

HB0519S03 compared with HB0519S01

~~text~~ shows text that was in HB0519S01 but was deleted in HB0519S03.

inserted text shows text that was not in HB0519S01 but was inserted into HB0519S03.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative ~~Casey Snider~~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: ~~Casey Snider~~ _____

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;

HB0519S03 compared with HB0519S01

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- ▶ repeals outdated language, including appropriation language; and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

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

41-22-31, as repealed and reenacted by Laws of Utah 2023, Chapter 11

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

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

59-12-103 (Contingently Superseded 01/01/25), as last amended by Laws of Utah

HB0519S03 compared with HB0519S01

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

59-12-103 (Contingently Effective 01/01/25), as last amended by Laws of Utah 2023, Chapters 22, 213, 329, 361, 459, and 471

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

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

63J-1-602.1, as last amended by Laws of Utah 2023, Chapters 26, 33, 34, 194, 212, 330, 419, 434, 448, and 534

~~{ **63L-11-102**, as last amended by Laws of Utah 2023, Chapter 16~~

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

~~{ **63L-11-202**, as last amended by Laws of Utah 2023, Chapter 160~~

~~— **63L-11-305**, as last amended by Laws of Utah 2022, Chapter 313~~

~~— **63L-11-402**, as last amended by Laws of Utah 2023, Chapter 160~~

~~— **63L-11-403**, as renumbered and amended by Laws of Utah 2021, Chapter 382~~

~~— **67-22-2**, as last amended by Laws of Utah 2023, Chapter 205~~

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

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

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

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

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

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

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

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

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

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

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

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

ENACTS:

41-22-35.5, Utah Code Annotated 1953

RENUMBERS AND AMENDS:

23A-3-214, (Renumbered from 79-2-303, as renumbered and amended by Laws of

HB0519S03 compared with HB0519S01

Utah 2009, Chapter 344)

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

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

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

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

REPEALS:

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

73-10-12, as Utah Code Annotated 1953

73-10-13, as enacted by Laws of Utah 1963, Chapter 199

73-10-31, as enacted by Laws of Utah 1996, Chapter 199

79-4-1101, as enacted by Laws of Utah 2014, Chapter 313

79-6-201, as renumbered and amended by Laws of Utah 2021, Chapter 280

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

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

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

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

(2) The account shall consist of:

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

(b) interest earned on money in the account.

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

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

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

(c) conduct studies, investigations, and research into the effects of proposed species

HB0519S03 compared with HB0519S01

protection measures;

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

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

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

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

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

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

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

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

(1) (a) The division shall:

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

(ii) implement the program.

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

(ii) Components of the program shall include:

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

(2) Except as provided in Subsection (4)(b), an individual under 18 years old may not operate an off-highway vehicle on public lands in this state unless the individual has completed the requirements of the program established in accordance with this section and rules made in accordance with Subsection (1) by completing:

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

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

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

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

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

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

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

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

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

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

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

(5) A person may not rent an off-highway vehicle to an individual until the individual who will operate the off-highway vehicle presents a certificate of completion of the off-highway vehicle safety education and training program established in accordance with this

HB0519S03 compared with HB0519S01

section and rules made under Subsection (1).

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) owned and operated by a state government agency and the operation of the

HB0519S03 compared with HB0519S01

off-highway vehicle within the boundaries of the state is within the course and scope of the duties of the agency;

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

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

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

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

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

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

(a) receive a nonresident off-highway vehicle user decal indicating compliance with the provisions of Subsection (1)(a); and

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

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

(a) procedures for:

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

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

(3)(b);

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

(c) eligibility for scheduled competitive events or other events under Subsection (1)(b)(ii); and

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

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

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

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

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

HB0519S03 compared with HB0519S01

(i) report all sales to the division; and

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

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

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

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

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

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

(ii) belong to the state.

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

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

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

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

41-22-35.5. Electronic payment fee.

(1) As used in this section:

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

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

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

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

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

(b) The division may charge an electronic payment fee under this section in an amount

HB0519S03 compared with HB0519S01

not to exceed 3% of the electronic payment.

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

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

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

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

(1) As used in this section:

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

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

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

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

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

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

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

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

(ii) ending in the fiscal year immediately preceding the fiscal year of a deposit required

HB0519S03 compared with HB0519S01

by this section.

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

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

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

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

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

(i) 2.75% of the first \$50,000,000 of the average aggregate annual revenue;

(ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and

(iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000;

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

(i) .4% of the first \$50,000,000 of the average aggregate annual revenue;

(ii) .15% of the next \$50,000,000 of the average aggregate annual revenue; and

(iii) .08% of the average aggregate annual revenue that exceeds \$100,000,000;

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

(i) (A) 11.5% of the first \$50,000,000 of the average aggregate annual mining revenue;

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

(C) 1% of the average aggregate annual mining revenue that exceeds \$100,000,000;

and

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

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

HB0519S03 compared with HB0519S01

and

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

and

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

(i) 2.5% of the first \$50,000,000 of the average aggregate annual revenue;

(ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and

(iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000.

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

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

(i) 2.75% of the first \$50,000,000 of the aggregate annual revenue;

(ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and

(iii) .5% of the aggregate annual revenue that exceeds \$100,000,000;

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

(i) .4% of the first \$50,000,000 of the aggregate annual revenue;

(ii) .15% of the next \$50,000,000 of the aggregate annual revenue; and

(iii) .08% of the aggregate annual revenue that exceeds \$100,000,000;

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

(i) (A) 11.5% of the first \$50,000,000 of the aggregate annual mining revenue;

(B) 3% of the next \$50,000,000 of the aggregate annual mining revenue; and

(C) 1% of the aggregate annual mining revenue that exceeds \$100,000,000; and

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

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

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

(d) to the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account, created

HB0519S03 compared with HB0519S01

in Section 79-3-403, the following revenue:

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

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

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

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

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

- (a) retail sales of tangible personal property made within the state;
- (b) amounts paid for:

(i) telecommunications service, other than mobile telecommunications service, that originates and terminates within the boundaries of this state;

(ii) mobile telecommunications service that originates and terminates within the boundaries of one state only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

- (iii) an ancillary service associated with a:

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

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

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

(i) gas;

(ii) electricity;

(iii) heat;

(iv) coal;

(v) fuel oil; or

(vi) other fuels;

HB0519S03 compared with HB0519S01

(d) sales of the following for residential use:

(i) gas;

(ii) electricity;

(iii) heat;

(iv) coal;

(v) fuel oil; or

(vi) other fuels;

(e) sales of prepared food;

(f) except as provided in Section 59-12-104, amounts paid or charged as admission or user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any other amusement, entertainment, recreation, exhibition, cultural, or athletic activity;

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

(i) the tangible personal property; and

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

- (i) stored;
- (ii) used; or
- (iii) otherwise consumed;

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

- (i) stored;
- (ii) used; or
- (iii) consumed;

(m) amounts paid or charged for a sale:

- (i) (A) of a product transferred electronically; or
- (B) of a repair or renovation of a product transferred electronically; and
- (ii) regardless of whether the sale provides:
 - (A) a right of permanent use of the product; or
 - (B) a right to use the product that is less than a permanent use, including a right:
 - (I) for a definite or specified length of time; and
 - (II) that terminates upon the occurrence of a condition; and

(n) sales of leased tangible personal property from the lessor to the lessee made in the state.

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

(c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed on amounts paid or charged for food and food ingredients equal to the sum of:

(i) a state tax imposed on the amounts paid or charged for food and food ingredients at a tax rate of 1.75%; and

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

(vi) A car-sharing program shall:

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

(I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or

(II) state or federal law provides otherwise; or

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

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

(II) state or federal law provides otherwise.

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

- (ii) Subsection (2)(b)(i);
- (iii) Subsection (2)(c)(i); or
- (iv) Subsection (2)(f)(i)(A)(I).

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

- (A) Subsection (2)(a)(i)(A);
- (B) Subsection (2)(b)(i);
- (C) Subsection (2)(c)(i); or
- (D) Subsection (2)(f)(i)(A)(I).

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

- (A) Subsection (2)(a)(i)(A);
- (B) Subsection (2)(b)(i);
- (C) Subsection (2)(c)(i); or
- (D) Subsection (2)(f)(i)(A)(I).

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

- (A) on the first day of a calendar quarter; and
- (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

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

- (A) Subsection (2)(a)(i)(A);
- (B) Subsection (2)(b)(i);
- (C) Subsection (2)(c)(i); or
- (D) Subsection (2)(f)(i)(A)(I).

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

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

HB0519S03 compared with HB0519S01

predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

(ii) Subsection (2)(1)(i) applies to a location where gas, electricity, heat, coal, fuel oil, or other fuel is furnished through a single meter for two or more of the following uses:

- (A) a commercial use;
- (B) an industrial use; or
- (C) a residential use.

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

- (i) the tax imposed by Subsection (2)(a)(i)(A);
- (ii) the tax imposed by Subsection (2)(b)(i);
- (iii) the tax imposed by Subsection (2)(c)(i); and
- (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

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

- (i) the tax imposed by Subsection (2)(a)(ii);
- (ii) the tax imposed by Subsection (2)(b)(ii);
- (iii) the tax imposed by Subsection (2)(c)(ii); and
- (iv) the tax imposed by Subsection (2)(f)(i)(B).

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

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

- (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 - (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 - (B) for the fiscal year; or
- (ii) \$17,500,000.

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

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

HB0519S03 compared with HB0519S01

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

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

(iii) At the end of each fiscal year:

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

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

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

(c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund created in Section 4-18-106.

(d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of water rights.

(ii) At the end of each fiscal year:

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

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

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

(e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described in Subsection (4)(a) shall be deposited into the Water Resources Conservation and

HB0519S03 compared with HB0519S01

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

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

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

(B) fund state required dam safety improvements; and

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

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

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

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

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

(iii) develop surface water sources.

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

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

(ii) \$17,500,000.

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

(i) preconstruction costs:

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

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

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

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

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

(e) After making the transfers required by Subsections (5)(b) and (c), 15% of the remaining difference described in Subsection (5)(a) shall be deposited each year into the Water

HB0519S03 compared with HB0519S01

Rights Restricted Account created by Section 73-2-1.6.

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

(b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by

HB0519S03 compared with HB0519S01

the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

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

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

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

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

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

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

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

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

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

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

(10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

- (a) retail sales of tangible personal property made within the state;
- (b) amounts paid for:
 - (i) telecommunications service, other than mobile telecommunications service, that originates and terminates within the boundaries of this state;

- (ii) mobile telecommunications service that originates and terminates within the boundaries of one state only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

- (iii) an ancillary service associated with a:

- (A) telecommunications service described in Subsection (1)(b)(i); or
 - (B) mobile telecommunications service described in Subsection (1)(b)(ii);

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

- (i) gas;
 - (ii) electricity;
 - (iii) heat;
 - (iv) coal;
 - (v) fuel oil; or
 - (vi) other fuels;

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

- (i) gas;
 - (ii) electricity;
 - (iii) heat;
 - (iv) coal;

HB0519S03 compared with HB0519S01

(v) fuel oil; or

(vi) other fuels;

(e) sales of prepared food;

(f) except as provided in Section 59-12-104, amounts paid or charged as admission or user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any other amusement, entertainment, recreation, exhibition, cultural, or athletic activity;

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

(i) the tangible personal property; and

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

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

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

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

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

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

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

(i) stored;

(ii) used; or

(iii) otherwise consumed;

HB0519S03 compared with HB0519S01

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

- (i) stored;
- (ii) used; or
- (iii) consumed;
- (m) amounts paid or charged for a sale:
 - (i) (A) of a product transferred electronically; or
 - (B) of a repair or renovation of a product transferred electronically; and
 - (ii) regardless of whether the sale provides:
 - (A) a right of permanent use of the product; or
 - (B) a right to use the product that is less than a permanent use, including a right:
 - (I) for a definite or specified length of time; and
 - (II) that terminates upon the occurrence of a condition; and
- (n) sales of leased tangible personal property from the lessor to the lessee made in the state.

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

the sum of:

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

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

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

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

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

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

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

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

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

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

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

(B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any

HB0519S03 compared with HB0519S01

tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

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

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

(vi) A car-sharing program shall:

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

(I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or

(II) state or federal law provides otherwise; or

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

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

(II) state or federal law provides otherwise.

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) a commercial use;

(B) an industrial use; or

(C) a residential use.

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

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

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

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

HB0519S03 compared with HB0519S01

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

- (i) the tax imposed by Subsection (2)(a)(ii);
- (ii) the tax imposed by Subsection (2)(b)(ii);
- (iii) the tax imposed by Subsection (2)(c); and
- (iv) the tax imposed by Subsection (2)(f)(i)(B).

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

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

- (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 - (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 - (B) for the fiscal year; or
- (ii) \$17,500,000.

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

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

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

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

(iii) At the end of each fiscal year:

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

HB0519S03 compared with HB0519S01

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

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

(c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund created in Section 4-18-106.

(d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of water rights.

(ii) At the end of each fiscal year:

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

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

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

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

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

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

(B) fund state required dam safety improvements; and

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

HB0519S03 compared with HB0519S01

hiring of technical and legal staff.

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

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

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

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

(iii) develop surface water sources.

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

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

(ii) \$17,500,000.

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

(i) preconstruction costs:

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

of 2005; and

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

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

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

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

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

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

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

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

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

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

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

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

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

(D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that

HB0519S03 compared with HB0519S01

equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through (iii).

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

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

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

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

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

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

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

(12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance Program created in, and expended

HB0519S03 compared with HB0519S01

in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

(d) The state treasurer shall:

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

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

of water resources in the state.

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

(2)(h)(ii) to:

(A) counties;

(B) special service districts established:

(I) by counties;

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

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

(C) special service districts established:

(I) by counties;

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

(III) for other purposes authorized by statute.

(ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):

(A) in amounts proportionate to the amount of mineral lease money generated by each county; and

(B) to a county or special service district established by a county under Title 17D, Chapter 1, Special Service District Act, as determined by the county legislative body.

(i) (i) The Legislature shall annually appropriate 5% of all deposits made to the Mineral Lease Account to the Department of Workforce Services to be distributed to:

(A) special service districts established:

(I) by counties;

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

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

(B) special service districts established:

(I) by counties;

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

(III) for other purposes authorized by statute.

(ii) The Department of Workforce Services may distribute the amounts described in Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1, Special Service District Act, by counties:

HB0519S03 compared with HB0519S01

(A) of the third, fourth, fifth, or sixth class;
(B) in which 4.5% or less of the mineral lease money within the state is generated; and
(C) that are significantly socially or economically impacted as provided in Subsection (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et seq.

(iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C) shall be as a result of:

(A) the transportation within the county of hydrocarbons, including solid hydrocarbons as defined in Section 59-5-101;

(B) the employment of persons residing within the county in hydrocarbon extraction, including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

(C) a combination of Subsections (2)(i)(iii)(A) and (B).

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

(I) \$1,000; and

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

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

HB0519S03 compared with HB0519S01

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

(B) school districts; or

(C) public institutions of higher education.

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

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

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

(A) owned by:

(I) the Division of State Parks;

(II) the Division of Outdoor Recreation; or

(III) the Division of Wildlife Resources;

(B) located on lands that are owned by:

(I) the Division of State Parks;

(II) the Division of Outdoor Recreation; or

(III) the Division of Wildlife Resources; and

(C) are not subject to taxation under:

(I) Chapter 2, Property Tax Act; or

(II) Chapter 4, Privilege Tax.

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

(iii) any additional information required by the commission.

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

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

(A) the total number of pounds of unprocessed brine shrimp eggs harvested by that

HB0519S03 compared with HB0519S01

person for that tax year;

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

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

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

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

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

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

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

63J-1-602.1. List of nonlapsing appropriations from accounts and funds.

Appropriations made from the following accounts or funds are nonlapsing:

(1) The Native American Repatriation Restricted Account created in Section 9-9-407.

(2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, as provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.

(3) Funds collected for directing and administering the C-PACE district created in Section 11-42a-106.

(4) Money received by the Utah Inland Port Authority, as provided in Section 11-58-105.

(5) The Commerce Electronic Payment Fee Restricted Account created in Section 13-1-17.

(6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in Section 19-2a-106.

(7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in Section 19-5-126.

(8) State funds for matching federal funds in the Children's Health Insurance Program as provided in Section 26B-3-906.

(9) Funds collected from the program fund for local health department expenses incurred in responding to a local health emergency under Section 26B-7-111.

HB0519S03 compared with HB0519S01

- (10) The Technology Development Restricted Account created in Section 31A-3-104.
- (11) The Criminal Background Check Restricted Account created in Section 31A-3-105.
- (12) The Captive Insurance Restricted Account created in Section 31A-3-304, except to the extent that Section 31A-3-304 makes the money received under that section free revenue.
- (13) The Title Licensee Enforcement Restricted Account created in Section 31A-23a-415.
- (14) The Health Insurance Actuarial Review Restricted Account created in Section 31A-30-115.
- (15) The State Mandated Insurer Payments Restricted Account created in Section 31A-30-118.
- (16) The Insurance Fraud Investigation Restricted Account created in Section 31A-31-108.
- (17) The Underage Drinking Prevention Media and Education Campaign Restricted Account created in Section 32B-2-306.
- (18) The Drinking While Pregnant Prevention Media and Education Campaign Restricted Account created in Section 32B-2-308.
- (19) The School Readiness Restricted Account created in Section 35A-15-203.
- (20) Money received by the Utah State Office of Rehabilitation for the sale of certain products or services, as provided in Section 35A-13-202.
- (21) The Oil and Gas Administrative Penalties Account created in Section 40-6-11.
- (22) The Oil and Gas Conservation Account created in Section 40-6-14.5.
- (23) The Division of Oil, Gas, and Mining Restricted account created in Section 40-6-23.
- (24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to the Motor Vehicle Division.
- (25) The License Plate Restricted Account created by Section 41-1a-122.
- (26) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account created by Section 41-3-110 to the State Tax Commission.
- (27) The State Disaster Recovery Restricted Account to the Division of Emergency Management, as provided in Section 53-2a-603.

HB0519S03 compared with HB0519S01

(28) The Response, Recovery, and Post-disaster Mitigation Restricted Account created in Section 53-2a-1302.

(29) The Department of Public Safety Restricted Account to the Department of Public Safety, as provided in Section 53-3-106.

(30) The Utah Highway Patrol Aero Bureau Restricted Account created in Section 53-8-303.

(31) The DNA Specimen Restricted Account created in Section 53-10-407.

(32) The Technical Colleges Capital Projects Fund created in Section 53B-2a-118.

(33) The Higher Education Capital Projects Fund created in Section 53B-22-202.

(34) A certain portion of money collected for administrative costs under the School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.

(35) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5, subject to Subsection 54-5-1.5(4)(d).

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

(51) The Computer Aided Dispatch Restricted Account created in Section 63H-7a-303.

(52) The Unified Statewide 911 Emergency Service Account created in Section 63H-7a-304.

(53) The Utah Statewide Radio System Restricted Account created in Section 63H-7a-403.

(54) The Utah Capital Investment Restricted Account created in Section 63N-6-204.

(55) The Motion Picture Incentive Account created in Section 63N-8-103.

(56) Funds collected by the housing of state probationary inmates or state parole inmates, as provided in Subsection 64-13e-104(2).

(57) Certain forestry and fire control funds utilized by the Division of Forestry, Fire, and State Lands, as provided in Section 65A-8-103.

(58) The Amusement Ride Safety Restricted Account, as provided in Section 72-16-204.

(59) Certain funds received by the Office of the State Engineer for well drilling fines or bonds, as provided in Section 73-3-25.

(60) The Water Resources Conservation and Development Fund, as provided in Section 73-23-2.

(61) Award money under the State Asset Forfeiture Grant Program, as provided under Section 77-11b-403.

HB0519S03 compared with HB0519S01

(62) Funds donated or paid to a juvenile court by private sources, as provided in Subsection 78A-6-203(1)(c).

(63) Fees for certificate of admission created under Section 78A-9-102.

(64) Funds collected for adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

(65) Funds collected for indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense Commission.

(66) The Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account created in Section 79-3-403.

(67) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State Park, and Green River State Park, as provided under Section 79-4-403.

(68) Certain funds received by the Division of State Parks from the sale or disposal of buffalo, as provided under Section 79-4-1001.

Section 11. Section ~~{63L-11-102}~~ 63L-11-201 is amended to read:

~~{~~ ~~63L-11-102. Definitions.~~

~~As used in this chapter:~~

~~(1) "Coordinating committee" means the committee created in Section 63L-11-401.~~

~~(2) ["Executive director"] "Director" means the public lands policy [executive] director appointed under Section 63L-11-201.~~

~~(3) "Office" means the Public Lands Policy Coordinating Office created in Section 63L-11-201.~~

~~(4) "Political subdivision" means:~~

~~(a) a county, municipality, special district, special service district, school district, or interlocal entity, as defined in Section 11-13-103; or~~

~~(b) an administrative subunit of an entity listed in Subsection (4)(a).~~

~~Section 12. Section 63L-11-201 is amended to read:~~

~~{~~ **63L-11-201. Public Lands Policy Coordinating Office -- ~~{Director}~~ Executive director -- Appointment -- Qualifications -- Compensation.**

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

(2) The ~~{}~~executive ~~{}~~ director shall be appointed by the governor with the advice

HB0519S03 compared with HB0519S01

and consent of the Senate and shall serve at the pleasure of the governor.

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

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

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

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

~~{}~~(c) The office space for the ~~{}~~executive~~}~~ director and employees of the office shall be in a building where the Department of Natural Resources is located.

Section ~~{13}~~12. Section ~~{63L-11-202}~~73-5-15 is amended to read:

~~{~~ 63L-11-202. Powers and duties of the office and director.

~~——~~ (1) ~~The office shall:~~

~~——~~ (a) ~~make a report to the Constitutional Defense Council created under Section 63C-4a-202 concerning R.S. 2477 rights and other public lands issues under Title 63C, Chapter 4a, Constitutional and Federalism Defense Act;~~

~~——~~ (b) ~~provide staff assistance to the Constitutional Defense Council created under Section 63C-4a-202 for meetings of the council;~~

~~——~~ (c) (i) ~~prepare and submit a constitutional defense plan under Section 63C-4a-403; and~~

~~——~~ (ii) ~~execute any action assigned in a constitutional defense plan;~~

~~——~~ (d) ~~develop public lands policies by:~~

~~——~~ (i) ~~developing cooperative contracts and agreements between the state, political subdivisions, and agencies of the federal government for involvement in the development of public lands policies;~~

~~——~~ (ii) ~~producing research, documents, maps, studies, analysis, or other information that supports the state's participation in the development of public lands policy;~~

~~——~~ (iii) ~~preparing comments to ensure that the positions of the state and political subdivisions are considered in the development of public lands policy; and~~

~~——~~ (iv) ~~partnering with state agencies and political subdivisions in an effort to:~~

HB0519S03 compared with HB0519S01

- ~~—— (A) prepare coordinated public lands policies;~~
- ~~—— (B) develop consistency reviews and responses to public lands policies;~~
- ~~—— (C) develop management plans that relate to public lands policies; and~~
- ~~—— (D) develop and maintain a statewide land use plan that is based on cooperation and in conjunction with political subdivisions;~~
- ~~—— (e) facilitate and coordinate the exchange of information, comments, and recommendations on public lands policies between and among:~~
 - ~~—— (i) state agencies;~~
 - ~~—— (ii) political subdivisions;~~
 - ~~—— (iii) the [Office of] Center for Rural Development created under Section 63N-4-102;~~
 - ~~—— (iv) the coordinating committee;~~
 - ~~—— (v) School and Institutional Trust Lands Administration created under Section 53C-1-201;~~
 - ~~—— (vi) the committee created under Section 63A-16-507 to award grants to counties to inventory and map R.S. 2477 rights-of-way, associated structures, and other features; and~~
 - ~~—— (vii) the Constitutional Defense Council created under Section 63C-4a-202;~~
- ~~—— (f) perform the duties established in Title 9, Chapter 8a, Part 3, Antiquities, and Title 9, Chapter 8a, Part 4, Historic Sites;~~
- ~~—— (g) consistent with other statutory duties, encourage agencies to responsibly preserve archaeological resources;~~
- ~~—— (h) maintain information concerning grants made under Subsection (1)(j), if available;~~
- ~~—— (i) report annually, or more often if necessary or requested, concerning the office's activities and expenditures to:~~
 - ~~—— (i) the Constitutional Defense Council; and~~
 - ~~—— (ii) the Legislature's Natural Resources, Agriculture, and Environment Interim Committee jointly with the Constitutional Defense Council;~~
- ~~—— (j) make grants of up to 16% of the office's total annual appropriations from the Constitutional Defense Restricted Account to a county or statewide association of counties to be used by the county or association of counties for public lands matters if the executive director, with the advice of the Constitutional Defense Council, determines that the action provides a state benefit;~~

HB0519S03 compared with HB0519S01

~~—— (k) provide staff services to the Snake Valley Aquifer Advisory Council created in Section 63C-12-103;~~

~~—— (l) coordinate and direct the Snake Valley Aquifer Research Team created in Section 63C-12-107;~~

~~—— (m) conduct the public lands transfer study and economic analysis required by Section 63L-11-304; and~~

~~—— (n) fulfill the duties described in Section 63L-10-103.~~

~~—— (2) The [executive] director shall comply with Subsection 63C-4a-203(8) before submitting a comment to a federal agency, if the governor would be subject to Subsection 63C-4a-203(8) in submitting the comment.~~

~~—— (3) The office may enter into an agreement with another state agency to provide information and services related to:~~

~~—— (a) the duties authorized by Title 72, Chapter 3, Highway Jurisdiction and Classification Act;~~

~~—— (b) legal actions concerning Title 72, Chapter 3, Highway Jurisdiction and Classification Act, or R.S. 2477 matters; or~~

~~—— (c) any other matter within the office's responsibility.~~

~~—— (4) In fulfilling the duties under this part, the office shall consult, as necessary, with:~~

~~—— (a) the Department of Natural Resources;~~

~~—— (b) the Department of Agriculture and Food;~~

~~—— (c) the Department of Environmental Quality;~~

~~—— (d) other applicable state agencies;~~

~~—— (e) political subdivisions of the state;~~

~~—— (f) federal land management agencies; and~~

~~—— (g) elected officials.~~

~~—— Section 14. Section 63L-11-305 is amended to read:~~

~~—— **63L-11-305. Facilitating the acquisition of federal land.**~~

~~—— (1) As used in this section:~~

~~—— (a) "Federal land" means land that the secretary is authorized to dispose of under the federal land disposal law.~~

~~—— (b) "Federal land disposal law" means the Recreation and Public Purposes Act, 43~~

HB0519S03 compared with HB0519S01

U.S.C. Sec. 869 et seq.

~~—— (c) "Government entity" means any state or local government entity allowed to submit a land application under the federal land disposal law.~~

~~—— (d) "Land application" means an application under the federal land disposal law requesting the secretary to sell or lease federal land.~~

~~—— (e) "Land application process" means the actions involved in the process of submitting and obtaining a final decision on a land application.~~

~~—— (f) "Secretary" means the Secretary of the Interior of the United States.~~

~~—— (2) The office shall:~~

~~—— (a) develop expertise:~~

~~—— (i) in the land application process; and~~

~~—— (ii) concerning the factors that tend to increase the chances that a land application will result in the secretary selling or leasing federal land as requested in the land application;~~

~~—— (b) work to educate government entities concerning:~~

~~—— (i) the availability of federal land pursuant to the federal land disposal law; and~~

~~—— (ii) the land application process;~~

~~—— (c) advise and consult with a government entity that requests assistance from the office to formulate and submit a land application and to pursue a decision on the land application;~~

~~—— (d) advise and consult with a government entity that requests assistance from the office to identify and quantify the amount of any funds needed to provide the public use described in a land application;~~

~~—— (e) adopt a list of factors to be considered in determining the degree to which a land application or potential land application is in the public interest;~~

~~—— (f) recommend a prioritization of land applications or potential land applications in the state according to the extent to which the land applications are in the public interest, based on the factors adopted under Subsection (2)(e);~~

~~—— (g) prepare and submit a written report of land applications:~~

~~—— (i) to the Natural Resources, Agriculture, and Environment Interim Committee and the Federalism Commission;~~

~~—— (ii) (A) annually no later than August 31; and~~

~~—— (B) at other times, if and as requested by the committee or commission; and~~

HB0519S03 compared with HB0519S01

- ~~—— (iii) (A) on the activities of the office under this section;~~
- ~~—— (B) on the land applications and potential land applications in the state;~~
- ~~—— (C) on the decisions of the secretary on land applications submitted by government entities in the state; and~~
- ~~—— (D) the quantity of land acquired under the land applications;~~
- ~~—— (h) present a summary of information contained in the report described in Subsection (2)(g):~~
 - ~~—— (i) at a meeting of the Natural Resources, Agriculture, and Environment Interim Committee and at a meeting of the Federalism Commission;~~
 - ~~—— (ii) annually no later than August 31; and~~
 - ~~—— (iii) at other times, if and as requested by the committee or commission; and~~
 - ~~—— (i) report to the Executive Appropriations Committee of the Legislature, as frequently as the [executive] director considers appropriate or as requested by the Executive Appropriations Committee, on the need for legislative appropriations to provide funds for the public purposes described in land applications.~~
- ~~—— (3) The office may:~~
 - ~~—— (a) assist a government entity or the secretary in the filing and processing of a land application; and~~
 - ~~—— (b) enter into an agreement with the secretary related to the office assisting in processing a land application.~~
- ~~—— Section 15. Section **63L-11-402** is amended to read:~~
- ~~—— **63L-11-402. Membership -- Terms -- Chair -- Expenses.**~~
 - ~~—— (1) The Resource Development Coordinating Committee consists of the following 26 members:~~
 - ~~—— (a) the state science advisor;~~
 - ~~—— (b) a representative from the Department of Agriculture and Food appointed by the commissioner of the Department of Agriculture and Food;~~
 - ~~—— (c) a representative from the Department of Cultural and Community Engagement appointed by the executive director of the Department of Cultural and Community Engagement;~~
 - ~~—— (d) a representative from the Department of Environmental Quality appointed by the~~

HB0519S03 compared with HB0519S01

~~executive director of the Department of Environmental Quality;~~

~~—— (e) a representative from the Department of Natural Resources appointed by the executive director of the Department of Natural Resources;~~

~~—— (f) a representative from the Department of Transportation appointed by the executive director of the Department of Transportation;~~

~~—— (g) a representative from the Governor's Office of Economic Opportunity appointed by the director of the Governor's Office of Economic Opportunity;~~

~~—— (h) a representative from the Housing and Community Development Division appointed by the director of the Housing and Community Development Division;~~

~~—— (i) a representative from the Utah Historical Society appointed by the director of the Utah Historical Society;~~

~~—— (j) a representative from the Division of Air Quality appointed by the director of the Division of Air Quality;~~

~~—— (k) a representative from the Division of Drinking Water appointed by the director of the Division of Drinking Water;~~

~~—— (l) a representative from the Division of Environmental Response and Remediation appointed by the director of the Division of Environmental Response and Remediation;~~

~~—— (m) a representative from the Division of Waste Management and Radiation Control appointed by the director of the Division of Waste Management and Radiation Control;~~

~~—— (n) a representative from the Division of Water Quality appointed by the director of the Division of Water Quality;~~

~~—— (o) a representative from the Division of Oil, Gas, and Mining appointed by the director of the Division of Oil, Gas, and Mining;~~

~~—— (p) a representative from the Division of Parks appointed by the director of the Division of Parks;~~

~~—— (q) a representative from the Division of Outdoor Recreation appointed by the director of the Division of Outdoor Recreation;~~

~~—— (r) a representative from the Division of Forestry, Fire, and State Lands appointed by the director of the Division of Forestry, Fire, and State Lands;~~

~~—— (s) a representative from the Utah Geological Survey appointed by the director of the Utah Geological Survey;~~

HB0519S03 compared with HB0519S01

~~—— (t) a representative from the Division of Water Resources appointed by the director of the Division of Water Resources;~~

~~—— (u) a representative from the Division of Water Rights appointed by the director of the Division of Water Rights;~~

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

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

~~—— (x) a representative from the Division of Facilities Construction and Management appointed by the director of the Division of Facilities Construction and Management;~~

~~—— (y) a representative from the Division of Emergency Management appointed by the director of the Division of Emergency Management; and~~

~~—— (z) a representative from the Division of Conservation, created under Section 4-46-401, appointed by the director of the Division of Conservation.~~

~~—— (2) (a) As particular issues require, the coordinating committee may, by majority vote of the members present, appoint additional temporary members to serve as ex officio voting members.~~

~~—— (b) Those ex officio members may discuss and vote on the issue or issues for which they were appointed.~~

~~—— (3) A chair shall be selected by a vote of 14 committee members with the concurrence of the [executive] director.~~

~~—— (4) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:~~

~~—— (a) Sections 63A-3-106 and 63A-3-107; and~~

~~—— (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.~~

~~—— Section 16. Section ~~63L-11-403~~ is amended to read:~~

~~—— **63L-11-403. Director responsibilities.**~~

~~—— The [executive] director shall:~~

~~—— (1) administer this part;~~

~~—— (2) subject to the direction and approval of the governor, take necessary action to~~

HB0519S03 compared with HB0519S01

~~implement this part; and~~

~~—— (3) inform political subdivision representatives, in advance, of all coordinating committee meetings.~~

~~—— Section 17. Section ~~67-22-2~~ is amended to read:~~

~~—— ~~67-22-2. Compensation -- Other state officers:~~~~

~~—— (1) As used in this section:~~

~~—— (a) "Appointed executive" means the:~~

~~—— (i) commissioner of the Department of Agriculture and Food;~~

~~—— (ii) commissioner of the Insurance Department;~~

~~—— (iii) commissioner of the Labor Commission;~~

~~—— (iv) director, Department of Alcoholic Beverage Services;~~

~~—— (v) commissioner of the Department of Financial Institutions;~~

~~—— (vi) executive director, Department of Commerce;~~

~~—— (vii) executive director, Commission on Criminal and Juvenile Justice;~~

~~—— (viii) adjutant general;~~

~~—— (ix) executive director, Department of Cultural and Community Engagement;~~

~~—— (x) executive director, Department of Corrections;~~

~~—— (xi) commissioner, Department of Public Safety;~~

~~—— (xii) executive director, Department of Natural Resources;~~

~~—— (xiii) executive director, Governor's Office of Planning and Budget;~~

~~—— (xiv) executive director, Department of Government Operations;~~

~~—— (xv) executive director, Department of Environmental Quality;~~

~~—— (xvi) executive director, Governor's Office of Economic Opportunity;~~

~~—— (xvii) executive director, Department of Workforce Services;~~

~~—— (xviii) executive director, Department of Health, Nonphysician;~~

~~—— (xix) executive director, Department of Human Services;~~

~~—— (xx) executive director, Department of Transportation;~~

~~—— (xxi) executive director, Department of Veterans and Military Affairs;~~

~~—— (xxii) [executive] director, Public Lands Policy Coordinating Office, created in Section 63L-11-201; and~~

~~—— (xxiii) Great Salt Lake commissioner, appointed under Section 73-32-201.~~

HB0519S03 compared with HB0519S01

~~—— (b) "Board or commission executive" means:~~

~~—— (i) members, Board of Pardons and Parole;~~

~~—— (ii) chair, State Tax Commission;~~

~~—— (iii) commissioners, State Tax Commission;~~

~~—— (iv) executive director, State Tax Commission;~~

~~—— (v) chair, Public Service Commission; and~~

~~—— (vi) commissioners, Public Service Commission.~~

~~—— (c) "Deputy" means the person who acts as the appointed executive's second in command as determined by the Division of Human Resource Management.~~

~~—— (2) (a) The director of the Division of Human Resource Management shall:~~

~~—— (i) before October 31 of each year, recommend to the governor a compensation plan for the appointed executives and the board or commission executives; and~~

~~—— (ii) base those recommendations on market salary studies conducted by the Division of Human Resource Management.~~

~~—— (b) (i) The Division of Human Resource Management shall determine the salary range for the appointed executives by:~~

~~—— (A) identifying the salary range assigned to the appointed executive's deputy;~~

~~—— (B) designating the lowest minimum salary from those deputies' salary ranges as the minimum salary for the appointed executives' salary range; and~~

~~—— (C) designating 105% of the highest maximum salary range from those deputies' salary ranges as the maximum salary for the appointed executives' salary range.~~

~~—— (ii) If the deputy is a medical doctor, the Division of Human Resource Management may not consider that deputy's salary range in designating the salary range for appointed executives.~~

~~—— (c) (i) Except as provided in Subsection (2)(c)(ii), in establishing the salary ranges for board or commission executives, the Division of Human Resource Management shall set the maximum salary in the salary range for each of those positions at 90% of the salary for district judges as established in the annual appropriation act under Section 67-8-2.~~

~~—— (ii) In establishing the salary ranges for an individual described in Subsection (1)(b)(ii) or (iii), the Division of Human Resource Management shall set the maximum salary in the salary range for each of those positions at 100% of the salary for district judges as established~~

HB0519S03 compared with HB0519S01

~~in the annual appropriation act under Section 67-8-2:~~

~~—— (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a specific salary for each appointed executive within the range established under Subsection (2)(b):~~

~~—— (ii) If the executive director of the Department of Health is a physician, the governor shall establish a salary within the highest physician salary range established by the Division of Human Resource Management:~~

~~—— (iii) The governor may provide salary increases for appointed executives within the range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii):~~

~~—— (b) The governor shall apply the same overtime regulations applicable to other FLSA exempt positions:~~

~~—— (c) The governor may develop standards and criteria for reviewing the appointed executives:~~

~~—— (4) Salaries for other Schedule A employees, as defined in Section 63A-17-301, that are not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial Salary Act, shall be established as provided in Section 63A-17-301.~~

~~—— (5) (a) The Legislature fixes benefits for the appointed executives and the board or commission executives as follows:~~

~~—— (i) the option of participating in a state retirement system established by Title 49, Utah State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered by the State Retirement Office in accordance with the Internal Revenue Code and its accompanying rules and regulations;~~

~~—— (ii) health insurance;~~

~~—— (iii) dental insurance;~~

~~—— (iv) basic life insurance;~~

~~—— (v) unemployment compensation;~~

~~—— (vi) workers' compensation;~~

~~—— (vii) required employer contribution to Social Security;~~

~~—— (viii) long-term disability income insurance;~~

~~—— (ix) the same additional state-paid life insurance available to other noncareer service employees;~~

HB0519S03 compared with HB0519S01

- ~~—— (x) the same severance pay available to other noncareer service employees;~~
- ~~—— (xi) the same leave, holidays, and allowances granted to Schedule B state employees as follows:
 - ~~—— (A) sick leave;~~
 - ~~—— (B) converted sick leave if accrued prior to January 1, 2014;~~
 - ~~—— (C) educational allowances;~~
 - ~~—— (D) holidays; and~~
 - ~~—— (E) annual leave except that annual leave shall be accrued at the maximum rate provided to Schedule B state employees;~~~~
- ~~—— (xii) the option to convert accumulated sick leave to cash or insurance benefits as provided by law or rule upon resignation or retirement according to the same criteria and procedures applied to Schedule B state employees;~~
- ~~—— (xiii) the option to purchase additional life insurance at group insurance rates according to the same criteria and procedures applied to Schedule B state employees; and~~
- ~~—— (xiv) professional memberships if being a member of the professional organization is a requirement of the position.~~
- ~~—— (b) Each department shall pay the cost of additional state-paid life insurance for its executive director from its existing budget.~~
- ~~—— (6) The Legislature fixes the following additional benefits:
 - ~~—— (a) for the executive director of the State Tax Commission a vehicle for official and personal use;~~
 - ~~—— (b) for the executive director of the Department of Transportation a vehicle for official and personal use;~~
 - ~~—— (c) for the executive director of the Department of Natural Resources a vehicle for commute and official use;~~
 - ~~—— (d) for the commissioner of Public Safety:
 - ~~—— (i) an accidental death insurance policy if POST certified; and~~
 - ~~—— (ii) a public safety vehicle for official and personal use;~~~~
 - ~~—— (e) for the executive director of the Department of Corrections:
 - ~~—— (i) an accidental death insurance policy if POST certified; and~~
 - ~~—— (ii) a public safety vehicle for official and personal use;~~~~~~

HB0519S03 compared with HB0519S01

~~(f) for the adjutant general a vehicle for official and personal use; and~~

~~(g) for each member of the Board of Pardons and Parole a vehicle for commute and official use.~~

~~Section 18. Section 73-5-15 is amended to read:~~

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

(1) As used in this section:

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

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

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

(b) The objectives of a groundwater management plan are to:

(i) limit groundwater withdrawals to safe yield;

(ii) protect the physical integrity of the aquifer; and

(iii) protect water quality.

(c) The state engineer shall adopt a groundwater management plan for a groundwater basin if more than one-third of the water right owners in the groundwater basin request that the state engineer adopt a groundwater management plan.

(3) (a) In developing a groundwater management plan, the state engineer may consider:

(i) the hydrology of the groundwater basin;

(ii) the physical characteristics of the groundwater basin;

(iii) the relationship between surface water and groundwater, including whether the groundwater should be managed in conjunction with hydrologically connected surface waters;

(iv) the conjunctive management of water rights to facilitate and coordinate the lease, purchase, or voluntary use of water rights subject to the groundwater management plan;

(v) the geographic spacing and location of groundwater withdrawals;

(vi) water quality;

HB0519S03 compared with HB0519S01

(vii) local well interference; and

(viii) other relevant factors.

(b) The state engineer shall base the provisions of a groundwater management plan on the principles of prior appropriation.

(c) (i) The state engineer shall use the best available scientific method to determine safe yield.

(ii) As hydrologic conditions change or additional information becomes available, safe yield determinations made by the state engineer may be revised by following the procedures listed in Subsection (5).

(4) (a) (i) Except as provided in Subsection (4)(b), the withdrawal of water from a groundwater basin shall be limited to the basin's safe yield.

(ii) Before limiting withdrawals in a groundwater basin to safe yield, the state engineer shall:

(A) determine the groundwater basin's safe yield; and

(B) adopt a groundwater management plan for the groundwater basin.

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

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

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

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

HB0519S03 compared with HB0519S01

safe yield.

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

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

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

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

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

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

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

(b) hold one or more public meetings in the geographic area proposed to be included within the groundwater management plan to:

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

- (B) specifying where a copy of the draft plan may be reviewed; and
- (ii) promptly provide a copy of the draft plan in printed or electronic form to each of the entities listed in Subsection (7)(a)(iii) that makes written request for a copy; and
- (e) provide notice of the adoption of the groundwater management plan.
- (6) A groundwater management plan shall become effective on the date notice of adoption is completed under Subsection (7), or on a later date if specified in the plan.
- (7) (a) A notice required by this section shall be:
 - (i) published:
 - (A) once a week for two successive weeks in a newspaper of general circulation in each county that encompasses a portion of the land area proposed to be included within the groundwater management plan; and
 - (B) in accordance with Section 45-1-101 for two weeks;
 - (ii) published conspicuously on the state engineer's website; and
 - (iii) mailed to each of the following that has within its boundaries a portion of the land area to be included within the proposed groundwater management plan:
 - (A) county;
 - (B) incorporated city or town;
 - (C) a special district created to acquire or assess a groundwater right under Title 17B, Chapter 1, Provisions Applicable to All Special Districts;
 - (D) improvement district under Title 17B, Chapter 2a, Part 4, Improvement District Act;
 - (E) service area, under Title 17B, Chapter 2a, Part 9, Service Area Act;
 - (F) drainage district, under Title 17B, Chapter 2a, Part 2, Drainage District Act;
 - (G) irrigation district, under Title 17B, Chapter 2a, Part 5, Irrigation District Act;
 - (H) metropolitan water district, under Title 17B, Chapter 2a, Part 6, Metropolitan Water District Act;
 - (I) special service district providing water, sewer, drainage, or flood control services, under Title 17D, Chapter 1, Special Service District Act;
 - (J) water conservancy district, under Title 17B, Chapter 2a, Part 10, Water Conservancy District Act; and
 - (K) conservation district, under Title 17D, Chapter 3, Conservation District Act.

HB0519S03 compared with HB0519S01

(b) A notice required by this section is effective upon substantial compliance with Subsections (7)(a)(i) through (iii).

(8) A groundwater management plan may be amended in the same manner as a groundwater management plan may be adopted under this section.

(9) The existence of a groundwater management plan does not preclude any otherwise eligible person from filing any application or challenging any decision made by the state engineer within the affected groundwater basin.

(10) (a) A person aggrieved by a groundwater management plan may challenge any aspect of the groundwater management plan by filing a complaint within 60 days after the adoption of the groundwater management plan in the district court for any county in which the groundwater basin is found.

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

(c) An action brought under this Subsection (10) is reviewed de novo by the district court.

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

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

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

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

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

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

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

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

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

HB0519S03 compared with HB0519S01

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

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

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

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

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

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

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

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

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

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

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

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

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

(15) (a) A groundwater management plan adopted by the state engineer before May 1,

HB0519S03 compared with HB0519S01

2006, remains in force and has the same legal effect as it had on the day on which it was adopted by the state engineer.

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

Section ~~{19}~~13. Section 73-10-27 is amended to read:

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

(1) As used in this section:

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

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

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

(i) who:

(A) submits the lowest bid; and

(B) furnishes a payment bond and a performance bond under Sections 14-1-18 and 63G-6a-1103; and

(ii) whose bid:

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

(B) meets the plans and specifications.

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

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

(b) meets a critical local need;

(c) has greater economic feasibility;

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

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

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

~~[(b) In considering whether a project should be built, the benefit-to-cost ratio for each~~

HB0519S03 compared with HB0519S01

~~project shall be weighted based on the relative cost of the project.]~~

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

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

- (a) in the public interest, as determined by the board; or
- (b) adequately designed based on sound engineering and geologic considerations.

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

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

(i) a flood control project:

(A) involving a city or county; and

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

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

(iii) the construction of a hydroelectric generating facility;

(b) publish an advertisement for a competitive bid:

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

(ii) indicating that the board:

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

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

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

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

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

~~[(7)]~~ (6) If a payment on a contract with a private contractor for construction of a

HB0519S03 compared with HB0519S01

project under this section is retained or withheld, it shall be retained or withheld and released as provided in Section 13-8-5.

Section ~~{20}~~14. Section **79-2-102** is amended to read:

79-2-102. Definitions.

As used in this chapter:

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

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

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

~~[(b) threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.]~~

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

Section ~~{21}~~15. Section **79-2-406** is amended to read:

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

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

(2) The department shall publish, on the department's website, the land use permits collected by the Utah Geological Survey pursuant to Subsection ~~[79-3-202(1)(r)]~~ 79-3-202(1)(q).

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

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

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

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

(i) the Utah Department of Environmental Quality;

(ii) the United States Army Corps of Engineers;

HB0519S03 compared with HB0519S01

(iii) the United States Fish and Wildlife Service;

(iv) the United States Environmental Protection Agency; or

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

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

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

Section ~~722~~16. Section **79-3-202** is amended to read:

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

- (1) The survey shall:
- (a) assist and advise state and local agencies and state educational institutions on geologic, paleontologic, and mineralogic subjects;
 - (b) collect and distribute reliable information regarding the mineral industry and mineral resources, topography, paleontology, and geology of the state;
 - (c) survey the geology of the state, including mineral occurrences and the ores of metals, energy resources, industrial minerals and rocks, mineral-bearing waters, and surface and ground water resources, with special reference to their economic contents, values, uses, kind, and availability in order to facilitate their economic use;
 - (d) investigate the kind, amount, and availability of mineral substances contained in lands owned and controlled by the state, to contribute to the most effective and beneficial administration of these lands for the state;
 - (e) determine and investigate areas of geologic and topographic hazards that could affect the safety of, or cause economic loss to, the citizens of the state;
 - (f) assist local and state agencies in their planning, zoning, and building regulation functions by publishing maps, delineating appropriately wide special earthquake risk areas, and, at the request of state agencies or other governmental agencies, review the siting of critical facilities;
 - (g) cooperate with state agencies, political subdivisions of the state, quasi-governmental agencies, federal agencies, schools of higher education, and others in fields

HB0519S03 compared with HB0519S01

of mutual concern, which may include field investigations and preparation, publication, and distribution of reports and maps;

(h) collect and preserve data pertaining to mineral resource exploration and development programs and construction activities, such as claim maps, location of drill holes, location of surface and underground workings, geologic plans and sections, drill logs, and assay and sample maps, including the maintenance of a sample library of cores and cuttings;

(i) study and analyze other scientific, economic, or aesthetic problems as, in the judgment of the board, should be undertaken by the survey to serve the needs of the state and to support the development of natural resources and utilization of lands within the state;

(j) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the work accomplished by the survey, directly or in collaboration with others, and collect and prepare exhibits of the geological and mineral resources of this state and interpret their significance;

(k) collect, maintain, and preserve data and information in order to accomplish the purposes of this section and act as a repository for information concerning the geology of this state;

(l) stimulate research, study, and activities in the field of paleontology;

(m) mark, protect, and preserve critical paleontological sites;

(n) collect, preserve, and administer critical paleontological specimens until the specimens are placed in a repository or curation facility;

(o) administer critical paleontological site excavation records;

(p) edit and publish critical paleontological records and reports; and

~~[(q) by following the procedures and requirements of Title 63J, Chapter 5, Federal Funds Procedures Act, seek federal grants, loans, or participation in federal programs, and, in accordance with applicable federal program guidelines, administer federally funded state programs regarding:]~~

~~[(i) renewable energy;]~~

~~[(ii) energy efficiency; and]~~

~~[(iii) energy conservation; and]~~

~~[(r)]~~ (q) collect the land use permits described in Sections 10-9a-521 and 17-27a-520.

(2) (a) The survey may maintain as confidential, and not as a public record,

HB0519S03 compared with HB0519S01

information provided to the survey by any source.

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

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

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

(4) (a) Subject to the authority granted to the department, the survey may enter into cooperative agreements with the entities specified in Subsection (1)(g), if approved by the board, and may accept or commit allocated or budgeted funds in connection with those agreements.

(b) The survey may undertake joint projects with private entities if:

(i) the action is approved by the board;

(ii) the projects are not inconsistent with the state's objectives; and

(iii) the results of the projects are available to the public.

Section ~~23~~17. Section 79-3-403 is amended to read:

79-3-403. Utah Geological Survey Restricted Account.

(1) As used in this section:

(a) "Account" means the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account created by this section.

(b) "Survey" means the Utah Geological Survey.

(2) (a) There is created a restricted account within the General Fund known as the "Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account."

(b) The account consists of:

(i) deposits to the account made under Section 51-9-306;

(ii) deposits to the account made under Section ~~59-23-4~~59-21-2;

~~[(ii)] (iii)~~ appropriations of the Legislature; and

~~[(iii)] (iv)~~ interest and other earnings described in Subsection (2)(c).

(c) The Office of the Treasurer shall deposit interest and other earnings derived from investment of money in the account into the account.

(3) (a) Upon appropriation by the Legislature, the survey shall use money from the

HB0519S03 compared with HB0519S01

account to pay costs of:

(i) programs or projects administered by the survey that are primarily related to oil, gas, and mining[-]; and

(ii) activities carried on by the survey having as a purpose the development and exploitation of natural resources in the state.

(b) An appropriation provided for under this section is not intended to replace the following that is otherwise allocated for the programs or projects described in Subsection

(3)(a)(i):

(i) federal money; or

(ii) a dedicated credit.

(4) Appropriations made in accordance with this section are nonlapsing in accordance with Section 63J-1-602.1.

Section ~~{24}~~18. Section **79-6-102** is amended to read:

79-6-102. Definitions.

As used in this chapter:

~~[(1) "Appointing authority" means:]~~

~~[(a) on and before June 30, 2029, the governor; and]~~

~~[(b) on and after July 1, 2029, the executive director.]~~

~~[(2) (a) On and before June 30, 2029, "energy advisor" means the governor's energy advisor appointed under Section 79-6-401.]~~

~~[(b) On and after July 1, 2029, "energy advisor" means the energy advisor appointed by the executive director under Section 79-6-401.]~~

~~[(3)]~~ (1) "Office" means the Office of Energy Development created in Section 79-6-401.

~~[(4)]~~ (2) "State agency" means an executive branch:

(a) department;

(b) agency;

(c) board;

(d) commission;

(e) division; or

(f) state educational institution.

HB0519S03 compared with HB0519S01

Section ~~{25}~~19. Section 79-6-106 is amended to read:

79-6-106. Hydrogen advisory council.

(1) The department shall create a hydrogen advisory council within the office that consists of seven to nine members appointed by the executive director, in consultation with the ~~[energy advisor]~~ director. The executive director shall appoint members with expertise in:

- (a) hydrogen energy in general;
- (b) hydrogen project facilities;
- (c) technology suppliers;
- (d) hydrogen producers or processors;
- (e) renewable and fossil based power generation industries; and
- (f) fossil fuel based hydrogen feedstock providers.

(2) (a) Except as required by Subsection (2)(b), a member shall serve a four-year term.

(b) The executive director shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of council members are staggered so that approximately half of the hydrogen advisory council is appointed every two years.

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

(3) (a) A majority of the members appointed under this section constitutes a quorum of the hydrogen advisory council.

(b) The hydrogen advisory council shall determine:

- (i) the time and place of meetings; and
- (ii) any other procedural matter not specified in this section.

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

- (a) Section 63A-3-106;
- (b) Section 63A-3-107; and
- (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(5) The office shall staff the hydrogen advisory council.

(6) The hydrogen advisory council may:

- (a) develop hydrogen facts and figures that facilitate use of hydrogen fuel within the

HB0519S03 compared with HB0519S01

state;

(b) encourage cross-state cooperation with states that have hydrogen programs;

(c) work with state agencies, the private sector, and other stakeholders, such as environmental groups, to:

(i) recommend realistic goals for hydrogen development that can be executed within realistic time frames; and

(ii) educate, discuss, consult, and make recommendations in hydrogen related matters that benefit the state;

(d) promote hydrogen research at state institutions of higher education, as defined in Section 53B-3-102;

(e) make recommendations regarding how to qualify for federal funding of hydrogen projects, including hydrogen related projects for:

(i) the state;

(ii) a local government;

(iii) a privately commissioned project;

(iv) an educational project;

(v) scientific development; and

(vi) engineering and novel technologies;

(f) make recommendations related to the development of multiple feedstock or energy resources in the state such as wind, solar, hydroelectric, geothermal, coal, natural gas, oil, water, electrolysis, coal gasification, liquefaction, hydrogen storage, safety handling, compression, and transportation;

(g) make recommendations to establish statewide safety protocols for production, transportation, and handling of hydrogen for both residential and commercial applications;

(h) facilitate public events to raise the awareness of hydrogen and hydrogen related fuels within the state and how hydrogen can be advantageous to all forms of transportation, heat, and power generation;

(i) review and make recommendations regarding legislation; and

(j) make other recommendations to the [~~energy advisor~~] director related to hydrogen development in the state.

Section ~~26~~20. Section **79-6-401** is amended to read:

HB0519S03 compared with HB0519S01

79-6-401. Office of Energy Development -- Director -- Purpose -- Rulemaking regarding confidential information -- Fees -- Duties and powers.

(1) There is created an Office of Energy Development [~~in~~] within the Department of Natural Resources to be administered by a director.

(2) (a) The governor shall appoint the director and the director shall serve at the pleasure of the governor.

(b) The director shall have demonstrated the necessary administrative and professional ability through education and experience to efficiently and effectively manage the office's affairs.

(c) The director shall serve as an advisor to the governor on energy related matters.

~~[(2)(a) The energy advisor shall serve as the director of the office or, on or before June 30, 2029, appoint a director of the office.]~~

~~[(b) The director:]~~

~~[(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to the energy advisor; and]~~

~~[(ii) may appoint staff as funding within existing budgets allows.]~~

~~[(c) The office may consolidate energy staff and functions existing in the state energy program.]~~

(3) The purposes of the office are to:

(a) serve as the primary resource for advancing energy and mineral development in the state;

(b) implement:

(i) the state energy policy under Section 79-6-301; and

(ii) the governor's energy and mineral development goals and objectives;

(c) advance energy education, outreach, and research, including the creation of elementary, higher education, and technical college energy education programs;

(d) promote energy and mineral development workforce initiatives; and

(e) support collaborative research initiatives targeted at Utah-specific energy and mineral development.

(4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds Procedures Act, the office may:

HB0519S03 compared with HB0519S01

(a) seek federal grants or loans;
(b) seek to participate in federal programs; and
(c) in accordance with applicable federal program guidelines, administer federally funded state energy programs.

(5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102, 59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax Credit Act, and Part 6, High Cost Infrastructure Development Tax Credit Act.

(6) (a) For purposes of administering this section, the office may make rules, by following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as confidential, and not as a public record, information that the office receives from any source.

(b) The office shall maintain information the office receives from any source at the level of confidentiality assigned by the source.

(7) The office may charge application, filing, and processing fees in amounts determined by the office in accordance with Section 63J-1-504 as dedicated credits for performing office duties described in this part.

(8) (a) An employee of the office on April 30, 2024, is an at-will employee.

(b) For an employee [~~of the~~] described in Subsection (8)(a) who was employed by the office on [~~July 1, 2021]~~ April 30, 2024, the employee shall have the same salary and benefit options [~~the~~] an employee had when the office was part of the office of the governor.

(c) An employee of the office hired on or after May 1, 2024, shall receive compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

(9) (a) The office shall prepare a strategic energy plan to achieve the state's energy policy, including:

(i) technological and infrastructure innovation needed to meet future energy demand including:

(A) energy production technologies;

(B) battery and storage technologies;

(C) smart grid technologies;

(D) energy efficiency technologies; and

(E) any other developing energy technology, energy infrastructure planning, or investments that will assist the state in meeting energy demand;

HB0519S03 compared with HB0519S01

(ii) the state's efficient utilization and development of:

(A) nonrenewable energy resources, including natural gas, coal, clean coal, hydrogen, oil, oil shale, and oil sands;

(B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass, biofuel, and hydroelectric;

(C) nuclear power; and

(D) earth minerals;

(iii) areas of energy-related academic research;

(iv) specific areas of workforce development necessary for an evolving energy industry;

(v) the development of partnerships with national laboratories; and

(vi) a proposed state budget for economic development and investment.

(b) In preparing the strategic energy plan, the office shall consult with stakeholders, including representatives from:

(i) energy companies in the state;

(ii) private and public institutions of higher education within the state conducting energy-related research; and

(iii) other state agencies.

(c) On or before the October 2023 interim meeting, the office shall report to the Public Utilities, Energy, and Technology Interim Committee and the Executive Appropriations [Interim] Committee describing:

(i) progress towards creation of the strategic energy plan; and

(ii) a proposed budget for the office to continue development of the strategic energy plan.

(10) The director shall:

(a) annually review and propose updates to the state's energy policy, as contained in Section 79-6-301;

(b) promote as the governor considers necessary:

(i) the development of cost-effective energy resources both renewable and nonrenewable; and

(ii) educational programs, including programs supporting conservation and energy

HB0519S03 compared with HB0519S01

efficiency measures:

(c) coordinate across state agencies to assure consistency with state energy policy, including:

(i) working with the State Energy Program to promote access to federal assistance for energy-related projects for state agencies and members of the public;

(ii) working with the Division of Emergency Management to assist the governor in carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10, Energy Emergency Powers of the Governor Act;

(iii) participating in the annual review of the energy emergency plan and the maintenance of the energy emergency plan and a current list of contact persons required by Section 53-2a-902; and

(iv) identifying and proposing measures necessary to facilitate low-income consumers' access to energy services;

(d) coordinate with the Division of Emergency Management ongoing activities designed to test an energy emergency plan to ensure coordination and information sharing among state agencies and political subdivisions in the state, public utilities and other energy suppliers, and other relevant public sector persons as required by Sections 53-2a-902, 53-2a-1004, 53-2a-1008, and 53-2a-1010;

(e) coordinate with requisite state agencies to study:

(i) the creation of a centralized state repository for energy-related information;

(ii) methods for streamlining state review and approval processes for energy-related projects; and

(iii) the development of multistate energy transmission and transportation infrastructure;

(f) coordinate energy-related regulatory processes within the state;

(g) compile, and make available to the public, information about federal, state, and local approval requirements for energy-related projects;

(h) act as the state's advocate before federal and local authorities for energy-related infrastructure projects or coordinate with the appropriate state agency; and

(i) help promote the Division of Facilities Construction and Management's measures to improve energy efficiency in state buildings.

HB0519S03 compared with HB0519S01

(11) The director has standing to testify on behalf of the governor at the Public Service Commission created in Section 54-1-1.

Section ~~{27}~~21. Section **79-6-404**, which is renumbered from Section 79-6-202 is renumbered and amended to read:

~~[79-6-202].~~ **79-6-404. Agency cooperation.**

A state agency shall provide the [~~energy advisor~~] office with any energy-related information requested by the [~~energy advisor if the energy advisor's~~] office if the office's request is consistent with other law.

Section ~~{28}~~22. Section **79-6-405**, which is renumbered from Section 79-6-203 is renumbered and amended to read:

~~[79-6-203].~~ **79-6-405. Reports.**

(1) The [~~energy advisor~~] director shall report annually to:

- (a) the [~~appointing authority~~] governor; and
- (b) the Natural Resources, Agriculture, and Environment Interim Committee.

(2) The report required in Subsection (1) shall:

- (a) summarize the status and development of the state's energy resources;
- (b) summarize the activities and accomplishments of the Office of Energy

Development;

(c) address the [~~energy advisor's~~] director's activities under this part; and

(d) recommend any energy-related executive or legislative action the [~~energy advisor~~] director considers beneficial to the state, including updates to the state energy policy under Section 79-6-301.

Section ~~{29}~~23. Section **79-6-901** is amended to read:

79-6-901. Definitions.

As used in this part:

(1) "Application" means an application for a tax credit under Title 79, Chapter 6, Part 6, High Cost Infrastructure Development Tax Credit Act.

(2) "Board" means the Utah Energy Infrastructure Board created in Section 79-6-902.

(3) "Electric interlocal entity" means the same as that term is defined in Section 11-13-103.

~~[(4) "Energy advisor" means the energy advisor appointed under Section 79-6-201.]~~

HB0519S03 compared with HB0519S01

~~[(5)]~~ (4) "Fuel standard compliance project" means the same as that term is defined in Section 79-6-602.

~~[(6)]~~ (5) "Office" means the Office of Energy Development created in Section 79-6-401.

~~[(7)]~~ (6) "Tax credit" means the same as that term is defined in Section 79-6-602.

Section ~~{30}~~24. Section **79-6-902** is amended to read:

79-6-902. Utah Energy Infrastructure Board.

(1) There is created within the office the Utah Energy Infrastructure Board that consists of nine members as follows:

(a) members appointed by the governor:

(i) ~~[the energy advisor or]~~ the director of the Office of Energy Development, who shall serve as chair of the board;

(ii) one member from the Governor's Office of Economic Opportunity;

(iii) one member from a public utility or electric interlocal entity that operates electric transmission facilities within the state;

(iv) two members representing the economic development interests of rural communities as follows:

(A) one member currently serving as county commissioner of a county of the third, fourth, fifth, or sixth class, as described in Section 17-50-501; and

(B) one member of a rural community with work experience in the energy industry;

(v) two members of the general public with relevant industry or community experience; and

(vi) one member of the general public who has experience with public finance and bonding; and

(b) the director of the School and Institutional Trust Lands Administration created in Section 53C-1-201.

(2) (a) The term of an appointed board member is four years.

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

(c) The governor may remove a member of the board for cause.

HB0519S03 compared with HB0519S01

(d) The governor shall fill a vacancy in the board in the same manner under this section as the appointment of the member whose vacancy is being filled.

(e) An individual appointed to fill a vacancy shall serve the remaining unexpired term of the member whose vacancy the individual is filling.

(f) A board member shall serve until a successor is appointed and qualified.

(3) (a) Five members of the board constitute a quorum for conducting board business.

(b) A majority vote of the quorum present is required for an action to be taken by the board.

(4) The board shall meet as needed to review an application.

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

(a) Section 63A-3-106;

(b) Section 63A-3-107; and

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

Section ~~31~~25. Section **79-7-203** is amended to read:

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

(1) As used in this section, "real property" includes land under water, upland, and all other property commonly or legally defined as real property.

(2) The Division of Wildlife Resources shall retain the power and jurisdiction conferred upon the Division of Wildlife Resources by law on property controlled by the division with reference to fish and game.

(3) For purposes of property controlled by the division, the division shall permit multiple uses of the property for purposes such as grazing, fishing, hunting, camping, mining, and the development and use of water and other natural resources.

(4) (a) The division may acquire real and personal property in the name of the state by legal and proper means, including purchase, gift, devise, eminent domain, lease, exchange, or otherwise, subject to the approval of the executive director [~~and the governor~~].

(b) In acquiring real or personal property, the credit of the state may not be pledged without the consent of the Legislature.

(5) (a) Before acquiring any real property, the division shall notify the county

HB0519S03 compared with HB0519S01

legislative body of the county where the property is situated of the division's intention to acquire the property.

(b) If the county legislative body requests a hearing within 10 days of receipt of the notice, the division shall hold a public hearing in the county concerning the matter.

(6) Acceptance of gifts or devises of land or other property is at the discretion of the division, subject to the approval of the executive director [~~and the governor~~].

(7) The division shall acquire property by eminent domain in the manner authorized by Title 78B, Chapter 6, Part 5, Eminent Domain.

(8) (a) The division may make charges for special services and use of facilities, the income from which is available for recreation purposes.

(b) The division may conduct and operate those services necessary for the comfort and convenience of the public.

(9) (a) The division may lease or rent concessions of lawful kinds and nature on property to persons, partnerships, and corporations for a valuable consideration after notifying the commission.

(b) The division shall comply with Title 63G, Chapter 6a, Utah Procurement Code, in selecting concessionaires.

(10) The division shall proceed without delay to negotiate with the federal government concerning the Weber Basin and other recreation and reclamation projects.

(11) (a) The division shall coordinate with and annually report to the following regarding land acquisition and development and grants administered under this chapter or Chapter 8, Outdoor Recreation Grants:

- (i) the Division of State Parks; and
- (ii) the [~~Office of~~] Center for Rural Development.

(b) The report required under Subsection (11)(a) shall be in writing, made public, and include a description and the amount of any grant awarded under this chapter or Chapter 8, Outdoor Recreation Grants.

(12) The division shall:

(a) coordinate outdoor recreation policy, management, and promotion:

- (i) among state and federal agencies and local government entities in the state;
- (ii) with the Public Lands Policy Coordinating Office created in Section 63L-11-201, if

HB0519S03 compared with HB0519S01

public land is involved; and

(iii) on at least a quarterly basis, with the executive director and the executive director of the Governor's Office of Economic Opportunity;

(b) in cooperation with the Governor's Office of Economic Opportunity, promote economic development in the state by:

(i) coordinating with outdoor recreation stakeholders;

(ii) improving recreational opportunities; and

(iii) recruiting outdoor recreation business;

(c) promote all forms of outdoor recreation, including motorized and nonmotorized outdoor recreation;

(d) recommend to the governor and Legislature policies and initiatives to enhance recreational amenities and experiences in the state and help implement those policies and initiatives;

(e) in performing the division's duties, seek to ensure safe and adequate access to outdoor recreation for all user groups and for all forms of recreation;

(f) develop data regarding the impacts of outdoor recreation in the state; and

(g) promote the health and social benefits of outdoor recreation, especially to young people.

(13) By following Title 63J, Chapter 5, Federal Funds Procedures Act, the division may:

(a) seek federal grants or loans;

(b) seek to participate in federal programs; and

(c) in accordance with applicable federal program guidelines, administer federally funded outdoor recreation programs.

Section ~~32~~26. Section **79-7-601**, which is renumbered from Section 79-4-1102 is renumbered and amended to read:

Part 6. Contingency Planning for Management of Federal Land

~~[79-4-1102]~~. **79-7-601. Contingency plan for federal property.**

(1) As used in this part, "fiscal emergency" means a major disruption in the operation of one or more national parks, national monuments, national forests, or national recreation areas in the state caused by the unforeseen or sudden significant decrease or elimination of

HB0519S03 compared with HB0519S01

funding from the federal government.

(2) During a fiscal emergency, and subject to congressional approval, the governor's agreement with the United States Department of the Interior, or a presidential executive order, the governor [~~is authorized to~~] may enter into an agreement with the federal government to ensure that one or more national parks, national monuments, national forests, or national recreation areas in the state, according to the priority set under [~~Section 79-4-1103~~] Section 79-7-602, remain open to the public.

Section ~~{33}~~27. Section **79-7-602**, which is renumbered from Section 79-4-1103 is renumbered and amended to read:

~~[79-4-1103].~~ **79-7-602. Governor's duties -- Priority of federal property.**

(1) During a fiscal emergency, the governor shall:

(a) if financially practicable, work with the federal government to open and maintain the operation of one or more national parks, national monuments, national forests, and national recreation areas in the state, in the order established under this section; and

(b) report to the speaker of the House and the president of the Senate on the need, if any, for additional appropriations to assist the division in opening and operating one or more national parks, national monuments, national forests, and national recreation areas in the state.

(2) The director of the Division of Outdoor Recreation, in consultation with the executive director of the [~~Governor's Office of Economic Opportunity~~] Department of Natural Resources, shall determine, by rule, the priority of national parks, national monuments, national forests, and national recreation areas in the state.

(3) In determining the priority described in Subsection (2), the director of the Division of Outdoor Recreation shall consider the:

(a) economic impact of the national park, national monument, national forest, or national recreation area in the state; and

(b) recreational value offered by the national park, national monument, national forest, or national recreation area.

(4) The director of the Division of Outdoor Recreation shall annually review the priority set under Subsection (2) to determine whether the priority list should be amended.

Section ~~{34}~~28. **Repealer.**

This bill repeals:

HB0519S03 compared with HB0519S01

Section **40-6-22, Regulatory certainty to support economic recovery.**

Section **73-10-12, Appropriations.**

Section **73-10-13, Appropriation for loan fund.**

Section **73-10-31, Allocation of funds for credit enhancement and interest buy-down agreements.**

Section **79-4-1101, Title.**

Section **79-6-201, Advisor -- Duties.**

Section ~~35~~29. **Effective date.**

(1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

(2) (a) The actions affecting the following sections take effect on July 1, 2024:

(i) Section 23A-3-214;

(ii) Section 51-9-306;

(iii) Section 59-12-103 (Contingently Superseded 01/01/25);

(iv) Section 59-21-2;

(v) Section 59-23-4;

(vi) Section 63J-1-602.1; and

(vii) Section 79-3-403.

(b) The actions affecting Section 59-12-103 (Contingently Effective 01/01/25) contingently take effect on January 1, 2025.

Section ~~36~~30. **Coordinating H.B. 519 with other 2024 General Session legislation.**

The Legislature intends that, on May 1, 2024, in legislation that passes in the 2024 General Session and becomes law:

~~(1) any reference to the executive director of the Public Lands Policy Coordinating Office be changed to director of the Public Lands Policy Coordinating Office in any new language added to the Utah Code;~~

~~(2) any occurrence of "executive director" be changed to "director" in any new language added to Title 63L, Chapter 11, Public Lands Planning; and~~

~~(3) any reference to energy advisor be changed to the director of the Office of Energy Development in any new language added to the Utah Code.~~