

Representative Gage Froerer proposes the following substitute bill:

REVENUE BOND AND CAPITAL FACILITIES

AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: Wayne A. Harper

LONG TITLE

General Description:

This bill repeals an existing revenue bond authorization, authorizes certain state agencies and institutions to issue revenue bonds, and authorizes or amends the authorization for the lease-purchase, construction, or renovation of capital facilities using agency, institutional, or donated funds.

Highlighted Provisions:

This bill:

- ▶ repeals a revenue bond authorization for the State Building Ownership Authority to issue or execute obligations or enter into or arrange for a lease-purchase agreement to provide up to \$10,500,000 for the construction of a multipurpose building for the state fair park that has not been issued;

- ▶ increases the planning, design, and construction or renovation authorizations and maximum square footage of the following, provided that only agency, institutional, or donated funds are used:

- for a Center for the Arts at Southern Utah University, increases the authorization by \$5,000,000;

- for a Science and Technology Building at Utah State University Tooele,



26 increases the authorization by \$1,800,000; and
27 • for a Drivers License Building in Price, increases the authorization by \$228,000;
28 ▶ authorizes the State Building Ownership Authority to issue \$744,800 in revenue
29 bonds for an Agriculture Laboratory Building in Nephi and authorizes the
30 department to use state funds for operation or maintenance costs or capital
31 improvements;
32 ▶ authorizes the State Board of Regents to issue revenue bonds for the following:
33 • \$45,238,000 for constructing the Lassonde Living Center at the University of
34 Utah; and
35 • \$32,000,000 for the replacement of utility distribution infrastructure at the
36 University of Utah;
37 ▶ provides a prohibition on using state funding for operations and maintenance and
38 capital improvement costs for the Lassonde Living Center at the University of Utah;
39 ▶ provides that until July 1, 2024, the Utah State Building Board shall annually
40 allocate up to \$1,500,000 of the capital improvements funding allocation given to
41 the University of Utah to be used to pay the debt service on the bond authorized for
42 the replacement of utility distribution infrastructure at the University of Utah;
43 ▶ authorizes the planning, design, and construction or renovation of the following,
44 provided that only agency, institutional, or donated funds are used:
45 • for an expansion and renovation of the Alumni House at the University of Utah
46 at a cost of \$10,000,000, and prohibits the use of state funds for operation and
47 maintenance and capital improvement costs of the building; and
48 • for a Communications and Driver License Building at the Department of Public
49 Safety in Vernal at a cost of up to \$875,000, and authorizes the use of state
50 funds for operation and maintenance and capital improvement costs of the
51 building; and
52 ▶ authorizes the Mountainland Applied Technology Campus of the Utah College of
53 Applied Technology to use up to \$10,683,000 of existing and institutional funds to
54 enter into a lease-purchase agreement for a Technology Trades Building for the
55 Mountainland Applied Technology College at the Lehi Campus and prohibits the
56 college from requesting state funds for operation and maintenance costs or capital

57 improvements during the term of the lease-purchase agreement.

58 **Money Appropriated in this Bill:**

59 None

60 **Other Special Clauses:**

61 None

62 **Utah Code Sections Affected:**

63 AMENDS:

64 **63A-5-104**, as last amended by Laws of Utah 2013, Chapters 250 and 409

65 **63B-22-201**, as enacted by Laws of Utah 2013, Chapter 409

66 **63I-1-263**, as last amended by Laws of Utah 2013, Chapters 28, 62, 101, 167, 250, and

67 413

68 ENACTS:

69 **63B-23-101**, Utah Code Annotated 1953

70 **63B-23-102**, Utah Code Annotated 1953

71 **63B-23-201**, Utah Code Annotated 1953

72 **63B-23-301**, Utah Code Annotated 1953

73 REPEALS:

74 **63B-9-102**, as last amended by Laws of Utah 2008, Chapter 382



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

77 Section 1. Section **63A-5-104** is amended to read:

78 **63A-5-104. Definitions -- Capital development and capital improvement process**

79 **-- Approval requirements -- Limitations on new projects -- Emergencies.**

80 (1) As used in this section:

81 (a) "Capital developments" means a:

82 (i) remodeling, site, or utility project with a total cost of \$2,500,000 or more;

83 (ii) new facility with a construction cost of \$500,000 or more; or

84 (iii) purchase of real property where an appropriation is requested to fund the purchase.

85 (b) "Capital improvements" means a:

86 (i) remodeling, alteration, replacement, or repair project with a total cost of less than

87 \$2,500,000;

88 (ii) site and utility improvement with a total cost of less than \$2,500,000; or

89 (iii) new facility with a total construction cost of less than \$500,000.

90 (c) (i) "New facility" means the construction of a new building on state property
91 regardless of funding source.

92 (ii) "New facility" includes:

93 (A) an addition to an existing building; and

94 (B) the enclosure of space that was not previously fully enclosed.

95 (iii) "New facility" does not mean:

96 (A) the replacement of state-owned space that is demolished or that is otherwise
97 removed from state use, if the total construction cost of the replacement space is less than
98 \$2,500,000; or

99 (B) the construction of facilities that do not fully enclose a space.

100 (d) "Replacement cost of existing state facilities" means the replacement cost, as
101 determined by the Division of Risk Management, of state facilities, excluding auxiliary
102 facilities as defined by the State Building Board.

103 (e) "State funds" means public money appropriated by the Legislature.

104 (2) The State Building Board, on behalf of all state agencies, commissions,
105 departments, and institutions shall submit its capital development recommendations and
106 priorities to the Legislature for approval and prioritization.

107 (3) (a) Except as provided in Subsections (3)(b), (d), and (e), a capital development
108 project may not be constructed on state property without legislative approval.

109 (b) Legislative approval is not required for a capital development project that consists
110 of the design or construction of a new facility if the State Building Board determines that:

111 (i) the requesting state agency, commission, department, or institution has provided
112 adequate assurance that:

113 (A) state funds will not be used for the design or construction of the facility; and

114 (B) the state agency, commission, department, or institution has a plan for funding in
115 place that will not require increased state funding to cover the cost of operations and
116 maintenance to, or state funding for, immediate or future capital improvements to the resulting
117 facility; and

118 (ii) the use of the state property is:

- 119 (A) appropriate and consistent with the master plan for the property; and
120 (B) will not create an adverse impact on the state.
- 121 (c) (i) The Division of Facilities Construction and Management shall maintain a record
122 of facilities constructed under the exemption provided in Subsection (3)(b).
- 123 (ii) For facilities constructed under the exemption provided in Subsection (3)(b), a state
124 agency, commission, department, or institution may not request:
- 125 (A) increased state funds for operations and maintenance; or
126 (B) state capital improvement funding.
- 127 (d) Legislative approval is not required for:
- 128 (i) the renovation, remodeling, or retrofitting of an existing facility with nonstate funds
129 that has been approved by the State Building Board;
- 130 (ii) a facility to be built with nonstate funds and owned by nonstate entities within
131 research park areas at the University of Utah and Utah State University;
- 132 (iii) a facility to be built at This is the Place State Park by This is the Place Foundation
133 with funds of the foundation, including grant money from the state, or with donated services or
134 materials;
- 135 (iv) a capital project that:
- 136 (A) is funded by:
- 137 (I) the Uintah Basin Revitalization Fund; or
138 (II) the Navajo Revitalization Fund; and
- 139 (B) does not provide a new facility for a state agency or higher education institution; or
140 (v) a capital project on school and institutional trust lands that is funded by the School
141 and Institutional Trust Lands Administration from the Land Grant Management Fund and that
142 does not fund construction of a new facility for a state agency or higher education institution.
- 143 (e) (i) Legislative approval is not required for capital development projects to be built
144 for the Department of Transportation:
- 145 (A) as a result of an exchange of real property under Section [72-5-111](#); or
146 (B) as a result of a sale or exchange of real property from a maintenance facility if the
147 real property is exchanged for, or the proceeds from the sale of the real property are used for,
148 another maintenance facility, including improvements for a maintenance facility and real
149 property.

150 (ii) When the Department of Transportation approves a sale or exchange under
151 Subsection (3)(e), it shall notify the president of the Senate, the speaker of the House, and the
152 cochairs of the Infrastructure and General Government Appropriations Subcommittee of the
153 Legislature's Joint Appropriation Committee about any new facilities to be built or improved
154 under this exemption.

155 (4) (a) (i) The State Building Board, on behalf of all state agencies, commissions,
156 departments, and institutions shall by January 15 of each year, submit a list of anticipated
157 capital improvement requirements to the Legislature for review and approval.

158 (ii) The list shall identify:

159 (A) a single project that costs more than \$1,000,000;

160 (B) multiple projects within a single building or facility that collectively cost more than
161 \$1,000,000;

162 (C) a single project that will be constructed over multiple years with a yearly cost of
163 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

164 (D) multiple projects within a single building or facility with a yearly cost of
165 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

166 (E) a single project previously reported to the Legislature as a capital improvement
167 project under \$1,000,000 that, because of an increase in costs or scope of work, will now cost
168 more than \$1,000,000; and

169 (F) multiple projects within a single building or facility previously reported to the
170 Legislature as a capital improvement project under \$1,000,000 that, because of an increase in
171 costs or scope of work, will now cost more than \$1,000,000.

172 (b) Unless otherwise directed by the Legislature, the State Building Board shall
173 prioritize capital improvements from the list submitted to the Legislature up to the level of
174 appropriation made by the Legislature.

175 (c) In prioritizing capital improvements, the State Building Board shall consider the
176 results of facility evaluations completed by an architect/engineer as stipulated by the building
177 board's facilities maintenance standards.

178 (d) Beginning on July 1, 2013, in prioritizing capital improvements, the State Building
179 Board shall allocate at least 80% of the funds that the Legislature appropriates for capital
180 improvements to:

- 181 (i) projects that address:
- 182 (A) a structural issue;
- 183 (B) fire safety;
- 184 (C) a code violation; or
- 185 (D) any issue that impacts health and safety;
- 186 (ii) projects that upgrade:
- 187 (A) an HVAC system;
- 188 (B) an electrical system;
- 189 (C) essential equipment;
- 190 (D) an essential building component; or
- 191 (E) infrastructure, including a utility tunnel, water line, gas line, sewer line, roof,
- 192 parking lot, or road; or
- 193 (iii) projects that demolish and replace an existing building that is in extensive
- 194 disrepair and cannot be fixed by repair or maintenance.
- 195 (e) Beginning on July 1, 2013, in prioritizing capital improvements, the State Building
- 196 Board shall allocate no more than 20% of the funds that the Legislature appropriates for capital
- 197 improvements to:
- 198 (i) remodeling and aesthetic upgrades to meet state programmatic needs; or
- 199 (ii) construct an addition to an existing building or facility.
- 200 (f) The State Building Board may require an entity that benefits from a capital
- 201 improvement project to repay the capital improvement funds from savings that result from the
- 202 project.
- 203 (g) The State Building Board may provide capital improvement funding to a single
- 204 project, or to multiple projects within a single building or facility, even if the total cost of the
- 205 project or multiple projects is \$2,500,000 or more, if:
- 206 (i) the capital improvement project or multiple projects require more than one year to
- 207 complete; and
- 208 (ii) the Legislature has affirmatively authorized the capital improvement project or
- 209 multiple projects to be funded in phases.
- 210 (h) In prioritizing and allocating capital improvement funding, the State Building
- 211 Board shall comply with the requirement in Subsection [63B-23-102\(2\)\(f\)](#).

212 (5) The Legislature may authorize:

213 (a) the total square feet to be occupied by each state agency; and

214 (b) the total square feet and total cost of lease space for each agency.

215 (6) If construction of a new building or facility will be paid for by nonstate funds, but
216 will require an immediate or future increase in state funding for operations and maintenance or
217 for capital improvements, the Legislature may not authorize the new building or facility until
218 the Legislature appropriates funds for:

219 (a) the portion of operations and maintenance, if any, that will require an immediate or
220 future increase in state funding; and

221 (b) the portion of capital improvements, if any, that will require an immediate or future
222 increase in state funding.

223 (7) (a) Except as provided in Subsection (7)(b) or (c), the Legislature may not fund the
224 design or construction of any new capital development projects, except to complete the funding
225 of projects for which partial funding has been previously provided, until the Legislature has
226 appropriated 1.1% of the replacement cost of existing state facilities to capital improvements.

227 (b) (i) As used in this Subsection (7)(b):

228 (A) "Education Fund budget deficit" is as defined in Section [63J-1-312](#); and

229 (B) "General Fund budget deficit" is as defined in Section [63J-1-312](#).

230 (ii) If the Legislature determines that an Education Fund budget deficit or a General
231 Fund budget deficit exists, the Legislature may, in eliminating the deficit, reduce the amount
232 appropriated to capital improvements to 0.9% of the replacement cost of state buildings.

233 (c) (i) The requirements under Subsections (6)(a) and (b) do not apply to the 2008-09,
234 2009-10, 2010-11, 2011-12, and 2012-13 fiscal years.

235 (ii) For the 2013-14 fiscal year, the amount appropriated to capital improvements shall
236 be reduced to 0.9% of the replacement cost of state facilities.

237 (8) (a) If, after approval of capital development and capital improvement priorities by
238 the Legislature under this section, emergencies arise that create unforeseen critical capital
239 improvement projects, the State Building Board may, notwithstanding the requirements of Title
240 63J, Chapter 1, Budgetary Procedures Act, reallocate capital improvement funds to address
241 those projects.

242 (b) The State Building Board shall report any changes it makes in capital improvement

243 allocations approved by the Legislature to:

244 (i) the Office of Legislative Fiscal Analyst within 30 days of the reallocation; and

245 (ii) the Legislature at its next annual general session.

246 (9) (a) The State Building Board may adopt a rule allocating to institutions and

247 agencies their proportionate share of capital improvement funding.

248 (b) The State Building Board shall ensure that the rule:

249 (i) reserves funds for the Division of Facilities Construction and Management for
250 emergency projects; and

251 (ii) allows the delegation of projects to some institutions and agencies with the
252 requirement that a report of expenditures will be filed annually with the Division of Facilities
253 Construction and Management and appropriate governing bodies.

254 (10) It is the intent of the Legislature that in funding capital improvement requirements
255 under this section the General Fund be considered as a funding source for at least half of those
256 costs.

257 (11) (a) Subject to Subsection (11)(b), at least 80% of the state funds appropriated for
258 capital improvements shall be used for maintenance or repair of the existing building or
259 facility.

260 (b) The State Building Board may modify the requirement described in Subsection
261 (11)(a) if the State Building Board determines that a different allocation of capital
262 improvements funds is in the best interest of the state.

263 Section 2. Section **63B-22-201** is amended to read:

264 **63B-22-201. Authorizations to design and construct capital facilities using**
265 **institutional or agency funds.**

266 (1) The Legislature intends that:

267 (a) Southern Utah University may, subject to requirements in Title 63A, Chapter 5,
268 State Building Board - Division of Facilities Construction and Management, use up to
269 [~~\$30,000,000~~] \$35,000,000 in donations and institutional funds to plan, design, and construct a
270 Center for the Arts with up to [~~80,490~~] 110,000 square feet;

271 (b) no state funds be used for any portion of this project; and

272 (c) the university may not request state funds for operation and maintenance costs or
273 capital improvements.

274 (2) The Legislature intends that:

275 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
276 Building Board - Division of Facilities Construction and Management, use up to \$11,040,000
277 in donations and institutional funds to plan, design, and construct a Renovation and Addition of
278 Phase II of the Kennecott Building with up to 40,700 new square feet;

279 (b) no state funds be used for any portion of this project; and

280 (c) the university may use state funds for operation and maintenance costs or capital
281 improvements.

282 (3) The Legislature intends that:

283 (a) Utah State University may, subject to requirements in Title 63A, Chapter 5, State
284 Building Board - Division of Facilities Construction and Management, use up to [~~\$8,000,000~~]
285 \$9,800,000 in donations and institutional funds to plan, design, and construct a Science and
286 Technology Building at Utah State University Tooele with up to [~~26,000~~] 33,000 square feet;

287 (b) no state funds be used for any portion of this project; and

288 (c) the university may use state funds for operation and maintenance costs or capital
289 improvements.

290 (4) The Legislature intends that:

291 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
292 5, State Building Board - Division of Facilities Construction and Management, use up to
293 [~~\$1,277,000~~] \$1,505,000 in nonlapsing balances to plan, design, and construct a Drivers
294 License Building in Price with up to [~~7,000~~] 7,500 square feet;

295 (b) no state funds be used for any portion of this project; and

296 (c) the department may use state funds for operation and maintenance costs or capital
297 improvements.

298 Section 3. Section **63B-23-101** is enacted to read:

299 **CHAPTER 23. 2014 BONDING AND FINANCING AUTHORIZATIONS**

300 **Part 1. 2014 Revenue Bond Authorizations**

301 **63B-23-101. Revenue bond authorizations -- State Building Ownership Authority.**

302 The Legislature intends that:

303 (1) the State Building Ownership Authority, under the authority of Title 63B, Chapter
304 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

305 into or arrange for a lease-purchase agreement in which participation interests may be created,
306 to provide up to \$744,800 for the construction of an Agriculture Laboratory Building in Nephi
307 with up to 3,500 square feet, together with amounts necessary to pay costs of issuance, pay
308 capitalized interest, and fund any debt service reserve requirements;

309 (2) the Department of Agriculture use existing lease budgets as the primary revenue
310 source for repayment of any obligation created under authority of this section; and

311 (3) the department may use state funds for operation and maintenance costs or capital
312 improvements.

313 Section 4. Section **63B-23-102** is enacted to read:

314 **63B-23-102. Revenue bond authorizations -- Board of Regents.**

315 (1) The Legislature intends that:

316 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
317 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
318 money on the credit, revenues, and reserves of the university, other than appropriations of the
319 Legislature, to finance the cost of constructing the Lassonde Living Center;

320 (b) the University of Utah use student fees and rents as the primary revenue sources for
321 repayment of any obligation created under authority of this Subsection (1);

322 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
323 this Subsection (1) is \$45,238,000, together with other amounts necessary to pay costs of
324 issuance, pay capitalized interest, and fund any debt service reserve requirements;

325 (d) the university shall plan, design, and construct the Lassonde Living Center subject
326 to the requirements of Title 63A, Chapter 5, State Building Board - Division of Facilities
327 Construction and Management; and

328 (e) the university may not request state funds for operation and maintenance costs or
329 capital improvements.

330 (2) The Legislature intends that:

331 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
332 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
333 money on the credit, revenues, and reserves of the university, except as provided in Subsection
334 (2)(f), other than appropriations of the Legislature, to finance the cost of replacing the
335 University of Utah's utility distribution infrastructure;

336 (b) the University of Utah impose a power bill surcharge as the primary revenue source
337 for the repayment of any obligation created under authority of this Subsection (2);

338 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
339 this Subsection (2) is \$32,000,000 together with other amounts necessary to pay costs of
340 issuance, pay capitalized interest, and fund any debt service reserve requirements;

341 (d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2)
342 may not mature later than 10 years after the date of issuance;

343 (e) the university shall plan, design, and construct the University of Utah's replacement
344 utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5, State
345 Building Board - Division of Facilities Construction and Management; and

346 (f) until July 1, 2024, the Utah State Building Board annually allocate up to \$1,500,000
347 of the capital improvement funding allocation given to the University of Utah under Section
348 63A-5-104 to be used to pay the debt service on the bonds authorized under this Subsection
349 (2).

350 Section 5. Section **63B-23-201** is enacted to read:

351 **Part 2. 2014 Capital Facility Design and Construction Authorizations**
352 **63B-23-201. Authorizations to design and construct capital facilities using**
353 **institutional or agency funds.**

354 (1) The Legislature intends that:

355 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
356 Building Board - Division of Facilities Construction and Management, use up to \$10,000,000
357 in donations and institutional funds to plan, design, and construct an expansion and renovation
358 of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;

359 (b) the university may not use state funds for any portion of this project; and

360 (c) the university may not use state funds for operation and maintenance costs or
361 capital improvements.

362 (2) The Legislature intends that:

363 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
364 5, State Building Board - Division of Facilities Construction and Management, use up to
365 \$875,000 in nonlapsing balances to plan, design, and construct a Communications and Drivers
366 License Building in Vernal with up to 3,500 square feet;

- 367 (b) the department may not use state funds for any portion of this project; and
- 368 (c) the department may use state funds for operation and maintenance costs or capital
- 369 improvements.

370 Section 6. Section **63B-23-301** is enacted to read:

371 **Part 3. 2014 Lease-Purchase Authorizations**

372 **63B-23-301. Lease-purchase authorizations.**

373 The Legislature intends that:

374 (1) the Mountainland Applied Technology Campus of the Utah College of Applied
375 Technology, subject to requirements in Title 63A, Chapter 5, State Building Board - Division
376 of Facilities Construction and Management, use up to \$10,683,000 of existing and institutional
377 funds to enter into a lease-purchase agreement to plan, design, and construct a Technology
378 Trades Building for the Mountainland Applied Technology College at the Lehi Campus with
379 up to 40,500 square feet; and

380 (2) the college may not request state funds for operation and maintenance costs or
381 capital improvements during the term of the lease-purchase agreement.

382 Section 7. Section **63I-1-263** is amended to read:

383 **63I-1-263. Repeal dates, Titles 63A to 63M.**

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

386 (2) Subsections **63A-5-104(4)(d)** and (e) are repealed on July 1, 2014.

387 (3) Subsection **63A-4-104(4)(h)** is repealed on July 1, 2024.

388 [~~3~~] (4) Section **63A-5-603**, State Facility Energy Efficiency Fund, is repealed July 1,
389 2016.

390 [~~4~~] (5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed
391 July 1, 2018.

392 [~~5~~] (6) Section **53B-24-402**, rural residency training program, is repealed July 1,
393 2015.

394 [~~6~~] (7) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is
395 repealed July 1, 2014.

396 [~~7~~] (8) Title 63C, Chapter 14, Federal Funds Commission, is repealed July 1, 2018.

397 [~~8~~] (9) Subsection **63G-6a-1402(7)** authorizing certain transportation agencies to

398 award a contract for a design-build transportation project in certain circumstances, is repealed
399 July 1, 2015.

400 ~~[(9)]~~ (10) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
401 July 1, 2020.

402 ~~[(10)]~~ (11) The Resource Development Coordinating Committee, created in Section
403 63J-4-501, is repealed July 1, 2015.

404 ~~[(11)]~~ (12) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

405 ~~[(12)]~~ (13) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone
406 Act, is repealed January 1, 2021.

407 (b) Subject to Subsection ~~[(12)]~~ (13)(c), Sections 59-7-610 and 59-10-1007 regarding
408 tax credits for certain persons in recycling market development zones, are repealed for taxable
409 years beginning on or after January 1, 2021.

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

411 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
412 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

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

415 (d) Notwithstanding Subsections ~~[(12)]~~ (13)(b) and (c), a person may carry forward a
416 tax credit in accordance with Section 59-7-610 or 59-10-1007 if:

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

418 (ii) (A) for the purchase price of machinery or equipment described in Section
419 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
420 2020; or

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

423 ~~[(13)]~~ (14) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

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

425 (A) direct the Health System Reform Task Force to evaluate the issues listed in
426 Subsection ~~[(13)]~~ (14)(b)(ii), and by January 1, 2013, develop and recommend criteria for the
427 Legislature to use to negotiate the terms of the Health Care Compact; and

428 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the

429 member states that the Legislature determines are appropriate after considering the
430 recommendations of the Health System Reform Task Force.

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

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

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

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

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

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

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

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

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

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

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

458 [~~(14)~~] (15) The Crime Victim Reparations and Assistance Board, created in Section
459 [63M-7-504](#), is repealed July 1, 2017.

460 [~~15~~] (16) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
461 2017.

462 Section 8. **Repealer.**

463 This bill repeals:

464 Section **63B-9-102**, **State Building Ownership Authority revenue bond**
465 **authorizations.**