**Fund 2322 Transient Room Tax Fund**

*Agency(s): Governor’s Office of Economic Development*

*Analyst: Andrea Wilko*

Purpose and Uses

The Transient Room Tax Fund is an earmarked portion of the Transient Room Tax in a county of the first class used to mitigate the impacts of traffic and parking relating to a convention facility within the county.

Accountability

UCA 63M-1-2203 and UCA 59-12-301 specify that the funds can only be used in a county of the first class for mitigating the impacts of traffic and parking related to a convention center. There are no fund-specific reports.

Recommendation

This fund is an expendable special revenue fund. The Analyst recommends the Legislature review this fund annually and include it in an appropriations act.

### Graph Notes

Funds have been transferred to a county of the first class as directed by statute. Revenues are derived from an earmark of the Transient Room Tax.

*Revenues and Expenses include Net Transfers; Dollar figures in thousands*
Review of “Off-Budget” Funds and Operations

**Military Installation Authority**

*Agency(s): None*

*Analyst: Gary Ricks*

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**Purpose and Uses**

The Military Installation Development Authority is an independent state agency that assists in the development of military property or property that is adjacent to a military installation (or other federal installation) throughout the State.

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**Accountability**

UCA 63H-1-703 provides that the Authority shall prepare and file a report with the county auditor, the Tax Commission, the State Board of Education, and each taxing entity that levies a tax on property from which the Authority collects the tax increment. This requirement is met if the Authority files a copy with the Tax Commission and the State Auditor. The Authority also must submit to an annual independent audit which is reviewed by the State Auditor.

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**Recommendation**

The Analyst recommends that this independent entity report annually concerning its operations, financial statements, and independent auditor’s reports to the Retirement and Independent Entities Appropriations Subcommittee. The Analyst further recommends adding language to UCA 63H-1 to require this report.

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**9236 History**

![Graph Notes](graph_notes.png)

*Graph Notes*

Revenues consist of tax increment funds from local governments and contracts from state agencies to manage building projects close to federal and federal military installations. Expenditures consist of salaries, professional services and contract costs in managing and supervising building projects. Current and other assets decreased by $7.3 million due to a decrease in government receivables and cash.

*Revenues and Expenses include Net Transfers; Dollar figures in thousands*
**Fund 1054 Industrial Assistance Account**

Agency(s): Governor's Office of Economic Development, Public Education  
Analyst: Andrea Wilko

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**Purpose and Uses**

The Industrial Assistance Account was established to provide funding for a post-performance grant program to enhance job creation in the State.

**Accountability**

UCA 63M-1-903 and 63M-1-905 establish the uses and restrictions on the fund. The fund is structured as a post performance grant; as a result the actual jobs and wages created must be certified before funding is released. Expenditures are reviewed by the Governor's Office of Economic Development Board and the Division of Finance and are reported to the Legislature. Replenishments to the fund are authorized and appropriated by the Legislature.

**Recommendation**

The Analyst recommends showing the beginning and ending balances of this account in the appropriations bills.

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**Graph Notes**

The balance of the fund has been increasing over time. The Governor’s Office of Economic Development has chosen to use the Economic Development Tax Increment Financing tool more often than the Industrial Assistance Fund. Most of the fund increase has been the result of repayments set aside from General Fund surplus. Expenditures from the fund are for grants to companies reimbursed post-performance.

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*Revenues and Expenses include Net Transfers; Dollar figures in thousands*
**Private Activity Bonds**  
*Agency(s): Governor’s Office of Economic Development  
*Analyst: Andrea Wilko*

### Purpose and Uses

The Private Activity Bond Program is Utah's tax-exempt bonding authority. It creates a lower cost, long-term source of capital under the Federal Tax Act of 1986. The Federal Government allocated $291,875,000 to Utah in 2013. Each state establishes its usage priorities by statute. Money for administering the activity comes from fees assessed on applicants who apply for the various volume caps. No state or federal funding is involved in the activity.

### Accountability

The program itself is not created in statute; it is a federal program subject to the limitations imposed by Section 141(a) of the Internal Revenue Code. However, the State has implemented statute directing the use of the funds in UCA 63M-1-3003. The data collected is reported to the Private Activity Board which is established in statute. Annual allocations are available on the Governor’s Office of Economic Development website.

No Changes Recommended

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**Graph Notes**

The graph depicts tax-exempt bonding authority activity in the State for the last three calendar years. The revenues represent bonding authority received by the State. The expenses are authority granted to others and the ending balance is bonding authority carried forward into the following year. Over the last three years the State’s tax-exempt bonding authority has been used for the following purposes: (1) 46% single family housing, (2) 36% student loan program, (3) 13% multi-family housing, and (4) 5% manufacturing.

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*Revenues and Expenses include Net Transfers; Dollar figures in thousands*
Review of “Off-Budget” Funds and Operations

Fund 2323 Private Proposal Restricted Revenue Fund
Agency(s): Governor’s Office of Economic Development
Analyst: Andrea Wilko

Purpose and Uses
The fund was created to collect fees from a statutory program which allows a private entity to submit proposals to provide certain products or services to the Department of Technology Services or to the Board of Education. Revenue in the fund is used to administer the program.

Accountability
UCA 63M-1-2612 sets up the reporting process for the Government Procurement Private Proposal Program. Administrative Code Rule R357-4 further clarifies the reporting process and details the expenditure limits for the fees imposed. There are no fund-specific reports.

Recommendation
This fund is an expendable special revenue fund. The Analyst recommends the Legislature review this fund annually and include it in an appropriations act.

Graph Notes
Revenue to the fund is from fees assessed at the time of the initial proposal. The expenditures are used for the administrative of the program in the following ratios: 40% for review of the initial proposal, 30% for review of the detailed proposals, and 30% to prepare the project agreement.

*Revenues and Expenses include Net Transfers; Dollar figures in thousands