

BUSINESS AND LABOR INTERIM COMMITTEE

REPORTS AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

LONG TITLE

General Description:

This bill modifies provisions regarding reporting to the Business and Labor Interim Committee.

Highlighted Provisions:

This bill:

- ▶ requires USTAR to annually submit an electronic report to the Business and Labor Interim Committee; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

63M-2-401, as last amended by Laws of Utah 2015, Chapter 357

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

Section 1. Section **63M-2-401** is amended to read:

63M-2-401. Reporting requirements.

(1) By October 1 of each year, the USTAR governing authority shall submit:

(a) to:

(i) the governor;

(ii) the Legislature;

(iii) the Business, Economic Development, and Labor Appropriations Subcommittee;

[and]

32 (iv) the Economic Development and Workforce Services Interim Committee; and
33 (v) the Business and Labor Interim Committee; and
34 (b) an annual written report of the operations, activities, programs, and services of the
35 governing authority and the USTAR initiative for the preceding fiscal year.

36 (2) For each project, operation, activity, program, or service related to the USTAR
37 initiative or overseen or funded through the USTAR governing authority, the annual report
38 shall include:

39 (a) a description of the project, operation, activity, program, or service;

40 (b) data selected and used by the governing authority to measure progress,
41 performance, and scope of the project, operation, activity, program, or service, including
42 summary data;

43 (c) a clear description of the methodology for any data in the report that includes an
44 estimation;

45 (d) the amount and source of all USTAR initiative funding, including:

46 (i) funding from legislative appropriations;

47 (ii) funding procured outside of legislative appropriations, including a separate
48 accounting of grants or investments contributing to research teams and other activities of the
49 USTAR initiative from the federal government, private entities, or other sources, and an
50 explanation of the extent to which:

51 (A) outside funding was contingent on or leveraged by legislative appropriations; and

52 (B) outside funding would continue if legislative appropriations were discontinued;

53 (iii) commercialization revenue, including a separate accounting of:

54 (A) realized commercialization revenue;

55 (B) unrealized commercialization revenue; and

56 (C) commercialization revenue going to other parties attributable to USTAR initiative
57 funding;

58 (iv) lease revenue from each building in which the USTAR governing authority holds
59 title; and

60 (v) the amount of money deposited with the state treasurer for deposit into the sinking
61 fund created under Section 63B-1a-301 for debt service on the bonds issued to fund planning,
62 design, and construction of the research buildings;

- 63 (e) all expenses of the USTAR initiative, including:
- 64 (i) operational expenses;
- 65 (ii) for each employee receiving compensation from USTAR initiative funding,
- 66 compensation information, including:
- 67 (A) salary expenses, benefit expenses, and travel expenses;
- 68 (B) information for each research team employee and each employee of the TOIP that
- 69 receives compensation directly or indirectly through USTAR initiative funding; and
- 70 (C) information regarding compensation for each employee from sources other than
- 71 USTAR initiative funding, including grants and compensation from a university or private
- 72 entity;
- 73 (iii) for each research team, salary expenses, benefit expenses, travel expenses, and
- 74 operations and maintenance expenses;
- 75 (iv) operational and maintenance expenses for each building in which the USTAR
- 76 governing authority holds title;
- 77 (v) operational and maintenance expenses paid for by USTAR initiative funding for
- 78 each location that has an established TOIP; and
- 79 (vi) each grant or other incentive given as a result of the USTAR initiative, including
- 80 grants or incentives awarded through the TOIP;
- 81 (f) the number of jobs and the corresponding salary ranges created by the USTAR
- 82 initiative, including the number of jobs where the employee is expected to be employed for at
- 83 least one year and earns at least 125% of the prevailing wage of the county where the employee
- 84 works;
- 85 (g) the name of each business entity receiving a grant or other incentive as a result of
- 86 the USTAR initiative, including the outreach program;
- 87 (h) a list of business entities that have hired employees as a result of the USTAR
- 88 initiative;
- 89 (i) the tax revenue generated as a result of the USTAR initiative, with actual revenue
- 90 generated clearly separated from potential revenue;
- 91 (j) a list of intellectual property assets, including patents, generated by research teams
- 92 as a result of the USTAR initiative, including a reasonable estimate of the USTAR initiative's
- 93 percentage share of potential commercialization revenue that may be realized from those

- 94 assets;
- 95 (k) a description of any agreements entered into regarding private equity investment in
96 the USTAR initiative;
- 97 (l) beginning with data from the fiscal year beginning July 1, 2013, historical data from
98 previous years for comparison with the annual data reported under this Subsection (2);
- 99 (m) goals, challenges, and achievements related to the project, operation, activity,
100 program, or service;
- 101 (n) relevant federal and state statutory references and requirements;
- 102 (o) contact information of officials knowledgeable and responsible for each project,
103 operation, activity, program, or service;
- 104 (p) other information determined by the USTAR governing authority that:
105 (i) may be needed, useful, or of historical significance; or
106 (ii) promotes accountability and transparency for each project, operation, activity,
107 program, or service with the public and with elected officials;
- 108 (q) the written economic development objectives required under Subsection
109 63M-2-302(1)(e) and a description of any progress or challenges in meeting the objectives; and
110 (r) the audit report described in Section 63M-2-402.
- 111 (3) The annual report shall be designed to provide clear, accurate, and accessible
112 information to the public, the governor, and the Legislature.
- 113 (4) The governing authority shall:
- 114 (a) submit the annual report in accordance with Section 68-3-14; and
115 (b) make the annual report and previous annual reports accessible to the public by
116 placing a link to the reports on the USTAR initiative's website.
- 117 (5) In addition to the annual written report described in this section:
- 118 (a) upon the request of a committee, the USTAR governing authority shall provide
119 information and progress reports to the Economic Development and Workforce Services
120 Interim Committee; the Business and Labor Interim Committee; and the Business, Economic
121 Development, and Labor Appropriations Subcommittee; and
122 (b) on or before October 1, 2019, and every five years after October 1, 2019, the
123 USTAR governing authority shall include with the annual report described in this section a
124 written analysis and recommendations concerning the usefulness of the information required in

- 125 the annual report and the ongoing effectiveness of the USTAR initiative, including whether:
- 126 (i) the reporting requirements are effective at measuring the performance of the
- 127 USTAR initiative;
- 128 (ii) the reporting requirements should be modified; and
- 129 (iii) the USTAR initiative is beneficial to the state and should continue.