

Senator Scott K. Jenkins proposes the following substitute bill:

PRISON RELOCATION AND DEVELOPMENT AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott K. Jenkins

House Sponsor: Brad R. Wilson

LONG TITLE

General Description:

This bill addresses the relocation of the state prison, including the development of the former prison land.

Highlighted Provisions:

This bill:

- ▶ creates the Prison Land Management Authority to facilitate the relocation of the state prison and the development of the old prison property;
- ▶ establishes the powers and duties of the authority;
- ▶ provides for a board to exercise the powers of the authority, and provides for board membership, appointment, duties, and powers;
- ▶ repeals provisions relating to the Prison Relocation and Development Authority;
- ▶ provides a process for issuing a request for proposals on a project to build a new prison, to redevelop the old prison property, or both, and for authority evaluation of bids and its recommendation of a bid to the Legislature and governor;

~~§→ [→ provides for the creation of two subcommittees to advise the authority's board on matters relating to a former prison land development project and a new prison development project;]~~ ←§ §→ and ←§

~~§→ [→ provides for a property tax increment to be paid to the authority to be applied to←§~~

2nd Sub. S.B. 72



26 ~~§→specified costs;~~

27 ~~—————→ modifies the distribution of some local option sales tax revenues; and] ←§~~

28 ▶ provides a repeal date for the Prison Land Management Act.

29 **Money Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 This bill provides an immediate effective date.

33 This bill provides revisor instructions.

34 **Utah Code Sections Affected:**

35 AMENDS:

36 ~~§→ [—59-12-205, as last amended by Laws of Utah 2012, Chapter 9] ←§~~

37 **63I-1-263 (Superseded 05/01/13)**, as last amended by Laws of Utah 2012, Chapters
38 126, 206, 369, and 395

39 **63I-1-263 (Effective 05/01/13)**, as last amended by Laws of Utah 2012, Chapters 126,
40 206, 347, 369, and 395

41 **63J-1-602.4**, as last amended by Laws of Utah 2011, Chapters 18, 303, 338, and 438

42 ENACTS:

43 **63H-7-101**, Utah Code Annotated 1953

44 **63H-7-102**, Utah Code Annotated 1953

45 **63H-7-201**, Utah Code Annotated 1953

46 **63H-7-202**, Utah Code Annotated 1953

47 **63H-7-203**, Utah Code Annotated 1953

48 **63H-7-204**, Utah Code Annotated 1953

49 ~~§→ [—63H-7-205, Utah Code Annotated 1953] ←§~~

50 **63H-7-301**, Utah Code Annotated 1953

51 **63H-7-302**, Utah Code Annotated 1953

52 **63H-7-303**, Utah Code Annotated 1953

53 **63H-7-304**, Utah Code Annotated 1953

54 **63H-7-305**, Utah Code Annotated 1953

55 **63H-7-306**, Utah Code Annotated 1953

56 **63H-7-401**, Utah Code Annotated 1953

- 57 **63H-7-402**, Utah Code Annotated 1953
- 58 **63H-7-403**, Utah Code Annotated 1953
- 59 **63H-7-501**, Utah Code Annotated 1953
- 60 **63H-7-502**, Utah Code Annotated 1953
- 61 **63H-7-503**, Utah Code Annotated 1953
- 62 **63H-7-504**, Utah Code Annotated 1953

63 **§→** [~~63H-7-505, Utah Code Annotated 1953~~
 64 ~~63H-7-506, Utah Code Annotated 1953~~] **←§**
 65 **63H-7-601**, Utah Code Annotated 1953

66 REPEALS:

- 67 **63C-13-101**, as enacted by Laws of Utah 2011, Chapter 408
- 68 **63C-13-102**, as enacted by Laws of Utah 2011, Chapter 408
- 69 **63C-13-103**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 4
- 70 **63C-13-104**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 4
- 71 **63C-13-105**, as enacted by Laws of Utah 2011, Chapter 408
- 72 **63C-13-106**, as enacted by Laws of Utah 2011, Chapter 408

73 **Utah Code Sections Affected by Revisor Instructions:**

74 **63H-7-301**, Utah Code Annotated 1953



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

77 **§→** [~~Section 1. Section 59-12-205 is amended to read:~~

78 ~~59-12-205. Ordinances to conform with statutory amendments -- Distribution of~~
 79 ~~tax revenues -- Determination of population.~~

80 ~~(1) A county, city, or town, in order to maintain in effect sales and use tax ordinances~~
 81 ~~adopted pursuant to Section 59-12-204, shall, within 30 days of an amendment to an applicable~~
 82 ~~provision of Part 1, Tax Collection, adopt amendments to the county's, city's, or town's sales~~
 83 ~~and use tax ordinances as required to conform to the amendments to Part 1, Tax Collection.~~

84 ~~(2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):~~

85 ~~(a) 50% of each dollar collected from the sales and use tax authorized by this part shall~~
 86 ~~be distributed to each county, city, and town on the basis of the percentage that the population~~
 87 ~~of the county, city, or town bears to the total population of all counties, cities, and towns in the~~ **←§**

88 ~~§~~→state; and

89 ~~—— (b) (i) except as provided in [Subsection] Subsections (2)(b)(ii) and (iii), 50% of each~~
 90 ~~dollar collected from the sales and use tax authorized by this part shall be distributed to each~~
 91 ~~county, city, and town on the basis of the location of the transaction as determined under~~
 92 ~~Sections 59-12-211 through 59-12-215; [and]~~

93 ~~—— (ii) 50% of each dollar collected from the sales and use tax authorized by this part~~
 94 ~~within a project area described in a project area plan adopted by the military installation~~
 95 ~~development authority under Title 63H, Chapter 1, Military Installation Development~~
 96 ~~Authority Act, shall be distributed to the military installation development authority created in~~
 97 ~~Section 63H-1-201[.]; and~~

98 ~~—— (iii) beginning the first day of the calendar quarter that is at least 90 days after the~~
 99 ~~Prison Land Management Authority, created in Section 63H-7-201, gives notice to the tax~~
 100 ~~commission of the Authority's intent to receive sales and use tax revenue under this Subsection~~
 101 ~~(2)(b)(iii), 50% of each dollar collected from the sales and use tax authorized by this part on~~
 102 ~~former prison land, as defined in Section ~~§~~→ [63H-67-102] 63H-7-102 ←~~§~~, shall be distributed to~~
 102a ~~the Prison Land~~
 103 ~~Management Authority.~~

104 ~~—— (3) (a) Beginning on July 1, 2011, and ending on June 30, 2016, the commission shall~~
 105 ~~each year distribute to a county, city, or town the distribution required by this Subsection (3) if:~~

106 ~~—— (i) the county, city, or town is a:~~

107 ~~—— (A) county of the third, fourth, fifth, or sixth class;~~

108 ~~—— (B) city of the fifth class; or~~

109 ~~—— (C) town;~~

110 ~~—— (ii) the county, city, or town received a distribution under this section for the calendar~~
 111 ~~year beginning on January 1, 2008, that was less than the distribution under this section that the~~
 112 ~~county, city, or town received for the calendar year beginning on January 1, 2007;~~

113 ~~—— (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located~~
 114 ~~within the unincorporated area of the county for one or more days during the calendar year~~
 115 ~~beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,~~
 116 ~~Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North~~
 117 ~~American Industry Classification System of the federal Executive Office of the President,~~
 118 ~~Office of Management and Budget; or ←~~§~~~~

119 ~~§→(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~
 120 ~~(3)(a)(i)(C), the city or town had located within the city or town for one or more days during~~
 121 ~~the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry~~
 122 ~~Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the~~
 123 ~~2002 North American Industry Classification System of the federal Executive Office of the~~
 124 ~~President, Office of Management and Budget; and~~
 125 ~~———(iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment~~
 126 ~~described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for~~
 127 ~~one more days during the calendar year beginning on January 1, 2008, was not the holder of a~~
 128 ~~direct payment permit under Section 59-12-107.1; or~~
 129 ~~———(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~
 130 ~~(3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a~~
 131 ~~city or town for one or more days during the calendar year beginning on January 1, 2008, was~~
 132 ~~not the holder of a direct payment permit under Section 59-12-107.1.~~
 133 ~~———(b) The commission shall make the distribution required by this Subsection (3) to a~~
 134 ~~county, city, or town described in Subsection (3)(a):~~
 135 ~~———(i) from the distribution required by Subsection (2)(a); and~~
 136 ~~———(ii) before making any other distribution required by this section.~~
 137 ~~———(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by~~
 138 ~~multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.~~
 139 ~~———(ii) For purposes of Subsection (3)(c)(i):~~
 140 ~~———(A) the numerator of the fraction is the difference calculated by subtracting the~~
 141 ~~distribution a county, city, or town described in Subsection (3)(a) received under this section~~
 142 ~~for the calendar year beginning on January 1, 2008, from the distribution under this section that~~
 143 ~~the county, city, or town received for the calendar year beginning on January 1, 2007; and~~
 144 ~~———(B) the denominator of the fraction is \$333,583.~~
 145 ~~———(d) A distribution required by this Subsection (3) is in addition to any other distribution~~
 146 ~~required by this section.~~
 147 ~~———(4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year~~
 148 ~~2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of~~
 149 ~~the taxable sales within the boundaries of the county, city, or town. ←§~~

150 ~~§→(b) The commission shall proportionally reduce monthly distributions to any county,~~
 151 ~~city, or town that, but for the reduction, would receive a distribution in excess of 1% of the~~
 152 ~~sales and use tax revenue collected within the boundaries of the county, city, or town.~~

153 ~~(5) (a) As used in this Subsection (5):~~

154 ~~(i) "Eligible county, city, or town" means a county, city, or town that receives \$2,000 or~~
 155 ~~more in tax revenue distributions in accordance with Subsection (4) for each of the following~~
 156 ~~fiscal years:~~

157 ~~(A) fiscal year 2002-03;~~

158 ~~(B) fiscal year 2003-04; and~~

159 ~~(C) fiscal year 2004-05.~~

160 ~~(ii) "Minimum tax revenue distribution" means the greater of:~~

161 ~~(A) the total amount of tax revenue distributions an eligible county, city, or town~~
 162 ~~receives from a tax imposed in accordance with this part for fiscal year 2000-01; or~~

163 ~~(B) the total amount of tax revenue distributions an eligible county, city, or town~~
 164 ~~receives from a tax imposed in accordance with this part for fiscal year 2004-05.~~

165 ~~(b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07~~
 166 ~~and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax~~
 167 ~~revenue distribution for a tax imposed in accordance with this part equal to the greater of:~~

168 ~~(A) the payment required by Subsection (2); or~~

169 ~~(B) the minimum tax revenue distribution.~~

170 ~~(ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible~~
 171 ~~county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three~~
 172 ~~consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following~~
 173 ~~that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax~~
 174 ~~revenue distribution equal to the payment required by Subsection (2):~~

175 ~~(c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year~~
 176 ~~2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution~~
 177 ~~for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that~~
 178 ~~eligible county, city, or town is less than or equal to the product of:~~

179 ~~(i) the minimum tax revenue distribution; and~~

180 ~~(ii) .90.←§~~

181 ~~§→(6) (a) Population figures for purposes of this section shall be based on the most recent~~
 182 ~~official census or census estimate of the United States Census Bureau.~~

183 ~~(b) If a needed population estimate is not available from the United States Census~~
 184 ~~Bureau, population figures shall be derived from the estimate from the Utah Population~~
 185 ~~Estimates Committee created by executive order of the governor.~~

186 ~~(c) The population of a county for purposes of this section shall be determined only~~
 187 ~~from the unincorporated area of the county.] ←§~~

188 Section ~~§→ [2] 1 ←§~~ . Section 63H-7-101 is enacted to read:

189 CHAPTER 7. PRISON LAND MANAGEMENT AUTHORITY ACT

190 Part 1. General Provisions

191 63H-7-101. Title.

192 This chapter is known as the "Prison Land Management Authority Act."

193 Section ~~§→ [3] 2 ←§~~ . Section 63H-7-102 is enacted to read:

194 63H-7-102. Definitions.

195 As used in this chapter:

196 (1) "Authority" means the Prison Land Management Authority, created in Section
 197 63H-7-201.

198 ~~§→ [(2) "Base taxable value" means, for former prison land that is exempt from property tax~~
 199 ~~at the time the authority accepts a proposal for a former prison land development project, as~~
 200 ~~provided in this chapter, a taxable value of zero.~~

201 ~~(3)] (2) ←§~~ "Board" means the authority's governing body established under Section
 202 63H-7-301.

203 ~~§→ [(4) (3) ←§~~ "Conceptual plan" means a plan that provides the conceptual framework for
 203a the
 204 development of the former prison land.

205 ~~§→ [(5) (4) ←§~~ "Division" means the Division of Facilities Construction and Management
 205a created
 206 in Section 63A-5-201.

207 ~~§→ [(6) (5) ←§~~ "Former prison" means the state prison operating as of February 1, 2013 in
 207a Salt
 208 Lake County.

209 ~~§→ [(7) (6) ←§~~ "Former prison land" means all the land owned or controlled by the state on
 209a which
 210 the former prison is located or that is contiguous to and surrounding the former prison,
 211 including land owned by the Utah Department of Transportation but not used by the Utah

- 212 Department of Transportation for a right-of-way.
- 213 ~~§~~→ [(8)] (7) ←~~§~~ "Former prison land development project" means a project to develop the
- 213a former
- 214 prison land, including:
- 215 (a) the transfer of the former prison land into private ownership; and
- 216 (b) the demolition of the former prison after it is vacated.
- 217 ~~§~~→ [(9)] (8) ←~~§~~ "Host city" means the city in which the former prison land is located.
- 218 ~~§~~→ [(10)] (9) ←~~§~~ "Host county" means the county in which the former prison land is
- 218a located.
- 219 ~~§~~→ [(11)] (10) ←~~§~~ "Master development project" means a former prison land development
- 219a project
- 220 and a new prison development project.
- 221 ~~§~~→ [(12)] (11) ←~~§~~ "New prison" means a prison to be built to replace the former prison.
- 222 ~~§~~→ [(13)] (12) ←~~§~~ "New prison development project":
- 223 (a) means a project to construct a new prison at a suitable location in the state other
- 224 than the location of the former prison; and
- 225 (b) includes the acquisition of the land on which the new prison will be built.
- 226 ~~§~~→ [(14)] (13) ←~~§~~ "New prison land" means land on which a new prison is or is projected to
- 226a be built.
- 227 ~~§~~→ [(15)] (14) ←~~§~~ "Prison programming" means a policy, plan, or program that, if
- 227a implemented by
- 228 the Department of Corrections at a new prison, is calculated to reduce recidivism or lead to
- 229 greater efficiencies or lower costs in prison operations.
- 230 ~~§~~→ [(16)] ~~"Property tax" includes privilege tax and each levy on an ad valorem basis on~~
- 231 ~~tangible or intangible personal or real property.~~
- 232 ~~—— (17) "Public entity" means:~~
- 233 ~~—— (a) the state, including any department, division, agency, or other instrumentality of the~~
- 234 ~~state; or~~
- 235 ~~—— (b) a political subdivision of the state, including a county, city, town, school district,~~
- 236 ~~local district, special service district, or interlocal entity.~~
- 237 ~~—— [(18)] (15) ←~~§~~ "Publicly owned infrastructure and improvements" means water, sewer, storm~~
- 238 ~~drainage, electrical, telecommunications, and other similar systems and lines, streets, roads,~~
- 239 ~~curbs, gutters, sidewalks, walkways, parking facilities, public transportation facilities, and~~
- 240 ~~other buildings, facilities, infrastructure, and improvements that:~~
- 241 (a) benefit the public; and
- 242 (b) are:

243 (i) publicly owned or owned by a utility; or

244 (ii) publicly owned or publicly maintained or operated by the authority or another
245 public entity.

246 ~~§~~ → [(19)] (16) ← § "State ownership" means ownership by the state or any department,
246a division, or
247 agency of the state.

248 ~~§~~ → [(20)] ~~"Taxable value" means the value of property as shown on the last equalized~~
249 ~~assessment roll as certified by the county assessor.~~

250 ~~_____ (21) "Tax increment" means the difference between:~~

251 ~~_____ (a) the amount of property tax revenues generated each tax year by all taxing entities~~
252 ~~from the former prison land, using the current assessed value of the property; and~~

253 ~~_____ (b) the amount of property tax revenues that would be generated from that same land,~~
254 ~~using the base taxable value of the property.~~

255 ~~_____ (22) "Taxing entity" means a public entity that levies a tax on former prison land.] ← §~~

256 Section ~~§~~ → [4] 3 ← § . Section 63H-7-201 is enacted to read:

257 **Part 2. Creation and Powers of Prison Land Management Authority**

258 **63H-7-201. Creation of Prison Land Management Authority -- Status and powers**
259 **of authority -- Limitation.**

260 (1) There is created a Prison Land Management Authority.

261 (2) The authority is:

262 (a) an independent, nonprofit, separate body corporate and politic, with perpetual
263 succession;

264 (b) a political subdivision of the state; and

265 (c) a public corporation, as defined in Section 63E-1-102.

266 (3) The authority may:

267 (a) as provided in this chapter:

268 (i) formulate and adopt a conceptual plan;

269 (ii) issue a request for proposals as provided in Part 4, Proposals and Awarding of
270 Contract for Projects;

271 (iii) evaluate proposals it receives pursuant to the request for proposals; and

272 (iv) accept a proposal or combination of proposals and award one or more contracts
273 pursuant to the accepted proposal or combination of proposals;

274 (b) sue and be sued;

275 (c) enter into contracts generally;

276 (d) subject to the same statutory provisions that apply to the division, sell, convey,
 277 grant, dispose of by gift, or otherwise dispose of any interest in real or personal property;

278 (e) exercise powers and perform functions under a contract, as authorized in the
 279 contract;

280 ~~§→ [(f) receive tax increment and other taxes and fees as provided in this chapter;~~

281 ~~— (g) (f) ←§~~ accept financial or other assistance from any public or private source for the
 282 authority's activities, powers, and duties, and expend any funds so received for any of the
 283 purposes of this chapter;

284 ~~§→ [(h) (g) ←§~~ borrow money on a short-term basis, contract with, or accept financial or
 284a other

285 assistance from the federal government, a public entity, or any other source for any of the
 286 purposes of this chapter and comply with any conditions of the loan, contract, or assistance;

287 ~~§→ [(i) (h) ←§~~ hire employees, including:

288 ~~§→ [(A) (i) ←§~~ contract employees; and

289 ~~§→ [(B) (ii) ←§~~ a chief administrative officer;

290 ~~§→ [(j) (i) ←§~~ transact other business and exercise all other powers provided for in this
 290a chapter;

291 and

292 ~~§→ [(k) (j) ←§~~ exercise powers and perform functions that the authority is authorized by
 292a statute to

293 exercise or perform.

293a ~~§→~~ **(4) The Governor's Office of Planning and Budget shall provide any necessary staff**
 293b **support for the authority until the authority hires its own staff.** ←§

294 Section ~~§→~~ [5] 4 ←§ . Section 63H-7-202 is enacted to read:

295 **63H-7-202. Applicability of other law.**

296 (1) As provided in Subsection (2), the authority, former prison land, and new prison
 297 land are not subject to:

298 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act;

299 (b) Title 17, Chapter 27a, County Land Use, Development, and Management Act;

300 (c) any ordinances or regulations of a county or municipality, including those relating
 301 to land use, health, business license, or franchise; or

302 (d) the jurisdiction of any local district under Title 17B, Limited Purpose Local
 303 Government Entities - Local Districts, or special service district under Title 17D, Chapter 1,
 304 Special Service District Act.

305 (2) Subsection (1) applies:

306 (a) with respect to the former prison land and the authority in its dealings relating to the
307 former prison land, as long as the former prison land remains under state ownership; and

308 (b) with respect to the new prison land and the authority in its dealings relating to the
309 new prison land, as long as the new prison land remains under state ownership.

310 (3) The authority is subject to and governed by Sections 63E-2-106, 63E-2-107,
311 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed
312 by Title 63E, Independent Entities Code.

313 Section ~~§~~ [6] ~~5~~ ~~←~~ ~~§~~ . Section **63H-7-203** is enacted to read:

314 **63H-7-203. Allowable uses of tax increment and other funds.**

315 (1) The authority may use ~~§~~ [tax increment and other] ~~←~~ ~~§~~ funds available to the
315a authority:

316 (a) for any purpose authorized under this chapter, including a new prison development
317 project;

318 (b) for administrative, overhead, legal, and other operating expenses of the authority;

319 (c) to pay for all or part of the development of the former prison land ~~§~~ [from which the
320 tax increment funds or other funds were collected] ~~←~~ ~~§~~ , including assisting the ongoing operation of
321 any development or facility on the former prison land;

322 (d) to pay the cost of the installation and construction of any publicly owned
323 infrastructure and improvements on the former prison land ~~§~~ [from which the tax increment funds
324 were collected] ~~←~~ ~~§~~ ;

325 (e) to pay the cost of the installation of publicly owned infrastructure and
326 improvements outside the former prison land if the authority board determines by resolution
327 that the infrastructure and improvements are of benefit to the former prison land; and

328 (f) to pay costs associated with a master development project, a new prison
329 development project, or a former prison land development project.

330 (2) The authority may use revenue generated from the operation of publicly owned
331 infrastructure operated by the authority or improvements operated by the authority to:

332 (a) operate and maintain the infrastructure or improvements; and

333 (b) pay for authority operating expenses, including administrative, overhead, and legal
334 expenses.

335 ~~§~~ ~~[~~ ~~(3)~~ ~~For purposes of Subsection (1), the authority may use tax revenues received under~~ ~~←~~ ~~§~~

336 ~~§→~~Subsection 59-12-205(2)(b)(iii):

337 ~~— (4) (3) ←§~~ The determination of the authority board under Subsection (1)(e) regarding
337a benefit

338 to the project area is final and conclusive.

339 ~~§→~~ [(5)] (4) ←§ The authority may give to another state or local government entity any of
339a the funds

340 it receives, if the funds are used for a purpose listed in §→ [Subsections] Subsection ←§ (1)

340a ~~§→~~ [~~through (4)~~] or (2) ←§ .

341 ~~§→~~ [Section 7. Section 63H-7-204 is enacted to read:

342 ~~— 63H-7-204. Authority receipt and use of tax increment -- Distribution of tax~~
343 ~~increment.~~

344 ~~— (1) (a) The authority may:~~

345 ~~— (i) subject to Subsection (1)(b), receive up to 50% of tax increment for up to 25 years,~~
346 ~~as provided in this part; and~~

347 ~~— (ii) use tax increment during and after the period described in Subsection (1)(a)(i).~~

348 ~~— (b) With respect to a parcel located on former prison land, the 25-year period described~~
349 ~~in Subsection (1)(a)(i) begins on the day on which the authority receives the first tax increment~~
350 ~~from that parcel.~~

351 ~~— (2) Improvements on a parcel on former prison land become subject to property tax on~~
352 ~~January 1 immediately following the day on which the authority issues a certificate of~~
353 ~~occupancy with respect to those improvements.~~

354 ~~— (3) A county that collects property tax on former prison land shall pay and distribute to~~
355 ~~the authority the tax increment that the authority is entitled to collect under this title, in the~~
356 ~~manner and at the time provided in Section 59-2-1365.~~

357 ~~— (4) The board shall determine by resolution when the entire former prison land or an~~
358 ~~individual parcel on former prison land is subject to tax increment.] ←§~~

359 Section ~~§→~~ [8] 6 ←§ . Section 63H-7- ~~§→~~ [205] 204 ←§ is enacted to read:

360 63H-7- ~~§→~~ [205] 204 ←§ . Authority funds nonlapsing.

361 All funds received by the authority are nonlapsing.

362 Section ~~§→~~ [9] 7 ←§ . Section 63H-7-301 is enacted to read:

363 **Part 3. Authority Board ~~§→~~ [and Subcommittees] ←§**

364 **63H-7-301. Board duties and powers -- Chair -- Delegation of power.**

365 (1) The authority shall be governed by a board, which shall manage and conduct the
366 business and affairs of the authority and shall determine all questions of authority policy.

367 (2) All powers of the authority are exercised through the board.

368 (3) The board shall appoint ~~§~~ → **a chair** ← ~~§~~ from among its members ~~§~~ → [:] . ← ~~§~~

369 ~~§~~ → ~~[(a) a chair of the board; and~~

370 ~~———— (b) a chair of each of the subcommittees under Section 63H-7-303.] ← ~~§~~~~

371 (4) In addition to the subcommittees created in Section 63H-7-303, the board may
 372 appoint one or more subcommittees of its members to act on matters under the board's
 373 authority, but any action of a subcommittee is subject to board approval.

374 (5) The board may adopt bylaws to govern its operations and the operations of
 375 subcommittees.

376 (6) The board may by resolution assign administrative functions to authority staff.

377 (7) The board shall hold its first meeting no later than:

378 (a) April 15, 2013, if this section takes effect on or before March 25, 2013; or

379 (b) June 15, 2013, if this section takes effect after March 25, 2013.

379a ~~§~~ → **(8) Until a request for proposals under Section 63H-7-402 is issued, the board shall**
 379b **meet at least twice per month for the purpose of formulating the request for proposals and, as**
 379c **the board considers appropriate, taking public input relating to the formulation of the request**
 379d **for proposals.** ← ~~§~~

380 Section ~~§~~ → [10] 8 ← ~~§~~ . Section 63H-7-302 is enacted to read:

381 **63H-7-302. Board membership -- Vacancies -- Removal -- Nonvoting members.**

382 (1) (a) The authority's board consists of 11 members.

383 ~~§~~ → ~~[(b) Eight members of the board shall be appointed by the governor as follows:~~

384 ~~———— (i) an individual from the Department of Corrections;~~

385 ~~———— (ii) an individual from the Governor's Office of Economic Development;~~

386 ~~———— (iii) four individuals, two with commercial construction experience and two with~~
 387 ~~experience in the real-estate industry;~~

388 ~~———— (iv) a member of the State Commission on Criminal and Juvenile Justice, created in~~
 389 ~~Section 63M-7-201; and~~

390 ~~———— (v) an individual who would not qualify for appointment under Subsections (1)(b)(i)~~
 391 ~~through (iv);~~

392 ~~———— (c) The other three members of the board shall be:~~

393 ~~———— (i) a member of the Senate, appointed by the president of the Senate;~~

394 ~~———— (ii) a member of the House of Representatives, appointed by the speaker of the House~~
 395 ~~of Representatives; and~~

396 ~~———— (iii) an individual appointed by the host city.]~~

396a **(b) Two members of the board shall be appointed by the legislative body of the host**
 396b **city.**

396c **(c) Four members of the board shall be appointed by the governor.**

396d **(d) One member of the board shall be appointed by the Utah Association of Counties.**

396e (e) Two members of the board shall be members of the Senate appointed by the
396f president of the Senate.

396g (f) Two members of the board shall be members of the House of Representatives
396h appointed by the speaker of the House of Representatives.

396i (g) One Legislative Member shall be from the minority party.

396j [~~(d)~~] h Appointments of board members shall be made no later than 10 days before the
396k board's first meeting under Subsection 63H-7-301(7). ←\$

397 (2) (a) A vacancy on the board shall be filled in the same manner as the appointment of

398 the member whose departure from the board will cause the vacancy.

399 (b) A person appointed to fill a vacancy shall serve the remaining unexpired term of
400 the member whose vacancy the person is filling.

401 (3) A member of the board appointed by the governor, president of the Senate, or
402 speaker of the House of Representatives serves at the pleasure of and may be removed and
403 replaced at any time, with or without cause, by the governor, president of the Senate, or speaker
404 of the House of Representatives, respectively.

405 (4) The authority may:

406 (a) appoint nonvoting members of the board; and

407 (b) set terms for nonvoting members appointed under Subsection (4)(a).

408 Section ~~§~~ → [H] 9 ← ~~§~~ . Section 63H-7-303 is enacted to read:

409 ~~§~~ → [63H-7-303. Subcommittees:

410 ~~———— (1) There are created, to act in an advisory capacity to the board:~~

411 ~~———— (a) the Former Prison Land Development Subcommittee; and~~

412 ~~———— (b) the New Prison Development Subcommittee.~~

413 ~~———— (2) The Former Prison Land Development Subcommittee consists of:~~

414 ~~———— (a) the board member from the Governor's Office of Economic Development appointed~~
415 ~~under Subsection 63H-7-302(1)(b)(ii);~~

416 ~~———— (b) one of the board members with commercial construction experience appointed~~
417 ~~under Subsection 63H-7-302(1)(b)(iii);~~

418 ~~———— (c) one of the board members with experience in the real estate industry appointed~~
419 ~~under Subsection 63H-7-302(1)(b)(iii);~~

420 ~~———— (d) the board member appointed under Subsection 63H-7-302(1)(b)(v), if the governor~~
421 ~~assigns that board member to serve on the Former Prison Land Development Subcommittee;~~

422 ~~———— (e) the board member who is a member of the House of Representatives appointed~~
423 ~~under Subsection 63H-7-302(1)(c)(ii);~~

424 ~~———— (f) the board member appointed by the host city under Subsection 63H-7-302(1)(c)(iii);~~

425 ~~———— (g) a member of the Senate appointed to the subcommittee by the president of the~~
426 ~~Senate;~~

427 ~~———— (h) an individual appointed to the subcommittee by the host city; and~~

428 ~~———— (i) an individual appointed to the subcommittee by the host county. ← §~~

429 ~~§→(3) The New Prison Development Subcommittee consists of:~~
 430 ~~(a) the board member from the Department of Corrections appointed under Subsection~~
 431 ~~63H-7-302(1)(b)(i);~~
 432 ~~(b) one of the board members with commercial construction experience appointed~~
 433 ~~under Subsection 63H-7-302(1)(b)(iii);~~
 434 ~~(c) one of the board members with experience in the real estate industry appointed~~
 435 ~~under Subsection 63H-7-302(1)(b)(iii);~~
 436 ~~(d) the board member, appointed under Subsection 63H-7-302(1)(b)(iv), who is a~~
 437 ~~member of the §→ [of the] ←§ State Commission on Criminal and Juvenile Justice;~~
 438 ~~(e) the board member appointed under Subsection 63H-7-302(1)(b)(v), if the governor~~
 439 ~~assigns that board member to serve on the New Prison Development Subcommittee;~~
 440 ~~(f) the board member who is a member of the Senate appointed under Subsection~~
 441 ~~63H-7-302(1)(c)(i);~~
 442 ~~(g) a member of the House of Representatives appointed to the subcommittee by the~~
 443 ~~speaker of the House of Representatives; and~~
 444 ~~(h) an individual appointed to the subcommittee by the Utah Association of Counties;~~
 445 ~~(4) The governor may appoint the board member referred to in Subsection~~
 446 ~~63H-7-302(1)(b)(v) to only one subcommittee.~~
 446a ~~§→ (a) the board members that the board designates to serve on the subcommittee; and~~
 446b ~~(b) up to four other individuals appointed to the subcommittee by the governor. ←§~~
 447 ~~(5) §→ (4) ←§ (a) The Former Prison Land Development Subcommittee shall advise the~~
 447a ~~board~~
 448 ~~concerning:~~
 449 ~~(i) the formulation of a conceptual plan for the former prison land;~~
 450 ~~(ii) the formulation of a request for proposals under Section 63H-7-402, to the extent~~
 451 ~~that the request relates to a former prison land development project; and~~
 452 ~~(iii) the board's evaluation of and decision on proposals that the board receives~~
 453 ~~pursuant to a request for proposals, to the extent proposals relate to a former prison land~~
 454 ~~development project, whether as a separate project or as a part of a master development project.~~
 455 ~~(b) The New Prison Development Subcommittee shall advise the board concerning:~~
 456 ~~(i) the formulation of any prison programming proposals;~~
 457 ~~(ii) the formulation of a request for proposals under Section 63H-7-402, to the extent~~
 458 ~~that the request relates to a new prison development project; and~~
 459 ~~(iii) the board's evaluation of and decision on proposals that the board receives ←§~~

460 ~~§→pursuant to a request for proposals, to the extent proposals relate to a new prison development~~
 461 ~~project, whether as a separate project or as a part of a master development project.~~

462 ~~Section 12. Section 63H-7-304 is enacted to read:] ←§~~

463 63H-7- ~~§→ [304] 303 ←§~~ . Term of board members.

464 (1) Subject to Subsection 63H-7-302(3), the term of board members is four years.

465 (2) A board member shall serve until a successor is duly appointed and qualified.

466 Section ~~§→ [13] 10 ←§~~ . Section 63H-7- ~~§→ [305] 304 ←§~~ is enacted to read:

467 **63H-7-305. Compensation and expenses of board members.**

468 (1) Salaries and expenses of board ~~§→ [or-subcommittee] ←§~~ members who are legislators
 468a shall

469 be paid in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3,
 470 Expense and Mileage Reimbursement for Authorized Legislative Meetings, Special Sessions,
 471 and Veto Override Sessions.

472 (2) A board ~~§→ [or-subcommittee] ←§~~ member who is not a legislator may not receive
 473 compensation or benefits for the member's service on the board ~~§→ [or-subcommittee] ←§~~ , but
 473a may

474 receive per diem and reimbursement for travel expenses incurred as a board ~~§→ [or-subcommittee] ←§~~
 475 member at the rates established by the Division of Finance under:

476 (a) Sections 63A-3-106 and 63A-3-107; and

477 (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
 478 63A-3-107.

479 Section ~~§→ [14] 11 ←§~~ . Section 63H-7- ~~§→ [306] 305 ←§~~ is enacted to read:

480 63H-7- ~~§→ [306] 305 ←§~~ . **Board member ethics and conflicts of interest.**

481 (1) A board ~~§→ [or-subcommittee] ←§~~ member is subject to Title 67, Chapter 16, Utah
 481a Public

482 Officers' and Employees' Ethics Act.

483 (2) An individual may not be appointed to or serve on the board or
 483a ~~§→ [a-subcommittee] ←§~~ if

484 the individual:

485 (a) has an ownership interest in or is an officer or employee of an entity that:

486 (i) anticipates submitting a proposal or submits a proposal for a new prison
 487 development project, former prison land development project, or master development project;

488 or

489 (ii) anticipates providing material or labor under a contract awarded pursuant to a
 490 proposal for a new prison development project, former prison land development project, or

491 master development project;

492 (b) has a spouse, child, parent, or sibling who has an ownership interest in or is an
493 officer or employee of an entity described in Subsection (2)(a); or

494 (c) has a direct or indirect interest in or derives or will derive any direct or indirect
495 financial benefit from any work done in pursuit of a new prison development project, former
496 prison land development project, or master development project.

497 Section ~~§~~ **→** [15] 12 ~~←~~ **§** . Section **63H-7-401** is enacted to read:

498 **Part 4. Proposals and Awarding of Contract for Projects**

499 **63H-7-401. Formulation and adoption of a conceptual plan.**

500 (1) The authority shall formulate and adopt a conceptual plan, as provided in this
501 section.

502 (2) (a) In a request for proposals under Section 63H-7-402, the authority may request
503 offerors to include a proposed conceptual plan.

504 (b) A proposed conceptual plan included in a proposal submitted under this part is a
505 public record if it is considered at a public hearing under Subsection (4).

506 (3) The authority may incorporate into a conceptual plan some or all of the features of a
507 general plan described in Title 10, Chapter 9a, Part 4, General Plan.

508 (4) The authority shall hold at least two public hearings at least one week apart on the
509 proposed conceptual plan or plans it is considering adopting.

510 (5) Before adopting a conceptual plan, the authority shall consult with and consider the
511 suggestions of the host city.

512 (6) Following the public hearings required under Subsection (4), the authority may
513 adopt a conceptual plan that it formulates or that is proposed in a proposal submitted in
514 response to a request for proposals.

515 (7) Upon the authority's adoption of a conceptual plan:

516 (a) the conceptual plan governs the development of the former prison land; and

517 (b) the development of the former prison land shall be consistent with the adopted
518 conceptual plan.

519 (8) Nothing in this section may be construed to limit the authority from modifying a
520 proposed conceptual plan before the authority adopts the conceptual plan.

521 Section ~~§~~ **→** [16] 13 ~~←~~ **§** . Section **63H-7-402** is enacted to read:

522 **63H-7-402. Process relating to proposals on projects.**

523 (1) The authority shall:

524 (a) consult with the Division of Facilities Construction Management in formulating a
525 request for proposals under this part;

526 (b) ~~§~~→ [as soon as reasonably possible] within 60 days after the first meeting of the board
526a under Subsection 63H-7-301(7), or within any 30-day extensions of that time that the
526b Legislative Management Committee approves, ~~←~~§ and with the approval of the director of the
526c Division

527 of Facilities Construction and Management, issue a request for proposals inviting persons to
528 submit proposals on a new prison development project, former prison land development
529 project, or master development project;

530 (c) ~~§~~→ (i) ~~←~~§ provide a process for persons to submit proposals and for the authority to
530a receive

531 proposals; ~~§~~→ and

531a (ii) require proposals to be submitted within 60 days after the request for proposals is
531b issued; ~~←~~§

532 (d) evaluate the proposals that are submitted;

533 (e) in evaluating and making a decision on proposals, give additional weight to a
534 proposal that contemplates using contractors, material providers, and laborers from within the
535 state;

536 (f) ~~§~~→ within 60 days after the deadline for submitting proposals in response to the
536a request for proposals, ~~←~~§ decide whether to accept one of the proposals or a combination of
536b proposals and

537 award a contract for a new prison development project, former prison land development
538 project, or master development project to the person or persons who submitted the proposal or
539 combination of proposals;

540 (g) if the authority decides to accept a proposal or combination of proposals and to
541 award a contract for a new prison development project, former prison land development
542 project, or master development project to the person or persons who submitted the proposal or
543 combination of proposals, immediately submit written notification to the governor and the
544 Legislative Management Committee of the authority's decision; and

545 (h) subject to Subsection (4), accept the proposal or combination of proposals and

546 award a contract to the person or persons who submitted the proposal or combination of
547 proposals.

548 (2) (a) The authority may not consider or accept a proposal that is based on the former
549 prison land remaining under state ownership beyond the conceptual plan stage of the former
550 prison land development project.

551 (b) The authority shall include in a request for proposals under Subsection (1) the
552 limitation imposed by Subsection (2)(a).

553 (3) (a) A request for proposals for a new prison development project:

554 (i) may include a request for prison programming proposals; and

555 (ii) shall allow an offeror to include, as part of the proposal, the operation of the new
556 prison.

557 (b) A person submitting a proposal for a new prison development project may include,
558 as part of the proposal:

559 (i) prison programming proposals; or

560 (ii) the operation of a new prison.

561 (4) The authority may not accept a proposal or award a contract under the proposal

562 unless the governor and Legislature indicate their approval, through the adoption of a

563 concurrent resolution or other legislation indicating approval, of the feasibility, overall cost,

564 cost-effectiveness, and concepts involved in the new prison development project, former prison

565 land development project, or master development project, as set forth in the winning proposal

566 or combination of proposals.

567 (5) If the Legislature and governor do not indicate their approval, as provided in

568 Subsection (4), the authority:

569 (a) may cancel the previously issued request for proposals and repeat the process

570 described in this section, issuing a new and revised request for proposals; or

571 (b) is dissolved, if the authority has undertaken the process described in this section

572 more than once.

573 (6) (a) Subject to Subsection (6)(b), the provisions of Title 63G, Chapter 6a, Utah

574 Procurement Code, do not apply with respect to the process described in this section.

575 (b) The authority shall adopt procurement rules substantially similar to the

576 requirements of Title 63G, Chapter 6a, Utah Procurement Code, to govern the process

577 described in this section.

577a **§→ (7) The former prison land may not be sold, exchanged, leased, or made subject to**
577b **an option without the Legislature's prior approval. ←§**

578 Section **§→ [17] 14 ←§** . Section **63H-7-403** is enacted to read:

579 **63H-7-403. Sources of funds for master development project -- Additional**
580 **proposal requirements.**

581 (1) A proposal submitted in response to a request for proposals under Section

582 **§→ [63H-7-401] 63H-7-402 ←§** shall identify and quantify sources of funds that the proposal relies
582a on for its

583 financial feasibility, including identifying and quantifying which of the following possible

584 sources of funds the proposal relies on:

585 (a) money derived from the sale of the former prison land;

586 ~~§→ [(b) tax increment;~~

587 ~~—— (c) sales tax revenue under Subsection 59-12-205(2)(b)(iii);~~

588 ~~—— (d) (c) ←§) savings realized from funds that had been intended for maintenance and upkeep~~
588a of

589 the former prison but that will not be spent on the former prison due to the construction of a

590 new prison;

591 ~~§→ [(e) (d) ←§~~ the amount of future construction costs anticipated to be spent for prison
591a facilities

592 but that will not be spent due to the construction of a new prison;

593 ~~§→ [(f) (e) ←§~~ reductions in future years' budgets of the Department of Corrections that
593a equal the

594 savings realized due to greater efficiencies in the operation of a new prison over the anticipated
595 cost of operating the former prison;

596 ~~§→ [(g) (f) ←§~~ proceeds from the issuance of bonds;

597 ~~§→ [(h) (g) ←§~~ legislative appropriations;

598 ~~§→ [(i) (h) ←§~~ financing provided by the developer; and

599 ~~§→ [(j) (i) ←§~~ any other source of funds that the offeror proposes to be made available in
599a order to

600 implement the new prison development project, former prison land development project, or

601 master development project.

602 (2) (a) In issuing a request for proposals under Section ~~§→ [63H-7-401] 63H-7-402 ←§~~ .
602a the authority shall

603 request persons submitting proposals to:

604 (i) specify and quantify which sources of funds the proposal relies on for its financial
605 feasibility;

606 (ii) identify any changes in state law the offeror recommends be made in order to
607 facilitate the implementation of the new prison development project, former prison land
608 development project, or master development project; and

609 (iii) comply with all other requirements of the request for proposals.

610 (b) Recommended changes to state law that a proposal identifies under Subsection
611 (2)(a)(ii) are for informational purposes only, and the authority may not give more or less
612 weight to a proposal based on any recommended changes it contains or does not contain.

613 Section ~~§→ [18] 15 ←§~~ . Section 63H-7-501 is enacted to read:

614 **Part 5. Authority Budget**

615 63H-7-501. Annual authority budget -- Fiscal year -- Public hearing required --
 616 Auditor forms -- Requirement to file form.

617 (1) The authority shall prepare and its board adopt an annual budget of revenues and
 618 expenditures for the authority for each fiscal year.

619 (2) Each annual authority budget shall be adopted before June 22.

620 (3) The authority's fiscal year shall be the period from July 1 to the following June 30.

621 (4) (a) Before adopting an annual budget, the authority board shall hold a public
 622 hearing on the annual budget.

623 (b) The authority shall provide notice of the public hearing on the annual budget by:

624 (i) publishing notice:

625 (A) at least once in a newspaper of general circulation within the authority boundaries,
 626 one week before the public hearing; and

627 (B) on the Utah Public Notice Website created in Section 63F-1-701, for at least one
 628 week immediately before the public hearing; or

629 (ii) if there is no newspaper of general circulation within the authority boundaries as
 630 described in Subsection (4)(b)(i)(A), posting a notice of the public hearing in at least three
 631 public places within the authority boundaries.

632 (c) The authority shall make the annual budget available for public inspection at least
 633 three days before the date of the public hearing.

634 (5) The state auditor shall prescribe the budget forms and the categories to be contained
 635 in each authority budget, including:

636 (a) revenues and expenditures for the budget year;

637 (b) legal fees; and

638 (c) administrative costs, including rent, supplies, and other materials, and salaries of
 639 authority personnel.

640 (6) ~~§~~ ~~[(a)]~~ ~~←§~~ Within 30 days after adopting an annual budget, the authority board shall
 640a file a
 641 copy of the annual budget with the auditor of the ~~§~~ ~~host~~ ~~←§~~ county ~~§~~ ~~[in which the authority~~
 641a is located] ~~←§~~ , the
 642 State Tax Commission, ~~§~~ ~~and~~ ~~←§~~ the state auditor ~~§~~ ~~[, the State Board of Education, and each~~
 642a taxing entity
 643 that levies a tax on property from which the authority collects tax increment] ~~←§~~ .
 644 ~~§~~ ~~[(b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the~~
 645 state as a taxing entity is met if the authority files a copy with the State Tax Commission and ~~←§~~

646 ~~§~~→the state auditor:] ←~~§~~

647 Section ~~§~~→ [19] 16 ←~~§~~ . Section 63H-7-502 is enacted to read:

648 **63H-7-502. Amending the authority annual budget.**

649 (1) The board may by resolution amend an annual authority budget.

650 (2) An amendment of the annual authority budget that would increase the total
651 expenditures may be made only after public hearing by notice published as required for initial
652 adoption of the annual budget.

653 (3) The authority may not make expenditures in excess of the total expenditures
654 established in the annual budget as it is adopted or amended.

655 ~~§~~→ [Section 20. Section 63H-7-503 is enacted to read:

656 ~~63H-7-503. Authority report.~~

657 ~~(1) (a) On or before November 1 of each year, the authority shall prepare and file a~~
658 ~~report with the county auditor, the State Tax Commission, the State Board of Education, and~~
659 ~~each taxing entity that levies a tax on property from which the authority collects tax increment.~~

660 ~~(b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a~~
661 ~~taxing entity is met if the authority files a copy with the State Tax Commission and the state~~
662 ~~auditor.~~

663 ~~(2) Each report under Subsection (1) shall contain:~~

664 ~~(a) an estimate of the tax increment to be paid to the authority for the calendar year~~
665 ~~ending December 31; and~~

666 ~~(b) an estimate of the tax increment to be paid to the authority for the calendar year~~
667 ~~beginning the next January 1.~~ ←~~§~~

668 Section ~~§~~→ [21] 17 ←~~§~~ . Section 63H-7- ~~§~~→ [504] 503 ←~~§~~ is enacted to read:

669 63H-7- ~~§~~→ [504] 503 ←~~§~~ . **Audit requirements.**

670 The authority shall comply with the audit requirements of Title 51, Chapter 2a,
671 Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local
672 Entities Act.

673 ~~§~~→ [Section 22. Section 63H-7-505 is enacted to read:

674 ~~63H-7-505. Audit report.~~

675 ~~(1) The authority shall, within 180 days after the end of the authority's fiscal year, file a~~
676 ~~copy of the audit report with the county auditor, the State Tax Commission, the State Board of~~ ←~~§~~

677 ~~§→~~Education, and each taxing entity that levies a tax on property from which the authority collects
 678 tax increment.

679 ~~— (2) Each audit report under Subsection (1) shall include:~~

680 ~~— (a) the tax increment collected by the authority for each project area;~~

681 ~~— (b) the outstanding principal amount of bonds issued or other loans incurred to finance~~
 682 the costs associated with the authority's project areas; and

683 ~~— (c) the actual amount expended for:~~

684 ~~— (i) acquisition of property;~~

685 ~~— (ii) site improvements or site preparation costs;~~

686 ~~— (iii) installation of public utilities or other public improvements; and~~

687 ~~— (iv) administrative costs of the authority.] ←§~~

688 Section ~~§→~~ [23] 18 ←§ . Section 63H-7- ~~§→~~ [506] 504 ←§ is enacted to read:

689 63H-7- ~~§→~~ [506] 504 ←§ . Authority chief financial officer is a public treasurer --

689a **Certain**

690 **authority funds are public funds.**

691 (1) The authority's chief financial officer:

692 (a) is a public treasurer, as defined in Section 51-7-3; and

693 (b) shall invest the authority funds specified in Subsection (2) as provided in

694 Subsection (2).

695 (2) Notwithstanding Subsection 63E-2-110(2)(a), ~~§→~~ [tax increment funds, municipal
 696 services revenue, and] ←§ appropriations that the authority receives from the state:

697 (a) are public funds; and

698 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

699 Section ~~§→~~ [24] 19 ←§ . Section **63H-7-601** is enacted to read:

700 **Part 6. Dissolution of Authority**

701 **63H-7-601. Restrictions on dissolution of authority -- Filing copy of ordinance --**

702 **Authority records -- Dissolution expenses.**

703 (1) The authority may not be dissolved unless the authority has no unpaid loans,
 704 indebtedness, or advances, and no legally binding contractual obligations with persons or
 705 entities other than the state.

706 (2) Upon the dissolution of the authority:

707 (a) the Governor's Office of Economic Development shall publish a notice of

708 dissolution:

709 (i) in a newspaper of general circulation in the county in which the dissolved authority
710 is located; and

711 (ii) as required in Section 45-1-101; and

712 (b) all title to property owned by the authority vests in the state.

713 (3) The books, documents, records, papers, and seal of each dissolved authority shall
714 be deposited for safekeeping and reference with the state auditor.

715 (4) The authority shall pay all expenses of the deactivation and dissolution.

716 Section ~~§~~ → [25] 20 ← ~~§~~ . Section 63I-1-263 (Superseded 05/01/13) is amended to read:

717 **63I-1-263 (Superseded 05/01/13). Repeal dates, Titles 63A to 63M.**

718 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to
719 any public school district which chooses to participate, is repealed July 1, 2016.

720 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

721 (3) Section 63C-8-106, rural residency training program, is repealed July 1, 2015.

722 [~~(4) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is~~
723 ~~repealed July 1, 2014.~~]

724 [~~(5)~~ (4) Subsection 63G-6-502(5)(b)(ii) authorizing certain transportation agencies to
725 award a contract for a design-build transportation project in certain circumstances, is repealed
726 July 1, 2015.

727 [~~(6)~~ (5) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
728 July 1, 2020.

729 [~~(7)~~ (6) The Resource Development Coordinating Committee, created in Section
730 63J-4-501, is repealed July 1, 2015.

731 [~~(8)~~ (7) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

732 [~~(9)~~ (8) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act,
733 is repealed January 1, 2021.

734 (b) Subject to Subsection [~~(9)~~ (8)(c), Sections 59-7-610 and 59-10-1007 regarding tax
735 credits for certain persons in recycling market development zones, are repealed for taxable
736 years beginning on or after January 1, 2021.

737 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

738 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or

739 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

740 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
741 the expenditure is made on or after January 1, 2021.

742 (d) Notwithstanding Subsections [~~9~~] 8(b) and (c), a person may carry forward a tax
743 credit in accordance with Section 59-7-610 or 59-10-1007 if:

744 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

745 (ii) (A) for the purchase price of machinery or equipment described in Section
746 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
747 2020; or

748 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
749 expenditure is made on or before December 31, 2020.

750 [~~10~~] 9 (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

751 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

752 (A) direct the Health System Reform Task Force to evaluate the issues listed in
753 Subsection [~~10~~] 9(b)(ii), and by January 1, 2013 develop and recommend criteria for the
754 Legislature to use to negotiate the terms of the Health Care Compact; and

755 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the
756 member states that the Legislature determines are appropriate after considering the
757 recommendations of the Health System Reform Task Force.

758 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
759 Legislature regarding:

760 (A) the impact of the Supreme Court ruling on the Affordable Care Act;

761 (B) whether Utah is likely to be required to implement any part of the Affordable Care
762 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
763 in 2014;

764 (C) whether the compact's current funding formula, based on adjusted 2010 state
765 expenditures, is the best formula for Utah and other state compact members to use for
766 establishing the block grants from the federal government;

767 (D) whether the compact's calculation of current year inflation adjustment factor,
768 without consideration of the regional medical inflation rate in the current year, is adequate to
769 protect the state from increased costs associated with administering a state based Medicaid and

770 a state based Medicare program;

771 (E) whether the state has the flexibility it needs under the compact to implement and
772 fund state based initiatives, or whether the compact requires uniformity across member states
773 that does not benefit Utah;

774 (F) whether the state has the option under the compact to refuse to take over the federal
775 Medicare program;

776 (G) whether a state based Medicare program would provide better benefits to the
777 elderly and disabled citizens of the state than a federally run Medicare program;

778 (H) whether the state has the infrastructure necessary to implement and administer a
779 better state based Medicare program;

780 (I) whether the compact appropriately delegates policy decisions between the
781 legislative and executive branches of government regarding the development and
782 implementation of the compact with other states and the federal government; and

783 (J) the impact on public health activities, including communicable disease surveillance
784 and epidemiology.

785 [~~(H)~~] (10) The Crime Victim Reparations and Assistance Board, created in Section
786 63M-7-504, is repealed July 1, 2017.

787 [~~(H2)~~] (11) Title 63M, Chapter 9, Families, Agencies, and Communities Together for
788 Children and Youth At Risk Act, is repealed July 1, 2016.

789 [~~(H3)~~] (12) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
790 2017.

791 Section ~~§~~ → **[26] 21 ← §** . Section **63I-1-263 (Effective 05/01/13)** is amended to read:
792 **63I-1-263 (Effective 05/01/13). Repeal dates, Titles 63A to 63M.**

793 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to
794 any public school district which chooses to participate, is repealed July 1, 2016.

795 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

796 (3) Section 63C-8-106, rural residency training program, is repealed July 1, 2015.

797 [~~(4)~~] ~~Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is~~
798 ~~repealed July 1, 2014.~~]

799 [~~(5)~~] (4) Subsection 63G-6a-1402(7) authorizing certain transportation agencies to
800 award a contract for a design-build transportation project in certain circumstances, is repealed

801 July 1, 2015.

802 ~~[(6)]~~ (5) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
803 July 1, 2020.

804 ~~[(7)]~~ (6) The Resource Development Coordinating Committee, created in Section
805 63J-4-501, is repealed July 1, 2015.

806 ~~[(8)]~~ (7) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

807 ~~[(9)]~~ (8) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act,
808 is repealed January 1, 2021.

809 (b) Subject to Subsection ~~[(9)]~~ (8)(c), Sections 59-7-610 and 59-10-1007 regarding tax
810 credits for certain persons in recycling market development zones, are repealed for taxable
811 years beginning on or after January 1, 2021.

812 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

813 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
814 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

815 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
816 the expenditure is made on or after January 1, 2021.

817 (d) Notwithstanding Subsections ~~[(9)]~~ (8)(b) and (c), a person may carry forward a tax
818 credit in accordance with Section 59-7-610 or 59-10-1007 if:

819 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

820 (ii) (A) for the purchase price of machinery or equipment described in Section
821 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
822 2020; or

823 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
824 expenditure is made on or before December 31, 2020.

825 ~~[(10)]~~ (9) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

826 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

827 (A) direct the Health System Reform Task Force to evaluate the issues listed in
828 Subsection ~~[(10)]~~ (9)(b)(ii), and by January 1, 2013 develop and recommend criteria for the
829 Legislature to use to negotiate the terms of the Health Care Compact; and

830 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the
831 member states that the Legislature determines are appropriate after considering the

832 recommendations of the Health System Reform Task Force.

833 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
834 Legislature regarding:

835 (A) the impact of the Supreme Court ruling on the Affordable Care Act;

836 (B) whether Utah is likely to be required to implement any part of the Affordable Care
837 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
838 in 2014;

839 (C) whether the compact's current funding formula, based on adjusted 2010 state
840 expenditures, is the best formula for Utah and other state compact members to use for
841 establishing the block grants from the federal government;

842 (D) whether the compact's calculation of current year inflation adjustment factor,
843 without consideration of the regional medical inflation rate in the current year, is adequate to
844 protect the state from increased costs associated with administering a state based Medicaid and
845 a state based Medicare program;

846 (E) whether the state has the flexibility it needs under the compact to implement and
847 fund state based initiatives, or whether the compact requires uniformity across member states
848 that does not benefit Utah;

849 (F) whether the state has the option under the compact to refuse to take over the federal
850 Medicare program;

851 (G) whether a state based Medicare program would provide better benefits to the
852 elderly and disabled citizens of the state than a federally run Medicare program;

853 (H) whether the state has the infrastructure necessary to implement and administer a
854 better state based Medicare program;

855 (I) whether the compact appropriately delegates policy decisions between the
856 legislative and executive branches of government regarding the development and
857 implementation of the compact with other states and the federal government; and

858 (J) the impact on public health activities, including communicable disease surveillance
859 and epidemiology.

860 [~~(H)~~] (10) The Crime Victim Reparations and Assistance Board, created in Section
861 63M-7-504, is repealed July 1, 2017.

862 [~~(H)~~] (11) Title 63M, Chapter 9, Families, Agencies, and Communities Together for

863 Children and Youth At Risk Act, is repealed July 1, 2016.

864 ~~[(13)]~~ (12) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
865 2017.

866 Section ~~§~~ ~~→~~ [27] 22 ~~←~~ ~~§~~ . Section **63J-1-602.4** is amended to read:

867 **63J-1-602.4. List of nonlapsing funds and accounts -- Title 61 through Title 63M.**

868 (1) Funds paid to the Division of Real Estate for the cost of a criminal background
869 check for a mortgage loan license, as provided in Section 61-2c-202.

870 (2) Funds paid to the Division of Real Estate for the cost of a criminal background
871 check for principal broker, associate broker, and sales agent licenses, as provided in Section
872 61-2f-204.

873 (3) Certain funds donated to the Department of Human Services, as provided in
874 Section 62A-1-111.

875 (4) Certain funds donated to the Division of Child and Family Services, as provided in
876 Section 62A-4a-110.

877 (5) Appropriations from the Choose Life Adoption Support Restricted Account created
878 in Section 62A-4a-608.

879 (6) Appropriations to the Division of Services for People with Disabilities, as provided
880 in Section 62A-5-102.

881 (7) A portion of the funds appropriated to the Utah Seismic Safety Commission, as
882 provided in Section 63C-6-104.

883 (8) Funding for the Medical Education Program administered by the Medical
884 Education Council, as provided in Section 63C-8-102.

885 (9) Certain money payable for commission expenses of the Pete Suazo Utah Athletic
886 Commission, as provided under Section 63C-11-301.

887 (10) Funds appropriated or collected for publishing the Division of Administrative
888 Rules' publications, as provided in Section 63G-3-402.

889 (11) The Immigration Act Restricted Account created in Section 63G-12-103.

890 (12) Money received by the military installation development authority, as provided in
891 Section 63H-1-504.

892 (13) Money received by the prison land management authority, as provided in Section
893 63H-7-205.

894 [~~(13)~~] (14) The appropriation to fund the Governor's Office of Economic
 895 Development's Enterprise Zone Act ~~§~~→ [~~as provided in Section 63M-1-416~~] ←~~§~~ .
 896 [~~(14)~~] (15) The Motion Picture Incentive Account created in Section 63M-1-1803.
 897 [~~(15)~~] (16) Appropriations to the Utah Science Technology and Research Governing
 898 Authority, created under Section 63M-2-301, as provided under Section 63M-2-302.
 899 Section ~~§~~→ [28] 23 ←~~§~~ . Repealer.

900 This bill repeals:

901 Section 63C-13-101, Title.

902 Section 63C-13-102, Definitions.

903 Section 63C-13-103, Creation of Prison Relocation and Development Authority --
 904 Members.

905 Section 63C-13-104, Authority duties.

906 Section 63C-13-105, Authority staff and expenses.

907 Section 63C-13-106, No effect on local land use authority.

908 Section ~~§~~→ [29] 24 ←~~§~~ . Effective date.

909 If approved by two-thirds of all the members elected to each house, this bill takes effect
 910 upon approval by the governor, or the day following the constitutional time limit of Utah
 911 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
 912 the date of veto override.

913 Section ~~§~~→ [30] 25 ←~~§~~ . Revisor instructions.

914 The Legislature intends that the Office of Legislative Research and General Counsel, in
 915 preparing the Utah Code database for publication, revise Subsection 63H-7-301(7) to read:

916 (1) if the actual effective date of this bill is March 25, 2013 or earlier, "(7) The board
 917 shall hold its first meeting no later than April 15, 2013."; or

918 (2) if the actual effective date of this bill is after March 25, 2013, "(7) The board shall
 919 hold its first meeting no later than June 15, 2013."