

1 **U STAR INITIATIVE**

2 2006 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: L. Alma Mansell**

5 House Sponsor: David Clark

7 **LONG TITLE**

8 **General Description:**

9 This bill establishes a process for a Utah Science Technology and Research Initiative,
10 authorizes the issuance of general obligation bonds for the construction of research
11 buildings at Utah State University and the University of Utah, and appropriates monies
12 for construction, administration, and operations.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ defines the intended scope of the Utah Science Technology and Research Project,
16 including:
- 17 • construction of research buildings at Utah State University and the University of
18 Utah;
 - 19 • the creation of a technology outreach program delivered at strategic locations
20 around Utah;
 - 21 • the funding of research teams to conduct science and technology research; and
 - 22 • requirements governing how revenues generated from the project will be
23 allocated between the state, Utah State University, and the University of Utah;
- 24 ▶ creates the Utah Science Technology and Research Governing Authority, defines its
25 membership and its powers and duties;
- 26 ▶ creates the Utah Science Technology and Research Governing Authority Advisory
27 Council and defines its membership and its powers and duties;
- 28 ▶ authorizes the Utah Science Technology and Research Governing Authority to hold
29 title to its property;

30 ▶ modifies the Bonding Code by authorizing the issuance and sale of \$111,100,000 in
31 general obligation bonds by the State Bonding Commission for construction of a
32 Bio Innovations Research Institute at Utah State University and a Neuroscience and
33 Biomedical Technology Research Building at the University of Utah;

34 ▶ specifies the use of the general obligation bond proceeds and the manner of
35 issuance;

36 ▶ provides expressions of legislative intent; and

37 ▶ establishes a salary range for the executive director of the Utah Science Technology
38 and Research Governing Authority.

39 **Monies Appropriated in this Bill:**

40 This bill appropriates:

41 ▶ \$50,000,000 from the General Fund for fiscal year 2007 only, to the Utah Science
42 Technology and Research Governing Authority;

43 ▶ as an ongoing appropriation subject to future budget constraints, \$19,250,000 from
44 the General Fund for fiscal year 2006-07, to the Utah Science Technology and
45 Research Governing Authority; and

46 ▶ redirects the ongoing appropriations made to Utah State University and the
47 University of Utah for research teams to the Utah Science Technology and Research
48 Governing Authority beginning in fiscal year 2007.

49 **Other Special Clauses:**

50 This bill takes effect on July 1, 2006.

51 **Utah Code Sections Affected:**

52 AMENDS:

53 **63A-5-204**, as last amended by Chapter 34, Laws of Utah 2004

54 **67-22-2 (Effective 07/01/06)**, as last amended by Chapter 8, Laws of Utah 2005, First
55 Special Session

56 ENACTS:

57 **63-38g-101**, Utah Code Annotated 1953

- 58 **63-38g-102**, Utah Code Annotated 1953
- 59 **63-38g-201**, Utah Code Annotated 1953
- 60 **63-38g-202**, Utah Code Annotated 1953
- 61 **63-38g-203**, Utah Code Annotated 1953
- 62 **63-38g-204**, Utah Code Annotated 1953
- 63 **63-38g-301**, Utah Code Annotated 1953
- 64 **63-38g-302**, Utah Code Annotated 1953
- 65 **63-38g-303**, Utah Code Annotated 1953
- 66 **63B-15-101**, Utah Code Annotated 1953



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

69 Section 1. Section **63-38g-101** is enacted to read:

70 **CHAPTER 38g. UTAH SCIENCE TECHNOLOGY AND RESEARCH**

71 **GOVERNING AUTHORITY ACT**

72 **Part 1. General Provisions**

73 **63-38g-101. Title.**

74 This chapter is known as the "Utah Science Technology and Research Governing
75 Authority Act."

76 Section 2. Section **63-38g-102** is enacted to read:

77 **63-38g-102. Definitions.**

78 As used in this chapter:

79 (1) "Executive director" means the person appointed by the governing authority under
80 Section 63-38g-301.

81 (2) "Commercialization revenues " means dividends, realized capital gains, license
82 fees, royalty fees, and other revenues received by a university as a result of commercial
83 applications developed from the project, less:

84 (a) the portion of those revenues allocated to the inventor; and

85 (b) expenditures incurred by the university to legally protect the intellectual property.

86 (3) "Governing authority" means the Utah Science Technology and Research
87 Governing Authority created in Section 63-38g-301.

88 (4) "Project" means the Utah Science Technology and Research Project.

89 (5) "Research buildings" means any of the buildings listed in Section 63-38g-201.

90 (6) "Research universities" means the University of Utah and Utah State University.

91 (7) "Technology outreach program" means the program required by Section
92 63-38g-202.

93 (8) "Utah Science Technology and Research Project" means the buildings and activities
94 described in Part 2, Utah Science Technology and Research Project.

95 Section 3. Section **63-38g-201** is enacted to read:

96 **Part 2. Utah Science Technology and Research Project**

97 **63-38g-201. Science technology research buildings.**

98 (1) As funding becomes available from the Legislature or other sources, the Utah
99 Science Technology and Research Governing Authority created in Part 3 shall:

100 (a) construct at Utah State University:

101 (i) a Bio Innovations Research Institute;

102 (ii) an Infectious Disease Research Center; and

103 (iii) an Informatics/Computing Research Center; and

104 (b) construct at the University of Utah:

105 (i) a Neuroscience and Biomedical Technology Research Building; and

106 (ii) an Information Technology and Bioinformatics Research Center.

107 (2) The governing authority shall, subject to any restrictions or directions established
108 by the Legislature, plan, design, and construct the buildings.

109 (3) (a) Utah State University shall provide the land for the construction of science
110 technology and research buildings on its campus.

111 (b) The University of Utah shall provide the land for the construction of science
112 technology and research buildings on its campus.

113 (4) The governing authority shall hold title to the research buildings.

- 114 (5) The governing authority may:
- 115 (a) lease the buildings to Utah State University and the University of Utah;
- 116 (b) require research teams to generate a certain amount of revenue from grants or other
- 117 sources to contribute to the project; and
- 118 (c) unless prohibited by law, deposit lease payments and other monies received from
- 119 the universities and research teams with the state treasurer for deposit into the sinking funds
- 120 created under Section 63B-1a-301 for debt service on the bonds issued to fund planning,
- 121 design, and construction of the research buildings.

122 Section 4. Section **63-38g-202** is enacted to read:

123 **63-38g-202. Technology outreach program.**

124 (1) As funding becomes available from the Legislature or other sources, the Utah

125 Science Technology and Research Governing Authority created in Part 3 shall establish a

126 technology outreach program at up to five locations distributed strategically throughout Utah.

127 (2) (a) The governing authority shall ensure that the technology outreach program acts

128 as a resource to:

129 (i) broker ideas, new technologies, and services to entrepreneurs and businesses

130 throughout a defined service area;

131 (ii) engage local entrepreneurs and professors at applied technology centers, colleges,

132 and universities by connecting them to Utah's research universities;

133 (iii) screen business ideas and new technologies to ensure that the ones with the highest

134 growth potential receive the most targeted services and attention;

135 (iv) connect market ideas and technologies in new or existing businesses or industries

136 or in regional colleges and universities with the expertise of Utah's research universities;

137 (v) assist businesses, applied technology centers, colleges, and universities in

138 developing commercial applications for their research; and

139 (vi) disseminate and share discoveries and technologies emanating from Utah's

140 research universities to local entrepreneurs, businesses, applied technology centers, colleges,

141 and universities.

142 (b) In designing and operating the technology outreach program, the governing
143 authority shall work cooperatively with the Technology Commercialization Offices at Utah
144 State University and the University of Utah.

145 Section 5. Section **63-38g-203** is enacted to read:

146 **63-38g-203. Research teams.**

147 As funding becomes available from the Legislature or other sources, and subject to any
148 restrictions or directions established by the Legislature, the governing authority shall allocate
149 monies to Utah State University and the University of Utah to provide funding for research
150 teams to conduct science and technology research.

151 Section 6. Section **63-38g-204** is enacted to read:

152 **63-38g-204. Financial participation agreement.**

153 (1) In consideration of the monies and services provided or agreed to be provided, the
154 state of Utah, Utah State University, and the University of Utah covenant and agree that they
155 will allocate commercialization revenues as follows:

156 (a) for the first \$15,000,000 received:

157 (i) \$10,000,000 to Utah State University and the University of Utah, with the monies
158 distributed proportionately based upon which university conducted the research that generated
159 the commercialization revenues; and

160 (ii) \$5,000,000 to the Governor's Office of Economic Development for the Centers of
161 Excellence program created by Chapter 38f, Part 7, Centers of Excellence Act; and

162 (b) for all subsequent monies received:

163 (i) 50% to Utah State University and the University of Utah, with the monies
164 distributed proportionately based upon which university conducted the research that generated
165 the commercialization revenues; and

166 (ii) 50% to the governing authority or other entity designated by the state to be used
167 for:

168 (A) the Centers of Excellence program created by Chapter 38f, Part 7, Centers of
169 Excellence Act;

- 170 (B) replacement of equipment in the research buildings;
- 171 (C) recruiting and paying additional research teams; and
- 172 (D) construction of additional research buildings.
- 173 (2) The Governor's Office of Economic Development shall:
- 174 (a) distribute that portion of the \$5,000,000 allocated to the Centers of Excellence
- 175 program by Subsection (1)(a)(ii) to Utah State University and the University of Utah based
- 176 upon which institution performed the research that generated the commercialization revenues;
- 177 and
- 178 (b) credit those amounts to the universities as matching funds under Subsection
- 179 63-38f-701(2).

180 Section 7. Section **63-38g-301** is enacted to read:

181 **Part 3. Utah Science Technology and Research Governing Authority**

182 **63-38g-301. The Utah Science Technology and Research Governing Authority --**
183 **Creation -- Membership -- Meetings -- Staff.**

184 (1) There is created the Utah Science Technology and Research Governing Authority
185 consisting of the state treasurer and the following eight members appointed as follows with the
186 consent of the Senate:

- 187 (a) three appointed by the governor;
- 188 (b) two appointed by the president of the Senate;
- 189 (c) two appointed by the speaker of the House of Representatives; and
- 190 (d) one appointed by the commissioner of higher education.

- 191 (2) (a) (i) The eight appointed members shall serve four-year staggered terms.
- 192 (ii) The appointed members may not serve more than two full consecutive terms.

193 (b) Notwithstanding Subsection (2)(a)(i), the terms of the first members of the
194 governing authority shall be staggered by lot so that half of the initial members serve two-year
195 terms and half serve four-year terms.

196 (3) Vacancies in the appointed positions on the governing authority shall be filled by
197 the appointing authority with consent of the Senate for the unexpired term.

198 (4) (a) The governor shall select the chair of the governing authority to serve a one-year
199 term.

200 (b) The president of the Senate and the speaker of the House of Representatives shall
201 jointly select the vice chair of the governing authority to serve a one-year term.

202 (5) The governing authority shall meet at least monthly and may meet more frequently
203 at the request of a majority of the members of the governing authority.

204 (6) Five members of the governing authority are a quorum.

205 (7) (a) Members who are not government employees shall receive no compensation or
206 benefits for their services, but may receive per diem and expenses incurred in the performance
207 of the member's official duties at the rates established by the Division of Finance under
208 Sections 63A-3-106 and 63A-3-107.

209 (b) Members may decline to receive per diem and expenses for their service.

210 (8) (a) (i) The governing authority shall hire a full-time executive director to provide
211 staff support for the governing authority.

212 (ii) The executive director is an at-will employee who may be terminated without cause
213 by the governor or by majority vote of the governing authority.

214 (b) The Governor's Office of Economic Development shall provide office space and
215 administrative support for the executive director.

216 Section 8. Section **63-38g-302** is enacted to read:

217 **63-38g-302. Governing authority powers.**

218 (1) The governing authority shall:

219 (a) ensure that funds appropriated and received for research and development at the
220 research universities and for the technology outreach program are used appropriately,
221 effectively, and efficiently in accordance with the intent of the Legislature;

222 (b) in cooperation with the universities' administrations, expand key research at the two
223 research universities;

224 (c) enhance technology transfer and commercialization of research and technologies
225 developed at the research universities to create high-quality jobs and new industries in the

226 private sector in Utah;

227 (d) review state and local economic development plans and appropriations to ensure
228 that the project and appropriations do not duplicate existing or planned programs;

229 (e) establish economic development objectives for the project;

230 (f) by following the procedures and requirements of Title 63, Chapter 46a, Utah
231 Administrative Rulemaking Act, make rules for allocating monies appropriated to it for
232 research teams and for the commercialization of new technology between Utah State
233 University and the University of Utah;

234 (g) verify that the project is being enhanced by research grants and that it is meeting the
235 governing authority's economic development objectives;

236 (h) monitor all research plans that are part of the project at the research universities to
237 determine that appropriations are being spent in accordance with legislative intent and to
238 maximize the benefit and return to the state;

239 (i) develop methods and incentives to encourage investment in and contributions to the
240 project from the private sector; and

241 (j) annually report and make recommendations to:

242 (i) the governor;

243 (ii) the Executive Appropriations Committee; and

244 (iii) the Economic Development Appropriations Subcommittee.

245 (2) The governing authority may:

246 (a) in addition to monies received by it from the Legislature, receive contributions from
247 any source in the form of money, property, labor, or other things of value for the project;

248 (b) subject to any restrictions imposed by the donation, appropriations, or bond
249 authorizations, allocate monies received by it among the research universities, technology
250 outreach program, and technology transfer offices to support commercialization and technology
251 transfer to the private sector; or

252 (c) enter into agreements necessary to obtain private equity investment in the project.

253 Section 9. Section **63-38g-303** is enacted to read:

- 254 **63-38g-303. Utah Science Technology and Research Governing Authority**
255 **Advisory Council -- Chair -- Meetings.**
- 256 (1) There is created the Utah Science Technology and Research Governing Authority
257 Advisory Council consisting of 12 members appointed as follows:
- 258 (a) one member appointed by the director of the Governor's Office of Economic
259 Development;
- 260 (b) one member appointed by the Utah Information Technology Association;
261 (c) one member appointed by the Utah Nanotechnology Initiative;
262 (d) one member appointed by the Economic Development Corporation of Utah;
263 (e) one member appointed by the Utah Life Science Association;
264 (f) one member appointed by the Salt Lake Area Chamber of Commerce;
265 (g) one member appointed by the Provo-Orem Chamber of Commerce;
266 (h) one member appointed by the Davis Area Chamber of Commerce;
267 (i) one member appointed by the Ogden-Weber Chamber of Commerce;
268 (j) one member appointed by the Cache Chamber of Commerce;
269 (k) one member appointed by the St. George Area Chamber of Commerce; and
270 (l) one member appointed by the Vernal Chamber of Commerce.
- 271 (2) The governing authority shall consult with the advisory council about the project.
272 (3) The advisory council shall select a chair from among its members to serve a
273 two-year term.
- 274 (4) The advisory council shall convene whenever the governing authority requests a
275 meeting for consultation.
- 276 (5) (a) (i) Members who are not government employees shall receive no compensation
277 or benefits for their services, but may receive per diem and expenses incurred in the
278 performance of the member's official duties at the rates established by the Division of Finance
279 under Sections 63A-3-106 and 63A-3-107.
- 280 (ii) Members may decline to receive per diem and expenses for their service.
281 (b) (i) State government officer and employee members who do not receive salary, per

282 diem, or expenses from their agency for their service may receive per diem and expenses
283 incurred in the performance of their official duties from the committee at the rates established
284 by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

285 (ii) State government officer and employee members may decline to receive per diem
286 and expenses for their service.

287 Section 10. Section **63A-5-204** is amended to read:

288 **63A-5-204. Specific powers and duties of director.**

289 (1) As used in this section, "capitol hill facilities" and "capitol hill grounds" have the
290 same meaning as provided in Section 63C-9-102.

291 (2) (a) The director shall:

292 (i) recommend rules to the executive director for the use and management of facilities
293 and grounds owned or occupied by the state for the use of its departments and agencies;

294 (ii) supervise and control the allocation of space, in accordance with legislative
295 directive through annual appropriations acts or other specific legislation, to the various
296 departments, commissions, institutions, and agencies in all buildings or space owned, leased, or
297 rented by or to the state, except capitol hill facilities and capitol hill grounds and except as
298 otherwise provided by law;

299 (iii) comply with the procedures and requirements of Title 63A, Chapter 5, Part 3,
300 Division of Facilities Construction and Management Leasing;

301 (iv) except as provided in Subsection (2)(b), acquire, as authorized by the Legislature
302 through the appropriations act or other specific legislation, and hold title to, in the name of the
303 division, all real property, buildings, fixtures, or appurtenances owned by the state or any of its
304 agencies;

305 (v) adopt and use a common seal, of a form and design determined by the director, and
306 of which courts shall take judicial notice;

307 (vi) file a description and impression of the seal with the Division of Archives;

308 (vii) collect and maintain all deeds, abstracts of title, and all other documents
309 evidencing title to or interest in property belonging to the state or any of its departments, except

310 institutions of higher education and the School and Institutional Trust Lands Administration;

311 (viii) report all properties acquired by the state, except those acquired by institutions of
312 higher education, to the director of the Division of Finance for inclusion in the state's financial
313 records;

314 (ix) before charging a rate, fee, or other amount for services provided by the division's
315 internal service fund to an executive branch agency, or to a subscriber of services other than an
316 executive branch agency:

317 (A) submit the proposed rates, fees, and cost analysis to the Rate Committee
318 established in Section 63A-1-114; and

319 (B) obtain the approval of the Legislature as required by Section 63-38-3.5;

320 (x) conduct a market analysis by July 1, 2005, and periodically thereafter, of proposed
321 rates and fees, which analysis shall include a comparison of the division's rates and fees with
322 the fees of other public or private sector providers where comparable services and rates are
323 reasonably available; and

324 (xi) take all other action necessary for carrying out the purposes of this chapter.

325 (b) Legislative approval is not required for acquisitions by the division that cost less
326 than \$250,000.

327 (3) (a) The director shall direct or delegate maintenance and operations, preventive
328 maintenance, and facilities inspection programs and activities for any department, commission,
329 institution, or agency, except:

330 (i) the State Capitol Preservation Board; and

331 (ii) state institutions of higher education.

332 (b) The director may choose to delegate responsibility for these functions only when
333 the director determines that:

334 (i) the department or agency has requested the responsibility;

335 (ii) the department or agency has the necessary resources and skills to comply with
336 facility maintenance standards approved by the State Building Board; and

337 (iii) the delegation would result in net cost savings to the state as a whole.

338 (c) The State Capitol Preservation Board and state institutions of higher education are
339 exempt from Division of Facilities Construction and Management oversight.

340 (d) Each state institution of higher education shall comply with the facility
341 maintenance standards approved by the State Building Board.

342 (e) Except for the State Capitol Preservation Board, agencies and institutions that are
343 exempt from division oversight shall annually report their compliance with the facility
344 maintenance standards to the division in the format required by the division.

345 (f) The division shall:

346 (i) prescribe a standard format for reporting compliance with the facility maintenance
347 standards;

348 (ii) report agency and institution compliance or noncompliance with the standards to
349 the Legislature; and

350 (iii) conduct periodic audits of exempt agencies and institutions to ensure that they are
351 complying with the standards.

352 (4) (a) In making any allocations of space under Subsection (2), the director shall:

353 (i) conduct studies to determine the actual needs of each department, commission,
354 institution, or agency; and

355 (ii) comply with the restrictions contained in this Subsection (4).

356 (b) The supervision and control of the legislative area is reserved to the Legislature.

357 (c) The supervision and control of the judicial area is reserved to the judiciary for trial
358 courts only.

359 (d) The director may not supervise or control the allocation of space for entities in the
360 public and higher education systems.

361 (e) The supervision and control of capitol hill facilities and capitol hill grounds is
362 reserved to the State Capitol Preservation Board.

363 (5) The director may:

364 (a) hire or otherwise procure assistance and services, professional, skilled, or
365 otherwise, that are necessary to carry out the director's responsibilities, and may expend funds

366 provided for that purpose either through annual operating budget appropriations or from
367 nonlapsing project funds;

368 (b) sue and be sued in the name of the division; and

369 (c) hold, buy, lease, and acquire by exchange or otherwise, as authorized by the
370 Legislature, whatever real or personal property that is necessary for the discharge of the
371 director's duties.

372 (6) Notwithstanding the provisions of Subsection (2)(a)(iv), the following entities may
373 hold title to any real property, buildings, fixtures, and appurtenances held by them for purposes
374 other than administration that are under their control and management:

375 (a) the Office of Trust Administrator;

376 (b) the Department of Transportation;

377 (c) the Division of Forestry, Fire and State Lands;

378 (d) the Department of Natural Resources;

379 (e) the Utah National Guard;

380 (f) any area vocational center or other institution administered by the State Board of
381 Education; ~~and~~

382 (g) any institution of higher education[-]; and

383 (h) the Utah Science Technology and Research Governing Authority.

384 (7) The director shall ensure that any firm performing testing and inspection work
385 governed by the American Society for Testing Materials Standard E-329 on public buildings
386 under the director's supervision shall:

387 (a) fully comply with the American Society for Testing Materials standard
388 specifications for agencies engaged in the testing and inspection of materials known as ASTM
389 E-329; and

390 (b) carry a minimum of \$1,000,000 of errors and omissions insurance.

391 (8) Notwithstanding Subsections (2)(a)(iii) and (iv), the School and Institutional Trust
392 Lands Administration may hold title to any real property, buildings, fixtures, and appurtenances
393 held by it that are under its control.

394 Section 11. Section **63B-15-101** is enacted to read:

395 **CHAPTER 15. 2006 FINANCING AUTHORIZATIONS**

396 **Part 1. 2006 General Obligation Bonds**

397 **63B-15-101. Capital facilities bonds -- Utah Science Technology and Research**

398 **Governing Authority -- Maximum amount -- Projects authorized.**

399 (1) (a) The total amount of bonds issued under this section may not exceed
400 \$111,100,000.

401 (b) When Utah State University certifies to the commission that the university has
402 obtained reliable commitments, convertible to cash, of \$10,000,000 or more in nonstate funds
403 to construct the Bio Innovations Research Institute, and when the chairs of the Legislature's
404 Executive Appropriations Committee have certified that the committee has heard a
405 presentation by the chair of the bonding commission and the Utah Science Technology and
406 Research Governing Authority on the project, the commission may issue and sell general
407 obligation bonds in a total amount not to exceed \$40,400,000.

408 (c) When the University of Utah certifies to the commission that the university has
409 obtained reliable commitments, convertible to cash, of \$30,000,000 or more in nonstate funds
410 to construct the Neuroscience and Biomedical Technology Research Building, and when the
411 chairs of the Legislature's Executive Appropriations Committee have certified that the
412 committee has heard a presentation by the chair of the bonding commission and the Utah
413 Science Technology and Research Governing Authority on the project, the commission may
414 issue and sell general obligation bonds in a total amount not to exceed \$70,700,000.

415 (2) (a) Proceeds from the issuance of bonds shall be provided to the Utah Science
416 Technology and Research Governing Authority to provide funds to pay all or part of the cost of
417 acquiring and constructing the projects listed in this Subsection (2).

418 (b) These costs may include the cost of acquiring easements and rights-of-way,
419 improving sites, and acquiring, constructing, equipping, and furnishing facilities and all
420 structures, roads, parking facilities, utilities, and improvements necessary, incidental, or
421 convenient to the facilities, interest estimated to accrue on these bonds during the period to be

422 covered by construction of the projects plus a period of six months after the end of the
423 construction period, and all related engineering, architectural, and legal fees.

424 (c) For the Utah Science Technology and Research Governing Authority, proceeds
425 shall be provided for the following:

426 -----

427 CAPITAL DEVELOPMENT PROJECTS

	<u>Estimated Operations</u>	<u>Amount</u>
<u>Project Description</u>	<u>and Maintenance</u>	<u>Funded</u>

431 Bio Innovations Research Institute --

<u>Utah State University</u>	<u>\$0</u>	<u>\$40,000,000</u>
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433 Neuroscience and Biomedical Technology

<u>Research Building -- University of Utah</u>	<u>\$0</u>	<u>\$70,000,000</u>
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<u>TOTAL CAPITAL DEVELOPMENT PROJECTS</u>	<u>\$110,000,000</u>
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436 -----

437 TOTAL GENERAL OBLIGATION BOND AUTHORIZATION

<u>FOR CAPITAL DEVELOPMENT PROJECTS</u>	<u>\$110,000,000</u>
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440 (d) The Legislature intends that the Utah Science Technology and Research Governing
441 Authority pay the operations and maintenance costs on the research buildings authorized by
442 this section.

443 (3) (a) The amounts funded as listed in Subsection (2) are estimates only and do not
444 constitute a limitation on the amount that may be expended for the projects.

445 (b) The commission, by resolution and in consultation with the Utah Science
446 Technology and Research Governing Authority, may delete the project if the inclusion of that
447 project could be construed to violate state law or federal law or regulation.

448 (4) The Utah Science Technology and Research Governing Authority may enter into
449 agreements related to the project before the receipt of proceeds of bonds issued under this

450 chapter.

451 (5) The commission or the state treasurer may make any statement of intent relating to
 452 that reimbursement that is necessary or desirable to comply with federal tax law.

453 (6) The commission may not issue or execute bonds authorized by this section that
 454 have a maturity date or dates of more than 20 years after the date of delivery of the bonds.

455 (7) The Utah Science Technology and Research Governing Authority shall contract
 456 with the Division of Facilities Construction and Management to oversee construction of the
 457 buildings.

458 (8) The Utah Science Technology and Research Governing Authority may not delegate
 459 authority over construction of the capitol development projects identified in this section to any
 460 entity other than the Division of Facilities Construction and Management.

461 Section 12. Section **67-22-2 (Effective 07/01/06)** is amended to read:

462 **67-22-2 (Effective 07/01/06). Compensation -- Other state officers.**

463 (1) The governor shall establish salaries for the following state officers within the
 464 following salary ranges fixed by the Legislature:

State Officer	Salary Range
Commissioner of Agriculture and Food	\$66,800 - \$90,600
Commissioner of Insurance	\$66,800 - \$90,600
Commissioner of the Labor Commission	\$66,800 - \$90,600
Director, Alcoholic Beverage Control Commission	\$66,800 - \$90,600
Commissioner, Department of Financial Institutions	\$66,800 - \$90,600
Members, Board of Pardons and Parole	\$66,800 - \$90,600
Executive Director, Department of Commerce	\$66,800 - \$90,600
Executive Director, Commission on Criminal and Juvenile Justice	\$66,800 - \$90,600

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478	Adjutant General	\$66,800 - \$90,600
479	Chair, Tax Commission	\$72,400 - \$97,600
480	Commissioners, Tax Commission	\$72,400 - \$97,600
481	Executive Director, Department of	
482	Community and Culture	\$72,400 - \$97,600
483	Executive Director, Tax Commission	\$72,400 - \$97,600
484	Chair, Public Service Commission	\$72,400 - \$97,600
485	Commissioners, Public Service	
486	Commission	\$72,400 - \$97,600
487	Executive Director, Department	
488	of Corrections	\$78,700 - \$106,200
489	Commissioner, Department of Public Safety	\$78,700 - \$106,200
490	Executive Director, Department of	
491	Natural Resources	\$78,700 - \$106,200
492	Director, Governor's Office of Planning	
493	and Budget	\$78,700 - \$106,200
494	Executive Director, Department of	
495	Administrative Services	\$78,700 - \$106,200
496	Executive Director, Department of	
497	Environmental Quality	\$78,700 - \$106,200
498	Director, Governor's Office	
499	of Economic Development	\$78,700 - \$106,200
500	<u>Executive Director, Utah Science</u>	
501	<u> Technology and Research</u>	
502	<u> Governing Authority</u>	<u>\$78,700 - \$106,200</u>
503	Executive Director, Department of	
504	Workforce Services	\$85,700 - \$115,700
505	Executive Director, Department of	

506	Health	\$85,700 - \$115,700
507	Executive Director, Department	
508	of Human Services	\$85,700 - \$115,700
509	Executive Director, Department	
510	of Transportation	\$85,700 - \$115,700
511	Executive Director, Department	
512	of Information Technology	
513	Services	\$85,700 - \$115,700

514 (2) (a) The Legislature fixes benefits for the state offices outlined in Subsection (1) as
515 follows:

516 (i) the option of participating in a state retirement system established by Title 49, Utah
517 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
518 by the State Retirement Office in accordance with the Internal Revenue Code and its
519 accompanying rules and regulations;

520 (ii) health insurance;

521 (iii) dental insurance;

522 (iv) basic life insurance;

523 (v) unemployment compensation;

524 (vi) workers' compensation;

525 (vii) required employer contribution to Social Security;

526 (viii) long-term disability income insurance;

527 (ix) the same additional state-paid life insurance available to other noncareer service
528 employees;

529 (x) the same severance pay available to other noncareer service employees;

530 (xi) the same sick leave, converted sick leave, educational allowances, and holidays
531 granted to Schedule B state employees, and the same annual leave granted to Schedule B state
532 employees with more than ten years of state service;

533 (xii) the option to convert accumulated sick leave to cash or insurance benefits as

534 provided by law or rule upon resignation or retirement according to the same criteria and
535 procedures applied to Schedule B state employees;

536 (xiii) the option to purchase additional life insurance at group insurance rates according
537 to the same criteria and procedures applied to Schedule B state employees; and

538 (xiv) professional memberships if being a member of the professional organization is a
539 requirement of the position.

540 (b) Each department shall pay the cost of additional state-paid life insurance for its
541 executive director from its existing budget.

542 (3) The Legislature fixes the following additional benefits:

543 (a) for the executive director of the State Tax Commission a vehicle for official and
544 personal use;

545 (b) for the executive director of the Department of Transportation a vehicle for official
546 and personal use;

547 (c) for the executive director of the Department of Natural Resources a vehicle for
548 commute and official use;

549 (d) for the Commissioner of Public Safety:

550 (i) an accidental death insurance policy if POST certified; and

551 (ii) a public safety vehicle for official and personal use;

552 (e) for the executive director of the Department of Corrections:

553 (i) an accidental death insurance policy if POST certified; and

554 (ii) a public safety vehicle for official and personal use;

555 (f) for the Adjutant General a vehicle for official and personal use; and

556 (g) for each member of the Board of Pardons and Parole a vehicle for commute and
557 official use.

558 (4) (a) The governor has the discretion to establish a specific salary for each office
559 listed in Subsection (1), and, within that discretion, may provide salary increases within the
560 range fixed by the Legislature.

561 (b) The governor shall apply the same overtime regulations applicable to other FLSA

562 exempt positions.

563 (c) The governor may develop standards and criteria for reviewing the performance of
564 the state officers listed in Subsection (1).

565 (5) Salaries for other Schedule A employees, as defined in Section 67-19-15, which are
566 not provided for in this chapter, or in Title 67, Chapter 8, Utah Executive and Judicial Salary
567 Act, shall be established as provided in Section 67-19-15.

568 Section 13. **Appropriation.**

569 (1) (a) There is appropriated \$50,000,000 from the General Fund, for fiscal year 2007
570 only, to the Utah Science Technology and Research Governing Authority to construct a Bio
571 Innovations Research Institute at Utah State University and a Neuroscience and Biomedical
572 Technology Research Building at the University of Utah.

573 (b) The Legislature intends that:

574 (i) notwithstanding Subsections (1)(b)(ii) and (1)(b)(iii), the Utah Science Technology
575 and Research Governing Authority may expend monies to plan and design the Bio Innovations
576 Research Institute and the Neuroscience and Biomedical Technology Research Building before
577 the universities certify that they have obtained the required matching funds;

578 (ii) when Utah State University certifies to the Utah Science Technology and Research
579 Governing Authority that the university has obtained reliable commitments, convertible to
580 cash, of \$10,000,000 or more in nonstate funds to construct the Bio Innovations Research
581 Institute, the authority may expend up to \$20,000,000 for the construction of the Bio
582 Innovations Research Institute;

583 (iii) when the University of Utah certifies to the Utah Science Technology and
584 Research Governing Authority that the university has obtained reliable commitments,
585 convertible to cash, of \$30,000,000 or more in nonstate funds to construct the Neuroscience
586 and Biomedical Technology Research Building, the authority may expend up to \$30,000,000
587 for the construction of the Neuroscience and Biomedical Technology Research Building;

588 (iv) the match required by the universities under this Subsection(1)(b) is not in addition
589 to the match required by Section 63B-15-101;

590 (v) the Utah Science Technology and Research Governing Authority comply with the
591 requirements of Subsection 63B-15-101(8) in the planning, design, and construction of the
592 capital development projects identified in this section; and

593 (vi) this appropriation is nonlapsing.

594 (2) (a) As an ongoing appropriation subject to future budget constraints, there is
595 appropriated from the General Fund for fiscal year 2006-07, \$15,250,000 to the Utah Science
596 Technology and Research Governing Authority to provide funding for the Utah Science
597 Technology and Research Project.

598 (b) The Legislature intends that the authority:

599 (i) use up to \$250,000 to fund the authority's administrative costs;

600 (ii) when Utah State University or the University of Utah certify to the authority that
601 one or more research teams have committed to transfer to their institution, allocate up to
602 \$11,000,000 to Utah State University and the University of Utah to fund research teams and the
603 commercialization of new technology developed from the work of the research teams
604 according to criteria established by the board under Subsection 63-38g-302(1)(g); and

605 (iii) use up to \$4,000,000 to provide funding for the technology outreach program.

606 (c) The Legislature intends that this appropriation is nonlapsing.

607 (3) (a) As an ongoing appropriation subject to future budget constraints, there is
608 appropriated from the General Fund for fiscal year 2006-07, \$4,000,000 to the Utah Science
609 Technology and Research Authority to provide funding for the Utah Science Technology and
610 Research Project.

611 (b) There is appropriated (\$1,600,000) from the ongoing General Fund appropriation to
612 Utah State University for fiscal year 2007.

613 (c) There is appropriated (\$2,400,000) from the ongoing General Fund appropriation to
614 the University of Utah for fiscal year 2007.

615 (d) The Legislature intends that this appropriation is nonlapsing.

616 **Section 14. Effective date.**

617 This bill takes effect on July 1, 2006.

