

28 **Other Special Clauses:**

29 This bill takes effect on July 1, 2005.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **9-2-601**, as renumbered and amended by Chapter 241, Laws of Utah 1992

33 **9-2-602**, as renumbered and amended by Chapter 241, Laws of Utah 1992

34 **9-2-603**, as renumbered and amended by Chapter 241, Laws of Utah 1992

35

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

37 Section 1. Section **9-2-601** is amended to read:

38 **9-2-601. Purpose.**

39 (1) (a) The Legislature recognizes that the growth of new business and industry and
40 expansion of existing business and industry requires a strong technology base within the state,
41 new ideas, concepts, innovations, and prototypes.

42 (b) These generally come from strong research colleges and universities.

43 (c) Technical research in Utah's colleges and universities [~~should~~] needs to be
44 enhanced and expanded, particularly in those areas targeted by the state for economic
45 development.

46 (d) Most states are enhancing their research base by direct funding, usually on a
47 matching basis.

48 (e) The purpose of this part is to catalyze and enhance the growth of these technologies
49 in the state by encouraging interdisciplinary research activities in targeted areas.

50 (f) The Legislature recognizes that one source of funding is in matching state [~~funds~~]
51 moneys with federal [~~funds~~] moneys and [~~industrial~~] business and industry support to provide
52 the needed new technologies.

53 (2) The Legislature recommends that the governor [~~consider the allocation of~~] allocate
54 economic development [~~funds~~] moneys for Centers of Excellence to be matched by business
55 and industry, and federal grants on at least a two-for-one basis.

56 (3) (a) The Legislature recommends [~~that such funds be allocated~~] the allocation of
57 these moneys on a competitive basis to [~~the various colleges and universities in the state~~]
58 institutions within the state system of higher education.

59 (b) The ~~[funds]~~ moneys made available should be used to support interdisciplinary
60 research in specialized Centers of Excellence in technologies that are considered to have
61 potential for economic development in ~~[this]~~ the state.

62 Section 2. Section **9-2-602** is amended to read:

63 **9-2-602. Short title -- Definitions.**

64 (1) This part is known as the "Centers of Excellence Act."

65 (2) As used in this part~~;~~:

66 (a) "Advisory Board" means the Technology Initiative Advisory Board created in
67 Section 53B-6-105.5.

68 (b) "Centers of Excellence" means university-based, business and industry-supported,
69 cooperative research and development programs.

70 (c) "Institutions within the state system of higher education" means those colleges and
71 universities identified in Section 53B-1-102 and the Utah College of Applied Technology.

72 Section 3. Section **9-2-603** is amended to read:

73 **9-2-603. Administration -- Grants.**

74 (1) ~~[This part shall be administered by the Division of Business and Economic~~
75 ~~Development]~~ The State Board of Regents shall administer this part.

76 (2) The ~~[department]~~ Department of Community and Economic Development may
77 award grants to the various ~~[colleges and universities in the state]~~ institutions within the state
78 system of higher education for the purposes of this part.

79 (3) (a) ~~[Recommendations for funding shall be made by the division]~~ The State Board
80 of Regents, with the advice of the [State Advisory Council for Science and Technology, with
81 the approval of the board] Technology Initiative Advisory Board created in Section
82 53B-6-105.5 shall make funding recommendations to the department.

83 (b) Each proposal shall receive the best available outside review.

84 (4) (a) In considering each proposal, the ~~[division]~~ State Board of Regents shall weigh
85 technical merit, the level of matching ~~[funds]~~ moneys from private and federal sources, and the
86 potential for job creation and economic development.

87 (b) Proposals or consortia that combine and coordinate related research at two or more
88 colleges and universities shall be encouraged.

89 (5) The ~~[State Advisory Council on Science and Technology]~~ advisory board shall

90 review the activities and progress of individual centers on a regular basis and assist the
91 [~~division~~] State Board of Regents in preparing an annual report on the accomplishments and
92 direction of the Centers of Excellence Program.

93 Section 4. **Appropriation.**

94 There is appropriated \$2,000,000 from the General Fund for fiscal year 2005-06 only,
95 to the Department of Community and Economic Development to be used to supplement the
96 ongoing appropriation for grants to the Centers of Excellence program established in Title 9,
97 Chapter 2, Part 6, Centers of Excellence Act.

98 Section 5. **Effective date.**

99 This bill takes effect on July 1, 2005.

Legislative Review Note
as of 2-7-05 8:23 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0313

Economic Development Initiative for Higher Education

16-Feb-05

3:14 PM

State Impact

This bill appropriates \$2,000,000 to the Department of Community and Economic Development for the Centers of Excellence program in FY 2006.

	<u>FY 2006</u> <u>Approp.</u>	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2006</u> <u>Revenue</u>	<u>FY 2007</u> <u>Revenue</u>
General Fund	\$2,000,000	\$0	\$0	\$0
TOTAL	\$2,000,000	\$0	\$0	\$0

Individual and Business Impact

This could increase the number of centers eligible under current guidelines.

Office of the Legislative Fiscal Analyst