

Senate Economic Development and Workforce Services Committee

2/26/2025

Bill: 1st SB 316 – Military Installation Development Authority and Other Development Zone Amendments

Sponsor: Senator Jerry W. Stevenson

Floor Sponsor: TBD

UASD Position: Tracking

Senator Stevenson presented the 1st substitute to SB 316, which was adopted by the Committee. Established in 2008, Military Installation Development Authority (“MIDA”) is now considered the state’s largest economic engine, with multiple projects across Utah. The Bill amends state contracts and refines the process for reviewing National Guard project areas. These military-area projects aim to drive economic development in Utah communities.

The Bill allows the State Armory Board and MIDA to operate within project areas while enabling MIDA to establish contracts directing revenue generated from these projects toward infrastructure improvements outside the project areas. Additionally, MIDA will serve as the lead agency for conducting environmental reviews.

The Bill authorizes eligible basic special districts to utilize tax revenue under specific conditions and permits public infrastructure districts (“PIDs”) created by MIDA to function as subsidiaries of the authority. MIDA will have the authority to determine whether a PID should be structured as a subsidiary or as an independent entity.

Currently, large projects located on military bases do not always qualify for sales tax revenues from construction activities. The Bill allows MIDA to collect sales tax on construction materials for development. The 1st substitute also addresses sales tax revenue from the Resort Communities Tax.

A MIDA representative noted that other state entities have developed Qualified Development Zones, which direct funds from the Resort Communities Tax toward high-impact areas within affected communities. Other involved entities may include Housing and Transit Reinvestment Zones and special districts. The sponsor highlighted a MIDA project in Wasatch County, stating that if this Bill is enacted, MIDA will be eligible to participate in the Resort Communities Tax. Senator Kwan inquired whether consumers would be responsible for paying the resort tax. The sponsor clarified that the Resort Communities Tax is an additional tax imposed in high-tourism areas.

Yeas: 5

Nays: 0

N/V: 1

Outcome: 1st Substitute SB 316 passed out of the Committee with a favorable Recommendation.
