

1 **STATE AGENCY REPORTING AMENDMENTS**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Aaron Osmond**

5 House Sponsor: Rebecca P. Edwards

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies Title 9, Heritage, Arts, Libraries, and Cultural Development; Title
10 35A, Utah Workforce Services Code; and Title 63M, Chapter 1, Governor's Office of
11 Economic Development, by amending annual agency reporting provisions.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ describes annual written reporting requirements for the Department of Heritage and
15 Arts, the Department of Workforce Services, and the Governor's Office of
16 Economic Development;

17 ▶ eliminates separate reports to certain legislative committees and instead requires
18 that the information from those reports be included in an annual written report
19 prepared by the Department of Heritage and Arts, the Department of Workforce
20 Services, or the Governor's Office of Economic Development; and

21 ▶ makes technical changes.

22 **Money Appropriated in this Bill:**

23 None

24 **Other Special Clauses:**

25 None

26 **Utah Code Sections Affected:**

27 AMENDS:

28 **9-1-201**, as last amended by Laws of Utah 2013, Chapter 255

29 **9-7-217**, as last amended by Laws of Utah 2012, Chapter 246

- 30 **9-9-107**, as last amended by Laws of Utah 2013, Chapter 255
- 31 **9-9-405**, as last amended by Laws of Utah 2013, Chapters 203 and 255
- 32 **35A-1-201**, as last amended by Laws of Utah 2013, Chapter 255
- 33 **35A-1-206**, as last amended by Laws of Utah 2013, Chapter 255
- 34 **35A-3-116**, as last amended by Laws of Utah 2013, Chapters 354 and 400
- 35 **35A-3-203**, as last amended by Laws of Utah 2012, Chapters 212 and 246
- 36 **35A-3-206**, as last amended by Laws of Utah 2013, Chapter 400
- 37 **35A-3-313**, as last amended by Laws of Utah 2012, Chapter 246
- 38 **35A-4-403**, as last amended by Laws of Utah 2013, Chapter 315
- 39 **35A-8-307**, as last amended by Laws of Utah 2013, Chapter 255
- 40 **35A-8-508**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and
- 41 amended by Laws of Utah 2012, Chapter 212
- 42 **35A-8-602**, as last amended by Laws of Utah 2012, Chapter 242 and renumbered and
- 43 amended by Laws of Utah 2012, Chapter 212
- 44 **35A-8-721**, as last amended by Laws of Utah 2013, Chapter 255
- 45 **35A-8-804**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and
- 46 amended by Laws of Utah 2012, Chapter 212
- 47 **35A-8-1203**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and
- 48 amended by Laws of Utah 2012, Chapter 212
- 49 **35A-8-1607**, as last amended by Laws of Utah 2013, Chapter 255
- 50 **35A-8-1708**, as last amended by Laws of Utah 2013, Chapter 255
- 51 **35A-9-201**, as last amended by Laws of Utah 2013, Chapter 255
- 52 **35A-9-305**, as enacted by Laws of Utah 2013, Chapter 59
- 53 **63I-4a-203**, as renumbered and amended by Laws of Utah 2013, Chapter 325
- 54 **63M-1-201**, as last amended by Laws of Utah 2013, Chapter 255
- 55 **63M-1-403**, as last amended by Laws of Utah 2012, Chapter 246
- 56 **63M-1-605**, as last amended by Laws of Utah 2013, Chapter 255
- 57 **63M-1-704**, as last amended by Laws of Utah 2011, Chapter 392

- 58 **63M-1-904**, as last amended by Laws of Utah 2012, Chapters 18 and 246
- 59 **63M-1-1103**, as last amended by Laws of Utah 2012, Chapter 246
- 60 **63M-1-1206**, as last amended by Laws of Utah 2012, Chapter 242
- 61 **63M-1-1304**, as last amended by Laws of Utah 2013, Chapter 255
- 62 **63M-1-1404**, as last amended by Laws of Utah 2013, Chapter 255
- 63 **63M-1-1606**, as last amended by Laws of Utah 2013, Chapter 255
- 64 **63M-1-1805**, as last amended by Laws of Utah 2013, Chapter 255
- 65 **63M-1-1901**, as last amended by Laws of Utah 2013, Chapter 255
- 66 **63M-1-2006**, as last amended by Laws of Utah 2012, Chapter 246
- 67 **63M-1-2406**, as last amended by Laws of Utah 2013, Chapters 255 and 392
- 68 **63M-1-2504**, as last amended by Laws of Utah 2013, Chapter 255
- 69 **63M-1-2704**, as last amended by Laws of Utah 2012, Chapter 246
- 70 **63M-1-2910**, as last amended by Laws of Utah 2012, Chapters 246 and 423
- 71 **63M-1-3105**, as last amended by Laws of Utah 2013, Chapter 255
- 72 **63M-1-3207**, as enacted by Laws of Utah 2013, Chapter 336

73 ENACTS:

- 74 **9-1-208**, Utah Code Annotated 1953
- 75 **35A-1-109**, Utah Code Annotated 1953
- 76 **63M-1-206**, Utah Code Annotated 1953

77 REPEALS AND REENACTS:

- 78 **63M-1-3306**, as enacted by Laws of Utah 2013, Chapter 25

79 REPEALS:

- 80 **35A-8-1802**, as enacted by Laws of Utah 2012, Chapter 212



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

83 Section 1. Section **9-1-201** is amended to read:

84 **9-1-201. Department of Heritage and Arts -- Creation -- Powers and duties.**

85 (1) There is created the Department of Heritage and Arts.

- 86 (2) The department shall:
- 87 (a) be responsible for preserving and promoting the heritage of the state, the arts in the
- 88 state, and cultural development within the state;
- 89 (b) perform heritage, arts, and cultural development planning for the state;
- 90 (c) coordinate the program plans of the various divisions within the department;
- 91 (d) administer and coordinate all state or federal grant programs which are, or become,
- 92 available for heritage, arts, and cultural development;
- 93 (e) administer any other programs over which the department is given administrative
- 94 supervision by the governor;
- 95 (f) submit~~[, before November 1,]~~ an annual written report to the governor and the
- 96 Legislature as described in Section 9-1-208; and
- 97 (g) perform any other duties as provided by the Legislature.
- 98 (3) The department may solicit and accept contributions of money, services, and
- 99 facilities from any other sources, public or private, but may not use those contributions for
- 100 publicizing the exclusive interest of the donor.
- 101 (4) Money received under Subsection (3) shall be deposited in the General Fund as
- 102 restricted revenues of the department.

103 Section 2. Section **9-1-208** is enacted to read:

104 **9-1-208. Annual report -- Content -- Format.**

105 (1) The department shall prepare and submit to the governor and the Legislature, by

106 October 1 of each year, an annual written report of the operations, activities, programs, and

107 services of the department, including its divisions, offices, boards, commissions, councils, and

108 committees, for the preceding fiscal year.

109 (2) For each operation, activity, program, or service provided by the department, the

110 annual report shall include:

111 (a) a description of the operation, activity, program, or service;

112 (b) data selected and used by the department to measure progress, performance, and

113 scope of the operation, activity, program, or service, including summary data;

114 (c) budget data, including the amount and source of funding, expenses, and allocation
115 of full-time employees for the operation, activity, program, or service;

116 (d) historical data from previous years for comparison with data reported under
117 Subsections (2)(b) and (c);

118 (e) goals, challenges, and achievements related to the operation, activity, program, or
119 service;

120 (f) relevant federal and state statutory references and requirements;

121 (g) contact information of officials knowledgeable and responsible for each operation,
122 activity, program, or service; and

123 (h) other information determined by the department that:

124 (i) may be needed, useful, or of historical significance; or

125 (ii) promotes accountability and transparency for each operation, activity, program, or
126 service with the public and elected officials.

127 (3) The annual report shall be designed to provide clear, accurate, and accessible
128 information to the public, the governor, and the Legislature.

129 (4) The department shall:

130 (a) submit the annual report in accordance with Section [68-3-14](#); and

131 (b) make the annual report, and previous annual reports, accessible to the public by
132 placing a link to the reports on the department's website.

133 Section 3. Section **9-7-217** is amended to read:

134 **9-7-217. Reporting.**

135 The division shall [~~submit an annual written report to the Economic Development and~~
136 ~~Workforce Services Interim Committee before November 1 regarding~~] submit a report to the
137 department regarding the compliance of library boards with the provisions of Section [9-7-215](#)
138 for inclusion in the annual written report described in Section [9-1-208](#).

139 Section 4. Section **9-9-107** is amended to read:

140 **9-9-107. Division report.**

141 The [~~division shall submit, before November 1, an annual written~~] department shall

142 include a report of [its] the division's operations and recommendations [to:] in the annual
143 written report described in Section 9-1-208.

144 [~~(1) the department;~~]

145 [~~(2) the governor; and]~~

146 [~~(3) the Native American Legislative Liaison Committee created in Section 36-22-1.]~~

147 Section 5. Section **9-9-405** is amended to read:

148 **9-9-405. Review committee.**

149 (1) There is created a Native American Remains Review Committee.

150 (2) (a) The review committee shall be composed of seven members as follows:

151 (i) four Tribal members shall be appointed by the director from nominations submitted
152 by the elected officials of Indian Tribal Nations described in Subsection 9-9-104.5(2)(b); and

153 (ii) three shall be appointed by the director from nominations submitted by
154 representatives of Utah's repositories.

155 (b) A member appointed under Subsection (2)(a)(i) shall have familiarity and
156 experience with this part.

157 (c) (i) A member appointed under Subsection (2)(a)(i) serves at the will of the director,
158 and if the member represents an Indian Tribal Nation, at the will of that Indian Tribal Nation.
159 Removal of a member who represents an Indian Tribal Nation requires the joint decision of the
160 director and the Indian Tribal Nation.

161 (ii) A member appointed under Subsection (2)(a)(ii) serves at the will of the director,
162 and if the member represents a repository, at the will of the Division of State History. Removal
163 of a member who represents a repository requires the joint decision of the director and the
164 Division of State History.

165 (d) When a vacancy occurs in the membership for any reason, the director shall appoint
166 a replacement in the same manner as the original appointment under Subsection (2)(a).

167 (e) A member may not receive compensation or benefits for the member's service, but
168 may receive per diem and travel expenses in accordance with:

169 (i) Section 63A-3-106;

- 170 (ii) Section 63A-3-107; and
- 171 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 172 63A-3-107.
- 173 (f) The review committee shall designate one of its members as chair.
- 174 (3) The review committee shall:
 - 175 (a) monitor the identification process conducted under Section 9-9-403 to ensure a fair
 - 176 and objective consideration and assessment of all available relevant information and evidence;
 - 177 (b) review a finding relating to the following, subject to the rules made by the division
 - 178 under Subsection 9-9-403(6):
 - 179 (i) the identity or cultural affiliation of Native American remains; or
 - 180 (ii) the return of Native American remains;
 - 181 (c) facilitate the resolution of a dispute among Indian Tribal Nations or lineal
 - 182 descendants and state agencies relating to the return of Native American remains, including
 - 183 convening the parties to the dispute if considered desirable;
 - 184 (d) consult with Indian Tribal Nations on matters within the scope of the work of the
 - 185 review committee affecting these Indian Tribal Nations;
 - 186 (e) consult with the division in the development of rules to carry out this part;
 - 187 (f) perform other related functions as the division may assign to the review committee;
 - 188 and
 - 189 (g) make recommendations, if appropriate, regarding care of Native American remains
 - 190 that are to be repatriated.
 - 191 (4) A record or finding made by the review committee relating to the identity of or
 - 192 cultural affiliation of Native American remains and the return of Native American remains may
 - 193 be admissible in any action brought under this part.
 - 194 (5) The appropriate state agency having primary authority over the lands as provided in
 - 195 Chapter 8, Part 3, Antiquities, shall ensure that the review committee has reasonable access to:
 - 196 (a) Native American remains under review; and
 - 197 (b) associated scientific and historical documents.

198 (6) The division shall provide reasonable administrative and staff support necessary for
199 the deliberations of the review committee.

200 (7) The ~~[review committee shall submit, before November 1, an annual written report~~
201 ~~to the Native American Legislative Liaison Committee, created in Section 36-22-1, on]~~
202 department shall include in the annual written report described in Section 9-1-208, a
203 description of the progress made, and any barriers encountered, by the review committee in
204 implementing this section during the previous year.

205 Section 6. Section 35A-1-109 is enacted to read:

206 **35A-1-109. Annual report -- Content -- Format.**

207 (1) The department shall prepare and submit to the governor and the Legislature, by
208 October 1 of each year, an annual written report of the operations, activities, programs, and
209 services of the department, including its divisions, offices, boards, commissions, councils, and
210 committees, for the preceding fiscal year.

211 (2) For each operation, activity, program, or service provided by the department, the
212 annual report shall include:

213 (a) a description of the operation, activity, program, or service;

214 (b) data selected and used by the department to measure progress, performance, and
215 scope of the operation, activity, program, or service, including summary data;

216 (c) budget data, including the amount and source of funding, expenses, and allocation
217 of full-time employees for the operation, activity, program, or service;

218 (d) historical data from previous years for comparison with data reported under
219 Subsections (2)(b) and (c);

220 (e) goals, challenges, and achievements related to the operation, activity, program, or
221 service;

222 (f) relevant federal and state statutory references and requirements;

223 (g) contact information of officials knowledgeable and responsible for each operation,
224 activity, program, or service; and

225 (h) other information determined by the department that:

226 (i) may be needed, useful, or of historical significance; or
227 (ii) promotes accountability and transparency for each operation, activity, program, or
228 service with the public and elected officials.

229 (3) The annual report shall be designed to provide clear, accurate, and accessible
230 information to the public, the governor, and the Legislature.

231 (4) The department shall:

232 (a) submit the annual report in accordance with Section [68-3-14](#); and

233 (b) make the annual report, and previous annual reports, accessible to the public by
234 placing a link to the reports on the department's website.

235 Section 7. Section **35A-1-201** is amended to read:

236 **35A-1-201. Executive director -- Appointment -- Removal -- Compensation --**
237 **Qualifications -- Responsibilities -- Deputy directors.**

238 (1) (a) The chief administrative officer of the department is the executive director, who
239 is appointed by the governor with the consent of the Senate.

240 (b) The executive director serves at the pleasure of the governor.

241 (c) The executive director shall receive a salary established by the governor within the
242 salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

243 (d) The executive director shall be experienced in administration, management, and
244 coordination of complex organizations.

245 (2) The executive director shall:

246 (a) administer and supervise the department in compliance with Title 67, Chapter 19,
247 Utah State Personnel Management Act;

248 (b) supervise and coordinate between the economic service areas and directors created
249 under Chapter 2, Economic Service Areas;

250 (c) coordinate policies and program activities conducted through the divisions and
251 economic service areas of the department;

252 (d) approve the proposed budget of each division, the Workforce Appeals Board, and
253 each economic service area within the department;

254 (e) approve all applications for federal grants or assistance in support of any
255 department program; and

256 (f) fulfill such other duties as assigned by the Legislature or as assigned by the
257 governor that are not inconsistent with this title.

258 (3) The executive director may appoint deputy or assistant directors to assist the
259 executive director in carrying out the department’s responsibilities.

260 ~~[(4)(a) The executive director shall submit, before November 1, an annual written
261 report to the governor and the Legislature concerning the operations of the department and the
262 programs that the department administers.]~~

263 ~~[(b) If federal law requires that a report to the governor or Legislature be given
264 concerning the department or a program administered by the department, the executive director
265 or the executive director's designee shall make that report.]~~

266 [(5)] (4) The executive director shall at least annually provide for the sharing of
267 information between the advisory councils established under this title.

268 Section 8. Section 35A-1-206 is amended to read:

269 **35A-1-206. State Council on Workforce Services -- Appointment -- Membership**
270 **-- Terms of members -- Compensation.**

271 (1) There is created a State Council on Workforce Services that shall:

- 272 (a) perform the activities described in Subsection (8);
- 273 (b) advise on issues requested by the department and the Legislature; and
- 274 (c) make recommendations to the department regarding:

- 275 (i) the implementation of Chapters 2, Economic Service Areas, 3, Employment
276 Support Act, and 5, Training and Workforce Improvement Act; and
- 277 (ii) the coordination of apprenticeship training.

278 (2) (a) The council shall consist of the following voting members:

- 279 (i) a private sector representative from each economic service area as designated by the
280 economic service area director;
- 281 (ii) the superintendent of public instruction or the superintendent's designee;

282 (iii) the commissioner of higher education or the commissioner's designee; and

283 (iv) the following members appointed by the governor in consultation with the
284 executive director:

285 (A) four representatives of small employers as defined by rule by the department;

286 (B) four representatives of large employers as defined by rule by the department;

287 (C) four representatives of employees or employee organizations, including at least one
288 representative from nominees suggested by public employees organizations;

289 (D) two representatives of the clients served under this title including
290 community-based organizations;

291 (E) a representative of veterans in the state;

292 (F) the executive director of the Utah State Office of Rehabilitation; and

293 (G) the Applied Technology College president.

294 (b) The following shall serve as nonvoting ex officio members of the council:

295 (i) the executive director or the executive director's designee;

296 (ii) a legislator appointed by the governor from nominations of the speaker of the
297 House of Representatives and president of the Senate;

298 (iii) the executive director of the Department of Human Services;

299 (iv) the director of the Governor's Office of Economic Development or the director's
300 designee; and

301 (v) the executive director of the Department of Health.

302 (3) (a) The governor shall appoint one nongovernmental member from the council as
303 the chair of the council.

304 (b) The chair shall serve at the pleasure of the governor.

305 (4) (a) A member appointed by the governor shall serve a term of four years and may
306 be reappointed to one additional term.

307 (b) A member shall continue to serve until the member's successor has been appointed
308 and qualified.

309 (c) Except as provided in Subsection (4)(d), as terms of council members expire, the

310 governor shall appoint each new member or reappointed member to a four-year term.

311 (d) Notwithstanding the requirements of Subsection (4)(c), the governor shall, at the
312 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
313 council members are staggered so that approximately one half of the council is appointed every
314 two years.

315 (e) When a vacancy occurs in the membership for any reason, the replacement shall be
316 appointed for the unexpired term.

317 (5) A majority of the voting members constitutes a quorum for the transaction of
318 business.

319 (6) A member may not receive compensation or benefits for the member's service, but
320 may receive per diem and travel expenses in accordance with:

321 (a) Section [63A-3-106](#);

322 (b) Section [63A-3-107](#); and

323 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
324 [63A-3-107](#).

325 (7) The department shall provide staff and administrative support to the council at the
326 direction of the executive director.

327 (8) The council shall:

328 (a) develop a state workforce services plan in accordance with Section [35A-1-207](#);

329 (b) review economic service area plans to certify consistency with state policy
330 guidelines;

331 (c) improve the understanding and visibility of state workforce services efforts through
332 external and internal marketing strategies;

333 (d) ~~[submit, before November 1, an annual written report to the governor and the~~
334 ~~Legislature on]~~ include in the annual written report described in Section [35A-1-109](#),
335 information and accomplishments related to the activities of the department;

336 (e) issue other studies, reports, or documents the council considers advisable that are
337 not required under Subsection (8)(d);

338 (f) coordinate the planning and delivery of workforce development services with public
339 education, higher education, vocational rehabilitation, and human services; and

340 (g) perform other responsibilities within the scope of workforce services as requested
341 by:

342 (i) the Legislature;

343 (ii) the governor; or

344 (iii) the executive director.

345 Section 9. Section **35A-3-116** is amended to read:

346 **35A-3-116. Refugee services fund -- Use of money -- Committee and director**
347 **duties -- Restrictions.**

348 (1) There is created an expendable special revenue fund, known as the "Refugee
349 Services Fund."

350 (2) The director shall administer the fund with input from the department and any
351 advisory committee involved with the provision of refugee services within the department.

352 (3) (a) Money shall be deposited into the fund from legislative appropriations, federal
353 grants, private foundations, and individual donors.

354 (b) The director shall encourage a refugee who receives services funded under
355 Subsection (8) to be a donor to the fund when the refugee's financial situation improves
356 sufficiently to make a donation.

357 (4) Except for money restricted to a specific use under federal law or by a donor, the
358 director may not spend money from the fund without the input described in Subsection (2).

359 (5) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,
360 State Money Management Act, and all interest or other earnings derived from the fund money
361 shall be deposited in the fund.

362 (6) Money in the fund may not be used by the director for administrative expenses.

363 (7) If the department establishes a refugee services advisory committee referenced in
364 Subsection (2), the committee may:

365 (a) advise the director on refugee services needs in the state and on relevant operational

- 366 aspects of any grant or revenue collection program established under this part;
- 367 (b) recommend specific refugee projects to the director;
- 368 (c) recommend policies and procedures for administering the fund;
- 369 (d) make recommendations on grants made from the fund for refugee services activities
370 authorized under this section;
- 371 (e) advise the director on the criteria by which grants from the fund shall be made;
- 372 (f) recommend the order approved projects should be funded;
- 373 (g) make recommendations regarding the distribution of money from the fund in
374 accordance with federal or donor restrictions; and
- 375 (h) have joint responsibility to solicit public and private funding for the fund.
- 376 (8) The director may use fund money to:
- 377 (a) train an existing refugee organization to develop its capacity to operate
378 professionally and effectively and to become an independent, viable organization; or
- 379 (b) provide grants to refugee organizations and other entities identified in Subsection
380 (9) to assist them:
- 381 (i) with case management;
- 382 (ii) in meeting emergency housing needs for refugees;
- 383 (iii) in providing English language services;
- 384 (iv) in providing interpretive services;
- 385 (v) in finding and maintaining employment for refugees;
- 386 (vi) in collaborating with the state's public education system to improve the
387 involvement of refugee parents in assimilating their children into public schools;
- 388 (vii) in meeting the health and mental health needs of refugees;
- 389 (viii) in providing or arranging for child care services; or
- 390 (ix) in administering refugee services.
- 391 (9) The director, with the input described in Subsection (2), may grant fund money for
392 refugee services outlined in Subsection (8) through a request for proposal process to:
- 393 (a) local governments;

394 (b) nonprofit community, charitable, or neighborhood-based organizations or private
395 for-profit organizations involved with providing or arranging for the provision of refugee
396 services; or

397 (c) regional or statewide nonprofit organizations.

398 (10) (a) The director shall enter into a written agreement with each successful grant
399 applicant.

400 (b) The agreement shall include specific terms for each grant consistent with the
401 provisions of this section, including the structure, amount, and nature of the grant.

402 (11) The director shall monitor the activities of the recipients of grants issued from the
403 fund on an annual basis to ensure compliance with the terms and conditions imposed on the
404 recipient by the fund.

405 (12) The director shall require an entity that receives a grant under this section to
406 provide periodic accounting of how the money was used.

407 (13) [~~The director shall submit an annual written report to the Economic Development
408 and Workforce Services Interim Committee before November 1 regarding~~] As part of the
409 annual written report described in Section 35A-1-109, the director shall report the status of the
410 fund [and of], including programs and services funded by the fund.

411 Section 10. Section **35A-3-203** is amended to read:

412 **35A-3-203. Functions and duties of office -- Annual report.**

413 The office shall:

414 (1) assess critical child care needs throughout the state on an ongoing basis and focus
415 its activities on helping to meet the most critical needs;

416 (2) provide child care subsidy services for income-eligible children through age 12 and
417 for income-eligible children with disabilities through age 18;

418 (3) provide information:

419 (a) to employers for the development of options for child care in the work place; and

420 (b) for educating the public in obtaining quality child care;

421 (4) coordinate services for quality child care training and child care resource and

422 referral core services;

423 (5) apply for, accept, or expend gifts or donations from public or private sources;

424 (6) provide administrative support services to the committee;

425 (7) work collaboratively with the following for the delivery of quality child care and
426 early childhood programs, and school age programs throughout the state:

427 (a) the State Board of Education; and

428 (b) the Department of Health;

429 (8) research child care programs and public policy that will improve quality and
430 accessibility and that will further the purposes of the office and child care, early childhood
431 programs, and school age programs;

432 (9) provide planning and technical assistance for the development and implementation
433 of programs in communities that lack child care, early childhood programs, and school age
434 programs;

435 (10) provide organizational support for the establishment of nonprofit organizations
436 approved by the Child Care Advisory Committee, created in Section 35A-3-205; and

437 (11) [~~submit an annual written report to the Economic Development and Workforce~~
438 ~~Services Interim Committee before November 1 on~~] coordinate with the department to include
439 in the annual written report described in Section 35A-1-109 information regarding the status of
440 child care in Utah.

441 Section 11. Section 35A-3-206 is amended to read:

442 **35A-3-206. Child Care Fund -- Use of money -- Committee and director duties --**
443 **Restrictions.**

444 (1) There is created an expendable special revenue fund known as the "Child Care
445 Fund."

446 (2) The director of the office shall administer the fund under the direction of the
447 committee.

448 (3) (a) The office may form nonprofit corporations or foundations controlled by the
449 director of the office and the committee to aid and assist the office in attaining its charitable,

450 research, and educational objectives.

451 (b) The nonprofit corporations or foundations may receive and administer Legislative
452 appropriations, government grants, contracts, and private gifts to carry out their public
453 purposes.

454 (c) Money collected by the nonprofit corporation or foundation may be deposited in the
455 Child Care Fund.

456 (d) A nonprofit foundation controlled by the director of the office and the committee
457 shall submit to the Division of Finance, within 60 days after the close of the foundation's fiscal
458 year, a financial report summarizing the foundation's financial position and results of
459 operations of the most recent fiscal year.

460 (4) (a) There shall be deposited into the fund money from numerous sources, including,
461 grants, private foundations, and individual donors.

462 (b) The fund shall be used to accept money designated for child care initiatives
463 improving the quality, affordability, or accessibility of child care.

464 (5) The money in the fund that is not restricted to a specific use under federal law or by
465 donors may not be expended without approval of the committee.

466 (6) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,
467 State Money Management Act, except that all interest or other earnings derived from the fund
468 money shall be deposited in the fund.

469 (7) The money in the fund may not be used for administrative expenses of the office
470 normally provided for by legislative appropriation.

471 (8) The committee shall:

472 (a) advise the director of the office on child care needs in the state and on relevant
473 operational aspects of any grant, loan, or revenue collection program established under this
474 part;

475 (b) recommend specific child care projects to the director of the office;

476 (c) recommend policy and procedures for administering the fund;

477 (d) make recommendations on grants, loans, or contracts from the fund for any of the

478 child care activities authorized under this part;

479 (e) establish the criteria by which loans and grants will be made;

480 (f) determine the order in which approved child care projects will be funded;

481 (g) make recommendations regarding the distribution of money from the fund in

482 accordance with the procedures, conditions, and restrictions placed upon the money by the

483 donors; and

484 (h) have joint responsibility with the office to solicit public and private funding for the

485 fund.

486 (9) Fund money shall be used for any of the following activities:

487 (a) training of child care providers;

488 (b) scholarships and grants for child care providers' professional development;

489 (c) child care public awareness and consumer education services;

490 (d) child care provider recruitment;

491 (e) Office of Child Care sponsored activities;

492 (f) matching money for obtaining grants; or

493 (g) other activities that will assist in the improvement of child care quality,

494 affordability, or accessibility.

495 (10) The director of the office, with the consent of the committee and the executive

496 director, may grant, lend, or contract fund money for child care purposes to:

497 (a) local governments;

498 (b) nonprofit community, charitable, or neighborhood-based organizations;

499 (c) regional or statewide nonprofit organizations; or

500 (d) child care providers.

501 (11) Preference may be given but awards may not be limited to applicants for fund

502 money that demonstrate any of the following:

503 (a) programmatic or financial need;

504 (b) diversity of clientele or geographic location; and

505 (c) coordination with or enhancement of existing services.

506 (12) The executive director or the executive director's designee shall monitor the
507 activities of the recipients of grants, loans, or contracts issued from the fund on an annual basis
508 to ensure compliance with the terms and conditions imposed on the recipient by the fund.

509 (13) The entities receiving grants, loans, or contracts shall provide the director of the
510 office with an annual accounting of how the money they received from the fund has been spent.

511 (14) (a) The director of the office shall make an annual report to the committee
512 regarding the status of the fund and the programs and services funded by the fund.

513 (b) The report shall be included [~~as a component of the report to the Legislature~~
514 ~~required under Subsection 35A-3-203(11)] in the annual written report described in Section
515 35A-1-109.~~

516 Section 12. Section **35A-3-313** is amended to read:

517 **35A-3-313. Performance goals.**

518 (1) As used in this section:

519 (a) "Performance goals" means a target level of performance or an expected level of
520 performance against which actual performance is compared.

521 (b) "Performance indicators" means actual performance information regarding a
522 program or activity.

523 (c) "Performance monitoring system" means a process to regularly collect and analyze
524 performance information including performance indicators and performance goals.

525 (2) (a) The department shall establish a performance monitoring system for cash
526 assistance provided under this part.

527 (b) The department shall establish the performance indicators and performance goals
528 that will be used in the performance monitoring system for cash assistance under this part.

529 (c) (i) The department shall [~~submit an annual written report to the legislative fiscal~~
530 ~~analyst and the Economic Development and Workforce Services Interim Committee before~~
531 ~~November 1 describing~~] include in the annual written report described in Section 35A-1-109, a
532 description of the difference between actual performance and performance goals for the second,
533 third, and fourth quarters of the prior fiscal year and the first quarter of the current fiscal year.

534 (ii) (A) The legislative fiscal analyst or the analyst's designee shall convey the
535 information [~~contained in the report~~] described in Subsection (2)(c)(i) to the appropriation
536 subcommittee that has oversight responsibilities for the Department of Workforce Services
537 during the General Session that follows the submission of the report.

538 (B) The subcommittee may consider the information in its deliberations regarding the
539 budget for services and supports under this chapter.

540 Section 13. Section **35A-4-403** is amended to read:

541 **35A-4-403. Eligibility of individual -- Conditions -- Furnishing reports -- Weeks**
542 **of employment -- Successive benefit years.**

543 (1) Except as provided in Subsections (2) and (3), an unemployed individual is eligible
544 to receive benefits for any week if the division finds:

545 (a) the individual has made a claim for benefits for that week in accordance with rules
546 the department may prescribe, except as provided in Subsection (4);

547 (b) the individual has registered for work with the department and acted in a good faith
548 effort to secure employment during each and every week for which the individual made a claim
549 for benefits under this chapter in accordance with rules the department may prescribe, except as
550 provided in Subsection (4);

551 (c) the individual is able to work and is available for work during each and every week
552 for which the individual made a claim for benefits under this chapter;

553 (d) the individual has been unemployed for a waiting period of one week for each
554 benefit year, but a week may not be counted as a week of unemployment for the purpose of this
555 Subsection (1)(d):

556 (i) unless it occurs within the benefit year that includes the week for which the
557 individual claims benefits;

558 (ii) if benefits have been paid for the claim; or

559 (iii) unless the individual was eligible for benefits for the week as provided in this
560 section and Sections **35A-4-401** and **35A-4-405**, except for the requirement of this Subsection
561 (1)(d);

562 (e) (i) the individual has furnished the division separation and other information the
563 department may prescribe by rule, or proves to the satisfaction of the division that the
564 individual had good cause for failing to furnish the information;

565 (ii) if an employer fails to furnish reports concerning separation and employment as
566 required by this chapter and rules adopted under the chapter, the division shall, on the basis of
567 information it obtains, determine the eligibility and insured status of an individual affected by
568 that failure and the employer is not considered to be an interested party to the determination;

569 (f) (i) the individual's base-period wages were at least 1-1/2 times the individual's
570 wages for insured work paid during that quarter of the individual's base period in which the
571 individual's wages were highest; or

572 (ii) for any claimant whose benefit year is effective on or before January 1, 2011, the
573 individual shows to the satisfaction of the division that the individual worked at least 20 weeks
574 in insured work during the individual's base-period and earned wages of at least 5% of the
575 monetary base-period wage requirement each week, rounded to the nearest whole dollar,
576 provided that the individual's total base-period wages were not less than the monetary
577 base-period wage requirement as defined in Section 35A-4-201; and

578 (g) (i) the individual applying for benefits in a successive benefit year has had
579 subsequent employment since the effective date of the preceding benefit year equal to at least
580 six times the individual's weekly benefit amount, in insured work; and

581 (ii) the individual's total wages and employment experience in the individual's base
582 period meet the requirements specified in Subsection (1)(f).

583 (2) (a) For purposes of this Subsection (2), "suitable employment" means:

584 (i) work of a substantially equal or higher skill level than the individual's past adversely
585 affected employment as defined for purposes of the Trade Act of 1974; and

586 (ii) wages for that work at not less than 80% of the individual's average weekly wage
587 as determined for purposes of the Trade Act of 1974.

588 (b) (i) An individual in training with the approval of the division is not ineligible to
589 receive benefits by reason of nonavailability for work, failure to search for work, refusal of

590 suitable work, failure to apply for or to accept suitable work, or not having been unemployed
591 for a waiting period of one week for any week the individual is in the approved training.

592 (ii) For purposes of Subsection (2)(b)(i), the division shall approve any mandatory
593 apprenticeship-related training.

594 (c) Notwithstanding any other provision of this chapter, the division may not deny an
595 otherwise eligible individual benefits for any week:

596 (i) because the individual is in training approved under Section 236 (a)(1) of the Trade
597 Act of 1974, 19 U.S.C. 2296(a);

598 (ii) for leaving work to enter training described in Subsection (2)(c)(i) if the work left
599 is not suitable employment; or

600 (iii) because of the application to any such week in training of provisions in this law or
601 any applicable federal unemployment compensation law relating to availability for work, active
602 search for work, or refusal to accept work.

603 (3) An individual located in a foreign country for three or more days of a week and
604 who is otherwise eligible for benefits is only eligible to receive benefits for that week if:

605 (a) the individual is legally authorized to work in the foreign country; and

606 (b) the state and the foreign country have entered into a reciprocal agreement
607 concerning the payment of unemployment benefits.

608 (4) The department may, by rule, waive or alter either or both of the requirements of
609 Subsections (1)(a) and (b) as to:

610 (a) individuals attached to regular jobs;

611 (b) a disaster in Utah as declared by the president of the United States or by the state's
612 governor after giving due consideration to factors directly associated with the disaster,
613 including:

614 (i) the disaster's impact on employers and their ability to employ workers in the
615 affected area in Utah;

616 (ii) the disaster's impact on claimants and their ability to comply with filing
617 requirements in the affected area in Utah; and

618 (iii) the magnitude of the disaster and the anticipated time for recovery; and
619 (c) cases or situations when it finds that compliance with the requirements would be
620 oppressive, or would be inconsistent with the purposes of this chapter, as long as the rule does
621 not conflict with Subsection 35A-4-401(1).

622 ~~[(5) The director of the division or the director's designee shall submit an annual~~
623 ~~written report to the Workforce Employment Advisory Council and to the Economic~~
624 ~~Development and Workforce Services Interim Committee before November 1 concerning the~~
625 ~~impact on individuals applying for unemployment compensation and the unemployment trust~~
626 ~~insurance fund as a result of amendments made to Subsections (1)(f) and 35A-4-201(1) during~~
627 ~~the Legislature's 2010 General Session.]~~

628 Section 14. Section 35A-8-307 is amended to read:

629 **35A-8-307. Impact fund administered by impact board -- Eligibility for**
630 **assistance -- Review by board -- Administration costs -- Annual report.**

631 (1) (a) The impact board shall:

632 (i) administer the impact fund in a manner that will keep a portion of the impact fund
633 revolving;

634 (ii) determine provisions for repayment of loans;

635 (iii) establish criteria for determining eligibility for assistance under this part; and

636 (iv) consider recommendations from the School and Institutional Trust Lands
637 Administration when awarding a grant described in Subsection 35A-8-303(6).

638 (b) (i) The criteria for awarding loans or grants made from funds described in
639 Subsection 35A-8-303(5) shall be consistent with the requirements of Subsection
640 35A-8-303(5).

641 (ii) The criteria for awarding grants made from funds described in Subsection
642 35A-8-303(2)(c) shall be consistent with the requirements of Subsection 35A-8-303(6).

643 (c) In order to receive assistance under this part, subdivisions and interlocal agencies
644 shall submit formal applications containing the information that the impact board requires.

645 (2) In determining eligibility for loans and grants under this part, the impact board shall

646 consider the following:

- 647 (a) the subdivision's or interlocal agency's current mineral lease production;
- 648 (b) the feasibility of the actual development of a resource that may impact the
649 subdivision or interlocal agency directly or indirectly;
- 650 (c) current taxes being paid by the subdivision's or interlocal agency's residents;
- 651 (d) the borrowing capacity of the subdivision or interlocal agency, including:
 - 652 (i) its ability and willingness to sell bonds or other securities in the open market; and
 - 653 (ii) its current and authorized indebtedness;
- 654 (e) all possible additional sources of state and local revenue, including utility user
655 charges;
- 656 (f) the availability of federal assistance funds;
- 657 (g) probable growth of population due to actual or prospective natural resource
658 development in an area;
- 659 (h) existing public facilities and services;
- 660 (i) the extent of the expected direct or indirect impact upon public facilities and
661 services of the actual or prospective natural resource development in an area; and
- 662 (j) the extent of industry participation in an impact alleviation plan, either as specified
663 in Title 63M, Chapter 5, Resource Development Act, or otherwise.
- 664 (3) The impact board may not fund an education project that could otherwise have
665 reasonably been funded by a school district through a program of annual budgeting, capital
666 budgeting, bonded indebtedness, or special assessments.
- 667 (4) The impact board may restructure all or part of the agency's or subdivision's
668 liability to repay loans for extenuating circumstances.
- 669 (5) The impact board shall:
 - 670 (a) review the proposed uses of the impact fund for loans or grants before approving
671 them and may condition its approval on whatever assurances the impact board considers
672 necessary to ensure that proceeds of the loan or grant will be used in accordance with the
673 Leasing Act and this part; and

674 (b) ensure that each loan specifies the terms for repayment and is evidenced by general
675 obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate
676 subdivision or interlocal agency issued to the impact board under whatever authority for the
677 issuance of those bonds, notes, or obligations exists at the time of the loan.

678 (6) The impact board shall allocate from the impact fund to the department those funds
679 that are appropriated by the Legislature for the administration of the impact fund, but this
680 amount may not exceed 2% of the annual receipts to the impact fund.

681 (7) The department shall [~~submit, before November 1, an annual written report to the~~
682 ~~Legislature concerning~~] include in the annual written report described in Section 35A-1-109,
683 the number and type of loans and grants made as well as a list of subdivisions and interlocal
684 agencies that received this assistance.

685 Section 15. Section **35A-8-508** is amended to read:

686 **35A-8-508. Annual accounting.**

687 (1) The executive director shall monitor the activities of recipients of grants and loans
688 issued under this part on a yearly basis to ensure compliance with the terms and conditions
689 imposed on the recipient by the executive director with the approval of the board or by this
690 part.

691 (2) An entity that receives a grant or loan under this part shall provide the executive
692 director with an annual accounting of how the money the entity received from the fund has
693 been spent.

694 (3) The executive director shall make an annual report to the board accounting for the
695 expenditures authorized by the board.

696 [~~(4) The board shall submit an annual written report to the Economic Development and~~
697 ~~Workforce Services Interim Committee before November 1.~~]

698 (4) The board shall submit a report to the department for inclusion in the annual
699 written report described in Section 35A-1-109:

700 (a) accounting for expenditures authorized by the board; and

701 (b) evaluating the effectiveness of the program.

702 Section 16. Section **35A-8-602** is amended to read:

703 **35A-8-602. Purposes of Homeless Coordinating Committee -- Uses of Pamela**
704 **Atkinson Homeless Account.**

705 (1) (a) The Homeless Coordinating Committee shall work to ensure that services
706 provided to the homeless by state agencies, local governments, and private organizations are
707 provided in a cost-effective manner.

708 (b) Programs funded by the committee shall emphasize emergency housing and
709 self-sufficiency, including placement in meaningful employment or occupational training
710 activities and, where needed, special services to meet the unique needs of the homeless who:

711 (i) have families with children;

712 (ii) have a disability or a mental illness; or

713 (iii) suffer from other serious challenges to employment and self-sufficiency.

714 (c) The committee may also fund treatment programs to ameliorate the effects of
715 substance abuse or a disability.

716 (2) The committee members designated in Subsection **35A-8-601(2)** shall:

717 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice
718 and input of those designated in Subsection **35A-8-601(3)**;

719 (b) consider need, diversity of geographic location, coordination with or enhancement
720 of existing services, and the extensive use of volunteers; and

721 (c) give priority for funding to programs that serve the homeless who have a mental
722 illness and who are in families with children.

723 (3) (a) In any fiscal year, no more than 80% of the funds in the Pamela Atkinson
724 Homeless Account may be allocated to organizations that provide services only in Salt Lake,
725 Davis, Weber, and Utah Counties.

726 (b) The committee may:

727 (i) expend up to 3% of its annual appropriation for administrative costs associated with
728 the allocation of funds from the Pamela Atkinson Homeless Account, and up to 2% of its
729 annual appropriation for marketing the account and soliciting donations to the account; and

730 (ii) pay for the initial costs of the State Tax Commission in implementing Section
731 59-10-1306 from the account.

732 (4) (a) The committee may not expend, except as provided in Subsection (4)(b), an
733 amount equal to the greater of \$50,000 or 20% of the amount donated to the Pamela Atkinson
734 Homeless Account during fiscal year 1988-89.

735 (b) If there are decreases in contributions to the account, the committee may expend
736 money held in the account to provide program stability, but the committee shall reimburse the
737 amount of those expenditures to the account.

738 (5) The committee shall make an annual report to the [~~Business, Economic~~
739 ~~Development, and Labor Appropriations Subcommittee~~] department regarding the programs
740 and services funded by contributions to the Pamela Atkinson Homeless Account for inclusion
741 in the annual written report described in Section 35A-1-109.

742 (6) The state treasurer shall invest the money in the Pamela Atkinson Homeless
743 Account according to the procedures and requirements of Title 51, Chapter 7, State Money
744 Management Act, except that interest and other earnings derived from the restricted account
745 shall be deposited in the restricted account.

746 Section 17. Section 35A-8-721 is amended to read:

747 **35A-8-721. Annual report to governor and Legislature -- Contents -- Audits.**

748 (1) (a) The corporation shall, following the close of each fiscal year, submit, [~~before~~
749 ~~November~~] by October 1, an annual written report of its activities for the preceding year to the
750 governor and the [~~Legislature~~] Retirement and Independent Entities Interim Committee.

751 (b) Each report shall set forth a complete operating and financial statement of the
752 corporation during the fiscal year it covers.

753 (c) At least once each year, an independent certified public accountant shall audit the
754 books and accounts of the corporation.

755 (d) A complete copy of each annual audit report shall be:

756 (i) included in the report to the governor and the Legislature under Subsection (2); and

757 (ii) available for public inspection at the corporation's office.

758 (2) The corporation shall, each fiscal year, submit a budget of its operations to the
759 Legislature and the governor.

760 (3) (a) The corporation shall form an audit committee consisting of no less than three
761 trustees.

762 (b) The audit committee has exclusive authority to:

763 (i) select and engage the independent certified public accountant to audit the
764 corporation; and

765 (ii) supervise the audit.

766 (4) The corporation shall provide additional information upon request by the governor,
767 the Legislature, a legislative committee, the legislative auditor general, or the state auditor.

768 Section 18. Section **35A-8-804** is amended to read:

769 **35A-8-804. Technical assistance to political subdivisions for housing plan.**

770 (1) Within appropriations from the Legislature, the division shall establish a program
771 to assist municipalities to meet the requirements of Section 10-9a-408 and counties to meet the
772 requirements of Section 17-27a-408.

773 (2) Assistance under this section may include:

774 (a) financial assistance for the cost of developing a plan for low and moderate income
775 housing;

776 (b) information on how to meet present and prospective needs for low and moderate
777 income housing; and

778 (c) technical advice and consultation on how to facilitate the creation of low and
779 moderate income housing.

780 (3) The division shall submit an annual [~~written report to the Economic Development
781 and Workforce Services Interim Committee before November 1~~] report to the department
782 regarding the scope, amount, and type of assistance provided to municipalities and counties
783 under this section, including the number of low and moderate income housing units constructed
784 or rehabilitated within the state, for inclusion in the department's annual written report
785 described in Section 35A-1-109.

786 Section 19. Section 35A-8-1203 is amended to read:

787 **35A-8-1203. Annual accounting.**

788 (1) The director shall monitor the activities of recipients of the loans and loan
789 guarantees issued under this part on a yearly basis to ensure compliance with the terms and
790 conditions imposed on the recipient by the director under this part.

791 (2) An entity receiving a loan or loan guarantee under this part shall provide the
792 director with an annual accounting of how the money it received from the fund was spent.

793 (3) The director shall ~~submit an annual written report to the Economic Development~~
794 ~~and Workforce Services Interim Committee before November 1]~~ provide the following
795 information to the department for inclusion in the department's annual written report described
796 in Section 35A-1-109:

797 (a) an accounting ~~for~~ of expenditures made from the fund; and

798 (b) ~~evaluating~~ an evaluation of the effectiveness of the loan and loan guarantee
799 program.

800 Section 20. Section 35A-8-1607 is amended to read:

801 **35A-8-1607. Division to distribute money -- Annual report -- Administration**
802 **costs.**

803 (1) The division shall distribute loan and grant money if the loan or grant is approved
804 by the board.

805 (2) The division shall ~~submit an annual written report, before November 1,~~ provide
806 an annual report to the department concerning the number and type of loans and grants made as
807 well as a list of recipients of this assistance ~~to:~~ for inclusion in the department's annual
808 written report described in Section 35A-1-109.

809 ~~[(a) the Native American Legislative Liaison Committee, created in Section 36-22-1;~~
810 ~~and]~~

811 ~~[(b) the governor.]~~

812 (3) The division, with board approval, may use fund money for the administration of
813 the fund, but this amount may not exceed 2% of the annual receipts to the fund.

814 Section 21. Section **35A-8-1708** is amended to read:

815 **35A-8-1708. Annual report.**

816 The division shall [~~submit, before November 1, an annual written report to the Native~~
817 ~~American Legislative Liaison Committee and the governor~~] provide an annual report to the
818 department concerning the number and type of loans and grants made as well as a list of
819 recipients of this assistance for inclusion in the department's annual written report described in
820 Section [35A-1-109](#).

821 Section 22. Section **35A-9-201** is amended to read:

822 **35A-9-201. Intergenerational poverty tracking system -- Data -- Analysis --**
823 **Annual report.**

824 (1) The department shall establish and maintain a system to track intergenerational
825 poverty.

826 (2) The system shall:

827 (a) identify groups that have a high risk of experiencing intergenerational poverty;

828 (b) identify incidents, patterns, and trends that explain or contribute to
829 intergenerational poverty;

830 (c) assist case workers, social scientists, and government officials in the study and
831 development of effective and efficient plans and programs to help individuals and families in
832 the state to break the cycle of poverty; and

833 (d) gather and track available local, state, and national data on:

834 (i) official poverty rates;

835 (ii) child poverty rates;

836 (iii) years spent by individuals in childhood poverty;

837 (iv) years spent by individuals in adult poverty; and

838 (v) related poverty information.

839 (3) The department shall:

840 (a) use available data in the tracking system, including public assistance data, census
841 data, and other data made available to the department;

842 (b) develop and implement methods to integrate, compare, analyze, and validate the
 843 data for the purposes described in Subsection (2);

844 (c) protect the privacy of individuals living in poverty by using and distributing data
 845 within the tracking system in compliance with:

846 (i) federal requirements; and

847 (ii) the provisions of Title 63G, Chapter 2, Government Records Access and
 848 Management Act; and

849 (d) ~~[submit, before November 1, an annual written]~~ include in the annual written report
 850 described in Section 35A-1-109, a report on the data, findings, and potential uses of the
 851 tracking system [to:].

852 ~~[(i) the governor;]~~

853 ~~[(ii) the Legislative Management Committee; and]~~

854 ~~[(iii) the Economic Development and Workforce Services Interim Committee.]~~

855 Section 23. Section 35A-9-305 is amended to read:

856 **35A-9-305. Annual report by the commission.**

857 (1) The commission shall ~~[submit, before November 1, an annual written report to:]~~
 858 provide a report to the department for inclusion in the department's annual written report
 859 described in Section 35A-1-109.

860 ~~[(a) the governor;]~~

861 ~~[(b) the Legislative Management Committee;]~~

862 ~~[(c) the Economic Development and Workforce Services Interim Committee;]~~

863 ~~[(d) the Education Interim Committee;]~~

864 ~~[(e) the Health and Human Services Interim Committee;]~~

865 ~~[(f) the Judiciary Interim Committee; and]~~

866 ~~[(g) the Law Enforcement and Criminal Justice Interim Committee.]~~

867 (2) The report ~~[described in Subsection (1)]~~ shall:

868 (a) include the five and 10-year plans described in Subsection 35A-9-303(2)(e);

869 (b) describe how the commission fulfilled its statutory purposes and duties during the

870 year;

871 (c) describe policies, procedures, and programs that have been implemented or
872 modified to help break the cycle of poverty and end welfare dependency for children in the
873 state affected by intergenerational poverty; and

874 (d) contain recommendations on how the state should act to address issues relating to
875 breaking the cycle of poverty and ending welfare dependency for children in the state affected
876 by intergenerational poverty.

877 Section 24. Section **63I-4a-203** is amended to read:

878 **63I-4a-203. Free Market Protection and Privatization Board -- Duties.**

879 (1) The board shall:

880 (a) determine whether an activity provided by an agency could be privatized to provide
881 the same types and quality of a good or service that would result in cost savings;

882 (b) review privatization of an activity at the request of:

883 (i) an agency; or

884 (ii) a private enterprise;

885 (c) review issues concerning agency competition with one or more private enterprises
886 to determine:

887 (i) whether privatization:

888 (A) would be feasible;

889 (B) would result in cost savings; and

890 (C) would result in equal or better quality of a good or service; and

891 (ii) ways to eliminate any unfair competition with a private enterprise;

892 (d) recommend privatization to an agency if a proposed privatization is demonstrated
893 to provide a more cost efficient and effective manner of providing a good or service, taking
894 into account:

895 (i) the scope of providing the good or service;

896 (ii) whether cost savings will be realized;

897 (iii) whether quality will be improved;

- 898 (iv) the impact on risk management;
- 899 (v) the impact on timeliness;
- 900 (vi) the ability to accommodate fluctuating demand;
- 901 (vii) the ability to access outside expertise;
- 902 (viii) the impact on oversight;
- 903 (ix) the ability to develop sound policy and implement best practices; and
- 904 (x) legal and practical impediments to privatization;
- 905 (e) comply with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, in making
- 906 rules establishing privatization standards, procedures, and requirements;
- 907 (f) in fulfilling the duties described in this Subsection (1), consult with, maintain
- 908 communication with, and access information from:
 - 909 (i) other entities promoting privatization; and
 - 910 (ii) managers and employees in the public sector;
 - 911 (g) comply with Part 3, Commercial Activities Inventory and Review; and
 - 912 (h) (i) prepare an annual report for each calendar year that contains:
 - 913 (A) information about the board's activities;
 - 914 (B) recommendations on privatizing an activity provided by an agency; and
 - 915 (C) the status of the inventory created under Part 3, Commercial Activities Inventory
 - 916 and Review;
 - 917 (ii) submit the annual report to the Legislature and the governor by no later than
 - 918 January 15 immediately following the calendar year for which the report is made; and
 - 919 (iii) ~~[each interim, provide an oral]~~ submit, before November 1, an annual written
 - 920 report to the Government Operations Interim Committee ~~[and the Economic Development and~~
 - 921 ~~Workforce Services Interim Committee].~~
- 922 (2) The board may, using the criteria described in Subsection (1), consider whether to
- 923 recommend privatization of an activity provided by an agency, a county, or a special district:
 - 924 (a) on the board's own initiative;
 - 925 (b) upon request by an agency, a county, or a special district;

926 (c) in response to a complaint that an agency, a county, or a special district is engaging
927 in unfair competition with a private enterprise; or

928 (d) in light of a proposal made by any person, regardless of whether the proposal was
929 solicited.

930 (3) In addition to filing a copy of recommendations for privatization with an agency
931 head, the board shall file a copy of its recommendations for privatization with:

932 (a) the governor's office; and

933 (b) the Office of Legislative Fiscal Analyst for submission to the relevant legislative
934 appropriation subcommittee.

935 (4) (a) The board may appoint advisory groups to conduct studies, research, or
936 analyses, and make reports and recommendations with respect to a matter within the
937 jurisdiction of the board.

938 (b) At least one member of the board shall serve on each advisory group.

939 (5) (a) Subject to Subsection (5)(b), this chapter does not preclude an agency from
940 privatizing the provision of a good or service independent of the board.

941 (b) If an agency privatizes the provision of a good or service, the agency shall include
942 as part of the contract that privatizes the provision of the good or service that any contractor
943 assumes all liability to provide the good or service.

944 Section 25. Section **63M-1-201** is amended to read:

945 **63M-1-201. Creation of office.**

946 (1) There is created the Governor's Office of Economic Development.

947 (2) The office shall:

948 (a) be responsible for economic development within the state;

949 (b) perform economic development planning for the state;

950 (c) administer and coordinate all state or federal grant programs which are, or become
951 available, for economic development;

952 (d) administer any other programs over which the office is given administrative
953 supervision by the governor;

954 (e) submit~~[-, before November 1,]~~ an annual written report ~~[to the Legislature]~~ as
955 described in Section 63M-1-206; and

956 (f) perform any other duties as provided by the Legislature.

957 (3) The office may solicit and accept contributions of money, services, and facilities
958 from any other source, public or private, but may not use the money for publicizing the
959 exclusive interest of the donor.

960 (4) Money received under Subsection (3) shall be deposited in the General Fund as
961 dedicated credits of the office.

962 (5) (a) The office is recognized as an issuing authority as defined in Subsection
963 63M-1-3002(7), entitled to issue bonds from the Small Issue Bond Account created in
964 Subsection 63M-1-3006(1)(c) as a part of the state's private activity bond volume cap
965 authorized by the Internal Revenue Code of 1986 and computed under Section 146 of the code.

966 (b) To promote and encourage the issuance of bonds from the Small Issue Bond
967 Account for manufacturing projects, the office may:

968 (i) develop campaigns and materials that inform qualified small manufacturing
969 businesses about the existence of the program and the application process;

970 (ii) assist small businesses in applying for and qualifying for these bonds; or

971 (iii) develop strategies to lower the cost to small businesses of applying for and
972 qualifying for these bonds, including making arrangements with financial advisors,
973 underwriters, bond counsel, and other professionals involved in the issuance process to provide
974 their services at a reduced rate when the division can provide them with a high volume of
975 applicants or issues.

976 Section 26. Section **63M-1-206** is enacted to read:

977 **63M-1-206. Annual report -- Content -- Format.**

978 (1) The office shall prepare and submit to the governor and the Legislature, by October
979 1 of each year, an annual written report of the operations, activities, programs, and services of
980 the office, including the divisions, sections, boards, commissions, councils, and committees
981 established under this chapter, for the preceding fiscal year.

982 (2) For each operation, activity, program, or service provided by the office, the annual
983 report shall include:

984 (a) a description of the operation, activity, program, or service;

985 (b) data selected and used by the office to measure progress, performance, and scope of
986 the operation, activity, program, or service, including summary data;

987 (c) budget data, including the amount and source of funding, expenses, and allocation
988 of full-time employees for the operation, activity, program, or service;

989 (d) historical data from previous years for comparison with data reported under
990 Subsections (2)(b) and (c);

991 (e) goals, challenges, and achievements related to the operation, activity, program, or
992 service;

993 (f) relevant federal and state statutory references and requirements;

994 (g) contact information of officials knowledgeable and responsible for each operation,
995 activity, program, or service; and

996 (h) other information determined by the office that:

997 (i) may be needed, useful, or of historical significance; or

998 (ii) promotes accountability and transparency for each operation, activity, program, or
999 service with the public and elected officials.

1000 (3) The annual report shall be designed to provide clear, accurate, and accessible
1001 information to the public, the governor, and the Legislature.

1002 (4) The office shall:

1003 (a) submit the annual report in accordance with Section [68-3-14](#); and

1004 (b) make the annual report, and previous annual reports, accessible to the public by
1005 placing a link to the reports on the office's website.

1006 Section 27. Section **63M-1-403** is amended to read:

1007 **63M-1-403. Powers of the office.**

1008 The office shall:

1009 (1) monitor the implementation and operation of this part and conduct a continuing

- 1010 evaluation of the progress made in the enterprise zones;
- 1011 (2) evaluate an application for designation as an enterprise zone from a county
- 1012 applicant or a municipal applicant and determine if the applicant qualifies for that designation;
- 1013 (3) provide technical assistance to county applicants and municipal applicants in
- 1014 developing applications for designation as enterprise zones;
- 1015 (4) assist county applicants and municipal applicants designated as enterprise zones in
- 1016 obtaining assistance from the federal government and agencies of the state;
- 1017 (5) assist a qualified business entity in obtaining the benefits of an incentive or
- 1018 inducement program authorized by this part; and
- 1019 (6) as part of the annual written report described in Section 63M-1-206, prepare an
- 1020 annual evaluation based, in part, on data provided by the State Tax Commission that~~[-(a)]~~
- 1021 evaluates the effectiveness of the program and any suggestions for legislation~~[-and]~~.
- 1022 ~~[(b) is available upon request to the governor and to the Revenue and Taxation Interim~~
- 1023 ~~Committee of the Legislature before November 1 of each year.]~~

1024 Section 28. Section **63M-1-605** is amended to read:

1025 **63M-1-605. Duties and powers.**

- 1026 (1) The council shall:
- 1027 (a) encourage the use of science and technology in the administration of state and local
- 1028 government;
- 1029 (b) develop programs whereby state agencies and the several public and private
- 1030 institutions of higher education and technical colleges within the state may assist business and
- 1031 industry in the utilization of science and technology;
- 1032 (c) further communication between agencies of federal, state, and local government
- 1033 who wish to utilize science and technology;
- 1034 (d) develop programs of cooperation on matters of science and technology between:
- 1035 (i) state and local government agencies;
- 1036 (ii) the several public and private institutions of higher education and technical
- 1037 colleges within the state; and

- 1038 (iii) business and industry within the state; or
1039 (iv) any combination of these;
1040 (e) provide a means whereby government, business, industry, and higher education
1041 may be represented in the formulation and implementation of state policies and programs on
1042 matters of science and technology;
1043 (f) review, catalog, and compile the research and development uses by the state
1044 universities of the revenue derived from mineral lease funds on state and federal lands;
1045 (g) ~~[submit, before November 1, an annual written report to the Legislature on]~~ submit
1046 an annual report to the office regarding the expenditure and utilization of these mineral lease
1047 funds for inclusion in the office's annual written report described in Section [63M-1-206](#);
1048 (h) make recommendations to the Legislature on the further uses of these mineral lease
1049 funds in order to stimulate research and development directed toward the more effective
1050 utilization of the state's natural resources; and
1051 (i) prepare and submit, before November 1, an annual written report to the governor
1052 and the Legislature.
1053 (2) The council may:
1054 (a) in accordance with Title 63J, Chapter 5, Federal Funds Procedures Act, apply for,
1055 receive, and disburse funds, contributions, or grants from whatever source for the purposes set
1056 forth in this part;
1057 (b) employ, compensate, and prescribe the duties and powers of those individuals,
1058 subject to the provisions of this part relating to the adviser, necessary to execute the duties and
1059 powers of the council; and
1060 (c) enter into contracts for the purposes of this part.
1061 Section 29. Section **63M-1-704** is amended to read:
1062 **63M-1-704. Administration -- Grants and loans.**
1063 (1) The Governor's Office of Economic Development shall administer this part.
1064 (2) (a) (i) The office may award Technology Commercialization and Innovation
1065 Program grants or issue loans to the various colleges, universities, and licensees in the state for

1066 the purposes of this part.

1067 (ii) If loans are issued under Subsection (2)(a)(i), the Division of Finance may set up a
1068 fund or account as necessary for the proper accounting of the loans.

1069 (b) The Governor's Office of Economic Development shall develop a process to
1070 determine whether a college or university that receives a grant under this part must return the
1071 grant proceeds or a portion of the grant proceeds if the technology that is developed with the
1072 grant proceeds is licensed to a licensee that:

1073 (i) does not maintain a manufacturing or service location in the state from which the
1074 licensee or a sublicensee exploits the technology; or

1075 (ii) initially maintains a manufacturing or service location in the state from which the
1076 licensee or a sublicensee exploits the technology, but within five years after issuance of the
1077 license the licensee or sublicensee transfers the manufacturing or service location for the
1078 technology to a location out of the state.

1079 (c) A repayment by a college or university of grant proceeds or a portion of the grant
1080 proceeds shall come only from the proceeds of the license established between the licensee and
1081 the college or university.

1082 (d) (i) A licensee that receives a grant under this part shall return the grant proceeds or
1083 a portion of the grant proceeds to the office if the licensee:

1084 (A) does not maintain a manufacturing or service location in the state from which the
1085 licensee exploits the technology; or

1086 (B) initially maintains a manufacturing or service location in the state from which the
1087 licensee exploits the technology, but within five years after issuance of the grant the licensee
1088 transfers the manufacturing or service location for the technology to an out of state location.

1089 (ii) A repayment by a licensee that receives a grant shall come only from the proceeds
1090 of the license to that licensee.

1091 (iii) A repayment by a licensee shall be prorated based only on the number of full years
1092 the licensee operated in the state from the date of the awarded grant.

1093 (3) (a) Funding allocations shall be made by the office with the advice of the State

1094 Advisory Council for Science and Technology and the board.

1095 (b) Each proposal shall receive the best available outside review.

1096 (4) (a) In considering each proposal, the office shall weigh technical merit, the level of
1097 matching funds from private and federal sources, and the potential for job creation and
1098 economic development.

1099 (b) Proposals or consortia that combine and coordinate related research at two or more
1100 colleges and universities shall be encouraged.

1101 (5) The State Advisory Council on Science and Technology shall review the activities
1102 and progress of grant recipients on a regular basis and assist the office in [~~preparing an annual~~
1103 ~~report on~~] including as part of the office's annual written report described in Section
1104 63M-1-206, the accomplishments and direction of the Technology Commercialization and
1105 Innovation Program.

1106 Section 30. Section **63M-1-904** is amended to read:

1107 **63M-1-904. Rural Fast Track Program -- Creation -- Funding -- Qualifications**
1108 **for program participation -- Awards -- Reports.**

1109 (1) (a) There is created the Rural Fast Track Program.

1110 (b) The program is a funded component of the economically disadvantaged rural areas
1111 designation in Subsection 63M-1-903(1)(a).

1112 (2) The purpose of the program is to provide an efficient way for small companies in
1113 rural areas of the state to receive incentives for creating high paying jobs in those areas of the
1114 state.

1115 (3) (a) Twenty percent of the unencumbered amount in the Industrial Assistance
1116 Account created in Subsection 63M-1-903(1) at the beginning of each fiscal year shall be used
1117 to fund the program.

1118 (b) The 20% referred to in Subsection (3)(a) is not in addition to but is a part of the up
1119 to 50% designation for economically disadvantaged rural areas referred to in Subsection
1120 63M-1-903(1)(a).

1121 (c) If any of the 20% allocation referred to in Subsection (3)(a) has not been used in the

1122 program by the end of the third quarter of each fiscal year, that money may be used for any
1123 other loan, grant, or assistance program offered through the Industrial Assistance Account
1124 during the fiscal year.

1125 (4) (a) To qualify for participation in the program a company shall:

1126 (i) complete and file with the office an application for participation in the program,
1127 signed by an officer of the company;

1128 (ii) be located and conduct its business operations in a county in the state that has:

1129 (A) a population of less than 30,000; and

1130 (B) an average household income of less than \$60,000 as reflected in the most recently
1131 available data collected and reported by the United States Census Bureau;

1132 (iii) have been in business in the state for at least two years; and

1133 (iv) have at least two employees.

1134 (b) (i) The office shall verify an applicant's qualifications under Subsection (4)(a).

1135 (ii) The application must be approved by the administrator in order for a company to
1136 receive an incentive or other assistance under this section.

1137 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1138 administrator may make rules governing:

1139 (i) the content of the application form referred to in Subsection (4)(a)(i);

1140 (ii) who qualifies as an employee under Subsection (4)(a)(iv); and

1141 (iii) the verification procedure referred to in Subsection (4)(b).

1142 (5) (a) The administrator shall make incentive cash awards to small companies under
1143 this section based on the following criteria:

1144 (i) \$1,000 for each new incremental job that pays over 110% of the county's average
1145 annual wage;

1146 (ii) \$1,250 for each incremental job that pays over 115% of the county's average annual
1147 wage; and

1148 (iii) \$1,500 for each incremental job that pays over 125% of the county's average
1149 annual wage.

1150 (b) The administrator shall make a cash award under Subsection (5)(a) when a new
1151 incremental job has been in place for at least 12 months.

1152 (c) The creation of a new incremental job by a company is based on the number of
1153 employees at the company during the previous 24 months.

1154 (d) (i) A small company may also apply for grants, loans, or other financial assistance
1155 under the program to help develop its business in rural Utah and may receive up to \$50,000
1156 under the program if approved by the administrator.

1157 (ii) The board must approve a distribution that exceeds the \$50,000 cap under
1158 Subsection (5)(d)(i).

1159 (6) The administrator shall make a quarterly report to the board of the awards made by
1160 the administrator under this section and [~~submit an annual written report to the Economic~~
1161 ~~Development and Workforce Services Interim Committee before November 1~~] submit a report
1162 to the office on the awards and their impact on economic development in the state's rural areas
1163 for inclusion in the office's annual written report described in Section [63M-1-206](#).

1164 Section 31. Section **63M-1-1103** is amended to read:

1165 **63M-1-1103. Duties of the office.**

1166 The office shall:

1167 (1) facilitate recycling development zones through state support of county incentives
1168 which encourage development of manufacturing enterprises that use recycling materials
1169 currently collected;

1170 (2) evaluate an application from a county or municipality executive authority to be
1171 designated as a recycling market development zone and determine if the county or municipality
1172 qualifies for that designation;

1173 (3) provide technical assistance to municipalities and counties in developing
1174 applications for designation as a recycling market development zone;

1175 (4) assist counties and municipalities designated as recycling market development
1176 zones in obtaining assistance from the federal government and agencies of the state;

1177 (5) assist a qualified business in obtaining the benefits of an incentive or inducement

1178 program authorized by this part;

1179 (6) monitor the implementation and operation of this part and conduct a continuing
1180 evaluation of the progress made in the recycling market development zone; and

1181 (7) ~~[submit an annual written report evaluating]~~ include in the annual written report
1182 described in Section 63M-1-206, an evaluation of the effectiveness of the program and
1183 ~~[providing] recommendations for legislation [to the Natural Resources, Agriculture, and~~
1184 ~~Environment Interim Committee before November 1].~~

1185 Section 32. Section **63M-1-1206** is amended to read:

1186 **63M-1-1206. Board duties and powers.**

1187 (1) The board shall:

1188 (a) establish criteria and procedures for the allocation and issuance of contingent tax
1189 credits to designated investors by means of certificates issued by the board, provided that a
1190 contingent tax credit may not be issued unless the Utah fund of funds:

1191 (i) first agrees to treat the amount of the tax credit redeemed by the state as a loan from
1192 the state to the Utah fund of funds; and

1193 (ii) agrees to repay the loan upon terms and conditions established by the board;

1194 (b) establish criteria and procedures for assessing the likelihood of future certificate
1195 redemptions by designated investors, including:

1196 (i) criteria and procedures for evaluating the value of investments made by the Utah
1197 fund of funds; and

1198 (ii) the returns from the Utah fund of funds;

1199 (c) establish criteria and procedures for registering and redeeming contingent tax
1200 credits by designated investors holding certificates issued by the board;

1201 (d) establish a target rate of return or range of returns on venture capital investments of
1202 the Utah fund of funds;

1203 (e) establish criteria and procedures governing commitments obtained by the board
1204 from designated purchasers including:

1205 (i) entering into commitments with designated purchasers; and

- 1206 (ii) drawing on commitments to redeem certificates from designated investors;
- 1207 (f) have power to:
- 1208 (i) expend funds;
- 1209 (ii) invest funds;
- 1210 (iii) issue debt and borrow funds;
- 1211 (iv) enter into contracts;
- 1212 (v) insure against loss; and
- 1213 (vi) perform any other act necessary to carry out its purpose; and
- 1214 (g) make, amend, and repeal rules for the conduct of its affairs, consistent with this part
- 1215 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1216 (2) (a) All rules made by the board under Subsection (1)(g) are subject to review by the
- 1217 Legislative Management Committee:
- 1218 (i) whenever made, modified, or repealed; and
- 1219 (ii) in each even-numbered year.
- 1220 (b) Subsection (2)(a) does not preclude the legislative Administrative Rules Review
- 1221 Committee from reviewing and taking appropriate action on any rule made, amended, or
- 1222 repealed by the board.
- 1223 (3) (a) The criteria and procedures established by the board for the allocation and
- 1224 issuance of contingent tax credits shall:
- 1225 (i) include the contingencies that must be met for a certificate and its related tax credits
- 1226 to be:
- 1227 (A) issued by the board;
- 1228 (B) transferred by a designated investor; and
- 1229 (C) redeemed by a designated investor in order to receive a contingent tax credit; and
- 1230 (ii) tie the contingencies for redemption of certificates to:
- 1231 (A) the targeted rates of return and scheduled redemptions of equity interests purchased
- 1232 by designated investors in the Utah fund of funds; and
- 1233 (B) the scheduled principal and interest payments payable to designated investors that

1234 have made loans or other debt obligations to the Utah fund of funds.

1235 (b) The board may not issue contingent tax credits under this part prior to July 1, 2004.

1236 (4) (a) The board may charge a placement fee to the Utah fund of funds for the
1237 issuance of a certificate and related contingent tax credit to a designated investor.

1238 (b) The fee shall:

1239 (i) be charged only to pay for reasonable and necessary costs of the board; and

1240 (ii) not exceed .5% of the private investment of the designated investor.

1241 (5) The board's criteria and procedures for redeeming certificates:

1242 (a) shall give priority to the redemption amount from the available funds in the
1243 redemption reserve; and

1244 (b) to the extent there are insufficient funds in the redemption reserve to redeem
1245 certificates, shall grant the board the option to redeem certificates:

1246 (i) by certifying a contingent tax credit to the designated investor; or

1247 (ii) by making demand on designated purchasers consistent with the requirements of
1248 Section [63M-1-1221](#).

1249 (6) (a) The board shall, in consultation with the corporation, publish an annual report
1250 of the activities conducted by the Utah fund of funds, and ~~[submit the report to the governor~~
1251 ~~and the Business, Economic Development, and Labor Appropriations Subcommittee]~~ the
1252 executive director shall include the report in the office's annual written report described in
1253 Section [63M-1-206](#).

1254 (b) The annual report shall:

1255 (i) include a copy of the audit of the Utah fund of funds and a valuation of the assets of
1256 the Utah fund of funds;

1257 (ii) review the progress of the investment fund allocation manager in implementing its
1258 investment plan; and

1259 (iii) describe any redemption or transfer of a certificate issued under this part.

1260 (c) The annual report may not identify any specific designated investor who has
1261 redeemed or transferred a certificate.

1262 (d) (i) Beginning July 1, 2006, and thereafter every two years, the board shall publish a
1263 progress report which shall evaluate the progress of the state in accomplishing the purposes
1264 stated in Section [63M-1-1202](#).

1265 [~~(ii) The board shall give a copy of the report to the Legislature.~~]

1266 (ii) The executive director shall include the progress report in the office's annual
1267 written report described in Section [63M-1-206](#).

1268 Section 33. Section **63M-1-1304** is amended to read:

1269 **63M-1-1304. Council powers and duties.**

1270 (1) The council shall:

1271 (a) coordinate and advise on policies and objectives related to economic development
1272 and growth within the state;

1273 (b) coordinate with state and private entities, including private venture capital and seed
1274 capital firms, to avoid duplication of programs and to increase the availability of venture and
1275 seed capital for research and for the development and growth of new and existing businesses in
1276 the state;

1277 (c) focus on technologies, industries, and geographical areas of the state in which the
1278 state can expand investment and entrepreneurship and stimulate job growth;

1279 (d) coordinate ideas and strategies to increase national and international business
1280 activities for both the urban and rural areas of the state; and

1281 (e) plan, coordinate, advise, or recommend any other action that would better the state's
1282 economy.

1283 (2) The council shall [~~submit, before November 1, an annual written report of its~~
1284 ~~activities to the governor and the Economic Development and Workforce Services Interim~~
1285 ~~Committee] annually report its activities to the office for inclusion in the office's annual written
1286 report described in Section [63M-1-206](#).~~

1287 Section 34. Section **63M-1-1404** is amended to read:

1288 **63M-1-1404. Powers and duties of office related to tourism development plan --**
1289 **Annual report and survey.**

1290 (1) The office shall:
1291 (a) be the tourism development authority of the state;
1292 (b) develop a tourism advertising, marketing, and branding program for the state;
1293 (c) receive approval from the Board of Tourism Development under Subsection
1294 [63M-1-1403](#)(1)(a) before implementing the out-of-state advertising, marketing, and branding
1295 campaign;
1296 (d) develop a plan to increase the economic contribution by tourists visiting the state;
1297 (e) plan and conduct a program of information, advertising, and publicity relating to the
1298 recreational, scenic, historic, and tourist advantages and attractions of the state at large; and
1299 (f) encourage and assist in the coordination of the activities of persons, firms,
1300 associations, corporations, travel regions, counties, and governmental agencies engaged in
1301 publicizing, developing, and promoting the scenic attractions and tourist advantages of the
1302 state.

1303 (2) Any plan provided for under Subsection (1) shall address, but not be limited to,
1304 enhancing the state's image, promoting Utah as a year-round destination, encouraging
1305 expenditures by visitors to the state, and expanding the markets where the state is promoted.

1306 (3) The office shall:
1307 (a) conduct a regular and ongoing research program to identify statewide economic
1308 trends and conditions in the tourism sector of the economy; and
1309 (b) ~~[submit, before November 1, an annual written report to the Economic~~
1310 ~~Development and Workforce Services Interim Committee and the Business, Economic~~
1311 ~~Development, and Labor Appropriations Subcommittee]~~ include in the annual written report
1312 described in Section [63M-1-206](#), a report on the economic efficiency of the advertising and
1313 branding campaigns conducted under this part.

1314 Section 35. Section **63M-1-1606** is amended to read:

1315 **63M-1-1606. Annual report.**

1316 The office shall ~~[submit, before November 1, an annual written]~~ include in the annual
1317 written report described in Section [63M-1-206](#), a report of the program's operations and

1318 recommendations [~~to~~].

1319 [~~(1) the governor;~~]

1320 [~~(2) the Rural Development Legislative Liaison Committee created in Section~~

1321 ~~36-25-102; and]~~

1322 [~~(3) the Economic Development and Workforce Services Interim Committee.]~~

1323 Section 36. Section **63M-1-1805** is amended to read:

1324 **63M-1-1805. Annual report.**

1325 The office shall [~~submit, before November 1, an annual written report to the Economic~~
1326 ~~Development and Workforce Services Interim Committee describing]~~ include the following
1327 information in the annual written report described in Section [63M-1-206](#):

1328 (1) the office's success in attracting within-the-state production of television series,
1329 made-for-television movies, and motion pictures, including feature films and independent
1330 films;

1331 (2) the amount of incentive commitments made by the office under this part and the
1332 period of time over which the incentives will be paid; and

1333 (3) the economic impact on the state related to:

1334 (a) dollars left in the state; and

1335 (b) providing motion picture incentives under this part.

1336 Section 37. Section **63M-1-1901** is amended to read:

1337 **63M-1-1901. Military installation projects for economic development -- Funding**
1338 **-- Criteria -- Dispersal -- Report.**

1339 (1) The Legislature recognizes that significant growth in the state's economy can be
1340 achieved by state and local support of the continuing expansion and development of federal
1341 military installations throughout the state.

1342 (2) The office, through its director, may receive and distribute legislative
1343 appropriations and public and private grants and donations for military installation projects
1344 that:

1345 (a) have a strong probability of increasing the growth and development of a military

1346 facility within the state, thereby providing significant economic benefits to the state;

1347 (b) will provide a significant number of new jobs within the state that should remain

1348 within the state for a period of several years; and

1349 (c) involve a partnership between the military and private industry or local government

1350 or the military and private industry and local government.

1351 (3) (a) The director may distribute money under this section to:

1352 (i) a regional or statewide nonprofit economic development organization; or

1353 (ii) a federal military partnership that has the mission of promoting the economic

1354 growth of a military installation.

1355 (b) The director shall make a distribution under this section upon:

1356 (i) receipt of an application on a form prescribed by the office that lists:

1357 (A) the particulars of the proposed use of the money requested, such as needed

1358 equipment purchases and anticipated training costs;

1359 (B) the estimated number of new jobs that will be created by the proposed project;

1360 (C) pending contracts related to the project that are to be finalized from funding

1361 anticipated under this section; and

1362 (D) a projected date on which the applicant shall provide the director with a report on

1363 the implementation and performance of the project, including the creation of new jobs; and

1364 (ii) a determination by the director that the project satisfies the requirements listed in

1365 Subsection (2).

1366 (c) (i) The office shall monitor the activities of a recipient of money under this section

1367 to ensure that there is compliance with the terms and conditions imposed on the recipient under

1368 this part.

1369 (ii) The office shall [~~submit, before November 1, an annual written report to the~~

1370 ~~Economic Development and Workforce Services Interim Committee and the Business,~~

1371 ~~Economic Development, and Labor Appropriations Subcommittee]~~ include in the annual

1372 written report described in Section [63M-1-206](#), a report regarding the use and impact of the

1373 money distributed under this section.

1374 Section 38. Section **63M-1-2006** is amended to read:

1375 **63M-1-2006. Report on amount of grants and loans, projects, and outstanding**
 1376 **debt.**

1377 The board shall [~~submit an annual written report to the Economic Development and~~
 1378 ~~Workforce Services Interim Committee before November 1 on~~] annually provide the following
 1379 information to the office for inclusion in the office's annual written report described in Section
 1380 63M-1-206:

1381 (1) the total amount of grants and loans the board awarded to eligible counties under
 1382 this part during the fiscal year that ended on the June 30 immediately preceding the November
 1383 interim meeting;

1384 (2) a description of the projects with respect to which the board awarded a grant or loan
 1385 under this part;

1386 (3) the total amount of outstanding debt service that is being repaid by a grant or loan
 1387 awarded under this part;

1388 (4) [~~on~~] whether the grants and loans awarded under this part have resulted in
 1389 economic development within project areas; and

1390 (5) [~~on~~] whether the board recommends:

1391 (a) that the grants and loans authorized by this part should be continued; or

1392 (b) any modifications to this part[~~; and~~].

1393 [~~(6) on any other issue relating to this part as determined by the Economic~~
 1394 ~~Development and Workforce Services Interim Committee.]~~

1395 Section 39. Section **63M-1-2406** is amended to read:

1396 **63M-1-2406. Reports -- Posting monthly and annual reports -- Audit and study of**
 1397 **tax credits.**

1398 (1) The office shall [~~submit, before November 1, an annual written report to the~~
 1399 ~~Economic Development and Workforce Services Interim Committee describing~~] include the
 1400 following information in the annual written report described in Section 63M-1-206:

1401 (a) the office's success in attracting new commercial projects to development zones

1402 under this part and the corresponding increase in new incremental jobs;

1403 (b) the estimated amount of tax credit commitments made by the office and the period
1404 of time over which tax credits will be paid;

1405 (c) the economic impact on the state related to generating new state revenues and
1406 providing tax credits under this part;

1407 (d) the estimated costs and economic benefits of the tax credit commitments that the
1408 office made;

1409 (e) the actual costs and economic benefits of the tax credit commitments that the office
1410 made; and

1411 (f) tax credit commitments that the office made, with the associated calculation.

1412 ~~[(2) The office shall post the annual report under Subsection (1) on its website and on a
1413 state website.]~~

1414 ~~[(3)]~~ (2) The office shall monthly post on its website and on a state website:

1415 (a) the new tax credit commitments that the office made during the previous month;
1416 and

1417 (b) the estimated costs and economic benefits of those tax credit commitments.

1418 ~~[(4)]~~ (3) (a) On or before November 1, 2014, and every five years after November 1,
1419 2014, the office shall:

1420 (i) conduct an audit of the tax credits allowed under Section 63M-1-2405;

1421 (ii) study the tax credits allowed under Section 63M-1-2405; and

1422 (iii) make recommendations concerning whether the tax credits should be continued,
1423 modified, or repealed.

1424 (b) An audit under Subsection ~~[(4)]~~ (3)(a)(i) shall include an evaluation of:

1425 (i) the cost of the tax credits;

1426 (ii) the purposes and effectiveness of the tax credits; and

1427 (iii) the extent to which the state benefits from the tax credits.

1428 Section 40. Section 63M-1-2504 is amended to read:

1429 **63M-1-2504. Creation of Office of Consumer Health Services -- Duties.**

1430 (1) There is created within the Governor's Office of Economic Development the Office
1431 of Consumer Health Services.

1432 (2) The office shall:

1433 (a) in cooperation with the Insurance Department, the Department of Health, and the
1434 Department of Workforce Services, and in accordance with the electronic standards developed
1435 under Sections [31A-22-635](#) and [63M-1-2506](#), create a Health Insurance Exchange that:

1436 (i) provides information to consumers about private and public health programs for
1437 which the consumer may qualify;

1438 (ii) provides a consumer comparison of and enrollment in a health benefit plan posted
1439 on the Health Insurance Exchange; and

1440 (iii) includes information and a link to enrollment in premium assistance programs and
1441 other government assistance programs;

1442 (b) contract with one or more private vendors for:

1443 (i) administration of the enrollment process on the Health Insurance Exchange,
1444 including establishing a mechanism for consumers to compare health benefit plan features on
1445 the exchange and filter the plans based on consumer preferences;

1446 (ii) the collection of health insurance premium payments made for a single policy by
1447 multiple payers, including the policyholder, one or more employers of one or more individuals
1448 covered by the policy, government programs, and others; and

1449 (iii) establishing a call center in accordance with Subsection (3);

1450 (c) assist employers with a free or low cost method for establishing mechanisms for the
1451 purchase of health insurance by employees using pre-tax dollars;

1452 (d) establish a list on the Health Insurance Exchange of insurance producers who, in
1453 accordance with Section [31A-30-209](#), are appointed producers for the Health Insurance
1454 Exchange; and

1455 (e) ~~[submit, before November 1, an annual written report to the Business and Labor~~
1456 ~~Interim Committee and the Health System Reform Task Force regarding] include in the annual~~
1457 written report described in Section [63M-1-206](#), a report on the operations of the Health

1458 Insurance Exchange required by this chapter.

1459 (3) A call center established by the office:

1460 (a) shall provide unbiased answers to questions concerning exchange operations, and
1461 plan information, to the extent the plan information is posted on the exchange by the insurer;
1462 and

1463 (b) may not:

- 1464 (i) sell, solicit, or negotiate a health benefit plan on the Health Insurance Exchange;
- 1465 (ii) receive producer compensation through the Health Insurance Exchange; and
- 1466 (iii) be designated as the default producer for an employer group that enters the Health
1467 Insurance Exchange without a producer.

1468 (4) The office:

1469 (a) may not:

- 1470 (i) regulate health insurers, health insurance plans, health insurance producers, or
1471 health insurance premiums charged in the exchange;
- 1472 (ii) adopt administrative rules, except as provided in Section 63M-1-2506; or
- 1473 (iii) act as an appeals entity for resolving disputes between a health insurer and an
1474 insured;

1475 (b) may establish and collect a fee for the cost of the exchange transaction in
1476 accordance with Section 63J-1-504 for:

- 1477 (i) processing an application for a health benefit plan;
- 1478 (ii) accepting, processing, and submitting multiple premium payment sources;
- 1479 (iii) providing a mechanism for consumers to filter and compare health benefit plans in
1480 the exchange based on consumer preferences; and
- 1481 (iv) funding the call center; and

1482 (c) shall separately itemize the fee established under Subsection (4)(b) as part of the
1483 cost displayed for the employer selecting coverage on the exchange.

1484 Section 41. Section 63M-1-2704 is amended to read:

1485 **63M-1-2704. Establishment and administration of business resource centers --**

1486 **Components.**

1487 (1) The Governor's Office of Economic Development, hereafter referred to in this part
1488 as "the office," shall establish business resource centers in at least four different geographical
1489 regions of the state where host institutions are located and the host institutions agree to enter
1490 into a business resource center partnership with the office.

1491 (2) The office, in partnership with a host institution, shall provide methodology and
1492 oversight for a business resource center.

1493 (3) A host institution shall contribute 50% of a business resource center's operating
1494 costs through cash or in-kind contributions, unless otherwise provided under Subsection
1495 [63M-1-2707\(7\)](#).

1496 (4) The office shall work with the Utah Business Assistance Advisory Board
1497 established under Section [63M-1-2706](#), hereafter referred to in this part as "the board," to
1498 provide operational oversight and coordination of the business resource centers established
1499 under this part.

1500 (5) (a) A business resource center shall work with state agencies in creating methods to
1501 coordinate functions and measure the impact of the efforts provided by the state agencies and
1502 the center.

1503 (b) The host institution, state, local and federal governmental entities,
1504 quasi-governmental entities, and private entities may:

1505 (i) participate in the activities offered by or through a business resource center; and

1506 (ii) provide personnel or other appropriate links to the center.

1507 (c) (i) Other entities that are not initially involved in the establishment of a business
1508 resource center and that are capable of providing supportive services to Utah businesses may
1509 apply to the center to become a provider of services at the center.

1510 (ii) Entities identified in Subsections (5)(a) and (b) shall provide the board with a
1511 service plan, to include funding, which would be made available or supplied to cover the
1512 expenses of their services offered at a business resource center.

1513 (iii) The board shall review each application made under Subsection (5)(c)(i) and make

1514 a recommendation for approval by the office as a precondition for providing the service being
1515 offered.

1516 (6) A business resource center may:

1517 (a) partner with the [~~Governor's Office of Economic Development~~] office, other host
1518 institutions, and other entities to develop and establish web-based access to virtual business
1519 resource center services over the Internet to assist in establishing and growing businesses in the
1520 state, particularly in those situations where traveling to a business resource center site is not
1521 practical;

1522 (b) develop a data base and software for:

1523 (i) tracking clients and their progress; and

1524 (ii) tracking responses and services provided by state agencies and evaluating their
1525 effectiveness; and

1526 (c) develop outreach programs and services targeted to business clients in rural areas of
1527 the state.

1528 (7) The [~~Governor's Office of Economic Development shall submit an annual written~~
1529 ~~report to the Economic Development and Workforce Services Interim Committee before~~
1530 ~~November 1~~] office shall include in the annual written report described in Section 63M-1-206,
1531 a report on measured performance of economic development programs offered by or through
1532 established business resource centers.

1533 Section 42. Section **63M-1-2910** is amended to read:

1534 **63M-1-2910. Reports on tax credit certificates -- Study by legislative committees.**

1535 (1) The office shall [~~submit an annual written report to the Revenue and Taxation~~
1536 ~~Interim Committee before November 1 describing~~] include the following information in the
1537 annual written report described in Section 63M-1-206:

1538 (a) the total amount listed on tax credit certificates the office issues under this part;

1539 (b) the criteria that the office uses in prioritizing the issuance of tax credits amongst tax
1540 credit applicants under this part; and

1541 (c) the economic impact on the state related to providing tax credits under this part.

1542 (2) (a) On or before November 1, 2016, and every five years after November 1, 2016,
 1543 the Revenue and Taxation Interim Committee shall:

1544 (i) study the tax credits allowed under Sections [59-7-614.6](#), [59-10-1025](#), and
 1545 [59-10-1109](#); and

1546 (ii) make recommendations concerning whether the tax credits should be continued,
 1547 modified, or repealed.

1548 (b) The study under Subsection (2)(a) shall include an evaluation of:

1549 (i) the cost of the tax credits under Sections [59-7-614.6](#), [59-10-1025](#), and [59-10-1109](#);

1550 (ii) the purposes and effectiveness of the tax credits; and

1551 (iii) the extent to which the state benefits from the tax credits.

1552 Section 43. Section **63M-1-3105** is amended to read:

1553 **63M-1-3105. Reporting.**

1554 The office shall [~~submit, before November 1, an annual written report to the Economic~~
 1555 ~~Development and Workforce Services Interim Committee and the Revenue and Taxation~~
 1556 ~~Interim Committee describing~~] provide the following information in the annual written report
 1557 described in Section [63M-1-206](#):

1558 (1) the office's success in attracting alternative energy manufacturing projects to the
 1559 state and the resulting increase in new state revenues under this part;

1560 (2) the amount of tax credits the office has granted or will grant and the time period
 1561 during which the tax credits have been or will be granted; and

1562 (3) the economic impact on the state by comparing new state revenues to tax credits
 1563 that have been or will be granted under this part.

1564 Section 44. Section **63M-1-3207** is amended to read:

1565 **63M-1-3207. Report to Legislature and the State Board of Education.**

1566 (1) The board shall report the progress of the STEM Action Center, including the
 1567 information described in Subsection (2), to the following groups once each year:

1568 (a) the Education Interim Committee;

1569 (b) the Public Education Appropriations Subcommittee; [~~and~~]

- 1570 (c) the State Board of Education[-]; and
- 1571 (d) the office for inclusion in the office's annual written report described in Section
- 1572 63M-1-206.
- 1573 (2) The report described in Subsection (1) shall include information that demonstrates
- 1574 the effectiveness of the program, including:
- 1575 (a) the number of educators receiving professional development;
- 1576 (b) the number of students receiving services from the STEM Action Center;
- 1577 (c) a list of the providers selected pursuant to this part;
- 1578 (d) a report on the STEM Action Center's fulfilment of its duties described in
- 1579 Subsection 63M-1-3204; and
- 1580 (e) student performance of students participating in a STEM Action Center program as
- 1581 collected in Subsection 63M-1-3204(4).
- 1582 Section 45. Section 63M-1-3306 is repealed and reenacted to read:
- 1583 **63M-1-3306. Annual report.**
- 1584 The executive director shall include in the annual written report described in Section
- 1585 63M-1-206, a report from the director on the activities of the Outdoor Recreation Office.
- 1586 Section 46. **Repealer.**
- 1587 This bill repeals:
- 1588 Section 35A-8-1802, **Interim study.**