

**Effective 5/12/2020**

## **Chapter 6 Arts and Museums Development**

### **Part 1 General Provisions**

#### **9-6-101 Title.**

This chapter is known as "Arts and Museums Development."

Enacted by Chapter 419, 2020 General Session

#### **9-6-102 Definitions.**

As used in this chapter:

- (1) "Arts" means the various branches of creative human activity, including visual arts, film, performing arts, sculpture, literature, music, theater, dance, digital arts, video-game arts, and cultural vitality.
- (2) "Arts board" means the Utah Arts Advisory Board created in Section 9-6-301.
- (3) "Development" includes:
  - (a) constructing, expanding, or repairing a museum or other facility that houses arts or cultural presentations;
  - (b) providing for public information, preservation, and access to museums, the arts, and the cultural heritage of the state; and
  - (c) supporting the professional development of artists, cultural administrators, and cultural leaders within the state.
- (4) "Director" means the director of the Division of Arts and Museums.
- (5) "Division" means the Division of Arts and Museums.
- (6) "Museum" means an organized and permanent institution that:
  - (a) is owned or controlled by the state, a county, or a municipality, or is a nonprofit organization;
  - (b) has an educational or aesthetic purpose;
  - (c) owns or curates a tangible collection; and
  - (d) exhibits the collection to the public on a regular schedule.
- (7) "Museums board" means the Utah Museums Advisory Board created in Section 9-6-305.

Amended by Chapter 419, 2020 General Session

### **Part 2 Division of Arts and Museums**

#### **9-6-201 Division of Arts and Museums -- Creation -- Powers and duties.**

- (1) There is created within the department the Division of Arts and Museums under the administration and general supervision of the executive director or the designee of the executive director.
- (2) The division shall:
  - (a) advance the interests of arts and museums in the state in all stages of development;
  - (b) promote and encourage the development of arts and culture in the state;

- (c) support the efforts of state and local government and nonprofit arts, museums, and cultural organizations to encourage the development of arts, museums, and culture in the state;
- (d) provide assistance to museums in the state to improve museums' ability to:
  - (i) care for and manage collections;
  - (ii) develop quality educational resources such as exhibitions, collections, and publications;
  - (iii) provide access to collections for research; and
  - (iv) provide other services as needed;
- (e) assist arts and museum organizations in the state in cultural development as needed;
- (f) cooperate with federal agencies and locally sponsor federal projects directed to the development of arts, museums, and culture in the state;
- (g) develop the influence of arts in education and life-long learning;
- (h) cooperate with the private sector, including businesses, charitable interests, educational interests, manufacturers, agriculturalists, and industrialists in arts, museums, and cultural endeavors;
- (i) disseminate information related to arts, museums, and culture by utilizing broadcast media and print media;
- (j) foster, promote, encourage, and facilitate the study, creation, and appreciation of the arts, museums, and culture in the state;
- (k) foster, promote, encourage, and facilitate, the study, creation, and appreciation of the works of indigenous artists in the state;
- (l) advise state and local government agencies and employees regarding arts and museums related issues, including arts and museums capital development projects;
- (m) provide technical advice and information about sources of technical assistance to arts, museums, and cultural organizations in the state;
- (n) develop, coordinate, and support programs, workshops, seminars, and similar activities that provide training for staff members of arts, museums, and cultural organizations in the state;
- (o) undertake research to understand the training needs of the arts, museums, and cultural organizations community and assess how those needs can be met;
- (p) administer grant programs to assist eligible arts, museums, and cultural organizations in the state; and
- (q) create strategic partnerships to advance the development of arts, museums, and cultural organizations in the state.

Amended by Chapter 154, 2020 General Session

Amended by Chapter 419, 2020 General Session

**9-6-202 Division director.**

- (1) The chief administrative officer of the division shall be a director appointed by the executive director in consultation with the arts board and the museums board.
- (2) The director shall be a person experienced in administration and knowledgeable about the arts and museums.
- (3) In addition to the division, the director is the chief administrative officer for:
  - (a) the Utah Arts Advisory Board created in Section 9-6-301; and
  - (b) the Utah Museums Advisory Board created in Section 9-6-305.

Amended by Chapter 154, 2020 General Session

Amended by Chapter 419, 2020 General Session

**9-6-203 Division powers relating to property.**

- (1) The division may:
  - (a) take by purchase, grant, gift, donation, devise, or bequest, any property, real or personal, for any purpose appropriate to the objectives of the division; and
  - (b) convert property received by gift, grant, donation, devise, or bequest that is not suitable for the objectives of the division, into other available property or into money.
- (2) The property received or converted under Subsection (1) shall be held, invested, and managed and the proceeds used by the division for the purposes and under the conditions prescribed in the grant or donation.
- (3) If by the terms of any grant, gift, donation, devise, or bequest, conditions are imposed that are impracticable under the law, the grant or donation does not fail but the unlawful or impracticable conditions shall be rejected and the intent of the grantor or donor shall be reasonably carried out as determined by the division.
- (4) A grant, gift, donation, devise, or bequest for the benefit of the division may not be defeated or prejudiced by any misnomer, misdescription, or informality if the intention of the grantor or donor can be shown or ascertained with reasonable certainty as determined by the division.

Amended by Chapter 419, 2020 General Session

**Part 3  
Advisory Boards**

**9-6-301 Utah Arts Advisory Board.**

- (1) There is created within the division the Utah Arts Advisory Board.
- (2)
  - (a) Except as provided in Subsections (2)(b) and (2)(f), the arts board shall consist of 13 members appointed by the governor to four-year terms with the consent of the Senate.
  - (b) The governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of arts board members are staggered so that approximately half of the arts board is appointed every two years.
  - (c) The governor shall appoint eight members who are working artists or administrators, one from each of the following areas:
    - (i) visual arts;
    - (ii) architecture or design;
    - (iii) literature;
    - (iv) music;
    - (v) folk, traditional, or native arts;
    - (vi) theater;
    - (vii) dance; and
    - (viii) media arts.
  - (d) The governor shall appoint three members who are knowledgeable in or appreciative of the arts.
  - (e) The governor shall appoint two members who have expertise in technology, marketing, business, or finance.
  - (f) Before January 1, 2026, the governor may appoint up to three additional members who are knowledgeable in or appreciative of the arts:

- (i) for terms that shall end before January 1, 2026; and
- (ii) in which case the arts board may consist of up to 16 members until January 1, 2026.
- (3) The governor shall appoint members from the state at large with due consideration for geographical representation.
- (4) When a vacancy occurs in the membership for any reason, the governor shall appoint a replacement member for the unexpired term within one month from the time of the vacancy.
- (5) A simple majority of the voting members of the arts board constitutes a quorum for the transaction of business.
- (6)
  - (a) The arts board members shall elect a chair and a vice chair from among the arts board's members.
  - (b) The chair and the vice chair shall serve a term of two years.
- (7) The arts board shall meet at least once each year.
- (8) A member of the arts board may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
  - (a) Sections 63A-3-106 and 63A-3-107; and
  - (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.
- (9) Except as provided in Subsection (8), a member may not receive any gifts, prizes, or awards of money from division funds during the member's term of office.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**9-6-302 Arts board powers and duties.**

- (1) The arts board may:
  - (a) with the concurrence of the director, make rules governing the conduct of the arts board's business in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
  - (b) receive gifts, bequests, and property.
- (2) The arts board shall:
  - (a) act in an advisory capacity for the division;
  - (b) appoint an arts collection committee as described in Section 9-6-303 to advise the division and the arts board regarding the works of art acquired and maintained under this part; and
  - (c) with the concurrence of the director, approve the allocation of arts grant money and State of Utah Alice Merrill Horne Art Collection acquisition funding.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**9-6-303 Art collection committee.**

- (1)
  - (a) The arts board with the concurrence of the director shall appoint an arts collection committee composed of any combination of artists, art historians, gallery owners, knowledgeable art collectors, art appraisers, and judges of art.
  - (b) The arts collection committee shall make recommendations to the division and the arts board regarding the works of art acquired and maintained as part of the State of Utah Alice Merrill Horne Art Collection created in Section 9-6-304.
- (2)
  - (a) Except as provided in Subsection (2)(b), the arts board with the concurrence of the director shall appoint each member of the arts collection committee to a four-year term.

- (b) The arts board shall, at the time of appointment or reappointment, adjust the length of the initial terms of arts collection committee members to ensure that the terms are staggered so that approximately half of the arts collection committee is appointed every two years.
- (3) When a vacancy occurs in the membership of the arts collection committee, the replacement shall be recommended by the remaining members of the art collection committee and then appointed by the arts board with the concurrence of the director for the unexpired term.
- (4) A member of the arts collection committee may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
  - (a) Sections 63A-3-106 and 63A-3-107; and
  - (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**9-6-304 State of Utah Alice Merrill Horne Art Collection.**

- (1) There is created the State of Utah Alice Merrill Horne Art Collection.
- (2) The State of Utah Alice Merrill Horne Art Collection:
  - (a) consists of all works of art acquired under this part; and
  - (b) shall be held as the property of the state and under the control of the division.
- (3) Works of art in the State of Utah Alice Merrill Horne Art Collection may be loaned for exhibition purposes in accordance with recommendations from the arts board and rules made by the division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (4) The division shall:
  - (a) take reasonable precautions to avoid damage or destruction to works of art in the State of Utah Alice Merrill Horne Art Collection;
  - (b) procure insurance coverage for the works of art in the State of Utah Alice Merrill Horne Art Collection; and
  - (c) ensure that all works of art shipped to and from any exhibition under this section are packed by an expert packer.
- (5)
  - (a) The division may only deaccession works of art in the State of Utah Alice Merrill Horne Art Collection in accordance with rules made by the division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
  - (b) A work of art in the State of Utah Alice Merrill Horne Art Collection that is to be deaccessioned in accordance with division rule is not state surplus property as that term is defined in Section 63A-2-101.5, and the division is not subject to the surplus property program described in Section 63A-2-401 for that work of art.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**9-6-305 Utah Museums Advisory Board.**

- (1) There is created within the division the Utah Museums Advisory Board.
- (2)
  - (a) Except as provided in Subsection (2)(b), the museums board shall consist of 11 members appointed by the governor to four-year terms.
  - (b) The governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of museums board members are staggered so that approximately half of the museums board is appointed every two years.
- (3) The governor shall ensure that the museums board includes:

- (a) three members who are qualified, trained, and experienced museum professionals, have a minimum of five years continuous paid work experience at a museum, and are selected from among recommendations proposed by the Utah Museums Association;
  - (b) at least three additional members who are qualified, trained, and experienced museum professionals; and
  - (c) remaining members who have demonstrated an active interest in Utah's museums.
- (4) The governor shall appoint members from the state at large with due consideration for geographical representation.
- (5) When a vacancy occurs in the membership for any reason, the governor shall appoint a replacement member for the unexpired term within one month from the time of the vacancy.
- (6) A member of the museums board may only be reappointed for one additional term unless the governor determines that unusual circumstances warrant an additional term.
- (7)
- (a) The museums board members shall elect a chair and a vice chair from among the museums board's members.
  - (b) The chair and the vice chair shall serve a term of two years.
- (8) A simple majority of the voting members of the museums board constitutes a quorum for the transaction of business.
- (9) The museums board shall meet at least once each year.
- (10) A member of the museums board may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
- (a) Sections 63A-3-106 and 63A-3-107; and
  - (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.
- (11) Except as provided in Subsection (10), a member may not receive a gift, prize, or award of money from division funds during the member's term of office.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**9-6-306 Museums board power and duties.**

- (1) The museums board may, with the concurrence of the director, make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, governing:
- (a) the museum grants program; and
  - (b) the awarding of grant money to assist Utah's eligible museums.
- (2) The museums board shall:
- (a) act in an advisory capacity for the division, including making recommendations regarding the museum grants program and the awarding of grant money; and
  - (b) with the concurrence of the director, approve the awarding of museum grant money to assist Utah's eligible museums.

Repealed and Re-enacted by Chapter 419, 2020 General Session

**Part 4**  
**Utah Percent-for-Art Act**

**9-6-401 Short title.**

This part is known as the "Utah Percent-for-Art Act."

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-402 Purpose.**

This part is designed to:

- (1) establish a program which administers that portion of appropriations for capital expenditures which is set aside for the acquisition of works of art used for public buildings;
- (2) enhance the quality of life in the state by placing art of the highest quality in public spaces where it is seen by the general public;
- (3) promote and preserve appreciation for and exposure to the arts; and
- (4) foster cultural development in the state and encourage the creativity and talents of its artists and craftspeople.

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-403 Definitions.**

As used in this part:

- (1) "Artist" means a practitioner in the visual arts, generally recognized by critics and the artist's peers as a professional who is committed to producing high quality work on a regular basis, and who is not the project architect or a member of the project's architectural firm.
- (2) "Acquired or constructed" means acquired, constructed, reconstructed, restored, enlarged, improved, renovated, repaired, replaced, equipped, or furnished in whole or in part with state funds.
- (3) "Contracting agency" means the state agency which is responsible for supervising the principal user of a state building or facility.
- (4) "Principal user" means the department, board, commission, institution, or agency of the state for the principal use of which a state building or facility is acquired or constructed.
- (5) "Program" means the Percent-for-Art Program created in this part.
- (6) "Project" means the project whereby state buildings or facilities are acquired or constructed.
- (7)
  - (a) "State building or facility" means a state building, permanent structure, facility, park, or appurtenant structure thereof, wholly or partially enclosed, which includes, but is not restricted to a space or facility used or to be used for carrying out the functions of a department, board, commission, institution, or agency of the state, including offices, hearing or meeting rooms, auditoriums, libraries, courtrooms, classrooms, workshops, laboratories, eating or sleeping facilities, or highway rest areas.
  - (b) "State building or facility" does not include motor pools, heating plants, sheds, sewers, parking lots, bridges, highways, or buildings used solely for storage or warehousing.
- (8) "Work of art" or "works of art" means any form of original creation of visual art including, but not restricted to any sculpture, bas relief, high relief, mobile, fountain, painting, graphic, print, lithograph, etching, embossing, drawing, mural, mosaic, supergraphic, fresco, photograph, ceramic, fiber, mixed media, or combination of forms.

Amended by Chapter 4, 1993 General Session

**9-6-404 Creation of program -- Use of appropriations.**

- (1) A Percent-for-Art Program shall be administered by the division.

- (2) Any appropriation received by the director shall be used to acquire existing works of art or to commission the creation of works of art placed in or at appropriate state buildings or facilities as determined by the division. Any unexpended funds remaining at the end of the fiscal year shall be nonlapsing and not revert to the General Fund.

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-405 Procedures, guidelines, and rules.**

- (1) The division shall follow these guidelines in administering the program:
  - (a) Works of art shall be acquired under the program for use only with respect to those buildings or facilities that the division determines have significant public use or access, especially where the design and technical construction of the building or facility lend themselves to works of art. All funds set aside and administered by the program from appropriations for any state building or facility of which any part is obtained from the issuance of bonds shall be used only to acquire works of art that will be placed in or at, and remain a part of, that building or facility, to the extent necessary to preserve the federal income tax exemption otherwise allowed for interest paid on the bonds.
  - (b) The goal of the division in administering the program is to fairly distribute works of art throughout the various social, economic, and geographic communities of the state.
  - (c) The division:
    - (i) shall give first preference to Utah artists; and
    - (ii) may consider artists from other states and give preference to artists from other states that have similar percent-for-art programs and demonstrate a reciprocal preference for Utah artists.
  - (d) The division shall involve the director of the Division of Facilities Construction and Management, or the director's designee, and the project architect in the process of screening or selecting works of art or artists to create works of art for each project and shall involve in that process representatives from the project's principal user or contracting agency, the community in which the project is located, and the art profession. The project's principal user or contracting agency shall have representation at least equal to any other entity on the selection committee, as designated by the project's president or director. Any selection and placement of art shall be by a majority decision of the user agency representatives on the committee and a majority decision of the entire committee. The selection and placement shall be approved by the president or director of the principal user.
  - (e) Any relocation of art placed under this program shall be done with the participation from the division and the Division of Facilities Construction and Management and with approval from the president or director of the principal user.
  - (f) The costs of administering the program and conserving and maintaining all works of art placed under the program are limited to 15% of the funds deposited in the Utah Percent-for-Art Account.
- (2) The division shall adopt procedures, guidelines, and rules as necessary to implement this chapter and administer the program.

Amended by Chapter 261, 2020 General Session

**9-6-406 Director to enter into contracts.**

The director may enter into contracts on behalf of the division to acquire works of art and to commission artists for the creation of works of art as selected by the division or committees



established by the division, and may sue and be sued in the name of the division upon these contracts.

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-407 Title to work of art vests in the name of the state -- Title subject to restrictions and interests.**

- (1) Title to a work of art acquired by or created for the program vests upon its completion, installation, and final acceptance in the division in the name of the state.
- (2) Title to a work of art acquired from appropriations for any state building or facility of which any part is obtained from the issuance of bonds, and placed in or at that building or facility, is subject to the same restrictions and interests as title to that building or facility, to the extent necessary to preserve the federal income tax exemption otherwise allowed for interest paid on those bonds.

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-408 Division responsible for maintenance and security.**

The division is responsible, in cooperation with the contracting agency, for the conservation, maintenance, and security of all works of art placed in or at each state building or facility under the program.

Renumbered and Amended by Chapter 241, 1992 General Session

**9-6-409 Rights of artist commissioned by program.**

An artist who is commissioned by the program to create a work of art has the following rights with respect to that work of art:

- (1) all rights secured to the artist under federal copyright laws;
- (2) the right to claim authorship of the work of art;
- (3) the right to photographic reproduction of the work of art;
- (4) the right of first refusal:
  - (a) to conduct all repair and conservation work on the work of art in accordance with accepted principles of professional conservation; and
  - (b) to purchase the work of art if the state decides to sell it; and
- (5) the right to deny further association of the artist's name with or authorship of the work of art if conservation or repair work is done by a person other than the artist, which in the opinion of the artist damages its integrity.

Renumbered and Amended by Chapter 241, 1992 General Session

**Part 5  
State Arts Endowment**

**9-6-501 Definitions.**

As used in this part:

- (1) "Endowment fund" means any endowment fund created under this chapter by a qualifying organization.
- (2) "Qualifying organization" means any Utah nonprofit arts or museum organization that qualifies under this chapter to create an endowment fund, receive state money into the endowment fund, match state money deposited into the endowment fund, and expend interest earned on the endowment fund.
- (3) "State fund" means the Utah Arts and Museums Endowment Fund created in Section 9-6-502.

Amended by Chapter 419, 2020 General Session

**9-6-502 Utah Arts and Museums Endowment Fund.**

- (1) There is created an expendable special revenue fund known as the "Utah Arts and Museums Endowment Fund."
- (2) The state fund shall be administered by the division in accordance with applicable law.
- (3) Any administrative costs incurred by the division shall be reviewed by the appropriate appropriations committee of the Legislature.
- (4) The state fund shall contain all money appropriated to the state fund by the Legislature, all federal funds received for purposes of this part, plus interest and other income earned on money in the state fund.
- (5) The division shall distribute money in the state fund to qualifying arts and museum organizations to assist those organizations in creating their own arts endowment funds.
- (6) The division may use money in the state fund for expenses related to administering the state fund.

Amended by Chapter 419, 2020 General Session

**9-6-503 Arts and museums endowment funds.**

- (1) Any Utah nonprofit arts or museum organization that meets the requirements described in this part may create an endowment fund into which there may be deposited money from the state fund.
- (2) The principal of each endowment fund described in this section may not be expended by the qualifying organization and shall be held in perpetuity solely by the qualifying organization.
- (3) Interest income earned on the amount in each endowment fund described in this section may be expended by the qualifying organization.
- (4) The principal of each endowment fund described in this section shall be invested in accordance with Title 51, Chapter 7, State Money Management Act.
- (5) If a qualifying organization that creates an endowment fund as described in this section receives:
  - (a) \$50,000 or more from the state fund, the money shall be administered by the qualifying organization's professional management in accordance with generally accepted accounting principles; or
  - (b) less than \$50,000 from the state fund, the money shall be placed in a state fiduciary fund under the direction of the state treasurer, and the state treasurer shall allocate interest income to the qualifying organization.
- (6) If an endowment fund is under the direction of the state treasurer, the state treasurer shall deduct administrative costs related to the endowment fund before allocating any interest income to the qualifying organization.

Amended by Chapter 451, 2022 General Session

**9-6-504 Duties of the division.**

The division, in accordance with the provisions of this part, shall:

- (1) allocate money from the state fund to the endowment fund created by a qualifying organization under Section 9-6-503;
- (2) determine the eligibility of each qualifying organization to receive money from the state fund;
- (3) determine the matching amount each qualifying organization shall raise in order to qualify to receive money from the state fund;
- (4) establish a date by which each qualifying organization shall provide its matching funds;
- (5) verify that matching funds have been provided by each qualifying organization by the date determined in Subsection (4); and
- (6)
  - (a) in accordance with the provisions of this part and Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division may establish criteria by rule for determining the eligibility of qualifying organizations to receive money from the state fund; and
  - (b) in making rules under this Subsection (6), the division may consider the recommendations of the arts board and the museums board.

Amended by Chapter 419, 2020 General Session

**9-6-505 Eligibility requirements of qualifying arts organizations -- Allocation limitations -- Matching requirements.**

- (1) Any qualifying organization may apply to receive money from the state fund to be deposited in an endowment fund the organization has created under Section 9-6-503:
  - (a) if the qualifying organization has received a grant from the division during one of the three years immediately before making application for state fund money under this Subsection (1); or
  - (b) upon recommendation of the arts board or the museums board if the qualifying organization has not received a grant from the board within the past three years.
- (2)
  - (a) The maximum amount that may be allocated to each qualifying organization from the state fund shall be determined by the division by calculating the average cash income of the qualifying organization during the past three fiscal years as contained in the qualifying organization's final reports on file with the division.
  - (b) The division shall notify each qualifying organization of the maximum amount of money from the state fund for which the qualifying organization qualifies.
  - (c) The minimum amount that may be allocated to each qualifying organization from the state fund is \$2,500.
  - (d) If the maximum amount for which the organization qualifies under the calculation described in Subsection (2)(a) is less than \$2,500, the organization may still apply for \$2,500.
- (3)
  - (a) After the division determines that a qualifying organization is eligible to receive money from the state fund and before any money is allocated to the qualifying organization from the state fund, the qualifying organization shall match the amount qualified for with money raised and designated exclusively for that purpose.
  - (b) State money, in-kind contributions, and preexisting endowment gifts may not be used to match money from the state fund.

- (4) The amount of match money described in Subsection (3) that a qualifying organization is required to provide shall be based on a sliding scale as follows:
  - (a) any amount requested not exceeding \$100,000 shall be matched one-to-one;
  - (b) any additional amount requested that makes the aggregate amount requested exceed \$100,000 but not exceed \$500,000 shall be matched two-to-one; and
  - (c) any additional amount requested that makes the aggregate amount requested exceed \$500,000 shall be matched three-to-one.
- (5)
  - (a) Qualifying organizations shall raise the matching amount within three years after applying for money from the state fund by a date determined by the division.
  - (b) Money from the state fund shall be released to the qualifying organization only upon verification by the board that the matching money has been received on or before the date determined under Subsection (5)(a).
  - (c) Verification of matching funds shall be made by a certified public accountant.
  - (d) Money from the state fund shall be released to qualifying organizations with professional endowment management in increments not less than \$20,000 as audited confirmation of matching funds is received by the division.
  - (e) Money from the state fund shall be granted to each qualifying organization on the basis of the matching funds a qualifying organization has raised by the date determined under Subsection (5)(a).

Amended by Chapter 419, 2020 General Session

**9-6-506 Unallocated money.**

Money in the state fund that is unallocated shall be reallocated by the division on a proportionate basis to qualifying organizations that raise 100% of their required match by the date determined under Subsection 9-6-505(5)(a).

Amended by Chapter 419, 2020 General Session

**9-6-507 Spending restrictions -- Return of endowment.**

- (1) If a qualifying organization has received endowment money from the state fund, the qualifying organization may not expend any of that money or the required matching money in the qualifying organization's endowment fund, but may expend only the interest income earned on the money in the endowment fund.
- (2) If the division determines that a qualifying organization has expended any amount of the endowment money received from the state fund or any amount of the required matching money:
  - (a) the qualifying organization shall return the amount of money the qualifying organization received from the state fund; and
  - (b) the division shall reallocate any such returned money to qualifying organizations in the manner as provided in Section 9-6-506.

Amended by Chapter 419, 2020 General Session

**9-6-508 Federal match.**

The creation of the state fund and the use of state fund money to enable qualifying organizations to create endowment funds may be construed as a state match for any arts funding provided by the federal government.

Amended by Chapter 419, 2020 General Session