

1 **ECONOMIC DEVELOPMENT INCENTIVES**

2 **MODIFICATIONS**

3 2007 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: John W. Hickman**

6 House Sponsor: Steven R. Mascaro

7

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies the definition section of the Economic Development Incentives Act
11 regarding high paying jobs.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ modifies the definition of high paying jobs in the Economic Development
15 Incentives Act by replacing "median wage of a community" with "average wage of a
16 community."

17 **Monies Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **63-38f-1703**, as enacted by Chapter 272, Laws of Utah 2005

24

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

26 Section 1. Section **63-38f-1703** is amended to read:

27 **63-38f-1703. Definitions.**



28 As used in this part:

29 (1) "Development zone" means an economic development zone created under Section
30 63-38f-1704.

31 (2) "High paying jobs" means the annual wages of employment positions that compare
32 favorably against the [~~median~~] average wage of a community in which the jobs will exist.

33 (3) "Local incentives" means financial and other assistance provided by local taxing
34 authorities within a development zone, which may include:

35 (a) partial rebates of new local revenues; and

36 (b) other sources of funds under authority of state law or local ordinances, or both state
37 law and local ordinances.

38 (4) "New incremental jobs" means jobs that are:

39 (a) not shifted from one jurisdiction in the state to another jurisdiction in the state; and

40 (b) created in addition to the baseline count of jobs already in existence within a
41 company or employed by an individual.

42 (5) "New local revenues" mean incremental new local tax revenues that are generated
43 as a result of new economic commercial projects in a development zone, to include the local
44 government's portion of sales taxes, property taxes, impact fees, and other taxes or fees, or both
45 taxes and fees, derived from the projects, together with indirect local government revenues
46 generated by the projects, but not to include any portion of sales taxes earmarked for state
47 government or other taxing jurisdictions eligible for sales tax revenues.

48 (6) "New state revenues" means incremental new state tax revenues that are generated
49 as a result of new economic commercial projects in a development zone, to include the state's
50 portion of sales taxes, and company and employee income taxes derived from the projects,
51 together with indirect state revenues generated by the projects, but not to include any portion of
52 sales taxes earmarked for local governments or other taxing jurisdictions eligible for sales tax
53 revenues.

54 (7) "Office" means the Governor's Office of Economic Development.

55 (8) "Partial rebates" means returning a portion of the new local revenues and new state
56 revenues generated by new commercial projects to companies or individuals that have created
57 new economic growth within a development zone.

Legislative Review Note
as of 2-12-07 1:33 PM

Office of Legislative Research and General Counsel

S.B. 249 - Economic Development Incentives Modifications

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
