

**Olene Walker Housing Loan Fund Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Carol S. Moss**

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**LONG TITLE****General Description:**

This bill modifies provisions related to the Olene Walker Housing Loan Fund within the Department of Workforce Services.

**Highlighted Provisions:**

This bill:

- requires the Division of Finance to annually transfer a certain amount of state liquor sale revenues from the Liquor Control Fund to the Olene Walker Housing Loan Fund (fund);
- requires the executive director of the Department of Workforce Services to distribute the transferred portion of the fund for certain purposes; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**32B-2-301**, as last amended by Laws of Utah 2022, Chapter 447

**35A-8-502**, as renumbered and amended by Laws of Utah 2012, Chapter 212

**35A-8-504**, as last amended by Laws of Utah 2024, Chapter 413

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

Section 1. Section **32B-2-301** is amended to read:

**32B-2-301 . State property -- Liquor Control Fund -- Money to be retained by department -- Department building process.**

(1) As used in this section, "base budget" means the same as that term is defined in legislative rule.

(2) The following are property of the state:

- (a) the money received in the administration of this title, except as otherwise provided;

- 32           and
- 33           (b) property acquired, administered, possessed, or received by the department.
- 34 (3)(a) There is created an enterprise fund known as the "Liquor Control Fund."
- 35           (b) Except as provided in Sections 32B-2-304, 32B-2-305, and 32B-2-306, the
- 36           department shall deposit the following into the Liquor Control Fund:
- 37           (i) money received in the administration of this title; and
- 38           (ii) money received from the markup described in Section 32B-2-304.
- 39           (c) The department may draw from the Liquor Control Fund only to the extent
- 40           appropriated by the Legislature or provided by statute.
- 41           (d) The net position of the Liquor Control Fund may not fall below zero.
- 42 (4)(a) Notwithstanding Subsection (3)(c), the department may draw by warrant from the
- 43           Liquor Control Fund without an appropriation for an expenditure that is directly
- 44           incurred by the department:
- 45           (i) to purchase an alcoholic product;
- 46           (ii) to transport an alcoholic product from the supplier to a warehouse of the
- 47           department; or
- 48           (iii) for variances related to an alcoholic product, including breakage or theft.
- 49           (b) If the balance of the Liquor Control Fund is not adequate to cover a warrant that the
- 50           department draws against the Liquor Control Fund, to the extent necessary to cover
- 51           the warrant, the cash resources of the General Fund may be used.
- 52 (5) The department's base budget shall include as an appropriation from the Liquor Control
- 53           Fund:
- 54           (a) credit card related fees paid by the department;
- 55           (b) package agency compensation;
- 56           (c) the department's costs of shipping and warehousing alcoholic products; and
- 57           (d) the amount needed, as the Division of Human Resource Management determines, to
- 58           make the median department salary in the previous fiscal year equal the median
- 59           market salary in the previous fiscal year for the following positions:
- 60           (i) state store manager or equivalent;
- 61           (ii) state store assistant manager or equivalent;
- 62           (iii) full-time sales clerk at a state store or equivalent;
- 63           (iv) part-time sales clerk at a state store or equivalent;
- 64           (v) department warehouse manager or equivalent;
- 65           (vi) department warehouse assistant manager or equivalent;

- 66 (vii) full-time department warehouse worker or equivalent; and  
67 (viii) part-time department warehouse worker or equivalent.
- 68 (6)(a) [The] Except as provided in Subsections (8) and (9), the Division of Finance shall  
69 transfer annually from the Liquor Control Fund to the General Fund a sum equal to  
70 the amount of net profit earned from the sale of liquor since the preceding transfer of  
71 money under this Subsection (6).
- 72 (b) After each fiscal year, the Division of Finance shall calculate the amount for the  
73 transfer on or before September 1 and the Division of Finance shall make the transfer  
74 on or before September 30.
- 75 (c) The Division of Finance may make year-end closing entries in the Liquor Control  
76 Fund to comply with Subsection 51-5-6(2).
- 77 (7)(a) By the end of each day, the department shall:  
78 (i) make a deposit to a qualified depository, as defined in Section 51-7-3; and  
79 (ii) report the deposit to the state treasurer.
- 80 (b) A commissioner or department employee is not personally liable for a loss caused by  
81 the default or failure of a qualified depository.
- 82 (c) Money deposited in a qualified depository is entitled to the same priority of payment  
83 as other public funds of the state.
- 84 (8) Before the Division of Finance makes the transfer described in Subsection (6), the  
85 department may retain each fiscal year from the Liquor Control Fund \$1,000,000 that  
86 the department may use for:  
87 (a) capital equipment purchases;  
88 (b) salary increases for department employees;  
89 (c) performance awards for department employees; or  
90 (d) information technology enhancements because of changes or trends in technology.
- 91 (9) Before the Division of Finance makes the transfer described in Subsection (6), the  
92 Division of Finance shall transfer annually from the Liquor Control Fund to the Olene  
93 Walker Housing Loan Fund created in Section 35A-8-502 an amount equal to 25% of  
94 the net sales tax profits earned on the sale of liquor since the preceding transfer of  
95 money under Subsection (6).
- 96 Section 2. Section **35A-8-502** is amended to read:  
97 **35A-8-502 . Creation and administration.**
- 98 (1)(a) There is created an enterprise fund known as the Olene Walker Housing Loan  
99 Fund, administered by the executive director or the executive director's designee.

- 100 (b) The department is the administrator of the fund.
- 101 (2) There shall be deposited into the fund:
- 102 (a) grants, paybacks, bonuses, entitlements, and other money received by the department
- 103 from the federal government to preserve, rehabilitate, build, restore, or renew housing
- 104 or for other activities authorized by the fund;
- 105 (b) money transferred from the Liquor Control Fund to the fund by the Division of
- 106 Finance in accordance with Section 32B-2-301;
- 107 [~~(b)~~] (c) transfers, grants, gifts, bequests, and money made available from any source to
- 108 implement this part; and
- 109 [~~(c)~~] (d) money appropriated to the fund by the Legislature.
- 110 (3) The money in the fund shall be invested by the state treasurer according to the
- 111 procedures and requirements of Title 51, Chapter 7, State Money Management Act,
- 112 except that all interest or other earnings derived from money in the fund shall be
- 113 deposited in the fund.

114 Section 3. Section **35A-8-504** is amended to read:

115 **35A-8-504 . Distribution of fund money.**

- 116 (1) As used in this section:
- 117 (a) "Community" means the same as that term is defined in Section 17C-1-102.
- 118 (b) "Income targeted housing" means the same as that term is defined in Section
- 119 17C-1-102.
- 120 (2) The executive director shall:
- 121 (a) make grants and loans from the fund for any of the activities authorized by Section
- 122 35A-8-505, as directed by the board;
- 123 (b) establish the criteria with the approval of the board by which loans and grants will be
- 124 made; and
- 125 (c) determine with the approval of the board the order in which projects will be funded.
- 126 (3) The executive director shall distribute, as directed by the board, any federal money
- 127 contained in the fund according to the procedures, conditions, and restrictions placed
- 128 upon the use of the money by the federal government.
- 129 (4) The executive director shall distribute, as directed by the board, any funds received
- 130 under Section 17C-1-412 to pay the costs of providing income targeted housing within
- 131 the community that created the community reinvestment agency under Title 17C,
- 132 Limited Purpose Local Government Entities - Community Reinvestment Agency Act.
- 133 (5)(a) Except for federal money, money transferred into the fund under Section

134 35A-8-502 as provided in Subsection (5)(b), money received under Section  
 135 17C-1-412, and money appropriated for use in accordance with Section 35A-8-2105,  
 136 the executive director shall distribute, as directed by the board, money in the fund  
 137 according to the following requirements:

138 ~~[(a)]~~ (i) the executive director shall distribute at least 70% of the money in the fund to  
 139 benefit ~~[persons]~~ individuals whose annual income is at or below 50% of the  
 140 median family income for the state;

141 ~~[(b)]~~ (ii) the executive director may use up to 6% of the revenues of the fund,  
 142 including any appropriation to the fund, to offset department or board  
 143 administrative expenses;

144 ~~[(c)]~~ (iii) the executive director shall distribute any remaining money in the fund to  
 145 benefit ~~[persons]~~ individuals whose annual income is at or below 80% of the  
 146 median family income for the state; and

147 ~~[(d)]~~ (iv) if the executive director or the executive director's designee makes a loan in  
 148 accordance with this section, the interest rate of the loan shall be based on the  
 149 borrower's ability to pay.

150 (b) For money transferred into the fund under Section 32B-2-301, the executive director,  
 151 as directed by the board, shall distribute the percentage of transferred funds as  
 152 follows:

153 (i) 40% of the money transferred into the fund to benefit individuals purchasing  
 154 single-family, owner-occupied affordable housing that is:

155 (A) restricted to households whose income is no less than 30% and no more than  
 156 60% of the area median income; and

157 (B) deed restricted for no less than 10 years to ensure the property remains  
 158 owner-occupied and affordable to households as described in Subsection  
 159 (5)(b)(i)(A); and

160 (ii) 60% of the money transferred into the fund to benefit persons purchasing,  
 161 developing, or rehabilitating multi-family affordable housing that is:

162 (A) restricted to households whose income is no more than 40% of the area  
 163 median income; and

164 (B) deed restricted for no less than 50 years to ensure the property remains  
 165 affordable to households as described in Subsection (5)(b)(ii)(A).

166 (6) The executive director may, with the approval of the board:

167 (a) enact rules to establish procedures for the grant and loan process by following the

168           procedures and requirements of Title 63G, Chapter 3, Utah Administrative  
169           Rulemaking Act; and  
170       (b) service or contract, under Title 63G, Chapter 6a, Utah Procurement Code, for the  
171           servicing of loans made by the fund.  
172           Section 4. **Effective Date.**  
173       This bill takes effect on July 1, 2025.