

MILITARY INSTALLATION PARTNERSHIPS

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: Sheldon L. Killpack

LONG TITLE

General Description:

This bill establishes a program that supports economic development on military installations throughout the state.

Highlighted Provisions:

This bill:

- ▶ provides that the Department of Community and Economic Development, through its executive director, may receive and distribute monies for military installation projects that have a strong probability of increasing the expansion and development of a military installation in the state, thereby providing significant economic benefits to the state;
- ▶ provides qualification requirements for the distribution of monies to designated recipients; and
- ▶ provides for monitoring of the use of monies distributed under the program and an annual report to legislative committees.

Monies Appropriated in this Bill:

This bill appropriates:

- ▶ \$5,000,000 for the fiscal year ending June 30, 2005; and
- ▶ \$10,000,000 for the fiscal year beginning July 1, 2005.

Other Special Clauses:

This bill provides an immediate effective date.

Utah Code Sections Affected:



28 ENACTS:

29 **9-2-2301**, Utah Code Annotated 1953

30

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

32 Section 1. Section **9-2-2301** is enacted to read:

33 **Part 23. Economic Development on Military Installations**

34 **9-2-2301. Military installation projects for economic development -- Funding --**
35 **Criteria -- Dispersal -- Report.**

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

39 (2) The department, through its executive director, may receive and distribute
40 legislative appropriations and public and private grants and donations for military installation
41 projects that:

42 (a) have a strong probability of increasing the growth and development of a military
43 facility within the state, thereby providing significant economic benefits to the state;

44 (b) will provide a significant number of new jobs within the state that should remain
45 within the state for a period of several years; and

46 (c) involve a partnership between the military and private industry or local government
47 or the military and private industry and local government.

48 (3) (a) The executive director may distribute monies under this section to:

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

50 (ii) a federal military partnership that has the mission of promoting the economic
51 growth of a military installation.

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

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

54 (A) the particulars of the proposed use of the monies requested, such as needed
55 equipment purchases and anticipated training costs;

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

57 (C) pending contracts related to the project that are to be finalized from funding
58 anticipated under this section; and

59 (D) a projected date on which the applicant shall provide the executive director with a
60 report on the implementation and performance of the project, including the creation of new
61 jobs; and

62 (ii) a determination by the executive director that the project satisfies the requirements
63 listed in Subsection (2).

64 (c) (i) The department shall monitor the activities of a recipient of monies under this
65 section to ensure that there is compliance with the terms and conditions imposed on the
66 recipient under this part.

67 (ii) The department shall make an annual report to the Legislature's Workforce
68 Services and Community and Economic Development Interim Committee and the Executive
69 Appropriations Committee on the use and impact of the monies distributed under this section,
70 with the first report to occur not later than September 1, 2005.

71 (4) (a) For the fiscal year ending June 30, 2005, the executive director may disperse an
72 amount not to exceed \$5,000,000 for projects referred to under this section.

73 (b) For the fiscal year beginning July 1, 2005, only, the executive director may disperse
74 the following amounts for the projects referred to under this section:

75 (i) for the period through December 31, 2005, an amount not to exceed \$5,000,000;
76 and

77 (ii) for the period January 1, through June 30, 2006, the remaining balance.

78 **Section 2. Appropriation.**

79 There is appropriated from the General Fund:

80 (1) for the fiscal year ending June 30, 2005, \$5,000,000 to the Department of
81 Community and Economic Development for the program established in Section 9-2-2301; and

82 (2) for the fiscal year beginning July 1, 2005, \$10,000,000 to the Department of
83 Community and Economic Development for the program established in Section 9-2-2301.

84 **Section 3. Effective date.**

85 If approved by two-thirds of all the members elected to each house, this bill takes effect
86 upon approval by the governor, or the day following the constitutional time limit of Utah
87 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
88 the date of veto override.

Legislative Review Note

as of 1-25-05 10:03 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

State Impact

This bill appropriates \$5,000,000 in FY 2005 and \$10,000,000 in FY 2006 to the Department of Community and Economic Development for support of economic development on military installations in the State.

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund	\$5,000,000	\$10,000,000	\$0	\$0	\$0	\$0
TOTAL	\$5,000,000	\$10,000,000	\$0	\$0	\$0	\$0

Individual and Business Impact

Military installations could see a benefit resulting from increased funding.