

**Representative R. Neil Walter** proposes the following substitute bill:

**HIGHER EDUCATION DEVELOPMENT AREAS STUDY**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Chris H. Wilson**

House Sponsor: Steve Eliason

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**LONG TITLE**

**General Description:**

This bill requires the Political Subdivisions Interim Committee to study issues relating to a university's development of university-owned property.

**Highlighted Provisions:**

This bill:

- ▶ requires the Political Subdivisions Interim Committee to study development agreements relating to the development of university-owned property; and
- ▶ establishes the study items to be included in the study.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**36-12-5.5**, Utah Code Annotated 1953

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

Section 1. Section **36-12-5.5** is enacted to read:



26 36-12-5.5. Political Subdivisions Interim Committee study on the development of  
27 university-owned property.

28 (1) As used in this section, "university" means an institution of higher education listed  
29 in Subsection 53B-1-102(1)(a).

30 (2) During the 2024 interim, the Political Subdivisions Interim Committee shall study  
31 development agreements relating to the development of university-owned property.

32 (3) The study under Subsection (2) shall address:

33 (a) the conditions under which a university may, consistent with current law, enter into  
34 a development agreement with a private person for the development of university-owned  
35 property;

36 (b) how counties, municipalities, special districts, special service districts, and other  
37 political subdivisions of the state would be impacted by a university entering into a  
38 development agreement with a private person for the development of university-owned  
39 property;

40 (c) whether a privilege tax should apply to buildings and other improvements  
41 constructed on university-owned property;

42 (d) (i) if a privilege tax does not apply, how the revenue that would have resulted from  
43 the privilege tax should be apportioned, including whether the university should be allowed to  
44 retain some or all of the revenue that would have resulted from a privilege tax;

45 (ii) if a privilege tax does apply, how the revenue from the tax should be distributed;

46 (e) how much land a university should be allowed to develop and what should the  
47 approval process be for a university to enter into an agreement with a private person for the  
48 development of university-owned property; and

49 (f) whether a university should be required to include restrictions on a development  
50 partner that enters into a development agreement with the university for the development of  
51 university-owned property.

52 Section 2. **Effective date.**

53 This bill takes effect on May 1, 2024.