

1 **WORKING FARM AND RANCH PROTECTION FUND**

2 2023 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Casey Snider**

5 Senate Sponsor: Scott D. Sandall

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions related to the management, regulation, conservation, and
10 use of natural resources.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ renames the LeRay McAllister Critical Land Conservation Program;
- 15 ▶ establishes the LeRay McAllister Working Farm and Ranch Fund;
- 16 ▶ addresses county use of rollback taxes; and
- 17 ▶ addresses county use of rollback tax funds.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **4-46-102**, as renumbered and amended by Laws of Utah 2022, Chapter 68

25 **4-46-202**, as renumbered and amended by Laws of Utah 2022, Chapter 68

26 **4-46-301**, as renumbered and amended by Laws of Utah 2022, Chapter 68

27 **4-46-302**, as renumbered and amended by Laws of Utah 2022, Chapter 68

28 **4-46-303**, as renumbered and amended by Laws of Utah 2022, Chapter 68

29 **39A-8-104**, as renumbered and amended by Laws of Utah 2022, Chapter 373

30 [59-2-506](#), as last amended by Laws of Utah 2017, Chapter 319
 31 [59-2-511](#), as last amended by Laws of Utah 2007, Chapter 329
 32 [59-2-1705](#), as last amended by Laws of Utah 2017, Chapter 319
 33 [59-2-1710](#), as enacted by Laws of Utah 2012, Chapter 197
 34 [63J-1-602.2](#), as last amended by Laws of Utah 2022, Chapters 59, 68, 154, 224, 236,
 35 242, and 447 and last amended by Coordination Clause, Laws of Utah 2022,
 36 Chapter 154

37 ENACTS:

38 [17-41-601](#), Utah Code Annotated 1953
 39 [17-41-602](#), Utah Code Annotated 1953



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

42 Section 1. Section [4-46-102](#) is amended to read:

43 **[4-46-102. Definitions.](#)**

44 As used in this chapter:

45 (1) "Agricultural land" [~~has the same meaning as~~] means "land in agricultural use,"
 46 [~~under~~] as defined in Section [59-2-502](#).

47 (2) "Board" means the Land Conservation Board established in Section [4-46-201](#).

48 (3) "Conservation commission" means the Conservation Commission created in
 49 Section [4-18-104](#).

50 (4) "Conservation district" means a limited purpose local government entity created
 51 under Title 17D, Chapter 3, Conservation District Act.

52 (5) "Director" means the director of the Division of Conservation.

53 (6) "Division" means the Division of Conservation created in Section [4-46-401](#).

54 (7) "Fund" means the LeRay McAllister Working Farm and Ranch Fund created in
 55 Section [4-46-301](#).

56 [~~(7)~~] (8) "Land use authority" means:

57 (a) a land use authority, as defined in Section [10-9a-103](#), of a municipality; or

58 (b) a land use authority, as defined in Section 17-27a-103, of a county.

59 ~~[(8)]~~ (9) "Local entity" means a county, city, or town.

60 ~~[(9)]~~ (10) (a) "Open land" means land that is:

61 (i) preserved in or restored to a predominantly natural, open, and undeveloped
62 condition; and

63 (ii) used for:

64 (A) wildlife habitat;

65 (B) cultural or recreational use;

66 (C) watershed protection; or

67 (D) another use consistent with the preservation of the land in, or restoration of the
68 land to, a predominantly natural, open, and undeveloped condition.

69 ~~[(b) (i) "Open land" does not include land whose predominant use is as a developed
70 facility for active recreational activities, including baseball, tennis, soccer, golf, or other
71 sporting or similar activity.]~~

72 ~~[(ii) (b) [The condition of land does not change from a natural, open, and undeveloped
73 condition because of the development or presence on the land of] "Open land" includes land
74 described in Subsection (10)(a) that contains facilities, including trails, waterways, and grassy
75 areas, that:~~

76 ~~[(A)]~~ (i) enhance the natural, scenic, or aesthetic qualities of the land; or

77 ~~[(B)]~~ (ii) facilitate the public's access to or use of the land for the enjoyment of the
78 land's natural, scenic, or aesthetic qualities and for compatible recreational activities.

79 ~~(c) "Open land" does not include land whose predominant use is as a developed facility
80 for active recreational activities, including baseball, tennis, soccer, golf, or other sporting or
81 similar activities.~~

82 ~~[(10) "Program" means the LeRay McAllister Critical Land Conservation Program
83 established in Section 4-46-301.]~~

84 (11) (a) "State conservation efforts" includes:

85 (i) efforts to optimize and preserve the uses of land for the benefit of the state's

86 agricultural industry and natural resources; and

87 (ii) conservation of working landscapes that if conserved, preserves the state's
88 agricultural industry and natural resources, such as working agricultural land.

89 (b) "State conservation efforts" does not include the purpose of opening private
90 property to public access without the consent of the owner of the private property.

91 (12) (a) "Working agricultural land" means agricultural land for which an owner or
92 producer engages in the activity of producing for commercial purposes crops, orchards,
93 livestock, poultry, aquaculture, livestock products, or poultry products and the facilities,
94 equipment, and property used to facilitate the activity.

95 (b) "Working agricultural land" includes an agricultural protection area established
96 under Title 17, Chapter 41, Agriculture, Industrial, or Critical Infrastructure Materials
97 Protection Areas.

98 Section 2. Section **4-46-202** is amended to read:

99 **4-46-202. Board duties and powers -- No regulatory authority -- Criteria.**

100 (1) The board shall:

101 (a) administer the ~~[program]~~ fund as provided in this chapter; and

102 (b) fulfill other responsibilities imposed on the board by the Legislature.

103 (2) The board may not exercise any regulatory authority.

104 (3) In carrying out the board's powers and duties under this chapter, the board shall
105 adopt ranking criteria that is substantially similar to the ranking criteria used by the Agriculture
106 Conservation Easement Program and Agriculture Land Easement as determined by the Natural
107 Resources Conservation Service under the United States Department of Agriculture.

108 Section 3. Section **4-46-301** is amended to read:

109 **Part 3. LeRay McAllister Working Farm and Ranch Fund**

110 **4-46-301. LeRay McAllister Working Farm and Ranch Fund.**

111 (1) There is created a ~~[program]~~ restricted account within the General Fund entitled the
112 "~~LeRay McAllister Critical Land Conservation Program~~ LeRay McAllister Working Farm
113 and Ranch Fund."

114 (2) ~~[Funding for the program shall be a line item in the budget of the board. The line~~
115 ~~item shall be nonlapsing.]~~ The restricted account shall consist of:

- 116 (a) appropriations by the Legislature;
- 117 (b) grants from federal or private sources; and
- 118 (c) interest and earnings from the account.

119 (3) The Land Conservation Board created in Section 4-46-201 may use appropriations
120 from the fund in accordance with Section 4-46-302.

121 Section 4. Section 4-46-302 is amended to read:

122 **4-46-302. Use of money in fund -- Criteria -- Administration.**

123 (1) Subject to Subsection (2), the board may authorize the use of money in the
124 ~~[program]~~ fund, by grant, to:

- 125 (a) a local entity;
- 126 (b) the Department of Natural Resources created under Section 79-2-201;
- 127 (c) an entity within the department; or
- 128 (d) a charitable organization that qualifies as being tax exempt under Section 501(c)(3),
129 Internal Revenue Code.

130 (2) (a) The money in the ~~[program]~~ fund shall be used for preserving or restoring open
131 land and agricultural land.

132 (b) ~~[(i)]~~ Except as provided in Subsection ~~[(2)(b)(ii)]~~ (2)(c), money from the ~~[program]~~
133 fund:

134 (i) may be used to:

135 (A) establish a conservation easement under Title 57, Chapter 18, Land Conservation
136 Easement Act; or

137 (B) fund similar methods to preserve open land or agricultural land; and

138 (ii) may not be used to:

139 (A) purchase a fee interest in real property to preserve open land or agricultural land[;

140 ~~but may be used to establish a conservation easement under Title 57, Chapter 18, Land~~

141 ~~Conservation Easement Act, or to fund similar methods to preserve open land or agricultural~~

142 ~~land~~; or

143 (B) purchase additional property for the purpose of tax deferral.

144 ~~[(ii)] (c) [Notwithstanding Subsection (2)(b)(i), money]~~ Money from the ~~[program]~~

145 fund may be used to purchase a fee interest in real property to preserve open land or

146 agricultural land if:

147 ~~[(A)] (i)~~ the ~~[parcel]~~ property to be purchased is no more than 20 acres in size; and

148 ~~[(B)] (ii)~~ with respect to a parcel purchased in a county in which over 50% of the land

149 area is publicly owned, real property roughly equivalent in size and located within that county

150 is contemporaneously transferred to private ownership from the governmental entity that

151 purchased the fee interest in real property.

152 ~~[(iii)] (d)~~ Eminent domain may not be used or threatened in connection with any

153 purchase using money from the ~~[program]~~ fund.

154 ~~[(iv)] (e)~~ A parcel of land larger than 20 acres in size may not be divided ~~[into separate~~

155 ~~parcels smaller than 20 acres each to meet the requirement of]~~ to create one or more parcels

156 that are smaller than 20 acres in order to comply with Subsection ~~[(2)(b)(ii)]~~ (2)(c)(i).

157 ~~[(e)] (f)~~ A local entity, department, or organization under Subsection (1) may not

158 receive money from the ~~[program]~~ fund unless the local entity, department, or organization

159 provides matching funds equal to or greater than the amount of money received from the

160 ~~[program]~~ fund.

161 ~~[(f)] (g)~~ In granting money from the ~~[program]~~ fund, the board may impose conditions

162 on the recipient as to how the money is to be spent.

163 ~~[(e)] (h)~~ The board shall give priority to:

164 (i) working agricultural land; and

165 (ii) after giving priority to working agricultural land under Subsection ~~[(2)(e)(i)]~~

166 (2)(h)(i), requests from the Department of Natural Resources for up to 20% of each annual

167 increase in the amount of money in the ~~[program]~~ fund if the money is used for the protection

168 of wildlife or watershed.

169 ~~[(f)] (i)~~ (i) The board may not make a grant from the ~~[program]~~ fund that exceeds

170 \$1,000,000 until after making a report to the Legislative Management Committee about the
171 grant.

172 (ii) The Legislative Management Committee may make a recommendation to the board
173 concerning the intended grant, but the recommendation is not binding on the board.

174 (3) In determining the amount and type of financial assistance to provide a local entity,
175 department, or organization under Subsection (1) and subject to Subsection [~~(2)(f)~~] (2)(i), the
176 board shall consider:

177 (a) the nature and amount of open land and agricultural land proposed to be preserved
178 or restored;

179 (b) the qualities of the open land and agricultural land proposed to be preserved or
180 restored;

181 (c) the cost effectiveness of the project to preserve or restore open land or agricultural
182 land;

183 (d) the funds available;

184 (e) the number of actual and potential applications for financial assistance and the
185 amount of money sought by those applications;

186 (f) the open land preservation plan of the local entity where the project is located and
187 the priority placed on the project by that local entity;

188 (g) the effects on housing affordability and diversity; and

189 (h) whether the project protects against the loss of private property ownership.

190 (4) If a local entity, department, or organization under Subsection (1) seeks money
191 from the [~~program~~] fund for a project whose purpose is to protect critical watershed, the board
192 shall require that the needs and quality of that project be verified by the state engineer.

193 (5) An interest in real property purchased with money from the [~~program~~] fund shall be
194 held and administered by the state or a local entity.

195 (6) (a) The board may not authorize the use of money under this section for a project
196 unless the land use authority for the land in which the project is located consents to the project.

197 (b) To obtain consent to a project, the person who is seeking money from the

198 [program] fund shall submit a request for consent to a project with the applicable land use
199 authority. The land use authority may grant or deny consent. If the land use authority does not
200 take action within 60 days from the day on which the request for consent is filed with the land
201 use authority under this Subsection (6), the board shall treat the project as having the consent of
202 the land use authority.

203 (c) An action of a land use authority under this Subsection (6) is not a land use decision
204 subject to:

- 205 (i) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or
- 206 (ii) Title 17, Chapter 27a, County Land Use, Development, and Management Act.

207 Section 5. Section **4-46-303** is amended to read:

208 **4-46-303. Board to report annually.**

209 The board shall submit an annual report to the Infrastructure and General Government
210 and Natural Resources, Agriculture, and Environmental Quality Appropriations
211 Subcommittees:

- 212 (1) specifying the amount of each disbursement from the [program] fund;
- 213 (2) identifying the recipient of each disbursement and describing the project for which
214 money was disbursed; and
- 215 (3) detailing the conditions, if any, placed by the board on disbursements from the
216 [program] fund.

217 Section 6. Section **17-41-601** is enacted to read:

218 **Part 6. Open Land and Working Agricultural Land Use**

219 **17-41-601. Definitions.**

220 As used in this part:

- 221 (1) "Agricultural land" means "land in agricultural use," as defined in Section
222 [59-2-502](#).

223 (2) (a) "Open land" means land that is:

- 224 (i) preserved in or restored to a predominantly natural, open, and undeveloped
225 condition; and

226 (ii) used for:
227 (A) wildlife habitat;
228 (B) cultural or recreational use;
229 (C) watershed protection; or
230 (D) another use consistent with the preservation of the land in, or restoration of the
231 land to, a predominantly natural, open, and undeveloped condition.

232 (b) "Open land" includes land described in Subsection (2)(a) that contains facilities,
233 including trails, waterways, and grassy areas, that, in the judgment of the county legislative
234 body:

235 (i) enhance the natural, scenic, or aesthetic qualities of the land; or
236 (ii) facilitate the public's access to, or use of, the land for the enjoyment of the land's
237 natural, scenic, or aesthetic qualities and for compatible recreational activities.

238 (c) "Open land" does not include land whose predominant use is as a developed facility
239 for active recreational activities played on fields or courses, including baseball, tennis, soccer,
240 golf, or other sporting or similar activities.

241 (3) "Public land county" means a county in which over 50% of the land area is publicly
242 owned.

243 (4) "Rollback tax funds" means the rollback taxes paid to a county in accordance with
244 Sections [59-2-506](#), [59-2-511](#), [59-2-1705](#), and [59-2-1710](#).

245 Section 7. Section **17-41-602** is enacted to read:

246 **17-41-602. Use of money -- Criteria -- Administration.**

247 (1) The county treasurer shall:

248 (a) pay rollback taxes in accordance with Sections [59-2-506](#), [59-2-511](#), [59-2-1705](#), and
249 [59-2-1710](#); and

250 (b) deposit 20% of the rollback tax funds into an account or fund of the county set
251 aside for preserving or restoring open land and agricultural land.

252 (2) The percentage of rollback tax funds described in Subsection (1)(b):

253 (a) may be used to establish a conservation easement under Title 57, Chapter 18, Land

254 Conservation Easement Act, or to fund similar methods to preserve open land or agricultural
255 land; and

256 (b) if the property to be purchased is in a public land county, may not be used to
257 purchase a fee interest in real property to preserve open land or agricultural land, unless, the
258 governmental entity purchasing the property contemporaneously transfers to the private
259 ownership real property, in the same public land county, that is roughly equivalent in size to the
260 property to be purchased.

261 (3) Eminent domain may not be used or threatened in connection with any purchase
262 using the percentage of rollback tax funds described in Subsection (1)(b).

263 (4) The funds collected by the account or fund of the county may roll over from
264 year-to-year.

265 Section 8. Section **39A-8-104** is amended to read:

266 **39A-8-104. Committee responsibilities.**

267 (1) The committee shall:

268 (a) identify lands to be included in the designated sentinel landscape;

269 (b) develop strategies and recommendations to encourage landowners within the
270 sentinel landscape to voluntarily participate in and begin or continue land uses compatible with
271 Camp Williams's military mission; and

272 (c) publish any policies and procedures as administrative rules in accordance with Title
273 63G, Chapter 3, Utah Administrative Rulemaking Act.

274 (2) In designating sentinel lands, the coordinating committee shall include all working
275 or natural lands that the coordinating committee believes contribute to the long-term
276 sustainability of the military missions conducted at Camp Williams.

277 (3) The committee shall determine the appropriate level of state resources required to
278 adequately protect Camp Williams's military mission and may apply for grants from the [~~LeRay~~
279 ~~McAllister Critical Lands Conservation Program~~] LeRay McAllister Working Farm and Ranch
280 Fund to aid in securing those resources.

281 (4) In determining lands to designate, the coordinating committee shall seek input

282 from:

283 (a) the director of the Department of Defense Readiness and Environmental Protection
284 Integration Program; and

285 (b) the director of the National Guard Bureau Army Compatible Use Buffer Program,
286 as authorized under 10 U.S.C. Sec. 2684(a).

287 (5) The committee shall provide a written report of its activities if state funds are
288 expended during the previous calendar year no later than July 31 annually to:

289 (a) the governor;

290 (b) the Government Operations Interim Committee; and

291 (c) the Executive Appropriations Committee.

292 Section 9. Section **59-2-506** is amended to read:

293 **59-2-506. Rollback tax -- Penalty -- Computation of tax -- Procedure -- Lien --**
294 **Interest -- Notice -- Collection -- Distribution.**

295 (1) Except as provided in this section, Section [59-2-506.5](#), or Section [59-2-511](#), if land
296 is withdrawn from this part, the land is subject to a rollback tax imposed in accordance with
297 this section.

298 (2) (a) An owner shall notify the county assessor that land is withdrawn from this part
299 within 120 days after the day on which the land is withdrawn from this part.

300 (b) An owner that fails to notify the county assessor under Subsection (2)(a) that land is
301 withdrawn from this part is subject to a penalty equal to the greater of:

302 (i) \$10; or

303 (ii) 2% of the rollback tax due for the last year of the rollback period.

304 (3) (a) The county assessor shall determine the amount of the rollback tax by
305 computing the difference for the rollback period described in Subsection (3)(b) between:

306 (i) the tax paid while the land was assessed under this part; and

307 (ii) the tax that would have been paid had the property not been assessed under this
308 part.

309 (b) For purposes of this section, the rollback period is a time period that:

310 (i) begins on the later of:
311 (A) the date the land is first assessed under this part; or
312 (B) five years preceding the day on which the county assessor mails the notice required
313 by Subsection (5); and
314 (ii) ends the day on which the county assessor mails the notice required by Subsection
315 (5).

316 (4) (a) The county treasurer shall:
317 (i) collect the rollback tax; and
318 (ii) after the rollback tax is paid, certify to the county recorder that the rollback tax lien
319 on the property has been satisfied by:
320 (A) preparing a document that certifies that the rollback tax lien on the property has
321 been satisfied; and
322 (B) providing the document described in Subsection (4)(a)(ii)(A) to the county recorder
323 for recordation.

324 (b) The county treasurer shall pay the rollback tax collected under this section as
325 follows:
326 (i) ~~[into the county treasury]~~ 20% to the county for use for open land and working
327 agricultural land as those terms are defined in Section 4-46-102; and
328 (ii) 80% to the various taxing entities pro rata in accordance with the property tax
329 levies for the current year.

330 (5) (a) The county assessor shall mail to an owner of the land that is subject to a
331 rollback tax a notice that:
332 (i) the land is withdrawn from this part;
333 (ii) the land is subject to a rollback tax under this section; and
334 (iii) the rollback tax is delinquent if the owner of the land does not pay the tax within
335 30 days after the day on which the county assessor mails the notice described in this Subsection
336 (5)(a).

337 (b) (i) The rollback tax is due and payable on the day the county assessor mails the

338 notice required by Subsection (5)(a).

339 (ii) Subject to Subsection (7), the rollback tax is delinquent if an owner of the land that
340 is withdrawn from this part does not pay the rollback tax within 30 days after the day on which
341 the county assessor mails the notice required by Subsection (5)(a).

342 (6) (a) Subject to Subsection (6)(b), the following are a lien on the land assessed under
343 this part:

344 (i) the rollback tax; and

345 (ii) interest imposed in accordance with Subsection (7).

346 (b) The lien described in Subsection (6)(a) shall:

347 (i) arise upon the imposition of the rollback tax under this section;

348 (ii) end on the day on which the rollback tax and interest imposed in accordance with
349 Subsection (7) are paid in full; and

350 (iii) relate back to the first day of the rollback period described in Subsection (3)(b).

351 (7) (a) A delinquent rollback tax under this section shall accrue interest:

352 (i) from the date of delinquency until paid; and

353 (ii) at the interest rate established under Section 59-2-1331 and in effect on January 1
354 of the year in which the delinquency occurs.

355 (b) The county treasurer shall include in the notice required by Section 59-2-1317 a
356 rollback tax that is delinquent on September 1 of any year and interest calculated on that
357 delinquent amount through November 30 of the year in which the county treasurer provides the
358 notice under Section 59-2-1317.

359 (8) (a) Land that becomes ineligible for assessment under this part only as a result of an
360 amendment to this part is not subject to the rollback tax if the owner of the land notifies the
361 county assessor, in accordance with Subsection (2), that the land is withdrawn from this part.

362 (b) Land described in Subsection (8)(a) that is withdrawn from this part as a result of
363 an event other than an amendment to this part, whether voluntary or involuntary, is subject to
364 the rollback tax.

365 (9) Except as provided in Section 59-2-511, land that becomes exempt from taxation

366 under Utah Constitution, Article XIII, Section 3, is not subject to the rollback tax if the land
367 meets the requirements of Section 59-2-503 to be assessed under this part.

368 (10) Land that becomes ineligible for assessment under this part only as a result of a
369 split estate mineral rights owner exercising the right to extract a mineral is not subject to the
370 rollback tax:

371 (a) (i) for the portion of the land required by a split estate mineral rights owner to
372 extract a mineral if, after the split estate mineral rights owner exercises the right to extract a
373 mineral, the portion of the property that remains in agricultural production still meets the
374 acreage requirements of Section 59-2-503 for assessment under this part; or

375 (ii) for the entire acreage that would otherwise qualify for assessment under this part if,
376 after the split estate mineral rights owner exercises the right to extract a mineral, the entire
377 acreage that would otherwise qualify for assessment under this part no longer meets the acreage
378 requirements of Section 59-2-503 for assessment under this part only due to the extraction of
379 the mineral by the split estate mineral rights owner; and

380 (b) for the period of time that the property described in Subsection (10)(a) is ineligible
381 for assessment under this part due to the extraction of a mineral by the split estate mineral
382 rights owner.

383 Section 10. Section 59-2-511 is amended to read:

384 **59-2-511. Acquisition of land by governmental entity -- Requirements -- Rollback**
385 **tax -- One-time in lieu fee payment -- Passage of title.**

386 (1) For purposes of this section, "governmental entity" means:

387 (a) the United States;

388 (b) the state;

389 (c) a political subdivision of the state, including:

390 (i) a county;

391 (ii) a city;

392 (iii) a town;

393 (iv) a school district;

- 394 (v) a local district; or
- 395 (vi) a special service district; or
- 396 (d) an entity created by the state or the United States, including:
- 397 (i) an agency;
- 398 (ii) a board;
- 399 (iii) a bureau;
- 400 (iv) a commission;
- 401 (v) a committee;
- 402 (vi) a department;
- 403 (vii) a division;
- 404 (viii) an institution;
- 405 (ix) an instrumentality; or
- 406 (x) an office.
- 407 (2) (a) Except as provided in Subsections (3) and (4), land acquired by a governmental
- 408 entity is subject to the rollback tax imposed by this part if:
- 409 (i) prior to the governmental entity acquiring the land, the land is assessed under this
- 410 part; and
- 411 (ii) after the governmental entity acquires the land, the land does not meet the
- 412 requirements of Section 59-2-503 for assessment under this part.
- 413 (b) A person dedicating a public right-of-way to a governmental entity shall pay the
- 414 rollback tax imposed by this part if:
- 415 (i) a portion of the public right-of-way is located within a subdivision as defined in
- 416 Section 10-9a-103; or
- 417 (ii) in exchange for the dedication, the person dedicating the public right-of-way
- 418 receives:
- 419 (A) money; or
- 420 (B) other consideration.
- 421 (3) (a) Except as provided in Subsection (4), land acquired by a governmental entity is

422 not subject to the rollback tax imposed by this part, but is subject to a one-time in lieu fee
423 payment as provided in Subsection (3)(b), if:

- 424 (i) the governmental entity acquires the land by eminent domain;
- 425 (ii) (A) the land is under the threat or imminence of eminent domain proceedings; and
- 426 (B) the governmental entity provides written notice of the proceedings to the owner; or
- 427 (iii) the land is donated to the governmental entity.

428 (b) (i) If a governmental entity acquires land under Subsection (3)(a)(iii), the
429 governmental entity shall make a one-time in lieu fee payment:

- 430 (A) to the county treasurer of the county in which the land is located; and
- 431 (B) in an amount equal to the amount of rollback tax calculated under Section
- 432 [59-2-506](#).

433 (ii) If a governmental entity acquires land under Subsection (3)(a)(i) or (3)(a)(ii), the
434 governmental entity shall make a one-time in lieu fee payment:

- 435 (A) to the county treasurer of the county in which the land is located; and
- 436 (B) (I) if the land remaining after the acquisition by the governmental entity meets the
- 437 requirements of Section [59-2-503](#), in an amount equal to the rollback tax under Section
- 438 [59-2-506](#) on the land acquired by the governmental entity; or
- 439 (II) if the land remaining after the acquisition by the governmental entity is less than
- 440 five acres, in an amount equal to the rollback tax under Section [59-2-506](#) on the land acquired
- 441 by the governmental entity and the land remaining after the acquisition by the governmental
- 442 entity.

443 (iii) For purposes of Subsection (3)(b)(ii), "land remaining after the acquisition by the
444 governmental entity" includes other eligible acreage that is used in conjunction with the land
445 remaining after the acquisition by the governmental entity.

446 (c) A county receiving an in lieu fee payment under Subsection (3)(b) shall distribute
447 the revenues generated by the payment as follows:

- 448 (i) 20% to the county for use for open land and working agricultural land as those
- 449 terms are defined in Section [4-46-102](#); and

450 (ii) 80% to the taxing entities in which the land is located~~;~~ and].
451 [~~(ii) in the same proportion as the revenue from real property taxes is distributed.~~]
452 (4) Except as provided in Section 59-2-506.5, if land acquired by a governmental entity
453 is made subject to a conservation easement in accordance with Section 59-2-506.5:
454 (a) the land is not subject to the rollback tax imposed by this part; and
455 (b) the governmental entity acquiring the land is not required to make an in lieu fee
456 payment under Subsection (3)(b).

457 (5) If a governmental entity acquires land subject to assessment under this part, title to
458 the land may not pass to the governmental entity until the following are paid to the county
459 treasurer:

- 460 (a) any tax due under this part;
- 461 (b) any one-time in lieu fee payment due under this part; and
- 462 (c) any interest due under this part.

463 Section 11. Section 59-2-1705 is amended to read:

464 **59-2-1705. Rollback tax -- Penalty -- Computation of tax -- Procedure -- Lien --**
465 **Interest -- Notice -- Collection -- Distribution -- Appeal to county board of equalization.**

466 (1) Except as provided in this section or Section 59-2-1710, land that is withdrawn
467 from this part is subject to a rollback tax imposed as provided in this section.

468 (2) (a) An owner shall notify the county assessor that land is withdrawn from this part
469 within 120 days after the day on which the land is withdrawn from this part.

470 (b) An owner who fails to notify the county assessor under Subsection (2)(a) that land
471 is withdrawn from this part is subject to a penalty equal to the greater of:

- 472 (i) \$10; or
- 473 (ii) 2% of the rollback tax due for the last year of the rollback period.

474 (3) (a) The county assessor shall determine the amount of the rollback tax by
475 computing the difference for the rollback period described in Subsection (3)(b) between:

- 476 (i) the tax paid while the land was assessed under this part; and
- 477 (ii) the tax that would have been paid had the property not been assessed under this

478 part.

479 (b) For purposes of this section, the rollback period is a time period that:

480 (i) begins on the later of:

481 (A) the date the land is first assessed under this part; or

482 (B) five years preceding the day on which the county assessor mails the notice required
483 by Subsection (5); and

484 (ii) ends the day on which the county assessor mails the notice required by Subsection
485 (5).

486 (4) (a) The county treasurer shall:

487 (i) collect the rollback tax; and

488 (ii) after the rollback tax is paid, certify to the county recorder that the rollback tax lien
489 on the property has been satisfied by:

490 (A) preparing a document that certifies that the rollback tax lien on the property has
491 been satisfied; and

492 (B) providing the document described in Subsection (4)(a)(ii)(A) to the county recorder
493 for recording.

494 (b) The county treasurer shall pay the rollback tax collected under this section as
495 follows:

496 (i) ~~[into the county treasury]~~ 20% to the county for use for open land and working
497 agricultural land as those terms are defined in Section 4-46-102; and

498 (ii) 80% to the various taxing entities pro rata in accordance with the property tax
499 levies for the current year.

500 (5) (a) The county assessor shall mail to an owner of the land that is subject to a
501 rollback tax a notice that:

502 (i) the land is withdrawn from this part;

503 (ii) the land is subject to a rollback tax under this section; and

504 (iii) the rollback tax is delinquent if the owner of the land does not pay the tax within
505 30 days after the day on which the county assessor mails the notice described in this Subsection

506 (5)(a).

507 (b) (i) The rollback tax is due and payable on the day the county assessor mails the
508 notice required by Subsection (5)(a).

509 (ii) Subject to Subsection (7), the rollback tax is delinquent if an owner of the land that
510 is withdrawn from this part does not pay the rollback tax within 30 days after the day on which
511 the county assessor mails the notice required by Subsection (5)(a).

512 (6) (a) Subject to Subsection (6)(b), the rollback tax and interest imposed under
513 Subsection (7) are a lien on the land assessed under this part.

514 (b) The lien described in Subsection (6)(a) shall:

515 (i) arise upon the imposition of the rollback tax under this section;

516 (ii) end on the day on which the rollback tax and interest imposed under Subsection (7)
517 are paid in full; and

518 (iii) relate back to the first day of the rollback period described in Subsection (3)(b).

519 (7) (a) A delinquent rollback tax under this section shall accrue interest:

520 (i) from the date of delinquency until paid; and

521 (ii) at the interest rate established under Section 59-2-1331 and in effect on January 1
522 of the year in which the delinquency occurs.

523 (b) The county treasurer shall include in the notice required by Section 59-2-1317 a
524 rollback tax that is delinquent on September 1 of any year and interest calculated on that
525 delinquent amount through November 30 of the year in which the county treasurer provides the
526 notice under Section 59-2-1317.

527 (8) (a) Land that becomes ineligible for assessment under this part only as a result of an
528 amendment to this part is not subject to the rollback tax if the owner of the land notifies the
529 county assessor, in accordance with Subsection (2), that the land is withdrawn from this part.

530 (b) Land described in Subsection (8)(a) that is withdrawn from this part as a result of
531 an event other than an amendment to this part, whether voluntary or involuntary, is subject to
532 the rollback tax.

533 (9) Except as provided in Section 59-2-1710, land that becomes exempt from taxation

534 under Utah Constitution, Article XIII, Section 3, is not subject to the rollback tax if the land
535 meets the requirements of Section 59-2-1703 to be assessed under this part.

536 Section 12. Section 59-2-1710 is amended to read:

537 **59-2-1710. Acquisition of land by governmental entity -- Requirements --**
538 **Rollback tax -- One-time in lieu fee payment -- Passage of title.**

539 (1) For purposes of this section, "governmental entity" means:

540 (a) the United States;

541 (b) the state;

542 (c) a political subdivision of the state, including a county, city, town, school district,
543 local district, or special service district; or

544 (d) an entity created by the state or the United States, including an agency, board,
545 bureau, commission, committee, department, division, instrumentality, or office.

546 (2) (a) Except as provided in Subsections (3) and (4), land acquired by a governmental
547 entity is subject to the rollback tax imposed by this part if:

548 (i) before the governmental entity acquires the land, the land is assessed under this
549 part; and

550 (ii) after the governmental entity acquires the land, the land does not meet the
551 requirements of Section 59-2-1703 for assessment under this part.

552 (b) A person dedicating a public right-of-way to a governmental entity shall pay the
553 rollback tax imposed by this part if:

554 (i) a portion of the public right-of-way is located within a subdivision as defined in
555 Section 10-9a-103; or

556 (ii) in exchange for the dedication, the person dedicating the public right-of-way
557 receives money or other consideration.

558 (3) (a) Land acquired by a governmental entity is not subject to the rollback tax
559 imposed by this part, but is subject to a one-time in lieu fee payment as provided in Subsection
560 (3)(b), if:

561 (i) the governmental entity acquires the land by eminent domain;

- 562 (ii) (A) the land is under the threat or imminence of eminent domain proceedings; and
- 563 (B) the governmental entity provides written notice of the proceedings to the owner; or
- 564 (iii) the land is donated to the governmental entity.

565 (b) (i) If a governmental entity acquires land under Subsection (3)(a)(iii), the
 566 governmental entity shall make a one-time in lieu fee payment:

- 567 (A) to the county treasurer of the county in which the land is located; and
- 568 (B) in an amount equal to the amount of rollback tax calculated under Section
 569 59-2-1705.

570 (ii) A governmental entity that acquires land under Subsection (3)(a)(i) or (ii) shall
 571 make a one-time in lieu fee payment to the county treasurer of the county in which the land is
 572 located:

573 (A) if the land remaining after the acquisition by the governmental entity meets the
 574 requirements of Section 59-2-1703, in an amount equal to the rollback tax under Section
 575 59-2-1705 on the land acquired by the governmental entity; or

576 (B) if the land remaining after the acquisition by the governmental entity is less than
 577 two acres, in an amount equal to the rollback tax under Section 59-2-1705 on the land acquired
 578 by the governmental entity and the land remaining after the acquisition by the governmental
 579 entity.

580 (c) A county receiving an in lieu fee payment under Subsection (3)(b) shall distribute
 581 the revenues collected from the payment as follows:

582 (i) 20% to the county for use for open land and working agricultural land as those
 583 terms are defined in Section 4-46-102; and

584 (ii) 80% to the taxing entities in which the land is located~~[, and]~~.

585 ~~[(ii) in the same proportion as the revenue from real property taxes is distributed.]~~

586 (4) If a governmental entity acquires land subject to assessment under this part, title to
 587 the land may not pass to the governmental entity until any tax, one-time in lieu fee payment,
 588 and applicable interest due under this part are paid to the county treasurer.

589 Section 13. Section **63J-1-602.2** is amended to read:

- 590 **63J-1-602.2. List of nonlapsing appropriations to programs.**
591 Appropriations made to the following programs are nonlapsing:
592 (1) The Legislature and the Legislature's committees.
593 (2) The State Board of Education, including all appropriations to agencies, line items,
594 and programs under the jurisdiction of the State Board of Education, in accordance with
595 Section [53F-9-103](#).
596 (3) The Percent-for-Art Program created in Section [9-6-404](#).
597 (4) The [~~LeRay McAllister Critical Land Conservation Program~~] LeRay McAllister
598 Working Farm and Ranch Fund created in Section 4-46- 301.
599 (5) The Utah Lake Authority created in Section [11-65-201](#).
600 (6) Dedicated credits accrued to the Utah Marriage Commission as provided under
601 Subsection [17-16-21\(2\)\(d\)\(ii\)](#).
602 (7) The Division of Wildlife Resources for the appraisal and purchase of lands under
603 the Pelican Management Act, as provided in Section [23-21a-6](#).
604 (8) The Emergency Medical Services Grant Program in Section [26-8a-207](#).
605 (9) The primary care grant program created in Section [26-10b-102](#).
606 (10) Sanctions collected as dedicated credits from Medicaid providers under
607 Subsection [26-18-3\(7\)](#).
608 (11) The Utah Health Care Workforce Financial Assistance Program created in Section
609 [26-46-102](#).
610 (12) The Rural Physician Loan Repayment Program created in Section [26-46a-103](#).
611 (13) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
612 (14) The Utah Medical Education Council for the:
613 (a) administration of the Utah Medical Education Program created in Section
614 [26-69-403](#);
615 (b) provision of medical residency grants described in Section [26-69-407](#); and
616 (c) provision of the forensic psychiatric fellowship grant described in Section
617 [26-69-408](#).

618 (15) Funds that the Department of Alcoholic Beverage Services retains in accordance
619 with Subsection 32B-2-301(8)(a) or (b).

620 (16) The General Assistance program administered by the Department of Workforce
621 Services, as provided in Section 35A-3-401.

622 (17) The Utah National Guard, created in Title 39, Militia and Armories.

623 (18) The State Tax Commission under Section 41-1a-1201 for the:

624 (a) purchase and distribution of license plates and decals; and

625 (b) administration and enforcement of motor vehicle registration requirements.

626 (19) The Search and Rescue Financial Assistance Program, as provided in Section
627 53-2a-1102.

628 (20) The Motorcycle Rider Education Program, as provided in Section 53-3-905.

629 (21) The Utah Board of Higher Education for teacher preparation programs, as
630 provided in Section 53B-6-104.

631 (22) Innovation grants under Section 53G-10-608, except as provided in Subsection
632 53G-10-608(6).

633 (23) The Division of Services for People with Disabilities, as provided in Section
634 62A-5-102.

635 (24) The Division of Fleet Operations for the purpose of upgrading underground
636 storage tanks under Section 63A-9-401.

637 (25) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.

638 (26) The Division of Technology Services for technology innovation as provided under
639 Section 63A-16-903.

640 (27) The Office of Administrative Rules for publishing, as provided in Section
641 63G-3-402.

642 (28) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,
643 Colorado River Authority of Utah Act.

644 (29) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act,
645 as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

646 (30) The Governor's Office of Economic Opportunity's Rural Employment Expansion
647 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.

648 (31) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.

649 (32) The Division of Human Resource Management user training program, as provided
650 in Section 63A-17-106.

651 (33) A public safety answering point's emergency telecommunications service fund, as
652 provided in Section 69-2-301.

653 (34) The Traffic Noise Abatement Program created in Section 72-6-112.

654 (35) The money appropriated from the Navajo Water Rights Negotiation Account to
655 the Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a
656 settlement of federal reserved water right claims.

657 (36) The Judicial Council for compensation for special prosecutors, as provided in
658 Section 77-10a-19.

659 (37) A state rehabilitative employment program, as provided in Section 78A-6-210.

660 (38) The Utah Geological Survey, as provided in Section 79-3-401.

661 (39) The Bonneville Shoreline Trail Program created under Section 79-5-503.

662 (40) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and
663 78B-6-144.5.

664 (41) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
665 Defense Commission.

666 (42) The program established by the Division of Facilities Construction and
667 Management under Section 63A-5b-703 under which state agencies receive an appropriation
668 and pay lease payments for the use and occupancy of buildings owned by the Division of
669 Facilities Construction and Management.

670 (43) The State Tax Commission for reimbursing counties for deferred property taxes in
671 accordance with Section 59-2-1802.