

HIGHER EDUCATION DEVELOPMENT AREAS STUDY

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Chris H. Wilson

House Sponsor: Steve Eliason

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

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

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

36-12-5.5, as Utah Code Annotated 1953

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

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

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

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

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

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

- 29 (a) the conditions under which a university may, consistent with current law, enter into a
30 development agreement with a private person for the development of
31 university-owned property;
- 32 (b) how counties, municipalities, special districts, special service districts, and other
33 political subdivisions of the state would be impacted by a university entering into a
34 development agreement with a private person for the development of
35 university-owned property;
- 36 (c) whether a privilege tax should apply to buildings and other improvements
37 constructed on university-owned property;
- 38 (d) (i) if a privilege tax does not apply, how the revenue that would have resulted
39 from the privilege tax should be apportioned, including whether the university
40 should be allowed to retain some or all of the revenue that would have resulted
41 from a privilege tax;
- 42 (ii) if a privilege tax does apply, how the revenue from the tax should be distributed;
- 43 (e) how much land a university should be allowed to develop and what should the
44 approval process be for a university to enter into an agreement with a private person
45 for the development of university-owned property; and
- 46 (f) whether a university should be required to include restrictions on a development
47 partner that enters into a development agreement with the university for the
48 development of university-owned property.

49 **Section 2. Effective date.**

50 This bill takes effect on May 1, 2024.