

1 **DEPARTMENT OF NATURAL RESOURCES MODIFICATIONS**

 2024 GENERAL SESSION

 STATE OF UTAH

Chief Sponsor: Casey Snider

 Senate Sponsor: Scott D. Sandall

2
3 **LONG TITLE**

4 **General Description:**

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

6 **Highlighted Provisions:**

7 This bill:

8 ▶ clarifies that the Species Protection Account is administered by the Division of Wildlife
9 Resources;

10 ▶ modifies requirements related to the off-highway vehicle safety education and training
11 program;

12 ▶ changes how the off-highway vehicle safety user fee is set and allows the Division of
13 Outdoor Recreation to collect an electronic payment fee;

14 ▶ repeals a provision related to actions brought to a district court challenging a
15 groundwater management plan;

16 ▶ repeals a requirement that the Board of Water Resources establish a benefit to cost ratio
17 for certain water projects;

18 ▶ repeals the definition of "species protection";

19 ▶ repeals a provision requiring the Utah Geological Survey to seek federal funds and
20 administer federally funded state programs related to energy;

21 ▶ modifies provisions related to mineral lease money being deposited into a restricted
22 account used by the Utah Geological Survey;

23 ▶ modifies provisions related to the director of the Office of Energy Development and
24 removes references to energy advisor;

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

26 ▶ repeals a requirement that 10% of certain expenditures by the Board of Water Resources
27 be allocated for credit enhancement and interest buy-down agreements;

- 28 ▶ clarifies that the Division of Outdoor Recreation has duties related to a contingency plan
 29 for federal property during a fiscal emergency;
 30 ▶ repeals outdated language, including appropriation language; and
 31 ▶ makes technical and conforming changes.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 This bill provides a special effective date.

36 This bill provides a coordination clause.

37 **Utah Code Sections Affected:**

38 AMENDS:

39 **41-22-31 (Effective 05/01/24)**, as repealed and reenacted by Laws of Utah 2023, Chapter
 40 11

41 **41-22-35 (Effective 05/01/24)**, as last amended by Laws of Utah 2022, Chapters 68, 143

42 **51-9-306 (Effective 07/01/24)**, as last amended by Laws of Utah 2023, Chapter 526

43 **59-12-103 (Effective 07/01/24) (Contingently Superseded 01/01/25)**, as last amended by
 44 Laws of Utah 2023, Chapters 22, 213, 329, 361, and 471

45 **59-12-103 (Contingently Effective 01/01/25)**, as last amended by Laws of Utah 2023,
 46 Chapters 22, 213, 329, 361, 459, and 471

47 **59-21-2 (Effective 07/01/24)**, as last amended by Laws of Utah 2023, Chapter 217

48 **59-23-4 (Effective 07/01/24)**, as last amended by Laws of Utah 2018, Chapter 413

49 **63J-1-602.1 (Effective 07/01/24)**, as last amended by Laws of Utah 2023, Chapters 26,
 50 33, 34, 194, 212, 330, 419, 434, 448, and 534

51 **73-5-15 (Effective 05/01/24)**, as last amended by Laws of Utah 2023, Chapters 16, 230

52 **73-10-27 (Effective 05/01/24)**, as last amended by Laws of Utah 2012, Chapter 347

53 **79-2-102 (Effective 05/01/24)**, as last amended by Laws of Utah 2023, Chapter 34

54 **79-2-406 (Effective 05/01/24)**, as enacted by Laws of Utah 2022, Chapter 216

55 **79-3-202 (Effective 05/01/24)**, as last amended by Laws of Utah 2022, Chapter 216

56 **79-3-403 (Effective 07/01/24)**, as enacted by Laws of Utah 2021, Chapter 401

57 **79-6-102 (Effective 05/01/24)**, as renumbered and amended by Laws of Utah 2021,
 58 Chapter 280

59 **79-6-106 (Effective 05/01/24)**, as enacted by Laws of Utah 2023, Chapter 233

60 **79-6-401 (Effective 05/01/24)**, as last amended by Laws of Utah 2023, Chapter 196

61 **79-6-901 (Effective 05/01/24)**, as renumbered and amended by Laws of Utah 2022,

62 Chapter 44
63 **79-6-902 (Effective 05/01/24)**, as renumbered and amended by Laws of Utah 2022,
64 Chapter 44

65 ENACTS:

66 **41-22-35.5 (Effective 05/01/24)**, Utah Code Annotated 1953

67 RENUMBERS AND AMENDS:

68 **23A-3-214 (Effective 07/01/24)**, (Renumbered from 79-2-303, as renumbered and
69 amended by Laws of Utah 2009, Chapter 344)

70 **79-6-404 (Effective 05/01/24)**, (Renumbered from 79-6-202, as renumbered and
71 amended by Laws of Utah 2021, Chapter 280)

72 **79-6-405 (Effective 05/01/24)**, (Renumbered from 79-6-203, as renumbered and
73 amended by Laws of Utah 2021, Chapter 280)

74 **79-7-601 (Effective 05/01/24)**, (Renumbered from 79-4-1102, as enacted by Laws of
75 Utah 2014, Chapter 313)

76 **79-7-602 (Effective 05/01/24)**, (Renumbered from 79-4-1103, as last amended by
77 Laws of Utah 2022, Chapter 68)

78 REPEALS:

79 **40-6-22 (Effective 05/01/24)**, as last amended by Laws of Utah 2022, Chapter 443

80 **73-10-12 (Effective 05/01/24)**, Utah Code Annotated 1953

81 **73-10-13 (Effective 05/01/24)**, as enacted by Laws of Utah 1963, Chapter 199

82 **73-10-31 (Effective 05/01/24)**, as enacted by Laws of Utah 1996, Chapter 199

83 **79-4-1101 (Effective 05/01/24)**, as enacted by Laws of Utah 2014, Chapter 313

84 **79-6-201 (Effective 05/01/24)**, as renumbered and amended by Laws of Utah 2021,
85 Chapter 280



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

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

90 ~~**79-2-303**~~ **23A-3-214. (Effective 07/01/24). Species Protection Account.**

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

93 (2) The account shall consist of:

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

- 96 (b) interest earned on money in the account.
- 97 (3) Money in the account may be appropriated by the Legislature to:
- 98 (a) develop and implement species status assessments and species protection measures;
- 99 (b) obtain biological opinions of proposed species protection measures;
- 100 (c) conduct studies, investigations, and research into the effects of proposed species
- 101 protection measures;
- 102 (d) verify species protection proposals that are not based on valid biological data;
- 103 (e) implement Great Salt Lake wetlands mitigation projects in connection with the
- 104 western transportation corridor;
- 105 (f) pay for the state's voluntary contributions to the Utah Reclamation Mitigation and
- 106 Conservation Account under the Central Utah Project Completion Act, Pub. L. No.
- 107 102-575, Titles II-VI, 106 Stat. 4605-4655; and
- 108 (g) pay for expenses of the State Tax Commission under Title 59, Chapter 23, Brine
- 109 Shrimp Royalty Act.
- 110 (4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished by the
- 111 state or, in an appropriation act, the Legislature may authorize the department to award
- 112 grants to political subdivisions of the state to accomplish those purposes.
- 113 (5) Money in the account may not be used to develop or implement a habitat conservation
- 114 plan required under federal law unless the federal government pays for at least 1/3 of the
- 115 habitat conservation plan costs.

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

117 **41-22-31 (Effective 05/01/24). Division to set standards for safety program --**
 118 **Safety certificates issued -- Cooperation with public and private entities -- State**
 119 **immunity from suit.**

- 120 (1) (a) The division shall:
- 121 (i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 122 make rules, after notifying the commission, that establish curriculum standards for
- 123 a comprehensive off-highway vehicle safety education and training program as
- 124 described in this section; and
- 125 (ii) implement the program.
- 126 (b) (i) The division shall design the program to develop and instill the knowledge,
- 127 attitudes, habits, and skills necessary for the safe and ethical operation of an
- 128 off-highway vehicle.
- 129 (ii) Components of the program shall include:

- 130 (A) the preparation and dissemination of off-highway vehicle information and
 131 safety advice to the public;
- 132 (B) the training of off-highway vehicle operators;
- 133 (C) education concerning the importance of gates and fences used in agriculture
 134 and how to properly close a gate; and
- 135 (D) education concerning respectful, sustainable, and on-trail off-highway vehicle
 136 operation, and respect for communities affected by off-highway vehicle
 137 operation.
- 138 (iii) Off-highway vehicle safety certificates shall be issued to those who successfully
 139 complete training or pass the knowledge and skills test established under the
 140 program and described in Subsections (2) and (3).
- 141 (iv) The division shall ensure that an individual has the option to complete the
 142 program online.
- 143 (2) Except as provided in Subsection (4)(b), an individual under 18 years old may not
 144 operate an off-highway vehicle on public lands in this state unless the individual has
 145 completed the requirements of the program established in accordance with this section
 146 and rules made in accordance with Subsection (1) by completing:
- 147 (a) an in-person safety and skills course offered by the division; or
 148 (b) a safety and skills course approved by the division that is offered online.
- 149 (3) Except as provided in Subsection ~~[(4)]~~ (4)(a), an individual ~~[that]~~ who is 18 years old or
 150 older may not operate an off-highway vehicle on public lands in this state unless the
 151 individual has completed the requirements of the program established in accordance
 152 with this section and rules made in accordance with Subsection (1) by completing:
- 153 (a) a course described in Subsection (2); or
 154 (b) a one-time course offered or approved by the division.
- 155 (4) The requirements described in this section do not apply to:
- 156 (a) an individual who is 18 years old or older operating:
- 157 (i) a snowmobile~~[-or]~~ ;
 158 (ii) an off-highway implement of husbandry; or
 159 ~~[(b)]~~ (iii) [an individual operating] an off-highway vehicle as part of a guided tour or a
 160 sanctioned off-highway vehicle event~~[-]~~ ; or
- 161 (b) an individual under 18 years old operating an off-highway implement of husbandry.
- 162 (5) A person may not rent an off-highway vehicle to an individual until the individual who
 163 will operate the off-highway vehicle presents a certificate of completion of the

- 164 off-highway vehicle safety education and training program established in accordance
 165 with this section and rules made under Subsection (1).
- 166 (6) The division may cooperate with appropriate private organizations and associations,
 167 private and public corporations, and local government units to implement the program
 168 established under this section.
- 169 (7) In addition to the governmental immunity granted in Title 63G, Chapter 7,
 170 Governmental Immunity Act of Utah, the state is immune from suit for any act, or
 171 failure to act, in any capacity relating to the off-highway vehicle safety education and
 172 training program. The state is also not responsible for any insufficiency or inadequacy in
 173 the quality of training provided by this program.
- 174 (8) A person convicted of a violation of this section is guilty of an infraction and shall be
 175 fined not more than \$150 per offense.

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

177 **41-22-35 (Effective 05/01/24). Off-highway vehicle user fee -- Decal -- Agents --**
 178 **Penalty for fraudulent issuance of decal -- Deposit and use of fee revenue.**

- 179 (1) (a) Except as provided in Subsection (1)(b), any person owning or operating a
 180 nonresident off-highway vehicle who operates or gives another person permission to
 181 operate the nonresident off-highway vehicle on any public land, trail, street, or
 182 highway in this state shall:
- 183 (i) apply for an off-highway vehicle decal issued exclusively for an off-highway
 184 vehicle owned by a nonresident of the state;
 - 185 (ii) pay an annual off-highway vehicle user fee;
 - 186 (iii) provide evidence that the owner is a nonresident; and
 - 187 (iv) provide evidence of completion of the safety course and program described in
 188 Section ~~[41-22-35]~~ 41-22-31.
- 189 (b) The provisions of Subsection (1)(a) do not apply to an off-highway vehicle if the
 190 off-highway vehicle is:
- 191 (i) used exclusively as an off-highway implement of husbandry;
 - 192 (ii) used exclusively for the purposes of a scheduled competitive event sponsored by
 193 a public or private entity or another event sponsored by a governmental entity
 194 under rules made by the division, after notifying the commission;
 - 195 (iii) owned and operated by a state government agency and the operation of the
 196 off-highway vehicle within the boundaries of the state is within the course and
 197 scope of the duties of the agency;

- 198 (iv) used exclusively for the purpose of an off-highway vehicle manufacturer
199 sponsored event within the state under rules made by the division; or
200 (v) operated as part of a sanctioned off-highway vehicle event or part of an official
201 tour by a person licensed as a off-highway vehicle tour guide in this state.
- 202 (2) [~~The off-highway vehicle user fee is \$30.~~] The division may:
- 203 (a) after notifying the commission, set a resident and nonresident off-highway vehicle
204 user fee in accordance with Section 63J-1-504; and
- 205 (b) collect an electronic payment fee in accordance with Section 41-22-35.5.
- 206 (3) Upon compliance with~~[the provisions of]~~ Subsection (1)(a), the nonresident shall:
- 207 (a) receive a nonresident off-highway vehicle user decal indicating compliance with the
208 provisions of Subsection (1)(a); and
- 209 (b) display the decal on the off-highway vehicle in accordance with rules made by the
210 division.
- 211 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
212 division, after notifying the commission, shall make rules establishing:
- 213 (a) procedures for:
- 214 (i) the payment of off-highway vehicle user fees; and
215 (ii) the display of a decal on an off-highway vehicle as required under Subsection
216 (3)(b);
- 217 (b) acceptable evidence indicating compliance with Subsection (1);
- 218 (c) eligibility for scheduled competitive events or other events under Subsection
219 (1)(b)(ii); and
- 220 (d) eligibility for an off-highway vehicle manufacturer sponsored event under
221 Subsection (1)(b)(iv).
- 222 (5) (a) An off-highway vehicle user decal may be issued and the off-highway vehicle
223 user fee may be collected by the division or agents of the division.
- 224 (b) An agent shall retain 10% of all off-highway vehicle user fees collected.
- 225 (c) The division may require agents to obtain a bond in a reasonable amount.
- 226 (d) On or before the tenth day of each month, each agent shall:
- 227 (i) report all sales to the division; and
228 (ii) submit all off-highway vehicle user fees collected less the remuneration provided
229 in Subsection (5)(b).
- 230 (e) (i) If an agent fails to pay the amount due, the division may assess a penalty of
231 20% of the amount due.

- 232 (ii) Delinquent payments shall bear interest at the rate of 1% per month.
- 233 (iii) If the amount due is not paid because of bad faith or fraud, the division shall
- 234 assess a penalty of 100% of the total amount due together with interest.
- 235 (f) All fees collected by an agent, except the remuneration provided in Subsection (5)(b),
- 236 shall:
- 237 (i) be kept separate and apart from the private funds of the agent; and
- 238 (ii) belong to the state.
- 239 (g) An agent may not issue an off-highway vehicle user decal to any person unless the
- 240 person furnishes evidence of compliance with the provisions of Subsection (1)(a).
- 241 (h) A violation of any provision of this Subsection (5) is a class B misdemeanor and may
- 242 be cause for revocation of the agent authorization.
- 243 (6) Revenue generated by off-highway vehicle user fees shall be deposited into the
- 244 Off-highway Vehicle Account created in Section 41-22-19.
- 245 Section 4. Section **41-22-35.5** is enacted to read:
- 246 **41-22-35.5 (Effective 05/01/24). Electronic payment fee.**
- 247 (1) As used in this section:
- 248 (a) "Electronic payment" means use of a form of payment processed through electronic
- 249 means, including use of a credit card, debit card, or automatic clearinghouse
- 250 transaction.
- 251 (b) "Electronic payment fee" means the fee assessed to defray:
- 252 (i) a charge, discount fee, or process fee charged by a processing agent to process an
- 253 electronic payment, including a credit card company; or
- 254 (ii) costs associated with the purchase of equipment necessary for processing an
- 255 electronic payment.
- 256 (2) (a) The division may impose and collect an electronic payment fee on an electronic
- 257 payment related to an off-highway vehicle user fee.
- 258 (b) The division may charge an electronic payment fee under this section in an amount
- 259 not to exceed 3% of the electronic payment.
- 260 (c) With regard to the electronic payment fee, the division is not required to separately
- 261 identify the electronic payment fee from a fee imposed for an off-highway vehicle
- 262 user fee.
- 263 (3) The division shall deposit the electronic payment fee into the Off-highway Vehicle
- 264 Account described in Section 41-22-19.
- 265 Section 5. Section **51-9-306** is amended to read:

- 266 **51-9-306 (Effective 07/01/24). Deposit of certain severance tax revenue for**
267 **specified state agencies.**
- 268 (1) As used in this section:
- 269 (a) "Aggregate annual revenue" means the aggregate annual revenue collected in a fiscal
270 year from the taxes imposed under Title 59, Chapter 5, Severance Tax on Oil, Gas,
271 and Mining, after subtracting the amounts required to be distributed under Sections
272 51-9-305, 59-5-116, and 59-5-119.
- 273 (b) "Aggregate annual mining revenue" means the aggregate annual revenue collected in
274 a fiscal year from taxes imposed under Title 59, Chapter 5, Part 2, Mining Severance
275 Tax, after subtracting the amounts required to be distributed under Section 51-9-305.
- 276 (c) "Aggregate annual oil and gas revenue" means the aggregate annual revenue
277 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Part 1, Oil
278 and Gas Severance Tax, after subtracting the amounts required to be distributed
279 under Sections 51-9-305, 59-5-116, and 59-5-119.
- 280 (d) "Average aggregate annual revenue" means the three-year rolling average of the
281 aggregate annual revenue collected in a fiscal year from the taxes imposed under
282 Title 59, Chapter 5, Severance Tax on Oil, Gas, and Mining:
- 283 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
284 59-5-116, and 59-5-119; and
- 285 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit
286 required by this section.
- 287 (e) "Average aggregate annual mining revenue" means the three-year rolling average of
288 the aggregate annual revenue collected in a fiscal year from the taxes imposed under
289 Title 59, Chapter 5, Part 2, Mining Severance Tax:
- 290 (i) after subtracting the amounts required to be distributed under Section 51-9-305;
291 and
- 292 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit
293 required by this section.
- 294 (f) "Average aggregate annual oil and gas revenue" means the three-year rolling average
295 of the aggregate annual revenue collected in a fiscal year from the taxes imposed
296 under Title 59, Chapter 5, Part 1, Oil and Gas Severance Tax:
- 297 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
298 59-5-116, and 59-5-119; and
- 299 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit

- 300 required by this section.
- 301 (2) After making the deposits of oil and gas severance tax revenue as required under
302 Sections 59-5-116 and 59-5-119 and making the credits under Section 51-9-305, for a
303 fiscal year beginning on or after July 1, 2021, the State Tax Commission shall annually
304 make the following deposits:
- 305 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
306 Section 19-2a-106, the following average aggregate annual revenue:
- 307 (i) 2.75% of the first \$50,000,000 of the average aggregate annual revenue;
308 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
309 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000;
- 310 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created in
311 Section 19-5-126, the following average aggregate annual revenue:
- 312 (i) .4% of the first \$50,000,000 of the average aggregate annual revenue;
313 (ii) .15% of the next \$50,000,000 of the average aggregate annual revenue; and
314 (iii) .08% of the average aggregate annual revenue that exceeds \$100,000,000;
- 315 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
316 40-6-23, the following:
- 317 (i) (A) 11.5% of the first \$50,000,000 of the average aggregate annual mining
318 revenue;
319 (B) 3% of the next \$50,000,000 of the average aggregate annual mining revenue;
320 and
321 (C) 1% of the average aggregate annual mining revenue that exceeds
322 \$100,000,000; and
- 323 (ii) (A) 18% of the first \$50,000,000 of the average aggregate annual oil and gas
324 revenue;
325 (B) 3% of the next \$50,000,000 of the average aggregate annual oil and gas
326 revenue; and
327 (C) 1% of the average aggregate annual oil and gas revenue that exceeds
328 \$100,000,000; and
- 329 (d) to the Utah Geological Survey[~~Oil, Gas, and Mining~~] Restricted Account, created in
330 Section 79-3-403, the following average aggregate annual revenue:
- 331 (i) 2.5% of the first \$50,000,000 of the average aggregate annual revenue;
332 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
333 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000.

- 334 (3) If the money collected in a fiscal year from the taxes imposed under Title 59, Chapter 5,
335 Severance Tax on Oil, Gas, and Mining, is insufficient to make the deposits required by
336 Subsection (2), the State Tax Commission shall deposit money collected in the fiscal
337 year as follows:
- 338 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
339 Section 19-2a-106, the following revenue:
- 340 (i) 2.75% of the first \$50,000,000 of the aggregate annual revenue;
341 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
342 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000;
- 343 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created in
344 Section 19-5-126, the following revenue:
- 345 (i) .4% of the first \$50,000,000 of the aggregate annual revenue;
346 (ii) .15% of the next \$50,000,000 of the aggregate annual revenue; and
347 (iii) .08% of the aggregate annual revenue that exceeds \$100,000,000;
- 348 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
349 40-6-23, the following:
- 350 (i) (A) 11.5% of the first \$50,000,000 of the aggregate annual mining revenue;
351 (B) 3% of the next \$50,000,000 of the aggregate annual mining revenue; and
352 (C) 1% of the aggregate annual mining revenue that exceeds \$100,000,000; and
353 (ii) (A) 18% of the first \$50,000,000 of the aggregate annual oil and gas revenue;
354 (B) 3% of the next \$50,000,000 of the aggregate annual oil and gas revenue; and
355 (C) 1% of the aggregate annual oil and gas revenue that exceeds \$100,000,000;
356 and
- 357 (d) to the Utah Geological Survey[~~Oil, Gas, and Mining~~] Restricted Account, created in
358 Section 79-3-403, the following revenue:
- 359 (i) 2.5% of the first \$50,000,000 of the aggregate annual revenue;
360 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
361 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000.
- 362 (4) The severance tax revenues deposited under this section into restricted accounts for the
363 state agencies specified in Subsection (2) and appropriated from the restricted accounts
364 offset and supplant General Fund appropriations used to pay the costs of programs or
365 projects administered by the state agencies that are primarily related to oil, gas, and
366 mining.
- 367 Section 6. Section **59-12-103** is amended to read:

368 **59-12-103 (Effective 07/01/24) (Contingently Superseded 01/01/25). Sales and use**
369 **tax base -- Rates -- Effective dates -- Use of sales and use tax revenues.**

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

372 (a) retail sales of tangible personal property made within the state;

373 (b) amounts paid for:

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

376 (ii) mobile telecommunications service that originates and terminates within the
377 boundaries of one state only to the extent permitted by the Mobile

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

379 (iii) an ancillary service associated with a:

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

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

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

383 (i) gas;

384 (ii) electricity;

385 (iii) heat;

386 (iv) coal;

387 (v) fuel oil; or

388 (vi) other fuels;

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

390 (i) gas;

391 (ii) electricity;

392 (iii) heat;

393 (iv) coal;

394 (v) fuel oil; or

395 (vi) other fuels;

396 (e) sales of prepared food;

397 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
398 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
399 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
400 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
401 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling

- 402 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
403 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
404 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
405 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
406 activity;
- 407 (g) amounts paid or charged for services for repairs or renovations of tangible personal
408 property, unless Section 59-12-104 provides for an exemption from sales and use tax
409 for:
- 410 (i) the tangible personal property; and
411 (ii) parts used in the repairs or renovations of the tangible personal property described
412 in Subsection (1)(g)(i), regardless of whether:
- 413 (A) any parts are actually used in the repairs or renovations of that tangible
414 personal property; or
415 (B) the particular parts used in the repairs or renovations of that tangible personal
416 property are exempt from a tax under this chapter;
- 417 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
418 cleaning or washing of tangible personal property;
- 419 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
420 accommodations and services that are regularly rented for less than 30 consecutive
421 days;
- 422 (j) amounts paid or charged for laundry or dry cleaning services;
- 423 (k) amounts paid or charged for leases or rentals of tangible personal property if within
424 this state the tangible personal property is:
- 425 (i) stored;
426 (ii) used; or
427 (iii) otherwise consumed;
- 428 (l) amounts paid or charged for tangible personal property if within this state the tangible
429 personal property is:
- 430 (i) stored;
431 (ii) used; or
432 (iii) consumed;
- 433 (m) amounts paid or charged for a sale:
- 434 (i) (A) of a product transferred electronically; or
435 (B) of a repair or renovation of a product transferred electronically; and

- 436 (ii) regardless of whether the sale provides:
- 437 (A) a right of permanent use of the product; or
- 438 (B) a right to use the product that is less than a permanent use, including a right:
- 439 (I) for a definite or specified length of time; and
- 440 (II) that terminates upon the occurrence of a condition; and
- 441 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 442 state.
- 443 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
- 444 are imposed on a transaction described in Subsection (1) equal to the sum of:
- 445 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 446 (A) 4.70% plus the rate specified in Subsection (11)(a); and
- 447 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional
- 448 State Sales and Use Tax Act, if the location of the transaction as determined
- 449 under Sections 59-12-211 through 59-12-215 is in a county in which the
- 450 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
- 451 and
- 452 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
- 453 State Sales and Use Tax Act, if the location of the transaction as determined
- 454 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 455 unincorporated area of a county in which the state imposes the tax under
- 456 Part 20, Supplemental State Sales and Use Tax Act; and
- 457 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 458 transaction under this chapter other than this part.
- 459 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 460 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 461 to the sum of:
- 462 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 463 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 464 transaction under this chapter other than this part.
- 465 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
- 466 on amounts paid or charged for food and food ingredients equal to the sum of:
- 467 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 468 at a tax rate of 1.75%; and
- 469 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

470 amounts paid or charged for food and food ingredients under this chapter other
471 than this part.

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

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

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

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

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

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

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

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

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

503 (v) (A) A car-sharing program is not required to list or otherwise identify an

- 504 individual-owned shared vehicle on a return or an attachment to a return.
- 505 (vi) A car-sharing program shall:
- 506 (A) retain tax information for each car-sharing program transaction; and
- 507 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
- 508 commission at the commission's request.
- 509 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
- 510 tangible personal property other than food and food ingredients, a state tax and a
- 511 local tax is imposed on the entire bundled transaction equal to the sum of:
- 512 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 513 (I) the tax rate described in Subsection (2)(a)(i)(A); and
- 514 (II) (Aa) the tax rate the state imposes in accordance with Part 18,
- 515 Additional State Sales and Use Tax Act, if the location of the transaction
- 516 as determined under Sections 59-12-211 through 59-12-215 is in a
- 517 county in which the state imposes the tax under Part 18, Additional State
- 518 Sales and Use Tax Act; and
- 519 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
- 520 State Sales and Use Tax Act, if the location of the transaction as
- 521 determined under Sections 59-12-211 through 59-12-215 is in a city,
- 522 town, or the unincorporated area of a county in which the state imposes
- 523 the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 524 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
- 525 rates described in Subsection (2)(a)(ii).
- 526 (ii) If an optional computer software maintenance contract is a bundled transaction
- 527 that consists of taxable and nontaxable products that are not separately itemized
- 528 on an invoice or similar billing document, the purchase of the optional computer
- 529 software maintenance contract is 40% taxable under this chapter and 60%
- 530 nontaxable under this chapter.
- 531 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
- 532 transaction described in Subsection (2)(f)(i) or (ii):
- 533 (A) if the sales price of the bundled transaction is attributable to tangible personal
- 534 property, a product, or a service that is subject to taxation under this chapter
- 535 and tangible personal property, a product, or service that is not subject to
- 536 taxation under this chapter, the entire bundled transaction is subject to taxation
- 537 under this chapter unless:

- 538 (I) the seller is able to identify by reasonable and verifiable standards the
539 tangible personal property, product, or service that is not subject to taxation
540 under this chapter from the books and records the seller keeps in the seller's
541 regular course of business; or
542 (II) state or federal law provides otherwise; or
543 (B) if the sales price of a bundled transaction is attributable to two or more items
544 of tangible personal property, products, or services that are subject to taxation
545 under this chapter at different rates, the entire bundled transaction is subject to
546 taxation under this chapter at the higher tax rate unless:
547 (I) the seller is able to identify by reasonable and verifiable standards the
548 tangible personal property, product, or service that is subject to taxation
549 under this chapter at the lower tax rate from the books and records the seller
550 keeps in the seller's regular course of business; or
551 (II) state or federal law provides otherwise.
552 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
553 seller's regular course of business includes books and records the seller keeps in
554 the regular course of business for nontax purposes.
555 (g) (i) Except as otherwise provided in this chapter and subject to Subsections
556 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
557 personal property, a product, or a service that is subject to taxation under this
558 chapter, and the sale, lease, or rental of tangible personal property, other property,
559 a product, or a service that is not subject to taxation under this chapter, the entire
560 transaction is subject to taxation under this chapter unless the seller, at the time of
561 the transaction:
562 (A) separately states the portion of the transaction that is not subject to taxation
563 under this chapter on an invoice, bill of sale, or similar document provided to
564 the purchaser; or
565 (B) is able to identify by reasonable and verifiable standards, from the books and
566 records the seller keeps in the seller's regular course of business, the portion of
567 the transaction that is not subject to taxation under this chapter.
568 (ii) A purchaser and a seller may correct the taxability of a transaction if:
569 (A) after the transaction occurs, the purchaser and the seller discover that the
570 portion of the transaction that is not subject to taxation under this chapter was
571 not separately stated on an invoice, bill of sale, or similar document provided

- 572 to the purchaser because of an error or ignorance of the law; and
- 573 (B) the seller is able to identify by reasonable and verifiable standards, from the
- 574 books and records the seller keeps in the seller's regular course of business, the
- 575 portion of the transaction that is not subject to taxation under this chapter.
- 576 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
- 577 keeps in the seller's regular course of business includes books and records the
- 578 seller keeps in the regular course of business for nontax purposes.
- 579 (h) (i) If the sales price of a transaction is attributable to two or more items of
- 580 tangible personal property, products, or services that are subject to taxation under
- 581 this chapter at different rates, the entire purchase is subject to taxation under this
- 582 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 583 (A) separately states the items subject to taxation under this chapter at each of the
- 584 different rates on an invoice, bill of sale, or similar document provided to the
- 585 purchaser; or
- 586 (B) is able to identify by reasonable and verifiable standards the tangible personal
- 587 property, product, or service that is subject to taxation under this chapter at the
- 588 lower tax rate from the books and records the seller keeps in the seller's regular
- 589 course of business.
- 590 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
- 591 seller's regular course of business includes books and records the seller keeps in
- 592 the regular course of business for nontax purposes.
- 593 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
- 594 imposed under the following shall take effect on the first day of a calendar quarter:
- 595 (i) Subsection (2)(a)(i)(A);
- 596 (ii) Subsection (2)(b)(i);
- 597 (iii) Subsection (2)(c)(i); or
- 598 (iv) Subsection (2)(f)(i)(A)(I).
- 599 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
- 600 begins on or after the effective date of the tax rate increase if the billing period for
- 601 the transaction begins before the effective date of a tax rate increase imposed
- 602 under:
- 603 (A) Subsection (2)(a)(i)(A);
- 604 (B) Subsection (2)(b)(i);
- 605 (C) Subsection (2)(c)(i); or

- 606 (D) Subsection (2)(f)(i)(A)(I).
- 607 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
608 statement for the billing period is rendered on or after the effective date of the
609 repeal of the tax or the tax rate decrease imposed under:
- 610 (A) Subsection (2)(a)(i)(A);
611 (B) Subsection (2)(b)(i);
612 (C) Subsection (2)(c)(i); or
613 (D) Subsection (2)(f)(i)(A)(I).
- 614 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
615 is computed on the basis of sales and use tax rates published in the catalogue, a
616 tax rate repeal or change in a tax rate takes effect:
- 617 (A) on the first day of a calendar quarter; and
618 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
619 change.
- 620 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 621 (A) Subsection (2)(a)(i)(A);
622 (B) Subsection (2)(b)(i);
623 (C) Subsection (2)(c)(i); or
624 (D) Subsection (2)(f)(i)(A)(I).
- 625 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
626 the commission may by rule define the term "catalogue sale."
- 627 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall
628 determine the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or
629 other fuel based on the predominant use of the gas, electricity, heat, coal, fuel oil,
630 or other fuel at the location.
- 631 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
632 or other fuel is furnished through a single meter for two or more of the following
633 uses:
- 634 (A) a commercial use;
635 (B) an industrial use; or
636 (C) a residential use.
- 637 (3) (a) The following state taxes shall be deposited into the General Fund:
- 638 (i) the tax imposed by Subsection (2)(a)(i)(A);
639 (ii) the tax imposed by Subsection (2)(b)(i);

- 640 (iii) the tax imposed by Subsection (2)(c)(i); and
 641 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 642 (b) The following local taxes shall be distributed to a county, city, or town as provided
 643 in this chapter:
- 644 (i) the tax imposed by Subsection (2)(a)(ii);
 645 (ii) the tax imposed by Subsection (2)(b)(ii);
 646 (iii) the tax imposed by Subsection (2)(c)(ii); and
 647 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 648 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 649 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
 650 2003, the lesser of the following amounts shall be expended as provided in
 651 Subsections (4)(b) through (g):
- 652 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 653 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 654 (B) for the fiscal year; or
 655 (ii) \$17,500,000.
- 656 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
 657 described in Subsection (4)(a) shall be transferred each year as designated sales
 658 and use tax revenue to the [~~Department of Natural Resources~~] Division of Wildlife
 659 Resources to:
- 660 (A) implement the measures described in [~~Subsections 79-2-303(3)(a)]~~
 661 Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
 662 species; or
 663 (B) award grants, up to the amount authorized by the Legislature in an
 664 appropriations act, to political subdivisions of the state to implement the
 665 measures described in [~~Subsections 79-2-303(3)(a)]~~ Subsections 23A-3-214
 666 (3)(a) through (d) to protect sensitive plant and animal species.
- 667 (ii) Money transferred to the [~~Department of Natural Resources~~] Division of Wildlife
 668 Resources under Subsection (4)(b)(i) may not be used to assist the United States
 669 Fish and Wildlife Service or any other person to list or attempt to have listed a
 670 species as threatened or endangered under the Endangered Species Act of 1973,
 671 16 U.S.C. Sec. 1531 et seq.
- 672 (iii) At the end of each fiscal year:
 673 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to

- 674 the Water Resources Conservation and Development Fund created in Section
675 73-10-24;
- 676 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
677 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
678 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
679 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 680 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
681 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
682 Development Fund created in Section 4-18-106.
- 683 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
684 described in Subsection (4)(a) shall be transferred each year as designated sales
685 and use tax revenue to the Division of Water Rights to cover the costs incurred in
686 hiring legal and technical staff for the adjudication of water rights.
- 687 (ii) At the end of each fiscal year:
- 688 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
689 the Water Resources Conservation and Development Fund created in Section
690 73-10-24;
- 691 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
692 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
693 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
694 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 695 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
696 described in Subsection (4)(a) shall be deposited into the Water Resources
697 Conservation and Development Fund created in Section 73-10-24 for use by the
698 Division of Water Resources.
- 699 (ii) In addition to the uses allowed of the Water Resources Conservation and
700 Development Fund under Section 73-10-24, the Water Resources Conservation
701 and Development Fund may also be used to:
- 702 (A) conduct hydrologic and geotechnical investigations by the Division of Water
703 Resources in a cooperative effort with other state, federal, or local entities, for
704 the purpose of quantifying surface and ground water resources and describing
705 the hydrologic systems of an area in sufficient detail so as to enable local and
706 state resource managers to plan for and accommodate growth in water use
707 without jeopardizing the resource;

- 708 (B) fund state required dam safety improvements; and
709 (C) protect the state's interest in interstate water compact allocations, including the
710 hiring of technical and legal staff.
- 711 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
712 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
713 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
714 wastewater projects.
- 715 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
716 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
717 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 718 (i) provide for the installation and repair of collection, treatment, storage, and
719 distribution facilities for any public water system, as defined in Section 19-4-102;
720 (ii) develop underground sources of water, including springs and wells; and
721 (iii) develop surface water sources.
- 722 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
723 2006, the difference between the following amounts shall be expended as provided in
724 this Subsection (5), if that difference is greater than \$1:
- 725 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
726 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
727 and
728 (ii) \$17,500,000.
- 729 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- 730 (A) transferred each fiscal year to the Department of Natural Resources as
731 designated sales and use tax revenue; and
732 (B) expended by the Department of Natural Resources for watershed rehabilitation
733 or restoration.
- 734 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
735 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources
736 Conservation and Development Fund created in Section 73-10-24.
- 737 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
738 remaining difference described in Subsection (5)(a) shall be:
- 739 (A) transferred each fiscal year to the Division of Water Resources as designated
740 sales and use tax revenue; and
741 (B) expended by the Division of Water Resources for cloud-seeding projects

- 742 authorized by Title 73, Chapter 15, Modification of Weather.
- 743 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
744 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources
745 Conservation and Development Fund created in Section 73-10-24.
- 746 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
747 remaining difference described in Subsection (5)(a) shall be deposited into the Water
748 Resources Conservation and Development Fund created in Section 73-10-24 for use
749 by the Division of Water Resources for:
- 750 (i) preconstruction costs:
- 751 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
752 Chapter 26, Bear River Development Act; and
- 753 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
754 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 755 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
756 73, Chapter 26, Bear River Development Act;
- 757 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
758 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
759 Act; and
- 760 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
761 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
762 through (iii).
- 763 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
764 remaining difference described in Subsection (5)(a) shall be deposited each year into
765 the Water Rights Restricted Account created by Section 73-2-1.6.
- 766 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
767 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
768 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
769 rate on the transactions described in Subsection (1) for the fiscal year.
- 770 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
771 year beginning on or after July 1, 2023, the commission shall deposit into the
772 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
773 taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the
774 following sales and use 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) (i) As used in this Subsection (7)(b):
- 780 (A) "Additional growth revenue" means the amount of relevant revenue collected
781 in the current fiscal year that exceeds by more than 3% the relevant revenue
782 collected in the previous fiscal year.
- 783 (B) "Combined amount" means the combined total amount of money deposited
784 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
785 in any single fiscal year.
- 786 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
787 Investment Fund created in Subsection 72-2-124(10).
- 788 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
789 that equals 17% of the revenue collected from taxes described in Subsections
790 (7)(a)(i) through (iv).
- 791 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
792 annually reduce the deposit under Subsection (7)(a) into the Transportation
793 Investment Fund of 2005 by an amount equal to the amount of the deposit under
794 this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year
795 plus 25% of additional growth revenue, subject to the limit in Subsection
796 (7)(b)(iii).
- 797 (iii) The commission shall annually deposit the amount described in Subsection
798 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
799 combined amount for any single fiscal year of \$20,000,000.
- 800 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
801 previous fiscal year, the commission shall decrease the amount of the contribution
802 to the Cottonwood Canyons fund under this Subsection (7)(b) in the same
803 proportion as the decline in relevant revenue.
- 804 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
805 2023, the commission shall annually reduce the deposit into the Transportation
806 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
807 equal to 5% of:
- 808 (A) the amount of revenue generated in the current fiscal year by the portion of
809 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue

- 810 collected from taxes described in Subsections (7)(a)(i) through (iv);
- 811 (B) the amount of revenue generated in the current fiscal year by registration fees
- 812 designated under Section 41-1a-1201 to be deposited into the Transportation
- 813 Investment Fund of 2005; and
- 814 (C) revenues transferred by the Division of Finance to the Transportation
- 815 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
- 816 fiscal year.
- 817 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
- 818 given fiscal year.
- 819 (iii) The commission shall annually deposit the amount described in Subsection
- 820 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
- 821 72-2-124(11).
- 822 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
- 823 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year
- 824 beginning on or after July 1, 2018, the commission shall annually deposit into the
- 825 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
- 826 taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues
- 827 collected from the following taxes:
- 828 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 829 (ii) the tax imposed by Subsection (2)(b)(i);
- 830 (iii) the tax imposed by Subsection (2)(c)(i); and
- 831 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 832 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
- 833 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
- 834 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
- 835 current fiscal year by the portion of the tax imposed on motor and special fuel that is
- 836 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 837 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
- 838 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 839 (d) (i) As used in this Subsection (8)(d):
- 840 (A) "Additional growth revenue" means the amount of relevant revenue collected
- 841 in the current fiscal year that exceeds by more than 3% the relevant revenue
- 842 collected in the previous fiscal year.
- 843 (B) "Combined amount" means the combined total amount of money deposited

844 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
845 in any single fiscal year.

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

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

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

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

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

864 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
865 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
866 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

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

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

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

878 in Section 26B-1-315.

879 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
 880 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
 881 credit solely for use of the Search and Rescue Financial Assistance Program created in,
 882 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

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

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

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

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

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

904 Section 7. Section **59-12-103** is amended to read:

905 **59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --**
 906 **Effective dates -- Use of sales and use tax revenues.**

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

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

- 912 originates and terminates within the boundaries of this state;
- 913 (ii) mobile telecommunications service that originates and terminates within the
914 boundaries of one state only to the extent permitted by the Mobile
915 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 916 (iii) an ancillary service associated with a:
- 917 (A) telecommunications service described in Subsection (1)(b)(i); or
- 918 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 919 (c) sales of the following for commercial use:
- 920 (i) gas;
- 921 (ii) electricity;
- 922 (iii) heat;
- 923 (iv) coal;
- 924 (v) fuel oil; or
- 925 (vi) other fuels;
- 926 (d) sales of the following for residential use:
- 927 (i) gas;
- 928 (ii) electricity;
- 929 (iii) heat;
- 930 (iv) coal;
- 931 (v) fuel oil; or
- 932 (vi) other fuels;
- 933 (e) sales of prepared food;
- 934 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
935 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
936 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
937 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
938 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
939 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
940 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
941 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
942 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
943 activity;
- 944 (g) amounts paid or charged for services for repairs or renovations of tangible personal
945 property, unless Section 59-12-104 provides for an exemption from sales and use tax

- 946 for:
- 947 (i) the tangible personal property; and
- 948 (ii) parts used in the repairs or renovations of the tangible personal property described
- 949 in Subsection (1)(g)(i), regardless of whether:
- 950 (A) any parts are actually used in the repairs or renovations of that tangible
- 951 personal property; or
- 952 (B) the particular parts used in the repairs or renovations of that tangible personal
- 953 property are exempt from a tax under this chapter;
- 954 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
- 955 cleaning or washing of tangible personal property;
- 956 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 957 accommodations and services that are regularly rented for less than 30 consecutive
- 958 days;
- 959 (j) amounts paid or charged for laundry or dry cleaning services;
- 960 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 961 this state the tangible personal property is:
- 962 (i) stored;
- 963 (ii) used; or
- 964 (iii) otherwise consumed;
- 965 (l) amounts paid or charged for tangible personal property if within this state the tangible
- 966 personal property is:
- 967 (i) stored;
- 968 (ii) used; or
- 969 (iii) consumed;
- 970 (m) amounts paid or charged for a sale:
- 971 (i) (A) of a product transferred electronically; or
- 972 (B) of a repair or renovation of a product transferred electronically; and
- 973 (ii) regardless of whether the sale provides:
- 974 (A) a right of permanent use of the product; or
- 975 (B) a right to use the product that is less than a permanent use, including a right:
- 976 (I) for a definite or specified length of time; and
- 977 (II) that terminates upon the occurrence of a condition; and
- 978 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 979 state.

- 980 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
981 are imposed on a transaction described in Subsection (1) equal to the sum of:
982 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
983 (A) 4.70% plus the rate specified in Subsection (11)(a); and
984 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional
985 State Sales and Use Tax Act, if the location of the transaction as determined
986 under Sections 59-12-211 through 59-12-215 is in a county in which the
987 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
988 and
989 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
990 State Sales and Use Tax Act, if the location of the transaction as determined
991 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
992 unincorporated area of a county in which the state imposes the tax under
993 Part 20, Supplemental State Sales and Use Tax Act; and
994 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
995 transaction under this chapter other than this part.
996 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
997 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
998 to the sum of:
999 (i) a state tax imposed on the transaction at a tax rate of 2%; and
1000 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
1001 transaction under this chapter other than this part.
1002 (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on
1003 amounts paid or charged for food and food ingredients equal to the sum of the tax
1004 rates a county, city, or town imposes under this chapter on the amounts paid or
1005 charged for food or food ingredients.
1006 (ii) There is no state tax imposed on amounts paid or charged for food and food
1007 ingredients.
1008 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
1009 or charged for fuel to a common carrier that is a railroad for use in a locomotive
1010 engine at a rate of 4.85%.
1011 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form
1012 prescribed by the commission, that the shared vehicle is an individual-owned
1013 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to

- 1014 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle
1015 owner.
- 1016 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
1017 required once during the time that the shared vehicle owner owns the shared
1018 vehicle.
- 1019 (C) The commission shall verify that a shared vehicle is an individual-owned
1020 shared vehicle by verifying that the applicable Utah taxes imposed under this
1021 chapter were paid on the purchase of the shared vehicle.
- 1022 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
1023 individual-owned shared vehicle shared through a car-sharing program even if
1024 non-certified shared vehicles are also available to be shared through the same
1025 car-sharing program.
- 1026 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- 1027 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
1028 representation that the shared vehicle is an individual-owned shared vehicle
1029 certified with the commission as described in Subsection (2)(e)(i).
- 1030 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
1031 representation that the shared vehicle is an individual-owned shared vehicle
1032 certified with the commission as described in Subsection (2)(e)(i), the
1033 car-sharing program is not liable for any tax, penalty, fee, or other sanction
1034 imposed on the shared vehicle owner.
- 1035 (iv) If all shared vehicles shared through a car-sharing program are certified as
1036 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
1037 no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax
1038 period.
- 1039 (v) (A) A car-sharing program is not required to list or otherwise identify an
1040 individual-owned shared vehicle on a return or an attachment to a return.
- 1041 (vi) A car-sharing program shall:
- 1042 (A) retain tax information for each car-sharing program transaction; and
1043 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
1044 commission at the commission's request.
- 1045 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
1046 tangible personal property other than food and food ingredients, a state tax and a
1047 local tax is imposed on the entire bundled transaction equal to the sum of:

- 1048 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 1049 (I) the tax rate described in Subsection (2)(a)(i)(A); and
- 1050 (II) (Aa) the tax rate the state imposes in accordance with Part 18,
- 1051 Additional State Sales and Use Tax Act, if the location of the transaction
- 1052 as determined under Sections 59-12-211 through 59-12-215 is in a
- 1053 county in which the state imposes the tax under Part 18, Additional State
- 1054 Sales and Use Tax Act; and
- 1055 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
- 1056 State Sales and Use Tax Act, if the location of the transaction as
- 1057 determined under Sections 59-12-211 through 59-12-215 is in a city,
- 1058 town, or the unincorporated area of a county in which the state imposes
- 1059 the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 1060 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
- 1061 rates described in Subsection (2)(a)(ii).
- 1062 (ii) If an optional computer software maintenance contract is a bundled transaction
- 1063 that consists of taxable and nontaxable products that are not separately itemized
- 1064 on an invoice or similar billing document, the purchase of the optional computer
- 1065 software maintenance contract is 40% taxable under this chapter and 60%
- 1066 nontaxable under this chapter.
- 1067 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
- 1068 transaction described in Subsection (2)(f)(i) or (ii):
- 1069 (A) if the sales price of the bundled transaction is attributable to tangible personal
- 1070 property, a product, or a service that is subject to taxation under this chapter
- 1071 and tangible personal property, a product, or service that is not subject to
- 1072 taxation under this chapter, the entire bundled transaction is subject to taxation
- 1073 under this chapter unless:
- 1074 (I) the seller is able to identify by reasonable and verifiable standards the
- 1075 tangible personal property, product, or service that is not subject to taxation
- 1076 under this chapter from the books and records the seller keeps in the seller's
- 1077 regular course of business; or
- 1078 (II) state or federal law provides otherwise; or
- 1079 (B) if the sales price of a bundled transaction is attributable to two or more items
- 1080 of tangible personal property, products, or services that are subject to taxation
- 1081 under this chapter at different rates, the entire bundled transaction is subject to

- 1082 taxation under this chapter at the higher tax rate unless:
- 1083 (I) the seller is able to identify by reasonable and verifiable standards the
- 1084 tangible personal property, product, or service that is subject to taxation
- 1085 under this chapter at the lower tax rate from the books and records the seller
- 1086 keeps in the seller's regular course of business; or
- 1087 (II) state or federal law provides otherwise.
- 1088 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
- 1089 seller's regular course of business includes books and records the seller keeps in
- 1090 the regular course of business for nontax purposes.
- 1091 (g) (i) Except as otherwise provided in this chapter and subject to Subsections
- 1092 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
- 1093 personal property, a product, or a service that is subject to taxation under this
- 1094 chapter, and the sale, lease, or rental of tangible personal property, other property,
- 1095 a product, or a service that is not subject to taxation under this chapter, the entire
- 1096 transaction is subject to taxation under this chapter unless the seller, at the time of
- 1097 the transaction:
- 1098 (A) separately states the portion of the transaction that is not subject to taxation
- 1099 under this chapter on an invoice, bill of sale, or similar document provided to
- 1100 the purchaser; or
- 1101 (B) is able to identify by reasonable and verifiable standards, from the books and
- 1102 records the seller keeps in the seller's regular course of business, the portion of
- 1103 the transaction that is not subject to taxation under this chapter.
- 1104 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 1105 (A) after the transaction occurs, the purchaser and the seller discover that the
- 1106 portion of the transaction that is not subject to taxation under this chapter was
- 1107 not separately stated on an invoice, bill of sale, or similar document provided
- 1108 to the purchaser because of an error or ignorance of the law; and
- 1109 (B) the seller is able to identify by reasonable and verifiable standards, from the
- 1110 books and records the seller keeps in the seller's regular course of business, the
- 1111 portion of the transaction that is not subject to taxation under this chapter.
- 1112 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
- 1113 keeps in the seller's regular course of business includes books and records the
- 1114 seller keeps in the regular course of business for nontax purposes.
- 1115 (h) (i) If the sales price of a transaction is attributable to two or more items of

- 1116 tangible personal property, products, or services that are subject to taxation under
1117 this chapter at different rates, the entire purchase is subject to taxation under this
1118 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 1119 (A) separately states the items subject to taxation under this chapter at each of the
1120 different rates on an invoice, bill of sale, or similar document provided to the
1121 purchaser; or
 - 1122 (B) is able to identify by reasonable and verifiable standards the tangible personal
1123 property, product, or service that is subject to taxation under this chapter at the
1124 lower tax rate from the books and records the seller keeps in the seller's regular
1125 course of business.
- 1126 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
1127 seller's regular course of business includes books and records the seller keeps in
1128 the regular course of business for nontax purposes.
- 1129 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
1130 imposed under the following shall take effect on the first day of a calendar quarter:
- 1131 (i) Subsection (2)(a)(i)(A);
 - 1132 (ii) Subsection (2)(b)(i); or
 - 1133 (iii) Subsection (2)(f)(i)(A)(I).
- 1134 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
1135 begins on or after the effective date of the tax rate increase if the billing period for
1136 the transaction begins before the effective date of a tax rate increase imposed
1137 under:
- 1138 (A) Subsection (2)(a)(i)(A);
 - 1139 (B) Subsection (2)(b)(i); or
 - 1140 (C) Subsection (2)(f)(i)(A)(I).
- 1141 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1142 statement for the billing period is rendered on or after the effective date of the
1143 repeal of the tax or the tax rate decrease imposed under:
- 1144 (A) Subsection (2)(a)(i)(A);
 - 1145 (B) Subsection (2)(b)(i); or
 - 1146 (C) Subsection (2)(f)(i)(A)(I).
- 1147 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
1148 is computed on the basis of sales and use tax rates published in the catalogue, a
1149 tax rate repeal or change in a tax rate takes effect:

- 1150 (A) on the first day of a calendar quarter; and
1151 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
1152 change.
- 1153 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
1154 (A) Subsection (2)(a)(i)(A);
1155 (B) Subsection (2)(b)(i); or
1156 (C) Subsection (2)(f)(i)(A)(I).
- 1157 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1158 the commission may by rule define the term "catalogue sale."
- 1159 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall
1160 determine the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or
1161 other fuel based on the predominant use of the gas, electricity, heat, coal, fuel oil,
1162 or other fuel at the location.
- 1163 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
1164 or other fuel is furnished through a single meter for two or more of the following
1165 uses:
1166 (A) a commercial use;
1167 (B) an industrial use; or
1168 (C) a residential use.
- 1169 (3) (a) The following state taxes shall be deposited into the General Fund:
1170 (i) the tax imposed by Subsection (2)(a)(i)(A);
1171 (ii) the tax imposed by Subsection (2)(b)(i); and
1172 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1173 (b) The following local taxes shall be distributed to a county, city, or town as provided
1174 in this chapter:
1175 (i) the tax imposed by Subsection (2)(a)(ii);
1176 (ii) the tax imposed by Subsection (2)(b)(ii);
1177 (iii) the tax imposed by Subsection (2)(c); and
1178 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 1179 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 1180 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1181 2003, the lesser of the following amounts shall be expended as provided in
1182 Subsections (4)(b) through (g):
1183 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

- 1184 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
1185 (B) for the fiscal year; or
1186 (ii) \$17,500,000.
- 1187 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1188 described in Subsection (4)(a) shall be transferred each year as designated sales
1189 and use tax revenue to the [~~Department of Natural Resources~~] Division of Wildlife
1190 Resources to:
- 1191 (A) implement the measures described in [~~Subsections 79-2-303(3)(a)~~]
1192 Subsections 23A-3-214(3)(a) through (d) to protect sensitive plant and animal
1193 species; or
1194 (B) award grants, up to the amount authorized by the Legislature in an
1195 appropriations act, to political subdivisions of the state to implement the
1196 measures described in [~~Subsections 79-2-303(3)(a)~~] Subsections 23A-3-214
1197 (3)(a) through (d) to protect sensitive plant and animal species.
- 1198 (ii) Money transferred to the [~~Department of Natural Resources~~] Division of Wildlife
1199 Resources under Subsection (4)(b)(i) may not be used to assist the United States
1200 Fish and Wildlife Service or any other person to list or attempt to have listed a
1201 species as threatened or endangered under the Endangered Species Act of 1973,
1202 16 U.S.C. Sec. 1531 et seq.
- 1203 (iii) At the end of each fiscal year:
- 1204 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
1205 the Water Resources Conservation and Development Fund created in Section
1206 73-10-24;
- 1207 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1208 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
1209 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1210 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 1211 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
1212 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
1213 Development Fund created in Section 4-18-106.
- 1214 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
1215 described in Subsection (4)(a) shall be transferred each year as designated sales
1216 and use tax revenue to the Division of Water Rights to cover the costs incurred in
1217 hiring legal and technical staff for the adjudication of water rights.

- 1218 (ii) At the end of each fiscal year:
- 1219 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 1220 the Water Resources Conservation and Development Fund created in Section
- 1221 73-10-24;
- 1222 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1223 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 1224 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 1225 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 1226 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
- 1227 described in Subsection (4)(a) shall be deposited into the Water Resources
- 1228 Conservation and Development Fund created in Section 73-10-24 for use by the
- 1229 Division of Water Resources.
- 1230 (ii) In addition to the uses allowed of the Water Resources Conservation and
- 1231 Development Fund under Section 73-10-24, the Water Resources Conservation
- 1232 and Development Fund may also be used to:
- 1233 (A) conduct hydrologic and geotechnical investigations by the Division of Water
- 1234 Resources in a cooperative effort with other state, federal, or local entities, for
- 1235 the purpose of quantifying surface and ground water resources and describing
- 1236 the hydrologic systems of an area in sufficient detail so as to enable local and
- 1237 state resource managers to plan for and accommodate growth in water use
- 1238 without jeopardizing the resource;
- 1239 (B) fund state required dam safety improvements; and
- 1240 (C) protect the state's interest in interstate water compact allocations, including the
- 1241 hiring of technical and legal staff.
- 1242 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
- 1243 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
- 1244 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
- 1245 wastewater projects.
- 1246 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
- 1247 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
- 1248 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 1249 (i) provide for the installation and repair of collection, treatment, storage, and
- 1250 distribution facilities for any public water system, as defined in Section 19-4-102;
- 1251 (ii) develop underground sources of water, including springs and wells; and

- 1252 (iii) develop surface water sources.
- 1253 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1254 2006, the difference between the following amounts shall be expended as provided in
1255 this Subsection (5), if that difference is greater than \$1:
- 1256 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
1257 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
1258 and
1259 (ii) \$17,500,000.
- 1260 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
1261 (A) transferred each fiscal year to the Department of Natural Resources as
1262 designated sales and use tax revenue; and
1263 (B) expended by the Department of Natural Resources for watershed rehabilitation
1264 or restoration.
- 1265 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1266 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources
1267 Conservation and Development Fund created in Section 73-10-24.
- 1268 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1269 remaining difference described in Subsection (5)(a) shall be:
1270 (A) transferred each fiscal year to the Division of Water Resources as designated
1271 sales and use tax revenue; and
1272 (B) expended by the Division of Water Resources for cloud-seeding projects
1273 authorized by Title 73, Chapter 15, Modification of Weather.
- 1274 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1275 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources
1276 Conservation and Development Fund created in Section 73-10-24.
- 1277 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1278 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1279 Resources Conservation and Development Fund created in Section 73-10-24 for use
1280 by the Division of Water Resources for:
- 1281 (i) preconstruction costs:
1282 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
1283 Chapter 26, Bear River Development Act; and
1284 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1285 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

- 1286 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
1287 73, Chapter 26, Bear River Development Act;
- 1288 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
1289 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
1290 Act; and
- 1291 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1292 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
1293 through (iii).
- 1294 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
1295 remaining difference described in Subsection (5)(a) shall be deposited each year into
1296 the Water Rights Restricted Account created by Section 73-2-1.6.
- 1297 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
1298 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
1299 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
1300 rate on the transactions described in Subsection (1) for the fiscal year.
- 1301 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
1302 year beginning on or after July 1, 2023, the commission shall deposit into the
1303 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
1304 taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the
1305 following sales and use taxes:
- 1306 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1307 (ii) the tax imposed by Subsection (2)(b)(i); and
- 1308 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1309 (b) (i) As used in this Subsection (7)(b):
- 1310 (A) "Additional growth revenue" means the amount of relevant revenue collected
1311 in the current fiscal year that exceeds by more than 3% the relevant revenue
1312 collected in the previous fiscal year.
- 1313 (B) "Combined amount" means the combined total amount of money deposited
1314 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
1315 in any single fiscal year.
- 1316 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1317 Investment Fund created in Subsection 72-2-124(10).
- 1318 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
1319 that equals 17% of the revenue collected from taxes described in Subsections

- 1320 (7)(a)(i) through (iii).
- 1321 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
1322 annually reduce the deposit under Subsection (7)(a) into the Transportation
1323 Investment Fund of 2005 by an amount equal to the amount of the deposit under
1324 this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year
1325 plus 25% of additional growth revenue, subject to the limit in Subsection
1326 (7)(b)(iii).
- 1327 (iii) The commission shall annually deposit the amount described in Subsection
1328 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
1329 combined amount for any single fiscal year of \$20,000,000.
- 1330 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
1331 previous fiscal year, the commission shall decrease the amount of the contribution
1332 to the Cottonwood Canyons fund under this Subsection (7)(b) in the same
1333 proportion as the decline in relevant revenue.
- 1334 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1335 2023, the commission shall annually reduce the deposit into the Transportation
1336 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
1337 equal to 5% of:
- 1338 (A) the amount of revenue generated in the current fiscal year by the portion of
1339 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue
1340 collected from taxes described in Subsections (7)(a)(i) through (iv);
- 1341 (B) the amount of revenue generated in the current fiscal year by registration fees
1342 designated under Section 41-1a-1201 to be deposited into the Transportation
1343 Investment Fund of 2005; and
- 1344 (C) revenues transferred by the Division of Finance to the Transportation
1345 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
1346 fiscal year.
- 1347 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1348 given fiscal year.
- 1349 (iii) The commission shall annually deposit the amount described in Subsection
1350 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
1351 72-2-124(11).
- 1352 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1353 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year

- 1354 beginning on or after July 1, 2018, the commission shall annually deposit into the
1355 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
1356 taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues
1357 collected from the following taxes:
- 1358 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - 1359 (ii) the tax imposed by Subsection (2)(b)(i); and
 - 1360 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1361 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1362 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
1363 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
1364 current fiscal year by the portion of the tax imposed on motor and special fuel that is
1365 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 1366 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1367 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 1368 (d) (i) As used in this Subsection (8)(d):
- 1369 (A) "Additional growth revenue" means the amount of relevant revenue collected
1370 in the current fiscal year that exceeds by more than 3% the relevant revenue
1371 collected in the previous fiscal year.
 - 1372 (B) "Combined amount" means the combined total amount of money deposited
1373 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
1374 in any single fiscal year.
 - 1375 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1376 Investment Fund created in Subsection 72-2-124(10).
 - 1377 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
1378 that equals 3.68% of the revenue collected from taxes described in Subsections
1379 (8)(a)(i) through (iii).
- 1380 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
1381 annually reduce the deposit under Subsection (8)(a) into the Transportation
1382 Investment Fund of 2005 by an amount equal to the amount of the deposit under
1383 this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year
1384 plus 25% of additional growth revenue, subject to the limit in Subsection
1385 (8)(d)(iii).
- 1386 (iii) The commission shall annually deposit the amount described in Subsection
1387 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum

- 1388 combined amount for any single fiscal year of \$20,000,000.
- 1389 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
1390 previous fiscal year, the commission shall decrease the amount of the contribution
1391 to the Cottonwood Canyons fund under this Subsection (8)(d) in the same
1392 proportion as the decline in relevant revenue.
- 1393 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1394 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
1395 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 1396 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
1397 year during which the commission receives notice under Section 63N-2-510 that
1398 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the
1399 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the
1400 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact
1401 Mitigation Fund, created in Section 63N-2-512.
- 1402 (11) (a) The rate specified in this subsection is 0.15%.
- 1403 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
1404 on or after July 1, 2019, annually transfer the amount of revenue collected from the
1405 rate described in Subsection (11)(a) on the transactions that are subject to the sales
1406 and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created
1407 in Section 26B-1-315.
- 1408 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1409 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
1410 credit solely for use of the Search and Rescue Financial Assistance Program created in,
1411 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- 1412 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
1413 annually transfer \$1,813,400 of the revenue deposited into the Transportation
1414 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.
- 1415 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
1416 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
1417 transfer the total revenue deposited into the Transportation Investment Fund of 2005
1418 under Subsections (7) and (8) during the fiscal year to the General Fund.
- 1419 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning
1420 the first day of the calendar quarter one year after the sales and use tax boundary for a
1421 housing and transit reinvestment zone is established, the commission, at least annually,

1422 shall transfer an amount equal to 15% of the sales and use tax increment within an
 1423 established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit
 1424 Transportation Investment Fund created in Section 72-2-124.

1425 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
 1426 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
 1427 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
 1428 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

- 1429 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1430 (b) the tax imposed by Subsection (2)(b)(i); and
- 1431 (c) the tax imposed by Subsection (2)(f)(i)(A)(I).

1432 Section 8. Section **59-21-2** is amended to read:

1433 **59-21-2 (Effective 07/01/24). Mineral Bonus Account created -- Contents -- Use**
 1434 **of Mineral Bonus Account money -- Mineral Lease Account created -- Contents**
 1435 **-- Appropriation of money from Mineral Lease Account.**

- 1436 (1) (a) There is created a restricted account within the General Fund known as the
 1437 "Mineral Bonus Account."
- 1438 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
 1439 deposited pursuant to Subsection 59-21-1(3).
- 1440 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
 1441 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C.
 1442 Sec. 191.
- 1443 (d) The state treasurer shall:
 - 1444 (i) invest the money in the Mineral Bonus Account by following the procedures and
 1445 requirements of Title 51, Chapter 7, State Money Management Act; and
 - 1446 (ii) deposit all interest or other earnings derived from the account into the Mineral
 1447 Bonus Account.
- 1448 (e) The Division of Finance shall, beginning on July 1, 2017, annually deposit 30% of
 1449 mineral lease bonus payments deposited under Subsection (1)(b) from the previous
 1450 fiscal year into the Wildland Fire Suppression Fund created in Section 65A-8-204, up
 1451 to \$2,000,000 but not to exceed 20% of the amount expended in the previous fiscal
 1452 year from the Wildland Fire Suppression Fund.
- 1453 (2) (a) There is created a restricted account within the General Fund known as the
 1454 "Mineral Lease Account."
- 1455 (b) The Mineral Lease Account consists of federal mineral lease money deposited

- 1456 pursuant to Subsection 59-21-1(1).
- 1457 (c) The Legislature shall make appropriations from the Mineral Lease Account as
1458 provided in Subsection 59-21-1(1) and this Subsection (2).
- 1459 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the Mineral
1460 Lease Account to the Permanent Community Impact Fund established by Section
1461 35A-8-303.
- 1462 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral
1463 Lease Account to the State Board of Education, to be used for education research and
1464 experimentation in the use of staff and facilities designed to improve the quality of
1465 education in Utah.
- 1466 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral
1467 Lease Account to the Utah Geological Survey Restricted Account, created in Section
1468 79-3-403, to be used by the Utah Geological Survey for activities carried on by the [
1469 survey] Utah Geological Survey having as a purpose the development and
1470 exploitation of natural resources in the state.
- 1471 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the Mineral
1472 Lease Account to the Water Research Laboratory at Utah State University, to be used
1473 for activities carried on by the laboratory having as a purpose the development and
1474 exploitation of water resources in the state.
- 1475 (h) (i) The Legislature shall annually appropriate to the Division of Finance 40% of
1476 all deposits made to the Mineral Lease Account to be distributed as provided in
1477 Subsection (2)(h)(ii) to:
- 1478 (A) counties;
- 1479 (B) special service districts established:
- 1480 (I) by counties;
- 1481 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1482 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 1483 (C) special service districts established:
- 1484 (I) by counties;
- 1485 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1486 (III) for other purposes authorized by statute.
- 1487 (ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):
- 1488 (A) in amounts proportionate to the amount of mineral lease money generated by
1489 each county; and

- 1490 (B) to a county or special service district established by a county under Title 17D,
1491 Chapter 1, Special Service District Act, as determined by the county legislative
1492 body.
- 1493 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the
1494 Mineral Lease Account to the Department of Workforce Services to be distributed
1495 to:
- 1496 (A) special service districts established:
- 1497 (I) by counties;
- 1498 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1499 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 1500 (B) special service districts established:
- 1501 (I) by counties;
- 1502 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 1503 (III) for other purposes authorized by statute.
- 1504 (ii) The Department of Workforce Services may distribute the amounts described in
1505 Subsection (2)(i)(i) only to special service districts established under Title 17D,
1506 Chapter 1, Special Service District Act, by counties:
- 1507 (A) of the third, fourth, fifth, or sixth class;
- 1508 (B) in which 4.5% or less of the mineral lease money within the state is generated;
1509 and
- 1510 (C) that are significantly socially or economically impacted as provided in
1511 Subsection (2)(i)(iii) by the development of minerals under the Mineral Lands
1512 Leasing Act, 30 U.S.C. Sec. 181 et seq.
- 1513 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)
1514 shall be as a result of:
- 1515 (A) the transportation within the county of hydrocarbons, including solid
1516 hydrocarbons as defined in Section 59-5-101;
- 1517 (B) the employment of persons residing within the county in hydrocarbon
1518 extraction, including the extraction of solid hydrocarbons as defined in Section
1519 59-5-101; or
- 1520 (C) a combination of Subsections (2)(i)(iii)(A) and (B).
- 1521 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to
1522 special service districts established by counties under Title 17D, Chapter 1,
1523 Special Service District Act, the Department of Workforce Services shall:

- 1524 (A) (I) allocate 50% of the appropriations equally among the counties meeting
 1525 the requirements of Subsections (2)(i)(ii) and (iii); and
 1526 (II) allocate 50% of the appropriations based on the ratio that the population of
 1527 each county meeting the requirements of Subsections (2)(i)(ii) and (iii)
 1528 bears to the total population of all of the counties meeting the requirements
 1529 of Subsections (2)(i)(ii) and (iii); and
- 1530 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute
 1531 the allocated revenues to special service districts established by the counties
 1532 under Title 17D, Chapter 1, Special Service District Act, as determined by the
 1533 executive director of the Department of Workforce Services after consulting
 1534 with the county legislative bodies of the counties meeting the requirements of
 1535 Subsections (2)(i)(ii) and (iii).
- 1536 (v) The executive director of the Department of Workforce Services:
- 1537 (A) shall determine whether a county meets the requirements of Subsections
 1538 (2)(i)(ii) and (iii);
- 1539 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
 1540 districts established by counties under Title 17D, Chapter 1, Special Service
 1541 District Act, that meet the requirements of Subsections (2)(i)(ii) and (iii); and
- 1542 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
 1543 Act, may make rules:
- 1544 (I) providing a procedure for making the distributions under this Subsection
 1545 (2)(i) to special service districts; and
 1546 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).
- 1547 (j) (i) The Legislature shall annually make the following appropriations from the
 1548 Mineral Lease Account:
- 1549 (A) an amount equal to 52 cents multiplied by the number of acres of school or
 1550 institutional trust lands, lands owned by the Division of State Parks or the
 1551 Division of Outdoor Recreation, and lands owned by the Division of Wildlife
 1552 Resources that are not under an in lieu of taxes contract, to each county in
 1553 which those lands are located;
- 1554 (B) to each county in which school or institutional trust lands are transferred to the
 1555 federal government after December 31, 1992, an amount equal to the number
 1556 of transferred acres in the county multiplied by a payment per acre equal to the
 1557 difference between 52 cents per acre and the per acre payment made to that

- 1558 county in the most recent payment under the federal payment in lieu of taxes
1559 program, 31 U.S.C. Sec. 6901 et seq., unless the federal payment was equal to
1560 or exceeded the 52 cents per acre, in which case a payment under this
1561 Subsection (2)(j)(i)(B) may not be made for the transferred lands;
- (C) to each county in which federal lands, which are entitlement lands under the
1562 federal in lieu of taxes program, are transferred to the school or institutional
1563 trust, an amount equal to the number of transferred acres in the county
1564 multiplied by a payment per acre equal to the difference between the most
1565 recent per acre payment made under the federal payment in lieu of taxes
1566 program and 52 cents per acre, unless the federal payment was equal to or less
1567 than 52 cents per acre, in which case a payment under this Subsection
1568 (2)(j)(i)(C) may not be made for the transferred land; and
- (D) to a county of the fifth or sixth class, an amount equal to the product of:
- 1571 (I) \$1,000; and
1572 (II) the number of residences described in Subsection (2)(j)(iv) that are located
1573 within the county.
- (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
1574 county legislative body, distribute the money or a portion of the money to:
- 1575 (A) special service districts established by the county under Title 17D, Chapter 1,
1576 Special Service District Act;
1577 (B) school districts; or
1578 (C) public institutions of higher education.
- (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year
1580 1994-95, the Division of Finance shall increase or decrease the amounts per
1581 acre provided for in Subsections (2)(j)(i)(A) through (C) by the average annual
1582 change in the Consumer Price Index for all urban consumers published by the
1583 Department of Labor.
1584 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of
1585 Finance shall increase or decrease the amount described in Subsection
1586 (2)(j)(i)(D)(I) by the average annual change in the Consumer Price Index for
1587 all urban consumers published by the Department of Labor.
1588
- (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:
- 1589 (A) owned by:
1590 (I) the Division of State Parks;
1591

- 1592 (II) the Division of Outdoor Recreation; or
 1593 (III) the Division of Wildlife Resources;
 1594 (B) located on lands that are owned by:
 1595 (I) the Division of State Parks;
 1596 (II) the Division of Outdoor Recreation; or
 1597 (III) the Division of Wildlife Resources; and
 1598 (C) are not subject to taxation under:
 1599 (I) Chapter 2, Property Tax Act; or
 1600 (II) Chapter 4, Privilege Tax.
- 1601 (k) The Legislature shall annually appropriate to the Permanent Community Impact
 1602 Fund all deposits remaining in the Mineral Lease Account after making the
 1603 appropriations provided for in Subsections (2)(d) through (j).
- 1604 (3) (a) Each agency, board, institution of higher education, and political subdivision
 1605 receiving money under this chapter shall provide the Legislature, through the Office
 1606 of the Legislative Fiscal Analyst, with a complete accounting of the use of that
 1607 money on an annual basis.
- 1608 (b) The accounting required under Subsection (3)(a) shall:
 1609 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
 1610 current fiscal year, and planned expenditures for the following fiscal year; and
 1611 (ii) be reviewed by the Business, Economic Development, and Labor Appropriations
 1612 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1,
 1613 Budgetary Procedures Act.
- 1614 Section 9. Section **59-23-4** is amended to read:
 1615 **59-23-4 (Effective 07/01/24). Brine shrimp royalty -- Royalty rate -- Commission**
 1616 **to prepare billing statement -- Deposit of revenue.**
- 1617 (1) A person shall pay for each tax year a brine shrimp royalty of 3.25 cents multiplied by
 1618 the total number of pounds of unprocessed brine shrimp eggs that the person harvests
 1619 within the state during the tax year.
- 1620 (2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the [
 1621 ~~Department of Natural Resources~~] Division of Wildlife Resources the total number of
 1622 pounds of unprocessed brine shrimp eggs harvested by that person for that tax year
 1623 on or before the February 15 immediately following the last day of that tax year.
- 1624 (b) The [~~Department of Natural Resources~~] Division of Wildlife Resources shall provide
 1625 the following information to the commission on or before the March 1 immediately

- 1626 following the last day of a tax year:
- 1627 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that
- 1628 tax year; and
- 1629 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:
- 1630 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by
- 1631 that person for that tax year; and
- 1632 (B) a current billing address for that person; and
- 1633 (iii) any additional information required by the commission.
- 1634 (c) (i) The commission shall prepare and mail a billing statement to each person that
- 1635 harvested unprocessed brine shrimp eggs in a tax year by the March 30
- 1636 immediately following the last day of a tax year.
- 1637 (ii) The billing statement under Subsection (2)(c)(i) shall specify:
- 1638 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by
- 1639 that person for that tax year;
- 1640 (B) the brine shrimp royalty that the person owes; and
- 1641 (C) the date that the brine shrimp royalty payment is due as provided in Section
- 1642 59-23-5.
- 1643 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1644 commission may make rules prescribing the information required under Subsection
- 1645 (2)(b)(iii).
- 1646 (3) Revenue generated by the brine shrimp royalty shall be deposited as follows:
- 1647 (a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
- 1648 the Sovereign Lands Management Account created in Section 65A-5-1; and
- 1649 (b) the remainder of the revenue generated by the brine shrimp royalty shall be deposited
- 1650 in the Species Protection Account created in [~~Section 79-2-303~~] Section 23A-3-214.
- 1651 Section 10. Section **63J-1-602.1** is amended to read:
- 1652 **63J-1-602.1 (Effective 07/01/24). List of nonlapsing appropriations from**
- 1653 **accounts and funds.**
- 1654 Appropriations made from the following accounts or funds are nonlapsing:
- 1655 (1) The Native American Repatriation Restricted Account created in Section 9-9-407.
- 1656 (2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, as
- 1657 provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.
- 1658 (3) Funds collected for directing and administering the C-PACE district created in Section
- 1659 11-42a-106.

- 1660 (4) Money received by the Utah Inland Port Authority, as provided in Section 11-58-105.
- 1661 (5) The Commerce Electronic Payment Fee Restricted Account created in Section 13-1-17.
- 1662 (6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in Section
1663 19-2a-106.
- 1664 (7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in
1665 Section 19-5-126.
- 1666 (8) State funds for matching federal funds in the Children's Health Insurance Program as
1667 provided in Section 26B-3-906.
- 1668 (9) Funds collected from the program fund for local health department expenses incurred in
1669 responding to a local health emergency under Section 26B-7-111.
- 1670 (10) The Technology Development Restricted Account created in Section 31A-3-104.
- 1671 (11) The Criminal Background Check Restricted Account created in Section 31A-3-105.
- 1672 (12) The Captive Insurance Restricted Account created in Section 31A-3-304, except to the
1673 extent that Section 31A-3-304 makes the money received under that section free revenue.
- 1674 (13) The Title Licensee Enforcement Restricted Account created in Section 31A-23a-415.
- 1675 (14) The Health Insurance Actuarial Review Restricted Account created in Section
1676 31A-30-115.
- 1677 (15) The State Mandated Insurer Payments Restricted Account created in Section
1678 31A-30-118.
- 1679 (16) The Insurance Fraud Investigation Restricted Account created in Section 31A-31-108.
- 1680 (17) The Underage Drinking Prevention Media and Education Campaign Restricted
1681 Account created in Section 32B-2-306.
- 1682 (18) The Drinking While Pregnant Prevention Media and Education Campaign Restricted
1683 Account created in Section 32B-2-308.
- 1684 (19) The School Readiness Restricted Account created in Section 35A-15-203.
- 1685 (20) Money received by the Utah State Office of Rehabilitation for the sale of certain
1686 products or services, as provided in Section 35A-13-202.
- 1687 (21) The Oil and Gas Administrative Penalties Account created in Section 40-6-11.
- 1688 (22) The Oil and Gas Conservation Account created in Section 40-6-14.5.
- 1689 (23) The Division of Oil, Gas, and Mining Restricted account created in Section 40-6-23.
- 1690 (24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to the
1691 Motor Vehicle Division.
- 1692 (25) The License Plate Restricted Account created by Section 41-1a-122.
- 1693 (26) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account

- 1694 created by Section 41-3-110 to the State Tax Commission.
- 1695 (27) The State Disaster Recovery Restricted Account to the Division of Emergency
1696 Management, as provided in Section 53-2a-603.
- 1697 (28) The Response, Recovery, and Post-disaster Mitigation Restricted Account created in
1698 Section 53-2a-1302.
- 1699 (29) The Department of Public Safety Restricted Account to the Department of Public
1700 Safety, as provided in Section 53-3-106.
- 1701 (30) The Utah Highway Patrol Aero Bureau Restricted Account created in Section 53-8-303.
- 1702 (31) The DNA Specimen Restricted Account created in Section 53-10-407.
- 1703 (32) The Technical Colleges Capital Projects Fund created in Section 53B-2a-118.
- 1704 (33) The Higher Education Capital Projects Fund created in Section 53B-22-202.
- 1705 (34) A certain portion of money collected for administrative costs under the School
1706 Institutional Trust Lands Management Act, as provided under Section 53C-3-202.
- 1707 (35) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5, subject
1708 to Subsection 54-5-1.5(4)(d).
- 1709 (36) Funds collected from a surcharge fee to provide certain licensees with access to an
1710 electronic reference library, as provided in Section 58-3a-105.
- 1711 (37) Certain fines collected by the Division of Professional Licensing for violation of
1712 unlawful or unprofessional conduct that are used for education and enforcement
1713 purposes, as provided in Section 58-17b-505.
- 1714 (38) Funds collected from a surcharge fee to provide certain licensees with access to an
1715 electronic reference library, as provided in Section 58-22-104.
- 1716 (39) Funds collected from a surcharge fee to provide certain licensees with access to an
1717 electronic reference library, as provided in Section 58-55-106.
- 1718 (40) Funds collected from a surcharge fee to provide certain licensees with access to an
1719 electronic reference library, as provided in Section 58-56-3.5.
- 1720 (41) Certain fines collected by the Division of Professional Licensing for use in education
1721 and enforcement of the Security Personnel Licensing Act, as provided in Section
1722 58-63-103.
- 1723 (42) The Relative Value Study Restricted Account created in Section 59-9-105.
- 1724 (43) The Cigarette Tax Restricted Account created in Section 59-14-204.
- 1725 (44) Funds paid to the Division of Real Estate for the cost of a criminal background check
1726 for a mortgage loan license, as provided in Section 61-2c-202.
- 1727 (45) Funds paid to the Division of Real Estate for the cost of a criminal background check

- 1728 for principal broker, associate broker, and sales agent licenses, as provided in Section
1729 61-2f-204.
- 1730 (46) Certain funds donated to the Department of Health and Human Services, as provided
1731 in Section 26B-1-202.
- 1732 (47) Certain funds donated to the Division of Child and Family Services, as provided in
1733 Section 80-2-404.
- 1734 (48) Funds collected by the Office of Administrative Rules for publishing, as provided in
1735 Section 63G-3-402.
- 1736 (49) The Immigration Act Restricted Account created in Section 63G-12-103.
- 1737 (50) Money received by the military installation development authority, as provided in
1738 Section 63H-1-504.
- 1739 (51) The Computer Aided Dispatch Restricted Account created in Section 63H-7a-303.
- 1740 (52) The Unified Statewide 911 Emergency Service Account created in Section 63H-7a-304.
- 1741 (53) The Utah Statewide Radio System Restricted Account created in Section 63H-7a-403.
- 1742 (54) The Utah Capital Investment Restricted Account created in Section 63N-6-204.
- 1743 (55) The Motion Picture Incentive Account created in Section 63N-8-103.
- 1744 (56) Funds collected by the housing of state probationary inmates or state parole inmates, as
1745 provided in Subsection 64-13e-104(2).
- 1746 (57) Certain forestry and fire control funds utilized by the Division of Forestry, Fire, and
1747 State Lands, as provided in Section 65A-8-103.
- 1748 (58) The Amusement Ride Safety Restricted Account, as provided in Section 72-16-204.
- 1749 (59) Certain funds received by the Office of the State Engineer for well drilling fines or
1750 bonds, as provided in Section 73-3-25.
- 1751 (60) The Water Resources Conservation and Development Fund, as provided in Section
1752 73-23-2.
- 1753 (61) Award money under the State Asset Forfeiture Grant Program, as provided under
1754 Section 77-11b-403.
- 1755 (62) Funds donated or paid to a juvenile court by private sources, as provided in Subsection
1756 78A-6-203(1)(c).
- 1757 (63) Fees for certificate of admission created under Section 78A-9-102.
- 1758 (64) Funds collected for adoption document access as provided in Sections 78B-6-141,
1759 78B-6-144, and 78B-6-144.5.
- 1760 (65) Funds collected for indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah
1761 Indigent Defense Commission.

- 1762 (66) The Utah Geological Survey[~~Oil, Gas, and Mining~~] Restricted Account created in
1763 Section 79-3-403.
- 1764 (67) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State Park,
1765 and Green River State Park, as provided under Section 79-4-403.
- 1766 (68) Certain funds received by the Division of State Parks from the sale or disposal of
1767 buffalo, as provided under Section 79-4-1001.
- 1768 Section 11. Section **73-5-15** is amended to read:
1769 **73-5-15 (Effective 05/01/24). Groundwater management plan.**
- 1770 (1) As used in this section:
- 1771 (a) "Critical management area" means a groundwater basin in which the groundwater
1772 withdrawals consistently exceed the safe yield.
- 1773 (b) "Safe yield" means the amount of groundwater that can be withdrawn from a
1774 groundwater basin over a period of time without exceeding the long-term recharge of
1775 the basin or unreasonably affecting the basin's physical and chemical integrity.
- 1776 (2) (a) The state engineer may regulate groundwater withdrawals within a specific
1777 groundwater basin by adopting a groundwater management plan in accordance with
1778 this section for any groundwater basin or aquifer or combination of hydrologically
1779 connected groundwater basins or aquifers.
- 1780 (b) The objectives of a groundwater management plan are to:
- 1781 (i) limit groundwater withdrawals to safe yield;
- 1782 (ii) protect the physical integrity of the aquifer; and
- 1783 (iii) protect water quality.
- 1784 (c) The state engineer shall adopt a groundwater management plan for a groundwater
1785 basin if more than one-third of the water right owners in the groundwater basin
1786 request that the state engineer adopt a groundwater management plan.
- 1787 (3) (a) In developing a groundwater management plan, the state engineer may consider:
- 1788 (i) the hydrology of the groundwater basin;
- 1789 (ii) the physical characteristics of the groundwater basin;
- 1790 (iii) the relationship between surface water and groundwater, including whether the
1791 groundwater should be managed in conjunction with hydrologically connected
1792 surface waters;
- 1793 (iv) the conjunctive management of water rights to facilitate and coordinate the lease,
1794 purchase, or voluntary use of water rights subject to the groundwater management
1795 plan;

- 1796 (v) the geographic spacing and location of groundwater withdrawals;
1797 (vi) water quality;
1798 (vii) local well interference; and
1799 (viii) other relevant factors.
- 1800 (b) The state engineer shall base the provisions of a groundwater management plan on
1801 the principles of prior appropriation.
- 1802 (c) (i) The state engineer shall use the best available scientific method to determine
1803 safe yield.
- 1804 (ii) As hydrologic conditions change or additional information becomes available,
1805 safe yield determinations made by the state engineer may be revised by following
1806 the procedures listed in Subsection (5).
- 1807 (4) (a) (i) Except as provided in Subsection (4)(b), the withdrawal of water from a
1808 groundwater basin shall be limited to the basin's safe yield.
- 1809 (ii) Before limiting withdrawals in a groundwater basin to safe yield, the state
1810 engineer shall:
- 1811 (A) determine the groundwater basin's safe yield; and
1812 (B) adopt a groundwater management plan for the groundwater basin.
- 1813 (iii) If the state engineer determines that groundwater withdrawals in a groundwater
1814 basin exceed the safe yield, the state engineer shall regulate groundwater rights in
1815 that groundwater basin based on the priority date of the water rights under the
1816 groundwater management plan, unless a voluntary arrangement exists under
1817 Subsection (4)(c) that requires a different distribution.
- 1818 (iv) A groundwater management plan shall include a list of each groundwater right in
1819 the proposed groundwater management area known to the state engineer
1820 identifying the water right holder, the land to which the groundwater right is
1821 appurtenant, and any identification number the state engineer uses in the
1822 administration of water rights.
- 1823 (b) When adopting a groundwater management plan for a critical management area, the
1824 state engineer shall, based on economic and other impacts to an individual water user
1825 or a local community caused by the implementation of safe yield limits on
1826 withdrawals, allow gradual implementation of the groundwater management plan.
- 1827 (c) (i) In consultation with the state engineer, water users in a groundwater basin may
1828 agree to participate in a voluntary arrangement for managing withdrawals at any
1829 time, either before or after a determination that groundwater withdrawals exceed

- 1830 the groundwater basin's safe yield.
- 1831 (ii) A voluntary arrangement under Subsection (4)(c)(i) shall be consistent with other
1832 law.
- 1833 (iii) The adoption of a voluntary arrangement under this Subsection (4)(c) by less
1834 than all of the water users in a groundwater basin does not affect the rights of
1835 water users who do not agree to the voluntary arrangement.
- 1836 (5) To adopt a groundwater management plan, the state engineer shall:
- 1837 (a) give notice as specified in Subsection (7) at least 30 days before the first public
1838 meeting held in accordance with Subsection (5)(b):
- 1839 (i) that the state engineer proposes to adopt a groundwater management plan;
1840 (ii) describing generally the land area proposed to be included in the groundwater
1841 management plan; and
- 1842 (iii) stating the location, date, and time of each public meeting to be held in
1843 accordance with Subsection (5)(b);
- 1844 (b) hold one or more public meetings in the geographic area proposed to be included
1845 within the groundwater management plan to:
- 1846 (i) address the need for a groundwater management plan;
1847 (ii) present any data, studies, or reports that the state engineer intends to consider in
1848 preparing the groundwater management plan;
1849 (iii) address safe yield and any other subject that may be included in the groundwater
1850 management plan;
1851 (iv) outline the estimated administrative costs, if any, that groundwater users are
1852 likely to incur if the plan is adopted; and
- 1853 (v) receive any public comments and other information presented at the public
1854 meeting, including comments from any of the entities listed in Subsection
1855 (7)(a)(iii);
- 1856 (c) receive and consider written comments concerning the proposed groundwater
1857 management plan from any person for a period determined by the state engineer of
1858 not less than 60 days after the day on which the notice required by Subsection (5)(a)
1859 is given;
- 1860 (d) (i) at least 60 days prior to final adoption of the groundwater management plan,
1861 publish notice:
- 1862 (A) that a draft of the groundwater management plan has been proposed; and
1863 (B) specifying where a copy of the draft plan may be reviewed; and

- 1864 (ii) promptly provide a copy of the draft plan in printed or electronic form to each of
1865 the entities listed in Subsection (7)(a)(iii) that makes written request for a copy;
1866 and
- 1867 (e) provide notice of the adoption of the groundwater management plan.
- 1868 (6) A groundwater management plan shall become effective on the date notice of adoption
1869 is completed under Subsection (7), or on a later date if specified in the plan.
- 1870 (7) (a) A notice required by this section shall be:
- 1871 (i) published:
- 1872 (A) once a week for two successive weeks in a newspaper of general circulation in
1873 each county that encompasses a portion of the land area proposed to be
1874 included within the groundwater management plan; and
- 1875 (B) in accordance with Section 45-1-101 for two weeks;
- 1876 (ii) published conspicuously on the state engineer's website; and
- 1877 (iii) mailed to each of the following that has within its boundaries a portion of the
1878 land area to be included within the proposed groundwater management plan:
- 1879 (A) county;
- 1880 (B) incorporated city or town;
- 1881 (C) a special district created to acquire or assess a groundwater right under Title
1882 17B, Chapter 1, Provisions Applicable to All Special Districts;
- 1883 (D) improvement district under Title 17B, Chapter 2a, Part 4, Improvement
1884 District Act;
- 1885 (E) service area, under Title 17B, Chapter 2a, Part 9, Service Area Act;
- 1886 (F) drainage district, under Title 17B, Chapter 2a, Part 2, Drainage District Act;
- 1887 (G) irrigation district, under Title 17B, Chapter 2a, Part 5, Irrigation District Act;
- 1888 (H) metropolitan water district, under Title 17B, Chapter 2a, Part 6, Metropolitan
1889 Water District Act;
- 1890 (I) special service district providing water, sewer, drainage, or flood control
1891 services, under Title 17D, Chapter 1, Special Service District Act;
- 1892 (J) water conservancy district, under Title 17B, Chapter 2a, Part 10, Water
1893 Conservancy District Act; and
- 1894 (K) conservation district, under Title 17D, Chapter 3, Conservation District Act.
- 1895 (b) A notice required by this section is effective upon substantial compliance with
1896 Subsections (7)(a)(i) through (iii).
- 1897 (8) A groundwater management plan may be amended in the same manner as a

- 1898 groundwater management plan may be adopted under this section.
- 1899 (9) The existence of a groundwater management plan does not preclude any otherwise
1900 eligible person from filing any application or challenging any decision made by the state
1901 engineer within the affected groundwater basin.
- 1902 (10) (a) A person aggrieved by a groundwater management plan may challenge any
1903 aspect of the groundwater management plan by filing a complaint within 60 days
1904 after the adoption of the groundwater management plan in the district court for any
1905 county in which the groundwater basin is found.
- 1906 (b) Notwithstanding Subsection (9), a person may challenge the components of a
1907 groundwater management plan only in the manner provided by Subsection (10)(a).
- 1908 (c) An action brought under this Subsection (10) is reviewed de novo by the district
1909 court.
- 1910 (d) A person challenging a groundwater management plan under this Subsection (10)
1911 shall join the state engineer as a defendant in the action challenging the groundwater
1912 management plan.
- 1913 (e) (i) Within 30 days after the day on which a person files an action challenging any
1914 aspect of a groundwater management plan under Subsection (10)(a), the person
1915 filing the action shall publish notice of the action:
- 1916 (A) in a newspaper of general circulation in the county in which the district court
1917 is located; and
- 1918 (B) in accordance with Section 45-1-101 for two weeks.
- 1919 (ii) The notice required by Subsection (10)(e)(i)(A) shall be published once a week
1920 for two consecutive weeks.
- 1921 (iii) The notice required by Subsection (10)(e)(i) shall:
- 1922 (A) identify the groundwater management plan the person is challenging;
- 1923 (B) identify the case number assigned by the district court;
- 1924 (C) state that a person affected by the groundwater management plan may petition
1925 the district court to intervene in the action challenging the groundwater
1926 management plan; and
- 1927 (D) list the address for the clerk of the district court in which the action is filed.
- 1928 (iv) (A) Any person affected by the groundwater management plan may petition to
1929 intervene in the action within 60 days after the day on which notice is last
1930 published under Subsections (10)(e)(i) and (ii).
- 1931 (B) The district court's treatment of a petition to intervene under this Subsection

- 1932 (10)(e)(iv) is governed by the Utah Rules of Civil Procedure.
- 1933 [~~(v) A district court in which an action is brought under Subsection (10)(a) shall~~
- 1934 ~~consolidate all actions brought under that subsection and include in the~~
- 1935 ~~consolidated action any person whose petition to intervene is granted.]~~
- 1936 (11) A groundwater management plan adopted or amended in accordance with this section
- 1937 is exempt from the requirements in Title 63G, Chapter 3, Utah Administrative
- 1938 Rulemaking Act.
- 1939 (12) (a) Except as provided in Subsection (12)(b), recharge and recovery projects
- 1940 permitted under Chapter 3b, Groundwater Recharge and Recovery Act, are exempted
- 1941 from this section.
- 1942 (b) In a critical management area, the artificial recharge of a groundwater basin that uses
- 1943 surface water naturally tributary to the groundwater basin, in accordance with
- 1944 Chapter 3b, Groundwater Recharge and Recovery Act, constitutes a beneficial use of
- 1945 the water under Section 73-1-3 if:
- 1946 (i) the recharge is done during the time the area is designated as a critical
- 1947 management area;
- 1948 (ii) the recharge is done with a valid recharge permit;
- 1949 (iii) the water placed in the aquifer is not recovered under a recovery permit; and
- 1950 (iv) the water placed in the aquifer is used to replenish the groundwater basin.
- 1951 (13) Nothing in this section may be interpreted to require the development, implementation,
- 1952 or consideration of a groundwater management plan as a prerequisite or condition to the
- 1953 exercise of the state engineer's enforcement powers under other law, including powers
- 1954 granted under Section 73-2-25.
- 1955 (14) A groundwater management plan adopted in accordance with this section may not
- 1956 apply to the dewatering of a mine.
- 1957 (15) (a) A groundwater management plan adopted by the state engineer before May 1,
- 1958 2006, remains in force and has the same legal effect as it had on the day on which it
- 1959 was adopted by the state engineer.
- 1960 (b) If a groundwater management plan that existed before May 1, 2006, is amended on
- 1961 or after May 1, 2006, the amendment is subject to this section's provisions.
- 1962 Section 12. Section **73-10-27** is amended to read:
- 1963 **73-10-27 (Effective 05/01/24). Definitions -- Project priorities -- Considerations --**
- 1964 **Bids and contracts -- Definitions -- Retainage.**
- 1965 (1) As used in this section:

- 1966 (a) "Board" means the Board of Water Resources created in Section 73-10-1.5.
- 1967 (b) "Estimated cost" means the cost of the labor, material, and equipment necessary for
- 1968 construction of the contemplated project.
- 1969 (c) "Lowest responsible bidder" means a licensed contractor:
- 1970 (i) who:
- 1971 (A) submits the lowest bid; and
- 1972 (B) furnishes a payment bond and a performance bond under Sections 14-1-18 and
- 1973 63G-6a-1103; and
- 1974 (ii) whose bid:
- 1975 (A) is in compliance with the invitation for a bid; and
- 1976 (B) meets the plans and specifications.
- 1977 (2) In considering the priority for a project to be built or financed with funds made
- 1978 available under Section 73-10-24, the board shall give preference to a project that:
- 1979 (a) is sponsored by, or for the benefit of, the state or a political subdivision of the state;
- 1980 (b) meets a critical local need;
- 1981 (c) has greater economic feasibility;
- 1982 (d) will yield revenue to the state within a reasonable time or will return a reasonable
- 1983 rate of interest, based on financial feasibility; and
- 1984 (e) meets other considerations deemed necessary by the board, including wildlife
- 1985 management and recreational needs.
- 1986 [~~(3) (a) In determining the economic feasibility, the board shall establish a benefit-to-cost~~
- 1987 ~~ratio for each project, using a uniform standard of procedure for all projects.]~~
- 1988 [~~(b) In considering whether a project should be built, the benefit-to-cost ratio for each~~
- 1989 ~~project shall be weighted based on the relative cost of the project.]~~
- 1990 [~~(c) A project, when considered in total with all other projects constructed under this~~
- 1991 ~~chapter and still the subject of a repayment contract, may not cause the accumulative~~
- 1992 ~~benefit-to-cost ratio of the projects to be less than one to one.]~~
- 1993 [(4)] (3) A project may not be built if the project is not:
- 1994 (a) in the public interest, as determined by the board; or
- 1995 (b) adequately designed based on sound engineering and geologic considerations.
- 1996 [(5)] (4) In preparing a project constructed by the board, the board shall:
- 1997 (a) based on a competitive bid, award a contract for:
- 1998 (i) a flood control project:
- 1999 (A) involving a city or county; and

- 2000 (B) costing in excess of \$35,000;
- 2001 (ii) the construction of a storage reservoir in excess of 100 acre-feet; or
- 2002 (iii) the construction of a hydroelectric generating facility;
- 2003 (b) publish an advertisement for a competitive bid:
- 2004 (i) at least once a week for three consecutive weeks in a newspaper with general
- 2005 circulation in the state, with the last date of publication appearing at least five
- 2006 days before the schedule bid opening; and
- 2007 (ii) indicating that the board:
- 2008 (A) will award the contract to the lowest responsible bidder; and
- 2009 (B) reserves the right to reject any and all bids;
- 2010 (c) readvertise the project in the manner specified in Subsection [~~(5)(b)~~] (4)(b) if the
- 2011 board rejects all of the initial bids on the project; and
- 2012 (d) keep an accurate record of all facts and representations relied upon in preparing the
- 2013 board's estimated cost for a project that is subject to the competitive bidding
- 2014 requirements of this section.
- 2015 [~~(6)~~] (5) If no satisfactory bid is received by the board upon the readvertisement of the
- 2016 project in accordance with Subsection [~~(5)~~] (4), the board may proceed to construct the
- 2017 project in accordance with the plan and specifications used to calculate the estimated
- 2018 cost of the project.
- 2019 [~~(7)~~] (6) If a payment on a contract with a private contractor for construction of a project
- 2020 under this section is retained or withheld, it shall be retained or withheld and released as
- 2021 provided in Section 13-8-5.

2022 Section 13. Section **79-2-102** is amended to read:

2023 **79-2-102 (Effective 05/01/24). Definitions.**

2024 As used in this chapter:

- 2025 (1) "Conservation officer" is as defined in Section 23A-1-101.
- 2026 [~~(2) "Species protection" means an action to protect a plant or animal species identified as:]~~
- 2027 [(a) sensitive by the state; or]
- 2028 [(b) threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec.
- 2029 ~~1531 et seq.]~~
- 2030 [~~(3)~~] (2) "Volunteer" means a person who donates a service to the department or a division
- 2031 of the department without pay or other compensation.

2032 Section 14. Section **79-2-406** is amended to read:

2033 **79-2-406 (Effective 05/01/24). Wetlands -- In-lieu fee program study.**

- 2034 (1) As used in this section, "committee" means the Natural Resources, Agriculture, and
2035 Environment Interim Committee.
- 2036 (2) The department shall publish, on the department's website, the land use permits
2037 collected by the Utah Geological Survey pursuant to Subsection [~~79-3-202(1)(r)~~]
2038 79-3-202(1)(q).
- 2039 (3) (a) The department shall study and make recommendations to the committee on the
2040 viability of an in-lieu fee program for wetland mitigation, including:
- 2041 (i) the viability of the state establishing and administering an in-lieu fee program; and
2042 (ii) the viability of the state partnering with a private organization to establish and
2043 administer an in-lieu fee program.
- 2044 (b) As part of the study described in Subsection (3)(a), the department shall consult with
2045 public and private individuals and entities that may be necessary or helpful to the
2046 establishment or administration of an in-lieu fee program for wetland mitigation,
2047 which may include:
- 2048 (i) the Utah Department of Environmental Quality;
2049 (ii) the United States Army Corps of Engineers;
2050 (iii) the United States Fish and Wildlife Service;
2051 (iv) the United States Environmental Protection Agency; or
2052 (v) a non-profit entity that has experience with the establishment and administration
2053 of in-lieu fee programs.
- 2054 (c) The department shall provide a report on the status of the department's study during
2055 or before the committee's November interim meeting in 2022.
- 2056 (d) The department shall provide a final report of the department's study and
2057 recommendations, including any recommended legislation, during or before the
2058 committee's first interim meeting in 2023.
- 2059 Section 15. Section **79-3-202** is amended to read:
- 2060 **79-3-202 (Effective 05/01/24). Powers and duties of survey.**
- 2061 (1) The survey shall:
- 2062 (a) assist and advise state and local agencies and state educational institutions on
2063 geologic, paleontologic, and mineralogic subjects;
- 2064 (b) collect and distribute reliable information regarding the mineral industry and mineral
2065 resources, topography, paleontology, and geology of the state;
- 2066 (c) survey the geology of the state, including mineral occurrences and the ores of metals,
2067 energy resources, industrial minerals and rocks, mineral-bearing waters, and surface

- 2068 and ground water resources, with special reference to their economic contents,
2069 values, uses, kind, and availability in order to facilitate their economic use;
- 2070 (d) investigate the kind, amount, and availability of mineral substances contained in
2071 lands owned and controlled by the state, to contribute to the most effective and
2072 beneficial administration of these lands for the state;
- 2073 (e) determine and investigate areas of geologic and topographic hazards that could affect
2074 the safety of, or cause economic loss to, the citizens of the state;
- 2075 (f) assist local and state agencies in their planning, zoning, and building regulation
2076 functions by publishing maps, delineating appropriately wide special earthquake risk
2077 areas, and, at the request of state agencies or other governmental agencies, review the
2078 siting of critical facilities;
- 2079 (g) cooperate with state agencies, political subdivisions of the state, quasi-governmental
2080 agencies, federal agencies, schools of higher education, and others in fields of mutual
2081 concern, which may include field investigations and preparation, publication, and
2082 distribution of reports and maps;
- 2083 (h) collect and preserve data pertaining to mineral resource exploration and development
2084 programs and construction activities, such as claim maps, location of drill holes,
2085 location of surface and underground workings, geologic plans and sections, drill logs,
2086 and assay and sample maps, including the maintenance of a sample library of cores
2087 and cuttings;
- 2088 (i) study and analyze other scientific, economic, or aesthetic problems as, in the
2089 judgment of the board, should be undertaken by the survey to serve the needs of the
2090 state and to support the development of natural resources and utilization of lands
2091 within the state;
- 2092 (j) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the work
2093 accomplished by the survey, directly or in collaboration with others, and collect and
2094 prepare exhibits of the geological and mineral resources of this state and interpret
2095 their significance;
- 2096 (k) collect, maintain, and preserve data and information in order to accomplish the
2097 purposes of this section and act as a repository for information concerning the
2098 geology of this state;
- 2099 (l) stimulate research, study, and activities in the field of paleontology;
- 2100 (m) mark, protect, and preserve critical paleontological sites;
- 2101 (n) collect, preserve, and administer critical paleontological specimens until the

- 2102 specimens are placed in a repository or curation facility;
- 2103 (o) administer critical paleontological site excavation records;
- 2104 (p) edit and publish critical paleontological records and reports; and
- 2105 ~~[(q) by following the procedures and requirements of Title 63J, Chapter 5, Federal~~
- 2106 ~~Funds Procedures Act, seek federal grants, loans, or participation in federal~~
- 2107 ~~programs, and, in accordance with applicable federal program guidelines, administer~~
- 2108 ~~federally funded state programs regarding:]~~
- 2109 [(i) renewable energy;]
- 2110 [(ii) energy efficiency; and]
- 2111 [(iii) energy conservation; and]
- 2112 ~~[(+)]~~ (q) collect the land use permits described in Sections 10-9a-521 and 17-27a-520.
- 2113 (2) (a) The survey may maintain as confidential, and not as a public record, information
- 2114 provided to the survey by any source.
- 2115 (b) The board shall adopt rules in order to determine whether to accept the information
- 2116 described in Subsection (2)(a) and to maintain the confidentiality of the accepted
- 2117 information.
- 2118 (c) The survey shall maintain information received from any source at the level of
- 2119 confidentiality assigned to it by the source.
- 2120 (3) Upon approval of the board, the survey shall undertake other activities consistent with
- 2121 Subsection (1).
- 2122 (4) (a) Subject to the authority granted to the department, the survey may enter into
- 2123 cooperative agreements with the entities specified in Subsection (1)(g), if approved
- 2124 by the board, and may accept or commit allocated or budgeted funds in connection
- 2125 with those agreements.
- 2126 (b) The survey may undertake joint projects with private entities if:
- 2127 (i) the action is approved by the board;
- 2128 (ii) the projects are not inconsistent with the state's objectives; and
- 2129 (iii) the results of the projects are available to the public.
- 2130 Section 16. Section **79-3-403** is amended to read:
- 2131 **79-3-403 (Effective 07/01/24). Utah Geological Survey Restricted Account.**
- 2132 (1) As used in this section:
- 2133 (a) "Account" means the Utah Geological Survey~~[-Oil, Gas, and Mining]~~ Restricted
- 2134 Account created by this section.
- 2135 (b) "Survey" means the Utah Geological Survey.

- 2136 (2) (a) There is created a restricted account within the General Fund known as the "Utah
 2137 Geological Survey[~~Oil, Gas, and Mining~~] Restricted Account."
 2138 (b) The account consists of:
 2139 (i) deposits to the account made under Section 51-9-306;
 2140 (ii) deposits to the account made under Section 59-21-2;
 2141 ~~[(ii)]~~ (iii) appropriations of the Legislature; and
 2142 ~~[(iii)]~~ (iv) interest and other earnings described in Subsection (2)(c).
 2143 (c) The Office of the Treasurer shall deposit interest and other earnings derived from
 2144 investment of money in the account into the account.
- 2145 (3) (a) Upon appropriation by the Legislature, the survey shall use money from the
 2146 account to pay costs of:
 2147 (i) programs or projects administered by the survey that are primarily related to oil,
 2148 gas, and mining[-] ; and
 2149 (ii) activities carried on by the survey having as a purpose the development and
 2150 exploitation of natural resources in the state.
- 2151 (b) An appropriation provided for under this section is not intended to replace the
 2152 following that is otherwise allocated for the programs or projects described in
 2153 Subsection (3)(a)(i):
 2154 (i) federal money; or
 2155 (ii) a dedicated credit.
- 2156 (4) Appropriations made in accordance with this section are nonlapsing in accordance with
 2157 Section 63J-1-602.1.
- 2158 Section 17. Section **79-6-102** is amended to read:
 2159 **79-6-102 (Effective 05/01/24). Definitions.**
 2160 As used in this chapter:
 2161 ~~[(1) "Appointing authority" means:]~~
 2162 ~~[(a) on and before June 30, 2029, the governor; and]~~
 2163 ~~[(b) on and after July 1, 2029, the executive director.]~~
 2164 ~~[(2) (a) On and before June 30, 2029, "energy advisor" means the governor's energy~~
 2165 ~~advisor appointed under Section 79-6-401.]~~
 2166 ~~[(b) On and after July 1, 2029, "energy advisor" means the energy advisor appointed by the~~
 2167 ~~executive director under Section 79-6-401.]~~
 2168 ~~[(3)]~~ (1) "Office" means the Office of Energy Development created in Section 79-6-401.
 2169 ~~[(4)]~~ (2) "State agency" means an executive branch:

- 2170 (a) department;
- 2171 (b) agency;
- 2172 (c) board;
- 2173 (d) commission;
- 2174 (e) division; or
- 2175 (f) state educational institution.

2176 Section 18. Section **79-6-106** is amended to read:

2177 **79-6-106 (Effective 05/01/24). Hydrogen advisory council.**

- 2178 (1) The department shall create a hydrogen advisory council within the office that consists
- 2179 of seven to nine members appointed by the executive director, in consultation with the [
- 2180 ~~energy advisor~~] director. The executive director shall appoint members with expertise in:
- 2181 (a) hydrogen energy in general;
- 2182 (b) hydrogen project facilities;
- 2183 (c) technology suppliers;
- 2184 (d) hydrogen producers or processors;
- 2185 (e) renewable and fossil based power generation industries; and
- 2186 (f) fossil fuel based hydrogen feedstock providers.
- 2187 (2) (a) Except as required by Subsection (2)(b), a member shall serve a four-year term.
- 2188 (b) The executive director shall, at the time of appointment or reappointment, adjust the
- 2189 length of terms to ensure that the terms of council members are staggered so that
- 2190 approximately half of the hydrogen advisory council is appointed every two years.
- 2191 (c) When a vacancy occurs in the membership for any reason, the replacement shall be
- 2192 appointed for the unexpired term.
- 2193 (3) (a) A majority of the members appointed under this section constitutes a quorum of
- 2194 the hydrogen advisory council.
- 2195 (b) The hydrogen advisory council shall determine:
- 2196 (i) the time and place of meetings; and
- 2197 (ii) any other procedural matter not specified in this section.
- 2198 (4) A member may not receive compensation or benefits for the member's service, but may
- 2199 receive per diem and travel expenses in accordance with:
- 2200 (a) Section 63A-3-106;
- 2201 (b) Section 63A-3-107; and
- 2202 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 2203 63A-3-107.

- 2204 (5) The office shall staff the hydrogen advisory council.
- 2205 (6) The hydrogen advisory council may:
- 2206 (a) develop hydrogen facts and figures that facilitate use of hydrogen fuel within the
- 2207 state;
- 2208 (b) encourage cross-state cooperation with states that have hydrogen programs;
- 2209 (c) work with state agencies, the private sector, and other stakeholders, such as
- 2210 environmental groups, to:
- 2211 (i) recommend realistic goals for hydrogen development that can be executed within
- 2212 realistic time frames; and
- 2213 (ii) educate, discuss, consult, and make recommendations in hydrogen related matters
- 2214 that benefit the state;
- 2215 (d) promote hydrogen research at state institutions of higher education, as defined in
- 2216 Section 53B-3-102;
- 2217 (e) make recommendations regarding how to qualify for federal funding of hydrogen
- 2218 projects, including hydrogen related projects for:
- 2219 (i) the state;
- 2220 (ii) a local government;
- 2221 (iii) a privately commissioned project;
- 2222 (iv) an educational project;
- 2223 (v) scientific development; and
- 2224 (vi) engineering and novel technologies;
- 2225 (f) make recommendations related to the development of multiple feedstock or energy
- 2226 resources in the state such as wind, solar, hydroelectric, geothermal, coal, natural gas,
- 2227 oil, water, electrolysis, coal gasification, liquefaction, hydrogen storage, safety
- 2228 handling, compression, and transportation;
- 2229 (g) make recommendations to establish statewide safety protocols for production,
- 2230 transportation, and handling of hydrogen for both residential and commercial
- 2231 applications;
- 2232 (h) facilitate public events to raise the awareness of hydrogen and hydrogen related fuels
- 2233 within the state and how hydrogen can be advantageous to all forms of transportation,
- 2234 heat, and power generation;
- 2235 (i) review and make recommendations regarding legislation; and
- 2236 (j) make other recommendations to the [~~energy advisor~~] director related to hydrogen
- 2237 development in the state.

2238 Section 19. Section 79-6-401 is amended to read:

2239 **79-6-401 (Effective 05/01/24). Office of Energy Development -- Director --**
 2240 **Purpose -- Rulemaking regarding confidential information -- Fees -- Duties and**
 2241 **powers.**

2242 (1) There is created an Office of Energy Development ~~[in]~~ within the Department of Natural
 2243 Resources to be administered by a director.

2244 (2) (a) The executive director shall appoint the director and the director shall serve at the
 2245 pleasure of the executive director.

2246 (b) The director shall have demonstrated the necessary administrative and professional
 2247 ability through education and experience to efficiently and effectively manage the
 2248 office's affairs.

2249 [~~(2) (a) The energy advisor shall serve as the director of the office or, on or before June 30,~~
 2250 ~~2029, appoint a director of the office.]~~

2251 [~~(b) The director:~~]

2252 [~~(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to the~~
 2253 ~~energy advisor; and]~~

2254 [~~(ii) may appoint staff as funding within existing budgets allows.]~~

2255 [~~(e) The office may consolidate energy staff and functions existing in the state energy~~
 2256 ~~program.]~~

2257 (3) The purposes of the office are to:

2258 (a) serve as the primary resource for advancing energy and mineral development in the
 2259 state;

2260 (b) implement:

2261 (i) the state energy policy under Section 79-6-301; and

2262 (ii) the governor's energy and mineral development goals and objectives;

2263 (c) advance energy education, outreach, and research, including the creation of
 2264 elementary, higher education, and technical college energy education programs;

2265 (d) promote energy and mineral development workforce initiatives; and

2266 (e) support collaborative research initiatives targeted at Utah-specific energy and
 2267 mineral development.

2268 (4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds
 2269 Procedures Act, the office may:

2270 (a) seek federal grants or loans;

2271 (b) seek to participate in federal programs; and

- 2272 (c) in accordance with applicable federal program guidelines, administer federally
2273 funded state energy programs.
- 2274 (5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102,
2275 59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax
2276 Credit Act, and Part 6, High Cost Infrastructure Development Tax Credit Act.
- 2277 (6) (a) For purposes of administering this section, the office may make rules, by
2278 following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
2279 confidential, and not as a public record, information that the office receives from any
2280 source.
- 2281 (b) The office shall maintain information the office receives from any source at the level
2282 of confidentiality assigned by the source.
- 2283 (7) The office may charge application, filing, and processing fees in amounts determined by
2284 the office in accordance with Section 63J-1-504 as dedicated credits for performing
2285 office duties described in this part.
- 2286 (8) (a) An employee of the office on April 30, 2024, is an at-will employee.
- 2287 (b) For an employee [~~of the~~] described in Subsection (8)(a) who was employed by the
2288 office on [~~July 1, 2021]~~ April 30, 2024, the employee shall have the same salary and
2289 benefit options [~~the~~] an employee had when the office was part of the office of the
2290 governor.
- 2291 (c) An employee of the office hired on or after May 1, 2024, shall receive compensation
2292 as provided in Title 63A, Chapter 17, Utah State Personnel Management Act.
- 2293 (9) (a) The office shall prepare a strategic energy plan to achieve the state's energy
2294 policy, including:
- 2295 (i) technological and infrastructure innovation needed to meet future energy demand
2296 including:
- 2297 (A) energy production technologies;
- 2298 (B) battery and storage technologies;
- 2299 (C) smart grid technologies;
- 2300 (D) energy efficiency technologies; and
- 2301 (E) any other developing energy technology, energy infrastructure planning, or
2302 investments that will assist the state in meeting energy demand;
- 2303 (ii) the state's efficient utilization and development of:
- 2304 (A) nonrenewable energy resources, including natural gas, coal, clean coal,
2305 hydrogen, oil, oil shale, and oil sands;

- 2306 (B) renewable energy resources, including geothermal, solar, hydrogen, wind,
2307 biomass, biofuel, and hydroelectric;
- 2308 (C) nuclear power; and
- 2309 (D) earth minerals;
- 2310 (iii) areas of energy-related academic research;
- 2311 (iv) specific areas of workforce development necessary for an evolving energy
2312 industry;
- 2313 (v) the development of partnerships with national laboratories; and
- 2314 (vi) a proposed state budget for economic development and investment.
- 2315 (b) In preparing the strategic energy plan, the office shall consult with stakeholders,
2316 including representatives from:
- 2317 (i) energy companies in the state;
- 2318 (ii) private and public institutions of higher education within the state conducting
2319 energy-related research; and
- 2320 (iii) other state agencies.
- 2321 (c) On or before the October 2023 interim meeting, the office shall report to the Public
2322 Utilities, Energy, and Technology Interim Committee and the Executive
2323 Appropriations[~~Interim~~] Committee describing:
- 2324 (i) progress towards creation of the strategic energy plan; and
- 2325 (ii) a proposed budget for the office to continue development of the strategic energy
2326 plan.
- 2327 (10) The director shall:
- 2328 (a) annually review and propose updates to the state's energy policy, as contained in
2329 Section 79-6-301;
- 2330 (b) promote as the governor considers necessary:
- 2331 (i) the development of cost-effective energy resources both renewable and
2332 nonrenewable; and
- 2333 (ii) educational programs, including programs supporting conservation and energy
2334 efficiency measures;
- 2335 (c) coordinate across state agencies to assure consistency with state energy policy,
2336 including:
- 2337 (i) working with the State Energy Program to promote access to federal assistance for
2338 energy-related projects for state agencies and members of the public;
- 2339 (ii) working with the Division of Emergency Management to assist the governor in

- 2340 carrying out the governor's energy emergency powers under Title 53, Chapter 2a,
 2341 Part 10, Energy Emergency Powers of the Governor Act;
 2342 (iii) participating in the annual review of the energy emergency plan and the
 2343 maintenance of the energy emergency plan and a current list of contact persons
 2344 required by Section 53-2a-902; and
 2345 (iv) identifying and proposing measures necessary to facilitate low-income
 2346 consumers' access to energy services;
 2347 (d) coordinate with the Division of Emergency Management ongoing activities designed
 2348 to test an energy emergency plan to ensure coordination and information sharing
 2349 among state agencies and political subdivisions in the state, public utilities and other
 2350 energy suppliers, and other relevant public sector persons as required by Sections
 2351 53-2a-902, 53-2a-1004, 53-2a-1008, and 53-2a-1010;
 2352 (e) coordinate with requisite state agencies to study:
 2353 (i) the creation of a centralized state repository for energy-related information;
 2354 (ii) methods for streamlining state review and approval processes for energy-related
 2355 projects; and
 2356 (iii) the development of multistate energy transmission and transportation
 2357 infrastructure;
 2358 (f) coordinate energy-related regulatory processes within the state;
 2359 (g) compile, and make available to the public, information about federal, state, and local
 2360 approval requirements for energy-related projects;
 2361 (h) act as the state's advocate before federal and local authorities for energy-related
 2362 infrastructure projects or coordinate with the appropriate state agency; and
 2363 (i) help promote the Division of Facilities Construction and Management's measures to
 2364 improve energy efficiency in state buildings.

2365 (11) The director has standing to testify on behalf of the governor at the Public Service
 2366 Commission created in Section 54-1-1.

2367 Section 20. Section **79-6-404**, which is renumbered from Section 79-6-202 is renumbered
 2368 and amended to read:

2369 ~~79-6-202~~ **79-6-404. (Effective 05/01/24). Agency cooperation.**

2370 A state agency shall provide the [energy advisor] office with any energy-related
 2371 information requested by the [energy advisor if the energy advisor's] office if the office's
 2372 request is consistent with other law.

2373 Section 21. Section **79-6-405**, which is renumbered from Section 79-6-203 is renumbered

2374 and amended to read:

2375 ~~{79-6-203}~~**79-6-405. (Effective 05/01/24). Reports.**

2376 (1) The ~~[energy advisor]~~ director shall report annually to[:]

2377 ~~[(a) the appointing authority; and]~~

2378 ~~[(b)]~~ the Natural Resources, Agriculture, and Environment Interim Committee.

2379 (2) The report required in Subsection (1) shall:

2380 (a) summarize the status and development of the state's energy resources;

2381 (b) summarize the activities and accomplishments of the Office of Energy Development;

2382 (c) address the ~~[energy advisor's]~~ director's activities under this part; and

2383 (d) recommend any energy-related executive or legislative action the ~~[energy advisor]~~

2384 director considers beneficial to the state, including updates to the state energy policy

2385 under Section 79-6-301.

2386 Section 22. Section **79-6-901** is amended to read:

2387 **79-6-901 (Effective 05/01/24). Definitions.**

2388 As used in this part:

2389 (1) "Application" means an application for a tax credit under Title 79, Chapter 6, Part 6,

2390 High Cost Infrastructure Development Tax Credit Act.

2391 (2) "Board" means the Utah Energy Infrastructure Board created in Section 79-6-902.

2392 (3) "Electric interlocal entity" means the same as that term is defined in Section 11-13-103.

2393 ~~[(4) "Energy advisor" means the energy advisor appointed under Section 79-6-201.]~~

2394 ~~[(5)]~~ (4) "Fuel standard compliance project" means the same as that term is defined in

2395 Section 79-6-602.

2396 ~~[(6)]~~ (5) "Office" means the Office of Energy Development created in Section 79-6-401.

2397 ~~[(7)]~~ (6) "Tax credit" means the same as that term is defined in Section 79-6-602.

2398 Section 23. Section **79-6-902** is amended to read:

2399 **79-6-902 (Effective 05/01/24). Utah Energy Infrastructure Board.**

2400 (1) There is created within the office the Utah Energy Infrastructure Board that consists of
2401 nine members as follows:

2402 (a) members appointed by the governor:

2403 (i) ~~[the energy advisor or]~~ the director of the Office of Energy Development, who

2404 shall serve as chair of the board;

2405 (ii) one member from the Governor's Office of Economic Opportunity;

2406 (iii) one member from a public utility or electric interlocal entity that operates electric

2407 transmission facilities within the state;

- 2408 (iv) two members representing the economic development interests of rural
 2409 communities as follows:
- 2410 (A) one member currently serving as county commissioner of a county of the
 2411 third, fourth, fifth, or sixth class, as described in Section 17-50-501; and
 2412 (B) one member of a rural community with work experience in the energy
 2413 industry;
- 2414 (v) two members of the general public with relevant industry or community
 2415 experience; and
- 2416 (vi) one member of the general public who has experience with public finance and
 2417 bonding; and
- 2418 (b) the director of the School and Institutional Trust Lands Administration created in
 2419 Section 53C-1-201.
- 2420 (2) (a) The term of an appointed board member is four years.
- 2421 (b) Notwithstanding Subsection (2)(a), the governor shall, at the time of appointment or
 2422 reappointment, adjust the length of terms to ensure that the terms of board members
 2423 are staggered so that approximately half of the board is appointed every two years.
- 2424 (c) The governor may remove a member of the board for cause.
- 2425 (d) The governor shall fill a vacancy in the board in the same manner under this section
 2426 as the appointment of the member whose vacancy is being filled.
- 2427 (e) An individual appointed to fill a vacancy shall serve the remaining unexpired term of
 2428 the member whose vacancy the individual is filling.
- 2429 (f) A board member shall serve until a successor is appointed and qualified.
- 2430 (3) (a) Five members of the board constitute a quorum for conducting board business.
- 2431 (b) A majority vote of the quorum present is required for an action to be taken by the
 2432 board.
- 2433 (4) The board shall meet as needed to review an application.
- 2434 (5) A member may not receive compensation or benefits for the member's service, but may
 2435 receive per diem and travel expenses in accordance with:
- 2436 (a) Section 63A-3-106;
- 2437 (b) Section 63A-3-107; and
- 2438 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
 2439 63A-3-107.
- 2440 Section 24. Section **79-7-601**, which is renumbered from Section 79-4-1102 is renumbered
 2441 and amended to read:

- 2442 **Part 6. Contingency Planning for Management of Federal Land**
- 2443 ~~{79-4-1102}~~79-7-601. (Effective 05/01/24). **Contingency plan for federal property.**
- 2444 (1) As used in this part, "fiscal emergency" means a major disruption in the operation of
- 2445 one or more national parks, national monuments, national forests, or national recreation
- 2446 areas in the state caused by the unforeseen or sudden significant decrease or elimination
- 2447 of funding from the federal government.
- 2448 (2) During a fiscal emergency, and subject to congressional approval, the governor's
- 2449 agreement with the United States Department of the Interior, or a presidential executive
- 2450 order, the governor ~~[is authorized to]~~ may enter into an agreement with the federal
- 2451 government to ensure that one or more national parks, national monuments, national
- 2452 forests, or national recreation areas in the state, according to the priority set under [~~Section 79-4-1103]~~ Section 79-7-602, remain open to the public.
- 2453 ~~Section 79-4-1103]~~ Section 79-7-602, remain open to the public.
- 2454 Section 25. Section **79-7-602**, which is renumbered from Section 79-4-1103 is renumbered
- 2455 and amended to read:
- 2456 ~~{79-4-1103}~~79-7-602. (Effective 05/01/24). **Governor's duties -- Priority of federal property.**
- 2457 (1) During a fiscal emergency, the governor shall:
- 2458 (a) if financially practicable, work with the federal government to open and maintain the
- 2459 operation of one or more national parks, national monuments, national forests, and
- 2460 national recreation areas in the state, in the order established under this section; and
- 2461 (b) report to the speaker of the House and the president of the Senate on the need, if any,
- 2462 for additional appropriations to assist the division in opening and operating one or
- 2463 more national parks, national monuments, national forests, and national recreation
- 2464 areas in the state.
- 2465 (2) The director of the Division of Outdoor Recreation, in consultation with the executive
- 2466 director of the [~~Governor's Office of Economic Opportunity]~~ Department of Natural
- 2467 Resources, shall determine, by rule, the priority of national parks, national monuments,
- 2468 national forests, and national recreation areas in the state.
- 2469 (3) In determining the priority described in Subsection (2), the director of the Division of
- 2470 Outdoor Recreation shall consider the:
- 2471 (a) economic impact of the national park, national monument, national forest, or national
- 2472 recreation area in the state; and
- 2473 (b) recreational value offered by the national park, national monument, national forest,
- 2474 or national recreation area.

2475 (4) The director of the Division of Outdoor Recreation shall annually review the priority set
 2476 under Subsection (2) to determine whether the priority list should be amended.

2477 Section 26. **Repealer.**

2478 This bill repeals:

2479 Section 40-6-22, (Effective 05/01/24) **Regulatory certainty to support economic**
 2480 **recovery.**

2481 Section 73-10-12, (Effective 05/01/24) **Appropriations.**

2482 Section 73-10-13, (Effective 05/01/24) **Appropriation for loan fund.**

2483 Section 73-10-31, (Effective 05/01/24) **Allocation of funds for credit enhancement and**
 2484 **interest buy-down agreements.**

2485 Section 79-4-1101, (Effective 05/01/24) **Title.**

2486 Section 79-6-201, (Effective 05/01/24) **Advisor -- Duties.**

2487 Section 27. **Effective date.**

2488 (1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

2489 (2) (a) The actions affecting the following sections take effect on July 1, 2024:

2490 (i) Section 23A-3-214;

2491 (ii) Section 51-9-306;

2492 (iii) Section 59-12-103 (Contingently Superseded 01/01/25);

2493 (iv) Section 59-21-2;

2494 (v) Section 59-23-4;

2495 (vi) Section 63J-1-602.1; and

2496 (vii) Section 79-3-403.

2497 (b) The actions affecting Section 59-12-103 (Contingently Effective 01/01/25)
 2498 contingently take effect on January 1, 2025.

2499 Section 28. **Coordinating H.B. 519 with other 2024 General Session legislation.**

2500 The Legislature intends that, on May 1, 2024, in legislation that passes in the 2024

2501 General Session and becomes law any reference to energy advisor be changed to the

2502 director of the Office of Energy Development in any new language added to the Utah

2503 Code.