

AFFORDABLE BUILDING AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Stephen L. Whyte

LONG TITLE

General Description:

This bill modifies provisions facilitating affordable buildings.

Highlighted Provisions:

This bill:

- defines terms and modifies definitions;
- adopts a statewide building code for modular building units;
- modifies the membership of the Olene Walker Housing Loan Fund Board by adding a member representing the interests of modular housing;
- modifies provisions related to reinvestment fee covenants or transfer fee covenants;
- modifies provisions of the First-Time Homebuyer Assistance Program;
- authorizes a municipality or county to create a home ownership promotion zone of 10 acres or less;
- describes the purposes and requirements of a home ownership promotion zone;
- allows a home ownership promotion zone to capture tax increment for up to 15 consecutive years to finance the objectives of the home ownership promotion zone;
- authorizes the creation of a home ownership promotion zone to be included in a municipality or county's moderate income housing plan; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation.

Utah Code Sections Affected:

AMENDS:

28 **10-9a-403**, as last amended by Laws of Utah 2023, Chapters 88, 219 and 238
29 **15A-1-202**, as last amended by Laws of Utah 2021, First Special Session, Chapter 3
30 **15A-1-205**, as enacted by Laws of Utah 2011, Chapter 14
31 **15A-1-302**, as enacted by Laws of Utah 2011, Chapter 14
32 **15A-1-304**, as enacted by Laws of Utah 2011, Chapter 14
33 **15A-2-103**, as last amended by Laws of Utah 2023, Chapters 160, 209
34 **17-27a-403**, as last amended by Laws of Utah 2023, Chapters 88, 238
35 **35A-8-503**, as last amended by Laws of Utah 2022, Chapter 406
36 **57-1-46**, as enacted by Laws of Utah 2010, Chapter 16
37 **59-2-924**, as last amended by Laws of Utah 2023, Chapter 502
38 **63H-8-501**, as enacted by Laws of Utah 2023, Chapter 519
39 **63H-8-502**, as enacted by Laws of Utah 2023, Chapter 519

40 ENACTS:

41 **10-9a-538**, as Utah Code Annotated 1953
42 **10-9a-1001**, as Utah Code Annotated 1953
43 **10-9a-1002**, as Utah Code Annotated 1953
44 **10-9a-1003**, as Utah Code Annotated 1953
45 **10-9a-1004**, as Utah Code Annotated 1953
46 **10-9a-1005**, as Utah Code Annotated 1953
47 **15A-1-304.1**, as Utah Code Annotated 1953
48 **15A-1-306.1**, as Utah Code Annotated 1953
49 **15A-1-307**, as Utah Code Annotated 1953
50 **15A-1-308**, as Utah Code Annotated 1953
51 **15A-1-309**, as Utah Code Annotated 1953
52 **17-27a-1201**, as Utah Code Annotated 1953
53 **17-27a-1202**, as Utah Code Annotated 1953
54 **17-27a-1203**, as Utah Code Annotated 1953
55 **17-27a-1204**, as Utah Code Annotated 1953
56 **17-27a-1205**, as Utah Code Annotated 1953
57 **57-1-47**, as Utah Code Annotated 1953

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

60 Section 1. Section **10-9a-403** is amended to read:

61 **10-9a-403 . General plan preparation.**

- (1) (a) The planning commission shall provide notice, as provided in Section 10-9a-203, of the planning commission's intent to make a recommendation to the municipal legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing the planning commission's recommendation.
- (b) The planning commission shall make and recommend to the legislative body a proposed general plan for the area within the municipality.
- (c) The plan may include areas outside the boundaries of the municipality if, in the planning commission's judgment, those areas are related to the planning of the municipality's territory.
- (d) Except as otherwise provided by law or with respect to a municipality's power of eminent domain, when the plan of a municipality involves territory outside the boundaries of the municipality, the municipality may not take action affecting that territory without the concurrence of the county or other municipalities affected.
- (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:
- (i) a land use element that:
- (A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing for residents of various income levels, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate;
- (B) includes a statement of the projections for and standards of population density and building intensity recommended for the various land use categories covered by the plan;
- (C) except for a city of the fifth class or a town, is coordinated to integrate the land use element with the water use and preservation element; and
- (D) except for a city of the fifth class or a town, accounts for the effect of land use categories and land uses on water demand;
- (ii) a transportation and traffic circulation element that:
- (A) provides the general location and extent of existing and proposed freeways, arterial and collector streets, public transit, active transportation facilities, and other modes of transportation that the planning commission considers

- 96 appropriate;
- 97 (B) for a municipality that has access to a major transit investment corridor,
- 98 addresses the municipality's plan for residential and commercial development
- 99 around major transit investment corridors to maintain and improve the
- 100 connections between housing, employment, education, recreation, and
- 101 commerce;
- 102 (C) for a municipality that does not have access to a major transit investment
- 103 corridor, addresses the municipality's plan for residential and commercial
- 104 development in areas that will maintain and improve the connections between
- 105 housing, transportation, employment, education, recreation, and commerce; and
- 106 (D) correlates with the population projections, the employment projections, and
- 107 the proposed land use element of the general plan;
- 108 (iii) a moderate income housing element that:
- 109 (A) provides a realistic opportunity to meet the need for additional moderate
- 110 income housing within the municipality during the next five years;
- 111 (B) for a town, may include a recommendation to implement three or more of the
- 112 moderate income housing strategies described in Subsection (2)(b)(iii);
- 113 (C) for a specified municipality, as defined in Section 10-9a-408, that does not
- 114 have a fixed guideway public transit station, shall include a recommendation to
- 115 implement three or more of the moderate income housing strategies described
- 116 in Subsection (2)(b)(iii);
- 117 (D) for a specified municipality, as defined in Section 10-9a-408, that has a fixed
- 118 guideway public transit station, shall include a recommendation to implement
- 119 five or more of the moderate income housing strategies described in Subsection
- 120 (2)(b)(iii), of which one shall be the moderate income housing strategy
- 121 described in Subsection (2)(b)(iii)(V), and one shall be a moderate income
- 122 housing strategy described in Subsection (2)(b)(iii)(G), (H), or (Q); and
- 123 (E) for a specified municipality, as defined in Section 10-9a-408, shall include an
- 124 implementation plan as provided in Subsection (2)(c); and
- 125 (iv) except for a city of the fifth class or a town, a water use and preservation element
- 126 that addresses:
- 127 (A) the effect of permitted development or patterns of development on water
- 128 demand and water infrastructure;
- 129 (B) methods of reducing water demand and per capita consumption for future

- 130 development;
- 131 (C) methods of reducing water demand and per capita consumption for existing
- 132 development; and
- 133 (D) opportunities for the municipality to modify the municipality's operations to
- 134 eliminate practices or conditions that waste water.
- 135 (b) In drafting the moderate income housing element, the planning commission:
- 136 (i) shall consider the Legislature's determination that municipalities shall facilitate a
- 137 reasonable opportunity for a variety of housing, including moderate income
- 138 housing:
- 139 (A) to meet the needs of people of various income levels living, working, or
- 140 desiring to live or work in the community; and
- 141 (B) to allow people with various incomes to benefit from and fully participate in
- 142 all aspects of neighborhood and community life;
- 143 (ii) for a town, may include, and for a specified municipality as defined in Section
- 144 10-9a-408, shall include, an analysis of how the municipality will provide a
- 145 realistic opportunity for the development of moderate income housing within the
- 146 next five years;
- 147 (iii) for a town, may include, and for a specified municipality as defined in Section
- 148 10-9a-408, shall include a recommendation to implement the required number of
- 149 any of the following moderate income housing strategies as specified in
- 150 Subsection (2)(a)(iii):
- 151 (A) rezone for densities necessary to facilitate the production of moderate income
- 152 housing;
- 153 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that
- 154 facilitates the construction of moderate income housing;
- 155 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing
- 156 stock into moderate income housing;
- 157 (D) identify and utilize general fund subsidies or other sources of revenue to
- 158 waive construction related fees that are otherwise generally imposed by the
- 159 municipality for the construction or rehabilitation of moderate income housing;
- 160 (E) create or allow for, and reduce regulations related to, internal or detached
- 161 accessory dwelling units in residential zones;
- 162 (F) zone or rezone for higher density or moderate income residential development
- 163 in commercial or mixed-use zones near major transit investment corridors,

164 commercial centers, or employment centers;

165 (G) amend land use regulations to allow for higher density or new moderate
166 income residential development in commercial or mixed-use zones near major
167 transit investment corridors;

168 (H) amend land use regulations to eliminate or reduce parking requirements for
169 residential development where a resident is less likely to rely on the resident's
170 own vehicle, such as residential development near major transit investment
171 corridors or senior living facilities;

172 (I) amend land use regulations to allow for single room occupancy developments;

173 (J) implement zoning incentives for moderate income units in new developments;

174 (K) preserve existing and new moderate income housing and subsidized units by
175 utilizing a landlord incentive program, providing for deed restricted units
176 through a grant program, or, notwithstanding Section 10-9a-535, establishing a
177 housing loss mitigation fund;

178 (L) reduce, waive, or eliminate impact fees related to moderate income housing;

179 (M) demonstrate creation of, or participation in, a community land trust program
180 for moderate income housing;

181 (N) implement a mortgage assistance program for employees of the municipality,
182 an employer that provides contracted services to the municipality, or any other
183 public employer that operates within the municipality;

184 (O) apply for or partner with an entity that applies for state or federal funds or tax
185 incentives to promote the construction of moderate income housing, an entity
186 that applies for programs offered by the Utah Housing Corporation within that
187 agency's funding capacity, an entity that applies for affordable housing
188 programs administered by the Department of Workforce Services, an entity
189 that applies for affordable housing programs administered by an association of
190 governments established by an interlocal agreement under Title 11, Chapter 13,
191 Interlocal Cooperation Act, an entity that applies for services provided by a
192 public housing authority to preserve and create moderate income housing, or
193 any other entity that applies for programs or services that promote the
194 construction or preservation of moderate income housing;

195 (P) demonstrate utilization of a moderate income housing set aside from a
196 community reinvestment agency, redevelopment agency, or community
197 development and renewal agency to create or subsidize moderate income

- 198 housing;
- 199 (Q) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
- 200 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 201 (R) create a home ownership promotion zone pursuant to Part 10, Home
- 202 Ownership Promotion Zone for Municipalities;
- 203 ~~[(R)]~~ (S) eliminate impact fees for any accessory dwelling unit that is not an
- 204 internal accessory dwelling unit as defined in Section 10-9a-530;
- 205 ~~[(S)]~~ (T) create a program to transfer development rights for moderate income
- 206 housing;
- 207 ~~[(T)]~~ (U) ratify a joint acquisition agreement with another local political
- 208 subdivision for the purpose of combining resources to acquire property for
- 209 moderate income housing;
- 210 ~~[(U)]~~ (V) develop a moderate income housing project for residents who are
- 211 disabled or 55 years old or older;
- 212 ~~[(V)]~~ (W) develop and adopt a station area plan in accordance with Section
- 213 10-9a-403.1;
- 214 ~~[(W)]~~ (X) create or allow for, and reduce regulations related to, multifamily
- 215 residential dwellings compatible in scale and form with detached single-family
- 216 residential dwellings and located in walkable communities within residential or
- 217 mixed-use zones; and
- 218 ~~[(X)]~~ (Y) demonstrate implementation of any other program or strategy to address
- 219 the housing needs of residents of the municipality who earn less than 80% of
- 220 the area median income, including the dedication of a local funding source to
- 221 moderate income housing or the adoption of a land use ordinance that requires
- 222 10% or more of new residential development in a residential zone be dedicated
- 223 to moderate income housing; and
- 224 (iv) shall identify each moderate income housing strategy recommended to the
- 225 legislative body for implementation by restating the exact language used to
- 226 describe the strategy in Subsection (2)(b)(iii).
- 227 (c) (i) In drafting the implementation plan portion of the moderate income housing
- 228 element as described in Subsection (2)(a)(iii)(C), the planning commission shall
- 229 recommend to the legislative body the establishment of a five-year timeline for
- 230 implementing each of the moderate income housing strategies selected by the
- 231 municipality for implementation.

- 232 (ii) The timeline described in Subsection (2)(c)(i) shall:
- 233 (A) identify specific measures and benchmarks for implementing each moderate
- 234 income housing strategy selected by the municipality, whether one-time or
- 235 ongoing; and
- 236 (B) provide flexibility for the municipality to make adjustments as needed.
- 237 (d) In drafting the land use element, the planning commission shall:
- 238 (i) identify and consider each agriculture protection area within the municipality;
- 239 (ii) avoid proposing a use of land within an agriculture protection area that is
- 240 inconsistent with or detrimental to the use of the land for agriculture; and
- 241 (iii) consider and coordinate with any station area plans adopted by the municipality
- 242 if required under Section 10-9a-403.1.
- 243 (e) In drafting the transportation and traffic circulation element, the planning
- 244 commission shall:
- 245 (i) (A) consider and coordinate with the regional transportation plan developed by
- 246 the municipality's region's metropolitan planning organization, if the
- 247 municipality is within the boundaries of a metropolitan planning organization;
- 248 or
- 249 (B) consider and coordinate with the long-range transportation plan developed by
- 250 the Department of Transportation, if the municipality is not within the
- 251 boundaries of a metropolitan planning organization; and
- 252 (ii) consider and coordinate with any station area plans adopted by the municipality if
- 253 required under Section 10-9a-403.1.
- 254 (f) In drafting the water use and preservation element, the planning commission:
- 255 (i) shall consider:
- 256 (A) applicable regional water conservation goals recommended by the Division of
- 257 Water Resources; and
- 258 (B) if Section 73-10-32 requires the municipality to adopt a water conservation
- 259 plan pursuant to Section 73-10-32, the municipality's water conservation plan;
- 260 (ii) shall include a recommendation for:
- 261 (A) water conservation policies to be determined by the municipality; and
- 262 (B) landscaping options within a public street for current and future development
- 263 that do not require the use of lawn or turf in a parkstrip;
- 264 (iii) shall review the municipality's land use ordinances and include a
- 265 recommendation for changes to an ordinance that promotes the inefficient use of

- 266 water;
- 267 (iv) shall consider principles of sustainable landscaping, including the:
- 268 (A) reduction or limitation of the use of lawn or turf;
- 269 (B) promotion of site-specific landscape design that decreases stormwater runoff
- 270 or runoff of water used for irrigation;
- 271 (C) preservation and use of healthy trees that have a reasonable water requirement
- 272 or are resistant to dry soil conditions;
- 273 (D) elimination or regulation of ponds, pools, and other features that promote
- 274 unnecessary water evaporation;
- 275 (E) reduction of yard waste; and
- 276 (F) use of an irrigation system, including drip irrigation, best adapted to provide
- 277 the optimal amount of water to the plants being irrigated;
- 278 (v) shall consult with the public water system or systems serving the municipality
- 279 with drinking water regarding how implementation of the land use element and
- 280 water use and preservation element may affect:
- 281 (A) water supply planning, including drinking water source and storage capacity
- 282 consistent with Section 19-4-114; and
- 283 (B) water distribution planning, including master plans, infrastructure asset
- 284 management programs and plans, infrastructure replacement plans, and impact
- 285 fee facilities plans;
- 286 (vi) shall consult with the Division of Water Resources for information and technical
- 287 resources regarding regional water conservation goals, including how
- 288 implementation of the land use element and the water use and preservation
- 289 element may affect the Great Salt Lake;
- 290 (vii) may include recommendations for additional water demand reduction strategies,
- 291 including:
- 292 (A) creating a water budget associated with a particular type of development;
- 293 (B) adopting new or modified lot size, configuration, and landscaping standards
- 294 that will reduce water demand for new single family development;
- 295 (C) providing one or more water reduction incentives for existing development
- 296 such as modification of existing landscapes and irrigation systems and
- 297 installation of water fixtures or systems that minimize water demand;
- 298 (D) discouraging incentives for economic development activities that do not
- 299 adequately account for water use or do not include strategies for reducing

- 300 water demand; and
- 301 (E) adopting water concurrency standards requiring that adequate water supplies
- 302 and facilities are or will be in place for new development; and
- 303 (viii) for a town, may include, and for another municipality, shall include, a
- 304 recommendation for low water use landscaping standards for a new:
- 305 (A) commercial, industrial, or institutional development;
- 306 (B) common interest community, as defined in Section 57-25-102; or
- 307 (C) multifamily housing project.
- 308 (3) The proposed general plan may include:
- 309 (a) an environmental element that addresses:
- 310 (i) the protection, conservation, development, and use of natural resources, including
- 311 the quality of:
- 312 (A) air;
- 313 (B) forests;
- 314 (C) soils;
- 315 (D) rivers;
- 316 (E) groundwater and other waters;
- 317 (F) harbors;
- 318 (G) fisheries;
- 319 (H) wildlife;
- 320 (I) minerals; and
- 321 (J) other natural resources; and
- 322 (ii) (A) the reclamation of land, flood control, prevention and control of the
- 323 pollution of streams and other waters;
- 324 (B) the regulation of the use of land on hillsides, stream channels and other
- 325 environmentally sensitive areas;
- 326 (C) the prevention, control, and correction of the erosion of soils;
- 327 (D) the preservation and enhancement of watersheds and wetlands; and
- 328 (E) the mapping of known geologic hazards;
- 329 (b) a public services and facilities element showing general plans for sewage, water,
- 330 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
- 331 them, police and fire protection, and other public services;
- 332 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
- 333 programs for:

- (i) historic preservation;
- (ii) the diminution or elimination of a development impediment as defined in Section 17C-1-102; and
- (iii) redevelopment of land, including housing sites, business and industrial sites, and public building sites;
- (d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected municipal revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;
- (e) recommendations for implementing all or any portion of the general plan, including the adoption of land and water use ordinances, capital improvement plans, community development and promotion, and any other appropriate action;
- (f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3); and
- (g) any other element the municipality considers appropriate.

Section 2. Section **10-9a-538** is enacted to read:

10-9a-538 . Modular building.

- (1) Title 15A, State Construction and Fire Codes Act, governs regulations related to the construction, transportation, installation, inspection, fees, and enforcement related to modular building.
- (2) A municipality may adopt an ordinance regulating modular building so long as the ordinance conforms with Title 15A, State Construction and Fire Codes Act, and this chapter.

Section 3. Section **10-9a-1001** is enacted to read:

Part 10. Home Ownership Promotion Zone for Municipalities

10-9a-1001 . Definitions.

As used in this part:

- (1) "Affordable housing" means housing offered for sale at 80% or less of the median county home price for housing of that type.
- (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- (3) "Base taxable value" means a property's taxable value as shown upon the assessment roll last equalized during the base year.
- (4) "Base year" means, for a proposed home ownership promotion zone area, a year

beginning the first day of the calendar quarter determined by the last equalized tax roll before the adoption of the home ownership promotion zone.

(5) "Home ownership promotion zone" means a home ownership promotion zone created pursuant to this part.

(6) "Participant" means the same as that term is defined in Section 17C-1-102.

(7) "Participation agreement" means the same as that term is defined in Section 17C-1-102.

(8) "Project improvements" means the same as that term is defined in Section 11-36a-102.

(9) "System improvements" means the same as that term is defined in Section 11-36a-102.

(10) "Tax commission" means the State Tax Commission created in Section 59-1-201.

(11) (a) "Tax increment" means the difference between:

(i) the amount of property tax revenue generated each tax year by a taxing entity from the area within a home ownership promotion zone, using the current assessed value and each taxing entity's current certified tax rate as defined in Section 59-2-924; and

(ii) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity's current certified tax rate as defined in Section 59-2-924.

(b) "Tax increment" does not include property revenue from:

(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
or

(ii) a county additional property tax described in Subsection 59-2-1602(4).

(12) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

Section 4. Section **10-9a-1002** is enacted to read:

10-9a-1002 . Municipal designation of a home ownership promotion zone.

(1) Subject to the requirements of Sections 10-9a-1003 and 10-9a-1004, a municipality may create a home ownership promotion zone as described in this section.

(2) A home ownership promotion zone created under this section:

(a) is an area of 10 contiguous acres or less located entirely within the boundaries of the municipality, zoned for fewer than six housing units per acre before the creation of the home ownership promotion zone;

(b) shall be re-zoned for at least six housing units per acre; and

(c) may not be encumbered by any residential building permits as of the day on which the home ownership promotion zone is created.

(3) (a) The municipality shall designate the home ownership promotion zone by

resolution of the legislative body of the municipality, passed or adopted in a public meeting of the legislative body of the municipality, following:

(i) the recommendation of the municipality planning commission; and

(ii) the notification requirements described in Section 10-9a-1004.

(b) The resolution described in Subsection (3)(a) shall describe how the home ownership promotion zone created pursuant to this section meets the objectives and requirements in Section 10-9a-1003.

(c) The home ownership promotion zone is created on the effective date of the resolution described in Subsection (3)(a).

(4) If a home ownership promotion zone is created as described in this section:

(a) affected local taxing entities are required to participate according to the requirements of the home ownership promotion zone established by the municipality; and

(b) each affected taxing entity is required to participate at the same rate.

(5) A home ownership promotion zone may be modified by the same manner it is created as described in Subsection (3).

(6) Within 30 days after the day on which the municipality creates the home ownership promotion zone as described in Subsection (3), the municipality shall:

(a) record with the recorder of the county in which the home ownership promotion zone is located a document containing:

(i) a description of the land within the home ownership promotion zone; and

(ii) the date of creation of the home ownership promotion zone;

(b) transmit a copy of the description of the land within the home ownership promotion zone and an accurate map or plat indicating the boundaries of the home ownership promotion zone to the Utah Geospatial Resource Center created under Section 63A-16-505; and

(c) transmit a map and description of the land within the home ownership promotion zone to:

(i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any part of the home ownership promotion zone is located;

(ii) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;

(iii) the legislative body or governing board of each taxing entity impacted by the home ownership promotion zone;

(iv) the tax commission; and

(v) the State Board of Education.

(7) A municipality may receive tax increment and use home ownership promotion zone funds as described in Section 10-9a-1005.

Section 5. Section **10-9a-1003** is enacted to read:

10-9a-1003 . Applicability, requirements, and limitations.

(1) A home ownership promotion zone shall promote the following objectives:

(a) increasing availability of housing, including affordable housing;

(b) promotion of home ownership;

(c) overcoming development impediments and market conditions that render an affordable housing development cost prohibitive absent the incentives resulting from a home ownership promotion zone; and

(d) conservation of water resources through efficient land use.

(2) In order to accomplish the objectives described in Subsection (1), a municipality shall ensure that:

(a) land inside the proposed home ownership promotion zone is zoned as residential, with at least six planned housing units per acre;

(b) at least 60% of the proposed housing units within the home ownership promotion zone are affordable housing units; and

(c) all of the proposed housing units within the home ownership promotion zone are deed restricted to require owner occupation for at least five years.

(3) A municipality may restrict short term rentals in a home ownership promotion zone.

(4) A municipality may not create a home ownership promotion zone if:

(a) the proposed home ownership promotion zone would overlap with a school district and:

(i) (A) the school district has more than one municipality within the school district's boundaries; and

(B) the school district already has 100 acres designated as home ownership promotion zone within the school district's boundaries; or

(ii) (A) the school district has one municipality within the school district's boundaries; and

(B) the school district already has 50 acres designated as home ownership promotion zone within the school district's boundaries; or

(b) the area in the proposed home ownership zone would overlap with:

(i) a project area, as that term is defined in Section 17C-1-102, and created under Title 17C, Chapter 1, Agency Operations, until the project area is dissolved pursuant to Section 17C-1-702; or

(ii) an existing housing and transit reinvestment zone.

Section 6. Section **10-9a-1004** is enacted to read:

10-9a-1004 . Notification prior to creation of a home ownership promotion zone.

(1) (a) As used in this section, "hearing" means a public meeting in which the legislative body of a municipality:

(i) considers a resolution creating a home ownership promotion zone; and

(ii) takes public comment on a proposed home ownership promotion zone.

(b) A hearing under this section may be combined with any other public meeting of a legislative body of a municipality.

(2) Before a municipality creates a home ownership promotion zone as described in Section 10-9a-1002, it shall provide notice of a hearing as described in this section.

(3) The notice required by Subsection (2) shall be given by:

(a) publishing notice for the municipality, as a class A notice under Section 63G-30-102, for at least 14 days before the day on which the legislative body of the municipality intends to have a hearing;

(b) at least 30 days before the hearing, mailing notice to:

(i) each record owner of property located within the proposed home ownership promotion zone;

(ii) the State Tax Commission;

(iii) the assessor and auditor of the county in which the proposed home ownership promotion zone is located; and

(iv) (A) if the proposed home ownership promotion zone is subject to a taxing entity committee, each member of the taxing entity committee and the State Board of Education; or

(B) if the proposed home ownership promotion zone is not subject to a taxing entity committee, the legislative body or governing board of each taxing entity within the boundaries of the proposed home ownership promotion zone.

(4) The mailing of the notice to record property owners required under Subsection (3)(b) shall be conclusively considered to have been properly completed if:

(a) the agency mails the notice to the property owners as shown in the records, including an electronic database, of the county recorder's office and at the addresses shown in

those records; and

(b) the county recorder's office records used by the agency in identifying owners to whom the notice is mailed and their addresses were obtained or accessed from the county recorder's office no earlier than 30 days before the mailing.

(5) The municipality shall include in each notice required under this section:

(a) (i) a boundary description of the proposed home ownership promotion zone; or
(ii) (A) a mailing address or telephone number where a person may request that a copy of the boundary description of the proposed home ownership promotion zone be sent at no cost to the person by mail, email, or facsimile transmission;
and

(B) if the agency or community has an Internet website, an Internet address where a person may gain access to an electronic, printable copy of the boundary description of the proposed home ownership promotion zone;

(b) a map of the boundaries of the proposed home ownership promotion zone;

(c) an explanation of the purpose of the hearing; and

(d) a statement of the date, time, and location of the hearing.

(6) The municipality shall include in each notice under Subsection (3)(b):

(a) a statement that property tax revenue resulting from an increase in valuation of property within the proposed home ownership promotion zone will be paid to the municipality for proposed home ownership promotion zone development rather than to the taxing entity to which the tax revenue would otherwise have been paid; and

(b) an invitation to the recipient of the notice to submit to the municipality comments concerning the subject matter of the hearing before the date of the hearing.

(7) A municipality may include in a notice under Subsection (2) any other information the municipality considers necessary or advisable, including the public purpose achieved by the proposed home ownership promotion zone.

Section 7. Section **10-9a-1005** is enacted to read:

10-9a-1005 . Payment, use, and administration of revenue from a home ownership promotion zone.

(1) (a) A municipality may receive tax increment and use home ownership promotion zone funds in accordance with this section.

(b) The maximum amount of time that a municipality may receive and use tax increment pursuant to a home ownership promotion zone is 15 consecutive years.

(2) A county that collects property tax on property located within a home ownership

537 promotion zone shall, in accordance with Section 59-2-1365, distribute 60% of the tax
538 increment collected from property within the home ownership promotion zone to the
539 municipality over the home ownership promotion zone to be used as described in this
540 section.

541 (3) (a) Tax increment distributed to a municipality in accordance with Subsection (2) is
542 not revenue of the taxing entity or municipality, but home ownership promotion zone
543 funds.

544 (b) Home ownership promotion zone funds may be administered by an agency created
545 by the municipality within which the home ownership promotion zone is located.

546 (c) Before an agency may receive home ownership promotion zone funds from a
547 municipality, the agency shall enter into an interlocal agreement with the
548 municipality.

549 (4) (a) A municipality or agency shall use home ownership promotion zone funds
550 within, or for the direct benefit of, the home ownership promotion zone.

551 (b) If any home ownership promotion zone funds will be used outside of the home
552 ownership promotion zone, the legislative body of the municipality shall make a
553 finding that the use of the home ownership promotion zone funds outside of the home
554 ownership promotion zone will directly benefit the home ownership promotion zone.

555 (5) A municipality or agency shall use home ownership promotion zone funds to achieve
556 the purposes described in Section 10-9a-1003 by paying all or part of the costs of any of
557 the following:

558 (a) project improvement costs;

559 (b) systems improvement costs; or

560 (c) the costs of the municipality or agency to create and administer the home ownership
561 promotion zone, which may not exceed 3% of the total home ownership promotion
562 zone funds.

563 (6) Home ownership promotion zone funds may be paid to a participant, if the municipality
564 and participant enter into a participation agreement which requires the participant to
565 utilize the home ownership promotion zone funds as allowed in this section.

566 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
567 issued by the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency
568 Bonds, including the cost to issue and repay the bonds including interest.

569 (8) A municipality may:

570 (a) create one or more public infrastructure districts within a home ownership promotion

571 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
572 (b) pledge and utilize the home ownership promotion zone funds to guarantee the
573 payment of public infrastructure bonds issued by a public infrastructure district.

574 Section 8. Section **15A-1-202** is amended to read:

575 **15A-1-202 . Definitions.**

576 As used in this chapter:

- 577 (1) "Agricultural use" means a use that relates to the tilling of soil and raising of crops, or
578 keeping or raising domestic animals.
- 579 (2) (a) "Approved code" means a code, including the standards and specifications
580 contained in the code, approved by the division under Section 15A-1-204 for use by a
581 compliance agency.
- 582 (b) "Approved code" does not include the State Construction Code.
- 583 (3) "Building" means a structure used or intended for supporting or sheltering any use or
584 occupancy and any improvements attached to it.
- 585 (4) "Code" means:
- 586 (a) the State Construction Code; or
- 587 (b) an approved code.
- 588 (5) "Commission" means the Uniform Building Code Commission created in Section
589 15A-1-203.
- 590 (6) "Compliance agency" means:
- 591 (a) an agency of the state or any of its political subdivisions which issues permits for
592 construction regulated under the codes;
- 593 (b) any other agency of the state or its political subdivisions specifically empowered to
594 enforce compliance with the codes; or
- 595 (c) any other state agency which chooses to enforce codes adopted under this chapter by
596 authority given the agency under a title other than this part and Part 3, Factory Built
597 Housing and Modular Units Administration Act.
- 598 (7) "Construction code" means standards and specifications published by a nationally
599 recognized code authority for use in circumstances described in Subsection 15A-1-204
- 600 (1), including:
- 601 (a) a building code;
- 602 (b) an electrical code;
- 603 (c) a residential one and two family dwelling code;
- 604 (d) a plumbing code;

- 605 (e) a mechanical code;
- 606 (f) a fuel gas code;
- 607 (g) an energy conservation code;
- 608 (h) a swimming pool and spa code; [~~and~~]
- 609 (i) a manufactured housing installation standard code; and
- 610 (j) Modular Building Institute Standards 1200 and 1205, issued by the International
- 611 Code Council, except as specifically modified by provisions of this title governing
- 612 modular units.
- 613 (8) "Construction project" means the same as that term is defined in Section 38-1a-102.
- 614 (9) "Executive director" means the executive director of the Department of Commerce.
- 615 (10) "Legislative action" includes legislation that:
- 616 (a) adopts a new State Construction Code;
- 617 (b) amends the State Construction Code; or
- 618 (c) repeals one or more provisions of the State Construction Code.
- 619 (11) (a) "Local regulator" means a political subdivision of the state that is empowered to
- 620 engage in the regulation of construction, alteration, remodeling, building, repair, [~~and~~]
- 621 installation, inspection, or other activities subject to the codes.
- 622 (b) "Local regulator" may include the local regulator's designee.
- 623 (12) "Membrane-covered frame structure" means a nonpressurized building with a structure
- 624 composed of a rigid framework to support a tensioned membrane that provides a
- 625 weather barrier.
- 626 (13) "Not for human occupancy" means use of a structure for purposes other than protection
- 627 or comfort of human beings, but allows people to enter the structure for:
- 628 (a) maintenance [~~and~~] or repair; [~~and~~] or
- 629 (b) the care of livestock, crops, or equipment intended for agricultural use which are
- 630 kept there.
- 631 (14) "Opinion" means a written, nonbinding, and advisory statement issued by the
- 632 commission concerning an interpretation of the meaning of the codes or the application
- 633 of the codes in a specific circumstance issued in response to a specific request by a party
- 634 to the issue.
- 635 (15) "Remote yurt" means a membrane-covered frame structure that:
- 636 (a) is no larger than 710 square feet;
- 637 (b) is not used as a permanent residence;
- 638 (c) is located in an unincorporated county area that is not zoned for residential,

- commercial, industrial, or agricultural use;
- (d) does not have plumbing or electricity;
- (e) is set back at least 300 feet from any river, stream, lake, or other body of water; and
- (f) is registered with the local health department.

(16) "State regulator" means an agency of the state which is empowered to engage in the regulation of construction, alteration, remodeling, building, repair, and other activities subject to the codes adopted pursuant to this chapter.

Section 9. Section **15A-1-205** is amended to read:

15A-1-205 . Division duties -- Relationship of division to other entities.

- (1) (a) The division shall administer the codes adopted or approved under Section 15A-1-204 pursuant to this chapter.
- (b) Notwithstanding Subsection (1)(a), the division has no responsibility to:
 - (i) conduct inspections to determine compliance with the codes;
 - (ii) issue permits; or
 - (iii) assess building permit fees.
- (c) Notwithstanding any other provision, the division, the Division of Facilities Construction and Management, the state regulator, any approved third party inspection agency as defined by Section 15A-1-302, or any approved third party inspector as defined by Section 15A-1-302 does not have the responsibility or authority to perform the duties reserved to a local regulator as set forth in Section 15A-1-304, unless designated by a local regulator to perform that duty.
- (2) As part of the administration of the codes, the division shall:
 - (a) comply with Section 15A-1-206;
 - (b) schedule appropriate hearings;
 - (c) maintain and publish for reference:
 - (i) the current State Construction Code; and
 - (ii) any approved code; and
 - (d) publish the opinions of the commission with respect to interpretation and application of the codes.
- (3) (a) As part of the administration of the codes, the division shall license inspectors, including approved third party inspectors.
- (b) The Division of Facilities Construction and Management may access a list of all licensed inspectors, including approved third party inspectors, on the division's website.

Section 10. Section **15A-1-302** is amended to read:

15A-1-302 . Definitions.

As used in this part:

- (1) "Compliance agency" ~~[is as]~~ means the same as that term is defined in Section 15A-1-202.
- (2) "Construction documents" means the same as that term is defined by Modular Building Institute Standards 1200.
- (3) "Decal" means a form of certification, created by the Division of Facilities Construction and Management and issued by a third party inspection agency, to be permanently attached to a module, panelized system, or modular building unit indicating that the module, panelized system, or modular building unit has been constructed to meet or exceed applicable building code requirements.
- ~~[(2)]~~ (4) "Factory built housing" means a manufactured home or mobile home.
- ~~[(3)]~~ (5) "Factory built housing set-up contractor" means an individual licensed by the division to set up or install factory built housing on a temporary or permanent basis.
- ~~[(4)]~~ (6) "HUD Code" means the National Manufactured Housing Construction and Safety Standards Act, 42 U.S.C. Sec. 5401 et seq.
- ~~[(5)]~~ (7) "Local regulator" ~~[is as]~~ means the same as that term is defined in Section 15A-1-202.
- ~~[(6)]~~ (8) "Manufactured home" means a transportable factory built housing unit constructed on or after June 15, 1976, according to the HUD Code, in one or more sections, that:
- (a) in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more square feet; and
- (b) is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems.
- (9) "Manufacturing plant" means the same as that term is defined by Modular Building Institute Standards 1200.
- ~~[(7)]~~ (10) "Mobile home" means a transportable factory built housing unit built before June 15, 1976, in accordance with a state mobile home code which existed prior to the HUD Code.
- (11) "Modular manufacturer" means the entity responsible for manufacturing a panelized system or module.
- ~~[(8)]~~ (12) "Modular unit" or "modular building unit" means a structure:

(a) ~~[built from sections that are manufactured]~~ constructed from one or more modules or panelized systems that is manufactured in accordance with the State Construction Code and transported to a [building site; and] location;

(b) the purpose of which is for human habitation, occupancy, or use; and

(c) is not a factory-built house, manufactured home, or mobile home.

(13) "Module" means a three-dimensional, volumetric section of a modular building unit designed and approved to be transported as a single section, independent of other sections, to a location for onsite construction.

(14) "Offsite construction" means a modular building unit that:

(a) is designed and constructed in compliance with this part;

(b) is wholly or in substantial part fabricated in a manufacturing plant for installation at an onsite location; and

(c) has been manufactured in such a manner that all parts or processes cannot be inspected at the end site location without disassembly, potentially resulting in damage or destruction to the modular building unit.

(15) "Onsite construction" means:

(a) the preparation of a location where a modular building unit will be installed, including preparation of site foundation, construction of any necessary supporting structure, and preparation to connect the modular building unit to necessary utilities; and

(b) assembly and installation of one or more modules or panelized systems in accordance with construction documents into a modular building unit, including completion of any site-related construction and connecting the modular building unit to necessary utilities.

(16) "Panelized system" means a closed wall, roof, or floor component that is constructed at a manufacturing plant or by a modular manufacturer in a manner that prevents the construction from being fully inspected at an onsite location without disassembly, damage, or destruction.

~~[(9)]~~ (17) "State regulator" [is as] means the same as that term is defined in Section 15A-1-202.

(18) "Third party inspection agency" means an entity approved by the Division of Facilities Construction and Management to be qualified to inspect a module or panelized system for compliance with the construction documents, compliance control, and applicable code.

(19) "Third party inspector" means a person who:

- (a) is qualified to inspect a modular building unit for compliance with construction documents, compliance control, and applicable building code;
- (b) works under the direction of a third party inspection agency;
- (c) has been licensed by the division under Section 15A-1-307; and
- (d) is approved by the Division of Facilities Construction and Management to conduct third party inspections, as described in Section 15A-1-307.

(20) "Unregistered modular unit" means a modular unit that:

- (a) has not been inspected as required by this title; or
- (b) does not have a required decal.

Section 11. Section **15A-1-304** is amended to read:

15A-1-304 . Modular units.

Modular unit construction, ~~[setup]~~ installation, issuance of permits for construction or [~~setup~~] installation, and setup shall be in accordance with the following:

- (1) Construction, installation, and setup of a modular unit, module, or panelized system shall be in accordance with the State Construction Code.
- (2) A local regulator has the responsibility and exclusive authority [~~for plan review and issuance of permits for construction, modification, or setup for the political subdivision in which the modular unit is to be setup;~~] to:
 - (a) review and approve the elements of construction documents related to onsite construction;
 - (b) issue a permit for construction of a modular building unit or a modular building unit site modification;
 - (c) perform an inspection of onsite construction of a modular building unit or modular building unit site modification;
 - (d) verify that a module or panelized system is installed in accordance with:
 - (i) the modular unit's construction documents;
 - (ii) the State Construction Code; and
 - (iii) applicable state and local requirements;
 - (e) verify that a decal has been permanently affixed to a modular building unit;
 - (f) subject to Subsection (3), establish and assess fees related to the construction and installation of modular units;
 - (g) upon discovery of visible damage to a module or panelized system, or discovery of evidence that would cause a reasonable inspector to believe that a modular building

unit may not be in compliance with the State Construction Code or construction documents:

(i) inform the Division of Facilities Construction and Management; and

(ii) proceed in accordance with the guidance in Modular Building Institute Standards 1200 and 1205;

(h) approve any proposed alteration or change to a set of construction documents so long as the alteration or change complies with the requirements of this chapter;

(i) inspect any alteration to a modular unit or panelized system that occurred after installation;

(j) notwithstanding any other provision of state law, the construction code and standards, agency rule, or local ordinance:

(i) prevent the use or occupancy of a modular building unit that, in the opinion of the local regulator, contains a serious defect or presents an imminent safety hazard; and

(ii) report the prevention of use or occupancy of a modular building unit to the Division of Facilities Construction and Management and the division; and

(k) perform all other duties and responsibilities set forth in the Modular Building Institute Standards 1200 and 1205 not otherwise listed in this section.

(3) Fees related to the construction and installation of modular building units may include building permit fees, inspection fees, impact fees, and administrative fees.

(4) (a) In addition to any immunity and protections set forth in the Utah Governmental Immunity Act, a municipality shall not be liable for a claim arising solely from the offsite construction of a module, panelized system, or modular building unit.

(b) A local regulator may provide written notice with the certificate of occupancy that explains the municipality's limitations of liability pursuant to this section and the Utah Governmental Immunity Act.

~~[(3)]~~ (5) An inspection of the construction, modification of, or setup of a modular unit shall conform with this chapter.

~~[(4)]~~ (6) A local regulator has the responsibility to issue an approval for the political subdivision in which a modular unit is to be setup or is setup.

~~[(5)]~~ (7) Nothing in this section precludes:

(a) a local regulator from contracting with a qualified third party to act as its designee for the inspection or plan review provided in this section; or

(b) the state from entering into an interstate compact for third party inspection of the

construction of a modular unit.

Section 12. Section **15A-1-304.1** is enacted to read:

15A-1-304.1 . Unregistered modular units.

- (1) Except as provided in Subsection (7), the Division of Facilities Construction and Management shall determine whether an unregistered modular unit is compliant with this chapter.
- (2) Upon discovery of an unregistered modular unit, the Division of Facilities Construction and Management shall:
- (a) inform the local regulator, which shall:
- (i) issue an order to the owner of the unregistered modular unit to cease use or occupancy of the unregistered modular unit until a third party inspector determines the unregistered modular unit has come into compliance; or
- (ii) determine if the unregistered modular unit is considered compliant, as described in Subsection (7); and
- (b) require the owner of the unregistered modular unit to:
- (i) produce documentation of the modular unit's compliance with this chapter:
- (A) if the unregistered modular unit is only missing a decal or had a decal but the decal is no longer visible; or
- (B) if the unregistered modular unit is considered compliant under Subsection (7);
- or
- (ii) arrange for a third party inspector to inspect the unregistered modular unit, as described in Subsection (4).
- (3) Upon receiving and verifying the documentation described in Subsection (2)(b)(i)(A), the Division of Facilities Construction and Management shall issue the owner of an unregistered modular unit a decal to be affixed to the unregistered modular unit.
- (4) (a) Upon inspection of an unregistered modular unit, a third party inspector shall determine when and where the unregistered modular unit was manufactured.
- (b) If the unregistered modular unit was manufactured in another state by a modular manufacturer approved by a regulator in that state at the time the unregistered modular unit was manufactured, the third party inspector shall:
- (i) conduct a review of the original construction documents and the requirements of the state in which the unregistered modular unit was manufactured as of the time of manufacturing to determine the degree to which the unregistered modular unit's manufacture and installation is compliant with the requirements of this chapter;

- 843 (ii) in accordance with Subsection (5), conduct an inspection of the unregistered
844 modular unit; and
- 845 (iii) determine whether the unregistered modular unit is compliant with:
846 (A) the requirements for a modular building described in this chapter; and
847 (B) the building codes that were in effect at the time the unregistered modular
848 building was manufactured.
- 849 (c) If the unregistered modular unit was manufactured in another state by a modular
850 manufacturer that was not approved by that state, or if the date of manufacture of the
851 unregistered modular unit cannot be determined, the third party inspector shall:
852 (i) in accordance with Subsection (5), conduct an inspection of the unregistered
853 modular unit; and
854 (ii) determine whether the unregistered modular unit is compliant with the
855 requirements for a modular building described in this chapter.
- 856 (d) If the third party inspector cannot determine where or when the unregistered modular
857 unit was manufactured, or if original construction documents for the unregistered
858 modular unit cannot be located or verified, the third party inspector shall inspect the
859 unregistered modular unit for compliance with this chapter, including requiring
860 disassembly of the unregistered modular unit if necessary.
- 861 (5) If the third party inspector is able to review and verify the original construction
862 documents for the unregistered modular unit, and the original construction documents
863 for the unregistered modular unit are sufficient to determine whether the construction of
864 the unregistered modular unit complies with this chapter, the third party inspector may
865 not require disassembly of the modular unit.
- 866 (6) (a) If the third party inspector determines the unregistered modular unit is compliant
867 with the requirements for modular units in this chapter:
868 (i) the third party inspector shall report the finding to:
869 (A) the Division of Facilities Construction and Management; and
870 (B) the local regulator; and
871 (ii) affix a decal to the unregistered modular unit.
- 872 (b) The report described in Subsection (6)(a)(i) shall include a description of any
873 changes made to the unregistered modular unit.
- 874 (7) If an unregistered modular unit installed before May 4, 2024, has a certificate of
875 occupancy from a local regulator, the unregistered modular unit is considered compliant
876 with the requirements for a modular unit described in this chapter so long as the

unregistered modular unit remains in the jurisdiction of the local regulator that issued the certificate of occupancy.

Section 13. Section **15A-1-306.1** is enacted to read:

15A-1-306.1 . Division of Facilities Construction and Management duties for modular building units.

The Division of Facilities Construction and Management:

- (1) shall maintain current information on the HUD Code and the portions of the State Construction Code relevant to modular building unit installation and provide at reasonable cost the information to compliance agencies or local regulators requesting the information;
- (2) shall provide qualified personnel to advise compliance agencies and local regulators regarding the standards for:
 - (a) construction and installation of modular building units;
 - (b) construction and setup inspection of modular building units; and
 - (c) additions or modifications to modular building units;
- (3) may inspect modular building units during the construction or manufacturing process to determine compliance of a modular manufacturer with this title for modular building units to be installed within the state;
- (4) upon a finding of substantive deficiency at a modular manufacturer, through inspection or based on a report from an approved third party inspection agency, may:
 - (a) suspend the manufacturer's construction of modular units to be sold or installed in the state;
 - (b) issue a corrective order to the manufacturer; or
 - (c) require an increase in third party inspections until the Division of Facilities Construction and Management is satisfied that the deficiency is resolved;
- (5) shall, if an action is taken pursuant to Subsection (4), provide notice of its action and a copy of the corrective order to the local regulator in the political subdivision where a modular unit is to be installed;
- (6) shall have rights of entry and inspection as specified under the HUD Code and Modular Building Institute Standard 1200 and Standard 1205, as applicable;
- (7) shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement this section and Section 15A-1-307, including a continuing education requirement for modular building unit construction and installation contractors; and

- (8) shall have the authority to set and collect fees associated with the provision of decals to support the administration of the modular building unit program.

Section 14. Section **15A-1-307** is enacted to read:

15A-1-307 . Third party review - Inspection agencies.

- (1) By no later than July 1, 2024, the Division of Facilities Construction and Management shall maintain a list of third party inspection agencies that have been approved by the Division of Facilities Construction and Management to conduct:

- (a) review of construction documents; and
- (b) an inspection of a module or panelized system.

- (2) An approved third party inspection agency:

- (a) shall demonstrate knowledge of applicable sections of the Utah Code and State Construction Code and other applicable laws and rules;
- (b) shall be independent in judgment and not have any actual or potential conflict of interest;
- (c) is not affiliated with or influenced or controlled by any producer, supplier, vendor, developer, builder, or related fields applicable to the construction of modular units in any manner that might affect its capacity to render its conclusions and inspections without bias;
- (d) shall carry insurance in the amount set by the Division of Facilities Construction and Management to cover liabilities and losses arising or relating to possible errors and omissions from its operations, reviews, and inspections; and
- (e) shall perform all duties set forth in the Modular Building Institute Standard 1205, Chapter 4, as amended.

- (3) An approved third party inspector:

- (a) shall demonstrate knowledge of applicable sections of the Utah Code and State Construction Code and other applicable laws and rules;
- (b) shall be independent in judgment and not have any actual or potential conflict of interest;
- (c) is not affiliated with or influenced or controlled by any producer, supplier, vendor, developer, builder, or related fields applicable to the construction of modular units in any manner that might affect its capacity to render its conclusions and inspections without bias;
- (d) shall carry insurance in the amount set by the Division of Facilities Construction and Management to cover liabilities and losses arising or relating to possible errors and

omissions from its operations, reviews, and inspections; and
(e) shall perform all duties set forth in the Modular Building Institute Standard 1205, Chapter 4, as amended.

- (4) A third party inspector at an approved third party agency shall:
- (a) be licensed and certified as a combination building inspector under Title 58, Occupations and Professions;
 - (b) meet the requirements for a third party inspector under the Modular Building Institute Standard 1205, Chapter 4; and
 - (c) be knowledgeable regarding the construction and installation of modular units.
- (5) (a) A modular manufacturer shall contract with one or more third party agencies or third party inspectors to perform offsite construction documents review and inspection.
- (b) A contract described in Subsection (5)(a) does not constitute an actual or implied conflict of interest.

Section 15. Section **15A-1-308** is enacted to read:

15A-1-308 . Manufacturing plants -- Quality assurance inspections.

- (1) The Division of Facilities Construction and Management shall approve a modular manufacturer before modular building units produced by or sold by the modular manufacturer may be used for human occupancy within the state.
- (2) A modular manufacturer, or an employee of a modular manufacturer, shall meet each requirement of Modular Building Institute 1200 Standard, Chapter 5 and 1205 Standard, Chapters 4 and 5.
- (3) The quality assurance and control plan, as required in Modular Building Institute 1200 Standard, Chapter 5, and further defined per Modular Building Institute 1205 Standard, Chapter 5, shall include a conflict of interest form developed by the Division of Facilities Construction and Management.
- (4) Quality assurance personnel at the manufacturing plant shall:
- (a) demonstrate to the Division of Facilities Construction and Management and an applicable third party inspection agency that the quality assurance personnel have adequate knowledge of the product, factory operations, and the codes and standards for the product being manufactured;
 - (b) demonstrate to the satisfaction of the Division of Facilities Construction and Management the ability of the quality assurance personnel to perform required duties, as outlined by the Division of Facilities Construction and Management by rule; and

(c) inspect each module and panelized system for quality control.

(5) (a) After local building permit issuance, a modular manufacturer, third party agency, or third party inspector may not amend a construction document without approval from a local regulator.

(b) A local regulator shall approve an amendment to a construction document unless it violates a site-specific provision of municipal code or affects the safety or the habitability of a modular unit.

Section 16. Section **15A-1-309** is enacted to read:

15A-1-309 . Decal.

A decal issued by the Division of Facilities Construction and Management and affixed by a third party inspection agency in compliance with this part shall warrant that the modular building unit has been inspected in accordance with this part and the modular building unit is:

(1) fit for human occupancy; and

(2) manufactured in accordance with applicable codes and the construction documents.

Section 17. Section **15A-2-103** is amended to read:

15A-2-103 . Specific editions adopted of construction code of a nationally recognized code authority.

(1) Subject to the other provisions of this part, the following construction codes are incorporated by reference, and together with the amendments specified in Chapter 3, Statewide Amendments Incorporated as Part of State Construction Code, and Chapter 4, Local Amendments Incorporated as Part of State Construction Code, are the construction standards to be applied to building construction, alteration, remodeling, and repair, and in the regulation of building construction, alteration, remodeling, and repair in the state:

(a) the 2021 edition of the International Building Code, including Appendices C and J, issued by the International Code Council;

(b) except as provided in Subsection (1)(c), the 2021 edition of the International Residential Code, issued by the International Code Council;

(c) the residential provisions of Chapter 11, Energy Efficiency, of the 2015 edition of the International Residential Code, issued by the International Code Council;

(d) Appendix AQ of the 2021 edition of the International Residential Code, issued by the International Code Council;

(e) the 2021 edition of the International Plumbing Code, issued by the International

- 1013 Code Council;
- 1014 (f) the 2021 edition of the International Mechanical Code, issued by the International
- 1015 Code Council;
- 1016 (g) the 2021 edition of the International Fuel Gas Code, issued by the International Code
- 1017 Council;
- 1018 (h) the 2020 edition of the National Electrical Code, issued by the National Fire
- 1019 Protection Association;
- 1020 (i) the residential provisions of the 2015 edition of the International Energy
- 1021 Conservation Code, issued by the International Code Council;
- 1022 (j) the commercial provisions of the 2021 edition of the International Energy
- 1023 Conservation Code, issued by the International Code Council;
- 1024 (k) the 2021 edition of the International Existing Building Code, issued by the
- 1025 International Code Council;
- 1026 (l) subject to Subsection 15A-2-104(2), the HUD Code;
- 1027 (m) subject to Subsection 15A-2-104(1), Appendix AE of the 2021 edition of the
- 1028 International Residential Code, issued by the International Code Council;
- 1029 (n) subject to Subsection 15A-2-104(1), the 2005 edition of the NFPA 225 Model
- 1030 Manufactured Home Installation Standard, issued by the National Fire Protection
- 1031 Association;
- 1032 (o) subject to Subsection (3), for standards and guidelines pertaining to plaster on a
- 1033 historic property, as defined in Section 9-8a-302, the U.S. Department of the Interior
- 1034 Secretary's Standards for Rehabilitation and Guidelines for Rehabilitating Historic
- 1035 Buildings; ~~and~~
- 1036 (p) the residential provisions of the 2021 edition of the International Swimming Pool
- 1037 and Spa Code, issued by the International Code Council[-] ; and
- 1038 (q) Modular Building Institute Standards 1200 and 1205, issued by the International
- 1039 Code Council, except as modified by provisions of this title governing modular units.
- 1040 (2) Consistent with Title 65A, Chapter 8, Management of Forest Lands and Fire Control,
- 1041 the Legislature adopts the 2006 edition of the Utah Wildland Urban Interface Code,
- 1042 issued by the International Code Council, with the alternatives or amendments approved
- 1043 by the Utah Division of Forestry, Fire, and State Lands, as a construction code that may
- 1044 be adopted by a local compliance agency by local ordinance or other similar action as a
- 1045 local amendment to the codes listed in this section.
- 1046 (3) The standards and guidelines described in Subsection (1)(o) apply only if:

- 1047 (a) the owner of the historic property receives a government tax subsidy based on the
1048 property's status as a historic property;
1049 (b) the historic property is wholly or partially funded by public money; or
1050 (c) the historic property is owned by a government entity.

1051 Section 18. Section **17-27a-403** is amended to read:

1052 **17-27a-403 . Plan preparation.**

- 1053 (1) (a) The planning commission shall provide notice, as provided in Section 17-27a-203,
1054 of the planning commission's intent to make a recommendation to the county
1055 legislative body for a general plan or a comprehensive general plan amendment when
1056 the planning commission initiates the process of preparing the planning commission's
1057 recommendation.
- 1058 (b) The planning commission shall make and recommend to the legislative body a
1059 proposed general plan for:
1060 (i) the unincorporated area within the county; or
1061 (ii) if the planning commission is a planning commission for a mountainous planning
1062 district, the mountainous planning district.
- 1063 (c) (i) The plan may include planning for incorporated areas if, in the planning
1064 commission's judgment, they are related to the planning of the unincorporated
1065 territory or of the county as a whole.
- 1066 (ii) Elements of the county plan that address incorporated areas are not an official
1067 plan or part of a municipal plan for any municipality, unless the county plan is
1068 recommended by the municipal planning commission and adopted by the
1069 governing body of the municipality.
- 1070 (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
1071 and descriptive and explanatory matter, shall include the planning commission's
1072 recommendations for the following plan elements:
- 1073 (i) a land use element that:
- 1074 (A) designates the long-term goals and the proposed extent, general distribution,
1075 and location of land for housing for residents of various income levels,
1076 business, industry, agriculture, recreation, education, public buildings and
1077 grounds, open space, and other categories of public and private uses of land as
1078 appropriate;
- 1079 (B) includes a statement of the projections for and standards of population density
1080 and building intensity recommended for the various land use categories

- 1081 covered by the plan;
- 1082 (C) is coordinated to integrate the land use element with the water use and
- 1083 preservation element; and
- 1084 (D) accounts for the effect of land use categories and land uses on water demand;
- 1085 (ii) a transportation and traffic circulation element that:
- 1086 (A) provides the general location and extent of existing and proposed freeways,
- 1087 arterial and collector streets, public transit, active transportation facilities, and
- 1088 other modes of transportation that the planning commission considers
- 1089 appropriate;
- 1090 (B) addresses the county's plan for residential and commercial development
- 1091 around major transit investment corridors to maintain and improve the
- 1092 connections between housing, employment, education, recreation, and
- 1093 commerce; and
- 1094 (C) correlates with the population projections, the employment projections, and
- 1095 the proposed land use element of the general plan;
- 1096 (iii) for a specified county as defined in Section 17-27a-408, a moderate income
- 1097 housing element that:
- 1098 (A) provides a realistic opportunity to meet the need for additional moderate
- 1099 income housing within the next five years;
- 1100 (B) selects three or more moderate income housing strategies described in
- 1101 Subsection (2)(b)(ii) for implementation; and
- 1102 (C) includes an implementation plan as provided in Subsection (2)(e);
- 1103 (iv) a resource management plan detailing the findings, objectives, and policies
- 1104 required by Subsection 17-27a-401(3); and
- 1105 (v) a water use and preservation element that addresses:
- 1106 (A) the effect of permitted development or patterns of development on water
- 1107 demand and water infrastructure;
- 1108 (B) methods of reducing water demand and per capita consumption for future
- 1109 development;
- 1110 (C) methods of reducing water demand and per capita consumption for existing
- 1111 development; and
- 1112 (D) opportunities for the county to modify the county's operations to eliminate
- 1113 practices or conditions that waste water.
- 1114 (b) In drafting the moderate income housing element, the planning commission:

- 1115 (i) shall consider the Legislature's determination that counties should facilitate a
1116 reasonable opportunity for a variety of housing, including moderate income
1117 housing:
- 1118 (A) to meet the needs of people of various income levels living, working, or
1119 desiring to live or work in the community; and
- 1120 (B) to allow people with various incomes to benefit from and fully participate in
1121 all aspects of neighborhood and community life; and
- 1122 (ii) shall include an analysis of how the county will provide a realistic opportunity for
1123 the development of moderate income housing within the planning horizon,
1124 including a recommendation to implement three or more of the following
1125 moderate income housing strategies:
- 1126 (A) rezone for densities necessary to facilitate the production of moderate income
1127 housing;
- 1128 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that
1129 facilitates the construction of moderate income housing;
- 1130 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing
1131 stock into moderate income housing;
- 1132 (D) identify and utilize county general fund subsidies or other sources of revenue
1133 to waive construction related fees that are otherwise generally imposed by the
1134 county for the construction or rehabilitation of moderate income housing;
- 1135 (E) create or allow for, and reduce regulations related to, internal or detached
1136 accessory dwelling units in residential zones;
- 1137 (F) zone or rezone for higher density or moderate income residential development
1138 in commercial or mixed-use zones, commercial centers, or employment centers;
- 1139 (G) amend land use regulations to allow for higher density or new moderate
1140 income residential development in commercial or mixed-use zones near major
1141 transit investment corridors;
- 1142 (H) amend land use regulations to eliminate or reduce parking requirements for
1143 residential development where a resident is less likely to rely on the resident's
1144 own vehicle, such as residential development near major transit investment
1145 corridors or senior living facilities;
- 1146 (I) amend land use regulations to allow for single room occupancy developments;
- 1147 (J) implement zoning incentives for moderate income units in new developments;
- 1148 (K) preserve existing and new moderate income housing and subsidized units by

- 1149 utilizing a landlord incentive program, providing for deed restricted units
1150 through a grant program, or establishing a housing loss mitigation fund;
- 1151 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 1152 (M) demonstrate creation of, or participation in, a community land trust program
1153 for moderate income housing;
- 1154 (N) implement a mortgage assistance program for employees of the county, an
1155 employer that provides contracted services for the county, or any other public
1156 employer that operates within the county;
- 1157 (O) apply for or partner with an entity that applies for state or federal funds or tax
1158 incentives to promote the construction of moderate income housing, an entity
1159 that applies for programs offered by the Utah Housing Corporation within that
1160 agency's funding capacity, an entity that applies for affordable housing
1161 programs administered by the Department of Workforce Services, an entity
1162 that applies for services provided by a public housing authority to preserve and
1163 create moderate income housing, or any other entity that applies for programs
1164 or services that promote the construction or preservation of moderate income
1165 housing;
- 1166 (P) demonstrate utilization of a moderate income housing set aside from a
1167 community reinvestment agency, redevelopment agency, or community
1168 development and renewal agency to create or subsidize moderate income
1169 housing;
- 1170 (Q) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
1171 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 1172 (R) create a home ownership promotion zone pursuant to Part 12, Home
1173 Ownership Promotion Zone for Counties;
- 1174 [~~(R)~~] (S) eliminate impact fees for any accessory dwelling unit that is not an
1175 internal accessory dwelling unit as defined in Section 10-9a-530;
- 1176 [~~(S)~~] (T) create a program to transfer development rights for moderate income
1177 housing;
- 1178 [~~(T)~~] (U) ratify a joint acquisition agreement with another local political
1179 subdivision for the purpose of combining resources to acquire property for
1180 moderate income housing;
- 1181 [~~(U)~~] (V) develop a moderate income housing project for residents who are
1182 disabled or 55 years old or older;

- 1183 ~~[(V)]~~ (W) create or allow for, and reduce regulations related to, multifamily
1184 residential dwellings compatible in scale and form with detached single-family
1185 residential dwellings and located in walkable communities within residential or
1186 mixed-use zones; and
- 1187 ~~[(W)]~~ (X) demonstrate implementation of any other program or strategy to address
1188 the housing needs of residents of the county who earn less than 80% of the area
1189 median income, including the dedication of a local funding source to moderate
1190 income housing or the adoption of a land use ordinance that requires 10% or
1191 more of new residential development in a residential zone be dedicated to
1192 moderate income housing.
- 1193 (iii) If a specified county, as defined in Section 17-27a-408, has created a small
1194 public transit district, as defined in Section 17B-2a-802, on or before January 1,
1195 2022, the specified county shall include as part of the specified county's
1196 recommended strategies under Subsection (2)(b)(ii) a recommendation to
1197 implement the strategy described in Subsection (2)(b)(ii)(Q).
- 1198 (iv) The planning commission shall identify each moderate income housing strategy
1199 recommended to the legislative body for implementation by restating the exact
1200 language used to describe the strategy in Subsection (2)(b)(ii).
- 1201 (c) In drafting the land use element, the planning commission shall:
- 1202 (i) identify and consider each agriculture protection area within the unincorporated
1203 area of the county or mountainous planning district;
- 1204 (ii) avoid proposing a use of land within an agriculture protection area that is
1205 inconsistent with or detrimental to the use of the land for agriculture; and
- 1206 (iii) consider and coordinate with any station area plans adopted by municipalities
1207 located within the county under Section 10-9a-403.1.
- 1208 (d) In drafting the transportation and traffic circulation element, the planning
1209 commission shall:
- 1210 (i) (A) consider and coordinate with the regional transportation plan developed by
1211 the county's region's metropolitan planning organization, if the relevant areas
1212 of the county are within the boundaries of a metropolitan planning
1213 organization; or
- 1214 (B) consider and coordinate with the long-range transportation plan developed by
1215 the Department of Transportation, if the relevant areas of the county are not
1216 within the boundaries of a metropolitan planning organization; and

- 1217 (ii) consider and coordinate with any station area plans adopted by municipalities
1218 located within the county under Section 10-9a-403.1.
- 1219 (e) (i) In drafting the implementation plan portion of the moderate income housing
1220 element as described in Subsection (2)(a)(iii)(C), the planning commission shall
1221 recommend to the legislative body the establishment of a five-year timeline for
1222 implementing each of the moderate income housing strategies selected by the
1223 county for implementation.
- 1224 (ii) The timeline described in Subsection (2)(e)(i) shall:
- 1225 (A) identify specific measures and benchmarks for implementing each moderate
1226 income housing strategy selected by the county; and
- 1227 (B) provide flexibility for the county to make adjustments as needed.
- 1228 (f) In drafting the water use and preservation element, the planning commission:
- 1229 (i) shall consider applicable regional water conservation goals recommended by the
1230 Division of Water Resources;
- 1231 (ii) shall consult with the Division of Water Resources for information and technical
1232 resources regarding regional water conservation goals, including how
1233 implementation of the land use element and water use and preservation element
1234 may affect the Great Salt Lake;
- 1235 (iii) shall notify the community water systems serving drinking water within the
1236 unincorporated portion of the county and request feedback from the community
1237 water systems about how implementation of the land use element and water use
1238 and preservation element may affect:
- 1239 (A) water supply planning, including drinking water source and storage capacity
1240 consistent with Section 19-4-114; and
- 1241 (B) water distribution planning, including master plans, infrastructure asset
1242 management programs and plans, infrastructure replacement plans, and impact
1243 fee facilities plans;
- 1244 (iv) shall consider the potential opportunities and benefits of planning for
1245 regionalization of public water systems;
- 1246 (v) shall consult with the Department of Agriculture and Food for information and
1247 technical resources regarding the potential benefits of agriculture conservation
1248 easements and potential implementation of agriculture water optimization projects
1249 that would support regional water conservation goals;
- 1250 (vi) shall notify an irrigation or canal company located in the county so that the

1251 irrigation or canal company can be involved in the protection and integrity of the
1252 irrigation or canal company's delivery systems;

1253 (vii) shall include a recommendation for:

1254 (A) water conservation policies to be determined by the county; and

1255 (B) landscaping options within a public street for current and future development
1256 that do not require the use of lawn or turf in a parkstrip;

1257 (viii) shall review the county's land use ordinances and include a recommendation for
1258 changes to an ordinance that promotes the inefficient use of water;

1259 (ix) shall consider principles of sustainable landscaping, including the:

1260 (A) reduction or limitation of the use of lawn or turf;

1261 (B) promotion of site-specific landscape design that decreases stormwater runoff
1262 or runoff of water used for irrigation;

1263 (C) preservation and use of healthy trees that have a reasonable water requirement
1264 or are resistant to dry soil conditions;

1265 (D) elimination or regulation of ponds, pools, and other features that promote
1266 unnecessary water evaporation;

1267 (E) reduction of yard waste; and

1268 (F) use of an irrigation system, including drip irrigation, best adapted to provide
1269 the optimal amount of water to the plants being irrigated;

1270 (x) may include recommendations for additional water demand reduction strategies,
1271 including:

1272 (A) creating a water budget associated with a particular type of development;

1273 (B) adopting new or modified lot size, configuration, and landscaping standards
1274 that will reduce water demand for new single family development;

1275 (C) providing one or more water reduction incentives for existing landscapes and
1276 irrigation systems and installation of water fixtures or systems that minimize
1277 water demand;

1278 (D) discouraging incentives for economic development activities that do not
1279 adequately account for water use or do not include strategies for reducing
1280 water demand; and

1281 (E) adopting water concurrency standards requiring that adequate water supplies
1282 and facilities are or will be in place for new development; and

1283 (xi) shall include a recommendation for low water use landscaping standards for a
1284 new:

- 1285 (A) commercial, industrial, or institutional development;
1286 (B) common interest community, as defined in Section 57-25-102; or
1287 (C) multifamily housing project.
- 1288 (3) The proposed general plan may include:
- 1289 (a) an environmental element that addresses:
- 1290 (i) to the extent not covered by the county's resource management plan, the
1291 protection, conservation, development, and use of natural resources, including the
1292 quality of:
- 1293 (A) air;
1294 (B) forests;
1295 (C) soils;
1296 (D) rivers;
1297 (E) groundwater and other waters;
1298 (F) harbors;
1299 (G) fisheries;
1300 (H) wildlife;
1301 (I) minerals; and
1302 (J) other natural resources; and
- 1303 (ii) (A) the reclamation of land, flood control, prevention and control of the
1304 pollution of streams and other waters;
1305 (B) the regulation of the use of land on hillsides, stream channels and other
1306 environmentally sensitive areas;
1307 (C) the prevention, control, and correction of the erosion of soils;
1308 (D) the preservation and enhancement of watersheds and wetlands; and
1309 (E) the mapping of known geologic hazards;
- 1310 (b) a public services and facilities element showing general plans for sewage, water,
1311 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
1312 them, police and fire protection, and other public services;
- 1313 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
1314 programs for:
- 1315 (i) historic preservation;
1316 (ii) the diminution or elimination of a development impediment as defined in Section
1317 17C-1-102; and
1318 (iii) redevelopment of land, including housing sites, business and industrial sites, and

- 1319 public building sites;
- 1320 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 1321 economic development plan, which may include review of existing and projected
- 1322 county revenue and expenditures, revenue sources, identification of basic and
- 1323 secondary industry, primary and secondary market areas, employment, and retail
- 1324 sales activity;
- 1325 (e) recommendations for implementing all or any portion of the general plan, including
- 1326 the adoption of land and water use ordinances, capital improvement plans,
- 1327 community development and promotion, and any other appropriate action;
- 1328 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or
- 1329 (3)(a)(i); and
- 1330 (g) any other element the county considers appropriate.

1331 Section 19. Section **17-27a-1201** is enacted to read:

1332 **Part 12. Home Ownership Promotion Zone for Counties**

1333 **17-27a-1201 . Definitions.**

1334 As used in this part:

- 1335 (1) "Affordable housing" means housing offered for sale at 80% or less of the median
- 1336 county home price for housing of that type.
- 1337 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 1338 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
- 1339 roll last equalized during the base year.
- 1340 (4) "Base year" means, for a proposed home ownership promotion zone area, a year
- 1341 beginning the first day of the calendar quarter determined by the last equalized tax roll
- 1342 before the adoption of the home ownership promotion zone.
- 1343 (5) "Home ownership promotion zone" means a home ownership promotion zone created
- 1344 pursuant to this part.
- 1345 (6) "Participant" means the same as that term is defined in Section 17C-1-102.
- 1346 (7) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 1347 (8) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 1348 (9) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 1349 (10) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 1350 (11) (a) "Tax increment" means the difference between:
- 1351 (i) the amount of property tax revenue generated each tax year by a taxing entity from

- 1352 the area within a home ownership promotion zone, using the current assessed
1353 value and each taxing entity's current certified tax rate as defined in Section
1354 59-2-924; and
- 1355 (ii) the amount of property tax revenue that would be generated from that same area
1356 using the base taxable value and each taxing entity's current certified tax rate as
1357 defined in Section 59-2-924.
- 1358 (b) "Tax increment" does not include property revenue from:
- 1359 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
1360 or
- 1361 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 1362 (12) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
1363 Section 20. Section **17-27a-1202** is enacted to read:
- 1364 **17-27a-1202 . County designation of a home ownership promotion zone.**
- 1365 (1) Subject to Sections 17-27a-1203 and 17-27a-1204, a county may create a home
1366 ownership promotion zone as described in this section.
- 1367 (2) A home ownership promotion zone created under this section:
- 1368 (a) is an area of 10 contiguous unincorporated acres or less located entirely within the
1369 boundaries of the county, zoned for fewer than six housing units per acre before the
1370 creation of the home ownership promotion zone;
- 1371 (b) shall be re-zoned for at least six housing units per acre; and
- 1372 (c) may not be encumbered by any residential building permits as of the day on which
1373 the home ownership promotion zone is created.
- 1374 (3) (a) The county shall designate the home ownership promotion zone by resolution of
1375 the legislative body of the county following:
- 1376 (i) the recommendation of the county planning commission; and
1377 (ii) the notification requirements described in Section 17-27a-1204.
- 1378 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership
1379 promotion zone created pursuant to this section meets the objectives and
1380 requirements of Section 17-27a-1203.
- 1381 (c) The home ownership promotion zone is created on the effective date of the resolution
1382 described in Subsection (3)(a).
- 1383 (4) If a home ownership promotion zone is created as described in this section:
- 1384 (a) affected local taxing entities are required to participate according to the requirements
1385 of the home ownership promotion zone established by the county; and

(b) each affected taxing entity is required to participate at the same rate.

(5) A home ownership promotion zone may be modified by the same manner it is created as described in Subsection (3).

(6) Within 30 days after the day on which the county creates the home ownership promotion zone as described in Subsection (3), the county shall:

(a) record with the recorder a document containing:

(i) a description of the land within the home ownership promotion zone; and

(ii) the date of creation of the home ownership promotion zone;

(b) transmit a copy of the description of the land within the home ownership promotion zone and an accurate map or plat indicating the boundaries of the home ownership promotion zone to the Utah Geospatial Resource Center created under Section 63A-16-505; and

(c) transmit a map and description of the land within the home ownership promotion zone to:

(i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any part of the home ownership promotion zone is located;

(ii) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;

(iii) the legislative body or governing board of each taxing entity impacted by the home ownership promotion zone;

(iv) the tax commission; and

(v) the State Board of Education.

(7) A county may receive tax increment and use home ownership promotion zone funds as described in Section 17-27a-1205.

Section 21. Section **17-27a-1203** is enacted to read:

17-27a-1203 . Applicability, requirements, and limitations.

(1) A home ownership promotion zone shall promote the following objectives:

(a) increasing availability of housing, including affordable housing;

(b) promotion of home ownership;

(c) overcoming development impediments and market conditions that render an affordable housing development cost prohibitive absent the incentives resulting from a home ownership promotion zone; and

(d) conservation of water resources through efficient land use.

1420 (2) In order to accomplish the objectives described in Subsection (1), a county shall ensure
1421 that:

1422 (a) land inside the proposed home ownership promotion zone is zoned as residential,
1423 with at least six planned housing units per acre;

1424 (b) at least 60% of the proposed housing units within the home ownership promotion
1425 zone are affordable housing units; and

1426 (c) all of the proposed housing units within the home ownership promotion zone are
1427 deed restricted to require owner occupation for at least five years.

1428 (3) A county may restrict short term rentals in a home ownership promotion zone.

1429 (4) A county may not create a home ownership promotion zone if:

1430 (a) the proposed home ownership promotion zone would overlap with a school district
1431 and:

1432 (i) (A) the school district has more than one municipality within the school
1433 district's boundaries; and

1434 (B) the school district already has 100 acres designated as home ownership
1435 promotion zone within the school district's boundaries; or

1436 (ii) (A) the school district has one municipality within the school district's
1437 boundaries; and

1438 (B) the school district already has 50 acres designated as home ownership
1439 promotion zone within the school district's boundaries; or

1440 (b) the area in the proposed home ownership promotion zone would overlap with:

1441 (i) a project area, as that term is defined in Section 17C-1-102, and created under
1442 Title 17C, Chapter 1, Agency Operations, until the project area is dissolved
1443 pursuant to Section 17C-1-702; or

1444 (ii) an existing housing and transit reinvestment zone.

1445 Section 22. Section **17-27a-1204** is enacted to read:

1446 **17-27a-1204 . Notification prior to creation of a home ownership promotion zone.**

1447 (1) (a) As used in this section, "hearing" means a public meeting in which the legislative
1448 body of a county:

1449 (i) considers a resolution creating a home ownership promotion zone; and

1450 (ii) takes public comment on a proposed home ownership promotion zone.

1451 (b) A hearing under this section may be combined with any other public meeting of a
1452 legislative body of a county.

1453 (2) Before a county creates a home ownership promotion zone as described in Section

- 1454 17-27a-1002, it shall provide notice of a hearing as described in this section.
- 1455 (3) The notice required by Subsection (2) shall be given by:
- 1456 (a) publishing notice for the county, as a class A notice under Section 63G-30-102, for at
- 1457 least 14 days before the day on which the legislative body of the county intends to
- 1458 have a hearing;
- 1459 (b) at least 30 days before the hearing, mailing notice to:
- 1460 (i) each record owner of property located within the proposed home ownership
- 1461 promotion zone;
- 1462 (ii) the State Tax Commission; and
- 1463 (iii) (A) if the proposed home ownership promotion zone is subject to a taxing
- 1464 entity committee, each member of the taxing entity committee and the State
- 1465 Board of Education; or
- 1466 (B) if the proposed home ownership promotion zone is not subject to a taxing
- 1467 entity committee, the legislative body or governing board of each taxing entity
- 1468 within the boundaries of the proposed home ownership promotion zone.
- 1469 (4) The mailing of the notice to record property owners required under Subsection (3)(b)
- 1470 shall be conclusively considered to have been properly completed if:
- 1471 (a) the county mails the notice to the property owners as shown in the records, including
- 1472 an electronic database, of the county recorder's office and at the addresses shown in
- 1473 those records; and
- 1474 (b) the county recorder's office records used by the agency in identifying owners to
- 1475 whom the notice is mailed and their addresses were obtained or accessed from the
- 1476 county recorder's office no earlier than 30 days before the mailing.
- 1477 (5) The county shall include in each notice required under this section:
- 1478 (a) (i) a boundary description of the proposed home ownership promotion zone; or
- 1479 (ii) (A) a mailing address or telephone number where a person may request that a
- 1480 copy of the boundary description of the proposed home ownership promotion
- 1481 zone be sent at no cost to the person by mail, email, or facsimile transmission;
- 1482 and
- 1483 (B) if the agency or community has an Internet website, an Internet address where
- 1484 a person may gain access to an electronic, printable copy of the boundary
- 1485 description of the proposed home ownership promotion zone;
- 1486 (b) a map of the boundaries of the proposed home ownership promotion zone;
- 1487 (c) an explanation of the purpose of the hearing; and

(d) a statement of the date, time, and location of the hearing.

(6) The county shall include in each notice under Subsection (3)(b):

(a) a statement that property tax revenue resulting from an increase in valuation of property within the proposed home ownership promotion zone will be paid to the county for proposed home ownership promotion zone development rather than to the taxing entity to which the tax revenue would otherwise have been paid; and

(b) an invitation to the recipient of the notice to submit to the county comments concerning the subject matter of the hearing before the date of the hearing.

(7) A county may include in a notice under Subsection (2) any other information the county considers necessary or advisable, including the public purpose achieved by the proposed home ownership promotion zone.

Section 23. Section **17-27a-1205** is enacted to read:

17-27a-1205 . Payment, use, and administration of revenue from a home ownership promotion zone.

(1) (a) A county may receive tax increment and use home ownership promotion zone funds in accordance with this section.

(b) The maximum amount of time that a county may receive and use tax increment pursuant to a home ownership promotion zone is 15 consecutive years.

(2) A county that collects property tax on property located within a home ownership promotion zone shall, in accordance with Section 59-2-1365, retain 60% of the tax increment collected from property within the home ownership promotion zone to be used as described in this section.

(3) (a) Tax increment retained by a county in accordance with Subsection (2) is not revenue of the taxing entity or county, but home ownership promotion zone funds.

(b) Home ownership promotion zone funds may be administered by an agency created by the county within which the home ownership promotion zone is located.

(c) Before an agency may receive home ownership promotion zone funds from a county, the agency shall enter into an interlocal agreement with the county.

(4) (a) A county or agency shall use home ownership promotion zone funds within, or for the direct benefit of, the home ownership promotion zone.

(b) If any home ownership promotion zone funds will be used outside of the home ownership promotion zone, the legislative body of the county shall make a finding that the use of the home ownership promotion zone funds outside of the home ownership promotion zone will directly benefit the home ownership promotion zone.

1522 (5) A county or agency shall use home ownership promotion zone funds to achieve the
 1523 purposes described in Section 17-27a-1203 by paying all or part of the costs of any of
 1524 the following:

1525 (a) project improvement costs;
 1526 (b) systems improvement costs; or
 1527 (c) the costs of the county to create and administer the home ownership promotion zone,
 1528 which may not exceed 3% of the total home ownership promotion zone funds.

1529 (6) Home ownership promotion zone funds may be paid to a participant, if the county and
 1530 participant enter into a participation agreement which requires the participant to utilize
 1531 the home ownership promotion zone funds as allowed in this section.

1532 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
 1533 issued by the county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
 1534 including the cost to issue and repay the bonds including interest.

1535 (8) A county may:
 1536 (a) create one or more public infrastructure districts within home ownership promotion
 1537 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
 1538 (b) pledge and utilize the home ownership promotion zone funds to guarantee the
 1539 payment of public infrastructure bonds issued by a public infrastructure district.

1540 Section 24. Section **35A-8-503** is amended to read:

1541 **35A-8-503 . Housing loan fund board -- Duties -- Expenses.**

1542 (1) There is created the Olene Walker Housing Loan Fund Board.

1543 (2) The board is composed of [~~13~~] 14 voting members.

1544 (a) The governor shall appoint the following members to four-year terms:

1545 (i) two members from local governments, of which:

1546 (A) one member shall be a locally elected official who resides in a county of the
 1547 first or second class; and

1548 (B) one member shall be a locally elected official who resides in a county of the
 1549 third, fourth, fifth, or sixth class;

1550 (ii) two members from the mortgage lending community, of which:

1551 (A) one member shall have expertise in single-family mortgage lending; and

1552 (B) one member shall have expertise in multi-family mortgage lending;

1553 (iii) one member from real estate sales interests;

1554 (iv) two members from home builders interests, of which:

1555 (A) one member shall have expertise in single-family residential construction; and

- 1556 (B) one member shall have expertise in multi-family residential construction;
1557 (v) one member from rental housing interests;
1558 (vi) two members from housing advocacy interests, of which:
1559 (A) one member who resides within any area in a county of the first or second
1560 class; and
1561 (B) one member who resides within any area in a county of the third, fourth, fifth,
1562 or sixth class;
1563 (vii) one member of the manufactured housing interest;
1564 (viii) one member with expertise in transit-oriented developments; [and]
1565 (ix) one member who represents rural interests[-] ; and
1566 (x) one member who represents the interests of modular housing.
1567 (b) The director or the director's designee serves as the secretary of the board.
1568 (c) The members of the board shall annually elect a chair from among the voting
1569 membership of the board.
1570 (3) (a) Notwithstanding the requirements of Subsection (2), the governor shall, at the
1571 time of appointment or reappointment, adjust the length of terms to ensure that the
1572 terms of board members are staggered so that approximately half of the board is
1573 appointed every two years.
1574 (b) When a vacancy occurs in the membership for any reason, the replacement is
1575 appointed for the unexpired term.
1576 (4) (a) The board shall:
1577 (i) meet regularly, at least quarterly to conduct business of the board, on dates fixed
1578 by the board;
1579 (ii) meet twice per year, with at least one of the meetings in a rural area of the state,
1580 to provide information to and receive input from the public regarding the state's
1581 housing policies and needs;
1582 (iii) keep minutes of its meetings; and
1583 (iv) comply with the procedures and requirements of Title 52, Chapter 4, Open and
1584 Public Meetings Act.
1585 (b) Seven members of the board constitute a quorum, and the governor, the chair, or a
1586 majority of the board may call a meeting of the board.
1587 (5) The board shall:
1588 (a) review the housing needs in the state;
1589 (b) determine the relevant operational aspects of any grant, loan, or revenue collection

- 1590 program established under the authority of this chapter;
- 1591 (c) determine the means to implement the policies and goals of this chapter;
- 1592 (d) select specific projects to receive grant or loan money; and
- 1593 (e) determine how fund money shall be allocated and distributed.
- 1594 (6) A member may not receive compensation or benefits for the member's service, but may
- 1595 receive per diem and travel expenses in accordance with:
- 1596 (a) Section 63A-3-106;
- 1597 (b) Section 63A-3-107; and
- 1598 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 1599 63A-3-107.
- 1600 Section 25. Section **57-1-46** is amended to read:
- 1601 **57-1-46 . Transfer fee and reinvestment fee covenants.**
- 1602 (1) As used in this section:
- 1603 (a) "Association expenses" means expenses incurred by a common interest association
- 1604 for:
- 1605 (i) the administration of the common interest association;
- 1606 (ii) the purchase, ownership, leasing, construction, operation, use, administration,
- 1607 maintenance, improvement, repair, or replacement of association facilities,
- 1608 including expenses for taxes, insurance, operating reserves, capital reserves, and
- 1609 emergency funds;
- 1610 (iii) providing, establishing, creating, or managing a facility, activity, service, or
- 1611 program for the benefit of property owners, tenants, common areas, the burdened
- 1612 property, or property governed by the common interest association; or
- 1613 (iv) other facilities, activities, services, or programs that are required or permitted
- 1614 under the common interest association's organizational documents.
- 1615 (b) "Association facilities" means any real property, improvements on real property, or
- 1616 personal property owned, leased, constructed, developed, managed, or used by a
- 1617 common interest association, including common areas.
- 1618 (c) "Burdened property" means the real property that is subject to a reinvestment fee
- 1619 covenant or transfer fee covenant.
- 1620 (d) "Common areas" means areas described within:
- 1621 (i) the definition of "common areas and facilities" under Section 57-8-3; and
- 1622 (ii) the definition of "common areas" under Section 57-8a-102.
- 1623 (e) "Common interest association":

(i) means:

(A) an association, as defined in Section 57-8a-102;

(B) an association of unit owners, as defined in Section 57-8-3; or

(C) a nonprofit association; and

(ii) includes a person authorized by an association, association of unit owners, or nonprofit association, as the case may be.

(f) "Large master planned development" means an approved development:

(i) of at least 500 acres or 500 units; and

(ii) that includes a commitment to fund, construct, develop, or maintain:

(A) common infrastructure;

(B) association facilities;

(C) community programming;

(D) resort facilities;

(E) open space; or

(F) recreation amenities.

(g) "Nonprofit association" means a nonprofit corporation organized under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, to benefit, enhance, preserve, govern, manage, or maintain burdened property.

(h) "Organizational documents":

(i) for an association, as defined in Section 57-8a-102, means governing documents as defined in Section 57-8a-102;

(ii) for an association of unit owners, as defined in Section 57-8-3, means a declaration as defined in Section 57-8-3; and

(iii) for a nonprofit association:

(A) means a written instrument by which the nonprofit association exercises powers or manages, maintains, or otherwise affects the property under the jurisdiction of the nonprofit association; and

(B) includes articles of incorporation, bylaws, plats, charters, the nonprofit association's rules, and declarations of covenants, conditions, and restrictions.

(i) "Reinvestment fee covenant" means a covenant, restriction, or agreement that:

(i) affects real property; and

(ii) obligates a future buyer or seller of the real property to pay to a common interest association, upon and as a result of a transfer of the real property, a fee that is dedicated to benefitting the burdened property, including payment for:

- 1658 (A) common planning, facilities, and infrastructure;
1659 (B) obligations arising from an environmental covenant;
1660 (C) community programming;
1661 (D) resort facilities;
1662 (E) open space;
1663 (F) recreation amenities;
1664 (G) charitable purposes; or
1665 (H) association expenses.
- 1666 (j) "Transfer fee covenant":
1667 (i) means an obligation, however denominated, expressed in a covenant, restriction,
1668 agreement, or other instrument or document:
1669 (A) that affects real property;
1670 (B) that is imposed on a future buyer or seller of real property, other than a person
1671 who is a party to the covenant, restriction, agreement, or other instrument or
1672 document; and
1673 (C) to pay a fee upon and as a result of a transfer of the real property; and
1674 (ii) does not include:
1675 (A) an obligation imposed by a court judgment, order, or decree;
1676 (B) an obligation imposed by the federal government or a state or local
1677 government entity; or
1678 (C) a reinvestment fee covenant.
- 1679 (2) A transfer fee covenant recorded on or after March 16, 2010 is void and unenforceable.
- 1680 (3) (a) Except as provided in Subsection (3)(b), a reinvestment fee covenant may not be
1681 sold, assigned, or conveyed unless the sale, assignment, or conveyance is to a
1682 common interest association that was formed to benefit the burdened property.
- 1683 (b) A common interest association may assign or pledge to a lender the right to receive
1684 payment under a reinvestment fee covenant if:
1685 (i) the assignment or pledge is as collateral for a credit facility; and
1686 (ii) the lender releases the collateral interest upon payment in full of all amounts that
1687 the common interest association owes to the lender under the credit facility.
- 1688 (4) A reinvestment fee covenant recorded on or after March 16, 2010 is not enforceable if
1689 the reinvestment fee covenant is intended to affect property that is the subject of a
1690 previously recorded transfer fee covenant or reinvestment fee covenant.
- 1691 (5) A reinvestment fee covenant recorded on or after March 16, 2010 may not obligate the

1692 payment of a fee that exceeds .5% of the value of the burdened property, unless the
1693 burdened property is part of a large master planned development.

1694 (6) (a) A reinvestment fee covenant recorded on or after March 16, 2010 is void and
1695 unenforceable unless a notice of reinvestment fee covenant, separate from the
1696 reinvestment fee covenant, is recorded in the office of the recorder of each county in
1697 which any of the burdened property is located.

1698 (b) A notice under Subsection (6)(a) shall:

1699 (i) state the name and address of the common interest association to which the fee
1700 under the reinvestment fee covenant is required to be paid;

1701 (ii) include the notarized signature of the common interest association's authorized
1702 representative;

1703 (iii) state that the burden of the reinvestment fee covenant is intended to run with the
1704 land and to bind successors in interest and assigns;

1705 (iv) state that the existence of the reinvestment fee covenant precludes the imposition
1706 of an additional reinvestment fee covenant on the burdened property;

1707 (v) state the duration of the reinvestment fee covenant;

1708 (vi) state the purpose of the fee required to be paid under the reinvestment fee
1709 covenant; and

1710 (vii) state that the fee required to be paid under the reinvestment fee covenant is
1711 required to benefit the burdened property.

1712 (c) A recorded notice of reinvestment fee covenant that substantially complies with the
1713 requirements of Subsection (6)(b) is valid and effective.

1714 (7) (a) A reinvestment fee covenant or transfer fee covenant recorded before March 16,
1715 2010 is not enforceable after May 31, 2010, unless:

1716 (i) a notice that is consistent with the notice described in Subsection (6) is recorded in
1717 the office of the recorder of each county in which any of the burdened property is
1718 located; or

1719 (ii) a notice of reinvestment fee covenant or transfer fee covenant, as described in
1720 Subsection (7)(b), is recorded in the office of the recorder of each county in which
1721 any of the burdened property is located.

1722 (b) A notice under Subsection (7)(a)(ii) shall:

1723 (i) include the notarized signature of the beneficiary of the reinvestment fee covenant
1724 or transfer fee covenant, or the beneficiary's authorized representative;

1725 (ii) state the name and current address of the beneficiary under the reinvestment fee

- 1726 covenant or transfer fee covenant;
- 1727 (iii) state that the burden of the reinvestment fee covenant or transfer fee covenant is
- 1728 intended to run with the land and to bind successors in interest and assigns; and
- 1729 (iv) state the duration of the reinvestment fee covenant or transfer fee covenant.
- 1730 (c) A recorded notice of reinvestment fee covenant or transfer fee covenant that
- 1731 substantially complies with the requirements of Subsection (7)(b) is valid and
- 1732 effective.
- 1733 (d) A notice under Subsection (7)(b):
- 1734 (i) that is recorded after May 31, 2010, is not enforceable; and
- 1735 (ii) shall comply with the requirements of Section 57-1-47.
- 1736 (e) An amendment to a notice under Subsection (7)(b) recorded after May 31, 2010,
- 1737 seeking to amend a notice under Subsection (7)(b) recorded before May 31, 2010, is
- 1738 not an enforceable amendment.
- 1739 (8) A reinvestment fee covenant recorded on or after March 16, 2010, may not be enforced
- 1740 upon:
- 1741 (a) an involuntary transfer;
- 1742 (b) a transfer that results from a court order;
- 1743 (c) a bona fide transfer to a family member of the seller within three degrees of
- 1744 consanguinity who, before the transfer, provides adequate proof of consanguinity;
- 1745 (d) a transfer or change of interest due to death, whether provided in a will, trust, or
- 1746 decree of distribution; or
- 1747 (e) the transfer of burdened property by a financial institution, except to the extent that
- 1748 the reinvestment fee covenant requires the payment of a common interest
- 1749 association's costs directly related to the transfer of the burdened property, not to
- 1750 exceed \$250.
- 1751 Section 26. Section **57-1-47** is enacted to read:
- 1752 **57-1-47 . Notice requirements for continuation of existing private transfer fee**
- 1753 **obligations.**
- 1754 (1) In addition to the requirements described in Subsection 57-1-46(7), a person required to
- 1755 file a notice under this section shall:
- 1756 (a) (i) file the notice described in this section on or before May 31, 2024; and
- 1757 (ii) re-file the notice, no earlier than May 1 and no later than May 31, every three
- 1758 years thereafter; and
- 1759 (b) amend the notice to reflect any change in the name or address of any payee included

- 1760 in the notice no later than the 30 days after the day on which the change occurs.
- 1761 (2) A person who amends a notice filed under Subsection (1) shall include with the
- 1762 amendment:
- 1763 (a) the recording information of the original notice; and
- 1764 (b) the legal description of the property subject to the private transfer fee obligation.
- 1765 (3) To be effective, a notice filed under this section shall be approved in writing by every
- 1766 person holding a majority of the beneficial interests in the private transfer fee obligation.
- 1767 (4) If a person required to file a notice under this section fails to comply with this section:
- 1768 (a) payment of the private transfer fee may not be a requirement for the conveyance of
- 1769 an interest in the property to a purchaser;
- 1770 (b) the property is not subject to further obligation under the private transfer fee
- 1771 obligation; and
- 1772 (c) the private transfer fee obligation is void.
- 1773 (5) A recorded notice of transfer fee covenant that complies with the requirements of this
- 1774 section is valid and effective.
- 1775 (6) (a) A person that is no longer subject to a private transfer fee obligation may seek
- 1776 declaratory relief in court to address any encumbrance on real property owned by the
- 1777 person.
- 1778 (b) Upon a successful claim for declaratory relief, as described in Subsection (6)(a), a
- 1779 court may award the person costs and reasonable attorney fees.

1780 Section 27. Section **59-2-924** is amended to read:

1781 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**

1782 **commission -- Transmittal by auditor to governing bodies -- Calculation of**

1783 **certified tax rate -- Rulemaking authority -- Adoption of tentative budget --**

1784 **Notice provided by the commission.**

1785 (1) As used in this section:

- 1786 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance
- 1787 with this chapter.
- 1788 (ii) "Ad valorem property tax revenue" does not include:
- 1789 (A) interest;
- 1790 (B) penalties;
- 1791 (C) collections from redemptions; or
- 1792 (D) revenue received by a taxing entity from personal property that is
- 1793 semiconductor manufacturing equipment assessed by a county assessor in

- 1794 accordance with Part 3, County Assessment.
- 1795 (b) "Adjusted tax increment" means the same as that term is defined in Section
- 1796 17C-1-102.
- 1797 (c) (i) "Aggregate taxable value of all property taxed" means:
- 1798 (A) the aggregate taxable value of all real property a county assessor assesses in
- 1799 accordance with Part 3, County Assessment, for the current year;
- 1800 (B) the aggregate taxable value of all real and personal property the commission
- 1801 assesses in accordance with Part 2, Assessment of Property, for the current
- 1802 year; and
- 1803 (C) the aggregate year end taxable value of all personal property a county assessor
- 1804 assesses in accordance with Part 3, County Assessment, contained on the prior
- 1805 year's tax rolls of the taxing entity.
- 1806 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
- 1807 year end taxable value of personal property that is:
- 1808 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 1809 accordance with Part 3, County Assessment; and
- 1810 (B) contained on the prior year's tax rolls of the taxing entity.
- 1811 (d) "Base taxable value" means:
- 1812 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 1813 in Section 11-58-102;
- 1814 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1815 the same as that term is defined in Section 11-59-207;
- 1816 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 1817 defined in Section 17C-1-102;
- 1818 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 1819 defined in Section 63H-1-102;
- 1820 (v) for a host local government, the same as that term is defined in Section 63N-2-502;
- 1821 [or]
- 1822 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
- 1823 Part 6, Housing and Transit Reinvestment Zone Act, a property's taxable value as
- 1824 shown upon the assessment roll last equalized during the base year, as that term is
- 1825 defined in Section 63N-3-602[-] ; or
- 1826 (vii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1827 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter

27a, Part 12, Home Ownership Promotion Zone for Counties, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 10-9a-1001 or Section 17-27a-1201.

- (e) "Centrally assessed benchmark value" means an amount equal to the highest year end taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1, 2015, adjusted for taxable value attributable to:
- (i) an annexation to a taxing entity;
 - (ii) an incorrect allocation of taxable value of real or personal property the commission assesses in accordance with Part 2, Assessment of Property; or
 - (iii) a change in value as a result of a change in the method of apportioning the value prescribed by the Legislature, a court, or the commission in an administrative rule or administrative order.
- (f) (i) "Centrally assessed new growth" means the greater of:
- (A) zero; or
 - (B) the amount calculated by subtracting the centrally assessed benchmark value adjusted for prior year end incremental value from 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.
- (ii) "Centrally assessed new growth" does not include a change in value as a result of a change in the method of apportioning the value prescribed by the Legislature, a court, or the commission in an administrative rule or administrative order.
- (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- (h) "Community reinvestment agency" means the same as that term is defined in Section 17C-1-102.
- (i) "Eligible new growth" means the greater of:
- (i) zero; or
 - (ii) the sum of:
 - (A) locally assessed new growth;
 - (B) centrally assessed new growth; and
 - (C) project area new growth or hotel property new growth.
- (j) "Host local government" means the same as that term is defined in Section 63N-2-502.

- 1862 (k) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 1863 (l) "Hotel property new growth" means an amount equal to the incremental value that is
- 1864 no longer provided to a host local government as incremental property tax revenue.
- 1865 (m) "Incremental property tax revenue" means the same as that term is defined in
- 1866 Section 63N-2-502.
- 1867 (n) "Incremental value" means:
- 1868 (i) for an authority created under Section 11-58-201, the amount calculated by
- 1869 multiplying:
- 1870 (A) the difference between the taxable value and the base taxable value of the
- 1871 property that is located within a project area and on which property tax
- 1872 differential is collected; and
- 1873 (B) the number that represents the percentage of the property tax differential that
- 1874 is paid to the authority;
- 1875 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1876 an amount calculated by multiplying:
- 1877 (A) the difference between the current assessed value of the property and the base
- 1878 taxable value; and
- 1879 (B) the number that represents the percentage of the property tax augmentation, as
- 1880 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 1881 Land Authority;
- 1882 (iii) for an agency created under Section 17C-1-201.5, the amount calculated by
- 1883 multiplying:
- 1884 (A) the difference between the taxable value and the base taxable value of the
- 1885 property located within a project area and on which tax increment is collected;
- 1886 and
- 1887 (B) the number that represents the adjusted tax increment from that project area
- 1888 that is paid to the agency;
- 1889 (iv) for an authority created under Section 63H-1-201, the amount calculated by
- 1890 multiplying:
- 1891 (A) the difference between the taxable value and the base taxable value of the
- 1892 property located within a project area and on which property tax allocation is
- 1893 collected; and
- 1894 (B) the number that represents the percentage of the property tax allocation from
- 1895 that project area that is paid to the authority;

- 1896 (v) for a housing and transit reinvestment zone created pursuant to Title 63N, Chapter
 1897 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by
 1898 multiplying:
 1899 (A) the difference between the taxable value and the base taxable value of the
 1900 property that is located within a housing and transit reinvestment zone and on
 1901 which tax increment is collected; and
 1902 (B) the number that represents the percentage of the tax increment that is paid to
 1903 the housing and transit reinvestment zone;
- 1904 (vi) for a host local government, an amount calculated by multiplying:
 1905 (A) the difference between the taxable value and the base taxable value of the
 1906 hotel property on which incremental property tax revenue is collected; and
 1907 (B) the number that represents the percentage of the incremental property tax
 1908 revenue from that hotel property that is paid to the host local government; ~~[or]~~
- 1909 (vii) for the State Fair Park Authority created in Section 11-68-201, the taxable value
 1910 of:
 1911 (A) fair park land, as defined in Section 11-68-101, that is subject to a privilege
 1912 tax under Section 11-68-402; or
 1913 (B) personal property located on property that is subject to the privilege tax
 1914 described in Subsection (1)(n)(vii)(A)[-] ; or
- 1915 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
 1916 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
 1917 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount
 1918 calculated by multiplying:
 1919 (A) the difference between the taxable value and the base taxable value of the
 1920 property that is located within a home ownership promotion zone and on which
 1921 tax increment is collected; and
 1922 (B) the number that represents the percentage of the tax increment that is paid to
 1923 the home ownership promotion zone.
- 1924 (o) (i) "Locally assessed new growth" means the greater of:
 1925 (A) zero; or
 1926 (B) the amount calculated by subtracting the year end taxable value of real
 1927 property the county assessor assesses in accordance with Part 3, County
 1928 Assessment, for the previous year, adjusted for prior year end incremental
 1929 value from the taxable value of real property the county assessor assesses in

- 1930 accordance with Part 3, County Assessment, for the current year, adjusted for
 1931 current year incremental value.
- 1932 (ii) "Locally assessed new growth" does not include a change in:
- 1933 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
 1934 or another adjustment;
- 1935 (B) assessed value based on whether a property is allowed a residential exemption
 1936 for a primary residence under Section 59-2-103;
- 1937 (C) assessed value based on whether a property is assessed under Part 5, Farmland
 1938 Assessment Act; or
- 1939 (D) assessed value based on whether a property is assessed under Part 17, Urban
 1940 Farming Assessment Act.
- 1941 (p) "Project area" means:
- 1942 (i) for an authority created under Section 11-58-201, the same as that term is defined
 1943 in Section 11-58-102;
- 1944 (ii) for an agency created under Section 17C-1-201.5, the same as that term is defined
 1945 in Section 17C-1-102; or
- 1946 (iii) for an authority created under Section 63H-1-201, the same as that term is
 1947 defined in Section 63H-1-102.
- 1948 (q) "Project area new growth" means:
- 1949 (i) for an authority created under Section 11-58-201, an amount equal to the
 1950 incremental value that is no longer provided to an authority as property tax
 1951 differential;
- 1952 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
 1953 an amount equal to the incremental value that is no longer provided to the Point of
 1954 the Mountain State Land Authority as property tax augmentation, as defined in
 1955 Section 11-59-207;
- 1956 (iii) for an agency created under Section 17C-1-201.5, an amount equal to the
 1957 incremental value that is no longer provided to an agency as tax increment;
- 1958 (iv) for an authority created under Section 63H-1-201, an amount equal to the
 1959 incremental value that is no longer provided to an authority as property tax
 1960 allocation; [or]
- 1961 (v) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
 1962 Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the
 1963 incremental value that is no longer provided to a housing and transit reinvestment

- 1964 zone as tax increment[.] ; or
- 1965 (vi) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1966 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 1967 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount equal to
- 1968 the incremental value that is no longer provided to a home ownership promotion
- 1969 zone as tax increment.
- 1970 (r) "Project area incremental revenue" means the same as that term is defined in Section
- 1971 17C-1-1001.
- 1972 (s) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 1973 (t) "Property tax differential" means the same as that term is defined in Section
- 1974 11-58-102.
- 1975 (u) "Qualifying exempt revenue" means revenue received:
- 1976 (i) for the previous calendar year;
- 1977 (ii) by a taxing entity;
- 1978 (iii) from tangible personal property contained on the prior year's tax rolls that is
- 1979 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year
- 1980 beginning on January 1, 2022; and
- 1981 (iv) on the aggregate 2021 year end taxable value of the tangible personal property
- 1982 that exceeds \$15,300.
- 1983 (v) "Tax increment" means:
- 1984 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
- 1985 in Section 17C-1-102; ~~or~~
- 1986 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
- 1987 Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is
- 1988 defined in Section 63N-3-602[.] ; or
- 1989 (iii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1990 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 1991 27a, Part 12, Home Ownership Promotion Zone for Counties, the same as that
- 1992 term is defined in Section 10-9a-1001 or Section 17-27a-1201.
- 1993 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
- 1994 county auditor and the commission the following statements:
- 1995 (a) a statement containing the aggregate valuation of all taxable real property a county
- 1996 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 1997 entity; and

- 1998 (b) a statement containing the taxable value of all personal property a county assessor
1999 assesses in accordance with Part 3, County Assessment, from the prior year end
2000 values.
- 2001 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
2002 taxing entity:
- 2003 (a) the statements described in Subsections (2)(a) and (b);
2004 (b) an estimate of the revenue from personal property;
2005 (c) the certified tax rate; and
2006 (d) all forms necessary to submit a tax levy request.
- 2007 (4) (a) Except as otherwise provided in this section, the certified tax rate shall be
2008 calculated by dividing the ad valorem property tax revenue that a taxing entity
2009 budgeted for the prior year minus the qualifying exempt revenue by the amount
2010 calculated under Subsection (4)(b).
- 2011 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
2012 calculate an amount as follows:
- 2013 (i) calculate for the taxing entity the difference between:
- 2014 (A) the aggregate taxable value of all property taxed; and
2015 (B) any adjustments for current year incremental value;
- 2016 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
2017 determined by increasing or decreasing the amount calculated under Subsection
2018 (4)(b)(i) by the average of the percentage net change in the value of taxable
2019 property for the equalization period for the three calendar years immediately
2020 preceding the current calendar year;
- 2021 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
2022 product of:
- 2023 (A) the amount calculated under Subsection (4)(b)(ii); and
2024 (B) the percentage of property taxes collected for the five calendar years
2025 immediately preceding the current calendar year; and
- 2026 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
2027 amount determined by:
- 2028 (A) multiplying the percentage of property taxes collected for the five calendar
2029 years immediately preceding the current calendar year by eligible new growth;
2030 and
2031 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the

- 2032 amount calculated under Subsection (4)(b)(iii).
- 2033 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
2034 as follows:
- 2035 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
2036 tax rate is zero;
- 2037 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 2038 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
2039 services under Sections 17-34-1 and 17-36-9; and
- 2040 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
2041 purposes and such other levies imposed solely for the municipal-type services
2042 identified in Section 17-34-1 and Subsection 17-36-3(23);
- 2043 (c) for a community reinvestment agency that received all or a portion of a taxing
2044 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
2045 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
2046 Subsection (4) except that the commission shall treat the total revenue transferred to
2047 the community reinvestment agency as ad valorem property tax revenue that the
2048 taxing entity budgeted for the prior year; and
- 2049 (d) for debt service voted on by the public, the certified tax rate is the actual levy
2050 imposed by that section, except that a certified tax rate for the following levies shall
2051 be calculated in accordance with Section 59-2-913 and this section:
- 2052 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
2053 (ii) a levy to pay for the costs of state legislative mandates or judicial or
2054 administrative orders under Section 59-2-1602.
- 2055 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be
2056 imposed at a rate that is sufficient to generate only the revenue required to satisfy one
2057 or more eligible judgments.
- 2058 (b) The ad valorem property tax revenue generated by a judgment levy described in
2059 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
2060 certified tax rate.
- 2061 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 2062 (i) the taxable value of real property:
- 2063 (A) the county assessor assesses in accordance with Part 3, County Assessment;
2064 and
2065 (B) contained on the assessment roll;

(ii) the year end taxable value of personal property:

(A) a county assessor assesses in accordance with Part 3, County Assessment; and

(B) contained on the prior year's assessment roll; and

(iii) the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property.

(b) For purposes of Subsection (7)(a), taxable value does not include eligible new growth.

(8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

(b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify the county auditor of:

(i) the taxing entity's intent to exceed the certified tax rate; and

(ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

(c) The county auditor shall notify property owners of any intent to levy a tax rate that exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

(9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim Committee if:

(i) the amount calculated under Subsection (9)(b) is 10% or more of 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; and

(ii) the amount calculated under Subsection (9)(c) is 50% or more of 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.

(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

2100 a taxpayer the commission assesses in accordance with Part 2, Assessment of
2101 Property, for the previous year.

2102 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
2103 requirement under Subsection (9)(a)(ii).

2104 Section 28. Section **63H-8-501** is amended to read:

2105 **63H-8-501 . Definitions.**

2106 As used in this part:

2107 (1) (a) "First-time homebuyer" means an individual who ~~[qualifies for assistance under~~
2108 ~~42 U.S.C. Sec. 12852.]~~ satisfies:

2109 (i) the three-year requirement described in Section 143(d) of the Internal Revenue
2110 Code of 1986, as amended, and any corresponding federal regulations; and

2111 (ii) requirements made by the corporation by rule, as described in Section 63H-8-502.

2112 (b) "First-time homebuyer" includes a single parent, as defined by the corporation by
2113 rule made as described in Section 63H-8-502, who would meet the three-year
2114 requirement described in Subsection (1)(a)(i) but for a present ownership interest in a
2115 principal residence in which the single parent:

2116 (i) had a present ownership interest with the single parent's former spouse during the
2117 three-year period;

2118 (ii) resided while married during the three-year period; and

2119 (iii) no longer:

2120 (A) has a present ownership interest; or

2121 (B) resides.

2122 (2) "Home equity amount" means the difference between:

2123 (a) (i) in the case of a sale, the sales price for which the qualifying residential unit is
2124 sold by the recipient in a bona fide sale to a third party with no right to repurchase
2125 less an amount up to 1% of the sales price used for seller-paid closing costs; or

2126 (ii) in the case of a refinance, the current appraised value of the qualifying residential
2127 unit; and

2128 (b) the total payoff amount of any qualifying mortgage loan that was used to finance the
2129 purchase of the qualifying residential unit.

2130 (3) "Program" means the First-Time Homebuyer Assistance Program created in Section
2131 63H-8-502.

2132 (4) "Program funds" means money appropriated for the program.

2133 (5) "Qualifying mortgage loan" means a mortgage loan that:

- 2134 (a) is purchased by the corporation; and
- 2135 (b) is subject to a document that is recorded in the office of the county recorder of the
- 2136 county in which the residential unit is located.
- 2137 (6) "Qualifying residential unit" means a residential unit that:
- 2138 (a) is located in the state;
- 2139 (b) is new construction or newly constructed but not yet inhabited;
- 2140 (c) is financed by a qualifying mortgage loan;
- 2141 (d) is owner-occupied ~~upon~~ within 60 days of purchase, or in the case of a two-unit
- 2142 dwelling, at least one unit is owner-occupied within 60 days of purchase; and
- 2143 (e) is purchased for an amount that does not exceed:
- 2144 (i) \$450,000; or
- 2145 (ii) if applicable, the maximum purchase price established by the corporation under
- 2146 Subsection 63H-8-502(6).
- 2147 (7) "Recipient" means a first-time homebuyer who receives program funds.
- 2148 (8) (a) "Residential unit" means a house, condominium, townhome, or similar residential
- 2149 structure that serves as a one-unit dwelling or forms part of a two-unit dwelling.
- 2150 (b) "Residential unit" includes a manufactured home or modular home that is attached to
- 2151 a permanent foundation.
- 2152 Section 29. Section **63H-8-502** is amended to read:
- 2153 **63H-8-502 . First-Time Homebuyer Assistance Program.**
- 2154 (1) There is created the First-Time Homebuyer Assistance Program administered by the
- 2155 corporation.
- 2156 (2) Subject to appropriations from the Legislature, the corporation shall distribute program
- 2157 funds to[-] :
- 2158 (a) first-time homebuyers to provide support for the purchase of qualifying residential
- 2159 units; and
- 2160 (b) reimburse the corporation for a distribution of funds under Subsection (2)(a) that
- 2161 took place on or after July 1, 2023.
- 2162 (3) The maximum amount of program funds that a first-time homebuyer may receive under
- 2163 the program is \$20,000.
- 2164 (4) (a) A recipient may use program funds to pay for:
- 2165 (i) the down payment on a qualifying residential unit;
- 2166 (ii) closing costs associated with the purchase of a qualifying residential unit;
- 2167 (iii) a permanent reduction in the advertised par interest rate on a qualifying mortgage

- 2168 loan that is used to finance a qualifying residential unit; or
2169 (iv) any combination of Subsections (4)(a)(i), (ii), and (iii).
- 2170 (b) The corporation shall direct the disbursement of program funds for a purpose
2171 authorized in Subsection (4)(a).
- 2172 (c) A recipient may not receive a payout or distribution of program funds upon closing.
- 2173 (5) The builder or developer of a qualifying residential unit may not increase the price of
2174 the qualifying residential unit on the basis of program funds being used towards the
2175 purchase of that qualifying residential unit.
- 2176 (6) (a) In accordance with rules made by the corporation under Subsection (9), the
2177 corporation may adjust the maximum purchase price of a qualifying residential unit
2178 for which a first-time homebuyer qualifies to receive program funds in order to
2179 reflect current market conditions~~[, provided that]~~ .
- 2180 (b) In connection with an adjustment made under Subsection (6)(a), the corporation may
2181 establish one or more maximum purchase prices corresponding by residential unit
2182 type, geographic location, or any other factor the corporation considers relevant.
- 2183 (c) ~~[the]~~ The corporation ~~[adjusts the]~~ may adjust a maximum purchase price under this
2184 Subsection (6) no more frequently than once each calendar year.
- 2185 (7) (a) ~~[If]~~ Except as provided in Subsection (7)(b), if the recipient sells the qualifying
2186 residential unit or refinances the qualifying mortgage loan that was used to finance
2187 the purchase of the qualifying residential unit before the end of the original term of
2188 the qualifying mortgage loan, the recipient shall repay to the corporation an amount
2189 equal to the lesser of:
- 2190 ~~[(a)]~~ (i) the amount of program funds the recipient received; or
2191 ~~[(b)]~~ (ii) 50% of the recipient's home equity amount.
- 2192 (b) Subsection (7)(a) does not apply to a qualifying mortgage loan that is refinanced
2193 with a new qualifying mortgage loan if any subordinate qualifying mortgage loan, or
2194 loan from program funds used on the purchase of the qualifying residential unit, is
2195 resubordinated only to the new qualifying mortgage loan.
- 2196 (8) Any funds repaid to the corporation under Subsection (7) shall be used for program
2197 distributions.
- 2198 (9) The corporation shall make rules governing the application form, process, and criteria
2199 the corporation will use to distribute program funds to first-time homebuyers, in
2200 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 2201 (10) The corporation may use up to 5% of program funds for administration.

2202 (11) The corporation shall report annually to the Social Services Appropriations
2203 Subcommittee on disbursements from the program and any adjustments made to the
2204 maximum purchase price or maximum purchase prices of a qualifying residential unit
2205 under Subsection (6).

2206 Section 30. **Effective date.**

2207 This bill takes effect on May 1, 2024.

2208 Section 31. **Retrospective operation.**

2209 (1) The following sections have retrospective operation to July 1, 2023:

2210 (a) Section 63H-8-501; and

2211 (b) Section 63H-8-502.