

**RURAL COUNTY HEALTH CARE SPECIAL SERVICE
DISTRICT RETIREMENT GRANT PROGRAM**

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Don L. Ipson

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill creates and funds a grant program for retirement liabilities for rural county health care special service districts.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ establishes a grant application process; and
- ▶ directs the Department of Health to award grants to qualified applicants.

Money Appropriated in this Bill:

This bill appropriates:

- ▶ to the Department of Health - Family Health and Preparedness, as a one-time appropriation:
 - from the General Fund, \$900,000, subject to intent language stating that the appropriation is nonlapsing.

Other Special Clauses:

This bill takes effect on July 1, 2012.

Utah Code Sections Affected:

ENACTS:

26-9-5, Utah Code Annotated 1953

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

30 Section 1. Section **26-9-5** is enacted to read:

31 **26-9-5. Rural County Health Care Special Service District Retirement Grant**

32 **Program.**

33 (1) As used in this section:

34 (a) "Participating employer" means an employer that was required to participate in the
35 Utah State Retirement System under Section 49-12-201, 49-12-202, 49-13-201, or 49-13-202.

36 (b) "Retirement liability" means an obligation in excess of \$750,000 owed to the Utah
37 State Retirement Office by a rural county health care special service district as a participating
38 employer.

39 (c) "Rural county health care special service district" means a special service district
40 formed to provide health care in a third, fourth, fifth, or sixth class county as defined in Section
41 17-50-501.

42 (2) Because there is a compelling statewide public purpose in promoting health care in
43 Utah's rural counties, and particularly in ensuring the continued existence and financial
44 viability of hospital services provided by rural county health care special service districts, there
45 is created a grant program to assist rural county health care special service districts in meeting a
46 retirement liability.

47 (3) (a) Subject to legislative appropriation and this Subsection (3), the department shall
48 make grants to rural county health care special service districts.

49 (b) To qualify for a grant, a rural county health care special service district shall:

50 (i) file a grant application with the department detailing:

51 (A) the name of the rural county health care special service district;

52 (B) the estimated total amount of the retirement liability;

53 (C) the grant amount that the rural county health care special service district is
54 requesting; and

55 (D) the amount of matching funds to be provided by the rural county health care
56 special service district to help fund the retirement liability as required by Subsection (3)(d); and

57 (ii) commit to provide matching funds as required by Subsection (3)(d).

58 (c) The department shall review each grant application and, subject to legislative
59 appropriation, award grants to each rural health care special service district that qualifies for a
60 grant under Subsection (3)(b).

61 (d) The department may not award a grant to a rural county health care special service
62 district unless the rural county health care special service district commits to provide matching
63 funds to the grant equal to at least 40% of the amount of the grant.

64 **Section 2. Appropriation.**

65 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
66 following sums of money are appropriated from resources not otherwise appropriated, or
67 reduced from amounts previously appropriated, out of the funds or accounts indicated for the
68 fiscal year beginning July 1, 2012 and ending June 30, 2013. These are additions to any
69 amounts previously appropriated for fiscal year 2013.

70 To Department of Health - Family Health and Preparedness

71 From General Fund, one-time \$900,000

72 Schedule of Programs:

73 Rural County Health Care Special Service

74 District Retirement Grant Program \$900,000

75 The Legislature intends that, under Section 63J-1-603 of the Utah Code, appropriations
76 under this section not lapse at the close of fiscal year 2013.

77 **Section 3. Effective date.**

78 This bill takes effect on July 1, 2012.