

1                                   **POWERS OF DEPARTMENT OF COMMUNITY**  
2                                   **AND ECONOMIC DEVELOPMENT**

3                                   1999 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Sponsor: L. Steven Poulton**

6 AN ACT RELATING TO COMMUNITY AND ECONOMIC DEVELOPMENT; RESTRICTING  
7 THE CONTRACTING AUTHORITY OF THE DEPARTMENT AND ITS DIVISION; AND  
8 MAKING TECHNICAL CORRECTIONS.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 AMENDS:

11                   **9-2-205**, as renumbered and amended by Chapter 241, Laws of Utah 1992

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

13                   Section 1. Section **9-2-205** is amended to read:

14                   **9-2-205. Division of Business and Economic Development -- Powers and duties.**

15                   (1) For the purposes of this section:

16                   (a) "National recruitment" means the recruitment to the state of business, industry, or  
17 commerce if, at the time of the recruitment, the business, industry, or commerce is principally  
18 located in the United States.

19                   (b) "Private entity" means a private person, corporation, company, or organization.

20                   ~~(1)~~ (2) There is created within the department the Division of Business and Economic  
21 Development under the administration and general supervision of the executive director or a  
22 designee of the executive director.

23                   ~~(2)~~ (3) The division shall be under the policy direction of the board.

24                   ~~(3)~~ (4) The division shall:

25                   (a) be the industrial promotion authority of the state;

26                   (b) promote and encourage the economic, commercial, financial, industrial, agricultural,  
27 and civic welfare of the state;

28 (c) do all lawful acts to create, develop, attract, and retain business, industry, and  
 29 commerce within the state; and

30 (d) do other acts that enhance the economy of the state.

31 [~~(4)~~] (5) The division may, subject to Subsection (6) and the approval of the board:

32 (a) enter into contracts or agreements with, or make grants to, public or private [~~persons,~~  
 33 ~~corporations, companies;~~] entities, including municipalities, [or organizations] in the furtherance  
 34 of its duties where the contracts or agreements are not in violation of the Constitution or statutes  
 35 of the state; and

36 (b) receive and expend funds available from any source, public or private, in any manner  
 37 and for any lawful purpose in the best interest of the state in the discharge of their obligations  
 38 under this part.

39 (6) (a) ~~h [(i) Except as provided in Subsection (6)(b); ] h~~ beginning on May 3, 1999, the  
 40 department or division may enter into or renew a contract or agreement with, or make a grant to  
 41 a private entity under which the private entity engages in national recruitment only if the sole  
 42 activity of the private entity is national recruitment.

43 ~~h [(ii) (b) h~~ In determining whether a private entity engages in activity other than national  
 44 recruitment, the department or division shall consider all activities of the private entity regardless  
 45 of whether the activities are funded by the department or division.

46 ~~h [(b) Notwithstanding Subsection (6)(a), the department or division may enter into a contract~~  
 47 ~~or agreement or make a grant to a private entity that engages in an activity other than national~~  
 48 ~~recruitment, if the executive director expressly exempts the division or department from~~  
 49 ~~Subsection (6)(a) in a writing that accompanies the contract, agreement, or grant.] h~~

## Legislative Review Note

as of 1-26-99 2:15 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel