

Representative Ryan D. Wilcox proposes the following substitute bill:

**UTAH FAIRPARK AREA INVESTMENT AND RESTORATION
DISTRICT**

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ryan D. Wilcox

Senate Sponsor: Lincoln Fillmore

LONG TITLE

General Description:

This bill enacts and modifies provisions relating to the Utah Fairpark Area Investment and Restoration District.

Highlighted Provisions:

This bill:

- ▶ creates the Utah Fairpark Area Investment and Restoration District;
- ▶ provides for the district's powers and duties;
- ▶ defines the district boundary;
- ▶ creates a board to govern the district and provides for board membership;
- ▶ authorizes the district to levy:
 - an energy sales and use tax;
 - a telecommunications license tax;
 - a transient room tax;
 - a resort communities sales and use tax;
 - an additional resort communities sales and use tax; and
 - an accommodations and services tax;
- ▶ provides for an increase in a transient room tax if a franchise agreement is executed



and changes how transient room tax revenue is to be spent;

- provides for an increase in a car rental tax and provides for how the additional revenue is to be spent;

- provides for state-owned land within the district boundary to be subject to a privilege tax;

- provides for enhanced property tax revenue to be paid to the district;

- specifies the use of district funds;

- authorizes the district to adopt one or more project area plans, including a project area, with the consent of the property owner, for the development and construction of a qualified stadium;

- provides for the district to own the land on which a qualified stadium is built and to own the qualified stadium;

- provides a sales tax exemption for construction materials used for the construction of a qualified stadium;

- provides for income tax on nonresident professional athletes generated from within the district to be used for at-risk students;

- modifies provisions relating to the State Fair Park Authority;

- authorizes the district board to approve loans from an infrastructure loan fund; and

- makes technical and conforming changes.

Utah Fairpark Area Investment and Restoration District Boundary Information:

The boundary information for the Utah Fairpark Area Investment and Restoration District boundary:

- is delineated in a shapefile that:

- is enacted as part of this bill in electronic form;

- may be found at: https://le.utah.gov/~2024/documents/HB0562_shapefile.zip;

and

- has the following electronic file security code:

cf4d4953297c3ea4c936028b7c89e3c0; and

- is also depicted in a format that:

- is intended to be more accessible to the general public and is provided for informational purposes only;

• shows the boundary as delineated in the shapefile, but is not enacted as part of this bill; and

• may be found at:
https://www.google.com/maps/d/edit?mid=140hCtPp_tbgfo4lm2PFBCipH5bJmFTs.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

10-1-203, as last amended by Laws of Utah 2022, Chapter 306

10-1-303, as last amended by Laws of Utah 2021, Chapter 210

10-1-304, as last amended by Laws of Utah 2022, Chapter 237

10-1-310, as enacted by Laws of Utah 1996, Chapter 280

10-1-403, as last amended by Laws of Utah 2021, Chapter 414

11-68-201, as renumbered and amended by Laws of Utah 2023, Chapter 502

11-68-202, as renumbered and amended by Laws of Utah 2023, Chapter 502

11-68-403, as renumbered and amended by Laws of Utah 2023, Chapter 502

11-68-502, as enacted by Laws of Utah 2023, Chapter 502

17C-1-407, as last amended by Laws of Utah 2022, Chapter 307

17D-4-102, as last amended by Laws of Utah 2023, Chapter 15

59-2-924, as last amended by Laws of Utah 2023, Chapter 502

59-4-101, as last amended by Laws of Utah 2023, Chapter 502

59-10-544, as last amended by Laws of Utah 2022, Chapter 456

59-12-104, as last amended by Laws of Utah 2023, Chapters 213, 518

59-12-352, as last amended by Laws of Utah 2023, Chapter 263

59-12-354, as last amended by Laws of Utah 2023, Chapters 263, 471

59-12-401, as last amended by Laws of Utah 2021, Chapter 414

59-12-402, as last amended by Laws of Utah 2023, Chapter 435

59-12-1201, as last amended by Laws of Utah 2023, Chapters 361, 471

88 **59-28-103**, as last amended by Laws of Utah 2022, Chapter 68
89 **63A-3-401.5**, as last amended by Laws of Utah 2023, Chapter 259
90 **63A-3-402**, as last amended by Laws of Utah 2023, Chapter 259
91 **63A-5b-902**, as last amended by Laws of Utah 2023, Chapter 263
92 **63C-25-101**, as last amended by Laws of Utah 2023, Chapters 91, 139 and 502
93 **63C-25-202**, as last amended by Laws of Utah 2023, Chapter 91

94 ENACTS:

95 **11-70-101**, Utah Code Annotated 1953
96 **11-70-102**, Utah Code Annotated 1953
97 **11-70-103**, Utah Code Annotated 1953
98 **11-70-104**, Utah Code Annotated 1953
99 **11-70-201**, Utah Code Annotated 1953
100 **11-70-202**, Utah Code Annotated 1953
101 **11-70-203**, Utah Code Annotated 1953
102 **11-70-204**, Utah Code Annotated 1953
103 **11-70-205**, Utah Code Annotated 1953
104 **11-70-206**, Utah Code Annotated 1953
105 **11-70-207**, Utah Code Annotated 1953
106 **11-70-301**, Utah Code Annotated 1953
107 **11-70-302**, Utah Code Annotated 1953
108 **11-70-303**, Utah Code Annotated 1953
109 **11-70-304**, Utah Code Annotated 1953
110 **11-70-305**, Utah Code Annotated 1953
111 **11-70-401**, Utah Code Annotated 1953
112 **11-70-402**, Utah Code Annotated 1953
113 **11-70-403**, Utah Code Annotated 1953
114 **11-70-501**, Utah Code Annotated 1953
115 **11-70-502**, Utah Code Annotated 1953
116 **11-70-503**, Utah Code Annotated 1953
117 **11-70-504**, Utah Code Annotated 1953
118 **11-70-505**, Utah Code Annotated 1953

119 **11-70-506**, Utah Code Annotated 1953
120 **11-70-601**, Utah Code Annotated 1953
121 **11-70-602**, Utah Code Annotated 1953
122 **11-70-603**, Utah Code Annotated 1953
123 **11-70-604**, Utah Code Annotated 1953
124 **11-70-605**, Utah Code Annotated 1953
125 **11-70-701**, Utah Code Annotated 1953
126 **11-70-702**, Utah Code Annotated 1953
127 **11-70-703**, Utah Code Annotated 1953
128 **11-70-704**, Utah Code Annotated 1953
129 **11-70-801**, Utah Code Annotated 1953
130 **53F-9-207**, Utah Code Annotated 1953

131 REPEALS:

132 **11-68-402**, as renumbered and amended by Laws of Utah 2023, Chapter 502

133

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

135 Section 1. Section **10-1-203** is amended to read:

136 **10-1-203. License fees and taxes -- Application information to be transmitted to**
137 **the county assessor.**

138 (1) As used in this section:

139 (a) "Business" means any enterprise carried on for the purpose of gain or economic
140 profit, except that the acts of employees rendering services to employers are not included in
141 this definition.

142 (b) "Telecommunications provider" means the same as that term is defined in Section
143 **10-1-402**.

144 (c) "Telecommunications tax or fee" means the same as that term is defined in Section
145 **10-1-402**.

146 (2) Except as provided in Subsections (3) through (5) and Subsection (7), the
147 legislative body of a municipality may license for the purpose of regulation any business within
148 the limits of the municipality, may regulate that business by ordinance, and may impose fees on
149 businesses to recover the municipality's costs of regulation.

(3) (a) The legislative body of a municipality may raise revenue by levying and collecting a municipal energy sales or use tax as provided in Part 3, Municipal Energy Sales and Use Tax Act, except a municipality may not levy or collect a franchise tax or fee on an energy supplier other than the municipal energy sales and use tax provided in Part 3, Municipal Energy Sales and Use Tax Act.

(b) (i) Subsection (3)(a) does not affect the validity of a franchise agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7), that is in effect on July 1, 1997, or a future franchise.

(ii) A franchise agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) in effect on January 1, 1997, or a future franchise shall remain in full force and effect.

(c) A municipality that collects a contractual franchise fee pursuant to a franchise agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) with an energy supplier that is in effect on July 1, 1997, may continue to collect that fee as provided in Subsection 10-1-310(2).

(d) (i) Subject to the requirements of Subsection (3)(d)(ii), a franchise agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) between a municipality and an energy supplier may contain a provision that:

(A) requires the energy supplier by agreement to pay a contractual franchise fee that is otherwise prohibited under Part 3, Municipal Energy Sales and Use Tax Act; and

(B) imposes the contractual franchise fee on or after the day on which Part 3, Municipal Energy Sales and Use Tax Act is:

(I) repealed, invalidated, or the maximum allowable rate provided in Section 10-1-305 is reduced; and

(II) not superseded by a law imposing a substantially equivalent tax.

(ii) A municipality may not charge a contractual franchise fee under the provisions permitted by Subsection (3)(b)(i) unless the municipality charges an equal contractual franchise fee or a tax on all energy suppliers.

(4) (a) Subject to Subsection (4)(b), beginning July 1, 2004, the legislative body of a municipality may raise revenue by levying and providing for the collection of a municipal telecommunications license tax as provided in Part 4, Municipal Telecommunications License Tax Act.

(b) A municipality may not levy or collect a telecommunications tax or fee on a

telecommunications provider except as provided in Part 4, Municipal Telecommunications License Tax Act.

(5) (a) (i) The legislative body of a municipality may by ordinance raise revenue by levying and collecting a license fee or tax on:

(A) a parking service business in an amount that is less than or equal to:

(I) \$1 per vehicle that parks at the parking service business; or

(II) 2% of the gross receipts of the parking service business;

(B) a public assembly or other related facility in an amount that is less than or equal to \$5 per ticket purchased from the public assembly or other related facility; and

(C) subject to the limitations of Subsections (5)(c) and (d):

(I) a business that causes disproportionate costs of municipal services; or

(II) a purchaser from a business for which the municipality provides an enhanced level of municipal services.

(ii) Nothing in this Subsection (5)(a) may be construed to authorize a municipality to levy or collect a license fee or tax on a public assembly or other related facility owned and operated by another political subdivision other than a community reinvestment agency without the written consent of the other political subdivision.

(b) As used in this Subsection (5):

(i) "Municipal services" includes:

(A) public utilities; and

(B) services for:

(I) police;

(II) fire;

(III) storm water runoff;

(IV) traffic control;

(V) parking;

(VI) transportation;

(VII) beautification; or

(VIII) snow removal.

(ii) "Parking service business" means a business:

(A) that primarily provides off-street parking services for a public facility that is

wholly or partially funded by public money;

(B) that provides parking for one or more vehicles; and

(C) that charges a fee for parking.

(iii) "Public assembly or other related facility" means an assembly facility that:

(A) is wholly or partially funded by public money;

(B) is operated by a business; and

(C) requires a person attending an event at the assembly facility to purchase a ticket.

(c) (i) Before the legislative body of a municipality imposes a license fee on a business that causes disproportionate costs of municipal services under Subsection (5)(a)(i)(C)(I), the legislative body of the municipality shall adopt an ordinance defining for purposes of the tax under Subsection (5)(a)(i)(C)(I):

(A) the costs that constitute disproportionate costs; and

(B) the amounts that are reasonably related to the costs of the municipal services provided by the municipality.

(ii) The amount of a fee under Subsection (5)(a)(i)(C)(I) shall be reasonably related to the costs of the municipal services provided by the municipality.

(d) (i) Before the legislative body of a municipality imposes a license fee on a purchaser from a business for which it provides an enhanced level of municipal services under Subsection (5)(a)(i)(C)(II), the legislative body of the municipality shall adopt an ordinance defining for purposes of the fee under Subsection (5)(a)(i)(C)(II):

(A) the level of municipal services that constitutes the basic level of municipal services in the municipality; and

(B) the amounts that are reasonably related to the costs of providing an enhanced level of municipal services in the municipality.

(ii) The amount of a fee under Subsection (5)(a)(i)(C)(II) shall be reasonably related to the costs of providing an enhanced level of the municipal services.

(6) All license fees and taxes shall be uniform in respect to the class upon which they are imposed.

(7) A municipality may not:

(a) require a license or permit for a business that is operated:

(i) only occasionally; and

(ii) by an individual who is under 18 years old;

(b) charge any fee for a resident of the municipality to operate a home-based business, unless the combined offsite impact of the home-based business and the primary residential use materially exceeds the offsite impact of the primary residential use alone;

(c) require, as a condition of obtaining or maintaining a license or permit for a business:

(i) that an employee or agent of a business complete education, continuing education, or training that is in addition to requirements under state law or state licensing requirements; or

(ii) that a business disclose financial information, inventory amounts, or proprietary business information, except as specifically authorized under state or federal law.

(8) (a) Notwithstanding Subsection (7)(b), a municipality may charge an administrative fee for a license to a home-based business owner who is otherwise exempt under Subsection (7)(b) but who requests a license from the municipality.

(b) A municipality shall notify the owner of each home-based business of the exemption described in Subsection (7)(b) in any communication with the owner.

(9) The municipality shall transmit the information from each approved business license application to the county assessor within 60 days following the approval of the application.

(10) If challenged in court, an ordinance enacted by a municipality before January 1, 1994, imposing a business license fee on rental dwellings under this section shall be upheld unless the business license fee is found to impose an unreasonable burden on the fee payer.

Section 2. Section **10-1-303** is amended to read:

10-1-303. Definitions.

As used in this part:

(1) "Commission" means the State Tax Commission.

(2) "Contractual franchise fee" means:

(a) a fee:

(i) provided for in a franchise agreement; and

(ii) that is consideration for the franchise agreement; or

(b) (i) a fee similar to Subsection (2)(a); or

(ii) any combination of Subsections (2)(a) and (b).

(3) (a) "Delivered value" means the fair market value of the taxable energy delivered for sale or use in the municipality and includes:

(i) the value of the energy itself; and

(ii) any transportation, freight, customer demand charges, services charges, or other costs typically incurred in providing taxable energy in usable form to each class of customer in the municipality.

(b) "Delivered value" does not include the amount of a tax paid under:

(i) Title 59, Chapter 12, Sales and Use Tax Act; or

(ii) this part.

(4) "De minimis amount" means an amount of taxable energy that does not exceed the greater of:

(a) 5% of the energy supplier's estimated total Utah gross receipts from sales of property or services; or

(b) \$10,000.

(5) "Energy supplier" means a person supplying taxable energy, except that the commission may by rule exclude from this definition a person supplying a de minimis amount of taxable energy.

(6) "Fairpark district" means the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

~~[(6)]~~ (7) "Franchise agreement" means a franchise or an ordinance, contract, or agreement granting a franchise.

~~[(7)]~~ (8) "Franchise tax" means:

(a) a franchise tax;

(b) a tax similar to a franchise tax; or

(c) any combination of Subsections ~~[(7)(a)]~~ (8)(a) and (b).

(9) "Military authority" means the Military Installation Development Authority, created in Section [63H-1-201](#).

~~[(8)]~~ (10) "Municipality" means a city, town, or metro township.

~~[(9)]~~ (11) "Person" is as defined in Section [59-12-102](#).

(12) "Point of the mountain authority" means the Point of the Mountain State Land Authority, created in Section [11-59-201](#).

305 ~~[(10)]~~ (13) "Taxable energy" means gas and electricity.

306 Section 3. Section **10-1-304** is amended to read:

307 **10-1-304. Energy sales and use tax -- Rate -- Imposition or repeal of tax -- Tax**
308 **rate change -- Effective date -- Notice requirements -- Exemptions.**

309 (1) (a) Except as provided in Subsections (4) and (5), a municipality may levy a
310 municipal energy sales and use tax on the sale or use of taxable energy within the municipality:

311 (i) by ordinance as provided in Section **10-1-305**; and

312 (ii) of up to 6% of the delivered value of the taxable energy.

313 (b) Subject to Section **63H-1-203**, the military [~~installation development~~] authority
314 [~~created in Section 63H-1-201~~] may levy a municipal energy sales and use tax under this part
315 within a project area described in a project area plan adopted by the military authority under
316 Title 63H, Chapter 1, Military Installation Development Authority Act, as though the military
317 authority were a municipality.

318 (c) (i) Beginning July 1, 2022, the [~~Point of the Mountain State Land Authority, created~~
319 ~~in Section 11-59-201~~], point of the mountain authority may by resolution levy a municipal
320 energy sales and use tax under this part within the area that constitutes the point of the
321 mountain state land, as defined in Section **11-59-102**, as though the [~~Point of the Mountain~~
322 ~~State Land Authority~~] point of the mountain authority were a municipality.

323 (ii) The [~~Point of the Mountain State Land Authority's~~] point of the mountain
324 authority's adoption of a resolution under Subsection (1)(c)(i) that otherwise complies with the
325 requirements under this part applicable to an ordinance is considered the equivalent of adopting
326 an ordinance under this part.

327 (d) (i) Beginning July 1, 2024, the fairpark district may by resolution levy a municipal
328 energy sales and use tax under this part within the fairpark district boundary, as defined in
329 Section **11-70-101**, as though the fairpark district were a municipality.

330 (ii) The fairpark district's adoption of a resolution under Subsection (1)(d)(i) that
331 otherwise complies with the requirements under this part applicable to an ordinance is
332 considered the equivalent of adopting an ordinance under this part.

333 (2) A municipal energy sales and use tax imposed under this part may be in addition to
334 any sales and use tax imposed by the municipality under Title 59, Chapter 12, Sales and Use
335 Tax Act.

336 (3) (a) For purposes of this Subsection (3):
337 (i) "Annexation" means an annexation to a municipality under Chapter 2, Part 4,
338 Annexation.
339 (ii) "Annexing area" means an area that is annexed into a municipality.
340 (b) (i) If, on or after May 1, 2000, a city or town enacts or repeals a tax or changes the
341 rate of a tax under this part, the enactment, repeal, or change shall take effect:
342 (A) on the first day of a calendar quarter; and
343 (B) after a 90-day period beginning on the date the commission receives notice meeting
344 the requirements of Subsection (3)(b)(ii) from the municipality.
345 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:
346 (A) that the city or town will enact or repeal a tax or change the rate of a tax under this
347 part;
348 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);
349 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and
350 (D) if the city or town enacts the tax or changes the rate of the tax described in
351 Subsection (3)(b)(ii)(A), the new rate of the tax.
352 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will
353 result in a change in the rate of a tax under this part for an annexing area, the change shall take
354 effect:
355 (A) on the first day of a calendar quarter; and
356 (B) after a 90-day period beginning on the date the commission receives notice meeting
357 the requirements of Subsection (3)(c)(ii) from the municipality that annexes the annexing area.
358 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:
359 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the
360 rate of a tax under this part for the annexing area;
361 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);
362 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and
363 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).
364 (4) (a) Subject to Subsection (4)(b), a sale or use of electricity within a municipality is
365 exempt from the tax authorized by this section if the sale or use is made under a tariff adopted
366 by the Public Service Commission of Utah only for purchase of electricity produced from a

new source of alternative energy, as defined in Section 59-12-102, as designated in the tariff by the Public Service Commission of Utah.

(b) The exemption under Subsection (4)(a) applies to the portion of the tariff rate a customer pays under the tariff described in Subsection (4)(a) that exceeds the tariff rate under the tariff described in Subsection (4)(a) that the customer would have paid absent the tariff.

(5) (a) A municipality may not levy a municipal energy sales and use tax:

(i) within any portion of the municipality that is within a project area described in a project area plan adopted by the military [~~installation development~~] authority under Title 63H, Chapter 1, Military Installation Development Authority Act; [~~or~~]

(ii) on or after July 1, 2022, within the point of the mountain state land, as defined in Section 11-59-102[:]; or

(iii) on or after July 1, 2024, within the fairpark district boundary, as defined in Section 11-70-101.

(b) Subsection (5)(a) does not apply to:

(i) the military [~~installation development~~] authority's levy of a municipal energy sales and use tax; [~~or~~]

(ii) the [~~Point of the Mountain State Land Authority's~~] point of the mountain authority's levy of a municipal energy sales and use tax[:]; or

(iii) the fairpark district's levy of a municipal energy sales and use tax.

(6) A tax levied under this part by the military authority, point of the mountain authority, or fairpark district shall be administered and collected on behalf of and paid to the military authority, point of the mountain authority, or fairpark district, respectively, in the same way that a tax levied under this part by a municipality is administered and collected on behalf of and paid to the municipality.

Section 4. Section 10-1-310 is amended to read:

10-1-310. Existing energy franchise taxes or contractual franchise fees.

(1) Except as authorized in Subsection (2), Section 59-12-203, or Section 10-1-304, a municipality may not:

(a) impose on, charge, or collect a franchise tax or contractual a franchise fee from an energy supplier; or

(b) collect a franchise tax or contractual franchise fee pursuant to a franchise agreement

in effect on July 1, 1997.

(2) A municipality that collects a contractual franchise fee from an energy supplier pursuant to a franchise agreement in effect on July 1, 1997, may continue to collect that fee at the same rate for the remaining term of the franchise agreement, except the municipality shall provide a credit against the municipal energy sales and use tax in the amount of the contractual franchise fee paid by the energy supplier pursuant to Subsection [10-1-305\(5\)](#).

(3) (a) Subject to the requirements of Subsection (3)(b), a franchise agreement as defined in Subsection [~~[10-1-303\(6\)](#)~~] [10-1-303\(7\)](#) between a municipality and an energy supplier may contain a provision that:

(i) requires the energy supplier by agreement to pay a contractual franchise fee that is otherwise prohibited under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act; and

(ii) imposes the contractual franchise fee on or after the day on which Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act is:

(A) repealed, invalidated, or the maximum allowable rate provided in Section [10-1-304](#) is reduced; and

(B) is not superseded by a law imposing a substantially equivalent tax.

(b) A municipality may not charge a contractual franchise fee under the provisions permitted by Subsection (3)(a) unless the municipality charges an equal contractual franchise fee or a tax on all energy suppliers.

(4) This section may not affect the validity of any existing or future franchise agreement and any franchise agreement effective on July 1, 1997, shall remain in full force and effect, unless otherwise terminated or altered by agreement or applicable law.

Section 5. Section **10-1-403** is amended to read:

10-1-403. Levy of telecommunications license tax -- Recovery from customers -- Enactment, repeal, or change in rate of tax -- Annexation.

(1) (a) (i) Subject to the provisions of this section, beginning July 1, 2004, a municipality may levy on and provide that there is collected from a telecommunications provider a municipal telecommunications license tax on the telecommunications provider's gross receipts from telecommunications service that are attributed to the municipality in accordance with Section [10-1-407](#).

(ii) Subject to Section 63H-1-203, the military installation development authority created in Section 63H-1-201 may levy and collect a municipal telecommunications license tax under this part for telecommunications service provided within a project area described in a project area plan adopted by the authority under Title 63H, Chapter 1, Military Installation Development Authority Act, as though the authority were a municipality.

(iii) Beginning July 1, 2024, the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201, may levy and collect a municipal telecommunications license tax under this part for telecommunications service provided within a project area described in a project area plan adopted by the Utah Fairpark Area Investment and Restoration District under Title 11, Chapter 70, Utah Fairpark Area Investment and Restoration District, to the same extent and in the same manner that a municipality is authorized to levy and collect a municipal telecommunications license tax under this part.

(b) To levy and provide for the collection of a municipal telecommunications license tax under this part, the municipality shall adopt an ordinance that complies with the requirements of Section 10-1-404.

(c) Beginning on July 1, 2007, a municipal telecommunications license tax imposed under this part shall be at a rate of up to 3.5% of the telecommunications provider's gross receipts from telecommunications service that are attributed to the municipality in accordance with Section 10-1-407.

(2) A telecommunications provider may recover the amounts paid in municipal telecommunications license taxes from the customers of the telecommunications provider within the municipality imposing the municipal telecommunications license tax through a charge that is separately identified in the statement of the transaction with the customer as the recovery of a tax.

(3) (a) For purposes of this Subsection (3):

(i) "Annexation" means an annexation to a municipality under Title 10, Chapter 2, Part 4, Annexation.

(ii) "Annexing area" means an area that is annexed into a municipality.

(b) (i) If, on or after July 1, 2004, a municipality enacts or repeals a tax or changes the rate of the tax under this part, the enactment, repeal, or change shall take effect:

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

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(b)(ii) from the municipality.

(ii) The notice described in Subsection (3)(b)(i)(B) shall state:

(A) that the municipality will enact or repeal a tax under this part or change the rate of the tax;

(B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

(D) if the municipality enacts the municipal telecommunications license tax or changes the rate of the tax, the new rate of the tax.

(c) (i) If, for an annexation that occurs on or after July 1, 2004, the annexation will result in a change in the rate of the tax under this part for an annexing area, the change shall take effect:

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

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(c)(ii) from the municipality that annexes the annexing area.

(ii) The notice described in Subsection (3)(c)(i)(B) shall state:

(A) that the annexation described in Subsection (3)(c)(i) will result in a change in the rate of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

(C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

(D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

(4) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal telecommunications license tax rate that takes effect on July 1, 2007, a municipality is not subject to the notice requirements of Subsection (3)(b) if:

(a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal telecommunications license tax at a rate that exceeds 3.5%; and

(b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal telecommunications license tax at a rate of 3.5%.

(5) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal telecommunications license tax rate that takes effect on July 1, 2007, the 90-day period described in Subsection (3)(b)(i)(B) is considered to be a 30-day period if:

(a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal telecommunications license tax at a rate that exceeds 3.5%; and

(b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal telecommunications license tax at a rate that is less than 3.5%.

(6) (a) A municipality may not levy or collect a municipal telecommunications license tax for telecommunications service provided within any portion of the municipality that is within:

(i) a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act[-]; or

(ii) a project area described in a project area plan adopted by the Utah Fairpark Area Investment and Restoration District under Title 11, Chapter 70, Utah Fairpark Area Investment and Restoration District.

(b) Subsection (6)(a) does not apply to:

(i) the military installation development authority's levy of a municipal telecommunications license tax[-]; or

(ii) the levy of a municipal telecommunications license tax by the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

(7) (a) The State Tax Commission shall provide to the military installation development authority the collection data necessary to verify that revenue collected by the State Tax Commission is distributed to the military installation development authority in accordance with this part.

(b) The data described in Subsection (7)(a) shall include the State Tax Commission's breakdown of military installation development authority revenue, including reports of collections and distributions.

Section 6. Section **11-68-201** is amended to read:

11-68-201. State Fair Park Authority -- Legal status -- Powers.

(1) There is created the State Fair Park Authority.

(2) The authority is:

(a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;

- 522 (b) a political subdivision of the state; and
- 523 (c) a public corporation, as defined in Section 63E-1-102.
- 524 (3) (a) The fair corporation is dissolved and ceases to exist, subject to any winding
525 down and other actions necessary for a transition to the authority.
- 526 (b) The authority:
- 527 (i) replaces and is the successor to the fair corporation;
- 528 (ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair
529 corporation; and
- 530 (iii) shall fulfill and perform all contractual and other obligations of the fair
531 corporation.
- 532 (c) The board shall take all actions necessary and appropriate to wind down the affairs
533 of the fair corporation as quickly as practicable and to make a transition from the fair
534 corporation to the authority.
- 535 (4) The authority shall:
- 536 (a) manage, supervise, and control:
- 537 (i) all activities relating to the annual exhibition described in Subsection (4)(j); and
- 538 (ii) except as otherwise provided by statute, all state expositions, including setting the
539 time, place, and purpose of any state exposition;
- 540 (b) for public entertainment, displays, and exhibits or similar events held [~~at the state~~]
541 on fair park land:
- 542 (i) provide, sponsor, or arrange the events;
- 543 (ii) publicize and promote the events; and
- 544 (iii) secure funds to cover the cost of the exhibits from:
- 545 (A) private contributions;
- 546 (B) public appropriations;
- 547 (C) admission charges; and
- 548 (D) other lawful means;
- 549 (c) acquire and designate exposition sites;
- 550 (d) use generally accepted accounting principles in accounting for the authority's assets,
551 liabilities, and operations;
- 552 (e) seek corporate sponsorships for the state fair park or for individual buildings or

553 facilities on fair park land;

554 (f) work with county and municipal governments, the Salt Lake Convention and
555 Visitor's Bureau, the Utah Office of Tourism, and other entities to develop and promote
556 expositions and the use of fair park land;

557 (g) develop and maintain a marketing program to promote expositions and the use of
558 fair park land;

559 (h) in accordance with provisions of this chapter, operate and maintain state-owned
560 buildings and facilities on fair park land, including the physical appearance and structural
561 integrity of those buildings and facilities;

562 (i) prepare an economic development plan for the fair park land;

563 (j) hold an annual exhibition on fair park land that:

564 (i) is called the state fair or a similar name;

565 (ii) promotes and highlights agriculture throughout the state;

566 (iii) includes expositions of livestock, poultry, agricultural, domestic science,
567 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic
568 animals that, in the board's opinion, will best stimulate agricultural, industrial, artistic, and
569 educational pursuits and the sharing of talents among the people of the state;

570 (iv) includes the award of premiums for the best specimens of the exhibited articles
571 and animals;

572 (v) permits competition by livestock exhibited by citizens of other states and territories
573 of the United States; and

574 (vi) is arranged according to plans approved by the board;

575 (k) fix the conditions of entry to the annual exhibition described in Subsection (4)(j);
576 and

577 (l) publish a list of premiums that will be awarded at the annual exhibition described in
578 Subsection (4)(j) for the best specimens of exhibited articles and animals.

579 (5) In addition to the annual exhibition described in Subsection (4)(j), the authority
580 may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural,
581 floricultural, mineral and industrial products, manufactured articles, and domestic animals that,
582 in the ~~[corporation's]~~ authority's opinion, will best stimulate agricultural, industrial, artistic, and
583 educational pursuits and the sharing of talents among the people of the state.

(6) The authority may:

(a) employ advisers, consultants, and agents, including financial experts and independent legal counsel, and fix their compensation;

(b) (i) participate in the state's Risk Management Fund created under Section 63A-4-201 or any captive insurance company created by the risk manager; or

(ii) procure insurance against any loss in connection with the authority's property and other assets;

(c) receive and accept aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or the state;

(d) hold, use, loan, grant, and apply that aid and those contributions to carry out the purposes of the authority, subject to the conditions, if any, upon which the aid and contributions are made;

(e) enter into management agreements with any person or entity for the performance of the authority's functions or powers;

(f) establish accounts and procedures that are necessary to budget, receive, disburse, account for, and audit all funds received, appropriated, or generated;

(g) subject to Subsection (8) and subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201, lease any of the state-owned buildings or facilities located on fair park land;

(h) sponsor events as approved by the board;

(i) subject to Subsection (11), acquire any interest in real property that the board considers necessary or advisable to further a purpose of the authority or facilitate the authority's fulfillment of a duty under this chapter;

(j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act, provide for or finance an energy efficiency upgrade, a renewable energy system, or electric vehicle charging infrastructure, as those terms are defined in Section 11-42a-102; and

(k) enter into one or more agreements ~~[to develop the fair park land]~~ with the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

(7) The authority shall comply with:

(a) Title 51, Chapter 5, Funds Consolidation Act;

(b) Title 51, Chapter 7, State Money Management Act;

(c) Title 52, Chapter 4, Open and Public Meetings Act;

(d) Title 63G, Chapter 2, Government Records Access and Management Act;

(e) the provisions of Section [67-3-12](#);

(f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:

(i) entertainment provided at the state fair park;

(ii) judges for competitive exhibits; or

(iii) sponsorship of an event on fair park land; and

(g) the legislative approval requirements for capital development projects established in Section [63A-5b-404](#).

(8) (a) Before the authority executes a lease described in Subsection (6)(g) with a term of 10 or more years and subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), the authority shall:

(i) submit the proposed lease to the division for the division's approval or rejection; and

(ii) if the division approves the proposed lease, submit the proposed lease to the Executive Appropriations Committee for the Executive Appropriation Committee's review and recommendation in accordance with Subsection (8)(b).

(b) The Executive Appropriations Committee shall review a proposed lease submitted in accordance with Subsection (8)(a) and recommend to the authority that the authority:

(i) execute the proposed lease, either as proposed or with changes recommended by the Executive Appropriations Committee; or

(ii) reject the proposed lease.

(9) (a) Subject to Subsection (9)(b), a department, division, or other instrumentality of the state and a political subdivision of the state shall cooperate with the authority to the fullest extent possible to provide whatever support, information, or other assistance the authority requests that is reasonably necessary to help the authority fulfill the authority's duties and responsibilities under this chapter.

(b) The division shall provide assistance and resources to the authority as the division director determines is appropriate.

(10) The authority may share authority revenue with a municipality in which the fair park land is located, as provided in an agreement between the authority and the municipality, to

pay for municipal services provided by the municipality.

(11) (a) As used in this Subsection (11), "new land" means land that, if acquired by the authority, would result in the authority having acquired over three acres of land more than the land described in Subsection 11-68-101(9)(a).

(b) In conjunction with the authority's acquisition of new land, the authority shall enter an agreement with the municipality in which the new land is located.

(c) To provide funds for the cost of increased municipal services that the municipality will provide to the new land, an agreement under Subsection (11)(b) shall:

(i) provide for:

(A) the payment of impact fees to the municipality for development activity on the new land; and

(B) the authority's sharing with the municipality tax revenue generated from the new land; and

(ii) be structured in a way that recognizes the needs of the authority and furthers mutual goals of the authority and the municipality.

Section 7. Section 11-68-202 is amended to read:

11-68-202. Operation of the state-owned buildings and facilities on fair park land

-- New construction and modification of existing facilities -- Liability insurance --

Obligations of the authority.

(1) The authority shall:

(a) operate and maintain state-owned buildings and facilities on fair park land in accordance with the facility maintenance standards approved by the division;

(b) pay for all costs associated with operating and maintaining state-owned buildings and facilities on fair park land;

(c) obtain approval from the division before making any alteration or addition to the water system, heating system, plumbing system, air conditioning system, or electrical system of a state-owned building or facility on fair park land;

(d) keep the fair park land and all state-owned buildings and facilities on fair park land fully insured to protect against loss or damage by fire, vandalism, or malicious mischief;

(e) in accordance with Subsection (3), at the authority's expense, and for the mutual benefit of the division, maintain general public liability insurance in an amount equal to at least

677 \$1,000,000 through one or more companies that are:

678 (i) licensed to do business in the state;

679 (ii) selected by the authority; and

680 (iii) approved by the division and the Division of Risk Management;

681 (f) ensure that the division is an additional insured with primary coverage on each
682 insurance policy that the authority obtains in accordance with this section;

683 (g) give the division notice at least 30 days before the day on which the authority
684 cancels any insurance policy that the authority obtains in accordance with this section; and

685 (h) if any lien that is not invalid under Section 38-1a-103 is recorded or filed against
686 the state fair park as a result of an act or omission of the authority, cause the lien to be satisfied
687 or released within 10 days after the day on which the authority receives notice of the lien.

688 (2) (a) As used in this Subsection (2):

689 (i) "Existing facility modification" means an alteration, repair, or improvement to an
690 existing state-owned building or facility on fair park land.

691 (ii) "Major project" means new construction or an existing facility modification that
692 costs, regardless of the funding source, over \$100,000.

693 (iii) "Minor project" means new construction or an existing facility modification that
694 costs, regardless of the funding source, \$100,000 or less.

695 (iv) "New construction" means the design and construction of a new state-owned or
696 privately owned building or facility on fair park land.

697 (b) (i) The director of the division shall exercise direct supervision over a major
698 project.

699 (ii) Notwithstanding Subsection (2)(b)(i), the director of the division may delegate
700 control over a major project to the authority on a project-by-project basis.

701 (iii) With respect to a delegation of control under Subsection (2)(b)(ii), the director of
702 the division may:

703 (A) impose terms and conditions on the delegation that the director considers necessary
704 or advisable to protect the interests of the state; and

705 (B) revoke the delegation and assume control of the design, construction, or other
706 aspect of a delegated project if the director considers the revocation and assumption of control
707 to be necessary to protect the interests of the state.

(iv) If a major project over which the division exercises direct supervision includes the demolition of a building or other facility on fair park land, the division shall, at least 90 days before demolition work begins, notify the State Historic Preservation Office of the division's demolition plan.

(c) Subject to Subsection (2)(d), the authority may exercise direct supervision over a minor project.

(d) With respect to a minor project over which the authority exercises direct supervision, the authority shall:

(i) obtain the division's approval before commencing the new construction or existing facility modification;

(ii) obtain a building permit from the division before commencing the new construction or existing facility modification, if a building permit is required;

(iii) comply with the division's forms and contracts and the division's design, construction, alteration, repair, improvement, and code inspection standards;

(iv) notify the division before commencing the new construction or existing facility modification;

(v) coordinate with the division regarding the review of design plans and management of the new construction or existing facility modification project; and

(vi) at least 90 days before the beginning of any demolition of a building or facility on the fair park land, notify the division and the State Historic Preservation Office of the proposed demolition.

(3) The general public liability insurance described in Subsection (1)(e) shall:

(a) insure against any claim for personal injury, death, or property damage that occurs on fair park land; and

(b) be a blanket policy that covers all activities of the authority.

(4) Upon 24 hours notice to the board, the division may enter the fair park land to inspect any facility on fair park land and make any repairs that the division determines necessary.

(5) (a) A debt or obligation contracted by the authority is a debt or obligation of the authority and not of the state.

(b) The state is not liable and assumes no responsibility for any debt or obligation of

the authority.

(6) The powers and responsibilities of the authority under this section with regard to the issuance of bonds for capital development projects on fair park land are subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

Section 8. Section 11-68-403 is amended to read:

11-68-403. Enterprise fund -- Creation -- Revenue -- Uses.

(1) (a) There is created an enterprise fund entitled the Utah State Fair Fund.

(b) The executive director shall administer the fund under the direction of the board.

(2) The fund consists of money generated from the following revenue sources:

~~(a) [lease payments from person or entities leasing any part of the fair park land or any other facilities owned by the authority]~~ money the authority receives under Section 11-70-203;

(b) money the authority receives under a lease agreement for the lease of any part of fair park land if the lease agreement:

(i) is entered into before May 1, 2024; or

(ii) (A) is entered into on or after May 1, 2024: and

(B) relates to agricultural and related exhibit facilities on fair park land;

~~[(b)]~~ (c) revenue received from any expositions or other events wholly or partially sponsored by the authority;

~~[(c)]~~ (d) aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or the state;

~~[(d)]~~ (e) appropriations made to the fund by the Legislature; and

~~[(e) revenue received under a privilege tax or a tax on personal property; and]~~

(f) any other income obtained by the authority.

(3) (a) The fund shall earn interest.

(b) All interest earned on fund money shall be deposited into the fund.

(4) The executive director may use fund money to operate, maintain, and support the Utah State Fair, the fair park land, and other expositions sponsored by the authority.

Section 9. Section 11-68-502 is amended to read:

11-68-502. Sources from which bonds may be made payable -- Authority powers

770 regarding bonds.

771 (1) The principal and interest on bonds issued by the authority may be made payable
772 from:

773 (a) the income and revenues of the development projects financed with the proceeds of
774 the bonds;

775 (b) the income and revenues of certain designated development projects whether or not
776 they were financed in whole or in part with the proceeds of the bonds;

777 (c) the income, revenues, proceeds, and funds the authority derives from or holds in
778 connection with the authority undertaking and carrying out development;

779 ~~[(d) privilege tax and property tax revenue under Section 11-68-402;]~~

780 ~~[(e)]~~ (d) revenue from a special event tax under Title 59, Chapter 12, Part 23, Fair Park
781 Special Event Tax;

782 ~~[(f)]~~ (e) authority revenues generally;

783 ~~[(g)]~~ (f) a contribution, loan, grant, or other financial assistance from the federal
784 government or a public entity in aid of the development; or

785 ~~[(h)]~~ (g) funds derived from any combination of the sources listed in Subsections (1)(a)
786 through ~~[(g)]~~ (f).

787 (2) (a) In connection with the issuance of authority bonds, the authority may:

788 (i) pledge all or any part of the authority's gross or net rents, fees, or revenues to which
789 the authority's right then exists or may thereafter come into existence; and

790 (ii) make the covenants and take the action that may be necessary, convenient, or
791 desirable to secure the authority's bonds, or, except as otherwise provided in this chapter, that
792 will tend to make the bonds more marketable, even though such covenants or actions are not
793 specifically enumerated in this chapter.

794 (b) The authority may not use all or any portion of the fair park land as collateral for
795 any bonds or encumber the fair park land by mortgage, deed of trust, or otherwise as collateral
796 for any bonds.

797 Section 10. Section 11-70-101 is enacted to read:

798 **CHAPTER 70. UTAH FAIRPARK AREA INVESTMENT AND RESTORATION**
799 **DISTRICT**

800 **Part 1. General Provisions**

11-70-101. Definitions.

As used in this chapter:

(1) "Base taxable value" means the taxable value of land within the fairpark district boundary as of January 1, 2024, as determined under Subsection [11-70-206\(8\)](#).

(2) "Board" means the fairpark district's governing body, created in Section [11-70-301](#).

(3) "Designated parcel" means a parcel of land specified in a designation resolution.

(4) "Designation resolution" means a resolution adopted by the board that designates a transition date for the parcel specified in the resolution.

(5) "Development" means:

(a) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including public infrastructure and improvements; and

(b) the planning of, arranging for, or participation in any of the activities listed in Subsection (5)(a).

(6) "Development project" means a project for the development of land within a project area.

(7) "Enhanced property tax revenue":

(a) means the amount of money that is equal to the difference between:

(i) the amount of property tax revenues generated in a tax year by all taxing entities from a privately owned land within a project area, using the current assessed value of the property; and

(ii) the amount of property tax revenues that would be generated in the same tax year by all taxing entities from that same area using the base taxable value of the property; and

(b) does not include property tax revenue from:

(i) a county additional property tax or multicounty assessing and collecting levy imposed in accordance with Section [59-2-1602](#);

(ii) a judgment levy imposed by a taxing entity under Section [59-2-1328](#) or [59-2-1330](#);
or

(iii) a levy imposed by a taxing entity under Section [11-14-310](#) to pay for a general obligation bond.

(8) "Facilities division" means the Division of Facilities Construction and

832 Management, created in Section [63A-5b-301](#).

833 (9) "Fair park authority" means the State Fair Park Authority created in Section
834 [11-68-201](#).

835 (10) "Fairpark district" means the Utah Fairpark Area Investment and Restoration
836 District, created in Section [11-70-201](#).

837 (11) "Fairpark district boundary" means a line or set of lines that:

838 (a) defines the geographic boundary of the fairpark district, consisting of the interior
839 space within each polygon described by the line or set of lines; and

840 (b) is delineated in the electronic shapefile that is the electronic component of H.B.
841 562, Utah Fairpark Area Investment and Restoration District, 2024 General Session.

842 (12) "Fairpark district funds" means money the fairpark district receives from any
843 source, including money the fairpark district receives under:

844 (a) Sections [10-1-304](#) and [11-70-205](#);

845 (b) Section [10-1-403](#);

846 (c) Section [11-70-203](#);

847 (d) Section [11-70-204](#);

848 (e) Sections [59-12-352](#) and [59-12-354](#);

849 (f) Section [59-12-401](#);

850 (g) Section [59-12-402](#);

851 (h) Section [59-12-1201](#); and

852 (i) Section [59-28-103](#).

853 (13) "Fair park land" means the same as that term is defined in Section [11-68-101](#).

854 (14) "Franchise agreement" means a legally binding and valid agreement under which:

855 (a) a franchise is confirmed for a major league sports team that before January 1, 2024
856 had not been located in the state; and

857 (b) the major league sports team agrees to play home games in a stadium to be
858 constructed within the fairpark district boundary.

859 (15) "Franchise agreement date" means the date that a franchise agreement is fully
860 executed and in effect.

861 (16) "Host municipality" means the municipality whose boundary includes the land
862 within the fairpark district boundary.

(17) "Major league sports team" means a team:

(a) consisting of professional athletes;

(b) that is part of a professional sports league; and

(c) that is engaged in the business of presenting live sporting events before primarily a paying audience.

(18) "Other state land" means:

(a) land within the fairpark district boundary, other than fair park land, that is owned by the state on January 1, 2024; and

(b) land acquired by the fairpark district or the state on or after May 1, 2024. within the fairpark district boundary.

(19) "Payment period" means a period of up to 35 years, as specified in a designation resolution, beginning on the transition date, during which a privilege tax under Section 11-70-203 or enhanced property tax revenue under Section 11-70-401 is to be paid.

(20) "Post-designation parcel" means a parcel within a project area after the transition date for that parcel.

(21) "Pre-designation parcel" means a parcel within a project area before the transition date for that parcel.

(22) "Professional sports league" means a group of major league sports teams that have formed a league:

(a) for the major league sports teams to compete against one another; and

(b) in which the combined average annual payroll for the major league sports teams in the league on the franchise agreement date is not less than \$100,000,000.

(23) "Project area" means land described in a project area plan or draft project area plan, where the development project set forth in the project area plan or draft project area plan takes place or is proposed to take place.

(24) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the project area.

(25) "Project area plan" means a written plan that, after its effective date, guides and controls the development within a project area.

(26) "Property tax" includes each levy on an ad valorem basis on tangible or intangible personal or real property.

894 (27) "Public entity" means:

895 (a) the state, including each department, division, or other agency of the state; or

896 (b) a county, city, town, school district, special district, special service district,
897 interlocal cooperation entity, community reinvestment agency, or other political subdivision of
898 the state, including the fairpark district.

899 (28) (a) "Public infrastructure and improvements" means infrastructure, improvements,
900 facilities, or buildings that:

901 (i) (A) benefit the public and are owned by a public entity or a utility; or

902 (B) benefit the public and are publicly maintained or operated by a public entity; or

903 (ii) (A) are privately owned;

904 (B) benefit the public;

905 (C) as determined by the board, provide a substantial benefit to the development and
906 operation of a project area; and

907 (D) are built according to applicable design and safety standards.

908 (b) "Public infrastructure and improvements" includes:

909 (i) facilities, lines, or systems that provide:

910 (A) water, chilled water, or steam; or

911 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
912 microgrids, or telecommunications service;

913 (ii) streets, roads, curbs, gutters, sidewalks, walkways, solid waste facilities, parking
914 facilities, rail lines, intermodal facilities, multimodal facilities, and public transportation
915 facilities;

916 (iii) a qualified stadium;

917 (iv) public trails and pathways associated with and rehabilitation of and improvements
918 to the Jordan River; and

919 (v) agricultural and related exhibit facilities on fair park land.

920 (29) "Qualified owner" means an owner of at least 65 contiguous acres of privately
921 owned land within a project area or the owner's affiliate.

922 (30) (a) "Qualified stadium" means a stadium:

923 (i) within the fairpark district boundary;

924 (ii) with a minimum capacity of 30,000 spectators; and

(iii) that will primarily be used as the home of a major league sports team.

(b) "Qualified stadium" includes parking structures or facilities, lighting facilities, plazas, and open space associated with a stadium described in Subsection (30)(a).

(31) "Shapefile" means the digital vector storage format for storing geometric location and associated attribute information.

(32) "State fair purposes" means the purposes for the use of fair park land related to the fair park authority's management, supervision, and control over a state fair and related events and activities.

(33) "State-owned land" means:

(a) fair park land; and

(b) other state land.

(34) "Taxable value" means the value of property as shown on the last equalized assessment roll.

(35) "Taxing entity" means the same as that term is defined in Section [59-2-102](#), excluding a public infrastructure district that the fairpark district creates under Title 17D, Chapter 4, Public Infrastructure District Act.

(36) "Transition date" means the date indicated in a designation resolution after which the parcel that is the subject of the designation resolution becomes a post-designation parcel.

Section 11. Section **11-70-102** is enacted to read:

11-70-102. Severability.

If a court determines that any provision of this chapter, or the application of any provision of this chapter, is invalid, the remainder of this chapter shall be given effect without the invalid provision or application.

Section 12. Section **11-70-103** is enacted to read:

11-70-103. Nonlapsing funds.

Money the fairpark district receives from legislative appropriations is nonlapsing.

Section 13. Section **11-70-104** is enacted to read:

11-70-104. Loan approval committee -- Approval of infrastructure loans.

(1) As used in this section:

(a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

(b) "Fairpark district development fund" means the same as that term is defined in

Section [63A-3-401.5](#).

(c) "Infrastructure loan" means the same as that term is defined in Section

[63A-3-401.5](#).

(d) "Infrastructure project" means the same as that term is defined in Section

[63A-3-401.5](#).

(e) "Loan approval committee" means a committee established under Subsection (2).

(2) (a) The fairpark district shall establish a loan committee consisting of:

(i) two individuals with expertise in public finance or infrastructure development, appointed by the governor;

(ii) one individual with expertise in public finance or infrastructure development, appointed by the president of the Senate;

(iii) one individual with expertise in public finance or infrastructure development, appointed by the speaker of the House of Representatives; and

(iv) one individual with expertise in public finance or infrastructure development, appointed jointly by the president of the Senate and the speaker of the House of Representatives.

(b) A board member may not be appointed to or serve as a member of the loan committee.

(3) (a) The loan committee may recommend for board approval an infrastructure loan from the fairpark district development fund to a borrower for an infrastructure project undertaken by the borrower.

(b) An infrastructure loan from the fairpark district development fund may not be made unless:

(i) the infrastructure loan is recommended by the loan committee; and

(ii) the board approves the infrastructure loan.

(4) (a) If the loan committee recommends an infrastructure loan, the loan committee shall recommend the terms of an infrastructure loan in accordance with Section [63A-3-404](#).

(b) The board shall require the terms of an infrastructure loan secured by enhanced property tax revenue to include a requirement that money from the infrastructure loan be used only for an infrastructure project within the project area that generates the enhanced property tax revenue.

(5) The board may establish policies and guidelines with respect to prioritizing requests for infrastructure loans and approving infrastructure loans.

(6) Within 60 days after the execution of an infrastructure loan, the board shall report the infrastructure loan, including the loan amount, terms, interest rate, and security, to:

(a) the Executive Appropriations Committee; and

(b) the State Finance Review Commission created in Section [63C-25-201](#).

(7) (a) Salaries and expenses of committee members who are legislators shall be paid in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

(b) A committee member who is not a legislator may not receive compensation or benefits for the member's service on the committee, but may receive per diem and reimbursement for travel expenses incurred as a committee member at the rates established by the Division of Finance under:

(i) Sections [63A-3-106](#) and [63A-3-107](#); and

(ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and [63A-3-107](#).

Section 14. Section **11-70-201** is enacted to read:

Part 2. Creation and Powers of Utah Fairpark Area Investment and Restoration District

11-70-201. Creation of Utah Fairpark Area Investment and Restoration District -- Status and purposes.

(1) Under the authority of Utah Constitution, Article XI, Section 8, there is created the Utah Fairpark Area Investment and Restoration District.

(2) The fairpark district is:

(a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;

(b) a political subdivision of the state; and

(c) a public corporation, as defined in Section [63E-1-102](#).

(3) (a) The purpose of the fairpark district is to fulfill the statewide public purpose of encouraging and facilitating development within the fairpark district boundary to provide economic and other benefits to the area within the fairpark district boundary, surrounding areas, the region, and the state, including:

(i) the development and construction of a qualified stadium and related facilities for a major league sports team;

(ii) the development and construction of infrastructure to support a qualified stadium, associated uses, and recreational uses on land within the fairpark district boundary;

(iii) the improvement and restoration of areas along the Jordan River within the fairpark district boundary for aesthetic and recreational purposes;

(iv) coordinating with and supporting the fair park authority in the fair park authority's use of fair park land; and

(v) other development on land within the fairpark district boundary.

(b) The duties and responsibilities of the fairpark district under this chapter are matters of regional and statewide concern, importance, interest, and impact.

(c) The fairpark district is the mechanism the state chooses to focus resources and efforts on behalf of the state, to oversee and manage development activities within the fairpark district boundary, and to ensure that the regional and statewide interests, concerns, and purposes described in this Subsection (3) are properly addressed from more of a statewide perspective than any municipality can provide.

Section 15. Section **11-70-202** is enacted to read:

11-70-202. Fairpark district powers and duties.

(1) The fairpark district may:

(a) facilitate and bring about the development of land within the fairpark district boundary, including the development of a qualified stadium to house a major league sports team;

(b) enter into a lease agreement with a major league sports team to lease a qualified stadium to a major league sports team and receive lease payments on behalf of the state;

(c) facilitate and provide funding for the development of land in a project area, including the development of public infrastructure and improvements and other infrastructure and improvements on or related to land in a project area;

(d) engage in marketing and business recruitment activities and efforts to encourage and facilitate development of land within the fairpark district boundary;

(e) as the fairpark district considers necessary or advisable to carry out any of the fairpark district's duties or responsibilities under this chapter:

1049 (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal
1050 property;
1051 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or
1052 personal property; or
1053 (iii) enter into a lease agreement on real or personal property, as lessee or lessor;
1054 (f) sue and be sued;
1055 (g) enter into contracts generally;
1056 (h) exercise powers and perform functions under a contract, as authorized in the
1057 contract;
1058 (i) receive and spend enhanced property tax revenue, as provided in this chapter;
1059 (j) accept financial or other assistance from any public or private source for the fairpark
1060 district's activities, powers, and duties, and expend any funds so received for any of the
1061 purposes of this chapter;
1062 (k) borrow money, contract with, or accept financial or other assistance from the
1063 federal government, a public entity, or any other source for any of the purposes of this chapter
1064 and comply with any conditions of the loan, contract, or assistance;
1065 (l) issue bonds to finance the undertaking of any development objectives of the fairpark
1066 district, including bonds under Chapter 17, Utah Industrial Facilities and Development Act,
1067 bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial
1068 Property Assessed Clean Energy Act;
1069 (m) hire employees, including independent contractors;
1070 (n) transact other business and exercise all other powers provided for in this chapter;
1071 (o) engage one or more consultants to advise or assist the fairpark district in the
1072 performance of the fairpark district's duties and responsibilities;
1073 (p) enter into an agreement with a private contractor to provide a municipal service
1074 within a project area that is not being provided by a municipality or other governmental service
1075 provider;
1076 (q) finance, develop, own, lease, operate, or otherwise control public infrastructure and
1077 improvements in a project area; and
1078 (r) exercise powers and perform functions that the fairpark district is authorized by
1079 statute to exercise or perform.

(2) (a) The fairpark district is responsible for and has jurisdiction over any development that occurs on fair park land, including the funding of that development.

(b) The fairpark district shall consult and coordinate with the fair park authority with respect to any development activities anticipated for or that occur on fair park land.

(c) Any development of fair park land shall be subject to and compatible with the use of fair park land for state fair purposes and related and other activities under the jurisdiction of the fair park authority.

(3) With respect to state land other than fair park land, the fairpark district and the facilities division shall consult with each other and with agencies occupying the land with respect to any potential change of use or development of the land.

(4) Beginning April 1, 2025, the fairpark district shall:

(a) be the repository of the official delineation of the fairpark district boundary, identical to the fairpark district boundary as delineated in the shapefile that is the electronic component of H.B. 562, Utah Fairpark Area Investment and Restoration District, 2024 General Session, subject to:

(i) any later changes to the boundary enacted by the Legislature; and

(ii) any additions of land to the fairpark district boundary under Subsection (5); and

(b) maintain an accurate digital file of the boundary that is easily accessible by the public.

(5) The fairpark district boundary may be expanded to include land outside the fairpark district boundary if:

(a) the land is owned by a qualified owner;

(b) the qualified owner consents to including the land within the fairpark district boundary; and

(c) the land is:

(i) contiguous to the fairpark district boundary; or

(ii) within 200 feet of the fairpark district boundary.

Section 16. Section **11-70-203** is enacted to read:

11-70-203. Privilege tax on state-owned land.

(1) (a) Subject to Subsection (1)(b), the possession or beneficial use of property on state-owned land is subject to Title 59, Chapter 4, Privilege Tax.

(b) Subsection (1)(a) does not apply to a qualified stadium during the construction of the qualified stadium and before title to the stadium is conveyed to the fairpark district as required in an agreement under Subsection 11-70-502(3).

(2) (a) As provided in Subsection (2)(b):

(i) for revenue from a privilege tax under Subsection (1) on a designated parcel that is part of the fair park land:

(A) 75% of the revenue shall be paid to the fairpark district during the payment period; and

(B) 25% of the revenue shall be paid to the fair park authority during the payment period; and

(ii) for revenue from a privilege tax under Subsection (1) on a designated parcel that is part of other state land, 95% of the revenue shall be paid to the fairpark district during the payment period.

(b) The treasurer of the county in which the fair park land is located shall, in the manner and at the time provided in Section 59-2-1365, pay and distribute to the fairpark district and the fair park authority, as applicable, the revenue described in Subsection (2)(a).

(3) (a) The fairpark district shall use 20% of the money the fairpark district is paid under Subsection (2)(a)(ii) for affordable housing, as defined in Section 17C-1-102, within the host municipality.

(b) The fairpark district and host municipality shall coordinate and work together to identify how, when, and where the money described in Subsection (3)(a) is spent.

Section 17. Section **11-70-204** is enacted to read:

11-70-204. Fairpark district accommodations tax.

(1) As used in this section:

(a) (i) "Accommodations and services" means an accommodation or service described in Subsection 59-12-103(1)(i).

(ii) "Accommodations and services" does not include an accommodation or service for which amounts paid or charged are not part of a rental room rate.

(b) "Accommodations tax" means a tax imposed as provided in this section.

(2) By resolution, the fairpark district board may impose an accommodations tax on a provider for amounts paid or charged for accommodations and services, if the place of

accommodation is located within the fairpark district boundary.

(3) The maximum rate of an accommodations tax is 15% of the amounts paid to or charged by the provider for accommodations and services.

(4) A provider may recover an amount equal to the accommodations tax from customers, if the provider includes the amount as a separate billing line item.

(5) If the fairpark district imposes an accommodations tax, neither the fairpark district nor a public entity may impose, on the amounts paid or charged for accommodations and services, any other tax described in:

(a) Title 59, Chapter 12, Sales and Use Tax Act; or

(b) Title 59, Chapter 28, State Transient Room Tax Act.

(6) Except as provided in Subsection (7) or (8), an accommodations tax shall be administered, collected, and enforced in accordance with:

(a) the same procedures used to administer, collect, and enforce the tax under:

(i) Title 59, Chapter 12, Part 1, Tax Collection; or

(ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and

(b) Title 59, Chapter 1, General Taxation Policies.

(7) The location of a transaction shall be determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

(8) (a) An accommodations tax is not subject to Section [59-12-107.1](#) or [59-12-123](#) or Subsections [59-12-205](#)(2) through (5).

(b) The exemptions described in Sections [59-12-104](#), [59-12-104.1](#), and [59-12-104.6](#) do not apply to an accommodations tax.

(9) The State Tax Commission shall:

(a) except as provided in Subsection (9)(b), distribute the revenue collected from an accommodations tax to the fairpark district; and

(b) retain and deposit an administrative charge in accordance with Section [59-1-306](#) from revenue the commission collects from an accommodations tax.

(10) (a) If the fairpark district imposes, repeals, or changes the rate of an accommodations tax, the implementation, repeal, or change takes effect:

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

(ii) after a 90-day period beginning on the date the State Tax Commission receives the

notice described in Subsection (10)(b) from the fairpark district.

(b) The notice required in Subsection (10)(a)(ii) shall state:

(i) that the fairpark district will impose, repeal, or change the rate of an accommodations tax;

(ii) the effective date of the implementation, repeal, or change of the accommodations tax; and

(iii) the rate of the accommodations tax.

(11) In addition to the uses permitted under Section 11-70-207, the fairpark district may allocate revenue from an accommodations tax to a county in which a place of accommodation that is subject to the accommodations tax is located, if:

(a) the county had a transient room tax described in Section 59-12-301 in effect at the time the fairpark district board imposed an accommodations tax; and

(b) the revenue replaces revenue that the county received from a county transient room tax described in Section 59-12-301 for the county's general operations and administrative expenses.

Section 18. Section 11-70-205 is enacted to read:

11-70-205. Energy sales and use tax.

(1) As provided in Subsection 10-1-304(1)(d), the fairpark district may by resolution levy an energy sales and use tax, under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, on an energy supplier, as defined in Section 10-1-303, that supplies energy to a facility on land within the fairpark district boundary.

(2) An energy sales and use tax under this section is subject to the maximum rate under Subsection 10-1-304(1)(a)(ii), except that delivered value does not include the amount of a tax paid under this section.

(3) (a) An energy supplier may recover from the energy supplier's customers an amount equal to the energy sales and use tax, if the energy supplier includes the amount as a separate billing line item.

(b) An energy sales and use tax levied under this section is in addition to the rate approved by the Public Service Commission and charged to the customer.

(4) (a) An energy sales and use tax under this section is payable by the energy supplier to the fairpark district on a monthly basis as described by the resolution levying the tax.

(b) A resolution levying an energy sales and use tax shall allow the energy supplier to retain 1% of the tax remittance each month to offset the energy supplier's costs of collecting and remitting the tax.

(5) Beginning July 1, 2024, a municipality may not levy an energy sales and use tax on an energy supplier for energy that the energy supplier supplies to a facility located on land within the fairpark district boundary.

Section 19. Section **11-70-206** is enacted to read:

11-70-206. Applicability of other law -- Cooperation of state and local governments -- Municipal services -- Services from state agencies -- Procurement policy.

(1) With respect to the use or development of state-owned land, the fairpark district is not subject to:

(a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

(b) the jurisdiction of a special district under Title 17B, Limited Purpose Local Government Entities - Special Districts, or a special service district under Title 17D, Chapter 1, Special Service District Act, except to the extent that:

(i) some or all of the state land is, on January 1, 2024, included within the boundary of a special district or special service district; and

(ii) the fairpark district elects to receive service from the special district or special service district for the state land that is included within the boundary of the special district or special service district, respectively.

(2) The fairpark district has and may exercise all powers relating to the regulation of land uses on state-owned land.

(3) (a) Subject to Subsection (3)(b), the fairpark district has and may exercise all powers relating to the regulation of land uses on privately owned land within the fairpark district boundary.

(b) Privately owned land within the fairpark district boundary is subject to a host municipality's land use authority under Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act, if the owner of the privately owned land and the host municipality enter into an agreement no later than December 31, 2024 subjecting the privately owned land to land use regulations of the host municipality.

(c) In making land use decisions affecting land within the fairpark district boundary

that is subject to a host municipality's land use authority under this Subsection (3), the legislative body of the host municipality shall consider input from the board.

(4) A department, division, or other agency of the state and a political subdivision of the state shall cooperate with the fairpark district to the fullest extent possible to provide whatever support, information, or other assistance the board requests that is reasonably necessary to help the fairpark district fulfill its duties and responsibilities under this chapter.

(5) (a) A host municipality shall provide the same municipal services to the area of the municipality that is within the fairpark district boundary as the municipality provides to other areas of the municipality with similar zoning and a similar development level.

(b) The level and quality of municipal services that a host municipality provides within the fairpark district boundary shall be fairly and reasonably consistent with the level and quality of municipal services that the municipality provides to other areas of the municipality with similar zoning and a similar development level.

(c) No later than December 31, 2024, the fairpark district and host municipality shall enter into an agreement providing for the fairpark district to reimburse the host municipality for services the host municipality provides to a project area.

(6) (a) The fairpark district may request and, upon request, shall receive:

(i) fuel dispensing and motor pool services provided by the Division of Fleet Operations;

(ii) surplus property services provided by the Division of Purchasing and General Services;

(iii) information technology services provided by the Division of Technology Services;

(iv) archive services provided by the Division of Archives and Records Service;

(v) financial services provided by the Division of Finance;

(vi) human resources services provided by the Division of Human Resource

Management;

(vii) legal services provided by the Office of the Attorney General; and

(viii) banking services provided by the Office of the State Treasurer.

(b) Nothing in Subsection (6)(a) may be construed to relieve the fairpark district of the obligation to pay the applicable fee for the service provided.

(7) (a) To govern fairpark district procurements, the board shall adopt a procurement

policy that the board determines to be substantially consistent with applicable provisions of Title 63G, Chapter 6a, Utah Procurement Code.

(b) The board may delegate to the executive director the responsibility to adopt a procurement policy.

(c) The board's determination under Subsection (7)(a) of substantial consistency is final and conclusive.

(8) No later than December 31, 2024, the board and the assessor of the county in which the fairpark district is located shall together determine the base taxable value of privately owned property within the fairpark district boundary.

Section 20. Section **11-70-207** is enacted to read:

11-70-207. Use of fairpark district funds.

(1) (a) Subject to Subsection (2), the fairpark district may use fairpark district funds for any purpose authorized under this chapter, including to pay for:

(i) the development and construction of a qualified stadium;

(ii) administrative, overhead, legal, consulting, and other operating expenses of the fairpark district;

(iii) all or part of the development of land within a project area, including:

(A) financing or refinancing; and

(B) assisting the ongoing operation of a development or facility within the project area;

(iv) the cost of the installation of public infrastructure and improvements outside a project area if the board determines by resolution that the infrastructure and improvements are of benefit to the project area;

(v) the principal and interest on bonds issued by the fairpark district;

(vi) the payment of an infrastructure loan, as defined in Section [11-70-104](#), according to the terms of the infrastructure loan; and

(vii) the costs of promoting, facilitating, and implementing other development of land within the fairpark district boundary.

(b) The determination of the board under Subsection (1)(a)(iv) regarding benefit to the project area is final.

(2) The fairpark district may use money it receives under Subsection [59-12-1201](#)(1)(a)(ii) and Section [59-28-103](#) only for the development and construction of a

1297 qualified stadium.

1298 (3) The fairpark district may share enhanced property tax revenue with a taxing entity
1299 that levies a property tax on land within the project area from which the enhanced property tax
1300 revenue is generated.

1301 Section 21. Section **11-70-301** is enacted to read:

1302 **Part 3. Fairpark District Board and Executive Director**

1303 **11-70-301. Fairpark district board.**

1304 (1) The fairpark district shall be governed by a board.

1305 (2) The board shall manage and conduct the business and affairs of the fairpark district
1306 and shall determine all questions of fairpark district policy.

1307 (3) All powers of the fairpark district are exercised through the board or, as provided in
1308 Section [11-70-305](#), the executive director.

1309 (4) The board may by resolution delegate powers to the executive director or other
1310 fairpark district staff.

1311 (5) The board may not designate a transition date that is later than May 1, 2027.

1312 Section 22. Section **11-70-302** is enacted to read:

1313 **11-70-302. Number of board members -- Appointment -- Term -- Vacancies.**

1314 (1) The fairpark district's board consists of five voting members, as provided in
1315 Subsection (2).

1316 (2) (a) The governor shall appoint two individuals as board members, one of whom
1317 shall be a member of the fair park authority board.

1318 (b) The president of the Senate shall appoint as a board member one individual with
1319 relevant business expertise.

1320 (c) The speaker of the House of Representatives shall appoint as a board member one
1321 individual with relevant business expertise.

1322 (d) The Salt Lake City council shall appoint as a board member one member of the Salt
1323 Lake City council whose district includes fairpark land.

1324 (3) An individual required under Subsection (2) to appoint a board member shall
1325 appoint each initial board member the individual is required to appoint no later than June 1,
1326 2024.

1327 (4) The term of a board member appointed under Subsection (2) is six years, except

that the initial term of the members appointed under Subsection (2)(a) is three years.

(5) Each board member serves until a successor is duly appointed and qualified.

(6) An appointed board member may serve multiple terms if duly appointed under Subsection (2) to serve each term.

(7) (a) A vacancy in the board shall be filled in the same manner under this section as the appointment of the member whose vacancy is being filled.

(b) An individual appointed to fill a vacancy shall serve the remaining unexpired term of the member whose vacancy the individual is filling.

(8) A member of the board appointed under Subsection (2)(a), (b), or (c) serves at the pleasure of and may be removed and replaced at any time, with or without cause, by the individual who appointed the member.

(9) A majority of the voting members of the board may appoint no more than two individuals to serve as nonvoting board advisory members, to serve as the board determines.

Section 23. Section **11-70-303** is enacted to read:

11-70-303. Board quorum -- Chair and officers -- Compensation.

(1) A majority of voting members constitutes a quorum, and the action of a majority of voting members constitutes action of the board.

(2) Upon a vote of a majority of all voting board members, the board may appoint a board chair and any other officer of the board.

(3) (a) A board member who is not a legislator may not receive compensation or benefits for the member's service on the board, but may receive per diem and reimbursement for travel expenses incurred as a board member as allowed in:

(i) Sections [63A-3-106](#) and [63A-3-107](#); and

(ii) rules made by the Division of Finance according to Sections [63A-3-106](#) and [63A-3-107](#).

(b) Compensation and expenses of a board member who is a legislator are governed by Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

Section 24. Section **11-70-304** is enacted to read:

11-70-304. Limitations on board members and executive director.

(1) As used in this section:

(a) "Direct financial benefit":

1359 (i) means any form of financial benefit that accrues to an individual directly, including:
1360 (A) compensation, commission, or any other form of a payment or increase of money;
1361 and
1362 (B) an increase in the value of a business or property; and
1363 (ii) does not include a financial benefit that accrues to the public generally.
1364 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.
1365 (2) An individual may not serve as a member of the board or as executive director if:
1366 (a) the individual owns real property, other than a personal residence in which the
1367 individual resides, within the fairpark district boundary, whether or not the ownership interest
1368 is a recorded interest;
1369 (b) a family member of the individual owns an interest in real property, other than a
1370 personal residence in which the family member resides, located within the fairpark district
1371 boundary; or
1372 (c) the individual or a family member of the individual owns an interest in, is directly
1373 affiliated with, or is an employee or officer of a private firm, private company, or other private
1374 entity that the individual reasonably believes is likely to:
1375 (i) participate in or receive a direct financial benefit from the development of land
1376 within the fairpark district boundary; or
1377 (ii) acquire an interest in or locate a facility within the fairpark district boundary.
1378 (3) Before taking office as a board member or accepting employment as executive
1379 director, an individual shall submit to the fairpark district a statement verifying that the
1380 individual's service as a board member or employment as executive director does not violate
1381 Subsection (2).
1382 (4) (a) An individual may not, at any time during the individual's service as a board
1383 member or employment with the fairpark district, acquire, or take any action to initiate,
1384 negotiate, or otherwise arrange for the acquisition of, an interest in real property located within
1385 the fairpark district boundary, if:
1386 (i) the acquisition is in the individual's personal capacity or in the individual's capacity
1387 as an employee or officer of a private firm, private company, or other private entity; and
1388 (ii) the acquisition will enable the individual to receive a direct financial benefit as a
1389 result of the development of land within the fairpark district boundary.

(b) Subsection (4)(a) does not apply to an individual's acquisition of, or action to initiate, negotiate, or otherwise arrange for the acquisition of, an interest in real property that is a personal residence in which the individual will reside upon acquisition of the real property.

(5) (a) A board member or an employee of the fairpark district may not receive a direct financial benefit from development within the fairpark district boundary.

(b) For purposes of Subsection (5)(a), a direct financial benefit does not include:

(i) expense reimbursements;

(ii) per diem pay for board member service, if applicable; or

(iii) an employee's compensation or benefits from employment with the fairpark district.

(6) Nothing in this section may be construed to affect the application or effect of any other code provision applicable to a board member or employee relating to ethics or conflicts of interest.

Section 25. Section **11-70-305** is enacted to read:

11-70-305. Executive director.

(1) (a) The board may hire an executive director to be the chief executive officer of the fairpark district.

(b) The board shall oversee an executive director hired by the board.

(2) The role of an executive director hired by the board is to:

(a) manage and oversee the day-to-day operations of the fairpark district;

(b) fulfill the executive and administrative duties and responsibilities of the fairpark district; and

(c) perform other functions or duties, as directed by the board.

(3) An executive director shall have the education, experience, and training necessary to perform the executive director's duties in a way that maximizes the potential for the fairpark district to successfully fulfill the fairpark district's duties and responsibilities under this chapter.

(4) An executive director is an at-will employee who serves at the pleasure of the board and may be removed by the board at any time.

(5) The board shall establish the compensation and benefits of an executive director.

Section 26. Section **11-70-401** is enacted to read:

Part 4. Enhanced Property Tax Revenue

11-70-401. Enhanced property tax revenue to be paid to fairpark district.

(1) During the payment period, the fairpark district shall be paid up to 100% of enhanced property tax revenue:

(a) generated from designated parcels of privately owned land within a project area;

and

(b) as the board specifies in a designation resolution adopted in consultation with a qualified owner.

(2) For purposes of the payment of enhanced property tax revenue under this section, a payment period shall begin January 1 of the year specified in the designation resolution.

(3) (a) For purposes of this section, the fairpark district may designate an improved portion of a parcel in a project area as a separate parcel.

(b) A fairpark district designation of an improved portion of a parcel as a separate parcel under Subsection (3)(a) does not constitute a subdivision, as defined in Section 10-9a-103 or Section 17-27a-103.

(c) A county recorder shall assign a separate tax identification number to the improved portion of a parcel designated by the authority as a separate parcel under Subsection (3)(a).

Section 27. Section **11-70-402** is enacted to read:

11-70-402. Distribution of enhanced property tax revenue.

A county that collects property tax on property within the county in which the fairpark district is located shall, in the manner and at the time provided in Section 59-2-1365, pay and distribute to the fairpark district the amount of enhanced property tax revenue that the fairpark district is entitled to collect under this chapter.

Section 28. Section **11-70-403** is enacted to read:

11-70-403. Limits on enhanced property tax revenue.

(1) Except as provided in Subsection 17C-1-407(4), a community reinvestment agency may not be paid any tax increment, as defined in Section 17C-1-102, generated within a project area of the fairpark district.

(2) The fairpark district may not use enhanced property tax revenue collected from one project area for a development project within another project area.

Section 29. Section **11-70-501** is enacted to read:

Part 5. Project Area Plan and Budget

11-70-501. Preparation of project area plan -- Required contents of project area plan.

(1) As provided in this section, the fairpark district may adopt a project area plan for the development of some or all of the land within the fairpark district boundary.

(2) In consultation with the fair park authority board, the fairpark district may adopt a project area plan for the development of some or all of the fair park land.

(3) With the consent of a qualified owner, the fairpark district may adopt a project area plan for the development of the qualified owner's land, including the development and construction of a qualified stadium.

(4) (a) To adopt a project area plan, the board shall:

(i) prepare a draft project area plan;

(ii) give notice as required under Subsection [11-70-503](#)(2);

(iii) hold at least one public meeting, as required under Subsection [11-70-503](#)(1); and

(iv) after holding at least one public meeting and subject to Subsection (4)(b), adopt the draft project area plan as the project area plan.

(b) Before adopting a draft project area plan as the project area plan, the board may make modifications to the draft project area plan that the board considers necessary or appropriate.

(5) A project area plan and draft project area plan shall contain:

(a) a legal description of the boundary of the project area;

(b) the fairpark district's purposes and intent with respect to the project area; and

(c) the board's findings and determination that:

(i) there is a need for the proposed development project to effectuate a public purpose;

(ii) there is a public benefit that will result from the proposed development project; and

(iii) it is economically sound and feasible to adopt and carry out the project area plan.

Section 30. Section **11-70-502** is enacted to read:

11-70-502. Qualified stadium under project area plan.

(1) A project area plan may provide for the development and construction of a qualified stadium on land that, until conveyed to the fairpark district as provided in Subsection (3)(b), is owned by a qualified owner.

(2) A project area plan under Subsection (1) shall include a requirement that the

qualified owner and fairpark district enter an agreement relating to the development, construction, operation, and ownership of a qualified stadium.

(3) An agreement under Subsection (2) shall:

(a) limit the amount of funding for the qualified stadium provided by the fairpark district to the lesser of:

(i) half the actual cost of developing and constructing the qualified stadium; or

(ii) \$900,000,000;

(b) require the qualified owner to convey to the fairpark district, as soon as practicable after the franchise agreement date, title to the property on which the qualified stadium will be constructed;

(c) require the qualified owner to repay to the fairpark district the full amount of the funding for the qualified stadium provided by the fairpark district if the major league sports team leaves the qualified stadium before 30 years after the franchise agreement date;

(d) provide for the fairpark district to possess full ownership rights to the qualified stadium;

(e) provide for the qualified owner to sell and control sponsorship rights relating to the qualified stadium;

(f) provide for the fairpark district to lease the qualified stadium to the major league sports team for lease payments of \$150,000 per month for 360 months;

(g) require the qualified owner to operate and maintain the qualified stadium and to pay for all operation and maintenance costs; and

(h) require the qualified owner to cooperate and coordinate with the fairpark district to allow events other than events of the major league sports team to occur at the qualified stadium if those other events do not interfere with the use of the qualified stadium for events of the major league sports team.

(4) The fairpark district shall pay to the Division of Finance, for deposit into the General Fund, all lease payments the fairpark district receives under a lease agreement for the qualified stadium.

Section 31. Section 11-70-503 is enacted to read:

11-70-503. Public meeting to consider and discuss draft project area plan -- Notice -- Adoption of plan.

(1) The board shall hold at least one public meeting to consider and discuss a draft project area plan.

(2) Before holding a public meeting under Subsection (1), the board shall give notice of the public meeting:

(a) to each taxing entity, at least 10 days before the public meeting; and

(b) for the project area, as a class A notice under Section [63G-30-102](#), for at least 10 days before the public meeting.

(3) Following consideration and discussion at a public meeting under Subsection (1), and any modification of the project area plan under Subsection [11-70-501](#)(4)(b), the board may adopt the draft project area plan or modified draft project area plan as the project area plan.

Section 32. Section **11-70-504** is enacted to read:

11-70-504. Notice of project area plan adoption -- Effective date of plan -- Time for challenging a project area plan or project area.

(1) Upon the board's adoption of a project area plan, the board shall provide notice as provided in Subsection (2) by publishing or causing to be published legal notice:

(a) for the project area, as a class A notice under Section [63G-30-102](#), for at least 30 days; and

(b) as required by Section [45-1-101](#).

(2) (a) A notice under Subsection (1) shall include:

(i) the board resolution adopting the project area plan or a summary of the resolution; and

(ii) a statement that the project area plan is available for general public inspection and the hours for inspection.

(b) The statement required under Subsection (2)(a)(ii) may be included within the board resolution adopting the project area plan or within the summary of the resolution.

(3) The project area plan shall become effective on the date designated in the board resolution.

(4) The fairpark district shall make the adopted project area plan available to the general public at the fairpark district's offices during normal business hours.

(5) Within 10 days after the day on which a project area plan is adopted that establishes a project area, or after an amendment to a project area plan is adopted under which the

boundary of a project area is modified, the fairpark district shall send notice of the establishment or modification of the project area and an accurate map or plat of the project area to:

(a) the State Tax Commission;

(b) the Utah Geospatial Resource Center created in Section [63A-16-505](#); and

(c) the assessor, auditor, and recorder of each county where the project area is located.

(6) A legal action or other challenge to a project area plan or a project area described in a project area plan is barred unless brought within 30 days after the effective date of the project area plan.

Section 33. Section **11-70-505** is enacted to read:

11-70-505. Amendment to a project area plan.

(1) The fairpark district may amend a project area plan by following the same procedure under this part as applies to the adoption of a project area plan.

(2) The provisions of this part apply to the fairpark district's adoption of an amendment to a project area plan to the same extent as they apply to the adoption of a project area plan.

Section 34. Section **11-70-506** is enacted to read:

11-70-506. Project area budget.

(1) Before the fairpark district may use the enhanced property tax revenue from a project area, the board shall prepare and adopt a project area budget.

(2) A project area budget shall include:

(a) the base taxable value of property in the project area;

(b) the projected enhanced property tax revenue expected to be generated within the project area;

(c) the amount of the enhanced property tax revenue expected to be used to implement the project area plan, including the estimated amount of the enhanced property tax revenue to be used for:

(i) land acquisition;

(ii) public infrastructure and improvements; and

(iv) loans, grants, or other incentives to private and public entities;

(d) the enhanced property tax revenue expected to be used to cover the cost of administering the project area plan;

(e) the amount of enhanced property tax revenue expected to be shared with other taxing entities; and

(f) for property that the fairpark district owns or leases and expects to sell or sublease, the expected total cost of the property to the fairpark district and the expected selling price or lease payments.

(3) The board may amend an adopted project area budget as and when the board considers it appropriate.

Section 35. Section **11-70-601** is enacted to read:

Part 6. Fairpark District Bonds

11-70-601. Resolution authorizing issuance of fairpark district bonds -- Characteristics of bonds -- Notice.

(1) In issuing bonds under this part, the fairpark district shall comply with applicable requirements and provisions of Title 63C, Chapter 25, State Finance Review Commission.

(2) (a) As provided in the fairpark district resolution authorizing the issuance of bonds under this part or the trust indenture under which the bonds are issued, bonds issued under this part may be issued in one or more series and may be sold at public or private sale and in the manner provided in the resolution or indenture.

(b) Bonds issued under this part shall bear the date, be payable at the time, bear interest at the rate, be in the denomination and in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be subject to the terms of redemption or tender, with or without premium, be payable in the medium of payment and at the place, and have other characteristics as provided in the fairpark district resolution authorizing their issuance or the trust indenture under which they are issued.

(3) Upon the board's adoption of a resolution providing for the issuance of bonds, the board may provide for the publication of the resolution:

(a) for the area within the fairpark district's boundaries, as a class A notice under Section [63G-30-102](#), for at least 30 days; and

(b) as required in Section [45-1-101](#).

(4) In lieu of publishing the entire resolution, the board may publish notice of bonds that contains the information described in Subsection [11-14-316](#)(2).

(5) For a period of 30 days after the publication, any person in interest may contest:

1607 (a) the legality of the resolution or proceeding;

1608 (b) any bonds that may be authorized by the resolution or proceeding; or

1609 (c) any provisions made for the security and payment of the bonds.

1610 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified
1611 written complaint, within 30 days of the publication under Subsection (5), in the district court
1612 of the county in which the person resides.

1613 (b) A person may not contest the matters set forth in Subsection (5), or the regularity,
1614 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for
1615 contesting provided in Subsection (6)(a).

1616 (7) No later than 60 days after the closing day of any bonds, the fairpark district shall
1617 report the bonds issuance, including the amount of the bonds, terms, interest rate, and security,
1618 to:

1619 (a) the Executive Appropriations Committee; and

1620 (b) the State Finance Review Commission created in Section [63C-25-201](#).

1621 Section 36. Section **11-70-602** is enacted to read:

1622 **11-70-602. Sources from which bonds may be made payable -- Fairpark district**
1623 **powers regarding bonds.**

1624 (1) Subject to Subsection [11-70-207](#)(2), the principal and interest on bonds issued by
1625 the fairpark district may be made payable from:

1626 (a) the income and revenues of the projects financed with the proceeds of the bonds;

1627 (b) the income and revenues of certain designated projects whether or not they were
1628 financed in whole or in part with the proceeds of the bonds;

1629 (c) the income, proceeds, revenues, property, and funds the fairpark district derives
1630 from or holds in connection with its undertaking and carrying out development of land within
1631 the fairpark district boundary;

1632 (d) enhanced property tax revenue;

1633 (e) fairpark district revenues generally;

1634 (f) a contribution, loan, grant, or other financial assistance from the federal government
1635 or a public entity in aid of the fairpark district; or

1636 (g) funds derived from any combination of the methods listed in Subsections (1)(a)
1637 through (f).

(2) In connection with the issuance of fairpark district bonds, the fairpark district may:

(a) as the board determines in the board's reasonable discretion, pledge all or any part of the fairpark district's gross or net rents, fees, or revenues to which the fairpark district's right then exists or may thereafter come into existence;

(b) encumber by mortgage, deed of trust, or otherwise all or any part of the fairpark district's real or personal property, then owned or thereafter acquired; and

(c) make the covenants and take the action that may be necessary, convenient, or desirable to secure its bonds, or, except as otherwise provided in this chapter, that will tend to make the bonds more marketable, even though such covenants or actions are not specifically enumerated in this chapter.

Section 37. Section **11-70-603** is enacted to read:

11-70-603. Purchase of fairpark district bonds.

(1) Any person, firm, corporation, association, political subdivision of the state, or other entity or public or private officer may purchase bonds issued by the fairpark district under this part with funds owned or controlled by the purchaser.

(2) Nothing in this section may be construed to relieve a purchaser of fairpark district bonds of any duty to exercise reasonable care in selecting securities.

Section 38. Section **11-70-604** is enacted to read:

11-70-604. Those executing bonds not personally liable -- Limitation of obligations under bonds -- Negotiability.

(1) A member of the board or other person executing a fairpark district bond is not liable personally on the bond.

(2) (a) A bond issued by the fairpark district is not a general obligation or liability of the state or any of its political subdivisions and does not constitute a charge against their general credit or taxing powers.

(b) A bond issued by the fairpark district is not payable out of any funds or properties other than those of the fairpark district.

(c) The state and its political subdivisions are not and may not be held liable on a bond issued by the fairpark district.

(d) A bond issued by the fairpark district does not constitute indebtedness within the meaning of any constitutional or statutory debt limitation.

(3) A bond issued by the fairpark district under this part is fully negotiable.

Section 39. Section **11-70-605** is enacted to read:

11-70-605. Bonds exempt from taxes -- Fairpark district may purchase its own bonds.

(1) A bond issued by the fairpark district under this part is issued for an essential public and governmental purpose and is, together with interest on the bond and income from it, exempt from all state taxes except the corporate franchise tax.

(2) The fairpark district may purchase its own bonds at a price that its board determines.

(3) Nothing in this section may be construed to limit the right of an obligee to pursue a remedy for the enforcement of a pledge or lien given under this part by the fairpark district on its rents, fees, grants, properties, or revenues.

Section 40. Section **11-70-701** is enacted to read:

Part 7. Fairpark District Budget and Other Financial Matters

11-70-701. Annual fairpark district budget -- Fiscal year -- Public hearing and notice required -- Auditor forms.

(1) The fairpark district shall prepare and the board adopt an annual budget of revenues and expenditures for the fairpark district for each fiscal year.

(2) Each annual fairpark district budget shall be adopted before June 22.

(3) The fairpark district's fiscal year shall be the period from July 1 to the following June 30.

(4) (a) Before adopting an annual budget, the fairpark district board shall hold a public hearing on the annual budget.

(b) The fairpark district shall provide notice of the public hearing on the annual budget by publishing notice as a class A notice under Section [63G-30-102](#) for at least one week before the public hearing.

(c) The fairpark district shall make the annual budget available for public inspection at least three days before the date of the public hearing.

(5) The state auditor shall prescribe the budget forms and the categories to be contained in each fairpark district budget, including:

(a) revenues and expenditures for the budget year; and

1700 (b) administrative costs, including legal fees, rent, supplies, and other materials, and
1701 salaries of fairpark district personnel.

1702 Section 41. Section **11-70-702** is enacted to read:

1703 **11-70-702. Amending the fairpark district annual budget.**

1704 (1) The fairpark district board may by resolution amend an annual fairpark district
1705 budget.

1706 (2) An amendment of the annual fairpark district budget that would increase the total
1707 expenditures may be made only after public hearing by notice published as required for initial
1708 adoption of the annual budget.

1709 (3) The fairpark district may not make expenditures in excess of the total expenditures
1710 established in the annual budget as it is adopted or amended.

1711 Section 42. Section **11-70-703** is enacted to read:

1712 **11-70-703. Audit requirements.**

1713 The fairpark district shall comply with the audit requirements of Title 51, Chapter 2a,
1714 Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local
1715 Entities Act.

1716 Section 43. Section **11-70-704** is enacted to read:

1717 **11-70-704. Fairpark district chief financial officer is a public treasurer -- Certain**
1718 **fairpark district funds are public funds.**

1719 (1) The fairpark district's chief financial officer:

1720 (a) is a public treasurer, as defined in Section [51-7-3](#); and

1721 (b) shall invest the fairpark district funds specified in Subsection (2) as provided in that
1722 subsection.

1723 (2) Notwithstanding Subsection [63E-2-110\(2\)\(a\)](#), appropriations that the fairpark
1724 district receives from the state:

1725 (a) are public funds; and

1726 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

1727 Section 44. Section **11-70-801** is enacted to read:

1728 **Part 8. Fairpark District Dissolution**

1729 **11-70-801. Dissolution of fairpark district -- Restrictions -- Notice of dissolution --**
1730 **Disposition of fairpark district property -- Fairpark district records -- Dissolution**

1731 expenses.

1732 (1) The fairpark district may not be dissolved unless the fairpark district has no
1733 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally
1734 binding contractual obligations with persons or entities other than the state.

1735 (2) Upon the dissolution of the fairpark district:

1736 (a) the Governor's Office of Economic Opportunity shall publish a notice of
1737 dissolution:

1738 (i) for the county in which the dissolved fairpark district is located, as a class A notice
1739 under Section 63G-30-102, for at least seven days; and

1740 (ii) as required in Section 45-1-101; and

1741 (b) all title to property owned by the fairpark district vests in the state.

1742 (3) The books, documents, records, papers, and seal of each dissolved fairpark district
1743 shall be deposited for safekeeping and reference with the state auditor.

1744 (4) The fairpark district shall pay all expenses of the deactivation and dissolution.

1745 Section 45. Section 17C-1-407 is amended to read:

1746 **17C-1-407. Limitations on tax increment.**

1747 (1) (a) If the development of retail sales of goods is the primary objective of an urban
1748 renewal project area, tax increment from the urban renewal project area may not be paid to or
1749 used by an agency unless the agency makes a development impediment determination under
1750 Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas.

1751 (b) Except as provided in Section 11-41-103, development of retail sales of goods does
1752 not disqualify an agency from receiving tax increment.

1753 (c) After July 1, 2005, an agency may not receive or use tax increment generated from
1754 the value of property within an economic development project area that is attributable to the
1755 development of retail sales of goods, unless the tax increment was previously pledged to pay
1756 for bonds or other contractual obligations of the agency.

1757 (2) (a) For the purpose of this Subsection (2):

1758 (i) "Final tax rate" means the rate used to determine the amount of taxes a taxing entity
1759 levies as described in the notice to a taxpayer under Subsection 59-2-1317(2).

1760 (ii) "Increased tax revenue" means tax revenue attributable to a tax rate increase.

1761 (iii) "Tax rate increase" means the amount calculated by subtracting a taxing entity's

certified rate, as defined in Section 59-2-924, from the taxing entity's final tax rate.

(b) Except as provided in Subsection (2)(c), for a year in which a taxing entity imposes a final tax rate higher than the certified tax rate, a county shall not pay an agency any portion of a taxing entity's increased tax revenue.

(c) Notwithstanding Subsection (2)(b), a county may pay all or a portion of a taxing entity's increased tax revenue to an agency if, at the time of the project area budget approval, the taxing entity committee or each taxing entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204 consents to pay the agency the increased tax revenue.

(d) If the taxing entity committee or each tax entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204 does not consent to payment of the increased tax revenue to the agency under Subsection (2)(c), the county shall distribute to the taxing entity the increased tax revenue in the same manner as other property tax revenue.

(e) Notwithstanding any other provision of this section, if, before tax year 2013, increased tax revenue is paid to an agency without the consent of the taxing entity committee or each taxing entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204, and notwithstanding the law at the time that the tax revenue was collected or increased:

(i) the State Tax Commission, the county as the collector of the taxes, a taxing entity, or any other person or entity may not recover, directly or indirectly, the increased tax revenue from the agency by adjustment of a tax rate used to calculate tax increment or otherwise;

(ii) the county is not liable to a taxing entity or any other person or entity for the increased tax revenue that was paid to the agency; and

(iii) tax increment, including the increased tax revenue, shall continue to be paid to the agency subject to the same number of tax years, percentage of tax increment, and cumulative dollar amount of tax increment as approved in the project area budget and previously paid to the agency.

(f) An adjustment may not be made to incremental value under Section 59-2-924 for increased tax revenue not paid to an agency under this section.

(3) Except as the taxing entity committee otherwise agrees, an agency may not receive tax increment under an urban renewal or economic development project area budget adopted on or after March 30, 2009:

(a) that exceeds the percentage of tax increment or cumulative dollar amount of tax

1793 increment specified in the project area budget; or

1794 (b) for more tax years than specified in the project area budget.

1795 (4) Beginning May 1, 2024, an agency may not be paid tax increment from an area that
1796 is within the fairpark district boundary, as defined in Section 11-70-101, unless and only to the
1797 extent that the tax increment revenue from that area is pledged to pay for a bond issued before
1798 January 1, 2024.

1799 Section 46. Section **17D-4-102** is amended to read:

1800 **17D-4-102. Definitions.**

1801 As used in this chapter:

1802 (1) "Board" means the board of trustees of a public infrastructure district.

1803 (2) "Creating entity" means the county, municipality, or development authority that
1804 approves the creation of a public infrastructure district.

1805 (3) "Development authority" means:

1806 (a) the Utah Inland Port Authority created in Section 11-58-201;

1807 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; ~~[or]~~

1808 (c) the Utah Fairpark Area Investment and Restoration District created in Section
1809 11-70-201; or

1810 ~~[(c)]~~ (d) the military installation development authority created in Section 63H-1-201.

1811 (4) "District applicant" means the person proposing the creation of a public
1812 infrastructure district.

1813 (5) "Division" means a division of a public infrastructure district:

1814 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
1815 other divisions within the public infrastructure district, taking into account existing or potential
1816 developments which, when completed, would increase or decrease the population within the
1817 public infrastructure district; and

1818 (b) which a member of the board represents.

1819 (6) "Governing document" means the document governing a public infrastructure
1820 district to which the creating entity agrees before the creation of the public infrastructure
1821 district, as amended from time to time, and subject to the limitations of Title 17B, Chapter 1,
1822 Provisions Applicable to All Special Districts, and this chapter.

1823 (7) (a) "Limited tax bond" means a bond:

(i) that is directly payable from and secured by ad valorem property taxes that are levied:

(A) by a public infrastructure district that issues the bond; and

(B) on taxable property within the district;

(ii) that is a general obligation of the public infrastructure district; and

(iii) for which the ad valorem property tax levy for repayment of the bond does not exceed the property tax levy rate limit established under Section 17D-4-303 for any fiscal year, except as provided in Subsection 17D-4-301(8).

(b) "Limited tax bond" does not include:

(i) a short-term bond;

(ii) a tax and revenue anticipation bond; or

(iii) a special assessment bond.

(8) "Public infrastructure and improvements" means:

(a) the same as that term is defined in Section 11-58-102, for a public infrastructure district created by the Utah Inland Port Authority created in Section 11-58-201; ~~and~~

(b) the same as that term is defined in Section 11-70-101, for a public infrastructure district created by the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201; and

~~[(b)]~~ (c) the same as that term is defined in Section 63H-1-102, for a public infrastructure district created by the military installation development authority created in Section 63H-1-201.

Section 47. Section 53F-9-207 is enacted to read:

53F-9-207. Funding for At-risk Student Account.

(1) As used in this section, "account" means the Funding for At-risk Student Account created in this section.

(2) There is created within the Income Tax Fund a restricted account known as the "Funding for At-risk Student Account."

(3) The account shall be funded by:

(a) amounts deposited into the account in accordance with Subsection 59-10-544(3);

and

(b) other legislative appropriations.

(4) The account shall earn interest.

(5) Interest earned on the account shall be deposited into the account.

(6) (a) The Legislature shall appropriate money in the account to the state board to be used for the purposes described in Subsection 53F-2-314(3).

(b) Money appropriated to the state board under Subsection (6)(a) is in addition to money allocated according to the weighted pupil unit calculation described in Subsection 53F-2-314(2).

Section 48. Section **59-2-924** is amended to read:

59-2-924. Definitions -- Report of valuation of property to county auditor and commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the commission.

(1) As used in this section:

(a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with this chapter.

(ii) "Ad valorem property tax revenue" does not include:

(A) interest;

(B) penalties;

(C) collections from redemptions; or

(D) revenue received by a taxing entity from personal property that is semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3, County Assessment.

(b) "Adjusted tax increment" means the same as that term is defined in Section 17C-1-102.

(c) (i) "Aggregate taxable value of all property taxed" means:

(A) the aggregate taxable value of all real property a county assessor assesses in accordance with Part 3, County Assessment, for the current year;

(B) the aggregate taxable value of all real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year; and

(C) the aggregate year end taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls

1886 of the taxing entity.

1887 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
1888 end taxable value of personal property that is:

1889 (A) semiconductor manufacturing equipment assessed by a county assessor in
1890 accordance with Part 3, County Assessment; and

1891 (B) contained on the prior year's tax rolls of the taxing entity.

1892 (d) "Base taxable value" means:

1893 (i) for an authority created under Section 11-58-201, the same as that term is defined in
1894 Section 11-58-102;

1895 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
1896 the same as that term is defined in Section 11-59-207;

1897 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined
1898 in Section 17C-1-102;

1899 (iv) for an authority created under Section 63H-1-201, the same as that term is defined
1900 in Section 63H-1-102;

1901 (v) for a host local government, the same as that term is defined in Section 63N-2-502;
1902 or

1903 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
1904 Part 6, Housing and Transit Reinvestment Zone Act, a property's taxable value as shown upon
1905 the assessment roll last equalized during the base year, as that term is defined in Section
1906 63N-3-602.

1907 (e) "Centrally assessed benchmark value" means an amount equal to the highest year
1908 end taxable value of real and personal property the commission assesses in accordance with
1909 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,
1910 2015, adjusted for taxable value attributable to:

1911 (i) an annexation to a taxing entity;

1912 (ii) an incorrect allocation of taxable value of real or personal property the commission
1913 assesses in accordance with Part 2, Assessment of Property; or

1914 (iii) a change in value as a result of a change in the method of apportioning the value
1915 prescribed by the Legislature, a court, or the commission in an administrative rule or
1916 administrative order.

- 1917 (f) (i) "Centrally assessed new growth" means the greater of:
1918 (A) zero; or
1919 (B) the amount calculated by subtracting the centrally assessed benchmark value
1920 adjusted for prior year end incremental value from the taxable value of real and personal
1921 property the commission assesses in accordance with Part 2, Assessment of Property, for the
1922 current year, adjusted for current year incremental value.
- 1923 (ii) "Centrally assessed new growth" does not include a change in value as a result of a
1924 change in the method of apportioning the value prescribed by the Legislature, a court, or the
1925 commission in an administrative rule or administrative order.
- 1926 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property
1927 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 1928 (h) "Community reinvestment agency" means the same as that term is defined in
1929 Section [17C-1-102](#).
- 1930 (i) "Eligible new growth" means the greater of:
1931 (i) zero; or
1932 (ii) the sum of:
1933 (A) locally assessed new growth;
1934 (B) centrally assessed new growth; and
1935 (C) project area new growth or hotel property new growth.
- 1936 (j) "Host local government" means the same as that term is defined in Section
1937 [63N-2-502](#).
- 1938 (k) "Hotel property" means the same as that term is defined in Section [63N-2-502](#).
- 1939 (l) "Hotel property new growth" means an amount equal to the incremental value that
1940 is no longer provided to a host local government as incremental property tax revenue.
- 1941 (m) "Incremental property tax revenue" means the same as that term is defined in
1942 Section [63N-2-502](#).
- 1943 (n) "Incremental value" means:
1944 (i) for an authority created under Section [11-58-201](#), the amount calculated by
1945 multiplying:
1946 (A) the difference between the taxable value and the base taxable value of the property
1947 that is located within a project area and on which property tax differential is collected; and

1948 (B) the number that represents the percentage of the property tax differential that is
1949 paid to the authority;

1950 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
1951 an amount calculated by multiplying:

1952 (A) the difference between the current assessed value of the property and the base
1953 taxable value; and

1954 (B) the number that represents the percentage of the property tax augmentation, as
1955 defined in Section 11-59-207, that is paid to the Point of the Mountain State Land Authority;

1956 (iii) for an agency created under Section 17C-1-201.5, the amount calculated by
1957 multiplying:

1958 (A) the difference between the taxable value and the base taxable value of the property
1959 located within a project area and on which tax increment is collected; and

1960 (B) the number that represents the adjusted tax increment from that project area that is
1961 paid to the agency;

1962 (iv) for an authority created under Section 63H-1-201, the amount calculated by
1963 multiplying:

1964 (A) the difference between the taxable value and the base taxable value of the property
1965 located within a project area and on which property tax allocation is collected; and

1966 (B) the number that represents the percentage of the property tax allocation from that
1967 project area that is paid to the authority;

1968 (v) for a housing and transit reinvestment zone created pursuant to Title 63N, Chapter
1969 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:

1970 (A) the difference between the taxable value and the base taxable value of the property
1971 that is located within a housing and transit reinvestment zone and on which tax increment is
1972 collected; and

1973 (B) the number that represents the percentage of the tax increment that is paid to the
1974 housing and transit reinvestment zone; or

1975 (vi) for a host local government, an amount calculated by multiplying:

1976 (A) the difference between the taxable value and the base taxable value of the hotel
1977 property on which incremental property tax revenue is collected; and

1978 (B) the number that represents the percentage of the incremental property tax revenue

1979 from that hotel property that is paid to the host local government[~~;~~~~or~~].
 1980 [~~(vii) for the State Fair Park Authority created in Section 11-68-201, the taxable value~~
 1981 ~~of.~~]
 1982 [~~(A) fair park land, as defined in Section 11-68-101, that is subject to a privilege tax~~
 1983 ~~under Section 11-68-402; or~~]
 1984 [~~(B) personal property located on property that is subject to the privilege tax described~~
 1985 ~~in Subsection (1)(n)(vii)(A).~~]
 1986 (o) (i) "Locally assessed new growth" means the greater of:
 1987 (A) zero; or
 1988 (B) the amount calculated by subtracting the year end taxable value of real property the
 1989 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,
 1990 adjusted for prior year end incremental value from the taxable value of real property the county
 1991 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted
 1992 for current year incremental value.
 1993 (ii) "Locally assessed new growth" does not include a change in:
 1994 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or
 1995 another adjustment;
 1996 (B) assessed value based on whether a property is allowed a residential exemption for a
 1997 primary residence under Section 59-2-103;
 1998 (C) assessed value based on whether a property is assessed under Part 5, Farmland
 1999 Assessment Act; or
 2000 (D) assessed value based on whether a property is assessed under Part 17, Urban
 2001 Farming Assessment Act.
 2002 (p) "Project area" means:
 2003 (i) for an authority created under Section 11-58-201, the same as that term is defined in
 2004 Section 11-58-102;
 2005 (ii) for an agency created under Section 17C-1-201.5, the same as that term is defined
 2006 in Section 17C-1-102; or
 2007 (iii) for an authority created under Section 63H-1-201, the same as that term is defined
 2008 in Section 63H-1-102.
 2009 (q) "Project area new growth" means:

(i) for an authority created under Section 11-58-201, an amount equal to the incremental value that is no longer provided to an authority as property tax differential;

(ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount equal to the incremental value that is no longer provided to the Point of the Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;

(iii) for an agency created under Section 17C-1-201.5, an amount equal to the incremental value that is no longer provided to an agency as tax increment;

(iv) for an authority created under Section 63H-1-201, an amount equal to the incremental value that is no longer provided to an authority as property tax allocation; or

(v) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that is no longer provided to a housing and transit reinvestment zone as tax increment.

(r) "Project area incremental revenue" means the same as that term is defined in Section 17C-1-1001.

(s) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.

(t) "Property tax differential" means the same as that term is defined in Section 11-58-102.

(u) "Qualifying exempt revenue" means revenue received:

(i) for the previous calendar year;

(ii) by a taxing entity;

(iii) from tangible personal property contained on the prior year's tax rolls that is exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on January 1, 2022; and

(iv) on the aggregate 2021 year end taxable value of the tangible personal property that exceeds \$15,300.

(v) "Tax increment" means:

(i) for a project created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102; or

(ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section

63N-3-602.

(2) Before June 1 of each year, the county assessor of each county shall deliver to the county auditor and the commission the following statements:

(a) a statement containing the aggregate valuation of all taxable real property a county assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and

(b) a statement containing the taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, from the prior year end values.

(3) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:

(a) the statements described in Subsections (2)(a) and (b);

(b) an estimate of the revenue from personal property;

(c) the certified tax rate; and

(d) all forms necessary to submit a tax levy request.

(4) (a) Except as otherwise provided in this section, the certified tax rate shall be calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the prior year minus the qualifying exempt revenue by the amount calculated under Subsection (4)(b).

(b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall calculate an amount as follows:

(i) calculate for the taxing entity the difference between:

(A) the aggregate taxable value of all property taxed; and

(B) any adjustments for current year incremental value;

(ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the average of the percentage net change in the value of taxable property for the equalization period for the three calendar years immediately preceding the current calendar year;

(iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product of:

(A) the amount calculated under Subsection (4)(b)(ii); and

(B) the percentage of property taxes collected for the five calendar years immediately preceding the current calendar year; and

2072 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount
2073 determined by:

2074 (A) multiplying the percentage of property taxes collected for the five calendar years
2075 immediately preceding the current calendar year by eligible new growth; and

2076 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount
2077 calculated under Subsection (4)(b)(iii).

2078 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be
2079 calculated as follows:

2080 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
2081 tax rate is zero;

2082 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

2083 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
2084 services under Sections 17-34-1 and 17-36-9; and

2085 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
2086 purposes and such other levies imposed solely for the municipal-type services identified in
2087 Section 17-34-1 and Subsection 17-36-3(23);

2088 (c) for a community reinvestment agency that received all or a portion of a taxing
2089 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10,
2090 Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4)
2091 except that the commission shall treat the total revenue transferred to the community
2092 reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the
2093 prior year; and

2094 (d) for debt service voted on by the public, the certified tax rate is the actual levy
2095 imposed by that section, except that a certified tax rate for the following levies shall be
2096 calculated in accordance with Section 59-2-913 and this section:

2097 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and

2098 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative
2099 orders under Section 59-2-1602.

2100 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be
2101 imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more
2102 eligible judgments.

2103 (b) The ad valorem property tax revenue generated by a judgment levy described in
2104 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax
2105 rate.

2106 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

2107 (i) the taxable value of real property:

2108 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

2109 (B) contained on the assessment roll;

2110 (ii) the year end taxable value of personal property:

2111 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

2112 (B) contained on the prior year's assessment roll; and

2113 (iii) the taxable value of real and personal property the commission assesses in
2114 accordance with Part 2, Assessment of Property.

2115 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
2116 growth.

2117 (8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

2118 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall
2119 notify the county auditor of:

2120 (i) the taxing entity's intent to exceed the certified tax rate; and

2121 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

2122 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
2123 exceeds the certified tax rate in accordance with Sections [59-2-919](#) and [59-2-919.1](#).

2124 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through
2125 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim
2126 Committee if:

2127 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
2128 taxable value of the real and personal property the commission assesses in accordance with
2129 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental
2130 value; and

2131 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end
2132 taxable value of the real and personal property of a taxpayer the commission assesses in
2133 accordance with Part 2, Assessment of Property, for the previous year.

(b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by subtracting the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year, adjusted for current year incremental value, from the year end taxable value of the real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental value.

(c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by subtracting the total taxable value of real and personal property of a taxpayer the commission assesses in accordance with Part 2, Assessment of Property, for the current year, from the total year end taxable value of the real and personal property of a taxpayer the commission assesses in accordance with Part 2, Assessment of Property, for the previous year.

(d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the requirement under Subsection (9)(a)(ii).

Section 49. Section **59-4-101** is amended to read:

59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of person to receive notice.

(1) (a) Except as provided in Subsections (1)(b), (1)(c), and (3), a tax is imposed on the possession or other beneficial use enjoyed by any person of any real or personal property that is exempt for any reason from taxation, if that property is used in connection with a business conducted for profit.

(b) Any interest remaining in the state in state lands after subtracting amounts paid or due in part payment of the purchase price as provided in Subsection [59-2-1103\(2\)\(b\)\(i\)](#) under a contract of sale is subject to taxation under this chapter regardless of whether the property is used in connection with a business conducted for profit.

(c) The tax imposed under Subsection (1)(a) does not apply to property exempt from taxation under Section [59-2-1114](#).

(2) (a) The tax imposed under this chapter is the same amount that the ad valorem property tax would be if the possessor or user were the owner of the property.

(b) The amount of any payments that are made in lieu of taxes is credited against the tax imposed on the beneficial use of property owned by the federal government.

(3) A tax is not imposed under this chapter on the following:

(a) the use of property that is a concession in, or relative to, the use of a public airport, park, fairground, or similar property that is available as a matter of right to the use of the general public;

(b) the use or possession of property by a religious, educational, or charitable organization;

(c) the use or possession of property if the revenue generated by the possessor or user of the property through its possession or use of the property inures only to the benefit of a religious, educational, or charitable organization and not to the benefit of any other person;

(d) the possession or other beneficial use of public land occupied under the terms of an agricultural lease or permit issued by the United States or this state;

(e) the use or possession of any lease, permit, or easement unless the lease, permit, or easement entitles the lessee or permittee to exclusive possession of the premises to which the lease, permit, or easement relates;

(f) the use or possession of property by a public agency, as defined in Section 11-13-103, to the extent that the ownership interest of the public agency in that property is subject to a fee in lieu of ad valorem property tax under Section 11-13-302; or

(g) the possession or beneficial use of public property as a tollway by a private entity through a tollway development agreement as defined in Section 72-6-202.

(4) For purposes of Subsection (3)(e):

(a) every lessee, permittee, or other holder of a right to remove or extract the mineral covered by the holder's lease, right permit, or easement, except from brines of the Great Salt Lake, is considered to be in possession of the premises, regardless of whether another party has a similar right to remove or extract another mineral from the same property; and

(b) a lessee, permittee, or holder of an easement still has exclusive possession of the premises if the owner has the right to enter the premises, approve leasehold improvements, or inspect the premises.

(5) A tax imposed under this chapter is assessed to the possessors or users of the property on the same forms, and collected and, subject to ~~[Subsection 11-68-402(2)]~~ Section 11-70-203, distributed at the same time and in the same manner, as taxes assessed owners, possessors, or other claimants of property that is subject to ad valorem property taxation. The tax is not a lien against the property, and no tax-exempt property may be attached, encumbered,

2196 sold, or otherwise affected for the collection of the tax.

2197 (6) (a) (i) Except as provided in Subsection (6)(a)(ii), if a governmental entity is
2198 required under this chapter to send information or notice to a person, the governmental entity
2199 shall send the information or notice to:

2200 (A) the person required under the applicable provision of this chapter; and

2201 (B) each person designated in accordance with Subsection (6)(b) by the person
2202 described in Subsection (6)(a)(i)(A).

2203 (ii) If a governmental entity is required under Section 59-2-919.1 or 59-2-1317 to send
2204 information or notice to a person, the governmental entity shall send the information or notice
2205 to:

2206 (A) the person required under the applicable section; or

2207 (B) one person designated in accordance with Subsection (6)(b) by the person
2208 described in Subsection (6)(a)(ii)(A).

2209 (b) (i) A person to whom a governmental entity is required under this chapter to send
2210 information or notice may designate a person to receive the information or notice in accordance
2211 with Subsection (6)(a).

2212 (ii) To make a designation described in Subsection (6)(b)(i), the person shall submit a
2213 written request to the governmental entity on a form prescribed by the commission.

2214 (c) A person who makes a designation described in Subsection (6)(b) may revoke the
2215 designation by submitting a written request to the governmental entity on a form prescribed by
2216 the commission.

2217 (7) Sections 59-2-301.1 through 59-2-301.7 apply for purposes of assessing a tax under
2218 this chapter.

2219 Section 50. Section 59-10-544 is amended to read:

2220 **59-10-544. General powers and duties of the commission -- Deposit, distribution,**
2221 **or credit of revenues -- Refund reverts to state under certain circumstances.**

2222 (1) (a) The commission shall administer and enforce a tax imposed under this chapter
2223 for which purpose it may divide the state into districts in each of which a branch office of the
2224 commission may be maintained.

2225 (b) A county may not be divided in forming a district.

2226 (2) (a) The commission shall deposit at least quarterly all revenue collected or received

2227 by the commission under this chapter with the state treasurer.

2228 (b) Subject to Sections [59-10-529](#) and [59-10-531](#), the commission shall distribute and

2229 credit, at least quarterly and based on a pro rata share of Income Tax Fund and Uniform School

2230 Fund appropriations for the current fiscal year, the revenue described in Subsection (2)(a) to:

2231 (i) the Income Tax Fund; and

2232 (ii) the Uniform School Fund in accordance with Section [53F-9-201.1](#).

2233 (c) The commission may credit to or draw from the Income Tax Fund and the Uniform

2234 School Fund:

2235 (i) annually to adjust for differences between estimates and actual amounts; or

2236 (ii) in the proportion described in Subsection (2)(b) to issue a refund.

2237 (d) If a refund the commission makes is not claimed within two years from the date the

2238 commission issues the refund:

2239 (i) the refund reverts to the state to be credited to the Income Tax Fund; and

2240 (ii) no further claim may be made on the commission for the amount of the refund.

2241 (3) (a) As used in this Subsection (3):

2242 (i) "Fairpark district area" means the area within the fairpark district boundary, as

2243 defined in Section [11-70-101](#).

2244 (ii) "Nonresident professional athlete" means a nonresident individual who:

2245 (A) is a professional athlete; and

2246 (B) earns income that is taxable under Section [59-10-116](#) while engaged in

2247 professional sports competition within the fairpark district area.

2248 (b) Notwithstanding any other provision of this section, the commission shall deposit

2249 into the Funding for At-risk Student Account, created in Section [53F-9-207](#), all income tax

2250 revenue generated from nonresident professional athletes.

2251 Section 51. Section **59-12-104** is amended to read:

2252 **59-12-104. Exemptions.**

2253 Exemptions from the taxes imposed by this chapter are as follows:

2254 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax

2255 under Chapter 13, Motor and Special Fuel Tax Act;

2256 (2) subject to Section [59-12-104.6](#), sales to the state, its institutions, and its political

2257 subdivisions; however, this exemption does not apply to sales of:

2258 (a) construction materials except:

2259 (i) construction materials purchased by or on behalf of institutions of the public

2260 education system as defined in Utah Constitution, Article X, Section 2, provided the

2261 construction materials are clearly identified and segregated and installed or converted to real

2262 property which is owned by institutions of the public education system; and

2263 (ii) construction materials purchased by the state, its institutions, or its political

2264 subdivisions which are installed or converted to real property by employees of the state, its

2265 institutions, or its political subdivisions; or

2266 (b) tangible personal property in connection with the construction, operation,

2267 maintenance, repair, or replacement of a project, as defined in Section 11-13-103, or facilities

2268 providing additional project capacity, as defined in Section 11-13-103;

2269 (3) (a) sales of an item described in Subsection (3)(b) from a vending machine if:

2270 (i) the proceeds of each sale do not exceed \$1; and

2271 (ii) the seller or operator of the vending machine reports an amount equal to 150% of

2272 the cost of the item described in Subsection (3)(b) as goods consumed; and

2273 (b) Subsection (3)(a) applies to:

2274 (i) food and food ingredients; or

2275 (ii) prepared food;

2276 (4) (a) sales of the following to a commercial airline carrier for in-flight consumption:

2277 (i) alcoholic beverages;

2278 (ii) food and food ingredients; or

2279 (iii) prepared food;

2280 (b) sales of tangible personal property or a product transferred electronically:

2281 (i) to a passenger;

2282 (ii) by a commercial airline carrier; and

2283 (iii) during a flight for in-flight consumption or in-flight use by the passenger; or

2284 (c) services related to Subsection (4)(a) or (b);

2285 (5) sales of parts and equipment for installation in an aircraft operated by a common

2286 carrier in interstate or foreign commerce;

2287 (6) sales of commercials, motion picture films, prerecorded audio program tapes or

2288 records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture

2289 exhibitor, distributor, or commercial television or radio broadcaster;

2290 (7) (a) except as provided in Subsection (85) and subject to Subsection (7)(b), sales of
2291 cleaning or washing of tangible personal property if the cleaning or washing of the tangible
2292 personal property is not assisted cleaning or washing of tangible personal property;

2293 (b) if a seller that sells at the same business location assisted cleaning or washing of
2294 tangible personal property and cleaning or washing of tangible personal property that is not
2295 assisted cleaning or washing of tangible personal property, the exemption described in
2296 Subsection (7)(a) applies if the seller separately accounts for the sales of the assisted cleaning
2297 or washing of the tangible personal property; and

2298 (c) for purposes of Subsection (7)(b) and in accordance with Title 63G, Chapter 3,
2299 Utah Administrative Rulemaking Act, the commission may make rules:

2300 (i) governing the circumstances under which sales are at the same business location;
2301 and

2302 (ii) establishing the procedures and requirements for a seller to separately account for
2303 sales of assisted cleaning or washing of tangible personal property;

2304 (8) sales made to or by religious or charitable institutions in the conduct of their regular
2305 religious or charitable functions and activities, if the requirements of Section 59-12-104.1 are
2306 fulfilled;

2307 (9) sales of a vehicle of a type required to be registered under the motor vehicle laws of
2308 this state if:

2309 (a) the sale is not from the vehicle's lessor to the vehicle's lessee;

2310 (b) the vehicle is not registered in this state; and

2311 (c) (i) the vehicle is not used in this state; or

2312 (ii) the vehicle is used in this state:

2313 (A) if the vehicle is not used to conduct business, for a time period that does not
2314 exceed the longer of:

2315 (I) 30 days in any calendar year; or

2316 (II) the time period necessary to transport the vehicle to the borders of this state; or

2317 (B) if the vehicle is used to conduct business, for the time period necessary to transport
2318 the vehicle to the borders of this state;

2319 (10) (a) amounts paid for an item described in Subsection (10)(b) if:

2320 (i) the item is intended for human use; and
2321 (ii) (A) a prescription was issued for the item; or
2322 (B) the item was purchased by a hospital or other medical facility; and
2323 (b) (i) Subsection (10)(a) applies to:
2324 (A) a drug;
2325 (B) a syringe; or
2326 (C) a stoma supply; and
2327 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2328 commission may by rule define the terms:
2329 (A) "syringe"; or
2330 (B) "stoma supply";
2331 (11) purchases or leases exempt under Section 19-12-201;
2332 (12) (a) sales of an item described in Subsection (12)(c) served by:
2333 (i) the following if the item described in Subsection (12)(c) is not available to the
2334 general public:
2335 (A) a church; or
2336 (B) a charitable institution; or
2337 (ii) an institution of higher education if:
2338 (A) the item described in Subsection (12)(c) is not available to the general public; or
2339 (B) the item described in Subsection (12)(c) is prepaid as part of a student meal plan
2340 offered by the institution of higher education; or
2341 (b) sales of an item described in Subsection (12)(c) provided for a patient by:
2342 (i) a medical facility; or
2343 (ii) a nursing facility; and
2344 (c) Subsections (12)(a) and (b) apply to:
2345 (i) food and food ingredients;
2346 (ii) prepared food; or
2347 (iii) alcoholic beverages;
2348 (13) (a) except as provided in Subsection (13)(b), the sale of tangible personal property
2349 or a product transferred electronically by a person:
2350 (i) regardless of the number of transactions involving the sale of that tangible personal

2351 property or product transferred electronically by that person; and
2352 (ii) not regularly engaged in the business of selling that type of tangible personal
2353 property or product transferred electronically;
2354 (b) this Subsection (13) does not apply if:
2355 (i) the sale is one of a series of sales of a character to indicate that the person is
2356 regularly engaged in the business of selling that type of tangible personal property or product
2357 transferred electronically;
2358 (ii) the person holds that person out as regularly engaged in the business of selling that
2359 type of tangible personal property or product transferred electronically;
2360 (iii) the person sells an item of tangible personal property or product transferred
2361 electronically that the person purchased as a sale that is exempt under Subsection (25); or
2362 (iv) the sale is of a vehicle or vessel required to be titled or registered under the laws of
2363 this state in which case the tax is based upon:
2364 (A) the bill of sale, lease agreement, or other written evidence of value of the vehicle or
2365 vessel being sold; or
2366 (B) in the absence of a bill of sale, lease agreement, or other written evidence of value,
2367 the fair market value of the vehicle or vessel being sold at the time of the sale as determined by
2368 the commission; and
2369 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2370 commission shall make rules establishing the circumstances under which:
2371 (i) a person is regularly engaged in the business of selling a type of tangible personal
2372 property or product transferred electronically;
2373 (ii) a sale of tangible personal property or a product transferred electronically is one of
2374 a series of sales of a character to indicate that a person is regularly engaged in the business of
2375 selling that type of tangible personal property or product transferred electronically; or
2376 (iii) a person holds that person out as regularly engaged in the business of selling a type
2377 of tangible personal property or product transferred electronically;
2378 (14) amounts paid or charged for a purchase or lease of machinery, equipment, normal
2379 operating repair or replacement parts, or materials, except for office equipment or office
2380 supplies, by:
2381 (a) a manufacturing facility that:

2382 (i) is located in the state; and
2383 (ii) uses or consumes the machinery, equipment, normal operating repair or
2384 replacement parts, or materials:
2385 (A) in the manufacturing process to manufacture an item sold as tangible personal
2386 property, as the commission may define that phrase in accordance with Title 63G, Chapter 3,
2387 Utah Administrative Rulemaking Act; or
2388 (B) for a scrap recycler, to process an item sold as tangible personal property, as the
2389 commission may define that phrase in accordance with Title 63G, Chapter 3, Utah
2390 Administrative Rulemaking Act;
2391 (b) an establishment, as the commission defines that term in accordance with Title
2392 63G, Chapter 3, Utah Administrative Rulemaking Act, that:
2393 (i) is described in NAICS Subsector 212, Mining (except Oil and Gas), or NAICS
2394 Code 213113, Support Activities for Coal Mining, 213114, Support Activities for Metal
2395 Mining, or 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining, of the
2396 2002 North American Industry Classification System of the federal Executive Office of the
2397 President, Office of Management and Budget;
2398 (ii) is located in the state; and
2399 (iii) uses or consumes the machinery, equipment, normal operating repair or
2400 replacement parts, or materials in:
2401 (A) the production process to produce an item sold as tangible personal property, as the
2402 commission may define that phrase in accordance with Title 63G, Chapter 3, Utah
2403 Administrative Rulemaking Act;
2404 (B) research and development, as the commission may define that phrase in accordance
2405 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
2406 (C) transporting, storing, or managing tailings, overburden, or similar waste materials
2407 produced from mining;
2408 (D) developing or maintaining a road, tunnel, excavation, or similar feature used in
2409 mining; or
2410 (E) preventing, controlling, or reducing dust or other pollutants from mining; or
2411 (c) an establishment, as the commission defines that term in accordance with Title
2412 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

2413 (i) is described in NAICS Code 518112, Web Search Portals, of the 2002 North
2414 American Industry Classification System of the federal Executive Office of the President,
2415 Office of Management and Budget;

2416 (ii) is located in the state; and

2417 (iii) uses or consumes the machinery, equipment, normal operating repair or
2418 replacement parts, or materials in the operation of the web search portal;

2419 (15) (a) sales of the following if the requirements of Subsection (15)(b) are met:

2420 (i) tooling;

2421 (ii) special tooling;

2422 (iii) support equipment;

2423 (iv) special test equipment; or

2424 (v) parts used in the repairs or renovations of tooling or equipment described in
2425 Subsections (15)(a)(i) through (iv); and

2426 (b) sales of tooling, equipment, or parts described in Subsection (15)(a) are exempt if:

2427 (i) the tooling, equipment, or parts are used or consumed exclusively in the
2428 performance of any aerospace or electronics industry contract with the United States
2429 government or any subcontract under that contract; and

2430 (ii) under the terms of the contract or subcontract described in Subsection (15)(b)(i),
2431 title to the tooling, equipment, or parts is vested in the United States government as evidenced
2432 by:

2433 (A) a government identification tag placed on the tooling, equipment, or parts; or

2434 (B) listing on a government-approved property record if placing a government
2435 identification tag on the tooling, equipment, or parts is impractical;

2436 (16) sales of newspapers or newspaper subscriptions;

2437 (17) (a) except as provided in Subsection (17)(b), tangible personal property or a
2438 product transferred electronically traded in as full or part payment of the purchase price, except
2439 that for purposes of calculating sales or use tax upon vehicles not sold by a vehicle dealer,
2440 trade-ins are limited to other vehicles only, and the tax is based upon:

2441 (i) the bill of sale or other written evidence of value of the vehicle being sold and the
2442 vehicle being traded in; or

2443 (ii) in the absence of a bill of sale or other written evidence of value, the then existing

2444 fair market value of the vehicle being sold and the vehicle being traded in, as determined by the
2445 commission; and

2446 (b) Subsection (17)(a) does not apply to the following items of tangible personal
2447 property or products transferred electronically traded in as full or part payment of the purchase
2448 price:

2449 (i) money;

2450 (ii) electricity;

2451 (iii) water;

2452 (iv) gas; or

2453 (v) steam;

2454 (18) (a) (i) except as provided in Subsection (18)(b), sales of tangible personal property
2455 or a product transferred electronically used or consumed primarily and directly in farming
2456 operations, regardless of whether the tangible personal property or product transferred
2457 electronically:

2458 (A) becomes part of real estate; or

2459 (B) is installed by a farmer, contractor, or subcontractor; or

2460 (ii) sales of parts used in the repairs or renovations of tangible personal property or a
2461 product transferred electronically if the tangible personal property or product transferred
2462 electronically is exempt under Subsection (18)(a)(i); and

2463 (b) amounts paid or charged for the following are subject to the taxes imposed by this
2464 chapter:

2465 (i) (A) subject to Subsection (18)(b)(i)(B), machinery, equipment, materials, or
2466 supplies if used in a manner that is incidental to farming; and

2467 (B) tangible personal property that is considered to be used in a manner that is
2468 incidental to farming includes:

2469 (I) hand tools; or

2470 (II) maintenance and janitorial equipment and supplies;

2471 (ii) (A) subject to Subsection (18)(b)(ii)(B), tangible personal property or a product
2472 transferred electronically if the tangible personal property or product transferred electronically
2473 is used in an activity other than farming; and

2474 (B) tangible personal property or a product transferred electronically that is considered

2475 to be used in an activity other than farming includes:

2476 (I) office equipment and supplies; or

2477 (II) equipment and supplies used in:

2478 (Aa) the sale or distribution of farm products;

2479 (Bb) research; or

2480 (Cc) transportation; or

2481 (iii) a vehicle required to be registered by the laws of this state during the period

2482 ending two years after the date of the vehicle's purchase;

2483 (19) sales of hay;

2484 (20) exclusive sale during the harvest season of seasonal crops, seedling plants, or

2485 garden, farm, or other agricultural produce if the seasonal crops are, seedling plants are, or

2486 garden, farm, or other agricultural produce is sold by:

2487 (a) the producer of the seasonal crops, seedling plants, or garden, farm, or other

2488 agricultural produce;

2489 (b) an employee of the producer described in Subsection (20)(a); or

2490 (c) a member of the immediate family of the producer described in Subsection (20)(a);

2491 (21) purchases made using a coupon as defined in 7 U.S.C. Sec. 2012 that is issued

2492 under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;

2493 (22) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags,

2494 nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor,

2495 wholesaler, or retailer for use in packaging tangible personal property to be sold by that

2496 manufacturer, processor, wholesaler, or retailer;

2497 (23) a product stored in the state for resale;

2498 (24) (a) purchases of a product if:

2499 (i) the product is:

2500 (A) purchased outside of this state;

2501 (B) brought into this state:

2502 (I) at any time after the purchase described in Subsection (24)(a)(i)(A); and

2503 (II) by a nonresident person who is not living or working in this state at the time of the

2504 purchase;

2505 (C) used for the personal use or enjoyment of the nonresident person described in

2506 Subsection (24)(a)(i)(B)(II) while that nonresident person is within the state; and
2507 (D) not used in conducting business in this state; and
2508 (ii) for:
2509 (A) a product other than a boat described in Subsection (24)(a)(ii)(B), the first use of
2510 the product for a purpose for which the product is designed occurs outside of this state;
2511 (B) a boat, the boat is registered outside of this state; or
2512 (C) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered
2513 outside of this state;
2514 (b) the exemption provided for in Subsection (24)(a) does not apply to:
2515 (i) a lease or rental of a product; or
2516 (ii) a sale of a vehicle exempt under Subsection (33); and
2517 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
2518 purposes of Subsection (24)(a), the commission may by rule define what constitutes the
2519 following:
2520 (i) conducting business in this state if that phrase has the same meaning in this
2521 Subsection (24) as in Subsection (63);
2522 (ii) the first use of a product if that phrase has the same meaning in this Subsection (24)
2523 as in Subsection (63); or
2524 (iii) a purpose for which a product is designed if that phrase has the same meaning in
2525 this Subsection (24) as in Subsection (63);
2526 (25) a product purchased for resale in the regular course of business, either in its
2527 original form or as an ingredient or component part of a manufactured or compounded product;
2528 (26) a product upon which a sales or use tax was paid to some other state, or one of its
2529 subdivisions, except that the state shall be paid any difference between the tax paid and the tax
2530 imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if
2531 the tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax
2532 Act;
2533 (27) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a
2534 person for use in compounding a service taxable under the subsections;
2535 (28) purchases made in accordance with the special supplemental nutrition program for
2536 women, infants, and children established in 42 U.S.C. Sec. 1786;

2537 (29) sales or leases of rolls, rollers, refractory brick, electric motors, or other
2538 replacement parts used in the furnaces, mills, or ovens of a steel mill described in SIC Code
2539 3312 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of
2540 the President, Office of Management and Budget;

2541 (30) sales of a boat of a type required to be registered under Title 73, Chapter 18, State
2542 Boating Act, a boat trailer, or an outboard motor if the boat, boat trailer, or outboard motor is:

2543 (a) not registered in this state; and
2544 (b) (i) not used in this state; or
2545 (ii) used in this state:

2546 (A) if the boat, boat trailer, or outboard motor is not used to conduct business, for a
2547 time period that does not exceed the longer of:

2548 (I) 30 days in any calendar year; or
2549 (II) the time period necessary to transport the boat, boat trailer, or outboard motor to
2550 the borders of this state; or

2551 (B) if the boat, boat trailer, or outboard motor is used to conduct business, for the time
2552 period necessary to transport the boat, boat trailer, or outboard motor to the borders of this
2553 state;

2554 (31) sales of aircraft manufactured in Utah;

2555 (32) amounts paid for the purchase of telecommunications service for purposes of
2556 providing telecommunications service;

2557 (33) sales, leases, or uses of the following:

2558 (a) a vehicle by an authorized carrier; or
2559 (b) tangible personal property that is installed on a vehicle:

2560 (i) sold or leased to or used by an authorized carrier; and
2561 (ii) before the vehicle is placed in service for the first time;

2562 (34) (a) 45% of the sales price of any new manufactured home; and
2563 (b) 100% of the sales price of any used manufactured home;

2564 (35) sales relating to schools and fundraising sales;

2565 (36) sales or rentals of durable medical equipment if:

2566 (a) a person presents a prescription for the durable medical equipment; and
2567 (b) the durable medical equipment is used for home use only;

2568 (37) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in
2569 Section 72-11-102; and

2570 (b) the commission shall by rule determine the method for calculating sales exempt
2571 under Subsection (37)(a) that are not separately metered and accounted for in utility billings;

2572 (38) sales to a ski resort of:

2573 (a) snowmaking equipment;

2574 (b) ski slope grooming equipment;

2575 (c) passenger ropeways as defined in Section 72-11-102; or

2576 (d) parts used in the repairs or renovations of equipment or passenger ropeways
2577 described in Subsections (38)(a) through (c);

2578 (39) subject to Subsection 59-12-103(2)(j), sales of natural gas, electricity, heat, coal,
2579 fuel oil, or other fuels for industrial use;

2580 (40) (a) subject to Subsection (40)(b), sales or rentals of the right to use or operate for
2581 amusement, entertainment, or recreation an unassisted amusement device as defined in Section
2582 59-12-102;

2583 (b) if a seller that sells or rents at the same business location the right to use or operate
2584 for amusement, entertainment, or recreation one or more unassisted amusement devices and
2585 one or more assisted amusement devices, the exemption described in Subsection (40)(a)
2586 applies if the seller separately accounts for the sales or rentals of the right to use or operate for
2587 amusement, entertainment, or recreation for the assisted amusement devices; and

2588 (c) for purposes of Subsection (40)(b) and in accordance with Title 63G, Chapter 3,
2589 Utah Administrative Rulemaking Act, the commission may make rules:

2590 (i) governing the circumstances under which sales are at the same business location;
2591 and

2592 (ii) establishing the procedures and requirements for a seller to separately account for
2593 the sales or rentals of the right to use or operate for amusement, entertainment, or recreation for
2594 assisted amusement devices;

2595 (41) (a) sales of photocopies by:

2596 (i) a governmental entity; or

2597 (ii) an entity within the state system of public education, including:

2598 (A) a school; or

2599 (B) the State Board of Education; or
2600 (b) sales of publications by a governmental entity;
2601 (42) amounts paid for admission to an athletic event at an institution of higher
2602 education that is subject to the provisions of Title IX of the Education Amendments of 1972,
2603 20 U.S.C. Sec. 1681 et seq.;

2604 (43) (a) sales made to or by:
2605 (i) an area agency on aging; or
2606 (ii) a senior citizen center owned by a county, city, or town; or
2607 (b) sales made by a senior citizen center that contracts with an area agency on aging;

2608 (44) sales or leases of semiconductor fabricating, processing, research, or development
2609 materials regardless of whether the semiconductor fabricating, processing, research, or
2610 development materials:
2611 (a) actually come into contact with a semiconductor; or
2612 (b) ultimately become incorporated into real property;

2613 (45) an amount paid by or charged to a purchaser for accommodations and services
2614 described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section
2615 59-12-104.2;

2616 (46) the lease or use of a vehicle issued a temporary sports event registration certificate
2617 in accordance with Section 41-3-306 for the event period specified on the temporary sports
2618 event registration certificate;

2619 (47) (a) sales or uses of electricity, if the sales or uses are made under a retail tariff
2620 adopted by the Public Service Commission only for purchase of electricity produced from a
2621 new alternative energy source built after January 1, 2016, as designated in the tariff by the
2622 Public Service Commission; and
2623 (b) for a residential use customer only, the exemption under Subsection (47)(a) applies
2624 only to the portion of the tariff rate a customer pays under the tariff described in Subsection
2625 (47)(a) that exceeds the tariff rate under the tariff described in Subsection (47)(a) that the
2626 customer would have paid absent the tariff;

2627 (48) sales or rentals of mobility enhancing equipment if a person presents a
2628 prescription for the mobility enhancing equipment;

2629 (49) sales of water in a:

2630 (a) pipe;
2631 (b) conduit;
2632 (c) ditch; or
2633 (d) reservoir;
2634 (50) sales of currency or coins that constitute legal tender of a state, the United States,
2635 or a foreign nation;
2636 (51) (a) sales of an item described in Subsection (51)(b) if the item:
2637 (i) does not constitute legal tender of a state, the United States, or a foreign nation; and
2638 (ii) has a gold, silver, or platinum content of 50% or more; and
2639 (b) Subsection (51)(a) applies to a gold, silver, or platinum:
2640 (i) ingot;
2641 (ii) bar;
2642 (iii) medallion; or
2643 (iv) decorative coin;
2644 (52) amounts paid on a sale-leaseback transaction;
2645 (53) sales of a prosthetic device:
2646 (a) for use on or in a human; and
2647 (b) (i) for which a prescription is required; or
2648 (ii) if the prosthetic device is purchased by a hospital or other medical facility;
2649 (54) (a) except as provided in Subsection (54)(b), purchases, leases, or rentals of
2650 machinery or equipment by an establishment described in Subsection (54)(c) if the machinery
2651 or equipment is primarily used in the production or postproduction of the following media for
2652 commercial distribution:
2653 (i) a motion picture;
2654 (ii) a television program;
2655 (iii) a movie made for television;
2656 (iv) a music video;
2657 (v) a commercial;
2658 (vi) a documentary; or
2659 (vii) a medium similar to Subsections (54)(a)(i) through (vi) as determined by the
2660 commission by administrative rule made in accordance with Subsection (54)(d); or

2661 (b) purchases, leases, or rentals of machinery or equipment by an establishment
2662 described in Subsection (54)(c) that is used for the production or postproduction of the
2663 following are subject to the taxes imposed by this chapter:

2664 (i) a live musical performance;
2665 (ii) a live news program; or
2666 (iii) a live sporting event;

2667 (c) the following establishments listed in the 1997 North American Industry
2668 Classification System of the federal Executive Office of the President, Office of Management
2669 and Budget, apply to Subsections (54)(a) and (b):

2670 (i) NAICS Code 512110; or
2671 (ii) NAICS Code 51219; and
2672 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2673 commission may by rule:

2674 (i) prescribe what constitutes a medium similar to Subsections (54)(a)(i) through (vi);
2675 or

2676 (ii) define:

2677 (A) "commercial distribution";
2678 (B) "live musical performance";
2679 (C) "live news program"; or
2680 (D) "live sporting event";

2681 (55) (a) leases of seven or more years or purchases made on or after July 1, 2004, but
2682 on or before June 30, 2027, of tangible personal property that:

2683 (i) is leased or purchased for or by a facility that:

2684 (A) is an alternative energy electricity production facility;
2685 (B) is located in the state; and
2686 (C) (I) becomes operational on or after July 1, 2004; or
2687 (II) has its generation capacity increased by one or more megawatts on or after July 1,
2688 2004, as a result of the use of the tangible personal property;

2689 (ii) has an economic life of five or more years; and
2690 (iii) is used to make the facility or the increase in capacity of the facility described in
2691 Subsection (55)(a)(i) operational up to the point of interconnection with an existing

2692 transmission grid including:

2693 (A) a wind turbine;

2694 (B) generating equipment;

2695 (C) a control and monitoring system;

2696 (D) a power line;

2697 (E) substation equipment;

2698 (F) lighting;

2699 (G) fencing;

2700 (H) pipes; or

2701 (I) other equipment used for locating a power line or pole; and

2702 (b) this Subsection (55) does not apply to:

2703 (i) tangible personal property used in construction of:

2704 (A) a new alternative energy electricity production facility; or

2705 (B) the increase in the capacity of an alternative energy electricity production facility;

2706 (ii) contracted services required for construction and routine maintenance activities;

2707 and

2708 (iii) unless the tangible personal property is used or acquired for an increase in capacity

2709 of the facility described in Subsection (55)(a)(i)(C)(II), tangible personal property used or

2710 acquired after:

2711 (A) the alternative energy electricity production facility described in Subsection

2712 (55)(a)(i) is operational as described in Subsection (55)(a)(iii); or

2713 (B) the increased capacity described in Subsection (55)(a)(i) is operational as described

2714 in Subsection (55)(a)(iii);

2715 (56) (a) leases of seven or more years or purchases made on or after July 1, 2004, but

2716 on or before June 30, 2027, of tangible personal property that:

2717 (i) is leased or purchased for or by a facility that:

2718 (A) is a waste energy production facility;

2719 (B) is located in the state; and

2720 (C) (I) becomes operational on or after July 1, 2004; or

2721 (II) has its generation capacity increased by one or more megawatts on or after July 1,

2722 2004, as a result of the use of the tangible personal property;

2723 (ii) has an economic life of five or more years; and
2724 (iii) is used to make the facility or the increase in capacity of the facility described in
2725 Subsection (56)(a)(i) operational up to the point of interconnection with an existing
2726 transmission grid including:
2727 (A) generating equipment;
2728 (B) a control and monitoring system;
2729 (C) a power line;
2730 (D) substation equipment;
2731 (E) lighting;
2732 (F) fencing;
2733 (G) pipes; or
2734 (H) other equipment used for locating a power line or pole; and
2735 (b) this Subsection (56) does not apply to:
2736 (i) tangible personal property used in construction of:
2737 (A) a new waste energy facility; or
2738 (B) the increase in the capacity of a waste energy facility;
2739 (ii) contracted services required for construction and routine maintenance activities;
2740 and
2741 (iii) unless the tangible personal property is used or acquired for an increase in capacity
2742 described in Subsection (56)(a)(i)(C)(II), tangible personal property used or acquired after:
2743 (A) the waste energy facility described in Subsection (56)(a)(i) is operational as
2744 described in Subsection (56)(a)(iii); or
2745 (B) the increased capacity described in Subsection (56)(a)(i) is operational as described
2746 in Subsection (56)(a)(iii);
2747 (57) (a) leases of five or more years or purchases made on or after July 1, 2004, but on
2748 or before June 30, 2027, of tangible personal property that:
2749 (i) is leased or purchased for or by a facility that:
2750 (A) is located in the state;
2751 (B) produces fuel from alternative energy, including:
2752 (I) methanol; or
2753 (II) ethanol; and

2754 (C) (I) becomes operational on or after July 1, 2004; or
2755 (II) has its capacity to produce fuel increase by 25% or more on or after July 1, 2004, as
2756 a result of the installation of the tangible personal property;
2757 (ii) has an economic life of five or more years; and
2758 (iii) is installed on the facility described in Subsection (57)(a)(i);
2759 (b) this Subsection (57) does not apply to:
2760 (i) tangible personal property used in construction of:
2761 (A) a new facility described in Subsection (57)(a)(i); or
2762 (B) the increase in capacity of the facility described in Subsection (57)(a)(i); or
2763 (ii) contracted services required for construction and routine maintenance activities;
2764 and
2765 (iii) unless the tangible personal property is used or acquired for an increase in capacity
2766 described in Subsection (57)(a)(i)(C)(II), tangible personal property used or acquired after:
2767 (A) the facility described in Subsection (57)(a)(i) is operational; or
2768 (B) the increased capacity described in Subsection (57)(a)(i) is operational;
2769 (58) (a) subject to Subsection (58)(b), sales of tangible personal property or a product
2770 transferred electronically to a person within this state if that tangible personal property or
2771 product transferred electronically is subsequently shipped outside the state and incorporated
2772 pursuant to contract into and becomes a part of real property located outside of this state; and
2773 (b) the exemption under Subsection (58)(a) is not allowed to the extent that the other
2774 state or political entity to which the tangible personal property is shipped imposes a sales, use,
2775 gross receipts, or other similar transaction excise tax on the transaction against which the other
2776 state or political entity allows a credit for sales and use taxes imposed by this chapter;
2777 (59) purchases:
2778 (a) of one or more of the following items in printed or electronic format:
2779 (i) a list containing information that includes one or more:
2780 (A) names; or
2781 (B) addresses; or
2782 (ii) a database containing information that includes one or more:
2783 (A) names; or
2784 (B) addresses; and

2785 (b) used to send direct mail;

2786 (60) redemptions or repurchases of a product by a person if that product was:

2787 (a) delivered to a pawnbroker as part of a pawn transaction; and

2788 (b) redeemed or repurchased within the time period established in a written agreement

2789 between the person and the pawnbroker for redeeming or repurchasing the product;

2790 (61) (a) purchases or leases of an item described in Subsection (61)(b) if the item:

2791 (i) is purchased or leased by, or on behalf of, a telecommunications service provider;

2792 and

2793 (ii) has a useful economic life of one or more years; and

2794 (b) the following apply to Subsection (61)(a):

2795 (i) telecommunications enabling or facilitating equipment, machinery, or software;

2796 (ii) telecommunications equipment, machinery, or software required for 911 service;

2797 (iii) telecommunications maintenance or repair equipment, machinery, or software;

2798 (iv) telecommunications switching or routing equipment, machinery, or software; or

2799 (v) telecommunications transmission equipment, machinery, or software;

2800 (62) (a) beginning on July 1, 2006, and ending on June 30, 2027, purchases of tangible

2801 personal property or a product transferred electronically that are used in the research and

2802 development of alternative energy technology; and

2803 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

2804 commission may, for purposes of Subsection (62)(a), make rules defining what constitutes

2805 purchases of tangible personal property or a product transferred electronically that are used in

2806 the research and development of alternative energy technology;

2807 (63) (a) purchases of tangible personal property or a product transferred electronically

2808 if:

2809 (i) the tangible personal property or product transferred electronically is:

2810 (A) purchased outside of this state;

2811 (B) brought into this state at any time after the purchase described in Subsection

2812 (63)(a)(i)(A); and

2813 (C) used in conducting business in this state; and

2814 (ii) for:

2815 (A) tangible personal property or a product transferred electronically other than the

2816 tangible personal property described in Subsection (63)(a)(ii)(B), the first use of the property
2817 for a purpose for which the property is designed occurs outside of this state; or
2818 (B) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered
2819 outside of this state and not required to be registered in this state under Section 41-1a-202 or
2820 73-18-9 based on residency;

2821 (b) the exemption provided for in Subsection (63)(a) does not apply to:
2822 (i) a lease or rental of tangible personal property or a product transferred electronically;
2823 or
2824 (ii) a sale of a vehicle exempt under Subsection (33); and
2825 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
2826 purposes of Subsection (63)(a), the commission may by rule define what constitutes the
2827 following:

2828 (i) conducting business in this state if that phrase has the same meaning in this
2829 Subsection (63) as in Subsection (24);
2830 (ii) the first use of tangible personal property or a product transferred electronically if
2831 that phrase has the same meaning in this Subsection (63) as in Subsection (24); or
2832 (iii) a purpose for which tangible personal property or a product transferred
2833 electronically is designed if that phrase has the same meaning in this Subsection (63) as in
2834 Subsection (24);

2835 (64) sales of disposable home medical equipment or supplies if:
2836 (a) a person presents a prescription for the disposable home medical equipment or
2837 supplies;
2838 (b) the disposable home medical equipment or supplies are used exclusively by the
2839 person to whom the prescription described in Subsection (64)(a) is issued; and
2840 (c) the disposable home medical equipment and supplies are listed as eligible for
2841 payment under:

2842 (i) Title XVIII, federal Social Security Act; or
2843 (ii) the state plan for medical assistance under Title XIX, federal Social Security Act;
2844 (65) sales:
2845 (a) to a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit
2846 District Act; or

2847 (b) of tangible personal property to a subcontractor of a public transit district, if the
2848 tangible personal property is:

2849 (i) clearly identified; and
2850 (ii) installed or converted to real property owned by the public transit district;

2851 (66) sales of construction materials:
2852 (a) purchased on or after July 1, 2010;
2853 (b) purchased by, on behalf of, or for the benefit of an international airport:
2854 (i) located within a county of the first class; and
2855 (ii) that has a United States customs office on its premises; and
2856 (c) if the construction materials are:
2857 (i) clearly identified;
2858 (ii) segregated; and
2859 (iii) installed or converted to real property:
2860 (A) owned or operated by the international airport described in Subsection (66)(b); and
2861 (B) located at the international airport described in Subsection (66)(b);

2862 (67) sales of construction materials:
2863 (a) purchased on or after July 1, 2008;
2864 (b) purchased by, on behalf of, or for the benefit of a new airport:
2865 (i) located within a county of the second class; and
2866 (ii) that is owned or operated by a city in which an airline as defined in Section
2867 59-2-102 is headquartered; and
2868 (c) if the construction materials are:
2869 (i) clearly identified;
2870 (ii) segregated; and
2871 (iii) installed or converted to real property:
2872 (A) owned or operated by the new airport described in Subsection (67)(b);
2873 (B) located at the new airport described in Subsection (67)(b); and
2874 (C) as part of the construction of the new airport described in Subsection (67)(b);

2875 (68) except for the tax imposed by Subsection 59-12-103(2)(d), sales of fuel to a
2876 common carrier that is a railroad for use in a locomotive engine;
2877 (69) purchases and sales described in Section 63H-4-111;

2878 (70) (a) sales of tangible personal property to an aircraft maintenance, repair, and
2879 overhaul provider for use in the maintenance, repair, overhaul, or refurbishment in this state of
2880 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration
2881 lists a state or country other than this state as the location of registry of the fixed wing turbine
2882 powered aircraft; or

2883 (b) sales of tangible personal property by an aircraft maintenance, repair, and overhaul
2884 provider in connection with the maintenance, repair, overhaul, or refurbishment in this state of
2885 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration
2886 lists a state or country other than this state as the location of registry of the fixed wing turbine
2887 powered aircraft;

2888 (71) subject to Section 59-12-104.4, sales of a textbook for a higher education course:

2889 (a) to a person admitted to an institution of higher education; and

2890 (b) by a seller, other than a bookstore owned by an institution of higher education, if
2891 51% or more of that seller's sales revenue for the previous calendar quarter are sales of a
2892 textbook for a higher education course;

2893 (72) a license fee or tax a municipality imposes in accordance with Subsection
2894 10-1-203(5) on a purchaser from a business for which the municipality provides an enhanced
2895 level of municipal services;

2896 (73) amounts paid or charged for construction materials used in the construction of a
2897 new or expanding life science research and development facility in the state, if the construction
2898 materials are:

2899 (a) clearly identified;

2900 (b) segregated; and

2901 (c) installed or converted to real property;

2902 (74) amounts paid or charged for:

2903 (a) a purchase or lease of machinery and equipment that:

2904 (i) are used in performing qualified research:

2905 (A) as defined in Section 41(d), Internal Revenue Code; and

2906 (B) in the state; and

2907 (ii) have an economic life of three or more years; and

2908 (b) normal operating repair or replacement parts:

2909 (i) for the machinery and equipment described in Subsection (74)(a); and
2910 (ii) that have an economic life of three or more years;
2911 (75) a sale or lease of tangible personal property used in the preparation of prepared
2912 food if:
2913 (a) for a sale:
2914 (i) the ownership of the seller and the ownership of the purchaser are identical; and
2915 (ii) the seller or the purchaser paid a tax under this chapter on the purchase of that
2916 tangible personal property prior to making the sale; or
2917 (b) for a lease:
2918 (i) the ownership of the lessor and the ownership of the lessee are identical; and
2919 (ii) the lessor or the lessee paid a tax under this chapter on the purchase of that tangible
2920 personal property prior to making the lease;
2921 (76) (a) purchases of machinery or equipment if:
2922 (i) the purchaser is an establishment described in NAICS Subsector 713, Amusement,
2923 Gambling, and Recreation Industries, of the 2012 North American Industry Classification
2924 System of the federal Executive Office of the President, Office of Management and Budget;
2925 (ii) the machinery or equipment:
2926 (A) has an economic life of three or more years; and
2927 (B) is used by one or more persons who pay admission or user fees described in
2928 Subsection 59-12-103(1)(f) to the purchaser of the machinery and equipment; and
2929 (iii) 51% or more of the purchaser's sales revenue for the previous calendar quarter is:
2930 (A) amounts paid or charged as admission or user fees described in Subsection
2931 59-12-103(1)(f); and
2932 (B) subject to taxation under this chapter; and
2933 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2934 commission may make rules for verifying that 51% of a purchaser's sales revenue for the
2935 previous calendar quarter is:
2936 (i) amounts paid or charged as admission or user fees described in Subsection
2937 59-12-103(1)(f); and
2938 (ii) subject to taxation under this chapter;
2939 (77) purchases of a short-term lodging consumable by a business that provides

2940 accommodations and services described in Subsection [59-12-103\(1\)\(i\)](#);
2941 (78) amounts paid or charged to access a database:
2942 (a) if the primary purpose for accessing the database is to view or retrieve information
2943 from the database; and
2944 (b) not including amounts paid or charged for a:
2945 (i) digital audio work;
2946 (ii) digital audio-visual work; or
2947 (iii) digital book;
2948 (79) amounts paid or charged for a purchase or lease made by an electronic financial
2949 payment service, of:
2950 (a) machinery and equipment that:
2951 (i) are used in the operation of the electronic financial payment service; and
2952 (ii) have an economic life of three or more years; and
2953 (b) normal operating repair or replacement parts that:
2954 (i) are used in the operation of the electronic financial payment service; and
2955 (ii) have an economic life of three or more years;
2956 (80) sales of a fuel cell as defined in Section [54-15-102](#);
2957 (81) amounts paid or charged for a purchase or lease of tangible personal property or a
2958 product transferred electronically if the tangible personal property or product transferred
2959 electronically:
2960 (a) is stored, used, or consumed in the state; and
2961 (b) is temporarily brought into the state from another state:
2962 (i) during a disaster period as defined in Section [53-2a-1202](#);
2963 (ii) by an out-of-state business as defined in Section [53-2a-1202](#);
2964 (iii) for a declared state disaster or emergency as defined in Section [53-2a-1202](#); and
2965 (iv) for disaster- or emergency-related work as defined in Section [53-2a-1202](#);
2966 (82) sales of goods and services at a morale, welfare, and recreation facility, as defined
2967 in Section [39A-7-102](#), made pursuant to Title 39A, Chapter 7, Morale, Welfare, and Recreation
2968 Program;
2969 (83) amounts paid or charged for a purchase or lease of molten magnesium;
2970 (84) amounts paid or charged for a purchase or lease made by a qualifying data center

2971 or an occupant of a qualifying data center of machinery, equipment, or normal operating repair
2972 or replacement parts, if the machinery, equipment, or normal operating repair or replacement
2973 parts:

2974 (a) are used in:

2975 (i) the operation of the qualifying data center; or

2976 (ii) the occupant's operations in the qualifying data center; and

2977 (b) have an economic life of one or more years;

2978 (85) sales of cleaning or washing of a vehicle, except for cleaning or washing of a

2979 vehicle that includes cleaning or washing of the interior of the vehicle;

2980 (86) amounts paid or charged for a purchase or lease of machinery, equipment, normal
2981 operating repair or replacement parts, catalysts, chemicals, reagents, solutions, or supplies used
2982 or consumed:

2983 (a) by a refiner who owns, leases, operates, controls, or supervises a refinery as defined
2984 in Section 79-6-701 located in the state;

2985 (b) if the machinery, equipment, normal operating repair or replacement parts,
2986 catalysts, chemicals, reagents, solutions, or supplies are used or consumed in:

2987 (i) the production process to produce gasoline or diesel fuel, or at which blendstock is
2988 added to gasoline or diesel fuel;

2989 (ii) research and development;

2990 (iii) transporting, storing, or managing raw materials, work in process, finished
2991 products, and waste materials produced from refining gasoline or diesel fuel, or adding
2992 blendstock to gasoline or diesel fuel;

2993 (iv) developing or maintaining a road, tunnel, excavation, or similar feature used in
2994 refining; or

2995 (v) preventing, controlling, or reducing pollutants from refining; and

2996 (c) if the person holds a valid refiner tax exemption certification as defined in Section
2997 79-6-701;

2998 (87) amounts paid to or charged by a proprietor for accommodations and services, as
2999 defined in Section 63H-1-205, if the proprietor is subject to the MIDA accommodations tax
3000 imposed under Section 63H-1-205;

3001 (88) amounts paid or charged for a purchase or lease of machinery, equipment, normal

operating repair or replacement parts, or materials, except for office equipment or office supplies, by an establishment, as the commission defines that term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

(a) is described in NAICS Code 621511, Medical Laboratories, of the 2017 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;

(b) is located in this state; and

(c) uses the machinery, equipment, normal operating repair or replacement parts, or materials in the operation of the establishment;

(89) amounts paid or charged for an item exempt under Section 59-12-104.10;

(90) sales of a note, leaf, foil, or film, if the item:

(a) is used as currency;

(b) does not constitute legal tender of a state, the United States, or a foreign nation; and

(c) has a gold, silver, or platinum metallic content of 50% or more, exclusive of any transparent polymer holder, coating, or encasement;

(91) amounts paid or charged for admission to an indoor skydiving, rock climbing, or surfing facility, if a trained instructor:

(a) is present with the participant, in person or by video, for the duration of the activity; and

(b) actively instructs the participant, including providing observation or feedback;

(92) amounts paid or charged in connection with the construction, operation, maintenance, repair, or replacement of facilities owned by or constructed for:

(a) a distribution electrical cooperative, as defined in Section 54-2-1; or

(b) a wholesale electrical cooperative, as defined in Section 54-2-1;

(93) amounts paid by the service provider for tangible personal property, other than machinery, equipment, parts, office supplies, electricity, gas, heat, steam, or other fuels, that:

(a) is consumed in the performance of a service that is subject to tax under Subsection 59-12-103(1)(b), (f), (g), (h), (i), or (j);

(b) has to be consumed for the service provider to provide the service described in Subsection (93)(a); and

(c) will be consumed in the performance of the service described in Subsection (93)(a),

3033 to one or more customers, to the point that the tangible personal property disappears or cannot
3034 be used for any other purpose;

3035 (94) sales of rail rolling stock manufactured in Utah; ~~[and]~~

3036 (95) amounts paid or charged for sales of sand, gravel, rock aggregate, cement
3037 products, or construction materials between establishments, as the commission defines that
3038 term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if:

3039 (a) the establishments are related directly or indirectly through 100% common
3040 ownership or control; and

3041 (b) each establishment is described in one of the following subsectors of the 2022
3042 North American Industry Classification System of the federal Executive Office of the
3043 President, Office of Management and Budget:

3044 (i) NAICS Subsector 237, Heavy and Civil Engineering Construction; or

3045 (ii) NAICS Subsector 327, Nonmetallic Mineral Product Manufacturing[-]; and

3046 (96) sales of construction materials used for the construction of a qualified stadium, as
3047 defined in Section 11-70-101.

3048 Section 52. Section **59-12-352** is amended to read:

3049 **59-12-352. Authority to impose a transient room tax -- Purposes for which**
3050 **revenues may be used.**

3051 (1) (a) Except as provided in Subsection (5), the governing body of a municipality may
3052 impose a tax of not to exceed 1% on charges for the accommodations and services described in
3053 Subsection 59-12-103(1)(i).

3054 (b) Subject to Section 63H-1-203, the military installation development authority
3055 created in Section 63H-1-201 may impose a tax under this section for accommodations and
3056 services described in Subsection 59-12-103(1)(i) within a project area described in a project
3057 area plan adopted by the authority under Title 63H, Chapter 1, Military Installation
3058 Development Authority Act, as though the authority were a municipality.

3059 (c) The Utah Fairpark Area Investment and Restoration District, created in Section
3060 11-70-201, may impose a tax under this section for accommodations and services described in
3061 Subsection 59-12-103(1)(i) within a project area described in a project area plan adopted by the
3062 Utah Fairpark Area Investment and Restoration District to the same extent and in the same
3063 manner as a municipality may impose a tax under this section.

(2) Subject to the limitations of Subsection (1), a governing body of a municipality may, by ordinance, increase or decrease the tax under this part.

(3) A governing body of a municipality shall regulate the tax under this part by ordinance.

(4) A municipality may use revenues generated by the tax under this part for general fund purposes.

(5) (a) A municipality may not impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within a project area described in a project area plan adopted by:

(i) the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act[-]; or

(ii) the Utah Fairpark Area Investment and Restoration District under Title 11, Chapter 70, Utah Fairpark Area Investment and Restoration District.

(b) Subsection (5)(a) does not apply to the military installation development authority's imposition of a tax under this section.

(6) (a) As used in this Subsection (6):

(i) "Authority" means the Point of the Mountain State Land Authority, created in Section 11-59-201.

(ii) "Authority board" means the board referred to in Section 11-59-301.

(b) The authority may, by a resolution adopted by the authority board, impose a tax of not to exceed 5% on charges for the accommodations and services described in Subsection 59-12-103(1)(i) for transactions that occur on point of the mountain state land, as defined in Section 11-59-102.

(c) The authority board, by resolution, shall regulate the tax under this Subsection (6).

(d) The authority shall use all revenue from a tax imposed under this Subsection (6) to provide affordable housing, consistent with the manner that a community reinvestment agency uses funds for affordable housing under Section 17C-1-412.

(e) A tax under this Subsection (6) is in addition to any other tax that may be imposed under this part.

Section 53. Section 59-12-354 is amended to read:

59-12-354. Collection of tax -- Administrative charge.

3095 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
 3096 shall be administered, collected, and enforced in accordance with:
 3097 (a) the same procedures used to administer, collect, and enforce the tax under:
 3098 (i) Part 1, Tax Collection; or
 3099 (ii) Part 2, Local Sales and Use Tax Act; and
 3100 (b) Chapter 1, General Taxation Policies.
 3101 (2) (a) The location of a transaction shall be determined in accordance with Sections
 3102 [59-12-211](#) through [59-12-215](#).
 3103 (b) ~~[The]~~ Except as provided in Subsection (2)(c), the commission[.]
 3104 ~~[(i) except as provided in Subsection (2)(b)(ii);]~~ shall distribute the revenue collected
 3105 from the tax to:
 3106 ~~[(A)]~~ (i) (A) the municipality within which the revenue was collected, for a tax
 3107 imposed under this part by a municipality; [and] or
 3108 (B) the Utah Fairpark Area Investment and Restoration District, for a tax imposed
 3109 under this part by the Utah Fairpark Area Investment and Restoration District; and
 3110 ~~[(B)]~~ (ii) the Point of the Mountain State Land Authority, for a tax imposed under
 3111 Subsection [59-12-352](#)(6)[; and].
 3112 ~~[(ii)]~~ (c) The commission shall retain and deposit an administrative charge in
 3113 accordance with Section [59-1-306](#) from the revenue the commission collects from a tax under
 3114 this part.
 3115 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
 3116 Subsections [59-12-205](#)(2) through (5).
 3117 Section 54. Section **59-12-401** is amended to read:
 3118 **59-12-401. Resort communities tax authority for cities, towns, and military**
 3119 **installation development authority -- Base -- Rate -- Collection fees.**
 3120 (1) (a) In addition to other sales and use taxes, a city or town in which the transient
 3121 room capacity as defined in Section [59-12-405](#) is greater than or equal to 66% of the
 3122 municipality's permanent census population may impose a sales and use tax of up to 1.1% on
 3123 the transactions described in Subsection [59-12-103](#)(1) located within the city or town.
 3124 (b) Notwithstanding Subsection (1)(a), a city or town may not impose a tax under this
 3125 section on:

3126 (i) (A) the sale of[+] a motor vehicle, an aircraft, a watercraft, a modular home, a
3127 manufactured home, or a mobile home;

3128 [~~(A) a motor vehicle;~~]

3129 [~~(B) an aircraft;~~]

3130 [~~(C) a watercraft;~~]

3131 [~~(D) a modular home;~~]

3132 [~~(E) a manufactured home; or~~]

3133 [~~(F) a mobile home;~~]

3134 [~~(ii)~~] (B) the sales and uses described in Section 59-12-104 to the extent the sales and
3135 uses are exempt from taxation under Section 59-12-104; and

3136 [~~(iii)~~] (C) except as provided in Subsection (1)(d), amounts paid or charged for food
3137 and food ingredients[+]; or

3138 (ii) transactions that occur in a fairpark district project area, as defined in Subsection
3139 (4), if the fairpark district, as defined in Subsection (4), has imposed a tax under Subsection
3140 (4).

3141 (c) For purposes of this Subsection (1), the location of a transaction shall be
3142 determined in accordance with Sections 59-12-211 through 59-12-215.

3143 (d) A city or town imposing a tax under this section shall impose the tax on the
3144 purchase price or the sales price for amounts paid or charged for food and food ingredients if
3145 the food and food ingredients are sold as part of a bundled transaction attributable to food and
3146 food ingredients and tangible personal property other than food and food ingredients.

3147 (2) (a) An amount equal to the total of any costs incurred by the state in connection
3148 with the implementation of Subsection (1) which exceed, in any year, the revenues received by
3149 the state from its collection fees received in connection with the implementation of Subsection
3150 (1) shall be paid over to the state General Fund by the cities and towns which impose the tax
3151 provided for in Subsection (1).

3152 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among
3153 those cities and towns according to the amount of revenue the respective cities and towns
3154 generate in that year through imposition of that tax.

3155 (3) (a) Subject to Section 63H-1-203, the military installation development authority
3156 created in Section 63H-1-201 may impose a tax under this section on the transactions described

in Subsection 59-12-103(1) located within a project area described in a project area plan adopted by the authority under Title 63H, Chapter 1, Military Installation Development Authority Act, as though the authority were a city or a town.

(b) For purposes of calculating the permanent census population within a project area, the board, as defined in Section 63H-1-102, shall:

(i) use the actual number of permanent residents within the project area as determined by the board;

(ii) include in the calculation of transient room capacity the number, as determined by the board, of approved high-occupancy lodging units, recreational lodging units, special lodging units, and standard lodging units, even if the units are not constructed;

(iii) adopt a resolution verifying the population number; and

(iv) provide the commission any information required in Section 59-12-405.

(c) Notwithstanding Subsection (1)(a), a board as defined in Section 63H-1-102 may impose the sales and use tax under this section if there are no permanent residents.

(4) (a) As used in this Subsection (4):

(i) "Fairpark district" means the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

(ii) "Fairpark district board" means the board of the fairpark district.

(iii) "Fairpark district project area" means a project area as defined in Section 11-70-101.

(b) The fairpark district, by resolution of the fairpark district board, may impose a tax under this section on transactions described in Subsection 59-12-103(1) located within a fairpark district project area, as though the fairpark district were a city or town.

(c) For purposes of calculating the permanent census population within a fairpark district project area, the fairpark district board shall:

(i) use the actual number of permanent residents within the fairpark district project area as determined by the fairpark district board;

(ii) include in the calculation of transient room capacity the number, as determined by the fairpark district board, of approved high-occupancy lodging units, recreational lodging units, special lodging units, and standard lodging units, even if the units are not constructed;

(iii) adopt a resolution verifying the population number; and

(iv) provide the commission any information required in Section 59-12-405.

(d) Notwithstanding Subsection (1)(a), the fairpark district may impose the sales and use tax under this section if there are no permanent residents within the fairpark district project area.

Section 55. Section **59-12-402** is amended to read:

59-12-402. Additional resort communities sales and use tax -- Base -- Rate -- Collection fees -- Resolution and voter approval requirements -- Election requirements -- Notice requirements -- Ordinance requirements -- Prohibition of military installation development authority imposition of tax.

(1) (a) Subject to Subsections (2) through (6), the governing body of a municipality in which the transient room capacity as defined in Section 59-12-405 is greater than or equal to 66% of the municipality's permanent census population may, in addition to the sales tax authorized under Section 59-12-401, impose an additional resort communities sales tax in an amount that is less than or equal to .5% on the transactions described in Subsection 59-12-103(1) located within the municipality.

(b) Notwithstanding Subsection (1)(a), the governing body of a municipality may not impose a tax under this section on:

(i) (A) the sale of[?] a motor vehicle, an aircraft, a watercraft, a modular home, a manufactured home, or a mobile home;

~~[(A) a motor vehicle;]~~

~~[(B) an aircraft;]~~

~~[(C) a watercraft;]~~

~~[(D) a modular home;]~~

~~[(E) a manufactured home; or]~~

~~[(F) a mobile home;]~~

~~[(ii)] (B) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and~~

~~[(iii)] (C) except as provided in Subsection (1)(d), amounts paid or charged for food and food ingredients[?]; or~~

(ii) transactions that occur in a fairpark district project area, as defined in Subsection 59-12-401(4), if the Utah Fairpark Area Investment and Restoration District, created in Section

3219 [11-70-201](#), has imposed a tax under Subsection (8).

3220 (c) For purposes of this Subsection (1), the location of a transaction shall be
3221 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

3222 (d) A municipality imposing a tax under this section shall impose the tax on the
3223 purchase price or sales price for amounts paid or charged for food and food ingredients if the
3224 food and food ingredients are sold as part of a bundled transaction attributable to food and food
3225 ingredients and tangible personal property other than food and food ingredients.

3226 (2) (a) An amount equal to the total of any costs incurred by the state in connection
3227 with the implementation of Subsection (1) which exceed, in any year, the revenues received by
3228 the state from its collection fees received in connection with the implementation of Subsection
3229 (1) shall be paid over to the state General Fund by the cities and towns which impose the tax
3230 provided for in Subsection (1).

3231 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among
3232 those cities and towns according to the amount of revenue the respective cities and towns
3233 generate in that year through imposition of that tax.

3234 (3) To impose an additional resort communities sales tax under this section, the
3235 governing body of the municipality shall:

3236 (a) pass a resolution approving the tax; and

3237 (b) except as provided in Subsection (6), obtain voter approval for the tax as provided
3238 in Subsection (4).

3239 (4) To obtain voter approval for an additional resort communities sales tax under
3240 Subsection (3)(b), a municipality shall:

3241 (a) hold the additional resort communities sales tax election during:

3242 (i) a regular general election; or

3243 (ii) a municipal general election; and

3244 (b) post notice of the election for the municipality, as a class A notice under Section
3245 [63G-30-102](#), for at least 15 days before the day on which the election is held.

3246 (5) An ordinance approving an additional resort communities sales tax under this
3247 section shall provide an effective date for the tax as provided in Section [59-12-403](#).

3248 (6) (a) Except as provided in Subsection (6)(b), a municipality is not subject to the
3249 voter approval requirements of Subsection (3)(b) if, on or before January 1, 1996, the

municipality imposed a license fee or tax on businesses based on gross receipts pursuant to Section [10-1-203](#).

(b) The exception from the voter approval requirements in Subsection (6)(a) does not apply to a municipality that, on or before January 1, 1996, imposed a license fee or tax on only one class of businesses based on gross receipts pursuant to Section [10-1-203](#).

(7) A military installation development authority authorized to impose a resort communities tax under Section [59-12-401](#) may not impose an additional resort communities sales tax under this section.

(8) The Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), may impose an additional resort communities tax under this section on transactions that occur within a fairpark district project area, as defined in Subsection [59-12-401](#)(4).

Section 56. Section **59-12-1201** is amended to read:

59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, and enforcement of tax -- Administrative charge -- Deposits.

(1) (a) (i) Except as provided in Subsections (3) and (4), there is imposed a tax of 2.5% on all short-term leases and rentals of motor vehicles not exceeding 30 days.

(ii) (A) In addition to the tax imposed under Subsection (1)(a)(i), beginning the first day of the calendar quarter that begins 90 days after the board of the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), delivers to the commission the certificate described in Subsection (1)(a)(ii)(B), there is imposed a tax of 1.5% on all short-term leases and rentals of motor vehicles not exceeding 30 days.

(B) After the franchise agreement date, as defined in Section [11-70-101](#), the board of the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), shall deliver to the commission a certificate verifying the execution of a franchise agreement, as defined in Section [11-70-101](#), and providing the franchise agreement date, as defined in Section [11-70-101](#).

(C) A tax under this Subsection (1)(a)(ii) is imposed only if the franchise agreement date, as defined in Section [11-70-101](#), is on or before June 30, 2032.

(b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.

(2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax

3281 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

3282 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall
3283 take effect on the first day of the first billing period:

3284 (A) that begins after the effective date of the tax rate increase; and

3285 (B) if the billing period for the transaction begins before the effective date of a tax rate
3286 increase imposed under Subsection (1).

3287 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax
3288 rate decrease shall take effect on the first day of the last billing period:

3289 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
3290 and

3291 (B) if the billing period for the transaction begins before the effective date of the repeal
3292 of the tax or the tax rate decrease imposed under Subsection (1).

3293 (3) Beginning on July 1, 2023, a tax imposed under Subsection (1) applies at the same
3294 rate to car sharing, except for:

3295 (a) car sharing for the purpose of temporarily replacing a person's motor vehicle that is
3296 being repaired pursuant to a repair or an insurance agreement; and

3297 (b) car sharing for more than 30 days.

3298 (4) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

3299 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

3300 (b) the motor vehicle is rented as a personal household goods moving van; or

3301 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
3302 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an
3303 insurance agreement.

3304 (5) (a) (i) The tax authorized under this section shall be administered, collected, and
3305 enforced in accordance with:

3306 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,
3307 Tax Collection; and

3308 (B) Chapter 1, General Taxation Policies.

3309 (ii) Notwithstanding Subsection (5)(a)(i), a tax under this part is not subject to
3310 [59-12-103](#)(4) through (9) or Section [59-12-107.1](#) or [59-12-123](#).

3311 (b) The commission shall retain and deposit an administrative charge in accordance

with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

(c) Except as provided under ~~[Subsection (5)(b)]~~ Subsections (5)(b) and (d), all revenue received by the commission under this section shall be deposited daily with the state treasurer and credited monthly to the Marda Dillree Corridor Preservation Fund under Section [72-2-117](#).

(d) All revenue received by the commission under Subsection (1)(a)(ii) shall be paid to the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

Section 57. Section **59-28-103** is amended to read:

59-28-103. Imposition -- Rate -- Revenue distribution.

(1) As used in this section:

(a) "Fairpark district board" means the board of the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

(b) "Franchise agreement" means the same as that term is defined in Section [11-70-101](#).

(c) "Franchise agreement date" means the same as that term is defined in Section [11-70-101](#).

(d) "Transition date" means the first day of the calendar quarter that begins at least 90 days after the fairpark district board delivers to the commission the certificate described in Subsection (2)(b)(ii).

(2) (a) Subject to the other provisions of this chapter, the state shall impose a tax on the transactions described in Subsection [59-12-103](#)(1)(i) at a rate of .32%.

~~[(2) The tax imposed under this chapter is in addition to any other taxes imposed on the transactions described in Subsection [59-12-103](#)(1)(i).]~~

~~[(3)(a)(i)]~~ (b) (i) (A) Subject to Subsection ~~[(3)(a)(ii)]~~ (2)(b)(i)(B), the commission shall deposit 6% of the revenue the state collects from the tax under this chapter into the Hospitality and Tourism Management Education Account created in Section [53F-9-501](#) to fund the Hospitality and Tourism Management Career and Technical Education Pilot Program created in Section [53E-3-515](#).

~~[(ii)]~~ (B) The commission may not deposit more than \$300,000 into the Hospitality and Tourism Management Education Account under Subsection ~~[(3)(a)(i)]~~ (2)(b)(i)(A) in a fiscal year.

3343 ~~[(b)]~~ (ii) Except for the amount deposited into the Hospitality and Tourism
3344 Management Education Account under Subsection ~~[(3)(a)]~~ (2)(b)(i)(A) and the administrative
3345 charge retained under Subsection 59-28-104(4), the commission shall deposit any revenue the
3346 state collects from the tax under ~~[this chapter]~~ Subsection (2)(a) into the Outdoor Recreation
3347 Infrastructure Account created in Section 79-8-106 to fund the Outdoor Recreational
3348 Infrastructure Grant Program created in Section 79-8-401 and the Recreation Restoration
3349 Infrastructure Grant Program created in Section 79-8-202.

3350 (c) The tax imposed under Subsection (2)(a) is in addition to the taxes imposed under
3351 Subsections (3)(a) and (4)(a).

3352 (3) (a) Beginning on the transition date and subject to Subsection (3)(c), there is
3353 imposed a tax on charges within the state for accommodations and services described in
3354 Subsection 59-12-103(1)(i) at the rate of 1.5%.

3355 (b) After the franchise agreement date, the fairpark district board shall deliver to the
3356 commission a certificate:

3357 (i) verifying the execution of a franchise agreement; and

3358 (ii) providing the franchise agreement date.

3359 (c) A tax under Subsection (3)(a) is imposed only if the franchise agreement date is on
3360 or before June 30, 2032.

3361 (d) Subject to Section 59-28-104, the commission shall distribute revenue collected
3362 under Subsection (3)(a) to the Utah Fairpark Area Investment and Restoration District, created
3363 in Section 11-70-201.

3364 (e) A tax under Subsection (3)(a) does not apply to charges for accommodations and
3365 services described in Subsection 59-12-103(1)(i) that result from a contract under which a
3366 person is obligated for 20 or more room nights.

3367 (f) A tax under Subsection (3)(a) is in addition to the taxes imposed under Subsections
3368 (2)(a) and (4)(a).

3369 (4) (a) Beginning July 1, 2024, there is imposed a tax on charges within the state for
3370 accommodations and services described in Subsection 59-12-103(1)(i) at the rate of .1%.

3371 (b) Subject to Section 59-28-104, the commission shall distribute the revenue collected
3372 under Subsection (4)(a) to counties of the fourth, fifth, and sixth class in proportion to the
3373 relative population o f those counties, to be used only to pay for emergency medical services

3374 and search and rescue activities.

3375 (c) A tax under Subsection (4)(a) is in addition to the taxes imposed under Subsections
3376 (2)(a) and (3)(a).

3377 (5) The taxes imposed under this chapter are in addition to any other taxes imposed on
3378 the transactions described in Subsection [59-12-103\(1\)\(i\)](#).

3379 Section 58. Section **63A-3-401.5** is amended to read:

3380 **63A-3-401.5. Definitions.**

3381 As used in this part:

3382 (1) "Borrower" means a person who borrows money from an infrastructure fund for an
3383 infrastructure project.

3384 (2) "Fairpark district development fund" means the infrastructure fund created in
3385 Subsection [63A-3-402\(1\)\(c\)](#).

3386 [~~(2)~~] (3) "Independent political subdivision" means:

3387 (a) the Utah Inland Port Authority created in Section [11-58-201](#);

3388 (b) the Point of the Mountain State Land Authority created in Section [11-59-201](#); [~~or~~]

3389 (c) the Utah Fairpark Area Investment and Restoration District created in Section
3390 [11-70-201](#); or

3391 [~~(c)~~] (d) the Military Installation Development Authority created in Section [63H-1-201](#).

3392 [~~(3)~~] (4) "Infrastructure fund" means a fund created in Subsection [63A-3-402\(1\)](#).

3393 [~~(4)~~] (5) "Infrastructure loan" means a loan of infrastructure fund money to finance an
3394 infrastructure project.

3395 [~~(5)~~] (6) "Infrastructure project" means a project to acquire, construct, reconstruct,
3396 rehabilitate, equip, or improve public infrastructure and improvements:

3397 (a) within a project area; or

3398 (b) outside a project area, if the respective loan approval body determines by resolution
3399 that the public infrastructure and improvements are of benefit to the project area.

3400 [~~(6)~~] (7) "Inland port" means the same as that term is defined in Section [11-58-102](#).

3401 [~~(7)~~] (8) "Inland port fund" means the infrastructure fund created in Subsection
3402 [63A-3-402\(1\)\(a\)](#).

3403 [~~(8)~~] (9) "Military development fund" means the infrastructure fund created in
3404 Subsection [~~[63A-3-402\(1\)\(c\)](#)] [63A-3-402\(1\)\(d\)](#).~~

3405 ~~[(9)]~~ (10) "Point of the mountain fund" means the infrastructure fund created in
 3406 Subsection 63A-3-402(1)(b).

3407 ~~[(10)]~~ (11) "Project area" means:

3408 (a) the same as that term is defined in Section 11-58-102, for purposes of an
 3409 infrastructure loan from the inland port fund;

3410 (b) the point of the mountain state land, as defined in Section 11-59-102, for purposes
 3411 of an infrastructure loan from the point of the mountain fund; ~~[and]~~

3412 (c) the same as that term is defined in Section 11-70-101, for purposes of an
 3413 infrastructure loan from the fairpark district development fund; or

3414 ~~[(c)]~~ (d) the same as that term is defined in Section 63H-1-102, for purposes of an
 3415 infrastructure loan from the military development fund.

3416 ~~[(11)]~~ (12) "Property tax revenue" means:

3417 (a) property tax differential, as defined in Section 11-58-102, for purposes of an
 3418 infrastructure loan from the inland port fund; ~~[or]~~

3419 (b) enhanced property tax revenue, as defined in Section 11-70-101, for purposes of an
 3420 infrastructure loan from the fairpark district development fund; or

3421 ~~[(b)]~~ (c) property tax allocation, as defined in Section 63H-1-102, for purposes of an
 3422 infrastructure loan from the military development fund.

3423 ~~[(12)]~~ (13) "Public infrastructure and improvements" means:

3424 (a) ~~[means]~~ the same as that term is defined in Section 11-58-102, for purposes of an
 3425 infrastructure loan from the inland port fund;

3426 (b) ~~[means]~~ publicly owned infrastructure and improvements, as defined in Section
 3427 11-59-102, for purposes of an infrastructure loan from the point of the mountain fund; ~~[and]~~

3428 (c) the same as that term is defined in Section 11-70-101, for purposes of an
 3429 infrastructure loan from the fairpark district development fund; or

3430 ~~[(c)]~~ (d) ~~[means]~~ the same as that term is defined in Section 63H-1-102, for purposes of
 3431 an infrastructure loan from the military development fund.

3432 ~~[(13)]~~ (14) "Respective loan approval body" means:

3433 (a) the board created in Section 11-58-301, for purposes of an infrastructure loan from
 3434 the inland port fund;

3435 (b) the board created in Section 11-59-301, for purposes of an infrastructure loan from

3436 the point of the mountain fund; [and]

3437 (c) the board created in Section [11-70-301](#), for purposes of an infrastructure loan from
3438 the fairpark area development fund; or

3439 [~~(c)~~] (d) the committee created in Section [63H-1-104](#), for purposes of an infrastructure
3440 loan from the military development fund.

3441 Section 59. Section **63A-3-402** is amended to read:

3442 **63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money**
3443 **in funds.**

3444 (1) There are created, as enterprise revolving loan funds:

3445 (a) the inland port infrastructure revolving loan fund;

3446 (b) the point of the mountain infrastructure revolving loan fund; [and]

3447 (c) the fairpark area development revolving loan fund; and

3448 [~~(c)~~] (d) the military development infrastructure revolving loan fund.

3449 (2) The purpose of each infrastructure fund is to provide funding, through
3450 infrastructure loans, for infrastructure projects undertaken by a borrower.

3451 (3) (a) Money in an infrastructure fund may be used only to provide loans for
3452 infrastructure projects.

3453 (b) The division may not loan money in an infrastructure fund without the approval of:

3454 (i) the respective loan approval body; and

3455 (ii) the Executive Appropriations Committee of the Legislature, for a loan from the
3456 inland port fund [~~or~~], the point of the mountain fund, or the fairpark area development fund.

3457 Section 60. Section **63A-5b-902** is amended to read:

3458 **63A-5b-902. Application of part.**

3459 (1) The provisions of this part, other than this section, do not apply to:

3460 (a) a conveyance, lease, or disposal under Subsection [63A-5b-303\(1\)\(a\)\(viii\)](#);

3461 (b) the division's disposal or lease of division-owned property with a value under
3462 \$500,000, as estimated by the division;

3463 (c) a conveyance, lease, or disposal of division-owned property in connection with:

3464 (i) the establishment of a state store, as defined in Section [32B-1-102](#); or

3465 (ii) the construction of student housing; [~~or~~]

3466 (d) a conveyance, lease, or disposal of any part of the point of the mountain state land,

as defined in Section [11-59-102](#), by the Point of the Mountain State Land Authority created in Section [11-59-201](#)~~[-];~~ or

(e) a conveyance, lease, or disposal of any state-owned land, as defined in Section [11-70-101](#), by the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

(2) Nothing in Subsection (1)(b) or (c) may be construed to diminish or eliminate the division's responsibility to manage division-owned property in the best interests of the state.

Section 61. Section **63C-25-101** is amended to read:

63C-25-101. Definitions.

As used in this chapter:

(1) "Authority" means the same as that term is defined in Section [63B-1-303](#).

(2) "Bond" means the same as that term is defined in Section [63B-1-101](#).

(3) (a) "Bonding government entity" means the state or any entity that is authorized to issue bonds under any provision of state law.

(b) "Bonding government entity" includes:

(i) a bonding political subdivision; and

(ii) a public infrastructure district that is authorized to issue bonds either directly, or through the authority of a bonding political subdivision or other governmental entity.

(4) "Bonding political subdivision" means:

(a) the Utah Inland Port Authority, created in Section [11-58-201](#);

(b) the Military Installation Development Authority, created in Section [63H-1-201](#);

(c) the Point of the Mountain State Land Authority, created in Section [11-59-201](#);

(d) the Utah Lake Authority, created in Section [11-65-201](#); ~~[or]~~

(e) the State Fair Park Authority, created in Section [11-68-201](#)~~[-];~~ or

(f) the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

(5) "Commission" means the State Finance Review Commission created in Section [63C-25-201](#).

(6) "Concessionaire" means a person who:

(a) operates, finances, maintains, or constructs a government facility under a contract with a bonding political subdivision; and

- 3498 (b) is not a bonding government entity.
- 3499 (7) "Concessionaire contract" means a contract:
- 3500 (a) between a bonding government entity and a concessionaire for the operation,
- 3501 finance, maintenance, or construction of a government facility;
- 3502 (b) that authorizes the concessionaire to operate the government facility for a term of
- 3503 five years or longer, including any extension of the contract; and
- 3504 (c) in which all or some of the annual source of payment to the concessionaire comes
- 3505 from state funds provided to the bonding government entity.
- 3506 (8) "Creating entity" means the same as that term is defined in Section [17D-4-102](#).
- 3507 (9) "Government facility" means infrastructure, improvements, or a building that:
- 3508 (a) costs more than \$5,000,000 to construct; and
- 3509 (b) has a useful life greater than five years.
- 3510 (10) "Large public transit district" means the same as that term is defined in Section
- 3511 [17B-2a-802](#).
- 3512 (11) "Loan entity" means the board, person, unit, or agency with legal responsibility for
- 3513 making a loan from a revolving loan fund.
- 3514 (12) "Obligation" means the same as that term is defined in Section [63B-1-303](#).
- 3515 (13) "Parameters resolution" means a resolution of a bonding government entity that
- 3516 sets forth for proposed bonds:
- 3517 (a) the maximum:
- 3518 (i) amount of bonds;
- 3519 (ii) term; and
- 3520 (iii) interest rate; and
- 3521 (b) the expected security for the bonds.
- 3522 (14) "Public infrastructure district" means a public infrastructure district created under
- 3523 Title 17D, Chapter 4, Public Infrastructure District Act.
- 3524 (15) "Revolving loan fund" means:
- 3525 (a) the Water Resources Conservation and Development Fund, created in Section
- 3526 [73-10-24](#);
- 3527 (b) the Water Resources Construction Fund, created in Section [73-10-8](#);
- 3528 (c) the Water Resources Cities Water Loan Fund, created in Section [73-10-22](#);

3529 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
 3530 Fuels and Emission Reduction Technology Program Act;

3531 (e) the Water Development Security Fund and its subaccounts, created in Section
 3532 73-10c-5;

3533 (f) the Agriculture Resource Development Fund, created in Section 4-18-106;

3534 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

3535 (h) the Permanent Community Impact Fund, created in Section 35A-8-303;

3536 (i) the Petroleum Storage Tank Fund, created in Section 19-6-409;

3537 (j) the School Building Revolving Account, created in Section 53F-9-206;

3538 (k) the State Infrastructure Bank Fund, created in Section 72-2-202;

3539 (l) the Uintah Basin Revitalization Fund, created in Section 35A-8-1602;

3540 (m) the Navajo Revitalization Fund, created in Section 35A-8-1704;

3541 (n) the Energy Efficiency Fund, created in Section 11-45-201;

3542 (o) the Brownfields Fund, created in Section 19-8-120;

3543 (p) ~~[the following]~~ any of the enterprise revolving loan funds created in Section
 3544 63A-3-402[:]; and

3545 ~~[(i) the inland port infrastructure revolving loan fund;]~~

3546 ~~[(ii) the point of the mountain infrastructure revolving loan fund; or]~~

3547 ~~[(iii) the military development infrastructure revolving loan fund; and]~~

3548 (q) any other revolving loan fund created in statute where the borrower from the
 3549 revolving loan fund is a public non-profit entity or political subdivision, including a fund listed
 3550 in Section 63A-3-205, from which a loan entity is authorized to make a loan.

3551 (16) (a) "State funds" means an appropriation by the Legislature identified as coming
 3552 from the General Fund or Education Fund.

3553 (b) "State funds" does not include:

3554 (i) a revolving loan fund; or

3555 (ii) revenues received by a bonding political subdivision from:

3556 (A) a tax levied by the bonding political subdivision;

3557 (B) a fee assessed by the bonding political subdivision; or

3558 (C) operation of the bonding political subdivision's government facility.

3559 Section 62. Section 63C-25-202 is amended to read:

63C-25-202. Powers and duties.

(1) The commission shall annually review a report provided in accordance with Section 63B-1-305 or 63B-1a-102.

(2) (a) A loan entity other than a loan entity described in Subsection (2)(b) shall no later than January 1 of each year submit information on each revolving loan fund from which the loan entity made a loan in the previous fiscal year, including information identifying new and ongoing loan recipients, the terms of each loan, loan repayment, and any other information regarding a revolving loan fund requested by the commission.

(b) If a loan entity is:

(i) the Utah Inland Port Authority, the loan entity shall submit the information in accordance with Section 11-58-106 and any other information regarding a revolving loan fund requested by the commission;

(ii) the Point of the Mountain State Land Authority, the loan entity shall submit the information in accordance with Section 11-59-104 and any other information regarding a revolving loan fund requested by the commission; [or]

(iii) the Utah Fairpark Area Investment and Restoration District, the loan entity shall submit the information in accordance with Section 11-70-104 and any other information regarding a revolving loan fund requested by the commission; or

~~[(iii)]~~ (iv) the Military Installation Development Authority, the loan entity shall submit the information in accordance with Section 63H-1-104 and any other information regarding a revolving loan fund requested by the commission.

(c) The commission may annually review and provide feedback for the following:

(i) each loan entity for compliance with state law authorizing and regulating the revolving loan fund, including, as applicable, Title 11, Chapter 14, Local Government Bonding Act;

(ii) each loan entity's revolving loan fund policies and practices, including policies and practices for approving and setting the terms of a loan; and

(iii) each borrower of funds from a revolving loan fund for accurate and timely reporting by the borrower to the appropriate debt repository.

(3) (a) The commission shall review and may approve a bond before a large public transit district may issue a bond.

3591 (b) The commission may not approve issuance of a bond described in Subsection (3)(a)
3592 unless the execution and terms of the bond comply with state law.

3593 (c) If, after review, the commission approves a bond described in Subsection (3)(a), the
3594 large public transit district:

3595 (i) may not change before issuing the bond the terms of the bond that were reviewed by
3596 the commission if the change is outside the approved parameters and intended purposes; and

3597 (ii) is under no obligation to issue the bond.

3598 (d) A member of the commission who approves a bond under Subsection (3)(a) or
3599 reviews a parameters resolution under Subsection (4)(a) is not liable personally on the bond.

3600 (e) The approval of a bond under Subsection (3)(a) or review under Subsection (4)(a)
3601 of a parameters resolution by the commission:

3602 (i) is not an obligation of the state; and

3603 (ii) is not an act that:

3604 (A) lends the state's credit; or

3605 (B) constitutes indebtedness within the meaning of any constitutional or statutory debt
3606 limitation.

3607 (4) (a) The commission shall review and, at the commission's discretion, may make
3608 recommendations regarding a parameters resolution before:

3609 (i) a bonding political subdivision may issue a bond; or

3610 (ii) a public infrastructure district may issue a bond, if the creating entity of the public
3611 infrastructure district is a bonding political subdivision.

3612 (b) The commission shall conduct the review under Subsection (4)(a) and forward any
3613 recommendations to the bonding political subdivision or public infrastructure district no later
3614 than 45 days after the day on which the commission receives the bonding political subdivision's
3615 or public infrastructure district's parameters resolution.

3616 (c) Notwithstanding Subsection (4)(a), if the commission fails to review a parameters
3617 resolution or forward recommendations, if any, in the timeframe described in Subsection
3618 (4)(b), the bonding political subdivision or public infrastructure district, respectively, may
3619 proceed with the bond without review by the commission.

3620 (d) After review by the commission under Subsection (4)(a), the bonding political
3621 subdivision or public infrastructure district:

3622 (i) shall consider recommendations by the commission; and
3623 (ii) may proceed with the bond but is under no obligation to issue the bond.
3624 (5) The commission shall provide training and other information on debt management,
3625 lending and borrowing best practices, and compliance with state law to the authority, a bonding
3626 political subdivision, a large public transit district, and a loan entity.
3627 (6) (a) Before a bonding government entity may enter into a concessionaire contract,
3628 the commission shall review and approve the concessionaire contract.
3629 (b) If, after review, the commission approves the concessionaire contract, the bonding
3630 government entity:
3631 (i) may not change the terms of the concessionaire contract if the change is outside of:
3632 (A) any applicable approved parameters of the concessionaire contract; or
3633 (B) the intended purposes of the concessionaire contract; and
3634 (ii) is under no obligation to enter into the concessionaire contract.
3635 Section 63. **Repealer.**
3636 This bill repeals:
3637 Section **11-68-402, Privilege tax -- Personal property tax revenue -- Deposit into**
3638 **Utah State Fair Fund.**
3639 Section 64. **Effective date.**
3640 This bill takes effect on May 1, 2024.