

Steve Eliason proposes the following substitute bill:

Homelessness Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill addresses provisions regarding homeless services.

Highlighted Provisions:

This bill:

- ▶ modifies and defines terms;
- ▶ amends exceptions for conveyance, lease, or disposal of certain property owned by the Division of Facilities Construction and Management with the consent of the governing body of the municipality in which the property is located;
- ▶ provides funds received from a lease may be used for the operations and maintenance of the leased space;
- ▶ creates the Mitigation Fund Task Force;
- ▶ amends the name of the Shelter Cities Advisory Board to the Shelter Cities Coordinating Council;
- ▶ amends the name of the Shelter Counties Advisory Board to the Shelter Counties Coordinating Council;
- ▶ amends provisions regarding code blue alerts;
- ▶ permits the office to issue future services payments to a homeless service provider under certain conditions;
- ▶ creates the Homeless Services Restricted Account (account) to assist counties regarding provisions of homelessness;
- ▶ allows the office to disburse funds from the account to certain counties for certain purposes;
- ▶ requires the State Tax Commission to transfer certain funds from the Cigarette Tax Restricted Account to the account;
- ▶ gives the office rulemaking authority under certain conditions for certain purposes;

- 29 ▶ permits a service provider to expand the shelter's bed capacity limit under certain
30 conditions;
- 31 ▶ makes technical and conforming changes; and
- 32 ▶ provides a special effective date.

33 **Money Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 This bill provides a special effective date.

37 **Utah Code Sections Affected:**

38 **AMENDS:**

39 **35A-16-102 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, First Special
40 Session, Chapter 16

41 **35A-16-202 (Effective 04/01/26)**, as last amended by Laws of Utah 2024, Chapters 338,
42 349

43 **35A-16-203 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, Chapter 530

44 **35A-16-204 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, Chapter 530

45 **35A-16-208 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, Chapters 422,
46 530

47 **35A-16-210 (Effective 04/01/26)**, as enacted by Laws of Utah 2024, Chapter 338

48 **35A-16-210.1 (Effective 04/01/26)**, as enacted by Laws of Utah 2025, Chapter 530

49 **35A-16-212 (Effective 04/01/26) (Repealed 07/01/28)**, as enacted by Laws of Utah 2025,
50 Chapter 41

51 **35A-16-401 (Effective 04/01/26)**, as last amended by Laws of Utah 2024, Chapters 204,
52 338 and 438

53 **35A-16-701 (Effective 04/01/26)**, as last amended by Laws of Utah 2024, Chapters 204,
54 438

55 **35A-16-702 (Effective 04/01/26)**, as last amended by Laws of Utah 2024, Chapter 204

56 **59-12-205 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, Chapters 490,
57 495

58 **59-14-204 (Effective 04/01/26)**, as last amended by Laws of Utah 2016, Chapter 168

59 **63A-5b-902 (Effective 04/01/26)**, as last amended by Laws of Utah 2024, Chapters 419,
60 480

61 **63I-2-235 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, Chapter 277

62 **63J-1-602.1 (Effective 04/01/26)**, as last amended by Laws of Utah 2025, First Special

63 Session, Chapter 9

64 ENACTS:

65 **35A-16-406 (Effective 04/01/26)**, Utah Code Annotated 1953

66 **35A-16-1101 (Effective 04/01/26)**, Utah Code Annotated 1953

67 **35A-16-1201 (Effective 04/01/26)**, Utah Code Annotated 1953

68 **35A-16-1301 (Effective 04/01/26)**, Utah Code Annotated 1953

69

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

71 Section 1. Section **35A-16-102** is amended to read:

72 **35A-16-102 (Effective 04/01/26). Definitions.**

73 As used in this chapter:

74 (1) "Board" means the Utah Homeless Services Board created in Section 35A-16-204.

75 (2) "Chief executive officer" means the same as that term is defined in Section 11-51-102.

76 (3) "Client" means an individual who is experiencing homelessness or an individual at risk
77 of becoming homeless.

78 (4) "Collaborative applicant" means the entity designated by a continuum of care to collect
79 and submit data and apply for funds on behalf of the continuum of care, as required by
80 the United States Department of Housing and Urban Development.

81 (5) "Congregate shelter" means a facility that provides temporary shelter to individuals in a
82 shared, open space with limited or no privacy.

83 [~~(5)~~] (6) "Continuum of care" means a regional or local planning body designated by the
84 United States Department of Housing and Urban Development to coordinate services for
85 individuals experiencing homelessness within an area of the state.

86 [~~(6)~~] (7) "Coordinator" means the state homelessness coordinator appointed under Section
87 63J-4-202.

88 [~~(7)~~] (8) "County of the first class" means the same as that term is defined in Section
89 17-60-104.

90 [~~(8)~~] (9) "County of the second class" means the same as that term is defined in Section
91 17-60-104.

92 [~~(9)~~] (10) "Eligible services" means any activities or services that mitigate the impacts of the
93 location of an eligible shelter, including direct services, public safety services, and
94 emergency services, as further defined by rule made by the office in accordance with
95 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

96 (11)(a) "Emergency shelter" means a facility that provides immediate, temporary shelter

97 to individuals experiencing homelessness.

98 (b) "Emergency shelter" includes a shelter in response to:

99 (i) a subsequent winter response period, as defined in Section 35A-16-501; and

100 (ii) a code blue event, as defined in Section 35A-16-701.

101 [~~(10)~~] (12) "Executive committee" means the executive committee of the board.

102 [~~(11)~~] (13) "Exit destination" means:

103 (a) a homeless situation;

104 (b) an institutional situation;

105 (c) a temporary housing situation;

106 (d) a permanent housing situation; or

107 (e) other.

108 [~~(12)~~] (14) "First-tier eligible municipality" means a municipality that:

109 (a) is located within:

110 (i) a county of the first or second class, as classified in Section 17-60-104; or

111 (ii) a county of the third class, as classified in Section 17-60-104, if the municipality
112 has a population of 100,000 or more;

113 (b) as determined by the office, has or is proposed to have an eligible shelter within the
114 municipality's geographic boundaries within the following fiscal year;

115 (c) due to the location of an eligible shelter within the municipality's geographic
116 boundaries, requires eligible services; and

117 (d) is certified as a first-tier eligible municipality in accordance with Section 35A-16-404.

118 [~~(13)~~] (15) "Homeless Management Information System" or "HMIS" means an information
119 technology system that:

120 (a) is used to collect client-level data and data on the provision of housing and services
121 to homeless individuals and individuals at risk of homelessness in the state; and

122 (b) meets the requirements of the United States Department of Housing and Urban
123 Development.

124 [~~(14)~~] (16) "Homeless services budget" means the comprehensive annual budget and
125 overview of all homeless services available in the state described in Subsection
126 35A-16-203(1)(b).

127 [~~(15)~~] (17) "Local homeless council" means a local planning body designated by the steering
128 committee to coordinate services for individuals experiencing homelessness within an
129 area of the state.

130 (18) "Noncongregate shelter" means a facility in a tier-one or tier-two eligible municipality

- 131 that provides temporary shelter to individuals in a separate and private unit.
- 132 [~~(16)~~] (19) "Office" means the Office of Homeless Services.
- 133 [~~(17)~~] (20) "Residential, vocational and life skills program" means the same as that term is
- 134 defined in Section 13-53-102.
- 135 [~~(18)~~] (21) "Second-tier eligible municipality" means a municipality that:
- 136 (a) is located within:
- 137 (i) a county of the fourth, fifth, or sixth class; or
- 138 (ii) a county of the third class, if the municipality has a population of less than
- 139 100,000;
- 140 (b) as determined by the office, has or is proposed to have an eligible shelter within the
- 141 municipality's geographic boundaries within the following fiscal year;
- 142 (c) due to the location of an eligible shelter within the municipality's geographic
- 143 boundaries, requires eligible services; and
- 144 (d) is certified as a second-tier eligible municipality in accordance with Section
- 145 35A-16-404.
- 146 [~~(19)~~] (22)(a) "Service provider" means a state agency, a local government, or a private
- 147 organization that provides services to clients.
- 148 (b) "Service provider" includes a correctional facility and the Administrative Office of
- 149 the Courts.
- 150 [~~(20)~~] (23) "Steering committee" means the Utah Homeless Network Steering Committee
- 151 created in Section 35A-16-206.
- 152 [~~(21)~~] (24) "Strategic plan" means the statewide strategic plan to minimize homelessness in
- 153 the state described in Subsection 35A-16-203(1)(c).
- 154 [~~(22)~~] (25) "Type of homelessness" means:
- 155 (a) chronic homelessness;
- 156 (b) episodic homelessness;
- 157 (c) situational homelessness; or
- 158 (d) family homelessness.
- 159 Section 2. Section **35A-16-202** is amended to read:
- 160 **35A-16-202 (Effective 04/01/26). Powers and duties of the office.**
- 161 (1) The office shall, under the direction of the coordinator:
- 162 (a) assist in providing homeless services in the state;
- 163 (b) coordinate the provision of homeless services in the state;
- 164 (c) manage, with the concurrence of continuum of care organizations approved by the

- 165 United States Department of Housing and Urban Development, a Homeless
166 Management Information System for the state that:
- 167 (i) shares client-level data between service providers in the state;
 - 168 (ii) is effective as a case management system;
 - 169 (iii) except for individuals receiving services who are victims of domestic violence,
170 includes an effective authorization protocol for encouraging individuals who are
171 provided with any homeless services in the state to provide accurate information
172 to providers for inclusion in the HMIS; and
 - 173 (iv) meets the requirements of the United States Department of Housing and Urban
174 Development and other federal requirements;
- 175 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
176 make rules defining "successful exit," "unsuccessful exit," and "neutral exit"; and
- 177 (e) provide support to the steering committee in developing the formula described in
178 Section 35A-16-211.
- 179 (2) The office may:
- 180 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal Funds
181 Procedures Act, seek federal grants, loans, or participation in federal programs; and
 - 182 (b) for any federal program that requires the expenditure of state funds as a condition for
183 participation by the state in a fund, property, or service, with the governor's approval,
184 expend whatever funds are necessary out of the money provided by the Legislature
185 for the use of the office.
- 186 (3)(a) In accordance with Section 63A-5b-902, the office may accept a conveyance,
187 lease, or disposal of property owned by the Division of Facilities Construction and
188 Management, with the written consent of the governing body of the municipality in
189 which the property is located, for use as a temporary shelter to individuals
190 experiencing homelessness.
- 191 (b) For a conveyance of property described in Subsection (3)(a), the office, if approved
192 by the board and with the concurrence of the coordinator, may enter into a lease
193 agreement with a nonprofit service provider that the office selects to manage a
194 homeless shelter in the leased space.
- 195 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
196 office may make rules to establish a lease agreement template for a lease described in
197 Subsection (3) that includes:
- 198 (a) lease terms, including lease rates;

- 199 (b) homeless shelter use restrictions, including whether the homeless shelter may be
 200 used as an overflow or emergency shelter;
 201 (c) operational requirements for compliance with the standards described in this chapter;
 202 and
 203 (d) a termination clause, including cause for termination of a lease agreement if the
 204 housing sponsor fails to meet the requirements under this chapter.

205 (5) Lease rates described in Subsection (4)(a) ~~Ĥ~~ → [shall be set at market rate] may not
 205a exceed the documented direct facility operation and maintenance costs attributed to the
 205b leased property ← Ĥ .

- 206 (6) Lease payments received under the lease agreement described in this section may be
 207 used for the operations and maintenance of the leased space.

208 Section 3. Section **35A-16-203** is amended to read:

209 **35A-16-203 (Effective 04/01/26). Powers and duties of the coordinator.**

210 (1) The coordinator shall:

- 211 (a) coordinate the provision of homeless services in the state;
 212 (b) in cooperation with the board, develop and maintain a comprehensive annual budget
 213 and overview of all homeless services available in the state, which homeless services
 214 budget shall receive final approval by the board;
 215 (c) in cooperation with the board, create a statewide strategic plan to minimize
 216 homelessness in the state, which strategic plan shall receive final approval by the
 217 board;
 218 (d) in cooperation with the board, oversee funding provided for the provision of
 219 homeless services, which funding shall receive final approval by the board, including
 220 funding from the:
 221 (i) Pamela Atkinson Homeless Account created in Section 35A-16-301;
 222 (ii) Homeless to Housing Reform Restricted Account created in Section 35A-16-303;
 223 and
 224 (iii) Homeless Shelter Cities Mitigation Restricted Account created in Section
 225 35A-16-402;
 226 (e) provide administrative support to and serve as a member of the board;
 227 (f) at the governor's request, report directly to the governor on issues regarding
 228 homelessness in the state and the provision of homeless services in the state; and
 229 (g) report directly to the president of the Senate and the speaker of the House of
 230 Representatives at least twice each year on issues regarding homelessness in the state

- 231 and the provision of homeless services in the state.
- 232 (2) The coordinator, in cooperation with the board, shall ensure that the homeless services
233 budget described in Subsection (1)(b) includes an overview and coordination plan for all
234 funding sources for homeless services in the state, including from state agencies,
235 continuum of care organizations, housing authorities, local governments, federal
236 sources, and private organizations.
- 237 (3) The coordinator, in cooperation with the board and taking into account the metrics
238 established and data reported in accordance with Section 35A-16-211, shall ensure that
239 the strategic plan described in Subsection (1)(c):
- 240 (a) outlines specific goals and measurable benchmarks for minimizing homelessness in
241 the state and for coordinating services for individuals experiencing homelessness
242 among all service providers in the state;
- 243 (b) identifies best practices or innovative strategies and recommends improvements to
244 the provision of services to individuals experiencing homelessness in the state to
245 ensure the services are provided in a safe, cost-effective, and efficient manner;
- 246 (c) identifies best practices or innovative strategies and recommends improvements in
247 coordinating the delivery of services to the variety of populations experiencing
248 homelessness in the state, including through the use of electronic databases and
249 improved data sharing among all service providers in the state;
- 250 (d) identifies gaps and recommends solutions in the delivery of services to the variety of
251 populations experiencing homelessness in the state; and
- 252 (e) takes into consideration the success of the HOME Court Pilot Program established in
253 Section 26B-5-382.
- 254 (4) In overseeing funding for the provision of homeless services as described in Subsection
255 (1)(d), the coordinator:
- 256 (a) shall prioritize the funding of programs and providers that have a documented history
257 of successfully reducing the number of individuals experiencing homelessness,
258 reducing the time individuals spend experiencing homelessness, moving individuals
259 experiencing homelessness to permanent housing, or reducing the number of
260 individuals who return to experiencing homelessness;
- 261 (b) except for a program or provider providing services to victims of domestic violence,
262 may not approve funding to a program or provider that does not enter into a written
263 agreement with the office to collect and share HMIS data regarding the provision of
264 services to individuals experiencing homelessness so that the provision of services

- 265 can be coordinated among state agencies, local governments, and private
 266 organizations; and
- 267 (c) if the board has approved a funding formula developed by the steering committee, as
 268 described in Section 35A-16-205:
- 269 (i) except as provided in Subsection (4)(c)(ii), shall utilize that funding formula in
 270 disbursing funds for the provision of homeless services; and
- 271 (ii) shall ensure that any federal funds not subject to the funding formula are
 272 disbursed in accordance with any applicable federal requirements.
- 273 (5) In cooperation with the board, the coordinator shall update the annual statewide budget
 274 and the strategic plan described in this section on an annual basis.
- 275 (6)(a) On or before [~~October~~] November 1, the coordinator shall provide a written report
 276 to the department for inclusion in the department's annual written report described in
 277 Section 35A-1-109.
- 278 (b) The written report shall include:
- 279 (i) the homeless services budget;
- 280 (ii) the strategic plan;
- 281 (iii) recommendations regarding improvements to coordinating and providing
 282 services to individuals experiencing homelessness in the state;
- 283 (iv) in coordination with the board, a complete accounting of the office's
 284 disbursement of funds during the previous fiscal year from:
- 285 (A) the Pamela Atkinson Homeless Account created in Section 35A-16-301;
- 286 (B) the Homeless to Housing Reform Restricted Account created in Section
 287 35A-16-303;
- 288 (C) the Homeless Shelter Cities Mitigation Restricted Account created in Section
 289 35A-16-402;
- 290 (D) the COVID-19 Homeless Housing and Services Grant Program created in
 291 Section 35A-16-602; and
- 292 (E) any other grant program created in statute that is administered by the office;
 293 and
- 294 (v) the data described in Section 35A-16-211.
- 295 Section 4. Section **35A-16-204** is amended to read:
- 296 **35A-16-204 (Effective 04/01/26). Utah Homeless Services Board.**
- 297 (1) There is created within the office the Utah Homeless Services Board.
- 298 (2)(a) The board shall consist of the following members:

- 299 (i) a representative, appointed by the speaker of the House of Representatives;
 300 (ii) a representative, appointed by the president of the Senate;
 301 (iii) a private sector representative, appointed by the governor;
 302 (iv) a representative, appointed by the governor;
 303 (v) a statewide philanthropic leader, appointed by the Utah Impact Partnership or the
 304 partnership's successor organization;
 305 (vi) the mayor of Salt Lake City;
 306 (vii) the chief executive officer appointed by the Shelter Cities [~~Advisory~~]
 307 Coordinating Council in accordance with Section 35A-16-210;
 308 (viii) an individual with lived experience of homelessness, appointed by the chair of
 309 the board;
 310 (ix) a representative, appointed by the Utah Association of Counties or the
 311 association's successor organization;
 312 (x) an individual who represents the Utah Homeless Network; and
 313 (xi) the coordinator.
- 314 (b) The governor shall select a board member to serve as chair of the board.
- 315 (3) The following four members of the board shall serve as the executive committee:
 316 (a) the coordinator; and
 317 (b) three board members chosen by the board chair, which shall include one of the
 318 members described in Subsection (2)(a)(vi) or (2)(a)(vii).
- 319 (4)(a) The board shall meet at least once per calendar quarter.
 320 (b) The chair, the coordinator, or three of the board members may call a board meeting.
 321 (c) The individual calling the meeting shall provide notice of the meeting to the board
 322 members at least three calendar days in advance of the meeting.
- 323 (5) A majority of the voting members of the board constitutes a quorum of the board at any
 324 meeting, and the action of the majority of voting members present constitutes the action
 325 of the board.
- 326 (6)(a) A majority of members of the executive committee constitutes a quorum of the
 327 executive committee at any meeting, and the action of the majority of members
 328 present constitutes the action of the executive committee.
 329 (b) The executive committee is exempt from the requirements described in Title 52,
 330 Chapter 4, Open and Public Meetings Act.
- 331 (7)(a) Except as required by Subsection (7)(c):
 332 (i) each appointed member of the board, other than a board member described in

- 333 Subsection (2)(a)(vii), shall serve a four-year term; and
- 334 (ii) the board member appointed in accordance with Subsection (2)(a)(vii) shall serve
- 335 a two-year term.
- 336 (b) A board member may serve more than one term.
- 337 (c) The appointing authority, at the time of appointment or reappointment, may adjust
- 338 the length of terms to ensure that the terms of board members are staggered so that
- 339 approximately half of the appointed board members are appointed every two years.
- 340 (8) When a vacancy occurs in the appointed membership for any reason, the replacement is
- 341 appointed for the unexpired term.
- 342 (9)(a) Except as described in Subsection (9)(b), a member may not receive
- 343 compensation or benefits for the member's service but may receive per diem and
- 344 travel expenses in accordance with:
- 345 (i) Section 63A-3-106;
- 346 (ii) Section 63A-3-107; and
- 347 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106
- 348 and 63A-3-107.
- 349 (b) Compensation and expenses of a board member who is a legislator are governed by
- 350 Section 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and
- 351 Expenses.
- 352 (10) The office shall provide staff and administrative support to the board.
- 353 Section 5. Section **35A-16-208** is amended to read:
- 354 **35A-16-208 (Effective 04/01/26). Reporting requirements -- Outcome measures.**
- 355 (1)(a) The office shall report, for the state and for each local homeless council:
- 356 (i) the state's year-to-date progress toward reaching a functional zero level of
- 357 homelessness for each type of homelessness and subpopulation, including:
- 358 (A) the number of individuals who are homeless for the first time;
- 359 (B) the number of individuals who returned to homelessness after having exited
- 360 homelessness within the two previous years;
- 361 (C) the number of individuals who remained homeless since the last report;
- 362 (D) the number of individuals experiencing homelessness since the last report by
- 363 household type;
- 364 (E) the number of individuals who exited by exit destination; and
- 365 (F) the number of individuals who are experiencing homelessness for the first time
- 366 plus the number of individuals who are returning to homelessness minus the

- 367 number of individuals who are exiting homelessness;
- 368 (ii) the percentage of individuals experiencing homelessness who:
- 369 (A) have a mental health disorder;
- 370 (B) have a substance use disorder;
- 371 (C) have a chronic health condition;
- 372 (D) have a physical disability;
- 373 (E) have a developmental disability;
- 374 (F) have HIV/AIDS;
- 375 (G) are survivors of domestic violence;
- 376 (H) are veterans; and
- 377 (I) are unaccompanied youth 24 years old or younger;
- 378 (iii) the number of individuals who exited homeless services since the last report by:
- 379 (A) type of homelessness;
- 380 (B) subpopulation; and
- 381 (C) exit destination;
- 382 (iv) the progress, by project type, on each goal established in accordance with
- 383 Subsection (3); and
- 384 (v) the data provided by the homeless services provider ombudsman as described in
- 385 Section 35A-16-1002.
- 386 (b) The reports described in this Subsection (1) shall contain aggregated, de-identified
- 387 information.
- 388 (2) The office shall report the data described in Subsection (1):
- 389 (a) in the annual report required by Section 35A-16-203; and
- 390 ~~[(b) on or before October 1 of each year, through an oral presentation to the Economic~~
- 391 ~~Development and Workforce Services Interim Committee; and]~~
- 392 ~~[(c)]~~ (b) on a data dashboard for the public with specific additional data points
- 393 recommended by the board.
- 394 (3) The board and the local homeless councils shall jointly establish quarterly goals for
- 395 each project type.
- 396 (4) The board and the local homeless councils shall jointly make annual progress reports
- 397 identifying:
- 398 (a) the percentage of clients:
- 399 (i) screened for social needs; and
- 400 (ii) referred for services that match the clients' social needs;

- 401 (b) the percentage of clients subsequently referred to community-based providers who
 402 can:
- 403 (i) address the client's needs;
- 404 (ii) follow-up on status of addressing the client's needs; and
- 405 (iii) report back to the referring entity;
- 406 (c) the number of youth receiving parent or guardian bereavement support services; and
- 407 (d) the number of clients with:
- 408 (i) a successful exit;
- 409 (ii) an unsuccessful exit;
- 410 (iii) a neutral exit; and
- 411 (iv) continued enrollment in the project.

412 Section 6. Section **35A-16-210** is amended to read:

413 **35A-16-210 (Effective 04/01/26). Shelter Cities Coordinating Council.**

- 414 (1) There is established the Shelter Cities [~~Advisory Board~~] Coordinating Council.
- 415 (2) The Shelter Cities [~~Advisory Board~~] Coordinating Council shall consist of the following
 416 members:
- 417 (a) the chief executive officer of each first-tier eligible municipality, or the chief
 418 executive officer's designee; and
- 419 (b) the chief executive officer of each second-tier eligible municipality, or the chief
 420 executive officer's designee.
- 421 (3)(a) The Shelter Cities [~~Advisory Board~~] Coordinating Council shall appoint, in
 422 accordance with this section, one chief executive officer representing a municipality
 423 as a member to the board.
- 424 (b) The members of the Shelter Cities [~~Advisory Board~~] Coordinating Council shall
 425 make an appointment, or fill a vacancy, by a majority vote of all members of the
 426 Shelter Cities [~~Advisory Board~~] Coordinating Council who are present at the meeting
 427 during which an appointment is made.
- 428 (c) The Shelter Cities [~~Advisory Board~~] Coordinating Council may not appoint the chief
 429 executive officer described in Subsection 35A-16-204(2)(a)(vi).
- 430 (d) Section 35A-16-204 governs other terms of appointment.
- 431 (4) The Shelter Cities [~~Advisory Board~~] Coordinating Council may make recommendations
 432 to the board regarding improvements to coordinating and providing services to
 433 individuals experiencing homelessness in the state.
- 434 (5) The office and an association representing at least two municipalities in the state shall

435 jointly provide staff and administrative support to the Shelter Cities [~~Advisory Board~~]
 436 Coordinating Council.

437 Section 7. Section **35A-16-210.1** is amended to read:

438 **35A-16-210.1 (Effective 04/01/26). Shelter Counties Coordinating Council.**

- 439 (1) There is established the Shelter Counties [~~Advisory Board~~] Coordinating Council.
 440 (2) The Shelter Counties [~~Advisory Board~~] Coordinating Council shall consist of the chief
 441 executive officer of each county that maintains a homeless shelter year round, or the
 442 chief executive officer's designee.
 443 (3) The Shelter Counties [~~Advisory Board~~] Coordinating Council may make
 444 recommendations to the board regarding improvements to coordinating and providing
 445 services to individuals experiencing homelessness in the state.
 446 (4) The office and an association representing at least two counties in the state shall jointly
 447 provide staff and administrative support to the Shelter Counties [~~Advisory Board~~]
 448 Coordinating Council.

449 Section 8. Section **35A-16-212** is amended to read:

450 **35A-16-212 (Effective 04/01/26) (Repealed 07/01/28). Property Loss Related to**
 451 **Homelessness Compensation Enterprise Fund.**

- 452 (1) As used in this part:
 453 (a) "Fund" means the Property Loss Related to Homelessness Compensation Enterprise
 454 Fund created in Subsection (3).
 455 (b) "Homeless services facility" means an eligible shelter under Subsection [
 456 ~~35A-16-401(5)(a) or (5)(b)~~] 35A-16-401(5)(a), (b), or (c).
 457 (c) "Property loss" means:
 458 (i) documented damage to or theft of personal property; or
 459 (ii) documented cost of cleaning, sanitizing, repairing, or restoring real property.
 460 (2) Documentation required for Subsection (1)(c) shall include closed insurance claim
 461 information with any settlement amount.
 462 (3) There is created an enterprise fund known as the Property Loss Related to
 463 Homelessness Compensation Enterprise Fund.
 464 (4) The fund shall consist of:
 465 (a) gifts, grants, donations, and loan repayments or any other conveyance of money that
 466 may be made to the fund from private sources; and
 467 (b) additional amounts as appropriated by the Legislature.
 468 (5) The fund shall be administered by the office.

- 469 (6) Funds may be used to:
- 470 (a) provide a no-interest loan to a business that:
- 471 (i) meets the requirements of Subsection (6)(b); and
- 472 (ii) enters into an agreement with the department to:
- 473 (A) use loan funds for documented costs for property loss or for documented costs
- 474 to mitigate property loss as a direct result of the presence of the homeless
- 475 services facility; and
- 476 (B) repay the loan no later than one year from the day on which the loan is
- 477 disbursed to the business;
- 478 (b) except as provided in Subsection (12), compensate a business that:
- 479 (i) is located within 1/5 of a mile of a homeless services facility; and
- 480 (ii) experiences property loss as a direct result of the presence of the homeless
- 481 services facility; or
- 482 (c) compensate an individual who:
- 483 (i) lives within 1/5 of a mile from a homeless services facility; and
- 484 (ii) experiences property loss as a direct result of the presence of the homeless
- 485 services facility.
- 486 (7) An individual who receives compensation from the fund shall:
- 487 (a) be a resident of Utah; and
- 488 (b) have a need that meets the requirements of this section.
- 489 (8)(a) A business that receives compensation or a loan from the fund shall be in good
- 490 standing with the State Tax Commission and Department of Commerce.
- 491 (b) The State Tax Commission and Department of Commerce may charge a business
- 492 described in Subsection (8)(a) a nominal fee to obtain a certificate of good standing
- 493 to meet the requirements under this section.
- 494 (9)(a) The fund may not duplicate or supplant a service or support mechanism provided
- 495 to an individual or business by another government entity or private agency.
- 496 (b) The fund may supplement a service or support mechanism provided to an individual
- 497 or business by another government entity or private agency, if the service or support
- 498 mechanism does not fully cover the cost of the individual's or business's property loss.
- 499 (10) Administrative and operating expenses for the fund shall be paid from the fund.
- 500 (11) The executive director may expend up to 4% of the revenues of the fund, including any
- 501 appropriations to the fund, for administrative expenses.
- 502 (12) A business located at parcel record number 15-26-326-016-0000 is not eligible to

503 receive compensation for property loss as a direct result of the presence of a homeless
504 services facility.

505 (13) The office shall:

506 (a) administer the loan program, including:

507 (i) in each calendar year that money is available from the fund for distribution by the
508 office, announcing, at least once in that year, a loan application period by sending
509 notice to interested persons;

510 (ii) accepting applications received in a timely manner;

511 (iii) reviewing loan applications;

512 (iv) determining eligibility in accordance with this section; and

513 (v) distributing loan money to an approved loan recipient; and

514 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
515 make rules to administer the program, including:

516 (i) loan application requirements;

517 (ii) procedures to approve a loan;

518 (iii) procedures for distributing money to loan recipients;

519 (iv) criteria for confirming the amount of property loss; and

520 (v) criteria prioritizing disbursements in the event of limited funds.

521 (14) The office may do any act necessary or convenient to the exercise of the powers
522 granted by this part or reasonably implied from those granted powers, including:

523 (a) service or contract, under Title 63G, Chapter 6a, Utah Procurement Code, for the
524 servicing of loans made by the fund;

525 (b) make or execute contracts and other instruments necessary or convenient for the
526 performance of the office's duties and exercise of the office's powers and functions
527 under this part, including contracts or agreements for the servicing and originating of
528 loans; and

529 (c) selling, at a public or private sale, with public bidding, an obligation held by the fund.

530 (15) Any money returned to the department under this section from a person that received a
531 loan from the fund shall be deposited into the fund.

532 Section 9. Section **35A-16-401** is amended to read:

533 **35A-16-401 (Effective 04/01/26). Definitions.**

534 As used in this part:

535 (1) "Account" means the Homeless Shelter Cities Mitigation Restricted Account created in
536 Section 35A-16-402.

- 537 (2) "Authorized provider" means a nonprofit provider of homeless services that is
 538 authorized by a third-tier eligible municipality to operate a temporary [winter response]
 539 emergency shelter within the municipality[~~in accordance with Part 5, Winter Response~~
 540 ~~Plan Requirements~~].
- 541 (3) "Eligible municipality" means:
 542 (a) a first-tier eligible municipality;
 543 (b) a second-tier eligible municipality; or
 544 (c) a third-tier eligible municipality.
- 545 (4) "Eligible services" means any activities or services that mitigate the impacts of the
 546 location of an eligible shelter, including direct services, public safety services, and
 547 emergency services, as further defined by rule made by the office in accordance with
 548 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 549 (5) "Eligible shelter" means:
 550 (a) for a first-tier eligible municipality, a homeless shelter that:
 551 (i) has the capacity to provide temporary shelter to at least 80 individuals per night,
 552 as verified by the office;
 553 (ii) operates year-round; and
 554 (iii) is not subject to restrictions that limit the hours, days, weeks, or months of
 555 operation;
- 556 (b) for a second-tier municipality, a homeless shelter that:
 557 (i) has the capacity to provide temporary shelter to at least 25 individuals per night,
 558 as verified by the office;
 559 (ii) operates year-round; and
 560 (iii) is not subject to restrictions that limit the hours, days, weeks, or months of
 561 operation;[~~and~~]
- 562 (c) an eligible shelter under Subsection (5)(a) or (b), if the homeless shelter operates for
 563 more than 365 continuous days, regardless of whether the homeless shelter is
 564 intended to operate as an emergency shelter, as long as the homeless shelter meets the
 565 requirements of an eligible shelter defined in Subsection (5)(a) or (b); and
- 566 [(e)] (d) for a third-tier eligible municipality, a homeless shelter that:
 567 [(i)(A) has the capacity to provide temporary shelter to at least 50 individuals per
 568 night, as verified by the office; and]
 569 [(B) operates for no less than three months during the period beginning October 1
 570 and ending April 30 of the following year; or]

571 ~~[(ii)(A) meets the definition of a homeless shelter under Section 35A-16-501; and]~~
 572 ~~[(B) contains beds that are utilized as part of a county's winter response plan under~~
 573 ~~Section 35A-16-502.]~~

574 (i) has the capacity to provide temporary shelter to at least 50 individuals per night,
 575 as verified by the office; and

576 (ii) operates for no less than three months during the period beginning October 1 and
 577 ending April 30 of the following year.

578 (6) "Homeless shelter" means a facility that provides or is proposed to provide temporary
 579 shelter to individuals experiencing homelessness.

580 (7) "Municipality" means a city or town.

581 (8) "Public safety services" means law enforcement, emergency medical services, or fire
 582 protection.

583 (9) "Third-tier eligible municipality" means a municipality that:

584 (a) as determined by the office, has or is proposed to have an eligible shelter within the
 585 municipality's geographic boundaries within the following fiscal year; and

586 (b) due to the location of an eligible shelter within the municipality's geographic
 587 boundaries, requires eligible services.

588 Section 10. Section **35A-16-406** is enacted to read:

589 **35A-16-406 (Effective 04/01/26). Mitigation Fund Task Force.**

590 (1) As used in this section:

591 (a) "Eligible shelter" means the same as that term is defined in Section 35A-16-401.

592 (b) "Task force" means the Mitigation Fund Task Force created in this section.

593 (2) There is created within the office the Mitigation Fund Task Force consisting of the
 594 following seven voting members:

595 (a) the coordinator or the coordinator's designee;

596 (b) three members, one each, from a municipality that hosts a qualifying homeless
 597 shelter, selected by the board of directors of the Utah League of Cities and Towns as
 598 recommended by the Shelter Cities Coordinating Council; and

599 (c) three members, one each, from a municipality that does not host a qualifying
 600 homeless shelter, selected by the board of directors of the Utah League of Cities and
 601 Towns.

602 (3) In addition to the seven voting members, a representative from the Utah League of
 603 Cities and Towns shall serve on the task force in a nonvoting capacity.

604 (4) The coordinator, or the coordinator's designee, shall serve as the chair of the task force.

- 605 (5)(a) If a vacancy occurs in the membership of the task force, the member shall be
606 replaced in the same manner in which the original selection was made.
- 607 (b) A member shall serve until the member's successor is appointed.
- 608 (6)(a) The chair is responsible for the call and conduct of task force meetings.
- 609 (b) The chair shall call and conduct meetings of the task force as the chair determines
610 appropriate during the 2026 legislative interim period.
- 611 (7)(a) A majority of the members of the task force constitutes a quorum.
- 612 (b) The action of a majority of a quorum constitutes an action of the task force.
- 613 (8) A member of the task force may not receive compensation or benefits for the member's
614 service, but may receive per diem and travel expenses in accordance with:
- 615 (a) Section 63A-3-106;
- 616 (b) Section 63A-3-107; and
- 617 (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
618 63A-3-107.
- 619 (9) The office shall provide staff support to the task force.
- 620 (10) The task force shall:
- 621 (a) assess public safety costs incurred by a municipality that hosts an eligible shelter;
- 622 (b) develop best practices for identifying, documenting, and categorizing mitigation
623 expenses incurred by a municipality related to hosting an eligible shelter;
- 624 (c) evaluate and recommend a mitigation funding formula for an eligible shelter that:
- 625 (i) accounts for system capacity and utilization; and
- 626 (ii) adjusts over time based on measurable system metrics;
- 627 (d) make recommendations regarding distributions from the mitigation fund to a
628 municipality that hosts an eligible shelter, including consideration of:
- 629 (i) for a congregate shelter, the number of beds and bed occupancy rates for the
630 eligible shelter; and
- 631 (ii) for a noncongregate shelter, the number of rooms and room occupancy rates for
632 the eligible shelter;
- 633 (e) make recommendations regarding contributions to the mitigation fund by a
634 municipality that does not host an eligible shelter; and
- 635 (f) make recommendations regarding qualifying offsets against required mitigation fund
636 contributions from a municipality, including consideration of:
- 637 (i) site-based crisis shelters, as defined by the United States Department of Housing
638 and Urban Development;

- 639 (ii) site-based supported living programs for people with a serious mental illness as
 640 defined by the United States Department of Housing and Urban Development; and
 641 (iii) site-based transitional housing, as defined by the United States Department of
 642 Housing and Urban Development.

643 (11) On or before November 1, 2026, the task force shall report the task force's findings and
 644 recommendations described in Subsection (10) to the office.

645 Section 11. Section **35A-16-701** is amended to read:

646 **35A-16-701 (Effective 04/01/26). Definitions.**

647 As used in this part:

- 648 (1) "Affected county" means a county of the first, second, third, or fourth class in which a
 649 code blue event is anticipated.
- 650 (2) "Applicable local homeless council" means the local homeless council that is
 651 responsible for coordinating homeless response within an affected county.
- 652 (3) "Capacity limit" means a limit as to the number of individuals that a homeless shelter
 653 may provide temporary shelter to under a conditional use permit.
- 654 (4) "Code blue alert" means a proclamation issued by the Department of Health and Human
 655 Services under Section 35A-16-702 to alert the public of a code blue event.
- 656 (5) "Code blue event" means a weather event in which the National Weather Service
 657 predicts temperatures of [48] 25 degrees Fahrenheit or less, including wind chill, or any
 658 other extreme weather conditions established in rules made by the Department of Health
 659 and Human Services under Subsection 35A-16-702(4), to occur in any county of the
 660 first, second, third, or fourth class for two hours or longer within the next 24 to 48 hours.
- 661 (6) "Homeless shelter" means a facility that provides temporary shelter to individuals
 662 experiencing homelessness.
- 663 (7) "Municipality" means a city or town.

664 Section 12. Section **35A-16-702** is amended to read:

665 **35A-16-702 (Effective 04/01/26). Code blue alert -- Content -- Dissemination --**
 666 **Rulemaking.**

- 667 (1) The Department of Health and Human Services shall:
- 668 (a) monitor and evaluate forecasts and advisories produced by the National Weather
 669 Service;
- 670 (b) issue a code blue alert under this section if the Department of Health and Human
 671 Services identifies a code blue event; and
- 672 (c) disseminate the code blue alert to:

- 673 (i) the public at large;
- 674 (ii) homeless shelters located within an affected county;
- 675 (iii) local government entities located within an affected county;
- 676 (iv) the office; and
- 677 (v) any other relevant public or private entities that provide services to individuals
- 678 experiencing homelessness within an affected county.
- 679 (2) The code blue alert shall:
- 680 (a) identify each affected county;
- 681 (b) specify the duration of the code blue alert;
- 682 (c) describe the provisions that take effect for the duration of the code blue alert as
- 683 described in Section 35A-16-703; and
- 684 (d) include the information prepared by the office under Subsection (3).
- 685 (3)(a) The office shall prepare and regularly update information to assist individuals
- 686 experiencing homelessness during a code blue event, including:
- 687 (i) the location and availability of homeless shelters and other community resources
- 688 and services for individuals experiencing homelessness;
- 689 (ii) information regarding public safety and emergency services; and
- 690 (iii) any other information considered relevant by the office.
- 691 (b) The office shall submit to the Department of Health and Human Services the
- 692 information prepared and updated under Subsection (3)(a).
- 693 (4)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 694 the Department of Health and Human Services, in coordination with the office, shall
- 695 make rules to implement this section.
- 696 (b) The rules under Subsection (4)(a) shall:
- 697 (i) establish any extreme weather conditions that warrant the issuance of a code blue
- 698 alert; and
- 699 (ii) establish standards for:
- 700 (A) monitoring and evaluating National Weather Service forecasts and advisories
- 701 to identify code blue events;
- 702 (B) issuing code blue alerts under this section, including the form, content, and
- 703 dissemination of code blue alerts;
- 704 (C) the provisions that take effect within an affected county for the duration of a
- 705 code blue alert under Section 35A-16-703; and
- 706 (D) coordinating with the office to receive the information described in

707 Subsection (3).

708 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 709 office, in coordination with the Department of Health and Human Services, may make
 710 rules to establish a temperature range and duration period under which a code blue
 711 shelter may operate if:

712 (a) the Department of Health and Human Services issues a code blue alert under this
 713 section that is terminated before the duration of the code blue alert expires; or

714 (b) the temperature is within two degrees of a code blue event even if the Department of
 715 Health and Human Services does not issue a code blue alert.

716 [~~(5)~~] (6) Nothing in this section prohibits a municipality from implementing emergency
 717 plans or other measures to assist individuals experiencing homelessness at times when
 718 environmental conditions present a substantial threat to the health or safety of
 719 individuals experiencing homelessness, [provided that] if the emergency plans or other
 720 measures implemented by the municipality do not conflict with any applicable
 721 provisions that take effect during a code blue event in accordance with Section
 722 35A-16-703.

723 Section 13. Section **35A-16-1101** is enacted to read:

724 **Part 11. Homeless Services Provider Payments**

725 **35A-16-1101 (Effective 04/01/26). Advance payments to homeless services**
 726 **providers -- Requirements.**

727 (1) As used in this section:

728 (a) "Contract" means a homeless services agreement between the office and a homeless
 729 services provider that describes the scope of work, performance goals, funding terms,
 730 and other provisions related to providing services to individuals experiencing
 731 homelessness.

732 (b) "Future services payment" means an advance payment made by the office to a
 733 homeless services provider for services to be provided to individuals experiencing
 734 homelessness.

735 (2)(a) Beginning on July 1, 2026, and subject to Subsection (2)(b), the office may issue a
 736 future services payment to each service provider that requests a future services
 737 payment, as allowed by the funding source for the contract.

738 (b) The amount of the future services payment described in Subsection (2)(a), for a
 739 given month, shall be equal to the service provider's total award amount divided by
 740 the term of the service provider's current contract in months.

- 741 (3)(a) Under the terms of the contract, a service provider shall submit an invoice for the
 742 actual services provided for the month for which the service provider receives a
 743 future services payment.
- 744 (b) If the office determines that a service provider's actual expenses are less than the
 745 amount of the most recent future services payment, the office may subtract the
 746 overpaid amount from the next future services payment to the service provider.
- 747 (c) If the service provider's actual expenses are greater than the amount of the most
 748 recent future services payment, the office may add the underpaid amount to the next
 749 future services payment to the service provider.
- 750 (d) If a service provider fails to submit a required invoice or is otherwise out of
 751 compliance with the service provider's contract or state law, the office may hold any
 752 future services payments to the service provider until the service provider comes into
 753 compliance.
- 754 (4) The office may ensure that an extension of a contract is executed no later than 30 days
 755 before the last day on which an existing contract ends.
- 756 (5) Nothing in this section prohibits the office from taking additional contractual or
 757 administrative action authorized by state law.
- 758 (6) The office may make rules in accordance with Title 63G, Chapter 3, Utah
 759 Administrative Rulemaking Act, to implement the procedures, documentation
 760 requirements, and payment schedules described in this section.

761 Section 14. Section **35A-16-1201** is enacted to read:

762 **Part 12. Homeless Services Restricted Account**

763 **35A-16-1201 (Effective 04/01/26). Homeless Services Restricted Account --**

764 **Allowable uses -- Requirements for county participation.**

765 (1) As used in this section:

766 (a) "Account" means the Homeless Services Restricted Account created in Subsection (2).

767 (b)(i) "County matching funds" means a participating county's appropriations
 768 designated and expended for the provisions of homeless services described in
 769 Subsections (11) and (12) that exceed the participating county's baseline spending
 770 level in the fiscal year immediately before the participating county's initial
 771 participation in the matching program.

772 (ii) "County matching funds" includes funds previously recognized as qualifying
 773 matching funds if the participating county maintains at least the same level of
 774 funding provided by the county in the preceding fiscal year.

- 775 (c) "Fiscal year" means the state fiscal year that begins on July 1 of each year and ends
776 on June 30 of the following year.
- 777 (d) "Participating county" means a county that creates a county restricted account for the
778 purposes described in this section.
- 779 (e) "Street medicine" means health care that is provided by a licensed health care
780 provider, who conducts patient visits outside of a health care facility, clinic, or shelter
781 to an individual experiencing unsheltered homelessness.
- 782 (f)(i) "Unsheltered homelessness" means, for an individual or family, not having a
783 long-term or permanent structure in which to live.
- 784 (ii) "Unsheltered homelessness" may include sleeping in a vehicle, abandoned
785 building, farm, wilderness, street, park, or encampment.
- 786 (2) There is created a restricted account within the General Fund known as the Homeless
787 Services Restricted Account.
- 788 (3) The office shall have the authority to annually disburse funds from the account as
789 provided in this section and as the office determines in rule as described in Subsection
790 (14).
- 791 (4) The account shall consist of:
- 792 (a) money appropriated by the Legislature;
- 793 (b) money received from the Cigarette Tax Restricted Account in accordance with
794 Section 59-14-204(6);
- 795 (c) private donations, grants, gifts, bequests, or money made available from any other
796 source to implement this section; and
- 797 (d) interest and earnings on money in the account.
- 798 (5)(a) The state treasurer shall invest the money in the account according to the
799 procedures and requirements of Title 51, Chapter 7, State Money Management Act.
- 800 (b) Interest and other earnings derived from the money in the account shall be deposited
801 into the account.
- 802 (6) The executive director may expend up to 10% of the revenues of the account, including
803 any appropriations to the account, for administrative expenses of the office.
- 804 (7) The funds in the account shall be nonlapsing.
- 805 (8) To be eligible for a disbursement of funds under this section, a participating county
806 shall:
- 807 (a) create a county restricted account:
- 808 (i) for receipt of state fund distributions; and

- 809 (ii) into which the county deposits matching funds;
- 810 (b) provide detailed and accurate reporting on at least an annual basis to the office that
- 811 describes:
- 812 (i) how funds provided to the participating county under this section have been spent
- 813 by the county; and
- 814 (ii) the participating county's progress towards measurable outcome-based
- 815 benchmarks agreed to by the participating county and the office; and
- 816 (c) comply with other requirements as the office determines in rule as described in
- 817 Subsection (14).
- 818 (9) A participating county that receives a disbursement of funds under this section shall:
- 819 (a) commit to use the funds for the purposes described in Subsection (11); and
- 820 (b) deposit matching funds into the county trust account.
- 821 (10) No later than August 1 of each year, a participating county that receives funds under
- 822 this section shall provide the office with an accounting of:
- 823 (a) the amount of money deposited in the county restricted account and from what
- 824 sources;
- 825 (b) the amount of funds expended from the county restricted account and from what
- 826 source;
- 827 (c) the purposes under Subsection (11) for which funds from the county restricted
- 828 account were expended; and
- 829 (d) the amount of any remaining money in the county restricted account, and from what
- 830 source.
- 831 (11) Subject to appropriation, a participating county that receives funds under this part, may
- 832 only use the funds for:
- 833 (a) Assertive Community Treatment support services;
- 834 (b) behavioral health support services for individuals with a history of homelessness;
- 835 (c) capital improvements, including to remodel or maintain a shelter;
- 836 (d) development and implementation of software for standardized screening tools to
- 837 assess areas of strength and need of people experiencing homelessness, inform
- 838 decision making regarding resources, service matching, and cross-system data
- 839 sharing with criminal justice and behavioral health systems;
- 840 (e) mobile crisis outreach teams;
- 841 (f) the operation of:
- 842 (i) a micro shelter community;

- 843 (ii) ~~Ĥ~~ → ~~[on-site behavioral support services and licensed clinical services for]~~ ← ~~Ĥ~~
 843a supported
 844 living programs for individuals with serious mental illnesses ~~Ĥ~~ → , **including**
 844a **behavioral health support services and licensed clinical services** ← ~~Ĥ~~ ; or
 845 (iii) a winter overflow shelter;
 846 (g) payment to service providers;
 847 (h) street medicine; or
 848 (i) other services the office determines necessary to meet the provisions of homeless
 849 services described in this chapter.
- 850 (12)(a) The office shall consult with the participating county's governing body to
 851 determine if additional uses of funds, other than the uses allowed under Subsection
 852 (11), are needed for the county.
- 853 (b) If the office and the county governing body agree to additional uses of the funds, as
 854 described in Subsection (12)(a), the county may use the funds for the purposes agreed
 855 to for the fiscal year in which the additional use of the funds is approved.
- 856 (13)(a) A participating county may only be eligible to receive state funds in any given
 857 year in an amount equal to the amount the participating county deposits as matching
 858 funds as described in Subsection (8).
- 859 (b) A participating county that does not provide matching funds, as described in
 860 Subsection (8)(a), may not be eligible to receive funds until the participating county
 861 deposits funds into the participating county's restricted account in an amount agreed
 862 to by the office and the participating county's governing body.
- 863 (c)(i) If a participating county does not show progress towards measurable
 864 outcome-based benchmarks, as described in Subsection (8)(b), the participating
 865 county may not be eligible to receive funds under this section.
- 866 (ii) For a participating county described in Subsection (13)(c)(i), the office, in
 867 consultation with the coordinator, may determine what actions the participating
 868 county may take to become eligible to receive funds under this section.
- 869 (14)(a) The office may make rules in accordance with Title 63G, Chapter 3, Utah
 870 Administrative Rulemaking Act, to implement this part.
- 871 (b) The rules described in Subsection (14)(a) shall include:
 872 (i) application requirements;
 873 (ii) application procedures; and
 874 (iii) procedures for distributing funds to participating counties, including prioritizing

875 disbursements to participating counties within available funds.

876 Section 15. Section **35A-16-1301** is enacted to read:

877 **Part 13. Temporary Shelter Expansion**

878 **35A-16-1301 (Effective 04/01/26). Temporary shelter expansion -- Definitions --**
879 **Requirements -- Mitigation.**

- 880 (1) As used in this part, "municipal consent" means the written approval from a
881 municipality in which a congregate shelter is located to the office and to a service
882 provider for temporary expansion of a congregate shelter's designated bed capacity.
- 883 (2) A service provider may expand the capacity limit of a congregate shelter up to 135% of
884 the shelter's designated bed capacity to provide temporary shelter to individuals
885 experiencing homelessness if:
- 886 (a) the service provider informs the office of the need to temporarily expand the capacity
887 limit of the shelter;
- 888 (b) the service provider requests approval from the municipality in which the congregate
889 shelter is located to expand the shelter's capacity;
- 890 (c) the municipality in which the congregate shelter is located provides municipal
891 consent to the service provider and the office; and
- 892 (d) the congregate shelter remains in compliance with the applicable state and local
893 building and fire codes.
- 894 (3) Municipal consent under this section may include reasonable conditions related to
895 public safety, coordination, or neighborhood mitigation.
- 896 (4) The authorization provided under this section does not modify any other applicable
897 licensing, health, or safety requirements.
- 898 (5) A tier one shelter city in a city of the first class in a county of the third class:
- 899 (a) may expand the capacity limit of a congregate shelter, as described in Subsection (2)
900 if local temperatures reach or exceed 105 degrees Fahrenheit; and
- 901 (b) may not have the shelter city's congregate shelter capacity reduced below the number
902 of approved beds as of January 1, 2026.
- 903 (6) For purposes of formula distributions made under this chapter, the number of beds
904 operated under Subsection (2) may be counted as tier three beds.
- 905 (7) Additional bed capacity authorized under this section shall be mitigated using funds
906 appropriated under this chapter as determined in rule made by the office in accordance
907 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 908 (8)(a) A congregate shelter may not operate at the expanded capacity limit described in

909 Subsection (2) after April 30, 2027.

910 (b) On or after May 1, 2027, a congregate shelter shall return to the congregate shelter's
 911 capacity limit as determined by the congregate shelter's conditional use permit unless
 912 otherwise authorized by the relevant municipality.

913 Section 16. Section **59-12-205** is amended to read:

914 **59-12-205 (Effective 04/01/26). Ordinances to conform with statutory**
 915 **amendments -- Distribution of tax revenue -- Determination of population.**

916 (1) To maintain in effect sales and use tax ordinances adopted [~~pursuant to~~] in accordance
 917 with Section 59-12-204, a county, city, or town shall adopt amendments to the county's,
 918 city's, or town's sales and use tax ordinances:

919 (a) within 30 days of the day on which the state makes an amendment to an applicable
 920 provision of Part 1, Tax Collection; and

921 (b) as required to conform to the amendments to Part 1, Tax Collection.

922 (2)(a) Except as provided in Subsections (3), (4), and (5) and subject to Subsection (6):

923 (i) 50% of each dollar collected from the sales and use tax authorized by this part
 924 shall be distributed to each county, city, and town on the basis of the percentage
 925 that the population of the county, city, or town bears to the total population of all
 926 counties, cities, and towns in the state; and

927 (ii)(A) except as provided in Subsections (2)(a)(ii)(B), (C), (D), (E), and (F), 50%
 928 of each dollar collected from the sales and use tax authorized by this part shall
 929 be distributed to each county, city, and town on the basis of the location of the
 930 transaction as determined under Sections 59-12-211 through 59-12-215;

931 (B) except as provided in Subsections (10) through (13), 50% of each dollar
 932 collected from the sales and use tax authorized by this part within a project
 933 area described in a project area plan adopted by the military installation
 934 development authority under Title 63H, Chapter 1, Military Installation
 935 Development Authority Act, shall be distributed to the military installation
 936 development authority created in Section 63H-1-201;

937 (C) except as provided in Subsections (10) through (13), beginning July 1, 2024,
 938 20% of each dollar collected from the sales and use tax authorized by this part
 939 within a project area under Title 11, Chapter 58, Utah Inland Port Authority
 940 Act, shall be distributed to the Utah Inland Port Authority, created in Section
 941 11-58-201;

942 (D) except as provided in Subsections (10) through (13), 50% of each dollar

943 collected from the sales and use tax authorized by this part within the lake
944 authority boundary, as defined in Section 11-65-101, shall be distributed to the
945 Utah Lake Authority, created in Section 11-65-201, beginning the next full
946 calendar quarter following the creation of the Utah Lake Authority; and

947 (E) except as provided in Subsections (10) through (13), beginning January 1,
948 2026, 50% of each dollar collected from the sales and use tax authorized by
949 this part within the boundary of an eligible basic special district, as that term is
950 defined in Section 17B-1-1405, and if applicable, the boundary of a public
951 infrastructure district created by the eligible basic special district, shall be
952 distributed to the eligible basic special district.

953 (F) except as provided in Subsections (10) through (13), beginning the first day of
954 a calendar quarter after the sales and use tax boundary for a major sporting
955 event venue zone is established, the commission, at least annually, shall
956 transfer an amount equal to 50% of the sales and use tax increment, as defined
957 in Section 63N-3-1701, from the sales and use tax imposed under this part on
958 transactions occurring within a sales and use tax boundary, as Section
959 63N-3-1710, to the creating entity of the major sporting event venue zone.

960 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
961 July 1, 2022.

962 (3) Beginning no sooner than January 1, 2026, and before application of Subsections (2), (4),
963 (5), and (6), and except as provided in Subsections (8) and (9), and as described in
964 Section 63N-3-610.1, beginning the first day of a calendar quarter after the year set in
965 the proposal and after the sales and use tax boundary for a convention center
966 reinvestment zone is established under Title 63N, Chapter 3, Part 6, Housing and Transit
967 Reinvestment Zone Act, the commission, at least annually, shall transfer an amount
968 equal to 100% of the sales and use tax increment, as defined in Section 63N-3-602, from
969 the sales and use tax imposed under this part on transactions occurring within an
970 established sales and use tax boundary, as defined in Section 63N-3-602, to the entity
971 specified in the convention center reinvestment zone proposal submitted~~[pursuant to]~~ in
972 accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone
973 Act.

974 (4)(a) As used in this Subsection (4):

975 (i) "Eligible county, city, or town" means a county, city, or town that:

976 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection

- 977 (4)(b) equal to the amount described in Subsection (4)(b)(ii); and
 978 (B) does not impose a sales and use tax under Section 59-12-2103 on or before
 979 July 1, 2016.
- 980 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
 981 distributions an eligible county, city, or town received from a tax imposed in
 982 accordance with this part for fiscal year 2004-05.
- 983 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
 984 imposed in accordance with this part equal to the greater of:
 985 (i) the payment required by Subsection (2); or
 986 (ii) the minimum tax revenue distribution.
- 987 (c) For an eligible county, city, or town that qualifies to receive a distribution described
 988 in this Subsection (4), the commission shall apply the provisions of this Subsection
 989 (4) after the commission applies the provisions of Subsection (3).
- 990 (5)(a) For purposes of this Subsection (5):
- 991 (i)(A) "Annual local contribution" means, for a fiscal year beginning ~~Ĥ~~ → ~~[on or~~
 991a ~~after]~~ ← ~~Ĥ~~
 992 July 1, 2026, the lesser of \$316,250 or an amount equal to 2.93% of the
 993 participating local government's tax revenue distribution amount under
 994 Subsection (2)(a)(i) for a previous fiscal year.
- 995 (B) "Annual local contribution" means, for a fiscal year beginning on or after July
 996 1, 2027, the lesser of \$275,000 ~~Ĥ~~ → ~~[\$500,000]~~ ← ~~Ĥ~~ or an amount equal to
 996a 2.55% ~~Ĥ~~ → ~~[5%]~~ ← ~~Ĥ~~
 997 of the participating local government's tax revenue distribution amount under
 998 Subsection (2)(a)(i) for the previous fiscal year.
- 999 (ii) "Participating local government" means a county or municipality, as defined in
 1000 Section 10-1-104, that is not an eligible municipality certified in accordance with
 1001 Section 35A-16-404.
- 1002 (b) For revenue collected from the tax authorized by this part that is distributed on or
 1003 after January 1, 2019, the commission, before making a tax revenue distribution
 1004 under Subsection (2)(a)(i) to a participating local government, shall:
 1005 (i) adjust a participating local government's tax revenue distribution under Subsection
 1006 (2)(a)(i) by:
 1007 (A) subtracting an amount equal to one-twelfth of the annual local contribution for
 1008 each participating local government from the participating local government's

- 1009 tax revenue distribution; and
- 1010 (B) if applicable, reducing the amount described in Subsection (5)(b)(i)(A) by an
1011 amount equal to one-twelfth of \$250 for each bed that is available at all
1012 homeless shelters located within the boundaries of the participating local
1013 government, as reported to the commission by the Office of Homeless Services
1014 in accordance with Section 35A-16-405; and
- 1015 (ii) deposit the resulting amount described in Subsection (5)(b)(i) into the Homeless
1016 Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.
- 1017 (c) For a participating local government that qualifies to receive a distribution described
1018 in Subsection (4), the commission shall apply the provisions of this Subsection (5)
1019 after the commission applies the provisions of Subsections (3) and (4).
- 1020 (6)(a) As used in this Subsection (6):
- 1021 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to
1022 the total revenue an establishment described in NAICS Code 327320, Ready-Mix
1023 Concrete Manufacturing, of the 2022 North American Industry Classification
1024 System of the federal Executive Office of the President, Office of Management
1025 and Budget, collects and remits under this part for a calendar year.
- 1026 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.
- 1027 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:
- 1028 (A) contains sand and gravel; and
- 1029 (B) is assessed by the commission in accordance with Section 59-2-201.
- 1030 (iv) "Ton" means a short ton of 2,000 pounds.
- 1031 (v) "Tonnage ratio" means the ratio of:
- 1032 (A) the total amount of sand and gravel, measured in tons, sold during a calendar
1033 year from all sand and gravel extraction sites located within a county, city, or
1034 town; to
- 1035 (B) the total amount of sand and gravel, measured in tons, sold during the same
1036 calendar year from sand and gravel extraction sites statewide.
- 1037 (b) For purposes of calculating the ratio described in Subsection (6)(a)(v), the
1038 commission shall:
- 1039 (i) use the gross sales data provided to the commission as part of the commission's
1040 property tax valuation process; and
- 1041 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
1042 lines, apportion the reported tonnage among the counties, cities, or towns based on

1043 the percentage of the sand and gravel extraction site located in each county, city,
1044 or town, as approximated by the commission.

1045 (c)(i) Each July, the commission shall distribute from total collections under this part
1046 an amount equal to the annual dedicated sand and gravel sales tax revenue for the
1047 preceding calendar year to each county, city, or town in the same proportion as the
1048 county's, city's, or town's tonnage ratio for the preceding calendar year.

1049 (ii) The commission shall ensure that the revenue distributed under this Subsection
1050 (6)(c) is drawn from each jurisdiction's collections in proportion to the
1051 jurisdiction's share of total collections for the preceding 12-month period.

1052 (d) A county, city, or town shall use revenue described in Subsection (6)(c) for class B
1053 or class C roads.

1054 (7)(a) Population figures for purposes of this section shall be based on, to the extent not
1055 otherwise required by federal law:

1056 (i) the most recent estimate from the Utah Population Committee created in Section
1057 63C-20-103; or

1058 (ii) if the Utah Population Committee estimate is not available for each municipality
1059 and unincorporated area, the adjusted sub-county population estimate provided by
1060 the Utah Population Committee in accordance with Section 63C-20-104.

1061 (b) The population of a county for purposes of this section shall be determined only
1062 from the unincorporated area of the county.

1063 (8)(a) As used in Subsections (8) and (9):

1064 (i) "Applicable percentage" means, for a convention center reinvestment zone created
1065 under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act,
1066 for sales occurring within the qualified development zone described in Subsection
1067 (8)(a)(ii), 100% of the sales and use tax increment, as that term is defined in
1068 Section 63N-3-602, from the sales and use tax:

1069 (A) imposed by a city of the first class in a county of the first class under this part;

1070 (B) imposed by a city of the first class in a county of the first class under Section
1071 59-12-402.1;

1072 (C) imposed by a county of the first class under Section 59-12-1102; and

1073 (D) imposed by a county of the first class under Part 22, Local Option Sales and
1074 Use Taxes for Transportation Act.

1075 (ii) "Qualified development zone" means the sales and use tax boundary of a
1076 convention center reinvestment zone created under Title 63N, Chapter 3, Part 6,

- 1077 Housing and Transit Reinvestment Zone Act.
- 1078 (iii) "Qualifying construction materials" means construction materials that are:
- 1079 (A) delivered to a delivery outlet within a qualified development zone; and
- 1080 (B) intended to be permanently attached to real property within the qualified
- 1081 development zone.
- 1082 (b) For a sale of qualifying construction materials, the commission shall distribute the
- 1083 product calculated in Subsection (8)(c) to a qualified development zone if the seller
- 1084 of the construction materials:
- 1085 (i) establishes a delivery outlet with the commission within the qualified development
- 1086 zone;
- 1087 (ii) reports the sales of the construction materials to the delivery outlet described in
- 1088 Subsection (8)(b)(i); and
- 1089 (iii) does not report the sales of the construction materials on a simplified electronic
- 1090 return.
- 1091 (c) For the purposes of Subsection (8)(b), the product is equal to:
- 1092 (i) the sales price or purchase price of the qualifying construction materials; and
- 1093 (ii) the applicable percentage.
- 1094 (9)(a) As used in this Subsection (9), "Schedule J sale" means a sale reported on State
- 1095 Tax Commission Form TC-62M, Schedule J, or a substantially similar form as
- 1096 designated by the commission.
- 1097 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
- 1098 qualified development zone shall be distributed into the jurisdiction that would have
- 1099 received the revenue in the absence of the qualified development zone.
- 1100 (10)(a) As used in this Subsection (10):
- 1101 (i) "Applicable percentage" means:
- 1102 (A) for a project area adopted by the military installation development authority
- 1103 under Title 63H, Chapter 1, Military Installation Development Authority Act,
- 1104 for sales occurring within a qualified development zone described in
- 1105 Subsection (10)(a)(iii)(A):
- 1106 (I) 50% of the revenue from the sales and use tax imposed under this part;
- 1107 (II) 100% of the revenue from the sales and use tax imposed by the military
- 1108 installation development authority under Section 59-12-401; and
- 1109 (III) 100% of the revenue from the sales and use tax imposed by the military
- 1110 installation development authority under Section 59-12-402; and

- 1111 (B) for a project area under Title 11, Chapter 58, Utah Inland Port Authority Act,
1112 for sales occurring within a qualified development zone described in
1113 Subsection (10)(a)(iii)(B), 20% of the revenue from the sales and use tax under
1114 this part;
- 1115 (C) for the lake authority boundary, as defined in Section 11-65-101, for sales
1116 occurring within the qualified development zone described in Subsection
1117 (10)(a)(ii)(C), 50% of the revenue from the sales and use tax under this part;
- 1118 (D) for the Utah Fairpark Area Investment and Restoration District, created in
1119 Section 11-70-201, for sales occurring within the qualified development zone
1120 described in Subsection (10)(a)(iii)(D), 100% of the revenue from the sales and
1121 use tax imposed by the Utah Fairpark Area Investment and Restoration District
1122 under Sections 59-12-401 and 59-12-402;
- 1123 (E) for an eligible basic special district created under Title 17B, Chapter 1, Part
1124 14, Basic Special District, for sales occurring within a qualified development
1125 zone described in Subsection (10)(a)(iii)(E), 50% of the revenue from the sales
1126 and use tax imposed under this part;
- 1127 (ii) "Eligible basic special district" means the same as that term is defined in Section
1128 17B-1-1405.
- 1129 (iii) "Qualified development zone" means the sales and use tax boundary of:
- 1130 (A) a project area adopted by the military installation development authority under
1131 Title 63H, Chapter 1, Military Installation Development Authority Act;
- 1132 (B) a project area under Title 11, Chapter 58, Utah Inland Port Authority Act;
- 1133 (C) the lake authority boundary, as defined in Section 11-65-101;
- 1134 (D) the Utah Fairpark Investment and Restoration District, created in Section
1135 11-70-201; or
- 1136 (E) the area within the boundary of an eligible basic special district, and if
1137 applicable, the boundary of a public infrastructure district created by the basic
1138 special district;
- 1139 (iv) "Qualifying construction materials" means construction materials that are:
- 1140 (A) delivered to a delivery outlet within a qualified development zone; and
1141 (B) intended to be permanently attached to real property within the qualified
1142 development zone.
- 1143 (b) For a sale of qualifying construction materials, the commission shall distribute the
1144 product calculated in Subsection (10)(c) to a qualified development zone if the seller

- 1145 of the construction materials:
- 1146 (i) establishes a delivery outlet with the commission within the qualified development
1147 zone;
- 1148 (ii) reports the sales of the construction materials to the delivery outlet described in
1149 Subsection (10)(b)(i); and
- 1150 (iii) does not report the sales of the construction materials on a simplified electronic
1151 return; or
- 1152 (c) For the purposes of Subsection (10)(b), the product is equal to:
- 1153 (i) the sales price or purchase price of the qualifying construction materials; and
1154 (ii) the applicable percentage.
- 1155 (11)(a) As used in this Subsection (11):
- 1156 (i) "Applicable percentage" means the same as that term is defined in Subsection (10).
1157 (ii) "Qualified development zone" means the same as that term is defined in
1158 Subsection (10).
1159 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form
1160 TC-62M, Schedule J or a substantially similar form as designated by the
1161 commission.
- 1162 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
1163 qualified development zone shall be distributed to the jurisdiction that would have
1164 received the revenue in the absence of the qualified development zone.
- 1165 (12)(a) As used in this Subsection (12):
- 1166 (i) "Applicable percentage" means, for a major sporting event venue zone created
1167 under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, for
1168 sales occurring within the qualified development zone described in Subsection
1169 (12)(a)(ii):
- 1170 (A) 50% of the sales and use tax increment, as that term is defined in Section
1171 63N-3-601, from the sales and use tax imposed under this part;
- 1172 (B) 100% of the revenue from the sales and use tax imposed by the creating entity
1173 of a major sporting event venue zone under Section 59-12-401; and
- 1174 (C) 100% of the revenue from the sales and use tax imposed by the creating entity
1175 of a major sporting event venue zone under Section 59-12-402.
- 1176 (ii) "Qualified development zone" means the sales and use tax boundary, as described
1177 in Section 63N-3-1710, of a major sporting event venue zone created under Title
1178 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act.

- 1179 (iii) "Qualifying construction materials" means construction materials that are:
 1180 (A) delivered to a delivery outlet within a qualified development zone; and
 1181 (B) intended to be permanently attached to real property within the qualified
 1182 development zone.
- 1183 (b) For a sale of qualifying construction materials, the commission shall distribute the
 1184 product calculated in Subsection (12)(c) to the creating entity of a qualified
 1185 development zone if the seller of the construction materials:
 1186 (i) establishes a delivery outlet with the commission within the qualified development
 1187 zone;
 1188 (ii) reports the sales of the construction materials to the delivery outlet described in
 1189 Subsection (12)(b)(i); and
 1190 (iii) does not report the sales of the construction materials on a simplified electronic
 1191 return; or
- 1192 (c) For the purposes of Subsection (12)(b), the product is equal to:
 1193 (i) the sales price or purchase price of the qualifying construction materials; and
 1194 (ii) the applicable percentage.
- 1195 (13)(a) As used in this Subsection (13):
 1196 (i) "Applicable percentage" means the same as that term is defined in Subsection (12).
 1197 (ii) "Qualified development zone" means the same as that term is defined in
 1198 Subsection (12).
 1199 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form
 1200 TC-62M, Schedule J or a substantially similar form as designated by the
 1201 commission.
- 1202 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
 1203 qualified development zone shall be distributed to the jurisdiction that would have
 1204 received the revenue in the absence of the qualified development zone.
- 1205 Section 17. Section **59-14-204** is amended to read:
 1206 **59-14-204 (Effective 04/01/26). Tax basis -- Rate -- Future increase -- Cigarette**
 1207 **Tax Restricted Account -- Appropriation and expenditure of revenues.**
- 1208 (1) Except for cigarettes described under Subsection 59-14-210(3), there is levied a tax
 1209 upon the sale, use, storage, or distribution of cigarettes in the state.
- 1210 (2) The rates of the tax levied under Subsection (1) are, beginning on July 1, 2010:
 1211 (a) 8.5 cents on each cigarette, for all cigarettes weighing not more than three pounds
 1212 per thousand cigarettes; and

1213 (b) 9.963 cents on each cigarette, for all cigarettes weighing in excess of three pounds
1214 per thousand cigarettes.

1215 (3) Except as otherwise provided under this chapter, the tax levied under Subsection (1)
1216 shall be paid by any person who is the manufacturer, jobber, importer, distributor,
1217 wholesaler, retailer, user, or consumer.

1218 (4) The tax rates specified in this section shall be increased by the commission by the same
1219 amount as any future reduction in the federal excise tax on cigarettes.

1220 (5)(a) There is created within the General Fund a restricted account known as the
1221 "Cigarette Tax Restricted Account."

1222 (b) The Cigarette Tax Restricted Account consists of:

1223 (i) the first \$7,950,000 of the revenues collected from a tax under this section; and

1224 (ii) any other appropriations the Legislature makes to the Cigarette Tax Restricted
1225 Account.

1226 (c) For each fiscal year beginning with fiscal year 2011-12 and subject to appropriation
1227 by the Legislature, the Division of Finance shall distribute money from the Cigarette
1228 Tax Restricted Account as follows:

1229 (i) \$250,000 to the Department of Health to be expended for a tobacco prevention
1230 and control media campaign targeted towards children;

1231 (ii) \$2,900,000 to the Department of Health to be expended for tobacco prevention,
1232 reduction, cessation, and control programs;

1233 (iii) \$2,000,000 to the University of Utah Health Sciences Center for the Huntsman
1234 Cancer Institute to be expended for cancer research; and

1235 (iv) \$2,800,000 to the University of Utah Health Sciences Center to be expended for
1236 medical education at the University of Utah School of Medicine.

1237 (d) In determining how to appropriate revenue deposited into the Cigarette Tax
1238 Restricted Account that is not otherwise appropriated under Subsection (5)(c), the
1239 Legislature shall give particular consideration to enhancing Medicaid provider
1240 reimbursement rates and medical coverage for the uninsured.

1241 (6) For a fiscal year beginning on or after July 1, 2026, ~~it~~ → [and subject to appropriation by
1241a the] ← ~~it~~

1242 ~~the Legislature,~~ → ~~it~~ the Division of Finance shall deposit revenue generated from the tax

1243 imposed by this part that is in excess of ~~it~~ → [\$48,900,000] ← ~~it~~ ~~it~~ → \$87,000,000 ← ~~it~~ to the

1243a Homeless Services

1244 Restricted Account to be expended for purposes described in Section 35A-16-1201.

1245 Section 18. Section **63A-5b-902** is amended to read:

1246 **63A-5b-902 (Effective 04/01/26). Application of part.**

1247 (1) Except as [stated] provided in Subsection (1)(d), the provisions of this part, other than
1248 this section, do not apply to:

1249 (a) the division's disposal or lease of division-owned property that would otherwise be
1250 subject to this part, if the division-owned property has a value under \$500,000, as
1251 estimated by the division;

1252 (b) a conveyance, lease, or disposal of division-owned property in connection with:

1253 (i) the establishment of a state store, as defined in Section 32B-1-102; or

1254 (ii) the construction of student housing;

1255 (c) a conveyance, lease, or disposal of any part of the point of the mountain state land, as
1256 defined in Section 11-59-102, by the Point of the Mountain State Land Authority
1257 created in Section 11-59-201;

1258 (d) a conveyance, lease, or disposal of division-owned property for fair market value, as
1259 determined by the division, under Subsection 63A-5b-303(1)(a)(viii), except that the
1260 following sections apply:

1261 (i) Section 63A-5b-907.5;

1262 (ii) Section 63A-5b-908;

1263 (iii) Section 63A-5b-910;

1264 (iv) Section 63A-5b-911; and

1265 (v) Section 63A-5b-912; or

1266 (e) a conveyance, lease, or disposal of any state-owned land, as defined in Section
1267 11-70-101, by the Utah Fairpark Area Investment and Restoration District, created in
1268 Section 11-70-201[-] ; or

1269 (f) a conveyance, lease, or disposal of division-owned property to the Office of
1270 Homeless Services to carry out the purposes described in Title 35A, Chapter 16, Part
1271 2, Office of Homeless Services.

1272 (2) Nothing in Subsection (1)(a), (b), [~~or (d) may be construed to~~] (d), or (f) shall diminish
1273 or eliminate the division's responsibility to manage division-owned property in the best
1274 interests of the state.

1275 Section 19. Section **63I-2-235** is amended to read:

1276 **63I-2-235 (Effective 04/01/26). Repeal dates: Title 35A.**

1277 [~~Section 35A-3-212, Use of COVID-19 relief funds --- Grants to child care providers ---~~
-1278 ~~Reporting requirements, is repealed June 30, 2025.~~]

1279 Section 35A-16-406, Mitigation Fund Task Force, is repealed January 1, 2027.

1280 Section 20. Section **63J-1-602.1** is amended to read:

1281 **63J-1-602.1 (Effective 04/01/26). List of nonlapsing appropriations from**
1282 **accounts and funds.**

1283 Appropriations made from the following accounts or funds are nonlapsing:

- 1284 (1) The Native American Repatriation Restricted Account created in Section 9-9-407.
- 1285 (2) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, as
1286 provided under Title 9, Chapter 23, Pete Suazo Utah Athletic Commission Act.
- 1287 (3) Funds collected for directing and administering the C-PACE district created in Section
1288 11-42a-106.
- 1289 (4) Money received by the Utah Inland Port Authority, as provided in Section 11-58-105.
- 1290 (5) The Commerce Electronic Payment Fee Restricted Account created in Section 13-1-17.
- 1291 (6) The Division of Air Quality Oil, Gas, and Mining Restricted Account created in Section
1292 19-2a-106.
- 1293 (7) The Division of Water Quality Oil, Gas, and Mining Restricted Account created in
1294 Section 19-5-126.
- 1295 (8) State funds for matching federal funds in the Children's Health Insurance Program as
1296 provided in Section 26B-3-906.
- 1297 (9) Funds collected from the program fund for local health department expenses incurred in
1298 responding to a local health emergency under Section 26B-7-111.
- 1299 (10) The Technology Development Restricted Account created in Section 31A-3-104.
- 1300 (11) The Criminal Background Check Restricted Account created in Section 31A-3-105.
- 1301 (12) The Captive Insurance Restricted Account created in Section 31A-3-304, except to the
1302 extent that Section 31A-3-304 makes the money received under that section free revenue.
- 1303 (13) The Title Licensee Enforcement Restricted Account created in Section 31A-23a-415.
- 1304 (14) The Health Insurance Actuarial Review Restricted Account created in Section
1305 31A-30-115.
- 1306 (15) The State Mandated Insurer Payments Restricted Account created in Section
1307 31A-30-118.
- 1308 (16) The Insurance Fraud Investigation Restricted Account created in Section 31A-31-108.
- 1309 (17) The Underage Drinking Prevention Media and Education Campaign Restricted
1310 Account created in Section 32B-2-306.
- 1311 (18) The School Readiness Restricted Account created in Section 35A-15-203.
- 1312 (19) Money received by the Utah State Office of Rehabilitation for the sale of certain

- 1313 products or services, as provided in Section 35A-13-202.
- 1314 (20) The Property Loss Related to Homelessness Compensation Enterprise Fund created in
1315 Section 35A-16-212.
- 1316 (21) The Homeless Shelter Cities Mitigation Restricted Account created in Section
1317 35A-16-402.
- 1318 ~~(22)~~ (23) The Homeless Services Restricted Account created in Section 35A-16-1201.
- 1319 ~~(22)~~ (23) The Oil and Gas Administrative Penalties Account created in Section 40-6-11.
- 1320 ~~(23)~~ (24) The Oil and Gas Conservation Account created in Section 40-6-14.5.
- 1321 ~~(24)~~ (25) The Division of Oil, Gas, and Mining Restricted account created in Section
1322 40-6-23.
- 1323 ~~(25)~~ (26) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to
1324 the Motor Vehicle Division.
- 1325 ~~(26)~~ (27) The License Plate Restricted Account created by Section 41-1a-122.
- 1326 ~~(27)~~ (28) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account
1327 created by Section 41-3-110 to the State Tax Commission.
- 1328 ~~(28)~~ (29) The State Disaster Recovery Restricted Account to the Division of Emergency
1329 Management, as provided in Section 53-2a-603.
- 1330 ~~(29)~~ (30) The Disaster Response, Recovery, and Mitigation Restricted Account created in
1331 Section 53-2a-1302.
- 1332 ~~(30)~~ (31) The Emergency Medical Services Critical Needs Account created in Section
1333 53-2d-110.
- 1334 ~~(31)~~ (32) The Department of Public Safety Restricted Account to the Department of Public
1335 Safety, as provided in Section 53-3-106.
- 1336 ~~(32)~~ (33) The Utah Highway Patrol Aero Bureau Restricted Account created in Section
1337 53-8-303.
- 1338 ~~(33)~~ (34) The DNA Specimen Restricted Account created in Section 53-10-407.
- 1339 ~~(34)~~ (35) The Technical Colleges Capital Projects Fund created in Section 53H-9-605.
- 1340 ~~(35)~~ (36) The Higher Education Capital Projects Fund created in Section 53H-9-502.
- 1341 ~~(36)~~ (37) A certain portion of money collected for administrative costs under the School
1342 Institutional Trust Lands Management Act, as provided under Section 53C-3-202.
- 1343 ~~(37)~~ (38) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5,
1344 subject to Subsection 54-5-1.5(4)(d).
- 1345 ~~(38)~~ (39) Funds collected from a surcharge fee to provide certain licensees with access to
1346 an electronic reference library, as provided in Section 58-3a-105.

- 1347 [~~(39)~~] (40) Certain fines collected by the Division of Professional Licensing for violation of
1348 unlawful or unprofessional conduct that are used for education and enforcement
1349 purposes, as provided in Section 58-17b-505.
- 1350 [~~(40)~~] (41) Funds collected from a surcharge fee to provide certain licensees with access to
1351 an electronic reference library, as provided in Section 58-22-104.
- 1352 [~~(41)~~] (42) Funds collected from a surcharge fee to provide certain licensees with access to
1353 an electronic reference library, as provided in Section 58-55-106.
- 1354 [~~(42)~~] (43) Funds collected from a surcharge fee to provide certain licensees with access to
1355 an electronic reference library, as provided in Section 58-56-3.5.
- 1356 [~~(43)~~] (44) Certain fines collected by the Division of Professional Licensing for use in
1357 education and enforcement of the Security Personnel Licensing Act, as provided in
1358 Section 58-63-103.
- 1359 [~~(44)~~] (45) The Relative Value Study Restricted Account created in Section 59-9-105.
- 1360 [~~(45)~~] (46) The Cigarette Tax Restricted Account created in Section 59-14-204.
- 1361 [~~(46)~~] (47) Funds paid to the Division of Real Estate for the cost of a criminal background
1362 check for a mortgage loan license, as provided in Section 61-2c-202.
- 1363 [~~(47)~~] (48) Funds paid to the Division of Real Estate for the cost of a criminal background
1364 check for principal broker, associate broker, and sales agent licenses, as provided in
1365 Section 61-2f-204.
- 1366 [~~(48)~~] (49) Certain funds donated to the Department of Health and Human Services, as
1367 provided in Section 26B-1-202.
- 1368 [~~(49)~~] (50) Certain funds donated to the Division of Child and Family Services, as provided
1369 in Section 80-2-404.
- 1370 [~~(50)~~] (51) Funds collected by the Office of Administrative Rules for publishing, as
1371 provided in Section 63G-3-402.
- 1372 [~~(51)~~] (52) The Immigration Act Restricted Account created in Section 63G-12-103.
- 1373 [~~(52)~~] (53) Money received by the military installation development authority, as provided
1374 in Section 63H-1-504.
- 1375 [~~(53)~~] (54) The Unified Statewide 911 Emergency Service Account created in Section
1376 63H-7a-304.
- 1377 [~~(54)~~] (55) The Utah Statewide Radio System Restricted Account created in Section
1378 63H-7a-403.
- 1379 [~~(55)~~] (56) The Utah Capital Investment Restricted Account created in Section 63N-6-204.
- 1380 [~~(56)~~] (57) The Motion Picture Incentive Account created in Section 63N-8-103.

1381 [~~(57)~~] (58) Funds collected by the housing of state probationary inmates or state parole
1382 inmates, as provided in Subsection 64-13e-104(2).

1383 [~~(58)~~] (59) Certain forestry and fire control funds utilized by the Division of Forestry, Fire,
1384 and State Lands, as provided in Section 65A-8-103.

1385 [~~(59)~~] (60) The following funds or accounts created in Section 72-2-124:

1386 (a) Transportation Investment Fund of 2005;

1387 (b) Transit Transportation Investment Fund;

1388 (c) Cottonwood Canyons Transportation Investment Fund;

1389 (d) Active Transportation Investment Fund; and

1390 (e) Commuter Rail Subaccount.

1391 [~~(60)~~] (61) The Amusement Ride Safety Restricted Account, as provided in Section
1392 72-16-204.

1393 [~~(61)~~] (62) Certain funds received by the Office of the State Engineer for well drilling fines
1394 or bonds, as provided in Section 73-3-25.

1395 [~~(62)~~] (63) The Water Resources Conservation and Development Fund, as provided in
1396 Section 73-23-2.

1397 [~~(63)~~] (64) Award money under the State Asset Forfeiture Grant Program, as provided under
1398 Section 77-11b-403.

1399 [~~(64)~~] (65) Funds donated or paid to a juvenile court by private sources, as provided in
1400 Subsection 78A-6-203(1)(c).

1401 [~~(65)~~] (66) Fees for certificate of admission created under Section 78A-9-102.

1402 [~~(66)~~] (67) Funds collected for adoption document access as provided in Sections 81-13-103,
1403 81-13-504, and 81-13-505.

1404 [~~(67)~~] (68) Funds collected for indigent defense as provided in Title 78B, Chapter 22, Part 4,
1405 Utah Indigent Defense Commission.

1406 [~~(68)~~] (69) The Utah Geological Survey Restricted Account created in Section 79-3-403.

1407 [~~(69)~~] (70) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State
1408 Park, and Green River State Park, as provided under Section 79-4-403.

1409 [~~(70)~~] (71) Certain funds received by the Division of State Parks from the sale or disposal of
1410 buffalo, as provided under Section 79-4-1001.

1411 Section 21. **Effective Date.**

1412 This bill takes effect:

- 1413 (1) except as provided in Subsection (2), May 6, 2026; or
- 1414 (2) if approved by two-thirds of all members elected to each house, the later of:

- 1415 (a) April 1, 2026; or
- 1416 (b)(i) upon approval by the governor;
- 1417 (ii) without the governor's approval, the day following the constitutional time limit of
- 1418 Utah Constitution, Article VII, Section 8; or
- 1419 (iii) with the governor's veto and a vote of the Legislature to override the veto, the
- 1420 date of veto override.