

1 **Critical Minerals Amendments**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor:

3 **LONG TITLE**

4 **General Description:**

5 This bill addresses financial assistance for mining of critical minerals.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ provides for the Legislature appropriating money from the Throughput Infrastructure
- 9 Fund;
- 10 ▶ addresses the provision of financial assistance to an industry within mining; and
- 11 ▶ makes technical and conforming amendments.

12 **Money Appropriated in this Bill:**

13 This bill appropriates \$11,000,000 in restricted fund and account transfers for fiscal year
14 2025, all of which is from the various sources as detailed in this bill.

15 **Other Special Clauses:**

16 This bill provides a special effective date.

17 **Utah Code Sections Affected:**

18 AMENDS:

19 **35A-8-308 (Effective upon governor's approval)**, as last amended by Laws of Utah 2021,
20 Chapter 367

21 **63N-3-105 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024,
22 Chapter 159

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

25 Section 1. Section **35A-8-308** is amended to read:

26 **35A-8-308 (Effective upon governor's approval). Throughput Infrastructure**
27 **Fund.**

28 (1) There is created an enterprise fund known as the "Throughput Infrastructure Fund."

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

30 (a) [aH] amounts transferred to the fund by statute;

- 31 (b) any voluntary contributions received;
 32 (c) appropriations made to the fund by the Legislature; and
 33 (d) all amounts received from the repayment of loans made by the impact board under
 34 Section 35A-8-309.

35 (3) The state treasurer shall:

- 36 (a) invest the money in the fund by following the procedures and requirements of Title
 37 51, Chapter 7, State Money Management Act; and
 38 (b) deposit [aH] the interest or other earnings derived from those investments into the
 39 fund.

40 (4) The Legislature may appropriate money from the fund to the Industrial Assistance
 41 Account, created in Section 63N-3-103, to provide for financial assistance under
 42 Subsection 63N-3-105(5) to an entity that offers an economic opportunity in a
 43 community that is socially or economically impacted by the leasing of minerals under
 44 the Leasing Act.

45 Section 2. Section **63N-3-105** is amended to read:

46 **63N-3-105 (Effective upon governor's approval). Qualification for assistance --**
 47 **Application requirements.**

- 48 (1) Subject to the requirements of this part, the administrator may provide loans, grants, or
 49 other financial assistance from the restricted account to an entity offering an economic
 50 opportunity if that entity:
 51 (a) applies to the administrator in a form approved by the administrator; and
 52 (b) meets the qualifications of Subsection (2).
 53 (2) As part of an application for receiving financial assistance under this part, an applicant
 54 shall demonstrate the following to the satisfaction of the administrator:
 55 (a) the nature of the economic opportunity and the related benefit to the economic
 56 well-being of the state by providing evidence documenting the expenditure of money
 57 necessitated by the economic opportunity;
 58 (b) how the economic opportunity will act in concert with other state, federal, or local
 59 agencies to achieve the economic benefit;
 60 (c) that the applicant will expend funds in the state with employees, vendors,
 61 subcontractors, or other businesses in an amount proportional with money provided
 62 from the restricted account at a minimum ratio of one to one per year or other more
 63 stringent requirements as established on a per project basis by the administrator;
 64 (d) for an application for a loan, the applicant's ability to sustain economic activity in the

65 state sufficient to repay, by means of cash or appropriate credits, the loan provided by
66 the restricted account; and

67 (e) any other criteria the administrator considers appropriate.

68 (3)(a) The administrator may exempt an applicant from any of the requirements of
69 Subsection (2) if:

70 (i) the applicant is part of a targeted industry; or

71 (ii) the applicant is a quasi-public corporation organized under Title 16, Chapter 6a,
72 Utah Revised Nonprofit Corporation Act, or Title 63E, Chapter 2, Independent
73 Corporations Act, and the applicant's operations, as demonstrated to the
74 satisfaction of the administrator, will provide significant economic stimulus to the
75 growth of commerce and industry in the state.

76 (b) The administrator may not exempt the applicant from the requirement under
77 Subsection 63N-3-106(1)(b) that the loan be structured so that the repayment or
78 return to the state equals at least the amount of the assistance together with an annual
79 interest charge.

80 (4) Before awarding any money under this part, the administrator shall:

81 (a) make findings as to whether an applicant has satisfied the requirements of Subsection
82 (2);

83 (b) establish benchmarks and timeframes in which progress toward the completion of the
84 agreed upon activity is to occur;

85 (c) monitor compliance by an applicant with any contract or agreement entered into by
86 the applicant and the state as provided by Section 63N-3-107; and

87 (d) make funding decisions based upon appropriate findings and compliance.

88 (5)(a) The administrator shall exempt an applicant that mines or intends to mine
89 fluorspar or gallium from the requirements of Subsection (2) and provide an
90 applicant financial assistance under this section if the applicant demonstrates to the
91 satisfaction of the administrator that the applicant:

92 (i) has the required permits to engage in the mining activity of fluorspar or gallium;

93 (ii) will engage in the mining activity in a community within the state that is socially
94 or economically impacted by the Mineral Lands Leasing Act of 1920, 30 U.S.C.
95 Sec. 181 et seq.;

96 (iii) will draw money from the financial assistance provided to the applicant under
97 this Subsection (5) by no later than two years from the day on which the
98 administrator awards the financial assistance; and

99 (iv) agrees to reimburse the restricted account in staggered payments during a period
 100 beginning three years from the day on which the administrator awards the
 101 financial assistance and ending seven years from the day on which the
 102 administrator awards the financial assistance.

103 (b) The applicant shall pay interest at a rate of not more than 4.5%.

104 (c) The administrator may enter into an agreement with the applicant as provided in
 105 Section 63N-3-107 to provide for the process of drawing money from the financial
 106 assistance, the payment of interest, and reimbursing the restricted account.

107 (d) The administrator shall deposit money reimbursed by the applicant into the restricted
 108 account and may use that money for any purpose authorized by this part.

109 Section 3. **FY 2025 Appropriations.**

110 The following sums of money are appropriated for the fiscal year beginning July 1,
 111 2024, and ending June 30, 2025. These are additions to amounts previously appropriated for
 112 fiscal year 2025.

113 Subsection 3(a). **Restricted Fund and Account Transfers**

114 The Legislature authorizes the State Division of Finance to transfer the following
 115 amounts between the following funds or accounts as indicated. Expenditures and outlays from
 116 the funds to which the money is transferred must be authorized by an appropriation.

117	ITEM 1 To General Fund Restricted - Industrial Assistance Account	
118	From Throughput Infrastructure Fund, One-time	11,000,000
119	Schedule of Programs:	
120	General Fund Restricted - Industrial Assistance	
121	Account	11,000,000

122 The Legislature intends that the Governor's
 123 Office of Economic Opportunity use the \$11,000,000
 124 appropriated in this section to provide an applicant
 125 financial assistance in accordance with Subsection
 126 63N-3-105(5).

127 Section 4. **Effective Date.**

128 This bill takes effect:

129 (1) except as provided in Subsection (2), May 7, 2025; or

130 (2) if approved by two-thirds of all members elected to each house:

131 (a) upon approval by the governor;

132 (b) without the governor's signature, the day following the constitutional time limit of

133 Utah Constitution, Article VII, Section 8; or
134 (c) in the case of a veto, the date of veto override.