

Senator Scott D. Sandall proposes the following substitute bill:

DEPARTMENT OF NATURAL RESOURCES MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Casey Snider

Senate Sponsor: Scott D. Sandall

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;
- ▶ 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



26 account used by the Utah Geological Survey;

27 ▶ modifies provisions related to the director of the Office of Energy Development and

28 removes references to energy advisor;

29 ▶ clarifies the status of an employee of the Office of Energy Development;

30 ▶ repeals a requirement that 10% of certain expenditures by the Board of Water

31 Resources be allocated for credit enhancement and interest buy-down agreements;

32 ▶ clarifies that the Division of Outdoor Recreation has duties related to a contingency

33 plan for federal property during a fiscal emergency;

34 ▶ repeals outdated language, including appropriation language; and

35 ▶ makes technical and conforming changes.

36 **Money Appropriated in this Bill:**

37 None

38 **Other Special Clauses:**

39 This bill provides a special effective date.

40 This bill provides a coordination clause.

41 **Utah Code Sections Affected:**

42 AMENDS:

43 **41-22-31**, as repealed and reenacted by Laws of Utah 2023, Chapter 11

44 **41-22-35**, as last amended by Laws of Utah 2022, Chapters 68, 143

45 **51-9-306**, as last amended by Laws of Utah 2023, Chapter 526

46 **59-12-103 (Contingently Superseded 01/01/25)**, as last amended by Laws of Utah

47 2023, Chapters 22, 213, 329, 361, and 471

48 **59-12-103 (Contingently Effective 01/01/25)**, as last amended by Laws of Utah 2023,

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

50 **59-21-2**, as last amended by Laws of Utah 2023, Chapter 217

51 **59-23-4**, as last amended by Laws of Utah 2018, Chapter 413

52 **63J-1-602.1**, as last amended by Laws of Utah 2023, Chapters 26, 33, 34, 194, 212,

53 330, 419, 434, 448, and 534

54 **73-5-15**, as last amended by Laws of Utah 2023, Chapters 16, 230

55 **73-10-27**, as last amended by Laws of Utah 2012, Chapter 347

56 **79-2-102**, as last amended by Laws of Utah 2023, Chapter 34

- 57 **79-2-406**, as enacted by Laws of Utah 2022, Chapter 216
- 58 **79-3-202**, as last amended by Laws of Utah 2022, Chapter 216
- 59 **79-3-403**, as enacted by Laws of Utah 2021, Chapter 401
- 60 **79-6-102**, as renumbered and amended by Laws of Utah 2021, Chapter 280
- 61 **79-6-106**, as enacted by Laws of Utah 2023, Chapter 233
- 62 **79-6-401**, as last amended by Laws of Utah 2023, Chapter 196
- 63 **79-6-901**, as renumbered and amended by Laws of Utah 2022, Chapter 44
- 64 **79-6-902**, as renumbered and amended by Laws of Utah 2022, Chapter 44

65 ENACTS:

66 **41-22-35.5**, Utah Code Annotated 1953

67 RENUMBERS AND AMENDS:

68 **23A-3-214**, (Renumbered from 79-2-303, as renumbered and amended by Laws of
69 Utah 2009, Chapter 344)

70 **79-6-404**, (Renumbered from 79-6-202, as renumbered and amended by Laws of Utah
71 2021, Chapter 280)

72 **79-6-405**, (Renumbered from 79-6-203, as renumbered and amended by Laws of Utah
73 2021, Chapter 280)

74 **79-7-601**, (Renumbered from 79-4-1102, as enacted by Laws of Utah 2014, Chapter
75 313)

76 **79-7-602**, (Renumbered from 79-4-1103, as last amended by Laws of Utah 2022,
77 Chapter 68)

78 REPEALS:

79 **40-6-22**, as last amended by Laws of Utah 2022, Chapter 443

80 **73-10-12**, as Utah Code Annotated 1953

81 **73-10-13**, as enacted by Laws of Utah 1963, Chapter 199

82 **73-10-31**, as enacted by Laws of Utah 1996, Chapter 199

83 **79-4-1101**, as enacted by Laws of Utah 2014, Chapter 313

84 **79-6-201**, as renumbered and amended by Laws of Utah 2021, Chapter 280



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

87 Section 1. Section **23A-3-214**, which is renumbered from Section 79-2-303 is

88 renumbered and amended to read:

89 ~~[79-2-303]~~. **23A-3-214. Species Protection Account.**

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

92 (2) The account shall consist of:

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

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

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

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

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

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

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

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

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

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

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

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

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

116 **41-22-31. Division to set standards for safety program -- Safety certificates issued**
117 **-- Cooperation with public and private entities -- State immunity from suit.**

118 (1) (a) The division shall:

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

123 (ii) implement the program.

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

127 (ii) Components of the program shall include:

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

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

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

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

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

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

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

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

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

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

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

181 vehicle owned by a nonresident of the state;

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

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

184 (iv) provide evidence of completion of the safety course and program described in

185 Section ~~[41-22-35]~~ [41-22-31](#).

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

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

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

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

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

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

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

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

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

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

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

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

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

210 (a) procedures for:

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

212 (ii) the display of a decal on an off-highway vehicle as required under Subsection
213 (3)(b);

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

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

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

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

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

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

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

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

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

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

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

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

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

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

235 (ii) belong to the state.

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

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

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

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

243 **41-22-35.5. Electronic payment fee.**

244 (1) As used in this section:

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

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

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

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

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

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

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

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

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

261 **51-9-306. Deposit of certain severance tax revenue for specified state agencies.**

262 (1) As used in this section:

263 (a) "Aggregate annual revenue" means the aggregate annual revenue collected in a
264 fiscal year from the taxes imposed under Title 59, Chapter 5, Severance Tax on Oil, Gas, and
265 Mining, after subtracting the amounts required to be distributed under Sections [51-9-305](#),
266 [59-5-116](#), and [59-5-119](#).

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

270 (c) "Aggregate annual oil and gas revenue" means the aggregate annual revenue
271 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Part 1, Oil and Gas
272 Severance Tax, after subtracting the amounts required to be distributed under Sections
273 [51-9-305](#), [59-5-116](#), and [59-5-119](#).

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

277 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
278 59-5-116, and 59-5-119; and

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

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

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

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

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

290 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
291 59-5-116, and 59-5-119; and

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

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

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

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

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

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

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

- 305 (i) .4% of the first \$50,000,000 of the average aggregate annual revenue;
306 (ii) .15% of the next \$50,000,000 of the average aggregate annual revenue; and
307 (iii) .08% of the average aggregate annual revenue that exceeds \$100,000,000;
308 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
309 40-6-23, the following:
- 310 (i) (A) 11.5% of the first \$50,000,000 of the average aggregate annual mining revenue;
311 (B) 3% of the next \$50,000,000 of the average aggregate annual mining revenue; and
312 (C) 1% of the average aggregate annual mining revenue that exceeds \$100,000,000;
313 and
- 314 (ii) (A) 18% of the first \$50,000,000 of the average aggregate annual oil and gas
315 revenue;
316 (B) 3% of the next \$50,000,000 of the average aggregate annual oil and gas revenue;
317 and
- 318 (C) 1% of the average aggregate annual oil and gas revenue that exceeds \$100,000,000;
319 and
- 320 (d) to the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account, created
321 in Section 79-3-403, the following average aggregate annual revenue:
- 322 (i) 2.5% of the first \$50,000,000 of the average aggregate annual revenue;
323 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
324 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000.
- 325 (3) If the money collected in a fiscal year from the taxes imposed under Title 59,
326 Chapter 5, Severance Tax on Oil, Gas, and Mining, is insufficient to make the deposits
327 required by Subsection (2), the State Tax Commission shall deposit money collected in the
328 fiscal year as follows:
- 329 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
330 Section 19-2a-106, the following revenue:
- 331 (i) 2.75% of the first \$50,000,000 of the aggregate annual revenue;
332 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
333 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000;
- 334 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created
335 in Section 19-5-126, the following revenue:

- 336 (i) .4% of the first \$50,000,000 of the aggregate annual revenue;
- 337 (ii) .15% of the next \$50,000,000 of the aggregate annual revenue; and
- 338 (iii) .08% of the aggregate annual revenue that exceeds \$100,000,000;
- 339 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
- 340 40-6-23, the following:
- 341 (i) (A) 11.5% of the first \$50,000,000 of the aggregate annual mining revenue;
- 342 (B) 3% of the next \$50,000,000 of the aggregate annual mining revenue; and
- 343 (C) 1% of the aggregate annual mining revenue that exceeds \$100,000,000; and
- 344 (ii) (A) 18% of the first \$50,000,000 of the aggregate annual oil and gas revenue;
- 345 (B) 3% of the next \$50,000,000 of the aggregate annual oil and gas revenue; and
- 346 (C) 1% of the aggregate annual oil and gas revenue that exceeds \$100,000,000; and
- 347 (d) to the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account, created
- 348 in Section 79-3-403, the following revenue:
- 349 (i) 2.5% of the first \$50,000,000 of the aggregate annual revenue;
- 350 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
- 351 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000.
- 352 (4) The severance tax revenues deposited under this section into restricted accounts for
- 353 the state agencies specified in Subsection (2) and appropriated from the restricted accounts
- 354 offset and supplant General Fund appropriations used to pay the costs of programs or projects
- 355 administered by the state agencies that are primarily related to oil, gas, and mining.
- 356 Section 6. Section 59-12-103 (Contingently Superseded 01/01/25) is amended to
- 357 read:
- 358 **59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base -- Rates --**
- 359 **Effective dates -- Use of sales and use tax revenues.**
- 360 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
- 361 sales price for amounts paid or charged for the following transactions:
- 362 (a) retail sales of tangible personal property made within the state;
- 363 (b) amounts paid for:
- 364 (i) telecommunications service, other than mobile telecommunications service, that
- 365 originates and terminates within the boundaries of this state;
- 366 (ii) mobile telecommunications service that originates and terminates within the

367 boundaries of one state only to the extent permitted by the Mobile Telecommunications
368 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
369 (iii) an ancillary service associated with a:
370 (A) telecommunications service described in Subsection (1)(b)(i); or
371 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
372 (c) sales of the following for commercial use:
373 (i) gas;
374 (ii) electricity;
375 (iii) heat;
376 (iv) coal;
377 (v) fuel oil; or
378 (vi) other fuels;
379 (d) sales of the following for residential use:
380 (i) gas;
381 (ii) electricity;
382 (iii) heat;
383 (iv) coal;
384 (v) fuel oil; or
385 (vi) other fuels;
386 (e) sales of prepared food;
387 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or
388 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
389 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
390 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
391 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
392 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
393 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
394 horseback rides, sports activities, or any other amusement, entertainment, recreation,
395 exhibition, cultural, or athletic activity;
396 (g) amounts paid or charged for services for repairs or renovations of tangible personal
397 property, unless Section [59-12-104](#) provides for an exemption from sales and use tax for:

- 398 (i) the tangible personal property; and
- 399 (ii) parts used in the repairs or renovations of the tangible personal property described
- 400 in Subsection (1)(g)(i), regardless of whether:
- 401 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 402 property; or
- 403 (B) the particular parts used in the repairs or renovations of that tangible personal
- 404 property are exempt from a tax under this chapter;
- 405 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 406 assisted cleaning or washing of tangible personal property;
- 407 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 408 accommodations and services that are regularly rented for less than 30 consecutive days;
- 409 (j) amounts paid or charged for laundry or dry cleaning services;
- 410 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 411 this state the tangible personal property is:
- 412 (i) stored;
- 413 (ii) used; or
- 414 (iii) otherwise consumed;
- 415 (l) amounts paid or charged for tangible personal property if within this state the
- 416 tangible personal property is:
- 417 (i) stored;
- 418 (ii) used; or
- 419 (iii) consumed;
- 420 (m) amounts paid or charged for a sale:
- 421 (i) (A) of a product transferred electronically; or
- 422 (B) of a repair or renovation of a product transferred electronically; and
- 423 (ii) regardless of whether the sale provides:
- 424 (A) a right of permanent use of the product; or
- 425 (B) a right to use the product that is less than a permanent use, including a right:
- 426 (I) for a definite or specified length of time; and
- 427 (II) that terminates upon the occurrence of a condition; and
- 428 (n) sales of leased tangible personal property from the lessor to the lessee made in the

429 state.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

484 (vi) A car-sharing program shall:

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

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

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

- 491 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 492 (I) the tax rate described in Subsection (2)(a)(i)(A); and
- 493 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
- 494 Sales and Use Tax Act, if the location of the transaction as determined under Sections
- 495 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
- 496 Additional State Sales and Use Tax Act; and
- 497 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
- 498 Sales and Use Tax Act, if the location of the transaction as determined under Sections
- 499 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
- 500 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 501 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
- 502 described in Subsection (2)(a)(ii).
- 503 (ii) If an optional computer software maintenance contract is a bundled transaction that
- 504 consists of taxable and nontaxable products that are not separately itemized on an invoice or
- 505 similar billing document, the purchase of the optional computer software maintenance contract
- 506 is 40% taxable under this chapter and 60% nontaxable under this chapter.
- 507 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
- 508 transaction described in Subsection (2)(f)(i) or (ii):
- 509 (A) if the sales price of the bundled transaction is attributable to tangible personal
- 510 property, a product, or a service that is subject to taxation under this chapter and tangible
- 511 personal property, a product, or service that is not subject to taxation under this chapter, the
- 512 entire bundled transaction is subject to taxation under this chapter unless:
- 513 (I) the seller is able to identify by reasonable and verifiable standards the tangible
- 514 personal property, product, or service that is not subject to taxation under this chapter from the
- 515 books and records the seller keeps in the seller's regular course of business; or
- 516 (II) state or federal law provides otherwise; or
- 517 (B) if the sales price of a bundled transaction is attributable to two or more items of
- 518 tangible personal property, products, or services that are subject to taxation under this chapter
- 519 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
- 520 higher tax rate unless:
- 521 (I) the seller is able to identify by reasonable and verifiable standards the tangible

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

524 (II) state or federal law provides otherwise.

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

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

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

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

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

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

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

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

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

553 unless the seller, at the time of the transaction:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

584 or change in a tax rate takes effect:

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

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

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

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

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

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

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

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

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

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

599 (A) a commercial use;

600 (B) an industrial use; or

601 (C) a residential use.

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

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

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

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

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

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

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

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

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

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

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

615 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
616 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
617 through (g):

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

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

620 (B) for the fiscal year; or

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

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

625 (A) implement the measures described in ~~[Subsections 79-2-303(3)(a)]~~ Subsections
626 23A-3-214(3)(a) through (d) to protect sensitive plant and animal species; or

627 (B) award grants, up to the amount authorized by the Legislature in an appropriations
628 act, to political subdivisions of the state to implement the measures described in ~~[Subsections~~
629 ~~79-2-303(3)(a)]~~ Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
630 species.

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

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

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

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

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

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

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

646 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
647 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
648 the adjudication of water rights.

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

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

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

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

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

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

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

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

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

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

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

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

677 distribution facilities for any public water system, as defined in Section 19-4-102;

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

679 (iii) develop surface water sources.

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

681 2006, the difference between the following amounts shall be expended as provided in this

682 Subsection (5), if that difference is greater than \$1:

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

684 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

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

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

687 (A) transferred each fiscal year to the Department of Natural Resources as designated

688 sales and use tax revenue; and

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

690 restoration.

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

692 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation

693 and Development Fund created in Section 73-10-24.

694 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the

695 remaining difference described in Subsection (5)(a) shall be:

696 (A) transferred each fiscal year to the Division of Water Resources as designated sales

697 and use tax revenue; and

698 (B) expended by the Division of Water Resources for cloud-seeding projects

699 authorized by Title 73, Chapter 15, Modification of Weather.

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

701 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation

702 and Development Fund created in Section 73-10-24.

703 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the

704 remaining difference described in Subsection (5)(a) shall be deposited into the Water

705 Resources Conservation and Development Fund created in Section 73-10-24 for use by the

706 Division of Water Resources for:

707 (i) preconstruction costs:

708 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
709 26, Bear River Development Act; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

755 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
756 2023, the commission shall annually reduce the deposit into the Transportation Investment
757 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

809 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
810 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
811 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

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

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

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

823 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
824 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit
825 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
826 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

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

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

832 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
833 Subsections (7) and (8) during the fiscal year to the General Fund.

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

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

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

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

849 **59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --**
850 **Effective dates -- Use of sales and use tax revenues.**

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

- 853 (a) retail sales of tangible personal property made within the state;
- 854 (b) amounts paid for:
 - 855 (i) telecommunications service, other than mobile telecommunications service, that
856 originates and terminates within the boundaries of this state;
 - 857 (ii) mobile telecommunications service that originates and terminates within the
858 boundaries of one state only to the extent permitted by the Mobile Telecommunications
859 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
 - 860 (iii) an ancillary service associated with a:
 - 861 (A) telecommunications service described in Subsection (1)(b)(i); or
 - 862 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

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

864 (i) gas;

865 (ii) electricity;

866 (iii) heat;

867 (iv) coal;

868 (v) fuel oil; or

869 (vi) other fuels;

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

871 (i) gas;

872 (ii) electricity;

873 (iii) heat;

874 (iv) coal;

875 (v) fuel oil; or

876 (vi) other fuels;

877 (e) sales of prepared food;

878 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or

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

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

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

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

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

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

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

886 exhibition, cultural, or athletic activity;

887 (g) amounts paid or charged for services for repairs or renovations of tangible personal

888 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

889 (i) the tangible personal property; and

890 (ii) parts used in the repairs or renovations of the tangible personal property described

891 in Subsection (1)(g)(i), regardless of whether:

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

893 property; or

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

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

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

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

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

903 (i) stored;

904 (ii) used; or

905 (iii) otherwise consumed;

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

908 (i) stored;

909 (ii) used; or

910 (iii) consumed;

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

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

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

914 (ii) regardless of whether the sale provides:

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

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

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

918 (II) that terminates upon the occurrence of a condition; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

955 (C) The commission shall verify that a shared vehicle is an individual-owned shared

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

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

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

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

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

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

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

974 (vi) A car-sharing program shall:

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

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

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

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

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

983 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
984 Sales and Use Tax Act, if the location of the transaction as determined under Sections
985 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
986 Additional State Sales and Use Tax Act; and

987 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
988 Sales and Use Tax Act, if the location of the transaction as determined under Sections
989 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
990 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

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

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

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

999 (A) if the sales price of the bundled transaction is attributable to tangible personal
1000 property, a product, or a service that is subject to taxation under this chapter and tangible
1001 personal property, a product, or service that is not subject to taxation under this chapter, the
1002 entire bundled transaction is subject to taxation under this chapter unless:

1003 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1004 personal property, product, or service that is not subject to taxation under this chapter from the
1005 books and records the seller keeps in the seller's regular course of business; or

1006 (II) state or federal law provides otherwise; or

1007 (B) if the sales price of a bundled transaction is attributable to two or more items of
1008 tangible personal property, products, or services that are subject to taxation under this chapter
1009 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
1010 higher tax rate unless:

1011 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1012 personal property, product, or service that is subject to taxation under this chapter at the lower
1013 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1014 (II) state or federal law provides otherwise.

1015 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
1016 seller's regular course of business includes books and records the seller keeps in the regular
1017 course of business for nontax purposes.

1018 (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii)
1019 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
1020 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
1021 of tangible personal property, other property, a product, or a service that is not subject to
1022 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
1023 the seller, at the time of the transaction:

1024 (A) separately states the portion of the transaction that is not subject to taxation under
1025 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1026 (B) is able to identify by reasonable and verifiable standards, from the books and
1027 records the seller keeps in the seller's regular course of business, the portion of the transaction
1028 that is not subject to taxation under this chapter.

1029 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1030 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
1031 the transaction that is not subject to taxation under this chapter was not separately stated on an
1032 invoice, bill of sale, or similar document provided to the purchaser because of an error or
1033 ignorance of the law; and

1034 (B) the seller is able to identify by reasonable and verifiable standards, from the books
1035 and records the seller keeps in the seller's regular course of business, the portion of the
1036 transaction that is not subject to taxation under this chapter.

1037 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps
1038 in the seller's regular course of business includes books and records the seller keeps in the
1039 regular course of business for nontax purposes.

1040 (h) (i) If the sales price of a transaction is attributable to two or more items of tangible
1041 personal property, products, or services that are subject to taxation under this chapter at
1042 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
1043 unless the seller, at the time of the transaction:

1044 (A) separately states the items subject to taxation under this chapter at each of the
1045 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1046 (B) is able to identify by reasonable and verifiable standards the tangible personal
1047 property, product, or service that is subject to taxation under this chapter at the lower tax rate
1048 from the books and records the seller keeps in the seller's regular course of business.

1049 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
1050 seller's regular course of business includes books and records the seller keeps in the regular
1051 course of business for nontax purposes.

1052 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax
1053 rate imposed under the following shall take effect on the first day of a calendar quarter:

1054 (i) Subsection (2)(a)(i)(A);

1055 (ii) Subsection (2)(b)(i); or

1056 (iii) Subsection (2)(f)(i)(A)(I).

1057 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
1058 begins on or after the effective date of the tax rate increase if the billing period for the
1059 transaction begins before the effective date of a tax rate increase imposed under:

1060 (A) Subsection (2)(a)(i)(A);

1061 (B) Subsection (2)(b)(i); or

1062 (C) Subsection (2)(f)(i)(A)(I).

1063 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1064 statement for the billing period is rendered on or after the effective date of the repeal of the tax
1065 or the tax rate decrease imposed under:

1066 (A) Subsection (2)(a)(i)(A);

1067 (B) Subsection (2)(b)(i); or

1068 (C) Subsection (2)(f)(i)(A)(I).

1069 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
1070 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
1071 or change in a tax rate takes effect:

1072 (A) on the first day of a calendar quarter; and

1073 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

1074 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:

1075 (A) Subsection (2)(a)(i)(A);

1076 (B) Subsection (2)(b)(i); or

1077 (C) Subsection (2)(f)(i)(A)(I).

1078 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1079 the commission may by rule define the term "catalogue sale."

1080 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
1081 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
1082 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

1083 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
1084 or other fuel is furnished through a single meter for two or more of the following uses:

1085 (A) a commercial use;

1086 (B) an industrial use; or

1087 (C) a residential use.

1088 (3) (a) The following state taxes shall be deposited into the General Fund:

1089 (i) the tax imposed by Subsection (2)(a)(i)(A);

1090 (ii) the tax imposed by Subsection (2)(b)(i); and

1091 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1092 (b) The following local taxes shall be distributed to a county, city, or town as provided
1093 in this chapter:

1094 (i) the tax imposed by Subsection (2)(a)(ii);

1095 (ii) the tax imposed by Subsection (2)(b)(ii);

1096 (iii) the tax imposed by Subsection (2)(c); and

1097 (iv) the tax imposed by Subsection (2)(f)(i)(B).

1098 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1099 Fund.

1100 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1101 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
1102 through (g):

1103 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

1104 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

1105 (B) for the fiscal year; or

1106 (ii) \$17,500,000.

1107 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1108 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
1109 revenue to the ~~[Department of Natural Resources]~~ Division of Wildlife Resources to:

1110 (A) implement the measures described in ~~[Subsections 79-2-303(3)(a)]~~ Subsections

- 1111 [23A-3-214\(3\)\(a\)](#) through (d) to protect sensitive plant and animal species; or
- 1112 (B) award grants, up to the amount authorized by the Legislature in an appropriations
- 1113 act, to political subdivisions of the state to implement the measures described in [~~Subsections~~
- 1114 ~~79-2-303(3)(a)~~ [Subsections 23A-3-214\(3\)\(a\)](#) through (d) to protect sensitive plant and animal
- 1115 species.
- 1116 (ii) Money transferred to the [~~Department of Natural Resources~~] [Division of Wildlife](#)
- 1117 [Resources](#) under Subsection (4)(b)(i) may not be used to assist the United States Fish and
- 1118 Wildlife Service or any other person to list or attempt to have listed a species as threatened or
- 1119 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
- 1120 (iii) At the end of each fiscal year:
- 1121 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
- 1122 Water Resources Conservation and Development Fund created in Section [73-10-24](#);
- 1123 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1124 Utah Wastewater Loan Program Subaccount created in Section [73-10c-5](#); and
- 1125 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1126 Drinking Water Loan Program Subaccount created in Section [73-10c-5](#).
- 1127 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
- 1128 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
- 1129 created in Section [4-18-106](#).
- 1130 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
- 1131 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
- 1132 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
- 1133 the adjudication of water rights.
- 1134 (ii) At the end of each fiscal year:
- 1135 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
- 1136 Water Resources Conservation and Development Fund created in Section [73-10-24](#);
- 1137 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1138 Utah Wastewater Loan Program Subaccount created in Section [73-10c-5](#); and
- 1139 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1140 Drinking Water Loan Program Subaccount created in Section [73-10c-5](#).
- 1141 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described

1142 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1143 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1144 (ii) In addition to the uses allowed of the Water Resources Conservation and
1145 Development Fund under Section 73-10-24, the Water Resources Conservation and
1146 Development Fund may also be used to:

1147 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1148 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
1149 quantifying surface and ground water resources and describing the hydrologic systems of an
1150 area in sufficient detail so as to enable local and state resource managers to plan for and
1151 accommodate growth in water use without jeopardizing the resource;

1152 (B) fund state required dam safety improvements; and

1153 (C) protect the state's interest in interstate water compact allocations, including the
1154 hiring of technical and legal staff.

1155 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1156 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1157 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1158 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1159 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1160 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1161 (i) provide for the installation and repair of collection, treatment, storage, and
1162 distribution facilities for any public water system, as defined in Section 19-4-102;

1163 (ii) develop underground sources of water, including springs and wells; and

1164 (iii) develop surface water sources.

1165 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1166 2006, the difference between the following amounts shall be expended as provided in this
1167 Subsection (5), if that difference is greater than \$1:

1168 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1169 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1170 (ii) \$17,500,000.

1171 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1172 (A) transferred each fiscal year to the Department of Natural Resources as designated

1173 sales and use tax revenue; and

1174 (B) expended by the Department of Natural Resources for watershed rehabilitation or
1175 restoration.

1176 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1177 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
1178 and Development Fund created in Section 73-10-24.

1179 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1180 remaining difference described in Subsection (5)(a) shall be:

1181 (A) transferred each fiscal year to the Division of Water Resources as designated sales
1182 and use tax revenue; and

1183 (B) expended by the Division of Water Resources for cloud-seeding projects
1184 authorized by Title 73, Chapter 15, Modification of Weather.

1185 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1186 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
1187 and Development Fund created in Section 73-10-24.

1188 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1189 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1190 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1191 Division of Water Resources for:

1192 (i) preconstruction costs:

1193 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
1194 26, Bear River Development Act; and

1195 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1196 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1197 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
1198 Chapter 26, Bear River Development Act;

1199 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
1200 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1201 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1202 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1203 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the

1204 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
1205 Rights Restricted Account created by Section 73-2-1.6.

1206 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
1207 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
1208 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
1209 transactions described in Subsection (1) for the fiscal year.

1210 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
1211 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
1212 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
1213 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:

1214 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1215 (ii) the tax imposed by Subsection (2)(b)(i); and

1216 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1217 (b) (i) As used in this Subsection (7)(b):

1218 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1219 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1220 previous fiscal year.

1221 (B) "Combined amount" means the combined total amount of money deposited into the
1222 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1223 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1224 Investment Fund created in Subsection 72-2-124(10).

1225 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1226 equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iii).

1227 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1228 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
1229 an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
1230 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1231 limit in Subsection (7)(b)(iii).

1232 (iii) The commission shall annually deposit the amount described in Subsection
1233 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1234 for any single fiscal year of \$20,000,000.

1235 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1236 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1237 Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant
1238 revenue.

1239 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1240 2023, the commission shall annually reduce the deposit into the Transportation Investment
1241 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

1242 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
1243 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
1244 in Subsections (7)(a)(i) through (iv);

1245 (B) the amount of revenue generated in the current fiscal year by registration fees
1246 designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund
1247 of 2005; and

1248 (C) revenues transferred by the Division of Finance to the Transportation Investment
1249 Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

1250 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1251 given fiscal year.

1252 (iii) The commission shall annually deposit the amount described in Subsection
1253 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

1254 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1255 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or
1256 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
1257 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
1258 in an amount equal to 3.68% of the revenues collected from the following taxes:

1259 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1260 (ii) the tax imposed by Subsection (2)(b)(i); and

1261 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1262 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1263 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
1264 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1265 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale

1266 or use in this state that exceeds 29.4 cents per gallon.

1267 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1268 into the Transit Transportation Investment Fund created in Section [72-2-124](#).

1269 (d) (i) As used in this Subsection (8)(d):

1270 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1271 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1272 previous fiscal year.

1273 (B) "Combined amount" means the combined total amount of money deposited into the
1274 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1275 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1276 Investment Fund created in Subsection [72-2-124](#)(10).

1277 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1278 equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through
1279 (iii).

1280 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1281 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
1282 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
1283 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1284 limit in Subsection (8)(d)(iii).

1285 (iii) The commission shall annually deposit the amount described in Subsection
1286 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1287 for any single fiscal year of \$20,000,000.

1288 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1289 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1290 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
1291 revenue.

1292 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1293 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1294 created by Section [35A-8-1009](#) and expended as provided in Section [35A-8-1009](#).

1295 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
1296 fiscal year during which the commission receives notice under Section [63N-2-510](#) that

1297 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission
1298 shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by
1299 the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in
1300 Section 63N-2-512.

1301 (11) (a) The rate specified in this subsection is 0.15%.

1302 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1303 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
1304 rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax
1305 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.

1306 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1307 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit
1308 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
1309 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1310 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
1311 annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund
1312 of 2005 under Subsections (7) and (8) to the General Fund.

1313 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
1314 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
1315 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
1316 Subsections (7) and (8) during the fiscal year to the General Fund.

1317 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,
1318 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
1319 a housing and transit reinvestment zone is established, the commission, at least annually, shall
1320 transfer an amount equal to 15% of the sales and use tax increment within an established sales
1321 and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation
1322 Investment Fund created in Section 72-2-124.

1323 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1324 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1325 Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
1326 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

1327 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1328 (b) the tax imposed by Subsection (2)(b)(i); and
1329 (c) the tax imposed by Subsection (2)(f)(i)(A)(I).

1330 Section 8. Section **59-21-2** is amended to read:

1331 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**
1332 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**
1333 **from Mineral Lease Account.**

1334 (1) (a) There is created a restricted account within the General Fund known as the
1335 "Mineral Bonus Account."

1336 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
1337 deposited pursuant to Subsection [59-21-1\(3\)](#).

1338 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
1339 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

1340 (d) The state treasurer shall:

1341 (i) invest the money in the Mineral Bonus Account by following the procedures and
1342 requirements of Title 51, Chapter 7, State Money Management Act; and

1343 (ii) deposit all interest or other earnings derived from the account into the Mineral
1344 Bonus Account.

1345 (e) The Division of Finance shall, beginning on July 1, 2017, annually deposit 30% of
1346 mineral lease bonus payments deposited under Subsection (1)(b) from the previous fiscal year
1347 into the Wildland Fire Suppression Fund created in Section [65A-8-204](#), up to \$2,000,000 but
1348 not to exceed 20% of the amount expended in the previous fiscal year from the Wildland Fire
1349 Suppression Fund.

1350 (2) (a) There is created a restricted account within the General Fund known as the
1351 "Mineral Lease Account."

1352 (b) The Mineral Lease Account consists of federal mineral lease money deposited
1353 pursuant to Subsection [59-21-1\(1\)](#).

1354 (c) The Legislature shall make appropriations from the Mineral Lease Account as
1355 provided in Subsection [59-21-1\(1\)](#) and this Subsection (2).

1356 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the
1357 Mineral Lease Account to the Permanent Community Impact Fund established by Section
1358 [35A-8-303](#).

1359 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the
1360 Mineral Lease Account to the State Board of Education, to be used for education research and
1361 experimentation in the use of staff and facilities designed to improve the quality of education in
1362 Utah.

1363 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the
1364 Mineral Lease Account to the Utah Geological Survey Restricted Account, created in Section
1365 79-3-403, to be used by the Utah Geological Survey for activities carried on by the [survey]
1366 Utah Geological Survey having as a purpose the development and exploitation of natural
1367 resources in the state.

1368 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the
1369 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used
1370 for activities carried on by the laboratory having as a purpose the development and exploitation
1371 of water resources in the state.

1372 (h) (i) The Legislature shall annually appropriate to the Division of Finance 40% of all
1373 deposits made to the Mineral Lease Account to be distributed as provided in Subsection
1374 (2)(h)(ii) to:

1375 (A) counties;

1376 (B) special service districts established:

1377 (I) by counties;

1378 (II) under Title 17D, Chapter 1, Special Service District Act; and

1379 (III) for the purpose of constructing, repairing, or maintaining roads; or

1380 (C) special service districts established:

1381 (I) by counties;

1382 (II) under Title 17D, Chapter 1, Special Service District Act; and

1383 (III) for other purposes authorized by statute.

1384 (ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):

1385 (A) in amounts proportionate to the amount of mineral lease money generated by each
1386 county; and

1387 (B) to a county or special service district established by a county under Title 17D,
1388 Chapter 1, Special Service District Act, as determined by the county legislative body.

1389 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the

1390 Mineral Lease Account to the Department of Workforce Services to be distributed to:

1391 (A) special service districts established:

1392 (I) by counties;

1393 (II) under Title 17D, Chapter 1, Special Service District Act; and

1394 (III) for the purpose of constructing, repairing, or maintaining roads; or

1395 (B) special service districts established:

1396 (I) by counties;

1397 (II) under Title 17D, Chapter 1, Special Service District Act; and

1398 (III) for other purposes authorized by statute.

1399 (ii) The Department of Workforce Services may distribute the amounts described in

1400 Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1,

1401 Special Service District Act, by counties:

1402 (A) of the third, fourth, fifth, or sixth class;

1403 (B) in which 4.5% or less of the mineral lease money within the state is generated; and

1404 (C) that are significantly socially or economically impacted as provided in Subsection

1405 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.

1406 181 et seq.

1407 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)

1408 shall be as a result of:

1409 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons

1410 as defined in Section [59-5-101](#);

1411 (B) the employment of persons residing within the county in hydrocarbon extraction,

1412 including the extraction of solid hydrocarbons as defined in Section [59-5-101](#); or

1413 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

1414 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to

1415 special service districts established by counties under Title 17D, Chapter 1, Special Service

1416 District Act, the Department of Workforce Services shall:

1417 (A) (I) allocate 50% of the appropriations equally among the counties meeting the

1418 requirements of Subsections (2)(i)(ii) and (iii); and

1419 (II) allocate 50% of the appropriations based on the ratio that the population of each

1420 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population

1421 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and
1422 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the
1423 allocated revenues to special service districts established by the counties under Title 17D,
1424 Chapter 1, Special Service District Act, as determined by the executive director of the
1425 Department of Workforce Services after consulting with the county legislative bodies of the
1426 counties meeting the requirements of Subsections (2)(i)(ii) and (iii).
1427 (v) The executive director of the Department of Workforce Services:
1428 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)
1429 and (iii);
1430 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
1431 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that
1432 meet the requirements of Subsections (2)(i)(ii) and (iii); and
1433 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1434 may make rules:
1435 (I) providing a procedure for making the distributions under this Subsection (2)(i) to
1436 special service districts; and
1437 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).
1438 (j) (i) The Legislature shall annually make the following appropriations from the
1439 Mineral Lease Account:
1440 (A) an amount equal to 52 cents multiplied by the number of acres of school or
1441 institutional trust lands, lands owned by the Division of State Parks or the Division of Outdoor
1442 Recreation, and lands owned by the Division of Wildlife Resources that are not under an in lieu
1443 of taxes contract, to each county in which those lands are located;
1444 (B) to each county in which school or institutional trust lands are transferred to the
1445 federal government after December 31, 1992, an amount equal to the number of transferred
1446 acres in the county multiplied by a payment per acre equal to the difference between 52 cents
1447 per acre and the per acre payment made to that county in the most recent payment under the
1448 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal
1449 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this
1450 Subsection (2)(j)(i)(B) may not be made for the transferred lands;
1451 (C) to each county in which federal lands, which are entitlement lands under the federal

1452 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to
1453 the number of transferred acres in the county multiplied by a payment per acre equal to the
1454 difference between the most recent per acre payment made under the federal payment in lieu of
1455 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52
1456 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for
1457 the transferred land; and

1458 (D) to a county of the fifth or sixth class, an amount equal to the product of:

1459 (I) \$1,000; and

1460 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
1461 the county.

1462 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
1463 county legislative body, distribute the money or a portion of the money to:

1464 (A) special service districts established by the county under Title 17D, Chapter 1,
1465 Special Service District Act;

1466 (B) school districts; or

1467 (C) public institutions of higher education.

1468 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
1469 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
1470 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
1471 consumers published by the Department of Labor.

1472 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
1473 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average
1474 annual change in the Consumer Price Index for all urban consumers published by the
1475 Department of Labor.

1476 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

1477 (A) owned by:

1478 (I) the Division of State Parks;

1479 (II) the Division of Outdoor Recreation; or

1480 (III) the Division of Wildlife Resources;

1481 (B) located on lands that are owned by:

1482 (I) the Division of State Parks;

1483 (II) the Division of Outdoor Recreation; or
1484 (III) the Division of Wildlife Resources; and
1485 (C) are not subject to taxation under:

1486 (I) Chapter 2, Property Tax Act; or
1487 (II) Chapter 4, Privilege Tax.

1488 (k) The Legislature shall annually appropriate to the Permanent Community Impact
1489 Fund all deposits remaining in the Mineral Lease Account after making the appropriations
1490 provided for in Subsections (2)(d) through (j).

1491 (3) (a) Each agency, board, institution of higher education, and political subdivision
1492 receiving money under this chapter shall provide the Legislature, through the Office of the
1493 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual
1494 basis.

1495 (b) The accounting required under Subsection (3)(a) shall:

1496 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
1497 current fiscal year, and planned expenditures for the following fiscal year; and

1498 (ii) be reviewed by the Business, Economic Development, and Labor Appropriations
1499 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary
1500 Procedures Act.

1501 Section 9. Section **59-23-4** is amended to read:

1502 **59-23-4. Brine shrimp royalty -- Royalty rate -- Commission to prepare billing**
1503 **statement -- Deposit of revenue.**

1504 (1) A person shall pay for each tax year a brine shrimp royalty of 3.25 cents multiplied
1505 by the total number of pounds of unprocessed brine shrimp eggs that the person harvests within
1506 the state during the tax year.

1507 (2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the
1508 [~~Department of Natural Resources~~] Division of Wildlife Resources the total number of pounds
1509 of unprocessed brine shrimp eggs harvested by that person for that tax year on or before the
1510 February 15 immediately following the last day of that tax year.

1511 (b) The [~~Department of Natural Resources~~] Division of Wildlife Resources shall
1512 provide the following information to the commission on or before the March 1 immediately
1513 following the last day of a tax year:

1514 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that tax
1515 year; and

1516 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:

1517 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1518 person for that tax year; and

1519 (B) a current billing address for that person; and

1520 (iii) any additional information required by the commission.

1521 (c) (i) The commission shall prepare and mail a billing statement to each person that
1522 harvested unprocessed brine shrimp eggs in a tax year by the March 30 immediately following
1523 the last day of a tax year.

1524 (ii) The billing statement under Subsection (2)(c)(i) shall specify:

1525 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
1526 person for that tax year;

1527 (B) the brine shrimp royalty that the person owes; and

1528 (C) the date that the brine shrimp royalty payment is due as provided in Section
1529 [59-23-5](#).

1530 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1531 commission may make rules prescribing the information required under Subsection (2)(b)(iii).

1532 (3) Revenue generated by the brine shrimp royalty shall be deposited as follows:

1533 (a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
1534 the Sovereign Lands Management Account created in Section [65A-5-1](#); and

1535 (b) the remainder of the revenue generated by the brine shrimp royalty shall be
1536 deposited in the Species Protection Account created in [~~Section [79-2-303](#)~~] [Section 23A-3-214](#).

1537 Section 10. Section **63J-1-602.1** is amended to read:

1538 **63J-1-602.1. List of nonlapsing appropriations from accounts and funds.**

1539 Appropriations made from the following accounts or funds are nonlapsing:

1540 (1) The Native American Repatriation Restricted Account created in Section [9-9-407](#).

1541 (2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission,
1542 as provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.

1543 (3) Funds collected for directing and administering the C-PACE district created in
1544 Section [11-42a-106](#).

- 1545 (4) Money received by the Utah Inland Port Authority, as provided in Section
1546 [11-58-105](#).
- 1547 (5) The Commerce Electronic Payment Fee Restricted Account created in Section
1548 [13-1-17](#).
- 1549 (6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in
1550 Section [19-2a-106](#).
- 1551 (7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in
1552 Section [19-5-126](#).
- 1553 (8) State funds for matching federal funds in the Children's Health Insurance Program
1554 as provided in Section [26B-3-906](#).
- 1555 (9) Funds collected from the program fund for local health department expenses
1556 incurred in responding to a local health emergency under Section [26B-7-111](#).
- 1557 (10) The Technology Development Restricted Account created in Section [31A-3-104](#).
- 1558 (11) The Criminal Background Check Restricted Account created in Section
1559 [31A-3-105](#).
- 1560 (12) The Captive Insurance Restricted Account created in Section [31A-3-304](#), except
1561 to the extent that Section [31A-3-304](#) makes the money received under that section free revenue.
- 1562 (13) The Title Licensee Enforcement Restricted Account created in Section
1563 [31A-23a-415](#).
- 1564 (14) The Health Insurance Actuarial Review Restricted Account created in Section
1565 [31A-30-115](#).
- 1566 (15) The State Mandated Insurer Payments Restricted Account created in Section
1567 [31A-30-118](#).
- 1568 (16) The Insurance Fraud Investigation Restricted Account created in Section
1569 [31A-31-108](#).
- 1570 (17) The Underage Drinking Prevention Media and Education Campaign Restricted
1571 Account created in Section [32B-2-306](#).
- 1572 (18) The Drinking While Pregnant Prevention Media and Education Campaign
1573 Restricted Account created in Section [32B-2-308](#).
- 1574 (19) The School Readiness Restricted Account created in Section [35A-15-203](#).
- 1575 (20) Money received by the Utah State Office of Rehabilitation for the sale of certain

- 1576 products or services, as provided in Section 35A-13-202.
- 1577 (21) The Oil and Gas Administrative Penalties Account created in Section 40-6-11.
- 1578 (22) The Oil and Gas Conservation Account created in Section 40-6-14.5.
- 1579 (23) The Division of Oil, Gas, and Mining Restricted account created in Section
- 1580 40-6-23.
- 1581 (24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to
- 1582 the Motor Vehicle Division.
- 1583 (25) The License Plate Restricted Account created by Section 41-1a-122.
- 1584 (26) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account
- 1585 created by Section 41-3-110 to the State Tax Commission.
- 1586 (27) The State Disaster Recovery Restricted Account to the Division of Emergency
- 1587 Management, as provided in Section 53-2a-603.
- 1588 (28) The Response, Recovery, and Post-disaster Mitigation Restricted Account created
- 1589 in Section 53-2a-1302.
- 1590 (29) The Department of Public Safety Restricted Account to the Department of Public
- 1591 Safety, as provided in Section 53-3-106.
- 1592 (30) The Utah Highway Patrol Aero Bureau Restricted Account created in Section
- 1593 53-8-303.
- 1594 (31) The DNA Specimen Restricted Account created in Section 53-10-407.
- 1595 (32) The Technical Colleges Capital Projects Fund created in Section 53B-2a-118.
- 1596 (33) The Higher Education Capital Projects Fund created in Section 53B-22-202.
- 1597 (34) A certain portion of money collected for administrative costs under the School
- 1598 Institutional Trust Lands Management Act, as provided under Section 53C-3-202.
- 1599 (35) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5,
- 1600 subject to Subsection 54-5-1.5(4)(d).
- 1601 (36) Funds collected from a surcharge fee to provide certain licensees with access to an
- 1602 electronic reference library, as provided in Section 58-3a-105.
- 1603 (37) Certain fines collected by the Division of Professional Licensing for violation of
- 1604 unlawful or unprofessional conduct that are used for education and enforcement purposes, as
- 1605 provided in Section 58-17b-505.
- 1606 (38) Funds collected from a surcharge fee to provide certain licensees with access to an

- 1607 electronic reference library, as provided in Section 58-22-104.
- 1608 (39) Funds collected from a surcharge fee to provide certain licensees with access to an
1609 electronic reference library, as provided in Section 58-55-106.
- 1610 (40) Funds collected from a surcharge fee to provide certain licensees with access to an
1611 electronic reference library, as provided in Section 58-56-3.5.
- 1612 (41) Certain fines collected by the Division of Professional Licensing for use in
1613 education and enforcement of the Security Personnel Licensing Act, as provided in Section
1614 58-63-103.
- 1615 (42) The Relative Value Study Restricted Account created in Section 59-9-105.
- 1616 (43) The Cigarette Tax Restricted Account created in Section 59-14-204.
- 1617 (44) Funds paid to the Division of Real Estate for the cost of a criminal background
1618 check for a mortgage loan license, as provided in Section 61-2c-202.
- 1619 (45) Funds paid to the Division of Real Estate for the cost of a criminal background
1620 check for principal broker, associate broker, and sales agent licenses, as provided in Section
1621 61-2f-204.
- 1622 (46) Certain funds donated to the Department of Health and Human Services, as
1623 provided in Section 26B-1-202.
- 1624 (47) Certain funds donated to the Division of Child and Family Services, as provided
1625 in Section 80-2-404.
- 1626 (48) Funds collected by the Office of Administrative Rules for publishing, as provided
1627 in Section 63G-3-402.
- 1628 (49) The Immigration Act Restricted Account created in Section 63G-12-103.
- 1629 (50) Money received by the military installation development authority, as provided in
1630 Section 63H-1-504.
- 1631 (51) The Computer Aided Dispatch Restricted Account created in Section 63H-7a-303.
- 1632 (52) The Unified Statewide 911 Emergency Service Account created in Section
1633 63H-7a-304.
- 1634 (53) The Utah Statewide Radio System Restricted Account created in Section
1635 63H-7a-403.
- 1636 (54) The Utah Capital Investment Restricted Account created in Section 63N-6-204.
- 1637 (55) The Motion Picture Incentive Account created in Section 63N-8-103.

1638 (56) Funds collected by the housing of state probationary inmates or state parole
1639 inmates, as provided in Subsection 64-13e-104(2).

1640 (57) Certain forestry and fire control funds utilized by the Division of Forestry, Fire,
1641 and State Lands, as provided in Section 65A-8-103.

1642 (58) The Amusement Ride Safety Restricted Account, as provided in Section
1643 72-16-204.

1644 (59) Certain funds received by the Office of the State Engineer for well drilling fines or
1645 bonds, as provided in Section 73-3-25.

1646 (60) The Water Resources Conservation and Development Fund, as provided in
1647 Section 73-23-2.

1648 (61) Award money under the State Asset Forfeiture Grant Program, as provided under
1649 Section 77-11b-403.

1650 (62) Funds donated or paid to a juvenile court by private sources, as provided in
1651 Subsection 78A-6-203(1)(c).

1652 (63) Fees for certificate of admission created under Section 78A-9-102.

1653 (64) Funds collected for adoption document access as provided in Sections 78B-6-141,
1654 78B-6-144, and 78B-6-144.5.

1655 (65) Funds collected for indigent defense as provided in Title 78B, Chapter 22, Part 4,
1656 Utah Indigent Defense Commission.

1657 (66) The Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account created in
1658 Section 79-3-403.

1659 (67) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State
1660 Park, and Green River State Park, as provided under Section 79-4-403.

1661 (68) Certain funds received by the Division of State Parks from the sale or disposal of
1662 buffalo, as provided under Section 79-4-1001.

1663 Section 11. Section 73-5-15 is amended to read:

1664 **73-5-15. Groundwater management plan.**

1665 (1) As used in this section:

1666 (a) "Critical management area" means a groundwater basin in which the groundwater
1667 withdrawals consistently exceed the safe yield.

1668 (b) "Safe yield" means the amount of groundwater that can be withdrawn from a

1669 groundwater basin over a period of time without exceeding the long-term recharge of the basin
1670 or unreasonably affecting the basin's physical and chemical integrity.

1671 (2) (a) The state engineer may regulate groundwater withdrawals within a specific
1672 groundwater basin by adopting a groundwater management plan in accordance with this section
1673 for any groundwater basin or aquifer or combination of hydrologically connected groundwater
1674 basins or aquifers.

1675 (b) The objectives of a groundwater management plan are to:

- 1676 (i) limit groundwater withdrawals to safe yield;
- 1677 (ii) protect the physical integrity of the aquifer; and
- 1678 (iii) protect water quality.

1679 (c) The state engineer shall adopt a groundwater management plan for a groundwater
1680 basin if more than one-third of the water right owners in the groundwater basin request that the
1681 state engineer adopt a groundwater management plan.

1682 (3) (a) In developing a groundwater management plan, the state engineer may consider:

- 1683 (i) the hydrology of the groundwater basin;
- 1684 (ii) the physical characteristics of the groundwater basin;
- 1685 (iii) the relationship between surface water and groundwater, including whether the
1686 groundwater should be managed in conjunction with hydrologically connected surface waters;
- 1687 (iv) the conjunctive management of water rights to facilitate and coordinate the lease,
1688 purchase, or voluntary use of water rights subject to the groundwater management plan;
- 1689 (v) the geographic spacing and location of groundwater withdrawals;
- 1690 (vi) water quality;
- 1691 (vii) local well interference; and
- 1692 (viii) other relevant factors.

1693 (b) The state engineer shall base the provisions of a groundwater management plan on
1694 the principles of prior appropriation.

1695 (c) (i) The state engineer shall use the best available scientific method to determine
1696 safe yield.

1697 (ii) As hydrologic conditions change or additional information becomes available, safe
1698 yield determinations made by the state engineer may be revised by following the procedures
1699 listed in Subsection (5).

1700 (4) (a) (i) Except as provided in Subsection (4)(b), the withdrawal of water from a
1701 groundwater basin shall be limited to the basin's safe yield.

1702 (ii) Before limiting withdrawals in a groundwater basin to safe yield, the state engineer
1703 shall:

1704 (A) determine the groundwater basin's safe yield; and

1705 (B) adopt a groundwater management plan for the groundwater basin.

1706 (iii) If the state engineer determines that groundwater withdrawals in a groundwater
1707 basin exceed the safe yield, the state engineer shall regulate groundwater rights in that
1708 groundwater basin based on the priority date of the water rights under the groundwater
1709 management plan, unless a voluntary arrangement exists under Subsection (4)(c) that requires a
1710 different distribution.

1711 (iv) A groundwater management plan shall include a list of each groundwater right in
1712 the proposed groundwater management area known to the state engineer identifying the water
1713 right holder, the land to which the groundwater right is appurtenant, and any identification
1714 number the state engineer uses in the administration of water rights.

1715 (b) When adopting a groundwater management plan for a critical management area, the
1716 state engineer shall, based on economic and other impacts to an individual water user or a local
1717 community caused by the implementation of safe yield limits on withdrawals, allow gradual
1718 implementation of the groundwater management plan.

1719 (c) (i) In consultation with the state engineer, water users in a groundwater basin may
1720 agree to participate in a voluntary arrangement for managing withdrawals at any time, either
1721 before or after a determination that groundwater withdrawals exceed the groundwater basin's
1722 safe yield.

1723 (ii) A voluntary arrangement under Subsection (4)(c)(i) shall be consistent with other
1724 law.

1725 (iii) The adoption of a voluntary arrangement under this Subsection (4)(c) by less than
1726 all of the water users in a groundwater basin does not affect the rights of water users who do
1727 not agree to the voluntary arrangement.

1728 (5) To adopt a groundwater management plan, the state engineer shall:

1729 (a) give notice as specified in Subsection (7) at least 30 days before the first public
1730 meeting held in accordance with Subsection (5)(b):

- 1731 (i) that the state engineer proposes to adopt a groundwater management plan;
- 1732 (ii) describing generally the land area proposed to be included in the groundwater
- 1733 management plan; and
- 1734 (iii) stating the location, date, and time of each public meeting to be held in accordance
- 1735 with Subsection (5)(b);
- 1736 (b) hold one or more public meetings in the geographic area proposed to be included
- 1737 within the groundwater management plan to:
- 1738 (i) address the need for a groundwater management plan;
- 1739 (ii) present any data, studies, or reports that the state engineer intends to consider in
- 1740 preparing the groundwater management plan;
- 1741 (iii) address safe yield and any other subject that may be included in the groundwater
- 1742 management plan;
- 1743 (iv) outline the estimated administrative costs, if any, that groundwater users are likely
- 1744 to incur if the plan is adopted; and
- 1745 (v) receive any public comments and other information presented at the public
- 1746 meeting, including comments from any of the entities listed in Subsection (7)(a)(iii);
- 1747 (c) receive and consider written comments concerning the proposed groundwater
- 1748 management plan from any person for a period determined by the state engineer of not less
- 1749 than 60 days after the day on which the notice required by Subsection (5)(a) is given;
- 1750 (d) (i) at least 60 days prior to final adoption of the groundwater management plan,
- 1751 publish notice:
- 1752 (A) that a draft of the groundwater management plan has been proposed; and
- 1753 (B) specifying where a copy of the draft plan may be reviewed; and
- 1754 (ii) promptly provide a copy of the draft plan in printed or electronic form to each of
- 1755 the entities listed in Subsection (7)(a)(iii) that makes written request for a copy; and
- 1756 (e) provide notice of the adoption of the groundwater management plan.
- 1757 (6) A groundwater management plan shall become effective on the date notice of
- 1758 adoption is completed under Subsection (7), or on a later date if specified in the plan.
- 1759 (7) (a) A notice required by this section shall be:
- 1760 (i) published:
- 1761 (A) once a week for two successive weeks in a newspaper of general circulation in

1762 each county that encompasses a portion of the land area proposed to be included within the
1763 groundwater management plan; and

1764 (B) in accordance with Section 45-1-101 for two weeks;

1765 (ii) published conspicuously on the state engineer's website; and

1766 (iii) mailed to each of the following that has within its boundaries a portion of the land
1767 area to be included within the proposed groundwater management plan:

1768 (A) county;

1769 (B) incorporated city or town;

1770 (C) a special district created to acquire or assess a groundwater right under Title 17B,
1771 Chapter 1, Provisions Applicable to All Special Districts;

1772 (D) improvement district under Title 17B, Chapter 2a, Part 4, Improvement District
1773 Act;

1774 (E) service area, under Title 17B, Chapter 2a, Part 9, Service Area Act;

1775 (F) drainage district, under Title 17B, Chapter 2a, Part 2, Drainage District Act;

1776 (G) irrigation district, under Title 17B, Chapter 2a, Part 5, Irrigation District Act;

1777 (H) metropolitan water district, under Title 17B, Chapter 2a, Part 6, Metropolitan
1778 Water District Act;

1779 (I) special service district providing water, sewer, drainage, or flood control services,
1780 under Title 17D, Chapter 1, Special Service District Act;

1781 (J) water conservancy district, under Title 17B, Chapter 2a, Part 10, Water
1782 Conservancy District Act; and

1783 (K) conservation district, under Title 17D, Chapter 3, Conservation District Act.

1784 (b) A notice required by this section is effective upon substantial compliance with
1785 Subsections (7)(a)(i) through (iii).

1786 (8) A groundwater management plan may be amended in the same manner as a
1787 groundwater management plan may be adopted under this section.

1788 (9) The existence of a groundwater management plan does not preclude any otherwise
1789 eligible person from filing any application or challenging any decision made by the state
1790 engineer within the affected groundwater basin.

1791 (10) (a) A person aggrieved by a groundwater management plan may challenge any
1792 aspect of the groundwater management plan by filing a complaint within 60 days after the

1793 adoption of the groundwater management plan in the district court for any county in which the
1794 groundwater basin is found.

1795 (b) Notwithstanding Subsection (9), a person may challenge the components of a
1796 groundwater management plan only in the manner provided by Subsection (10)(a).

1797 (c) An action brought under this Subsection (10) is reviewed de novo by the district
1798 court.

1799 (d) A person challenging a groundwater management plan under this Subsection (10)
1800 shall join the state engineer as a defendant in the action challenging the groundwater
1801 management plan.

1802 (e) (i) Within 30 days after the day on which a person files an action challenging any
1803 aspect of a groundwater management plan under Subsection (10)(a), the person filing the action
1804 shall publish notice of the action:

1805 (A) in a newspaper of general circulation in the county in which the district court is
1806 located; and

1807 (B) in accordance with Section 45-1-101 for two weeks.

1808 (ii) The notice required by Subsection (10)(e)(i)(A) shall be published once a week for
1809 two consecutive weeks.

1810 (iii) The notice required by Subsection (10)(e)(i) shall:

1811 (A) identify the groundwater management plan the person is challenging;

1812 (B) identify the case number assigned by the district court;

1813 (C) state that a person affected by the groundwater management plan may petition the
1814 district court to intervene in the action challenging the groundwater management plan; and

1815 (D) list the address for the clerk of the district court in which the action is filed.

1816 (iv) (A) Any person affected by the groundwater management plan may petition to
1817 intervene in the action within 60 days after the day on which notice is last published under
1818 Subsections (10)(e)(i) and (ii).

1819 (B) The district court's treatment of a petition to intervene under this Subsection
1820 (10)(e)(iv) is governed by the Utah Rules of Civil Procedure.

1821 ~~[(v) A district court in which an action is brought under Subsection (10)(a) shall~~
1822 ~~consolidate all actions brought under that subsection and include in the consolidated action any~~
1823 ~~person whose petition to intervene is granted.]~~

1824 (11) A groundwater management plan adopted or amended in accordance with this
1825 section is exempt from the requirements in Title 63G, Chapter 3, Utah Administrative
1826 Rulemaking Act.

1827 (12) (a) Except as provided in Subsection (12)(b), recharge and recovery projects
1828 permitted under Chapter 3b, Groundwater Recharge and Recovery Act, are exempted from this
1829 section.

1830 (b) In a critical management area, the artificial recharge of a groundwater basin that
1831 uses surface water naturally tributary to the groundwater basin, in accordance with Chapter 3b,
1832 Groundwater Recharge and Recovery Act, constitutes a beneficial use of the water under
1833 Section 73-1-3 if:

1834 (i) the recharge is done during the time the area is designated as a critical management
1835 area;

1836 (ii) the recharge is done with a valid recharge permit;

1837 (iii) the water placed in the aquifer is not recovered under a recovery permit; and

1838 (iv) the water placed in the aquifer is used to replenish the groundwater basin.

1839 (13) Nothing in this section may be interpreted to require the development,
1840 implementation, or consideration of a groundwater management plan as a prerequisite or
1841 condition to the exercise of the state engineer's enforcement powers under other law, including
1842 powers granted under Section 73-2-25.

1843 (14) A groundwater management plan adopted in accordance with this section may not
1844 apply to the dewatering of a mine.

1845 (15) (a) A groundwater management plan adopted by the state engineer before May 1,
1846 2006, remains in force and has the same legal effect as it had on the day on which it was
1847 adopted by the state engineer.

1848 (b) If a groundwater management plan that existed before May 1, 2006, is amended on
1849 or after May 1, 2006, the amendment is subject to this section's provisions.

1850 Section 12. Section 73-10-27 is amended to read:

1851 **73-10-27. Definitions -- Project priorities -- Considerations -- Bids and contracts**
1852 **-- Definitions -- Retainage.**

1853 (1) As used in this section:

1854 (a) "Board" means the Board of Water Resources created in Section 73-10-1.5.

1855 (b) "Estimated cost" means the cost of the labor, material, and equipment necessary for
1856 construction of the contemplated project.

1857 (c) "Lowest responsible bidder" means a licensed contractor:

1858 (i) who:

1859 (A) submits the lowest bid; and

1860 (B) furnishes a payment bond and a performance bond under Sections 14-1-18 and
1861 63G-6a-1103; and

1862 (ii) whose bid:

1863 (A) is in compliance with the invitation for a bid; and

1864 (B) meets the plans and specifications.

1865 (2) In considering the priority for a project to be built or financed with funds made
1866 available under Section 73-10-24, the board shall give preference to a project that:

1867 (a) is sponsored by, or for the benefit of, the state or a political subdivision of the state;

1868 (b) meets a critical local need;

1869 (c) has greater economic feasibility;

1870 (d) will yield revenue to the state within a reasonable time or will return a reasonable
1871 rate of interest, based on financial feasibility; and

1872 (e) meets other considerations deemed necessary by the board, including wildlife
1873 management and recreational needs.

1874 [~~(3) (a) In determining the economic feasibility, the board shall establish a
1875 benefit-to-cost ratio for each project, using a uniform standard of procedure for all projects.]~~

1876 [~~(b) In considering whether a project should be built, the benefit-to-cost ratio for each
1877 project shall be weighted based on the relative cost of the project.]~~

1878 [~~(c) A project, when considered in total with all other projects constructed under this
1879 chapter and still the subject of a repayment contract, may not cause the accumulative
1880 benefit-to-cost ratio of the projects to be less than one to one.]~~

1881 [~~(4)~~] (3) A project may not be built if the project is not:

1882 (a) in the public interest, as determined by the board; or

1883 (b) adequately designed based on sound engineering and geologic considerations.

1884 [~~(5)~~] (4) In preparing a project constructed by the board, the board shall:

1885 (a) based on a competitive bid, award a contract for:

- 1886 (i) a flood control project:
- 1887 (A) involving a city or county; and
- 1888 (B) costing in excess of \$35,000;
- 1889 (ii) the construction of a storage reservoir in excess of 100 acre-feet; or
- 1890 (iii) the construction of a hydroelectric generating facility;
- 1891 (b) publish an advertisement for a competitive bid:
- 1892 (i) at least once a week for three consecutive weeks in a newspaper with general
- 1893 circulation in the state, with the last date of publication appearing at least five days before the
- 1894 schedule bid opening; and
- 1895 (ii) indicating that the board:
- 1896 (A) will award the contract to the lowest responsible bidder; and
- 1897 (B) reserves the right to reject any and all bids;
- 1898 (c) readvertise the project in the manner specified in Subsection ~~[(5)(b)]~~ (4)(b) if the
- 1899 board rejects all of the initial bids on the project; and
- 1900 (d) keep an accurate record of all facts and representations relied upon in preparing the
- 1901 board's estimated cost for a project that is subject to the competitive bidding requirements of
- 1902 this section.

1903 ~~[(6)]~~ (5) If no satisfactory bid is received by the board upon the readvertisement of the

1904 project in accordance with Subsection ~~[(5)]~~ (4), the board may proceed to construct the project

1905 in accordance with the plan and specifications used to calculate the estimated cost of the

1906 project.

1907 ~~[(7)]~~ (6) If a payment on a contract with a private contractor for construction of a

1908 project under this section is retained or withheld, it shall be retained or withheld and released

1909 as provided in Section 13-8-5.

1910 Section 13. Section 79-2-102 is amended to read:

1911 **79-2-102. Definitions.**

1912 As used in this chapter:

1913 (1) "Conservation officer" is as defined in Section 23A-1-101.

1914 ~~[(2)]~~ "Species protection" means an action to protect a plant or animal species identified

1915 as:]

1916 ~~[(a) sensitive by the state; or]~~

1917 [~~(b) threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C.~~
1918 ~~Sec. 1531 et seq.~~]

1919 [(3)] (2) "Volunteer" means a person who donates a service to the department or a
1920 division of the department without pay or other compensation.

1921 Section 14. Section **79-2-406** is amended to read:

1922 **79-2-406. Wetlands -- In-lieu fee program study.**

1923 (1) As used in this section, "committee" means the Natural Resources, Agriculture, and
1924 Environment Interim Committee.

1925 (2) The department shall publish, on the department's website, the land use permits
1926 collected by the Utah Geological Survey pursuant to Subsection [~~79-3-202(1)(r)~~]
1927 [79-3-202\(1\)\(q\)](#).

1928 (3) (a) The department shall study and make recommendations to the committee on the
1929 viability of an in-lieu fee program for wetland mitigation, including:

1930 (i) the viability of the state establishing and administering an in-lieu fee program; and

1931 (ii) the viability of the state partnering with a private organization to establish and
1932 administer an in-lieu fee program.

1933 (b) As part of the study described in Subsection (3)(a), the department shall consult
1934 with public and private individuals and entities that may be necessary or helpful to the
1935 establishment or administration of an in-lieu fee program for wetland mitigation, which may
1936 include:

1937 (i) the Utah Department of Environmental Quality;

1938 (ii) the United States Army Corps of Engineers;

1939 (iii) the United States Fish and Wildlife Service;

1940 (iv) the United States Environmental Protection Agency; or

1941 (v) a non-profit entity that has experience with the establishment and administration of
1942 in-lieu fee programs.

1943 (c) The department shall provide a report on the status of the department's study during
1944 or before the committee's November interim meeting in 2022.

1945 (d) The department shall provide a final report of the department's study and
1946 recommendations, including any recommended legislation, during or before the committee's
1947 first interim meeting in 2023.

1948 Section 15. Section 79-3-202 is amended to read:

1949 **79-3-202. Powers and duties of survey.**

1950 (1) The survey shall:

1951 (a) assist and advise state and local agencies and state educational institutions on
1952 geologic, paleontologic, and mineralogic subjects;

1953 (b) collect and distribute reliable information regarding the mineral industry and
1954 mineral resources, topography, paleontology, and geology of the state;

1955 (c) survey the geology of the state, including mineral occurrences and the ores of
1956 metals, energy resources, industrial minerals and rocks, mineral-bearing waters, and surface
1957 and ground water resources, with special reference to their economic contents, values, uses,
1958 kind, and availability in order to facilitate their economic use;

1959 (d) investigate the kind, amount, and availability of mineral substances contained in
1960 lands owned and controlled by the state, to contribute to the most effective and beneficial
1961 administration of these lands for the state;

1962 (e) determine and investigate areas of geologic and topographic hazards that could
1963 affect the safety of, or cause economic loss to, the citizens of the state;

1964 (f) assist local and state agencies in their planning, zoning, and building regulation
1965 functions by publishing maps, delineating appropriately wide special earthquake risk areas,
1966 and, at the request of state agencies or other governmental agencies, review the siting of critical
1967 facilities;

1968 (g) cooperate with state agencies, political subdivisions of the state,
1969 quasi-governmental agencies, federal agencies, schools of higher education, and others in fields
1970 of mutual concern, which may include field investigations and preparation, publication, and
1971 distribution of reports and maps;

1972 (h) collect and preserve data pertaining to mineral resource exploration and
1973 development programs and construction activities, such as claim maps, location of drill holes,
1974 location of surface and underground workings, geologic plans and sections, drill logs, and
1975 assay and sample maps, including the maintenance of a sample library of cores and cuttings;

1976 (i) study and analyze other scientific, economic, or aesthetic problems as, in the
1977 judgment of the board, should be undertaken by the survey to serve the needs of the state and to
1978 support the development of natural resources and utilization of lands within the state;

1979 (j) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the
1980 work accomplished by the survey, directly or in collaboration with others, and collect and
1981 prepare exhibits of the geological and mineral resources of this state and interpret their
1982 significance;

1983 (k) collect, maintain, and preserve data and information in order to accomplish the
1984 purposes of this section and act as a repository for information concerning the geology of this
1985 state;

1986 (l) stimulate research, study, and activities in the field of paleontology;

1987 (m) mark, protect, and preserve critical paleontological sites;

1988 (n) collect, preserve, and administer critical paleontological specimens until the
1989 specimens are placed in a repository or curation facility;

1990 (o) administer critical paleontological site excavation records;

1991 (p) edit and publish critical paleontological records and reports; and

1992 ~~[(q) by following the procedures and requirements of Title 63J, Chapter 5, Federal~~
1993 ~~Funds Procedures Act, seek federal grants, loans, or participation in federal programs, and, in~~
1994 ~~accordance with applicable federal program guidelines, administer federally funded state~~
1995 ~~programs regarding:]~~

1996 ~~[(i) renewable energy;]~~

1997 ~~[(ii) energy efficiency; and]~~

1998 ~~[(iii) energy conservation; and]~~

1999 ~~[(r)]~~ (q) collect the land use permits described in Sections [10-9a-521](#) and [17-27a-520](#).

2000 (2) (a) The survey may maintain as confidential, and not as a public record,
2001 information provided to the survey by any source.

2002 (b) The board shall adopt rules in order to determine whether to accept the information
2003 described in Subsection (2)(a) and to maintain the confidentiality of the accepted information.

2004 (c) The survey shall maintain information received from any source at the level of
2005 confidentiality assigned to it by the source.

2006 (3) Upon approval of the board, the survey shall undertake other activities consistent
2007 with Subsection (1).

2008 (4) (a) Subject to the authority granted to the department, the survey may enter into
2009 cooperative agreements with the entities specified in Subsection (1)(g), if approved by the

2010 board, and may accept or commit allocated or budgeted funds in connection with those
2011 agreements.

2012 (b) The survey may undertake joint projects with private entities if:

2013 (i) the action is approved by the board;

2014 (ii) the projects are not inconsistent with the state's objectives; and

2015 (iii) the results of the projects are available to the public.

2016 Section 16. Section **79-3-403** is amended to read:

2017 **79-3-403. Utah Geological Survey Restricted Account.**

2018 (1) As used in this section:

2019 (a) "Account" means the Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted
2020 Account created by this section.

2021 (b) "Survey" means the Utah Geological Survey.

2022 (2) (a) There is created a restricted account within the General Fund known as the
2023 "Utah Geological Survey [~~Oil, Gas, and Mining~~] Restricted Account."

2024 (b) The account consists of:

2025 (i) deposits to the account made under Section [51-9-306](#);

2026 (ii) deposits to the account made under Section [59-21-2](#);

2027 [~~(i)~~] (iii) appropriations of the Legislature; and

2028 [~~(ii)~~] (iv) interest and other earnings described in Subsection (2)(c).

2029 (c) The Office of the Treasurer shall deposit interest and other earnings derived from
2030 investment of money in the account into the account.

2031 (3) (a) Upon appropriation by the Legislature, the survey shall use money from the
2032 account to pay costs of:

2033 (i) programs or projects administered by the survey that are primarily related to oil, gas,
2034 and mining[-]; and

2035 (ii) activities carried on by the survey having as a purpose the development and
2036 exploitation of natural resources in the state.

2037 (b) An appropriation provided for under this section is not intended to replace the
2038 following that is otherwise allocated for the programs or projects described in Subsection

2039 (3)(a)(i):

2040 (i) federal money; or

2041 (ii) a dedicated credit.
2042 (4) Appropriations made in accordance with this section are nonlapsing in accordance
2043 with Section [63J-1-602.1](#).

2044 Section 17. Section **79-6-102** is amended to read:

2045 **79-6-102. Definitions.**

2046 As used in this chapter:

2047 [~~(1) "Appointing authority" means:~~]

2048 [~~(a) on and before June 30, 2029, the governor; and]~~

2049 [~~(b) on and after July 1, 2029, the executive director.]~~

2050 [~~(2) (a) On and before June 30, 2029, "energy advisor" means the governor's energy~~
2051 ~~advisor appointed under Section [79-6-401](#).]~~

2052 [~~(b) On and after July 1, 2029, "energy advisor" means the energy advisor appointed by~~
2053 ~~the executive director under Section [79-6-401](#).]~~

2054 [~~(3)~~] (1) "Office" means the Office of Energy Development created in Section
2055 [79-6-401](#).

2056 [~~(4)~~] (2) "State agency" means an executive branch:

2057 (a) department;

2058 (b) agency;

2059 (c) board;

2060 (d) commission;

2061 (e) division; or

2062 (f) state educational institution.

2063 Section 18. Section **79-6-106** is amended to read:

2064 **79-6-106. Hydrogen advisory council.**

2065 (1) The department shall create a hydrogen advisory council within the office that
2066 consists of seven to nine members appointed by the executive director, in consultation with the
2067 [~~energy advisor~~] director. The executive director shall appoint members with expertise in:

2068 (a) hydrogen energy in general;

2069 (b) hydrogen project facilities;

2070 (c) technology suppliers;

2071 (d) hydrogen producers or processors;

- 2072 (e) renewable and fossil based power generation industries; and
2073 (f) fossil fuel based hydrogen feedstock providers.
- 2074 (2) (a) Except as required by Subsection (2)(b), a member shall serve a four-year term.
2075 (b) The executive director shall, at the time of appointment or reappointment, adjust
2076 the length of terms to ensure that the terms of council members are staggered so that
2077 approximately half of the hydrogen advisory council is appointed every two years.
- 2078 (c) When a vacancy occurs in the membership for any reason, the replacement shall be
2079 appointed for the unexpired term.
- 2080 (3) (a) A majority of the members appointed under this section constitutes a quorum of
2081 the hydrogen advisory council.
- 2082 (b) The hydrogen advisory council shall determine:
2083 (i) the time and place of meetings; and
2084 (ii) any other procedural matter not specified in this section.
- 2085 (4) A member may not receive compensation or benefits for the member's service, but
2086 may receive per diem and travel expenses in accordance with:
2087 (a) Section [63A-3-106](#);
2088 (b) Section [63A-3-107](#); and
2089 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
2090 [63A-3-107](#).
- 2091 (5) The office shall staff the hydrogen advisory council.
- 2092 (6) The hydrogen advisory council may:
2093 (a) develop hydrogen facts and figures that facilitate use of hydrogen fuel within the
2094 state;
2095 (b) encourage cross-state cooperation with states that have hydrogen programs;
2096 (c) work with state agencies, the private sector, and other stakeholders, such as
2097 environmental groups, to:
2098 (i) recommend realistic goals for hydrogen development that can be executed within
2099 realistic time frames; and
2100 (ii) educate, discuss, consult, and make recommendations in hydrogen related matters
2101 that benefit the state;
2102 (d) promote hydrogen research at state institutions of higher education, as defined in

2103 Section 53B-3-102;

2104 (e) make recommendations regarding how to qualify for federal funding of hydrogen
2105 projects, including hydrogen related projects for:

2106 (i) the state;

2107 (ii) a local government;

2108 (iii) a privately commissioned project;

2109 (iv) an educational project;

2110 (v) scientific development; and

2111 (vi) engineering and novel technologies;

2112 (f) make recommendations related to the development of multiple feedstock or energy

2113 resources in the state such as wind, solar, hydroelectric, geothermal, coal, natural gas, oil,

2114 water, electrolysis, coal gasification, liquefaction, hydrogen storage, safety handling,

2115 compression, and transportation;

2116 (g) make recommendations to establish statewide safety protocols for production,

2117 transportation, and handling of hydrogen for both residential and commercial applications;

2118 (h) facilitate public events to raise the awareness of hydrogen and hydrogen related

2119 fuels within the state and how hydrogen can be advantageous to all forms of transportation,

2120 heat, and power generation;

2121 (i) review and make recommendations regarding legislation; and

2122 (j) make other recommendations to the ~~[energy advisor]~~ director related to hydrogen

2123 development in the state.

2124 Section 19. Section 79-6-401 is amended to read:

2125 **79-6-401. Office of Energy Development -- Director -- Purpose -- Rulemaking**
2126 **regarding confidential information -- Fees -- Duties and powers.**

2127 (1) There is created an Office of Energy Development ~~[in]~~ within the Department of
2128 Natural Resources to be administered by a director.

2129 (2) (a) The executive director shall appoint the director and the director shall serve at
2130 the pleasure of the executive director.

2131 (b) The director shall have demonstrated the necessary administrative and professional
2132 ability through education and experience to efficiently and effectively manage the office's
2133 affairs.

2134 ~~[(2) (a) The energy advisor shall serve as the director of the office or, on or before June~~
2135 ~~30, 2029, appoint a director of the office.]~~

2136 ~~[(b) The director:]~~

2137 ~~[(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to the~~
2138 ~~energy advisor, and]~~

2139 ~~[(ii) may appoint staff as funding within existing budgets allows.]~~

2140 ~~[(c) The office may consolidate energy staff and functions existing in the state energy~~
2141 ~~program.]~~

2142 (3) The purposes of the office are to:

2143 (a) serve as the primary resource for advancing energy and mineral development in the
2144 state;

2145 (b) implement:

2146 (i) the state energy policy under Section 79-6-301; and

2147 (ii) the governor's energy and mineral development goals and objectives;

2148 (c) advance energy education, outreach, and research, including the creation of
2149 elementary, higher education, and technical college energy education programs;

2150 (d) promote energy and mineral development workforce initiatives; and

2151 (e) support collaborative research initiatives targeted at Utah-specific energy and
2152 mineral development.

2153 (4) By following the procedures and requirements of Title 63J, Chapter 5, Federal
2154 Funds Procedures Act, the office may:

2155 (a) seek federal grants or loans;

2156 (b) seek to participate in federal programs; and

2157 (c) in accordance with applicable federal program guidelines, administer federally
2158 funded state energy programs.

2159 (5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102,
2160 59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax Credit Act,
2161 and Part 6, High Cost Infrastructure Development Tax Credit Act.

2162 (6) (a) For purposes of administering this section, the office may make rules, by
2163 following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
2164 confidential, and not as a public record, information that the office receives from any source.

2165 (b) The office shall maintain information the office receives from any source at the
2166 level of confidentiality assigned by the source.

2167 (7) The office may charge application, filing, and processing fees in amounts
2168 determined by the office in accordance with Section [63J-1-504](#) as dedicated credits for
2169 performing office duties described in this part.

2170 (8) (a) An employee of the office on April 30, 2024, is an at-will employee.

2171 (b) For an employee [~~of the~~] described in Subsection (8)(a) who was employed by the
2172 office on [~~July 1, 2021~~] April 30, 2024, the employee shall have the same salary and benefit
2173 options [~~the~~] an employee had when the office was part of the office of the governor.

2174 (c) An employee of the office hired on or after May 1, 2024, shall receive
2175 compensation as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.

2176 (9) (a) The office shall prepare a strategic energy plan to achieve the state's energy
2177 policy, including:

2178 (i) technological and infrastructure innovation needed to meet future energy demand
2179 including:

2180 (A) energy production technologies;

2181 (B) battery and storage technologies;

2182 (C) smart grid technologies;

2183 (D) energy efficiency technologies; and

2184 (E) any other developing energy technology, energy infrastructure planning, or
2185 investments that will assist the state in meeting energy demand;

2186 (ii) the state's efficient utilization and development of:

2187 (A) nonrenewable energy resources, including natural gas, coal, clean coal, hydrogen,
2188 oil, oil shale, and oil sands;

2189 (B) renewable energy resources, including geothermal, solar, hydrogen, wind, biomass,
2190 biofuel, and hydroelectric;

2191 (C) nuclear power; and

2192 (D) earth minerals;

2193 (iii) areas of energy-related academic research;

2194 (iv) specific areas of workforce development necessary for an evolving energy
2195 industry;

- 2196 (v) the development of partnerships with national laboratories; and
2197 (vi) a proposed state budget for economic development and investment.
2198 (b) In preparing the strategic energy plan, the office shall consult with stakeholders,
2199 including representatives from:
2200 (i) energy companies in the state;
2201 (ii) private and public institutions of higher education within the state conducting
2202 energy-related research; and
2203 (iii) other state agencies.
2204 (c) On or before the October 2023 interim meeting, the office shall report to the Public
2205 Utilities, Energy, and Technology Interim Committee and the Executive Appropriations
2206 [~~Interim~~] Committee describing:
2207 (i) progress towards creation of the strategic energy plan; and
2208 (ii) a proposed budget for the office to continue development of the strategic energy
2209 plan.
2210 (10) The director shall:
2211 (a) annually review and propose updates to the state's energy policy, as contained in
2212 Section 79-6-301;
2213 (b) promote as the governor considers necessary:
2214 (i) the development of cost-effective energy resources both renewable and
2215 nonrenewable; and
2216 (ii) educational programs, including programs supporting conservation and energy
2217 efficiency measures;
2218 (c) coordinate across state agencies to assure consistency with state energy policy,
2219 including:
2220 (i) working with the State Energy Program to promote access to federal assistance for
2221 energy-related projects for state agencies and members of the public;
2222 (ii) working with the Division of Emergency Management to assist the governor in
2223 carrying out the governor's energy emergency powers under Title 53, Chapter 2a, Part 10,
2224 Energy Emergency Powers of the Governor Act;
2225 (iii) participating in the annual review of the energy emergency plan and the
2226 maintenance of the energy emergency plan and a current list of contact persons required by

2227 Section 53-2a-902; and
2228 (iv) identifying and proposing measures necessary to facilitate low-income consumers'
2229 access to energy services;
2230 (d) coordinate with the Division of Emergency Management ongoing activities
2231 designed to test an energy emergency plan to ensure coordination and information sharing
2232 among state agencies and political subdivisions in the state, public utilities and other energy
2233 suppliers, and other relevant public sector persons as required by Sections 53-2a-902,
2234 53-2a-1004, 53-2a-1008, and 53-2a-1010;
2235 (e) coordinate with requisite state agencies to study:
2236 (i) the creation of a centralized state repository for energy-related information;
2237 (ii) methods for streamlining state review and approval processes for energy-related
2238 projects; and
2239 (iii) the development of multistate energy transmission and transportation
2240 infrastructure;
2241 (f) coordinate energy-related regulatory processes within the state;
2242 (g) compile, and make available to the public, information about federal, state, and
2243 local approval requirements for energy-related projects;
2244 (h) act as the state's advocate before federal and local authorities for energy-related
2245 infrastructure projects or coordinate with the appropriate state agency; and
2246 (i) help promote the Division of Facilities Construction and Management's measures to
2247 improve energy efficiency in state buildings.
2248 (11) The director has standing to testify on behalf of the governor at the Public Service
2249 Commission created in Section 54-1-1.
2250 Section 20. Section **79-6-404**, which is renumbered from Section 79-6-202 is
2251 renumbered and amended to read:
2252 **[79-6-202]. 79-6-404. Agency cooperation.**
2253 A state agency shall provide the ~~[energy advisor]~~ office with any energy-related
2254 information requested by the ~~[energy advisor if the energy advisor's]~~ office if the office's
2255 request is consistent with other law.
2256 Section 21. Section **79-6-405**, which is renumbered from Section 79-6-203 is
2257 renumbered and amended to read:

2258 ~~[79-6-203].~~ 79-6-405. Reports.

2259 (1) The ~~[energy advisor]~~ director shall report annually to ~~[(a) the appointing authority;~~
2260 ~~and (b)]~~ the Natural Resources, Agriculture, and Environment Interim Committee.

2261 (2) The report required in Subsection (1) shall:

2262 (a) summarize the status and development of the state's energy resources;

2263 (b) summarize the activities and accomplishments of the Office of Energy
2264 Development;

2265 (c) address the ~~[energy advisor's]~~ director's activities under this part; and

2266 (d) recommend any energy-related executive or legislative action the ~~[energy advisor]~~
2267 director considers beneficial to the state, including updates to the state energy policy under
2268 Section 79-6-301.

2269 Section 22. Section **79-6-901** is amended to read:

2270 **79-6-901. Definitions.**

2271 As used in this part:

2272 (1) "Application" means an application for a tax credit under Title 79, Chapter 6, Part
2273 6, High Cost Infrastructure Development Tax Credit Act.

2274 (2) "Board" means the Utah Energy Infrastructure Board created in Section 79-6-902.

2275 (3) "Electric interlocal entity" means the same as that term is defined in Section
2276 11-13-103.

2277 ~~[(4) "Energy advisor" means the energy advisor appointed under Section 79-6-201.]~~

2278 ~~[(5)]~~ (4) "Fuel standard compliance project" means the same as that term is defined in
2279 Section 79-6-602.

2280 ~~[(6)]~~ (5) "Office" means the Office of Energy Development created in Section
2281 79-6-401.

2282 ~~[(7)]~~ (6) "Tax credit" means the same as that term is defined in Section 79-6-602.

2283 Section 23. Section **79-6-902** is amended to read:

2284 **79-6-902. Utah Energy Infrastructure Board.**

2285 (1) There is created within the office the Utah Energy Infrastructure Board that consists
2286 of nine members as follows:

2287 (a) members appointed by the governor:

2288 (i) ~~[the energy advisor or]~~ the director of the Office of Energy Development, who shall

2289 serve as chair of the board;

2290 (ii) one member from the Governor's Office of Economic Opportunity;

2291 (iii) one member from a public utility or electric interlocal entity that operates electric
2292 transmission facilities within the state;

2293 (iv) two members representing the economic development interests of rural
2294 communities as follows:

2295 (A) one member currently serving as county commissioner of a county of the third,
2296 fourth, fifth, or sixth class, as described in Section 17-50-501; and

2297 (B) one member of a rural community with work experience in the energy industry;

2298 (v) two members of the general public with relevant industry or community
2299 experience; and

2300 (vi) one member of the general public who has experience with public finance and
2301 bonding; and

2302 (b) the director of the School and Institutional Trust Lands Administration created in
2303 Section 53C-1-201.

2304 (2) (a) The term of an appointed board member is four years.

2305 (b) Notwithstanding Subsection (2)(a), the governor shall, at the time of appointment
2306 or reappointment, adjust the length of terms to ensure that the terms of board members are
2307 staggered so that approximately half of the board is appointed every two years.

2308 (c) The governor may remove a member of the board for cause.

2309 (d) The governor shall fill a vacancy in the board in the same manner under this section
2310 as the appointment of the member whose vacancy is being filled.

2311 (e) An individual appointed to fill a vacancy shall serve the remaining unexpired term
2312 of the member whose vacancy the individual is filling.

2313 (f) A board member shall serve until a successor is appointed and qualified.

2314 (3) (a) Five members of the board constitute a quorum for conducting board business.

2315 (b) A majority vote of the quorum present is required for an action to be taken by the
2316 board.

2317 (4) The board shall meet as needed to review an application.

2318 (5) A member may not receive compensation or benefits for the member's service, but
2319 may receive per diem and travel expenses in accordance with:

- 2320 (a) Section [63A-3-106](#);
- 2321 (b) Section [63A-3-107](#); and
- 2322 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
- 2323 [63A-3-107](#).

2324 Section 24. Section **79-7-601**, which is renumbered from Section 79-4-1102 is
2325 renumbered and amended to read:

2326 **Part 6. Contingency Planning for Management of Federal Land**

2327 ~~[79-4-1102]~~. **79-7-601. Contingency plan for federal property.**

2328 (1) As used in this part, "fiscal emergency" means a major disruption in the operation
2329 of one or more national parks, national monuments, national forests, or national recreation
2330 areas in the state caused by the unforeseen or sudden significant decrease or elimination of
2331 funding from the federal government.

2332 (2) During a fiscal emergency, and subject to congressional approval, the governor's
2333 agreement with the United States Department of the Interior, or a presidential executive order,
2334 the governor ~~[is authorized to]~~ may enter into an agreement with the federal government to
2335 ensure that one or more national parks, national monuments, national forests, or national
2336 recreation areas in the state, according to the priority set under ~~[Section 79-4-1103]~~ Section
2337 79-7-602, remain open to the public.

2338 Section 25. Section **79-7-602**, which is renumbered from Section 79-4-1103 is
2339 renumbered and amended to read:

2340 ~~[79-4-1103]~~. **79-7-602. Governor's duties -- Priority of federal property.**

2341 (1) During a fiscal emergency, the governor shall:

2342 (a) if financially practicable, work with the federal government to open and maintain
2343 the operation of one or more national parks, national monuments, national forests, and national
2344 recreation areas in the state, in the order established under this section; and

2345 (b) report to the speaker of the House and the president of the Senate on the need, if
2346 any, for additional appropriations to assist the division in opening and operating one or more
2347 national parks, national monuments, national forests, and national recreation areas in the state.

2348 (2) The director of the Division of Outdoor Recreation, in consultation with the
2349 executive director of the ~~[Governor's Office of Economic Opportunity]~~ Department of Natural
2350 Resources, shall determine, by rule, the priority of national parks, national monuments,

2351 national forests, and national recreation areas in the state.

2352 (3) In determining the priority described in Subsection (2), the director of the Division
2353 of Outdoor Recreation shall consider the:

2354 (a) economic impact of the national park, national monument, national forest, or
2355 national recreation area in the state; and

2356 (b) recreational value offered by the national park, national monument, national forest,
2357 or national recreation area.

2358 (4) The director of the Division of Outdoor Recreation shall annually review the
2359 priority set under Subsection (2) to determine whether the priority list should be amended.

2360 Section 26. **Repealer.**

2361 This bill repeals:

2362 Section **40-6-22, Regulatory certainty to support economic recovery.**

2363 Section **73-10-12, Appropriations.**

2364 Section **73-10-13, Appropriation for loan fund.**

2365 Section **73-10-31, Allocation of funds for credit enhancement and interest**
2366 **buy-down agreements.**

2367 Section **79-4-1101, Title.**

2368 Section **79-6-201, Advisor -- Duties.**

2369 Section 27. **Effective date.**

2370 (1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

2371 (2) (a) The actions affecting the following sections take effect on July 1, 2024:

2372 (i) Section **23A-3-214;**

2373 (ii) Section **51-9-306;**

2374 (iii) Section **59-12-103** (Contingently Superseded 01/01/25);

2375 (iv) Section **59-21-2;**

2376 (v) Section **59-23-4;**

2377 (vi) Section **63J-1-602.1;** and

2378 (vii) Section **79-3-403.**

2379 (b) The actions affecting Section **59-12-103** (Contingently Effective 01/01/25)

2380 contingently take effect on January 1, 2025.

2381 Section 28. **Coordinating H.B. 519 with other 2024 General Session legislation.**

2382 The Legislature intends that, on May 1, 2024, in legislation that passes in the 2024
2383 General Session and becomes law any reference to energy advisor be changed to the director of
2384 the Office of Energy Development in any new language added to the Utah Code.