

**Effective 5/12/2015**

**63N-3-108 Financial assistance to companies that create economic impediments.**

- (1)
  - (a) The administrator may provide money from the Industrial Assistance Account to a company creating an economic impediment if that company:
    - (i) applies to the administrator;
    - (ii) relocates to a rural area in Utah; and
    - (iii) meets the qualifications of Subsection (1)(b).
  - (b) Except as provided by Subsection (2), to qualify for financial assistance from the restricted account, a company creating an economic impediment shall:
    - (i) demonstrate to the satisfaction of the administrator that the company creating an economic impediment, its replacement company, or in the aggregate the company creating the economic impediment and its replacement company:
      - (A) will expend funds in Utah with employees, vendors, subcontractors, or other businesses in an amount proportional with money provided from the restricted account at a minimum ratio of 2 to 1 per year or other more stringent requirements as established from time to time by the board for a minimum period of five years beginning with the date the loan or grant was approved; and
      - (B) can sustain economic activity in the state sufficient to repay, by means of cash or appropriate credits, the loan provided by the restricted account; and
    - (ii) satisfy other criteria the administrator considers appropriate.
- (2)
  - (a) The administrator may exempt a company creating an economic impediment from the requirements of Subsection (1)(b)(i)(A) if:
    - (i) the financial assistance is provided to a company creating an economic impediment for the purpose of locating all or any portion of its operations to an economically disadvantaged rural area; or
    - (ii) its replacement company is part of a targeted industry.
  - (b) The administrator may not exempt a company creating an economic impediment from the requirement under Subsection 63N-3-106(2)(b) that the loan be structured so that the repayment or return to the state equals at least the amount of the assistance together with an annual interest charge.
- (3) The administrator shall:
  - (a) make findings as to whether or not a company creating an economic impediment, its replacement company, or both, have satisfied each of the conditions set forth in Subsection (1);
  - (b) monitor the compliance by a company creating an economic impediment, its replacement company, or both, with:
    - (i) each of the conditions set forth in Subsection (1); and
    - (ii) any contract or agreement under Section 63N-3-107 entered into between:
      - (A) the company creating an economic impediment; and
      - (B) the state; and
  - (c) make funding decisions based upon appropriate findings and compliance.

Renumbered and Amended by Chapter 283, 2015 General Session