Subsection ~~[(5)(b)]~~ (4)(b) if the
 1924 board rejects all of the initial bids on the project; and

1925 (d) keep an accurate record of all facts and representations relied upon in preparing the
 1926 board's estimated cost for a project that is subject to the competitive bidding requirements of
 1927 this section.

1928 ~~[(6)]~~ (5) If no satisfactory bid is received by the board upon the readvertisement of the
 1929 project in accordance with Subsection ~~[(5)]~~ (4), the board may proceed to construct the project
 1930 in accordance with the plan and specifications used to calculate the estimated cost of the
 1931 project.

1932 ~~[(7)]~~ (6) If a payment on a contract with a private contractor for construction of a
 1933 project under this section is retained or withheld, it shall be retained or withheld and released
 1934 as provided in Section [13-8-5](#).

1935 Section 14. Section **79-2-102** is amended to read:

1936 **79-2-102. Definitions.**

1937 As used in this chapter:

1938 (1) "Conservation officer" is as defined in Section [23A-1-101](#).

1939 ~~[(2)]~~ "Species protection" means an action to protect a plant or animal species identified
 1940 as:]

1941 ~~[(a) sensitive by the state; or]~~

1942 ~~[(b) threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C.~~

1943 ~~Sec. 1531 et seq.]~~

1944 ~~[(3)]~~ (2) "Volunteer" means a person who donates a service to the department or a
 1945 division of the department without pay or other compensation.

1946 Section 15. Section **79-2-406** is amended to read:

1947 **79-2-406. Wetlands -- In-lieu fee program study.**

1948 (1) As used in this section, "committee" means the Natural Resources, Agriculture, and
1949 Environment Interim Committee.

1950 (2) The department shall publish, on the department's website, the land use permits
1951 collected by the Utah Geological Survey pursuant to Subsection [~~79-3-202(t)(r)~~]
1952 79-3-202(1)(q).

1953 (3) (a) The department shall study and make recommendations to the committee on the
1954 viability of an in-lieu fee program for wetland mitigation, including:

1955 (i) the viability of the state establishing and administering an in-lieu fee program; and

1956 (ii) the viability of the state partnering with a private organization to establish and
1957 administer an in-lieu fee program.

1958 (b) As part of the study described in Subsection (3)(a), the department shall consult
1959 with public and private individuals and entities that may be necessary or helpful to the
1960 establishment or administration of an in-lieu fee program for wetland mitigation, which may
1961 include:

1962 (i) the Utah Department of Environmental Quality;

1963 (ii) the United States Army Corps of Engineers;

1964 (iii) the United States Fish and Wildlife Service;

1965 (iv) the United States Environmental Protection Agency; or

1966 (v) a non-profit entity that has experience with the establishment and administration of
1967 in-lieu fee programs.

1968 (c) The department shall provide a report on the status of the department's study during
1969 or before the committee's November interim meeting in 2022.

1970 (d) The department shall provide a final report of the department's study and
1971 recommendations, including any recommended legislation, during or before the committee's
1972 first interim meeting in 2023.

1973 Section 16. Section **79-3-202** is amended to read:

1974 **79-3-202. Powers and duties of survey.**

1975 (1) The survey shall:

1976 (a) assist and advise state and local agencies and state educational institutions on
1977 geologic, paleontologic, and mineralogic subjects;

1978 (b) collect and distribute reliable information regarding the mineral industry and

1979 mineral resources, topography, paleontology, and geology of the state;

1980 (c) survey the geology of the state, including mineral occurrences and the ores of

1981 metals, energy resources, industrial minerals and rocks, mineral-bearing waters, and surface

1982 and ground water resources, with special reference to their economic contents, values, uses,

1983 kind, and availability in order to facilitate their economic use;

1984 (d) investigate the kind, amount, and availability of mineral substances contained in

1985 lands owned and controlled by the state, to contribute to the most effective and beneficial

1986 administration of these lands for the state;

1987 (e) determine and investigate areas of geologic and topographic hazards that could

1988 affect the safety of, or cause economic loss to, the citizens of the state;

1989 (f) assist local and state agencies in their planning, zoning, and building regulation

1990 functions by publishing maps, delineating appropriately wide special earthquake risk areas,

1991 and, at the request of state agencies or other governmental agencies, review the siting of critical

1992 facilities;

1993 (g) cooperate with state agencies, political subdivisions of the state,

1994 quasi-governmental agencies, federal agencies, schools of higher education, and others in fields

1995 of mutual concern, which may include field investigations and preparation, publication, and

1996 distribution of reports and maps;

1997 (h) collect and preserve data pertaining to mineral resource exploration and

1998 development programs and construction activities, such as claim maps, location of drill holes,

1999 location of surface and underground workings, geologic plans and sections, drill logs, and

2000 assay and sample maps, including the maintenance of a sample library of cores and cuttings;

2001 (i) study and analyze other scientific, economic, or aesthetic problems as, in the

2002 judgment of the board, should be undertaken by the survey to serve the needs of the state and to

2003 support the development of natural resources and utilization of lands within the state;

2004 (j) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the

2005 work accomplished by the survey, directly or in collaboration with others, and collect and

2006 prepare exhibits of the geological and mineral resources of this state and interpret their

2007 significance;

2008 (k) collect, maintain, and preserve data and information in order to accomplish the

2009 purposes of this section and act as a repository for information concerning the geology of this

2010 state;

2011 (l) stimulate research, study, and activities in the field of paleontology;

2012 (m) mark, protect, and preserve critical paleontological sites;

2013 (n) collect, preserve, and administer critical paleontological specimens until the

2014 specimens are placed in a repository or curation facility;

2015 (o) administer critical paleontological site excavation records;

2016 (p) edit and publish critical paleontological records and reports; and

2017 ~~[(q) by following the procedures and requirements of Title 63J, Chapter 5, Federal~~

2018 ~~Funds Procedures Act, seek federal grants, loans, or participation in federal programs, and, in~~

2019 ~~accordance with applicable federal program guidelines, administer federally funded state~~

2020 ~~programs regarding:]~~

2021 ~~[(i) renewable energy;]~~

2022 ~~[(ii) energy efficiency; and]~~

2023 ~~[(iii) energy conservation; and]~~

2024 ~~[(r)]~~ (q) collect the land use permits described in Sections [10-9a-521](#) and [17-27a-520](#).

2025 (2) (a) The survey may maintain as confidential, and not as a public record,

2026 information provided to the survey by any source.

2027 (b) The board shall adopt rules in order to determine whether to accept the information

2028 described in Subsection (2)(a) and to maintain the confidentiality of the accepted information.

2029 (c) The survey shall maintain information received from any source at the level of

2030 confidentiality assigned to it by the source.

2031 (3) Upon approval of the board, the survey shall undertake other activities consistent

2032 with Subsection (1).

2033 (4) (a) Subject to the authority granted to the department, the survey may enter into

2034 cooperative agreements with the entities specified in Subsection (1)(g), if approved by the

2035 board, and may accept or commit allocated or budgeted funds in connection with those

2036 agreements.

2037 (b) The survey may undertake joint projects with private entities if:

2038 (i) the action is approved by the board;

2039 (ii) the projects are not inconsistent with the state's objectives; and

2040 (iii) the results of the projects are available to the public.

2041 Section 17. Section **79-3-403** is amended to read:

2042 **79-3-403. Utah Geological Survey Restricted Account.**

2043 (1) As used in this section:

2044 (a) "Account" means the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted
2045 Account created by this section.

2046 (b) "Survey" means the Utah Geological Survey.

2047 (2) (a) There is created a restricted account within the General Fund known as the
2048 "Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account."

2049 (b) The account consists of:

2050 (i) deposits to the account made under Section [51-9-306](#);

2051 (ii) deposits to the account made under Section [59-21-2](#);

2052 [~~(ii)~~] (iii) appropriations of the Legislature; and

2053 [~~(iii)~~] (iv) interest and other earnings described in Subsection (2)(c).

2054 (c) The Office of the Treasurer shall deposit interest and other earnings derived from
2055 investment of money in the account into the account.

2056 (3) (a) Upon appropriation by the Legislature, the survey shall use money from the
2057 account to pay costs of:

2058 (i) programs or projects administered by the survey that are primarily related to oil, gas,
2059 and mining[-]; and

2060 (ii) activities carried on by the survey having as a purpose the development and
2061 exploitation of natural resources in the state.

2062 (b) An appropriation provided for under this section is not intended to replace the
2063 following that is otherwise allocated for the programs or projects described in Subsection

2064 (3)(a)(i):

2065 (i) federal money; or

2066 (ii) a dedicated credit.

2067 (4) Appropriations made in accordance with this section are nonlapsing in accordance
2068 with Section [63J-1-602.1](#).

2069 Section 18. Section **79-6-102** is amended to read:

2070 **79-6-102. Definitions.**

2071 As used in this chapter:

2072 [~~(1)~~ "Appointing authority" means:]
2073 [~~(a)~~ on and before June 30, 2029, the governor; and]
2074 [~~(b)~~ on and after July 1, 2029, the executive director.]
2075 [~~(2)~~ (a) On and before June 30, 2029, "energy advisor" means the governor's energy
2076 advisor appointed under Section ~~79-6-401~~.]
2077 [~~(b)~~ On and after July 1, 2029, "energy advisor" means the energy advisor appointed by
2078 the executive director under Section ~~79-6-401~~.]
2079 [~~(3)~~] (1) "Office" means the Office of Energy Development created in Section
2080 ~~79-6-401~~.
2081 [~~(4)~~] (2) "State agency" means an executive branch:
2082 (a) department;
2083 (b) agency;
2084 (c) board;
2085 (d) commission;
2086 (e) division; or
2087 (f) state educational institution.
2088 Section 19. Section **79-6-106** is amended to read:
2089 **79-6-106. Hydrogen advisory council.**
2090 (1) The department shall create a hydrogen advisory council within the office that
2091 consists of seven to nine members appointed by the executive director, in consultation with the
2092 [~~energy advisor~~] director. The executive director shall appoint members with expertise in:
2093 (a) hydrogen energy in general;
2094 (b) hydrogen project facilities;
2095 (c) technology suppliers;
2096 (d) hydrogen producers or processors;
2097 (e) renewable and fossil based power generation industries; and
2098 (f) fossil fuel based hydrogen feedstock providers.
2099 (2) (a) Except as required by Subsection (2)(b), a member shall serve a four-year term.
2100 (b) The executive director shall, at the time of appointment or reappointment, adjust
2101 the length of terms to ensure that the terms of council members are staggered so that
2102 approximately half of the hydrogen advisory council is appointed every two years.

2103 (c) When a vacancy occurs in the membership for any reason, the replacement shall be
2104 appointed for the unexpired term.

2105 (3) (a) A majority of the members appointed under this section constitutes a quorum of
2106 the hydrogen advisory council.

2107 (b) The hydrogen advisory council shall determine:

2108 (i) the time and place of meetings; and

2109 (ii) any other procedural matter not specified in this section.

2110 (4) A member may not receive compensation or benefits for the member's service, but
2111 may receive per diem and travel expenses in accordance with:

2112 (a) Section 63A-3-106;

2113 (b) Section 63A-3-107; and

2114 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
2115 63A-3-107.

2116 (5) The office shall staff the hydrogen advisory council.

2117 (6) The hydrogen advisory council may:

2118 (a) develop hydrogen facts and figures that facilitate use of hydrogen fuel within the
2119 state;

2120 (b) encourage cross-state cooperation with states that have hydrogen programs;

2121 (c) work with state agencies, the private sector, and other stakeholders, such as
2122 environmental groups, to:

2123 (i) recommend realistic goals for hydrogen development that can be executed within
2124 realistic time frames; and

2125 (ii) educate, discuss, consult, and make recommendations in hydrogen related matters
2126 that benefit the state;

2127 (d) promote hydrogen research at state institutions of higher education, as defined in
2128 Section 53B-3-102;

2129 (e) make recommendations regarding how to qualify for federal funding of hydrogen
2130 projects, including hydrogen related projects for:

2131 (i) the state;

2132 (ii) a local government;

2133 (iii) a privately commissioned project;

- 2134 (iv) an educational project;
- 2135 (v) scientific development; and
- 2136 (vi) engineering and novel technologies;
- 2137 (f) make recommendations related to the development of multiple feedstock or energy
- 2138 resources in the state such as wind, solar, hydroelectric, geothermal, coal, natural gas, oil,
- 2139 water, electrolysis, coal gasification, liquefaction, hydrogen storage, safety handling,
- 2140 compression, and transportation;
- 2141 (g) make recommendations to establish statewide safety protocols for production,
- 2142 transportation, and handling of hydrogen for both residential and commercial applications;
- 2143 (h) facilitate public events to raise the awareness of hydrogen and hydrogen related
- 2144 fuels within the state and how hydrogen can be advantageous to all forms of transportation,
- 2145 heat, and power generation;
- 2146 (i) review and make recommendations regarding legislation; and
- 2147 (j) make other recommendations to the ~~[energy advisor]~~ director related to hydrogen
- 2148 development in the state.

2149 Section 20. Section **79-6-401** is amended to read:

2150 **79-6-401. Office of Energy Development -- Director -- Purpose -- Rulemaking**
2151 **regarding confidential information -- Fees -- Duties and powers.**

2152 (1) There is created an Office of Energy Development ~~[in]~~ within the Department of
2153 Natural Resources to be administered by a director.

2154 (2) (a) The governor shall appoint the director and the director shall serve at the
2155 pleasure of the governor.

2156 (b) The director shall have demonstrated the necessary administrative and professional
2157 ability through education and experience to efficiently and effectively manage the office's
2158 affairs.

2159 (c) The director shall serve as an advisor to the governor on energy related matters.

2160 ~~[(2) (a) The energy advisor shall serve as the director of the office or, on or before June~~
2161 ~~30, 2029, appoint a director of the office.]~~

2162 ~~[(b) The director:]~~

2163 ~~[(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to the~~
2164 ~~energy advisor; and]~~

2165 ~~[(ii) may appoint staff as funding within existing budgets allows.]~~
2166 ~~[(c) The office may consolidate energy staff and functions existing in the state energy~~
2167 ~~program.]~~
2168 (3) The purposes of the office are to:
2169 (a) serve as the primary resource for advancing energy and mineral development in the
2170 state;
2171 (b) implement:
2172 (i) the state energy policy under Section 79-6-301; and
2173 (ii) the governor's energy and mineral development goals and objectives;
2174 (c) advance energy education, outreach, and research, including the creation of
2175 elementary, higher education, and technical college energy education programs;
2176 (d) promote energy and mineral development workforce initiatives; and
2177 (e) support collaborative research initiatives targeted at Utah-specific energy and
2178 mineral development.
2179 (4) By following the procedures and requirements of Title 63J, Chapter 5, Federal
2180 Funds Procedures Act, the office may:
2181 (a) seek federal grants or loans;
2182 (b) seek to participate in federal programs; and
2183 (c) in accordance with applicable federal program guidelines, administer federally
2184 funded state energy programs.
2185 (5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102,
2186 59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax Credit Act,
2187 and Part 6, High Cost Infrastructure Development Tax Credit Act.
2188 (6) (a) For purposes of administering this section, the office may make rules, by
2189 following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
2190 confidential, and not as a public record, information that the office receives from any source.
2191 (b) The office shall maintain information the office receives from any source at the
2192 level of confidentiality assigned by the source.
2193 (7) The office may charge application, filing, and processing fees in amounts
2194 determined by the office in accordance with Section 63J-1-504 as dedicated credits for
2195 performing office duties described in this part.

2196 (8) (a) An employee of the office on April 30, 2024, is an at-will employee.

2197 (b) For an employee [~~of the~~] described in Subsection (8)(a) who was employed by the
2198 office on [~~July 1, 2021~~] April 30, 2024, the employee shall have the same salary and benefit
2199 options [~~the~~] an employee had when the office was part of the office of the governor.

2200 (c) An employee of the office hired on or after May 1, 2024, shall receive
2201 compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

2202 (9) (a) The office shall prepare a strategic energy plan to achieve the state's energy
2203 policy, including:

2204 (i) technological and infrastructure innovation needed to meet future energy demand
2205 including:

2206 (A) energy production technologies;

2207 (B) battery and storage technologies;

2208 (C) smart grid technologies;

2209 (D) energy efficiency technologies; and

2210 (E) any other developing energy technology, energy infrastructure planning, or
2211 investments that will assist the state in meeting energy demand;

2212 (ii) the state's efficient utilization and development of:

2213 (A) nonrenewable energy resources, including natural gas, coal, clean coal, hydrogen,
2214 oil, oil shale, and oil sands;

2215 (B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass,
2216 biofuel, and hydroelectric;

2217 (C) nuclear power; and

2218 (D) earth minerals;

2219 (iii) areas of energy-related academic research;

2220 (iv) specific areas of workforce development necessary for an evolving energy
2221 industry;

2222 (v) the development of partnerships with national laboratories; and

2223 (vi) a proposed state budget for economic development and investment.

2224 (b) In preparing the strategic energy plan, the office shall consult with stakeholders,
2225 including representatives from:

2226 (i) energy companies in the state;

2227 (ii) private and public institutions of higher education within the state conducting
2228 energy-related research; and
2229 (iii) other state agencies.

2230 (c) On or before the October 2023 interim meeting, the office shall report to the Public
2231 Utilities, Energy, and Technology Interim Committee and the Executive Appropriations
2232 [~~Interim~~] Committee describing:

2233 (i) progress towards creation of the strategic energy plan; and
2234 (ii) a proposed budget for the office to continue development of the strategic energy
2235 plan.

2236 (10) The director shall:

2237 (a) annually review and propose updates to the state's energy policy, as contained in
2238 Section [79-6-301](#);

2239 (b) promote as the governor considers necessary:

2240 (i) the development of cost-effective energy resources both renewable and
2241 nonrenewable; and

2242 (ii) educational programs, including programs supporting conservation and energy
2243 efficiency measures;

2244 (c) coordinate across state agencies to assure consistency with state energy policy,
2245 including:

2246 (i) working with the State Energy Program to promote access to federal assistance for
2247 energy-related projects for state agencies and members of the public;

2248 (ii) working with the Division of Emergency Management to assist the governor in
2249 carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10,
2250 Energy Emergency Powers of the Governor Act;

2251 (iii) participating in the annual review of the energy emergency plan and the
2252 maintenance of the energy emergency plan and a current list of contact persons required by
2253 Section [53-2a-902](#); and

2254 (iv) identifying and proposing measures necessary to facilitate low-income consumers'
2255 access to energy services;

2256 (d) coordinate with the Division of Emergency Management ongoing activities
2257 designed to test an energy emergency plan to ensure coordination and information sharing

2258 among state agencies and political subdivisions in the state, public utilities and other energy
2259 suppliers, and other relevant public sector persons as required by Sections [53-2a-902](#),
2260 [53-2a-1004](#), [53-2a-1008](#), and [53-2a-1010](#);

2261 (e) coordinate with requisite state agencies to study:

2262 (i) the creation of a centralized state repository for energy-related information;

2263 (ii) methods for streamlining state review and approval processes for energy-related
2264 projects; and

2265 (iii) the development of multistate energy transmission and transportation
2266 infrastructure;

2267 (f) coordinate energy-related regulatory processes within the state;

2268 (g) compile, and make available to the public, information about federal, state, and
2269 local approval requirements for energy-related projects;

2270 (h) act as the state's advocate before federal and local authorities for energy-related
2271 infrastructure projects or coordinate with the appropriate state agency; and

2272 (i) help promote the Division of Facilities Construction and Management's measures to
2273 improve energy efficiency in state buildings.

2274 (11) The director has standing to testify on behalf of the governor at the Public Service
2275 Commission created in Section [54-1-1](#).

2276 Section 21. Section **79-6-404**, which is renumbered from Section 79-6-202 is
2277 renumbered and amended to read:

2278 ~~[79-6-202]~~. **79-6-404. Agency cooperation.**

2279 A state agency shall provide the ~~[energy advisor]~~ office with any energy-related
2280 information requested by the ~~[energy advisor if the energy advisor's]~~ office if the office's
2281 request is consistent with other law.

2282 Section 22. Section **79-6-405**, which is renumbered from Section 79-6-203 is
2283 renumbered and amended to read:

2284 ~~[79-6-203]~~. **79-6-405. Reports.**

2285 (1) The ~~[energy advisor]~~ director shall report annually to:

2286 (a) the ~~[appointing authority]~~ governor; and

2287 (b) the Natural Resources, Agriculture, and Environment Interim Committee.

2288 (2) The report required in Subsection (1) shall:

2289 (a) summarize the status and development of the state's energy resources;
 2290 (b) summarize the activities and accomplishments of the Office of Energy
 2291 Development;
 2292 (c) address the ~~[energy advisor's]~~ director's activities under this part; and
 2293 (d) recommend any energy-related executive or legislative action the ~~[energy advisor]~~
 2294 director considers beneficial to the state, including updates to the state energy policy under
 2295 Section 79-6-301.

2296 Section 23. Section 79-6-901 is amended to read:

2297 **79-6-901. Definitions.**

2298 As used in this part:

2299 (1) "Application" means an application for a tax credit under Title 79, Chapter 6, Part
 2300 6, High Cost Infrastructure Development Tax Credit Act.

2301 (2) "Board" means the Utah Energy Infrastructure Board created in Section 79-6-902.

2302 (3) "Electric interlocal entity" means the same as that term is defined in Section
 2303 11-13-103.

2304 ~~[(4) "Energy advisor" means the energy advisor appointed under Section 79-6-201.]~~

2305 ~~[(5)]~~ (4) "Fuel standard compliance project" means the same as that term is defined in
 2306 Section 79-6-602.

2307 ~~[(6)]~~ (5) "Office" means the Office of Energy Development created in Section
 2308 79-6-401.

2309 ~~[(7)]~~ (6) "Tax credit" means the same as that term is defined in Section 79-6-602.

2310 Section 24. Section 79-6-902 is amended to read:

2311 **79-6-902. Utah Energy Infrastructure Board.**

2312 (1) There is created within the office the Utah Energy Infrastructure Board that consists
 2313 of nine members as follows:

2314 (a) members appointed by the governor:

2315 (i) ~~[the energy advisor or]~~ the director of the Office of Energy Development, who shall
 2316 serve as chair of the board;

2317 (ii) one member from the Governor's Office of Economic Opportunity;

2318 (iii) one member from a public utility or electric interlocal entity that operates electric
 2319 transmission facilities within the state;

2320 (iv) two members representing the economic development interests of rural
2321 communities as follows:

2322 (A) one member currently serving as county commissioner of a county of the third,
2323 fourth, fifth, or sixth class, as described in Section 17-50-501; and

2324 (B) one member of a rural community with work experience in the energy industry;

2325 (v) two members of the general public with relevant industry or community
2326 experience; and

2327 (vi) one member of the general public who has experience with public finance and
2328 bonding; and

2329 (b) the director of the School and Institutional Trust Lands Administration created in
2330 Section 53C-1-201.

2331 (2) (a) The term of an appointed board member is four years.

2332 (b) Notwithstanding Subsection (2)(a), the governor shall, at the time of appointment
2333 or reappointment, adjust the length of terms to ensure that the terms of board members are
2334 staggered so that approximately half of the board is appointed every two years.

2335 (c) The governor may remove a member of the board for cause.

2336 (d) The governor shall fill a vacancy in the board in the same manner under this section
2337 as the appointment of the member whose vacancy is being filled.

2338 (e) An individual appointed to fill a vacancy shall serve the remaining unexpired term
2339 of the member whose vacancy the individual is filling.

2340 (f) A board member shall serve until a successor is appointed and qualified.

2341 (3) (a) Five members of the board constitute a quorum for conducting board business.

2342 (b) A majority vote of the quorum present is required for an action to be taken by the
2343 board.

2344 (4) The board shall meet as needed to review an application.

2345 (5) A member may not receive compensation or benefits for the member's service, but
2346 may receive per diem and travel expenses in accordance with:

2347 (a) Section 63A-3-106;

2348 (b) Section 63A-3-107; and

2349 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
2350 63A-3-107.

2351 Section 25. Section **79-7-203** is amended to read:

2352 **79-7-203. Powers and duties of division.**

2353 (1) As used in this section, "real property" includes land under water, upland, and all
2354 other property commonly or legally defined as real property.

2355 (2) The Division of Wildlife Resources shall retain the power and jurisdiction
2356 conferred upon the Division of Wildlife Resources by law on property controlled by the
2357 division with reference to fish and game.

2358 (3) For purposes of property controlled by the division, the division shall permit
2359 multiple uses of the property for purposes such as grazing, fishing, hunting, camping, mining,
2360 and the development and use of water and other natural resources.

2361 (4) (a) The division may acquire real and personal property in the name of the state by
2362 legal and proper means, including purchase, gift, devise, eminent domain, lease, exchange, or
2363 otherwise, subject to the approval of the executive director [~~and the governor~~].

2364 (b) In acquiring real or personal property, the credit of the state may not be pledged
2365 without the consent of the Legislature.

2366 (5) (a) Before acquiring any real property, the division shall notify the county
2367 legislative body of the county where the property is situated of the division's intention to
2368 acquire the property.

2369 (b) If the county legislative body requests a hearing within 10 days of receipt of the
2370 notice, the division shall hold a public hearing in the county concerning the matter.

2371 (6) Acceptance of gifts or devises of land or other property is at the discretion of the
2372 division, subject to the approval of the executive director [~~and the governor~~].

2373 (7) The division shall acquire property by eminent domain in the manner authorized by
2374 Title 78B, Chapter 6, Part 5, Eminent Domain.

2375 (8) (a) The division may make charges for special services and use of facilities, the
2376 income from which is available for recreation purposes.

2377 (b) The division may conduct and operate those services necessary for the comfort and
2378 convenience of the public.

2379 (9) (a) The division may lease or rent concessions of lawful kinds and nature on
2380 property to persons, partnerships, and corporations for a valuable consideration after notifying
2381 the commission.

2382 (b) The division shall comply with Title 63G, Chapter 6a, Utah Procurement Code, in
2383 selecting concessionaires.

2384 (10) The division shall proceed without delay to negotiate with the federal government
2385 concerning the Weber Basin and other recreation and reclamation projects.

2386 (11) (a) The division shall coordinate with and annually report to the following
2387 regarding land acquisition and development and grants administered under this chapter or
2388 Chapter 8, Outdoor Recreation Grants:

2389 (i) the Division of State Parks; and

2390 (ii) the [~~Office of~~] Center for Rural Development.

2391 (b) The report required under Subsection (11)(a) shall be in writing, made public, and
2392 include a description and the amount of any grant awarded under this chapter or Chapter 8,
2393 Outdoor Recreation Grants.

2394 (12) The division shall:

2395 (a) coordinate outdoor recreation policy, management, and promotion:

2396 (i) among state and federal agencies and local government entities in the state;

2397 (ii) with the Public Lands Policy Coordinating Office created in Section [63L-11-201](#), if
2398 public land is involved; and

2399 (iii) on at least a quarterly basis, with the executive director and the executive director
2400 of the Governor's Office of Economic Opportunity;

2401 (b) in cooperation with the Governor's Office of Economic Opportunity, promote
2402 economic development in the state by:

2403 (i) coordinating with outdoor recreation stakeholders;

2404 (ii) improving recreational opportunities; and

2405 (iii) recruiting outdoor recreation business;

2406 (c) promote all forms of outdoor recreation, including motorized and nonmotorized
2407 outdoor recreation;

2408 (d) recommend to the governor and Legislature policies and initiatives to enhance
2409 recreational amenities and experiences in the state and help implement those policies and
2410 initiatives;

2411 (e) in performing the division's duties, seek to ensure safe and adequate access to
2412 outdoor recreation for all user groups and for all forms of recreation;

2413 (f) develop data regarding the impacts of outdoor recreation in the state; and
 2414 (g) promote the health and social benefits of outdoor recreation, especially to young
 2415 people.

2416 (13) By following Title 63J, Chapter 5, Federal Funds Procedures Act, the division
 2417 may:

- 2418 (a) seek federal grants or loans;
- 2419 (b) seek to participate in federal programs; and
- 2420 (c) in accordance with applicable federal program guidelines, administer federally
 2421 funded outdoor recreation programs.

2422 Section 26. Section **79-7-601**, which is renumbered from Section 79-4-1102 is
 2423 renumbered and amended to read:

2424 **Part 6. Contingency Planning for Management of Federal Land**

2425 ~~[79-4-1102]~~. **79-7-601. Contingency plan for federal property.**

2426 (1) As used in this part, "fiscal emergency" means a major disruption in the operation
 2427 of one or more national parks, national monuments, national forests, or national recreation
 2428 areas in the state caused by the unforeseen or sudden significant decrease or elimination of
 2429 funding from the federal government.

2430 (2) During a fiscal emergency, and subject to congressional approval, the governor's
 2431 agreement with the United States Department of the Interior, or a presidential executive order,
 2432 the governor ~~[is authorized to]~~ may enter into an agreement with the federal government to
 2433 ensure that one or more national parks, national monuments, national forests, or national
 2434 recreation areas in the state, according to the priority set under ~~[Section 79-4-1103]~~ Section
 2435 79-7-602, remain open to the public.

2436 Section 27. Section **79-7-602**, which is renumbered from Section 79-4-1103 is
 2437 renumbered and amended to read:

2438 ~~[79-4-1103]~~. **79-7-602. Governor's duties -- Priority of federal property.**

- 2439 (1) During a fiscal emergency, the governor shall:
 - 2440 (a) if financially practicable, work with the federal government to open and maintain
 2441 the operation of one or more national parks, national monuments, national forests, and national
 2442 recreation areas in the state, in the order established under this section; and
 - 2443 (b) report to the speaker of the House and the president of the Senate on the need, if

2444 any, for additional appropriations to assist the division in opening and operating one or more
2445 national parks, national monuments, national forests, and national recreation areas in the state.

2446 (2) The director of the Division of Outdoor Recreation, in consultation with the
2447 executive director of the [~~Governor's Office of Economic Opportunity~~] Department of Natural
2448 Resources, shall determine, by rule, the priority of national parks, national monuments,
2449 national forests, and national recreation areas in the state.

2450 (3) In determining the priority described in Subsection (2), the director of the Division
2451 of Outdoor Recreation shall consider the:

2452 (a) economic impact of the national park, national monument, national forest, or
2453 national recreation area in the state; and

2454 (b) recreational value offered by the national park, national monument, national forest,
2455 or national recreation area.

2456 (4) The director of the Division of Outdoor Recreation shall annually review the
2457 priority set under Subsection (2) to determine whether the priority list should be amended.

2458 Section 28. **Repealer.**

2459 This bill repeals:

2460 Section **40-6-22, Regulatory certainty to support economic recovery.**

2461 Section **73-10-12, Appropriations.**

2462 Section **73-10-13, Appropriation for loan fund.**

2463 Section **73-10-31, Allocation of funds for credit enhancement and interest**

2464 **buy-down agreements.**

2465 Section **79-4-1101, Title.**

2466 Section **79-6-201, Advisor -- Duties.**

2467 Section 29. **Effective date.**

2468 (1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

2469 (2) (a) The actions affecting the following sections take effect on July 1, 2024:

2470 (i) Section 23A-3-214;

2471 (ii) Section 51-9-306;

2472 (iii) Section 59-12-103 (Contingently Superseded 01/01/25);

2473 (iv) Section 59-21-2;

2474 (v) Section 59-23-4;

2475 (vi) Section 63J-1-602.1; and

2476 (vii) Section 79-3-403.

2477 (b) The actions affecting Section 59-12-103 (Contingently Effective 01/01/25)

2478 contingently take effect on January 1, 2025.

2479 **Section 30. Coordinating H.B. 519 with other 2024 General Session legislation.**

2480 The Legislature intends that, on May 1, 2024, in legislation that passes in the 2024

2481 General Session and becomes law, any reference to energy advisor be changed to the director

2482 of the Office of Energy Development in any new language added to the Utah Code.