

Senator Lyle W. Hillyard proposes the following substitute bill:

NAME CHANGE FOR APPROPRIATIONS SUBCOMMITTEES

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lyle W. Hillyard

House Sponsor: Melvin R. Brown

LONG TITLE

General Description:

This bill modifies sections in the Utah Code to reflect modified appropriation subcommittee names.

Highlighted Provisions:

This bill:

► modifies references in the Utah Code to correctly refer to modified appropriation subcommittee names.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

9-4-802, as last amended by Laws of Utah 2011, Chapter 366

26-1-4, as last amended by Laws of Utah 2009, Chapter 136

26-1-38, as last amended by Laws of Utah 2010, Chapter 323

26-18-2.3, as last amended by Laws of Utah 2011, Chapter 151

26-18-2.4, as last amended by Laws of Utah 2009, Chapter 324



- 26 **26-18-3**, as last amended by Laws of Utah 2011, Chapters 151, 297, and 366
- 27 **26-18-12**, as enacted by Laws of Utah 2008, Chapter 60
- 28 **26-18a-3**, as last amended by Laws of Utah 2010, Chapter 278
- 29 **26-18b-101**, as enacted by Laws of Utah 2002, Chapter 55
- 30 **26-47-102**, as renumbered and amended by Laws of Utah 2005, Chapter 273
- 31 **26-47-103**, as last amended by Laws of Utah 2011, Chapter 297
- 32 **26-50-202**, as last amended by Laws of Utah 2010, Chapter 286
- 33 **26-52-202**, as last amended by Laws of Utah 2011, Chapter 340
- 34 **31A-29-113.5**, as enacted by Laws of Utah 2005, Chapter 273
- 35 **35A-3-302**, as last amended by Laws of Utah 2009, Chapter 55
- 36 **36-23-106**, as last amended by Laws of Utah 2008, Chapters 218 and 382
- 37 **51-9-201**, as last amended by Laws of Utah 2010, Chapter 404
- 38 **51-9-203**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 39 **53B-20-104**, as last amended by Laws of Utah 2000, Chapter 231
- 40 **59-21-2**, as last amended by Laws of Utah 2011, Chapter 342
- 41 **62A-3-110**, as enacted by Laws of Utah 2002, Chapter 268
- 42 **62A-4a-117**, as repealed and reenacted by Laws of Utah 2010, Chapter 322
- 43 **62A-4a-207**, as last amended by Laws of Utah 2011, Chapter 316
- 44 **62A-7-203**, as last amended by Laws of Utah 2005, Chapter 13
- 45 **62A-15-103**, as last amended by Laws of Utah 2011, Chapter 303
- 46 **63A-5-104**, as last amended by Laws of Utah 2011, Chapters 219 and 409
- 47 **63A-5-701**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 48 **63B-3-301**, as last amended by Laws of Utah 2011, Chapter 270
- 49 **63J-1-201**, as last amended by Laws of Utah 2011, Chapters 334 and 378
- 50 **63J-1-201.7**, as enacted by Laws of Utah 2011, Chapter 378
- 51 **63M-1-1206**, as last amended by Laws of Utah 2010, Chapter 323
- 52 **63M-1-1404**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 53 **63M-1-1901**, as last amended by Laws of Utah 2010, Chapter 323
- 54 **63M-2-302**, as last amended by Laws of Utah 2010, Chapter 323
- 55 **73-30-202**, as enacted by Laws of Utah 2010, Chapter 141



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

58 Section 1. Section **9-4-802** is amended to read:

59 **9-4-802. Purposes of Homeless Coordinating Committee -- Uses of Pamela**
60 **Atkinson Homeless Account.**

61 (1) (a) The Homeless Coordinating Committee shall work to ensure that services
62 provided to the homeless by state agencies, local governments, and private organizations are
63 provided in a cost-effective manner.

64 (b) Programs funded by the committee shall emphasize emergency housing and
65 self-sufficiency, including placement in meaningful employment or occupational training
66 activities and, where needed, special services to meet the unique needs of the homeless who:

67 (i) have families with children;

68 (ii) have a disability or a mental illness; or

69 (iii) suffer from other serious challenges to employment and self-sufficiency.

70 (c) The committee may also fund treatment programs to ameliorate the effects of
71 substance abuse or a disability.

72 (2) The committee members designated in Subsection 9-4-801(2) shall:

73 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice
74 and input of those designated in Subsection 9-4-801(3);

75 (b) consider need, diversity of geographic location, coordination with or enhancement
76 of existing services, and the extensive use of volunteers; and

77 (c) give priority for funding to programs that serve the homeless who have a mental
78 illness and who are in families with children.

79 (3) (a) In any fiscal year, no more than 80% of the funds in the Pamela Atkinson
80 Homeless Account may be allocated to organizations that provide services only in Salt Lake,
81 Davis, Weber, and Utah Counties.

82 (b) The committee may:

83 (i) expend up to 3% of its annual appropriation for administrative costs associated with
84 the allocation of funds from the Pamela Atkinson Homeless Account, and up to 2% of its
85 annual appropriation for marketing the account and soliciting donations to the account; and

86 (ii) pay for the initial costs of the State Tax Commission in implementing Section
87 59-10-1306 from the account.

88 (4) (a) The committee may not expend, except as provided in Subsection (4)(b), an
89 amount equal to the greater of \$50,000 or 20% of the amount donated to the Pamela Atkinson
90 Homeless Account during fiscal year 1988-89.

91 (b) If there are decreases in contributions to the account, the committee may expend
92 funds held in the account to provide program stability, but the committee shall reimburse the
93 amounts of those expenditures to the account.

94 (5) The committee shall make an annual report to the Business, Economic
95 Development [~~and Human Resources~~], and Labor Appropriations Subcommittee regarding the
96 programs and services funded by contributions to the Pamela Atkinson Homeless Account.

97 (6) The money in the Pamela Atkinson Homeless Account shall be invested by the
98 state treasurer according to the procedures and requirements of Title 51, Chapter 7, State
99 Money Management Act, except that all interest or other earnings derived from the restricted
100 account shall be deposited in the restricted account.

101 Section 2. Section **26-1-4** is amended to read:

102 **26-1-4. Department of Health created -- Policymaking responsibilities --**
103 **Consultation with local health departments -- Committee to evaluate health policies and**
104 **to review federal grants -- Committee responsibilities.**

105 (1) There is created the Department of Health, which has all of the policymaking
106 functions, regulatory and enforcement powers, rights, duties, and responsibilities of the
107 Division of Health, the Board of Health, the State Health Planning Development Agency, and
108 the Office of Health Care Financing. Unless otherwise specifically provided, when reference is
109 made in any statute of this state to the Board of Health, the Division of Health, the State Health
110 Planning Development Agency, or the Office of Health Care Financing, it refers to the
111 department. The department shall assume all of the policymaking functions, powers, rights,
112 duties, and responsibilities over the division, agency, and office previously vested in the
113 Department of Human Services and its executive director.

114 (2) In establishing public health policy, the department shall consult with the local
115 health departments established under Title 26A, Chapter 1, Local Health Departments.

116 (3) (a) As used in this Subsection (3):

117 (i) "Committee" means the committee established under Subsection (3)(b).

118 (ii) "Exempt application" means an application for a federal grant that meets the

119 criteria established under Subsection (3)(c)(iii).

120 (iii) "Expedited application" means an application for a federal grant that meets the
121 criteria established under Subsection (3)(c)(iv).

122 (iv) "Federal grant" means a grant from the federal government that could provide
123 funds for local health departments to help them fulfill their duties and responsibilities.

124 (v) "Reviewable application" means an application for a federal grant that is not an
125 exempt application.

126 (b) The department shall establish a committee consisting of:

127 (i) the executive director, or the executive director's designee;

128 (ii) two representatives of the department, appointed by the executive director; and

129 (iii) three representatives of local health departments, appointed by all local health
130 departments.

131 (c) The committee shall:

132 (i) evaluate:

133 (A) the allocation of public health resources between the department and local health
134 departments; and

135 (B) policies that affect local health departments;

136 (ii) consider policy changes proposed by the department or local health departments;

137 (iii) establish criteria by which an application for a federal grant may be judged to
138 determine whether it should be exempt from the requirements under Subsection (3)(d); and

139 (iv) establish criteria by which an application for a federal grant may be judged to
140 determine whether committee review under Subsection (3)(d)(i) should be delayed until after
141 the application is submitted because the application is required to be submitted under a
142 timetable that makes committee review before it is submitted impracticable if the submission
143 deadline is to be met.

144 (d) (i) The committee shall review the goals and budget for each reviewable
145 application:

146 (A) before the application is submitted, except for an expedited application; and

147 (B) for an expedited application, after the application is submitted but before funds
148 from the federal grant for which the application was submitted are disbursed or encumbered.

149 (ii) Funds from a federal grant pursuant to a reviewable application may not be

150 disbursed or encumbered before the goals and budget for the federal grant are established by:

151 (A) a two-thirds vote of the committee, following the committee review under

152 Subsection (3)(d)(i); or

153 (B) if two-thirds of the committee cannot agree on the goals and budget, the chair of

154 the health advisory council, after consultation with the committee in a manner that the

155 committee determines.

156 (e) An exempt application is exempt from the requirements of Subsection (3)(d).

157 (f) The committee shall report to the Legislature's [~~Health and Human~~] Social Services

158 Appropriations Subcommittee and Political Subdivisions Interim Committee by November 30

159 of each year regarding implementation of this Subsection (3).

160 (g) The department may use money from a federal grant to pay administrative costs

161 incurred in implementing this Subsection (3).

162 Section 3. Section **26-1-38** is amended to read:

163 **26-1-38. Local health emergency assistance program.**

164 (1) As used in this section:

165 (a) "Local health department" has the same meaning as defined in Section 26A-1-102.

166 (b) "Local health emergency" means an unusual event or series of events causing or

167 resulting in a substantial risk or substantial potential risk to the health of a significant portion

168 of the population within the boundary of a local health department.

169 (c) "Program" means the local health emergency assistance program that the

170 department is required to establish under this section.

171 (d) "Program fund" means money that the Legislature appropriates to the department

172 for use in the program and other money otherwise made available for use in the program.

173 (2) The department shall establish, to the extent of funds appropriated by the

174 Legislature or otherwise made available to the program fund, a local health emergency

175 assistance program.

176 (3) Under the program, the department shall:

177 (a) provide a method for a local health department to seek reimbursement from the

178 program fund for local health department expenses incurred in responding to a local health

179 emergency;

180 (b) require matching funds from any local health department seeking reimbursement

181 from the program fund;

182 (c) establish a method for apportioning money in the program fund to multiple local
183 health departments when the total amount of concurrent requests for reimbursement by
184 multiple local health departments exceeds the balance in the program fund; and

185 (d) establish by rule other provisions that the department considers necessary or
186 advisable to implement the program.

187 (4) Each September the department shall:

188 (a) submit to the Health and Human Services Interim Committee of the Legislature a
189 written report summarizing program activity, including:

190 (i) a description of the requests for reimbursement from local health departments
191 during the preceding 12 months;

192 (ii) the amount of each reimbursement made from the program fund to local health
193 departments; and

194 (iii) the current balance of the program fund; and

195 (b) submit a copy of the report required under Subsection (4)(a) to the [~~Health and~~
196 ~~Human~~] Social Services Appropriations Subcommittee.

197 (5) (a) (i) Subject to Subsection (5)(a)(ii), the department shall use money in the
198 program fund exclusively for purposes of the program.

199 (ii) The department may use money in the program fund to cover its costs of
200 administering the program.

201 (b) Money that the Legislature appropriates to the program fund is nonlapsing.

202 (c) Any interest earned on money in the program fund shall be deposited to the General
203 Fund.

204 Section 4. Section **26-18-2.3** is amended to read:

205 **26-18-2.3. Division responsibilities -- Emphasis -- Periodic assessment.**

206 (1) In accordance with the requirements of Title XIX of the Social Security Act and
207 applicable federal regulations, the division is responsible for the effective and impartial
208 administration of this chapter in an efficient, economical manner. The division shall:

209 (a) establish, on a statewide basis, a program to safeguard against unnecessary or
210 inappropriate use of Medicaid services, excessive payments, and unnecessary or inappropriate
211 hospital admissions or lengths of stay;

212 (b) deny any provider claim for services that fail to meet criteria established by the
213 division concerning medical necessity or appropriateness; and

214 (c) place its emphasis on high quality care to recipients in the most economical and
215 cost-effective manner possible, with regard to both publicly and privately provided services.

216 (2) The division shall implement and utilize cost-containment methods, where
217 possible, which may include:

218 (a) prepayment and postpayment review systems to determine if utilization is
219 reasonable and necessary;

220 (b) preadmission certification of nonemergency admissions;

221 (c) mandatory outpatient, rather than inpatient, surgery in appropriate cases;

222 (d) second surgical opinions;

223 (e) procedures for encouraging the use of outpatient services;

224 (f) consistent with Sections 26-18-2.4 and 58-17b-606, a Medicaid drug program;

225 (g) coordination of benefits; and

226 (h) review and exclusion of providers who are not cost effective or who have abused
227 the Medicaid program, in accordance with the procedures and provisions of federal law and
228 regulation.

229 (3) The director of the division shall periodically assess the cost effectiveness and
230 health implications of the existing Medicaid program, and consider alternative approaches to
231 the provision of covered health and medical services through the Medicaid program, in order to
232 reduce unnecessary or unreasonable utilization.

233 (4) The department shall ensure Medicaid program integrity by conducting internal
234 audits of the Medicaid program for efficiencies, best practices, fraud, waste, abuse, and cost
235 recovery.

236 (5) The department shall, by December 31 of each year, report to the [~~Health and~~
237 ~~Human~~] Social Services Appropriations Subcommittee regarding:

238 (a) measures taken under this section to increase:

239 (i) efficiencies within the program; and

240 (ii) cost avoidance and cost recovery efforts in the program; and

241 (b) results of program integrity efforts under Subsection (4).

242 Section 5. Section **26-18-2.4** is amended to read:

243 **26-18-2.4. Medicaid drug program -- Preferred drug list.**

244 (1) A Medicaid drug program developed by the department under Subsection 26-18-2.3

245 (2)(f):

246 (a) shall, notwithstanding Subsection 26-18-2.3(1)(b), be based on clinical and
247 cost-related factors which include medical necessity as determined by a provider in accordance
248 with administrative rules established by the Drug Utilization Review Board;

249 (b) may include therapeutic categories of drugs that may be exempted from the drug
250 program;

251 (c) may include placing some drugs, except the drugs described in Subsection (2), on a
252 preferred drug list to the extent determined appropriate by the department;

253 (d) notwithstanding the requirements of Part 2, Drug Utilization Review Board, shall
254 immediately implement the prior authorization requirements for a non-preferred drug that is in
255 the same therapeutic class as a drug that is:

256 (i) on the preferred drug list on the date that this act takes effect; or

257 (ii) added to the preferred drug list after this act takes effect; and

258 (e) except as prohibited by Subsections 58-17b-606(4) and (5), the prior authorization
259 requirements established under Subsections (1)(c) and (d) shall permit a health care provider or
260 the health care provider's agent to obtain a prior authorization override of the preferred drug list
261 through the department's pharmacy prior authorization review process, which shall:

262 (i) provide either telephone or fax approval or denial of the request within 24 hours of
263 the receipt of a request that is submitted during normal business hours of Monday through
264 Friday from 8 am to 5 pm;

265 (ii) provide for the dispensing of a limited supply of a requested drug as determined
266 appropriate by the department in an emergency situation, if the request for an override is
267 received outside of the department's normal business hours; and

268 (iii) require the health care provider to provide the department with documentation of
269 the medical need for the preferred drug list override in accordance with criteria established by
270 the department in consultation with the Pharmacy and Therapeutics Committee.

271 (2) (a) For purposes of this Subsection (2), "immunosuppressive drug":

272 (i) means a drug that is used in immunosuppressive therapy to inhibit or prevent
273 activity of the immune system to aid the body in preventing the rejection of transplanted organs

274 and tissue; and

275 (ii) does not include drugs used for the treatment of autoimmune disease or diseases
276 that are most likely of autoimmune origin.

277 (b) A preferred drug list developed under the provisions of this section may not
278 include:

279 (i) a psychotropic or anti-psychotic drug; or

280 (ii) an immunosuppressive drug.

281 (c) The state Medicaid program shall reimburse for a prescription for an
282 immunosuppressive drug as written by the health care provider for a patient who has undergone
283 an organ transplant. For purposes of Subsection 58-17b-606(4), and with respect to patients
284 who have undergone an organ transplant, the prescription for a particular immunosuppressive
285 drug as written by a health care provider meets the criteria of demonstrating to the Department
286 of Health a medical necessity for dispensing the prescribed immunosuppressive drug.

287 (d) Notwithstanding the requirements of Part 2, Drug Utilization Review Board, the
288 state Medicaid drug program may not require the use of step therapy for immunosuppressive
289 drugs without the written or oral consent of the health care provider and the patient.

290 (3) The department shall report to the Health and Human Services Interim Committee
291 and to the [~~Health and Human~~] Social Services Appropriations Subcommittee prior to
292 November 1, 2010 regarding the savings to the Medicaid program resulting from the use of the
293 preferred drug list permitted by Subsection (1).

294 Section 6. Section **26-18-3** is amended to read:

295 **26-18-3. Administration of Medicaid program by department -- Reporting to the**
296 **Legislature -- Disciplinary measures and sanctions -- Funds collected -- Eligibility**
297 **standards -- Internal audits -- Studies -- Health opportunity accounts.**

298 (1) The department shall be the single state agency responsible for the administration
299 of the Medicaid program in connection with the United States Department of Health and
300 Human Services pursuant to Title XIX of the Social Security Act.

301 (2) (a) The department shall implement the Medicaid program through administrative
302 rules in conformity with this chapter, Title 63G, Chapter 3, Utah Administrative Rulemaking
303 Act, the requirements of Title XIX, and applicable federal regulations.

304 (b) The rules adopted under Subsection (2)(a) shall include, in addition to other rules

305 necessary to implement the program:

306 (i) the standards used by the department for determining eligibility for Medicaid
307 services;

308 (ii) the services and benefits to be covered by the Medicaid program; and

309 (iii) reimbursement methodologies for providers under the Medicaid program.

310 (3) (a) The department shall, in accordance with Subsection (3)(b), report to the
311 [~~Health and Human~~] Social Services Appropriations Subcommittee when the department:

312 (i) implements a change in the Medicaid State Plan;

313 (ii) initiates a new Medicaid waiver;

314 (iii) initiates an amendment to an existing Medicaid waiver;

315 (iv) applies for an extension of an application for a waiver or an existing Medicaid
316 waiver; or

317 (v) initiates a rate change that requires public notice under state or federal law.

318 (b) The report required by Subsection (3)(a) shall:

319 (i) be submitted to the [~~Health and Human~~] Social Services Appropriations
320 Subcommittee prior to the department implementing the proposed change; and

321 (ii) include:

322 (A) a description of the department's current practice or policy that the department is
323 proposing to change;

324 (B) an explanation of why the department is proposing the change;

325 (C) the proposed change in services or reimbursement, including a description of the
326 effect of the change;

327 (D) the effect of an increase or decrease in services or benefits on individuals and
328 families;

329 (E) the degree to which any proposed cut may result in cost-shifting to more expensive
330 services in health or human service programs; and

331 (F) the fiscal impact of the proposed change, including:

332 (I) the effect of the proposed change on current or future appropriations from the
333 Legislature to the department;

334 (II) the effect the proposed change may have on federal matching dollars received by
335 the state Medicaid program;

336 (III) any cost shifting or cost savings within the department's budget that may result
337 from the proposed change; and

338 (IV) identification of the funds that will be used for the proposed change, including any
339 transfer of funds within the department's budget.

340 (4) (a) The Department of Human Services shall report to the Legislative [~~Health and~~
341 ~~Human~~] Social Services Appropriations Subcommittee no later than December 31, 2010 in
342 accordance with Subsection (4)(b).

343 (b) The report required by Subsection (4)(a) shall include:

344 (i) changes made by the division or the department beginning July 1, 2010 that effect
345 the Medicaid program, a waiver under the Medicaid program, or an interpretation of Medicaid
346 services or funding, that relate to care for children and youth in the custody of the Division of
347 Child and Family Services or the Division of Juvenile Justice Services;

348 (ii) the history and impact of the changes under Subsection (4)(b)(i);

349 (iii) the Department of Human Service's plans for addressing the impact of the changes
350 under Subsection (4)(b)(i); and

351 (iv) ways to consolidate administrative functions within the Department of Human
352 Services, the Department of Health, the Division of Child and Family Services, and the
353 Division of Juvenile Justice Services to more efficiently meet the needs of children and youth
354 with mental health and substance disorder treatment needs.

355 (5) Any rules adopted by the department under Subsection (2) are subject to review and
356 reauthorization by the Legislature in accordance with Section 63G-3-502.

357 (6) The department may, in its discretion, contract with the Department of Human
358 Services or other qualified agencies for services in connection with the administration of the
359 Medicaid program, including:

360 (a) the determination of the eligibility of individuals for the program;

361 (b) recovery of overpayments; and

362 (c) consistent with Section 26-20-13, and to the extent permitted by law and quality
363 control services, enforcement of fraud and abuse laws.

364 (7) The department shall provide, by rule, disciplinary measures and sanctions for
365 Medicaid providers who fail to comply with the rules and procedures of the program, provided
366 that sanctions imposed administratively may not extend beyond:

- 367 (a) termination from the program;
- 368 (b) recovery of claim reimbursements incorrectly paid; and
- 369 (c) those specified in Section 1919 of Title XIX of the federal Social Security Act.
- 370 (8) Funds collected as a result of a sanction imposed under Section 1919 of Title XIX
- 371 of the federal Social Security Act shall be deposited in the General Fund as dedicated credits to
- 372 be used by the division in accordance with the requirements of Section 1919 of Title XIX of
- 373 the federal Social Security Act.
- 374 (9) (a) In determining whether an applicant or recipient is eligible for a service or
- 375 benefit under this part or Chapter 40, Utah Children's Health Insurance Act, the department
- 376 shall, if Subsection (9)(b) is satisfied, exclude from consideration one passenger vehicle
- 377 designated by the applicant or recipient.
- 378 (b) Before Subsection (9)(a) may be applied:
- 379 (i) the federal government shall:
- 380 (A) determine that Subsection (9)(a) may be implemented within the state's existing
- 381 public assistance-related waivers as of January 1, 1999;
- 382 (B) extend a waiver to the state permitting the implementation of Subsection (9)(a); or
- 383 (C) determine that the state's waivers that permit dual eligibility determinations for
- 384 cash assistance and Medicaid are no longer valid; and
- 385 (ii) the department shall determine that Subsection (9)(a) can be implemented within
- 386 existing funding.
- 387 (10) (a) For purposes of this Subsection (10):
- 388 (i) "aged, blind, or has a disability" means an aged, blind, or disabled individual, as
- 389 defined in 42 U.S.C. 1382c(a)(1); and
- 390 (ii) "spend down" means an amount of income in excess of the allowable income
- 391 standard that shall be paid in cash to the department or incurred through the medical services
- 392 not paid by Medicaid.
- 393 (b) In determining whether an applicant or recipient who is aged, blind, or has a
- 394 disability is eligible for a service or benefit under this chapter, the department shall use 100%
- 395 of the federal poverty level as:
- 396 (i) the allowable income standard for eligibility for services or benefits; and
- 397 (ii) the allowable income standard for eligibility as a result of spend down.

398 (11) The department shall conduct internal audits of the Medicaid program.

399 (12) In order to determine the feasibility of contracting for direct Medicaid providers
400 for primary care services, the department shall:

401 (a) issue a request for information for direct contracting for primary services that shall
402 provide that a provider shall exclusively serve all Medicaid clients:

403 (i) in a geographic area;

404 (ii) for a defined range of primary care services; and

405 (iii) for a predetermined total contracted amount; and

406 (b) by February 1, 2011, report to the [~~Health and Human~~] Social Services

407 Appropriations Subcommittee on the response to the request for information under Subsection
408 (12)(a).

409 (13) (a) By December 31, 2010, the department shall:

410 (i) determine the feasibility of implementing a three year patient-centered medical
411 home demonstration project in an area of the state using existing budget funds; and

412 (ii) report the department's findings and recommendations under Subsection (13)(a)(i)
413 to the [~~Health and Human~~] Social Services Appropriations Subcommittee.

414 (b) If the department determines that the medical home demonstration project
415 described in Subsection (13)(a) is feasible, and the [~~Health and Human~~] Social Services
416 Appropriations Subcommittee recommends that the demonstration project be implemented, the
417 department shall:

418 (i) implement the demonstration project; and

419 (ii) by December 1, 2012, make recommendations to the [~~Health and Human~~] Social
420 Services Appropriations Subcommittee regarding the:

421 (A) continuation of the demonstration project;

422 (B) expansion of the demonstration project to other areas of the state; and

423 (C) cost savings incurred by the implementation of the demonstration project.

424 (14) (a) The department may apply for and, if approved, implement a demonstration
425 program for health opportunity accounts, as provided for in 42 U.S.C. Sec. 1396u-8.

426 (b) A health opportunity account established under Subsection (14)(a) shall be an
427 alternative to the existing benefits received by an individual eligible to receive Medicaid under
428 this chapter.

429 (c) Subsection (14)(a) is not intended to expand the coverage of the Medicaid program.

430 Section 7. Section **26-18-12** is amended to read:

431 **26-18-12. Expansion of 340B drug pricing programs.**

432 (1) The department shall, in accordance with this section, expand the state Medicaid
433 program's use of savings under the 340B drug pricing program.

434 (2) The department shall:

435 (a) determine:

436 (i) the feasibility of developing and implementing one or more 340B drug pricing
437 programs for a specific disease, similar to the department's hemophilia disease management
438 services; and

439 (ii) whether the 340B drug program for a specific disease results in greater savings for
440 the department than other drug management programs for the particular disease;

441 (b) report by May 21, 2008 to the Legislature's Health and Human Services Interim
442 Committee and [~~Health and Human~~] Social Services Appropriations Subcommittee regarding:

443 (i) potential cost savings to the state Medicaid program from expansion of the use of
444 340B drug pricing programs;

445 (ii) state Medicaid plan amendments or waivers necessary to implement increased use
446 of 340B drug pricing programs by the state Medicaid program; and

447 (iii) projected implementation of the 340B drug pricing programs identified under the
448 provisions of Subsection (2)(a);

449 (c) work with the Association for Utah Community Health to identify and assist
450 community clinics that do not have 340B drug pricing programs to determine whether, under
451 applicable federal law:

452 (i) the patients of the community health center would benefit from establishing a 340B
453 drug pricing program either on site, or through a contract with a pharmacy provider; and

454 (ii) the community health center can provide the 340B drug price savings to the
455 community health center's Medicaid patients; and

456 (d) beginning May 21, 2008, report on a quarterly basis to the Legislature's Health and
457 Human Services Interim Committee and [~~Health and Human~~] Social Services Appropriations
458 Subcommittee on the department's progress towards implementing an expansion of the use of
459 the 340B drug pricing program by community health centers.

460 (3) If the department needs a Medicaid waiver to implement a 340B drug program for a
461 specific disease, the department shall comply with the reporting requirements of Subsection
462 (2)(b)(ii) of this section, and the reporting requirements of Section 26-18-3.

463 (4) This section shall sunset in accordance with Section 63I-1-226.

464 Section 8. Section **26-18a-3** is amended to read:

465 **26-18a-3. Purpose of committee.**

466 (1) The committee shall work to:

467 (a) provide financial assistance for initial medical expenses of children who need organ
468 transplants;

469 (b) obtain the assistance of volunteer and public service organizations; and

470 (c) fund activities as the committee designates for the purpose of educating the public
471 about the need for organ donors.

472 (2) (a) The committee is responsible for awarding financial assistance funded by the
473 restricted account.

474 (b) The financial assistance awarded by the committee under Subsection (1)(a) shall be
475 in the form of interest free loans. The committee may establish terms for repayment of the
476 loans, including a waiver of the requirement to repay any awards if, in the committee's
477 judgment, repayment of the loan would impose an undue financial burden on the recipient.

478 (c) In making financial awards under Subsection (1)(a), the committee shall consider:

479 (i) need;

480 (ii) coordination with or enhancement of existing services or financial assistance,
481 including availability of insurance or other state aid;

482 (iii) the success rate of the particular organ transplant procedure needed by the child;
483 and

484 (iv) the extent of the threat to the child's life without the organ transplant.

485 (3) The committee may only provide the assistance described in this section to children
486 who have resided in Utah, or whose legal guardians have resided in Utah for at least six months
487 prior to the date of assistance under this section.

488 (4) (a) The committee may expend up to 5% of its annual appropriation for
489 administrative costs associated with the allocation of funds from the restricted account.

490 (b) The administrative costs shall be used for the costs associated with staffing the

491 committee and for State Tax Commission costs in implementing Section 59-10-1308.

492 (5) The committee shall make an annual report to the [~~Health and Human~~] Social
493 Services Appropriations Subcommittee regarding the programs and services funded by
494 contributions to the restricted account.

495 Section 9. Section **26-18b-101** is amended to read:

496 **26-18b-101. Organ Donation Contribution Fund created.**

497 (1) (a) There is created a restricted special revenue fund known as the Organ Donation
498 Contribution Fund.

499 (b) The Organ Donation Contribution Fund shall consist of:

500 (i) private contributions;

501 (ii) donations or grants from public or private entities;

502 (iii) voluntary donations collected under Sections 41-1a-230.5 and 53-3-214.7; and

503 (iv) interest and earnings on fund money.

504 (c) The cost of administering the Organ Donation Contribution Fund shall be paid from
505 money in the fund.

506 (2) The Department of Health shall:

507 (a) administer the funds deposited in the Organ Donation Contribution Fund;

508 (b) select qualified organizations and distribute the funds in the Organ Donation
509 Contribution Fund in accordance with Subsection (3); and

510 (c) make an annual report on the fund to the [~~Health and Human~~] Social Services
511 Appropriations Subcommittee.

512 (3) (a) The funds in the Organ Donation Contribution Fund may be distributed to a
513 selected organization that:

514 (i) promotes and supports organ donation;

515 (ii) assists in maintaining and operating a statewide organ donation registry; and

516 (iii) provides donor awareness education.

517 (b) An organization that meets the criteria of Subsections (3)(a)(i) through (iii) may
518 apply to the Department of Health, in a manner prescribed by the department, to receive a
519 portion of the money contained in the Organ Donation Contribution Fund.

520 Section 10. Section **26-47-102** is amended to read:

521 **26-47-102. Prescription Drug Assistance Program.**

522 (1) No later than October 1, 2003, the department shall implement a Prescription Drug
523 Assistance Program. The program shall assist persons seeking information about how to obtain
524 prescription drugs at a reduced price or no cost. The program shall:

525 (a) collect eligibility and enrollment information about programs that make
526 prescription drugs available to consumers at a reduced price or no cost;

527 (b) provide information collected under Subsection (1)(a) to consumers upon request
528 via a toll-free phone line, the Internet, and mail;

529 (c) inform pharmacists and other health care providers of the Prescription Drug
530 Assistance Program; and

531 (d) assist consumers in completing applications to participate in programs identified
532 under Subsection (1)(a).

533 (2) Any pharmaceutical manufacturer, distributor, or wholesaler operating in the state
534 shall:

535 (a) notify the department of any program operated by it to provide prescription drugs to
536 consumers at a reduced price or no cost; and

537 (b) provide the department with information about eligibility, enrollment, and benefits.

538 (3) Pharmacies, as defined in Title 58, Chapter 17b, Pharmacy Practice Act, shall
539 notify their patients of the Prescription Drug Assistance Program. This notification shall
540 include displaying the program's toll-free number, and may include distributing a brochure or
541 oral communication.

542 (4) The department may accept grants, gifts, and donations of money or property for
543 use by the Prescription Drug Assistance Program.

544 (5) The department shall report to the Health and Human Services Interim Committee
545 and the [~~Joint Health and Human~~] Social Services Appropriations Subcommittee on the
546 performance of the Prescription Drug Assistance Program prior to the 2004 and 2005 Annual
547 General Sessions of the Legislature.

548 Section 11. Section **26-47-103** is amended to read:

549 **26-47-103. Department to award grants for assistance to persons with bleeding**
550 **disorders.**

551 (1) For purposes of this section:

552 (a) "Hemophilia services" means a program for medical care, including the costs of

553 blood transfusions, and the use of blood derivatives and blood clotting factors.

554 (b) "Person with a bleeding disorder" means a person:

555 (i) who is medically diagnosed with hemophilia or a bleeding disorder;

556 (ii) who is not eligible for Medicaid or the Children's Health Insurance Program; and

557 (iii) who has either:

558 (A) insurance coverage that excludes coverage for hemophilia services;

559 (B) exceeded the person's insurance plan's annual maximum benefits;

560 (C) exceeded the person's annual or lifetime maximum benefits payable under Title

561 31A, Chapter 29, Comprehensive Health Insurance Pool Act; or

562 (D) insurance coverage available under either private health insurance, Title 31A,

563 Chapter 29, Comprehensive Health Insurance Pool Act, Utah mini COBRA coverage under

564 Section 31A-22-722, or federal COBRA coverage, but the premiums for that coverage are

565 greater than a percentage of the person's annual adjusted gross income as established by the

566 department by administrative rule.

567 (2) (a) Within appropriations specified by the Legislature for this purpose, the

568 department shall make grants to public and nonprofit entities who assist persons with bleeding

569 disorders with the cost of obtaining hemophilia services or the cost of insurance premiums for

570 coverage of hemophilia services.

571 (b) Applicants for grants under this section:

572 (i) shall be submitted to the department in writing; and

573 (ii) shall comply with Subsection (3).

574 (3) Applications for grants under this section shall include:

575 (a) a statement of specific, measurable objectives, and the methods to be used to assess
576 the achievement of those objectives;

577 (b) a description of the personnel responsible for carrying out the activities of the grant
578 along with a statement justifying the use of any grant funds for the personnel;

579 (c) letters and other forms of evidence showing that efforts have been made to secure
580 financial and professional assistance and support for the services to be provided under the
581 grant;

582 (d) a list of services to be provided by the applicant;

583 (e) the schedule of fees to be charged by the applicant; and

584 (f) other provisions as determined by the department.

585 (4) The department may accept grants, gifts, and donations of money or property for
586 use by the grant program.

587 (5) (a) The department shall establish rules in accordance with Title 63G, Chapter 3,
588 Utah Administrative Rulemaking Act, governing the application form, process, and criteria it
589 will use in awarding grants under this section.

590 (b) The department shall submit an annual report on the implementation of the grant
591 program:

592 (i) by no later than November 1; and

593 (ii) to the Health and Human Services Interim Committee and the [~~Health and Human~~]
594 Social Services Appropriations Subcommittee.

595 Section 12. Section **26-50-202** is amended to read:

596 **26-50-202. Traumatic Brain Injury Advisory Committee -- Membership -- Time**
597 **limit.**

598 (1) On or after July 1 of each year, the executive director may create a Traumatic Brain
599 Injury Advisory Committee of not more than nine members.

600 (2) The committee shall be composed of members of the community who are familiar
601 with traumatic brain injury, its causes, diagnosis, treatment, rehabilitation, and support
602 services, including:

603 (a) persons with a traumatic brain injury;

604 (b) family members of a person with a traumatic brain injury;

605 (c) representatives of an association which advocates for persons with traumatic brain
606 injuries;

607 (d) specialists in a profession that works with brain injury patients; and

608 (e) department representatives.

609 (3) The department shall provide staff support to the committee.

610 (4) (a) If a vacancy occurs in the committee membership for any reason, a replacement
611 may be appointed for the unexpired term.

612 (b) The committee shall elect a chairperson from the membership.

613 (c) A majority of the committee constitutes a quorum at any meeting, and, if a quorum
614 exists, the action of the majority of members present shall be the action of the committee.

- 615 (d) The committee may adopt bylaws governing the committee's activities.
- 616 (e) A committee member may be removed by the executive director:
- 617 (i) if the member is unable or unwilling to carry out the member's assigned
- 618 responsibilities; or
- 619 (ii) for good cause.
- 620 (5) The committee shall comply with the procedures and requirements of:
- 621 (a) Title 52, Chapter 4, Open and Public Meetings Act; and
- 622 (b) Title 63G, Chapter 2, Government Records Access and Management Act.
- 623 (6) A member may not receive compensation or benefits for the member's service, but,
- 624 at the executive director's discretion, may receive per diem and travel expenses in accordance
- 625 with:
- 626 (a) Section 63A-3-106;
- 627 (b) Section 63A-3-107; and
- 628 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 629 63A-3-107.
- 630 (7) Not later than November 30 of each year the committee shall provide a written
- 631 report summarizing the activities of the committee to:
- 632 (a) the executive director of the department;
- 633 (b) the Health and Human Services Interim Committee; and
- 634 (c) the [~~Health and Human~~] Social Services Appropriations Subcommittee.
- 635 (8) The committee shall cease to exist on December 31 of each year, unless the
- 636 executive director determines it necessary to continue.

637 Section 13. Section **26-52-202** is amended to read:

638 **26-52-202. Autism Treatment Account Advisory Committee -- Membership --**
639 **Time limit.**

- 640 (1) (a) There is created an Autism Treatment Account Advisory Committee consisting
- 641 of five members appointed by the governor to two-year terms of office as follows:
- 642 (i) one person holding a doctorate degree who has experience in treating persons with
- 643 an autism spectrum disorder;
- 644 (ii) one person who is a physician licensed under Title 58, Chapter 67, Utah Medical
- 645 Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, who has

646 completed a residency program in pediatrics;

647 (iii) one person who is employed in the Department of Health; and

648 (iv) two persons from the community who are familiar with autism spectrum disorders
649 and their effects, diagnosis, treatment, rehabilitation, and support needs, including:

650 (A) family members of a person with an autism spectrum disorder;

651 (B) representatives of an association which advocates for persons with an autism
652 spectrum disorder; and

653 (C) specialists or professionals who work with persons with autism spectrum disorders.

654 (b) Notwithstanding the requirements of Subsection (1)(a), the governor shall, at the
655 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
656 committee members are staggered so that approximately half of the committee is appointed
657 every year.

658 (c) If a vacancy occurs in the committee membership for any reason, a replacement
659 may be appointed for the unexpired term.

660 (2) The department shall provide staff support to the committee.

661 (3) (a) The committee shall elect a chair from the membership on an annual basis.

662 (b) A majority of the committee constitutes a quorum at any meeting, and, if a quorum
663 exists, the action of the majority of members present shall be the action of the committee.

664 (c) The executive director may remove a committee member:

665 (i) if the member is unable or unwilling to carry out the member's assigned
666 responsibilities; or

667 (ii) for good cause.

668 (4) The committee may, in accordance with Title 63G, Chapter 3, Utah Administrative
669 Rulemaking Act, make rules governing the committee's activities, which rules shall:

670 (a) comply with the requirements of this title; and

671 (b) include:

672 (i) qualification criteria and procedures for selecting service and treatment providers
673 that receive disbursements from the account, which criteria shall give additional consideration
674 to providers that are willing to use low interest loans when providing services to individuals;
675 and

676 (ii) provisions to address and avoid conflicts of interest that may arise in relation to:

677 (A) the committee's selection of providers and persons that receive referrals,
678 disbursements, or assistance from the account; and

679 (B) other matters that may constitute a conflict of interest.

680 (5) The committee shall meet as necessary to carry out its duties and shall meet upon a
681 call of the committee chair or a call of a majority of the committee members, but no more than
682 four times per year.

683 (6) The committee shall comply with the procedures and requirements of:

684 (a) Title 52, Chapter 4, Open and Public Meetings Act; and

685 (b) Title 63G, Chapter 2, Government Records Access and Management Act.

686 (7) Committee members shall receive no compensation or per diem allowance for their
687 services.

688 (8) Not later than November 30 of each year, the committee shall provide a written
689 report summarizing the activities of the committee to:

690 (a) the executive director of the department;

691 (b) the Health and Human Services Interim Committee; and

692 (c) the ~~[Health and Human]~~ Social Services Appropriations Subcommittee.

693 Section 14. Section **31A-29-113.5** is amended to read:

694 **31A-29-113.5. Pilot Program for Chronic Disease and Pharmaceutical**

695 **Management of Bleeding Disorders.**

696 (1) Beginning July 1, 2005, and ending on July 1, 2010, the pool policy shall include a
697 pilot program for hemophilia and bleeding disorders in accordance with this section.

698 (2) In accordance with this Subsection (2), the pool's pilot program shall:

699 (a) permit enrollees in the pool who have hemophilia or a bleeding disorder to
700 participate in a pharmaceutical program for people with hemophilia and bleeding disorders
701 administered by an entity that is qualified as a federal 340B Drug Pricing Program of the Public
702 Health Service Act, enacted in Public Law 102-585, the Veterans Health Care Act of 1992;

703 (b) pay the eligible medical expenses for the enrollee's participation in the pilot
704 program subject to all applicable plan benefits and limitations; and

705 (c) may not impose cost containment measures on an enrollee who participates in the
706 pilot program greater than the cost containment measures imposed on other enrollees under the
707 provisions of Subsection 31A-29-113(6).

708 (3) (a) The pool may establish the pilot program through the best means available for
709 obtaining the lowest drug discount pricing, including administering the pilot program through
710 the Department of Health's 340B Medicaid drug discount program or the Ryan White HIV drug
711 discount program.

712 (b) The Department of Health shall assist the pool with administering the pilot
713 program, including assistance in processing claims for the drug discount and chronic disease
714 management services.

715 (4) (a) The board shall report to the commissioner and to the Health and Human
716 Services Interim Committee prior to October 30, 2010 regarding the claims experience and
717 pharmaceutical costs under the pilot program.

718 (b) The board may discontinue the pilot program created in this section prior to July 1,
719 2010, if prior to discontinuing the pilot program:

720 (i) the board reports on the need to discontinue the pilot program to the Health and
721 Human Services Interim Committee and the [~~Commerce and Revenue~~] Business, Economic
722 Development and Labor Appropriations Subcommittee; and

723 (ii) either:

724 (A) the commissioner and the board determine that the requirements of the pilot
725 program jeopardize the actuarial soundness of the pool; or

726 (B) the entity that is qualified as a 340B Drug Pricing Program is disqualified by
727 federal law from providing 340B drug pricing discounts to enrollees in the pool.

728 Section 15. Section **35A-3-302** is amended to read:

729 **35A-3-302. Eligibility requirements.**

730 (1) The program of cash assistance provided under this part is known as the Family
731 Employment Program.

732 (2) (a) The division shall submit a state plan to the Secretary of the United States
733 Department of Health and Human Services to obtain federal funding under the Temporary
734 Assistance for Needy Families Block Grant.

735 (b) The division shall make the plan consistent with this part and federal law.

736 (c) If a discrepancy arises between a provision of the state plan and this part, this part
737 supersedes the provision in the state plan.

738 (3) The services and supports under this part are for both one-parent and two-parent

739 families.

740 (4) To be eligible for cash assistance under this part, a family shall:

741 (a) have at least one minor dependent child; or

742 (b) have a parent who is in the third trimester of a pregnancy.

743 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
744 department shall make rules for eligibility and the amount of cash assistance a family is eligible
745 to receive under this part based on:

746 (a) family size;

747 (b) family income;

748 (c) income disregards; and

749 (d) other relevant factors.

750 (6) The division shall disregard money on deposit in an Individual Development
751 Account established under Section 35A-3-312 in determining eligibility.

752 (7) The department shall provide for an appeal of a determination of eligibility in
753 accordance with Title 63G, Chapter 4, Administrative Procedures Act.

754 (8) (a) The department shall make a report to either the Legislature's Executive
755 Appropriations Committee or the [~~Commerce and Workforce Services Appropriations~~
756 ~~Subcommittee~~] Social Services Appropriations Subcommittee on any proposed rule change
757 made under Subsection (5) that would modify the eligibility requirements or the amount of
758 cash assistance a family would be eligible to receive.

759 (b) The department shall submit the report prior to implementing the proposed rule
760 change and the report shall include:

761 (i) a description of the department's current practice or policy that it is proposing to
762 change;

763 (ii) an explanation of why the department is proposing the change;

764 (iii) the effect of an increase or decrease in cash benefits on families; and

765 (iv) the fiscal impact of the proposed change.

766 (c) The department may use the Notice of Proposed Rule Amendment form filed with
767 the Division of Administrative Rules as its report so long as the notice contains all the
768 information required under Subsection (8)(b).

769 Section 16. Section **36-23-106** is amended to read:

770 **36-23-106. Duties -- Reporting.**

771 (1) The committee shall:

772 (a) conduct a sunrise review in accordance with Section 36-23-107 for all applications
773 submitted in accordance with Section 36-23-105;

774 (b) conduct a sunset review for an occupational or professional license classification
775 that is referred to the committee by any other legislative committee by applying:

776 (i) the criteria in Section 36-23-107;

777 (ii) the criteria in Title 63I, Chapter 1, Legislative Oversight and Sunset Act; and

778 (iii) any other appropriate criteria; and

779 (c) submit a written report by no later than December 31 of each calendar year to:

780 (i) the speaker of the House of Representatives;

781 (ii) the president of the Senate;

782 (iii) the chair of the House Rules Committee;

783 (iv) the chair of the Senate Rules Committee; and

784 (v) the chairs of the [~~Commerce and Workforce Services~~] Business, Economic
785 Development, and Labor Appropriations Subcommittee.

786 (2) The written report required by Subsection (1)(c) shall include:

787 (a) all findings and recommendations made by the committee under Subsection (1) or
788 (3) in that calendar year; and

789 (b) a summary report for each sunrise review conducted by the committee stating:

790 (i) whether the sunrise review was conducted under Subsection (1) or (3);

791 (ii) whether or not the sunrise review included a review of specific proposed statutory
792 language;

793 (iii) any action taken by the committee as a result of the sunrise review; and

794 (iv) the number of legislative members that voted in favor of the action described in
795 Subsection (2)(b)(iii).

796 (3) The committee may:

797 (a) conduct a sunrise review of any proposal to newly regulate an occupation or
798 profession;

799 (b) conduct any other review referred to it by the Legislature, the Legislative
800 Management Committee, or other legislative committee; or

801 (c) conduct any other study related to regulation of an occupation or profession under
802 Title 58, Occupations and Professions.

803 Section 17. Section **51-9-201** is amended to read:

804 **51-9-201. Creation of Tobacco Settlement Restricted Account.**

805 (1) There is created within the General Fund a restricted account known as the
806 "Tobacco Settlement Restricted Account."

807 (2) The account shall earn interest.

808 (3) The account shall consist of:

809 (a) until July 1, 2003, 50% of all funds of every kind that are received by the state that
810 are related to the settlement agreement that the state entered into with leading tobacco
811 manufacturers on November 23, 1998;

812 (b) on and after July 1, 2003 and until July 1, 2004, 80% of all funds of every kind that
813 are received by the state that are related to the settlement agreement that the state entered into
814 with leading tobacco manufacturers on November 23, 1998;

815 (c) on and after July 1, 2004 and until July 1, 2005, 70% of all funds of every kind that
816 are received by the state that are related to the settlement agreement that the state entered into
817 with leading tobacco manufacturers on November 23, 1998;

818 (d) on and after July 1, 2005 and until July 1, 2007, 75% of all funds of every kind that
819 are received by the state that are related to the settlement agreement that the state entered into
820 with leading tobacco manufacturers on November 23, 1998;

821 (e) on and after July 1, 2007, 60% of all funds of every kind that are received by the
822 state that are related to the settlement agreement that the state entered into with leading tobacco
823 manufacturers on November 23, 1998; and

824 (f) interest earned on the account.

825 (4) To the extent that funds will be available for appropriation in a given fiscal year,
826 those funds shall be appropriated from the account in the following order:

827 (a) \$10,452,900 to the Department of Health for the Children's Health Insurance
828 Program created in Section 26-40-103 and for restoration of dental benefits in the Children's
829 Health Insurance Program;

830 (b) \$3,847,100 to the Department of Health for alcohol, tobacco, and other drug
831 prevention, reduction, cessation, and control programs that promote unified messages and

832 make use of media outlets, including radio, newspaper, billboards, and television, and with a
833 preference in funding given to tobacco-related programs;

834 (c) \$193,700 to the Administrative Office of the Courts and \$2,325,400 to the
835 Department of Human Services for the statewide expansion of the drug court program;

836 (d) \$4,000,000 to the State Board of Regents for the University of Utah Health
837 Sciences Center to benefit the health and well-being of Utah citizens through in-state research,
838 treatment, and educational activities; and

839 (e) any remaining funds as directed by the Legislature through appropriation.

840 (5) (a) If tobacco funds in dispute for attorney fees are received by the state, those
841 funds shall be divided and deposited in accordance with Subsection (3) and Section 51-9-202.

842 (b) The amount appropriated from the Tobacco Settlement Restricted Account to the
843 Department of Health for alcohol, tobacco, and other drug programs described in Subsection
844 (4)(b), including the funding preference for tobacco-related programs, shall be increased by up
845 to \$2,000,000 in a given fiscal year to the extent that funds in dispute for attorney fees are
846 available to the state for appropriation from the account.

847 (6) Each state agency identified in Subsection (4) shall provide an annual report on the
848 program and activities funded under Subsection (4) to:

849 (a) the Health and Human Services Interim Committee no later than September 1; and

850 (b) the ~~[Health and Human]~~ Social Services Appropriations Subcommittee.

851 Section 18. Section **51-9-203** is amended to read:

852 **51-9-203. Requirements for tobacco programs.**

853 (1) To be eligible to receive funding under this part for a tobacco prevention, reduction,
854 cessation, or control program, an organization, whether private, governmental, or
855 quasi-governmental, shall:

856 (a) submit a request to the Department of Health containing the following information:

857 (i) for media campaigns to prevent or reduce smoking, the request shall demonstrate

858 sound management and periodic evaluation of the campaign's relevance to the intended

859 audience, particularly in campaigns directed toward youth, including audience awareness of the
860 campaign and recollection of the main message;

861 (ii) for school-based education programs to prevent and reduce youth smoking, the

862 request shall describe how the program will be effective in preventing and reducing youth

863 smoking;

864 (iii) for community-based programs to prevent and reduce smoking, the request shall

865 demonstrate that the proposed program:

866 (A) has a comprehensive strategy with a clear mission and goals;

867 (B) provides for committed, caring, and professional leadership; and

868 (C) if directed toward youth:

869 (I) offers youth-centered activities in youth accessible facilities;

870 (II) is culturally sensitive, inclusive, and diverse;

871 (III) involves youth in the planning, delivery, and evaluation of services that affect

872 them; and

873 (IV) offers a positive focus that is inclusive of all youth; and

874 (iv) for enforcement, control, and compliance program, the request shall demonstrate

875 that the proposed program can reasonably be expected to reduce the extent to which tobacco

876 products are available to individuals under the age of 19;

877 (b) agree, by contract, to file an annual written report with the Department of Health.

878 The report shall contain the following:

879 (i) the amount funded;

880 (ii) the amount expended;

881 (iii) a description of the program or campaign and the number of adults and youth who

882 participated;

883 (iv) specific elements of the program or campaign meeting the applicable criteria set

884 forth in Subsection (1)(a); and

885 (v) a statement concerning the success and effectiveness of the program or campaign;

886 (c) agree, by contract, to not use any funds received under this part directly or

887 indirectly, to:

888 (i) engage in any lobbying or political activity, including the support of, or opposition

889 to, candidates, ballot questions, referenda, or similar activities; or

890 (ii) engage in litigation with any tobacco manufacturer, retailer, or distributor, except to

891 enforce:

892 (A) the provisions of the Master Settlement Agreement;

893 (B) Title 26, Chapter 38, Utah Clean Air Act;

894 (C) Title 26, Chapter 42, Civil Penalties for Tobacco Sales to Underaged Persons; and

895 (D) Title 77, Chapter 39, Sale of Tobacco and Alcohol to Underaged Persons; and

896 (d) agree, by contract, to repay the funds provided under this part if the organization:

897 (i) fails to file a timely report as required by Subsection (1)(b); or

898 (ii) uses any portion of the funds in violation of Subsection (1)(c).

899 (2) The Department of Health shall review and evaluate the success and effectiveness

900 of any program or campaign that receives funding pursuant to a request submitted under

901 Subsection (1). The review and evaluation:

902 (a) shall include a comparison of annual smoking trends;

903 (b) may be conducted by an independent evaluator; and

904 (c) may be paid for by funds appropriated from the account for that purpose.

905 (3) The Department of Health shall annually report to the ~~[Health and Human]~~ Social

906 Services Appropriations Subcommittee on the reviews conducted pursuant to Subsection (2).

907 (4) An organization that fails to comply with the contract requirements set forth in

908 Subsection (1) shall:

909 (a) repay the state as provided in Subsection (1)(d); and

910 (b) be disqualified from receiving funds under this part in any subsequent fiscal year.

911 (5) The attorney general shall be responsible for recovering funds that are required to

912 be repaid to the state under this section.

913 (6) Nothing in this section may be construed as applying to funds that are not

914 appropriated under this part.

915 Section 19. Section **53B-20-104** is amended to read:

916 **53B-20-104. Buildings and facilities -- Board approval of construction and**

917 **purchases -- Rules.**

918 (1) The board shall approve all new construction, repair, or purchase of educational

919 and general buildings and facilities financed from any source at all institutions subject to the

920 jurisdiction of the board.

921 (2) An institution may not submit plans or specifications to the State Building Board for

922 the construction or alteration of buildings, structures, or facilities or for the purchases of

923 equipment or fixtures for the structure without the authorization of the board.

924 (3) The board shall make rules establishing the conditions under which facilities may

925 be eligible to request state funds for operations and maintenance.

926 (4) Before approving the purchase of a building, the board shall:

927 (a) determine whether or not the building will be eligible for state funds for operations
928 and maintenance by applying the rules adopted under Subsection (3); and

929 (b) if the annual request for state funding for operations and maintenance will be
930 greater than \$100,000, notify the speaker of the House, the president of the Senate, and the
931 cochairs of the [~~Capital Facilities and Administrative Services~~] Infrastructure and General
932 Government subcommittee of the Legislature's Joint Appropriation Committee.

933 Section 20. Section **59-21-2** is amended to read:

934 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**
935 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**
936 **from Mineral Lease Account.**

937 (1) (a) There is created a restricted account within the General Fund known as the
938 "Mineral Bonus Account."

939 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
940 deposited pursuant to Subsection 59-21-1(3).

941 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
942 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

943 (d) The state treasurer shall:

944 (i) invest the money in the Mineral Bonus Account by following the procedures and
945 requirements of Title 51, Chapter 7, State Money Management Act; and

946 (ii) deposit all interest or other earnings derived from the account into the Mineral
947 Bonus Account.

948 (2) (a) There is created a restricted account within the General Fund known as the
949 "Mineral Lease Account."

950 (b) The Mineral Lease Account consists of federal mineral lease money deposited
951 pursuant to Subsection 59-21-1(1).

952 (c) The Legislature shall make appropriations from the Mineral Lease Account as
953 provided in Subsection 59-21-1(1) and this Subsection (2).

954 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the
955 Mineral Lease Account to the Permanent Community Impact Fund established by Section

956 9-4-303.

957 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the
958 Mineral Lease Account to the State Board of Education, to be used for education research and
959 experimentation in the use of staff and facilities designed to improve the quality of education in
960 Utah.

961 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the
962 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by
963 the survey having as a purpose the development and exploitation of natural resources in the
964 state.

965 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the
966 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used
967 for activities carried on by the laboratory having as a purpose the development and exploitation
968 of water resources in the state.

969 (h) (i) The Legislature shall annually appropriate to the Department of Transportation
970 40% of all deposits made to the Mineral Lease Account to be distributed as provided in
971 Subsection (2)(h)(ii) to:

972 (A) counties;

973 (B) special service districts established:

974 (I) by counties;

975 (II) under Title 17D, Chapter 1, Special Service District Act; and

976 (III) for the purpose of constructing, repairing, or maintaining roads; or

977 (C) special service districts established:

978 (I) by counties;

979 (II) under Title 17D, Chapter 1, Special Service District Act; and

980 (III) for other purposes authorized by statute.

981 (ii) The Department of Transportation shall allocate the funds specified in Subsection
982 (2)(h)(i):

983 (A) in amounts proportionate to the amount of mineral lease money generated by each
984 county; and

985 (B) to a county or special service district established by a county under Title 17D,
986 Chapter 1, Special Service District Act, as determined by the county legislative body.

- 987 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the
988 Mineral Lease Account to the Department of Community and Culture to be distributed to:
- 989 (A) special service districts established:
- 990 (I) by counties;
- 991 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 992 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 993 (B) special service districts established:
- 994 (I) by counties;
- 995 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 996 (III) for other purposes authorized by statute.
- 997 (ii) The Department of Community and Culture may distribute the amounts described
998 in Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1,
999 Special Service District Act, by counties:
- 1000 (A) of the third, fourth, fifth, or sixth class;
- 1001 (B) in which 4.5% or less of the mineral lease money within the state is generated; and
- 1002 (C) that are significantly socially or economically impacted as provided in Subsection
1003 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.
1004 181 et seq.
- 1005 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)
1006 shall be as a result of:
- 1007 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons
1008 as defined in Section 59-5-101;
- 1009 (B) the employment of persons residing within the county in hydrocarbon extraction,
1010 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or
- 1011 (C) a combination of Subsections (2)(i)(iii)(A) and (B).
- 1012 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to
1013 special service districts established by counties under Title 17D, Chapter 1, Special Service
1014 District Act, the Department of Community and Culture shall:
- 1015 (A) (I) allocate 50% of the appropriations equally among the counties meeting the
1016 requirements of Subsections (2)(i)(ii) and (iii); and
- 1017 (II) allocate 50% of the appropriations based on the ratio that the population of each

1018 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population
1019 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

1020 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the
1021 allocated revenues to special service districts established by the counties under Title 17D,
1022 Chapter 1, Special Service District Act, as determined by the executive director of the
1023 Department of Community and Culture after consulting with the county legislative bodies of
1024 the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

1025 (v) The executive director of the Department of Community and Culture:

1026 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)
1027 and (iii);

1028 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
1029 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that
1030 meet the requirements of Subsections (2)(i)(ii) and (iii); and

1031 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1032 may make rules:

1033 (I) providing a procedure for making the distributions under this Subsection (2)(i) to
1034 special service districts; and

1035 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

1036 (j) (i) The Legislature shall annually make the following appropriations from the
1037 Mineral Lease Account:

1038 (A) an amount equal to 52 cents multiplied by the number of acres of school or
1039 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned
1040 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each
1041 county in which those lands are located;

1042 (B) to each county in which school or institutional trust lands are transferred to the
1043 federal government after December 31, 1992, an amount equal to the number of transferred
1044 acres in the county multiplied by a payment per acre equal to the difference between 52 cents
1045 per acre and the per acre payment made to that county in the most recent payment under the
1046 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal
1047 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this
1048 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

1049 (C) to each county in which federal lands, which are entitlement lands under the federal
1050 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to
1051 the number of transferred acres in the county multiplied by a payment per acre equal to the
1052 difference between the most recent per acre payment made under the federal payment in lieu of
1053 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52
1054 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for
1055 the transferred land; and

1056 (D) to a county of the fifth or sixth class, an amount equal to the product of:

1057 (I) \$1,000; and

1058 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
1059 the county.

1060 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
1061 county legislative body, distribute the money or a portion of the money to:

1062 (A) special service districts established by the county under Title 17D, Chapter 1,
1063 Special Service District Act;

1064 (B) school districts; or

1065 (C) public institutions of higher education.

1066 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
1067 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
1068 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
1069 consumers published by the Department of Labor.

1070 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
1071 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average
1072 annual change in the Consumer Price Index for all urban consumers published by the
1073 Department of Labor.

1074 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

1075 (A) owned by:

1076 (I) the Division of Parks and Recreation; or

1077 (II) the Division of Wildlife Resources;

1078 (B) located on lands that are owned by:

1079 (I) the Division of Parks and Recreation; or

1080 (II) the Division of Wildlife Resources; and

1081 (C) are not subject to taxation under:

1082 (I) Chapter 2, Property Tax Act; or

1083 (II) Chapter 4, Privilege Tax.

1084 (k) The Legislature shall annually appropriate to the Permanent Community Impact
1085 Fund all deposits remaining in the Mineral Lease Account after making the appropriations
1086 provided for in Subsections (2)(d) through (j).

1087 (3) (a) Each agency, board, institution of higher education, and political subdivision
1088 receiving money under this chapter shall provide the Legislature, through the Office of the
1089 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual
1090 basis.

1091 (b) The accounting required under Subsection (3)(a) shall:

1092 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
1093 current fiscal year, and planned expenditures for the following fiscal year; and

1094 (ii) be reviewed by the Business, Economic Development [and Human Resources
1095 Appropriation], and Labor Appropriations Subcommittee as part of its normal budgetary
1096 process under Title 63J, Chapter 1, Budgetary Procedures Act.

1097 Section 21. Section **62A-3-110** is amended to read:

1098 **62A-3-110. "Out and About" Homebound Transportation Assistance Fund.**

1099 (1) (a) There is created a restricted special revenue fund known as the "Out and About"
1100 Homebound Transportation Assistance Fund.

1101 (b) The "Out and About" Homebound Transportation Assistance Fund shall consist of:

1102 (i) private contributions;

1103 (ii) donations or grants from public or private entities;

1104 (iii) voluntary donations collected under Section 53-3-214.8; and

1105 (iv) interest and earnings on account money.

1106 (c) The cost of administering the "Out and About" Homebound Transportation
1107 Assistance Fund shall be paid from money in the fund.

1108 (2) The Division of Aging and Adult Services in the Department of Human Services
1109 shall:

1110 (a) administer the funds contained in the "Out and About" Homebound Transportation

1111 Assistance Fund;

1112 (b) select qualified organizations and distribute the funds in the "Out and About"

1113 Homebound Transportation Assistance Fund in accordance with Subsection (3); and

1114 (c) make an annual report on the "Out and About" Homebound Transportation

1115 Assistance Fund to the [~~Health and Human~~] Social Services Appropriations Subcommittee.

1116 (3) (a) The division may distribute the funds in the "Out and About" Homebound

1117 Transportation Assistance Fund to a selected organization that provides public transportation to
1118 aging persons, high risk adults, or people with disabilities.

1119 (b) An organization that provides public transportation to aging persons, high risk

1120 adults, or people with disabilities may apply to the Division of Aging and Adult Services, in a

1121 manner prescribed by the division, to receive all or part of the money contained in the "Out and

1122 About" Homebound Transportation Assistance Fund.

1123 Section 22. Section **62A-4a-117** is amended to read:

1124 **62A-4a-117. Performance monitoring system -- Annual report.**

1125 (1) As used in this section:

1126 (a) "Committee" means the state qualitative improvement committee, established by

1127 the division to provide community and professional input on the performance of the division.

1128 (b) "Performance indicators" means actual performance in a program, activity, or other

1129 function for which there is a performance standard.

1130 (c) (i) "Performance standards" means the targeted or expected level of performance of

1131 each area in the child welfare system, including:

1132 (A) child protection services;

1133 (B) adoption;

1134 (C) foster care; and

1135 (D) other substitute care.

1136 (ii) "Performance standards" includes the performance goals and measures in effect in

1137 2008 that the division was subject to under federal court oversight, as amended pursuant to

1138 Subsection (2), including:

1139 (A) the qualitative case review; and

1140 (B) the case process review.

1141 (2) (a) The division may not amend the performance standards unless the amendment

1142 is:

1143 (i) necessary and proper for the effective administration of the division; or

1144 (ii) necessary to comply with, or implement changes in, the law.

1145 (b) Before amending the performance standards, the division shall provide written

1146 notice of the proposed amendment to the committee.

1147 (c) The notice described in Subsection (2)(b) shall include:

1148 (i) the proposed amendment;

1149 (ii) a summary of the reason for the proposed amendment; and

1150 (iii) the proposed effective date of the amendment.

1151 (d) Within 45 days after the day on which the division provides the notice described in

1152 Subsection (2)(b) to the committee, the committee shall provide to the division written

1153 comments on the proposed amendment.

1154 (e) The division may not implement a proposed amendment to the performance
1155 standards until the earlier of:

1156 (i) seven days after the day on which the division receives the written comments
1157 regarding the proposed change described in Subsection (2)(d); or

1158 (ii) 52 days after the day on which the division provides the notice described in
1159 Subsection (2)(b) to the committee.

1160 (f) The division shall:

1161 (i) give full, fair, and good faith consideration to all comments and objections received
1162 from the committee;

1163 (ii) notify the committee in writing of:

1164 (A) the division's decision regarding the proposed amendment; and

1165 (B) the reasons that support the decision;

1166 (iii) include complete information on all amendments to the performance standards in
1167 the report described in Subsection (4); and

1168 (iv) post the changes on the division's website.

1169 (3) The division shall maintain a performance monitoring system to regularly:

1170 (a) collect information on performance indicators; and

1171 (b) compare performance indicators to performance standards.

1172 (4) Before January 1 each year the director shall submit a written report to the Child

1173 Welfare Legislative Oversight Panel and the [~~Joint Health and Human~~] Social Services
1174 Appropriations Subcommittee that includes:

1175 (a) a comparison between the performance indicators for the prior fiscal year and the
1176 performance standards;

1177 (b) for each performance indicator that does not meet the performance standard:

1178 (i) the reason the standard was not met;

1179 (ii) the measures that need to be taken to meet the standard; and

1180 (iii) the division's plan to comply with the standard for the current fiscal year;

1181 (c) data on the extent to which new and experienced division employees have received
1182 training pursuant to statute and division policy; and

1183 (d) an analysis of the use and efficacy of in-home services, both before and after
1184 removal of a child from the child's home.

1185 Section 23. Section **62A-4a-207** is amended to read:

1186 **62A-4a-207. Legislative Oversight Panel -- Responsibilities.**

1187 (1) (a) There is created the Child Welfare Legislative Oversight Panel composed of the
1188 following members:

1189 (i) two members of the Senate, one from the majority party and one from the minority
1190 party, appointed by the president of the Senate; and

1191 (ii) three members of the House of Representatives, two from the majority party and
1192 one from the minority party, appointed by the speaker of the House of Representatives.

1193 (b) Members of the panel shall serve for two-year terms, or until their successors are
1194 appointed.

1195 (c) A vacancy exists whenever a member ceases to be a member of the Legislature, or
1196 when a member resigns from the panel. Vacancies shall be filled by the appointing authority,
1197 and the replacement shall fill the unexpired term.

1198 (2) The president of the Senate shall designate one of the senators appointed to the
1199 panel under Subsection (1) as the Senate chair of the panel. The speaker of the House of
1200 Representatives shall designate one of the representatives appointed to the panel under
1201 Subsection (1) as the House chair of the panel.

1202 (3) The panel shall follow the interim committee rules established by the Legislature.

1203 (4) The panel shall:

1204 (a) examine and observe the process and execution of laws governing the child welfare
1205 system by the executive branch and the judicial branch;

1206 (b) upon request, receive testimony from the public, the juvenile court, and from all
1207 state agencies involved with the child welfare system, including the division, other offices and
1208 agencies within the department, the attorney general's office, the Office of Guardian Ad Litem,
1209 and school districts;

1210 (c) before October 1 of each year, receive a report from the judicial branch identifying
1211 the cases not in compliance with the time limits established in the following sections, and the
1212 reasons for noncompliance:

1213 (i) Subsection 78A-6-306(1)(a), regarding shelter hearings;

1214 (ii) Section 78A-6-309, regarding pretrial and adjudication hearings;

1215 (iii) Section 78A-6-312, regarding dispositional hearings and reunification services;

1216 and

1217 (iv) Section 78A-6-314, regarding permanency hearings and petitions for termination;

1218 (d) receive recommendations from, and make recommendations to the governor, the
1219 Legislature, the attorney general, the division, the Office of Guardian Ad Litem, the juvenile
1220 court, and the public;

1221 (e) (i) receive reports from the executive branch and the judicial branch on budgetary
1222 issues impacting the child welfare system; and

1223 (ii) recommend, as the panel considers advisable, budgetary proposals to the [~~Health~~
1224 ~~and Human~~] Social Services Appropriations Subcommittee and the Executive Offices and
1225 Criminal Justice Appropriations Subcommittee, which recommendation should be made before
1226 December 1 of each year;

1227 (f) study and recommend proposed changes to laws governing the child welfare
1228 system;

1229 (g) study actions the state can take to preserve, unify, and strengthen the child's family
1230 ties whenever possible in the child's best interest, including recognizing the constitutional
1231 rights and claims of parents whenever those family ties are severed or infringed;

1232 (h) perform such other duties related to the oversight of the child welfare system as the
1233 panel considers appropriate; and

1234 (i) annually report the panel's findings and recommendations to the president of the

1235 Senate, the speaker of the House of Representatives, the Health and Human Services Interim
1236 Committee, and the Judiciary Interim Committee.

1237 (5) (a) The panel has authority to review and discuss individual cases.

1238 (b) When an individual case is discussed, the panel's meeting may be closed pursuant
1239 to Title 52, Chapter 4, Open and Public Meetings Act.

1240 (c) When discussing an individual case, the panel shall make reasonable efforts to
1241 identify and consider the concerns of all parties to the case.

1242 (6) (a) The panel has authority to make recommendations to the Legislature, the
1243 governor, the Board of Juvenile Court Judges, the division, and any other statutorily created
1244 entity related to the policies and procedures of the child welfare system. The panel does not
1245 have authority to make recommendations to the court, the division, or any other public or
1246 private entity regarding the disposition of any individual case.

1247 (b) The panel may hold public hearings, as it considers advisable, in various locations
1248 within the state in order to afford all interested persons an opportunity to appear and present
1249 their views regarding the child welfare system in this state.

1250 (7) (a) All records of the panel regarding individual cases shall be classified private,
1251 and may be disclosed only in accordance with federal law and the provisions of Title 63G,
1252 Chapter 2, Government Records Access and Management Act.

1253 (b) The panel shall have access to all of the division's records, including those
1254 regarding individual cases. In accordance with Title 63G, Chapter 2, Government Records
1255 Access and Management Act, all documents and information received by the panel shall
1256 maintain the same classification that was designated by the division.

1257 (8) In order to accomplish its oversight functions, the panel has:

1258 (a) all powers granted to legislative interim committees in Section 36-12-11; and

1259 (b) legislative subpoena powers under Title 36, Chapter 14, Legislative Subpoena
1260 Powers.

1261 (9) Members of the panel shall receive salary and expenses in accordance with Section
1262 36-2-2.

1263 (10) (a) The Office of Legislative Research and General Counsel shall provide staff
1264 support to the panel.

1265 (b) The panel is authorized to employ additional professional assistance and other staff

1266 members as it considers necessary and appropriate.

1267 Section 24. Section **62A-7-203** is amended to read:

1268 **62A-7-203. Detention -- Physical facilities.**

1269 The division may issue requests for proposals to allow for the private construction of
1270 facilities suitable to meet the detention requirements of any county or group of counties,
1271 subject to approval by the governor. The governor shall furnish an analysis of the benefits of
1272 the proposals received to the [~~Capital Facilities and Administrative Services~~] Infrastructure and
1273 General Government Appropriations Subcommittee for its review.

1274 Section 25. Section **62A-15-103** is amended to read:

1275 **62A-15-103. Division -- Creation -- Responsibilities.**

1276 (1) There is created the Division of Substance Abuse and Mental Health within the
1277 department, under the administration and general supervision of the executive director. The
1278 division is the substance abuse authority and the mental health authority for this state.

1279 (2) The division shall:

1280 (a) (i) educate the general public regarding the nature and consequences of substance
1281 abuse by promoting school and community-based prevention programs;

1282 (ii) render support and assistance to public schools through approved school-based
1283 substance abuse education programs aimed at prevention of substance abuse;

1284 (iii) promote or establish programs for the prevention of substance abuse within the
1285 community setting through community-based prevention programs;

1286 (iv) cooperate and assist other organizations and private treatment centers for substance
1287 abusers, by providing them with essential materials for furthering programs of prevention and
1288 rehabilitation of actual and potential substance abusers; and

1289 (v) promote or establish programs for education and certification of instructors to
1290 educate persons convicted of driving under the influence of alcohol or drugs or driving with
1291 any measurable controlled substance in the body;

1292 (b) (i) collect and disseminate information pertaining to mental health;

1293 (ii) provide direction over the state hospital including approval of its budget,
1294 administrative policy, and coordination of services with local service plans;

1295 (iii) promulgate rules in accordance with Title 63G, Chapter 3, Utah Administrative
1296 Rulemaking Act, to educate families concerning mental illness and promote family

1297 involvement, when appropriate, and with patient consent, in the treatment program of a family
1298 member; and

1299 (iv) promulgate rules in accordance with Title 63G, Chapter 3, Utah Administrative
1300 Rulemaking Act, to direct that all individuals receiving services through local mental health
1301 authorities or the Utah State Hospital be informed about and, if desired, provided assistance in
1302 completion of a declaration for mental health treatment in accordance with Section
1303 62A-15-1002;

1304 (c) (i) consult and coordinate with local substance abuse authorities and local mental
1305 health authorities regarding programs and services;

1306 (ii) provide consultation and other assistance to public and private agencies and groups
1307 working on substance abuse and mental health issues;

1308 (iii) promote and establish cooperative relationships with courts, hospitals, clinics,
1309 medical and social agencies, public health authorities, law enforcement agencies, education and
1310 research organizations, and other related groups;

1311 (iv) promote or conduct research on substance abuse and mental health issues, and
1312 submit to the governor and the Legislature recommendations for changes in policy and
1313 legislation;

1314 (v) receive, distribute, and provide direction over public funds for substance abuse and
1315 mental health services;

1316 (vi) monitor and evaluate programs provided by local substance abuse authorities and
1317 local mental health authorities;

1318 (vii) examine expenditures of any local, state, and federal funds;

1319 (viii) monitor the expenditure of public funds by:

1320 (A) local substance abuse authorities;

1321 (B) local mental health authorities; and

1322 (C) in counties where they exist, the private contract provider that has an annual or
1323 otherwise ongoing contract to provide comprehensive substance abuse or mental health
1324 programs or services for the local substance abuse authority or local mental health authorities;

1325 (ix) contract with local substance abuse authorities and local mental health authorities
1326 to provide a comprehensive continuum of services in accordance with division policy, contract
1327 provisions, and the local plan;

1328 (x) contract with private and public entities for special statewide or nonclinical services
1329 according to division rules;

1330 (xi) review and approve each local substance abuse authority's plan and each local
1331 mental health authority's plan in order to ensure:

1332 (A) a statewide comprehensive continuum of substance abuse services;

1333 (B) a statewide comprehensive continuum of mental health services; and

1334 (C) appropriate expenditure of public funds;

1335 (xii) review and make recommendations regarding each local substance abuse
1336 authority's contract with its provider of substance abuse programs and services and each local
1337 mental health authority's contract with its provider of mental health programs and services to
1338 ensure compliance with state and federal law and policy;

1339 (xiii) monitor and ensure compliance with division rules and contract requirements;
1340 and

1341 (xiv) withhold funds from local substance abuse authorities, local mental health
1342 authorities, and public and private providers for contract noncompliance, failure to comply
1343 with division directives regarding the use of public funds, or for misuse of public funds or
1344 money;

1345 (d) assure that the requirements of this part are met and applied uniformly by local
1346 substance abuse authorities and local mental health authorities across the state;

1347 (e) require each local substance abuse authority and each local mental health authority
1348 to submit its plan to the division by May 1 of each year;

1349 (f) conduct an annual program audit and review of each local substance abuse authority
1350 in the state and its contract provider and each local mental health authority in the state and its
1351 contract provider, including:

1352 (i) a review and determination regarding whether:

1353 (A) public funds allocated to local substance abuse authorities and local mental health
1354 authorities are consistent with services rendered and outcomes reported by them or their
1355 contract providers; and

1356 (B) each local substance abuse authority and each local mental health authority is
1357 exercising sufficient oversight and control over public funds allocated for substance abuse and
1358 mental health programs and services; and

1359 (ii) items determined by the division to be necessary and appropriate;
1360 (g) by July 1 of each year, provide to the Health and Human Services Interim
1361 Committee and the [~~Health and Human~~] Social Services Appropriations Subcommittee a
1362 written report that includes:

1363 (i) the annual audit and review;
1364 (ii) the financial expenditures of each local substance abuse authority and its contract
1365 provider and each local mental health authority and its contract provider;

1366 (iii) the status of the compliance of each local authority and its contract provider with
1367 its plan, state statutes, and the provisions of the contract awarded; and

1368 (iv) whether audit guidelines established under Section 62A-15-110 and Subsection
1369 67-3-1(10) provide the division with sufficient criteria and assurances of appropriate
1370 expenditures of public funds; and

1371 (h) if requested by the Health and Human Services Interim Committee or the [~~Health
1372 and Human~~] Social Services Appropriations Subcommittee, provide an oral report as
1373 requested.

1374 (3) (a) The division may refuse to contract with and may pursue its legal remedies
1375 against any local substance abuse authority or local mental health authority that fails, or has
1376 failed, to expend public funds in accordance with state law, division policy, contract
1377 provisions, or directives issued in accordance with state law.

1378 (b) The division may withhold funds from a local substance abuse authority or local
1379 mental health authority if the authority's contract with its provider of substance abuse or mental
1380 health programs or services fails to comply with state and federal law or policy.

1381 (4) Before reissuing or renewing a contract with any local substance abuse authority or
1382 local mental health authority, the division shall review and determine whether the local
1383 substance abuse authority or local mental health authority is complying with its oversight and
1384 management responsibilities described in Sections 17-43-201, 17-43-203, 17-43-303, and
1385 17-43-309. Nothing in this Subsection (4) may be used as a defense to the responsibility and
1386 liability described in Section 17-43-303 and to the responsibility and liability described in
1387 Section 17-43-203.

1388 (5) In carrying out its duties and responsibilities, the division may not duplicate
1389 treatment or educational facilities that exist in other divisions or departments of the state, but

1390 shall work in conjunction with those divisions and departments in rendering the treatment or
1391 educational services that those divisions and departments are competent and able to provide.

1392 (6) (a) The division may accept in the name of and on behalf of the state donations,
1393 gifts, devises, or bequests of real or personal property or services to be used as specified by the
1394 donor.

1395 (b) Those donations, gifts, devises, or bequests shall be used by the division in
1396 performing its powers and duties. Any money so obtained shall be considered private funds
1397 and shall be deposited into an interest-bearing restricted special revenue fund to be used by the
1398 division for substance abuse or mental health services. The state treasurer may invest the fund
1399 and all interest shall remain with the fund.

1400 (7) The division shall annually review with each local substance abuse authority and
1401 each local mental health authority the authority's statutory and contract responsibilities
1402 regarding:

1403 (a) the use of public funds;

1404 (b) oversight responsibilities regarding public funds; and

1405 (c) governance of substance abuse and mental health programs and services.

1406 (8) The Legislature may refuse to appropriate funds to the division upon the division's
1407 failure to comply with the provisions of this part.

1408 (9) If a local substance abuse authority contacts the division under Subsection
1409 17-43-201(9) for assistance in providing treatment services to a pregnant woman or pregnant
1410 minor, the division shall:

1411 (a) refer the pregnant woman or pregnant minor to a treatment facility that has the
1412 capacity to provide the treatment services; or

1413 (b) otherwise ensure that treatment services are made available to the pregnant woman
1414 or pregnant minor.

1415 Section 26. Section **63A-5-104** is amended to read:

1416 **63A-5-104. Definitions -- Capital development and capital improvement process**
1417 **-- Approval requirements -- Limitations on new projects -- Emergencies.**

1418 (1) As used in this section:

1419 (a) "Capital developments" means a:

1420 (i) remodeling, site, or utility project with a total cost of \$2,500,000 or more;

- 1421 (ii) new facility with a construction cost of \$500,000 or more; or
1422 (iii) purchase of real property where an appropriation is requested to fund the purchase.
1423 (b) "Capital improvements" means a:
1424 (i) remodeling, alteration, replacement, or repair project with a total cost of less than
1425 \$2,500,000;
1426 (ii) site and utility improvement with a total cost of less than \$2,500,000; or
1427 (iii) new facility with a total construction cost of less than \$500,000.
1428 (c) (i) "New facility" means the construction of a new building on state property
1429 regardless of funding source.
1430 (ii) "New facility" includes:
1431 (A) an addition to an existing building; and
1432 (B) the enclosure of space that was not previously fully enclosed.
1433 (iii) "New facility" does not mean:
1434 (A) the replacement of state-owned space that is demolished or that is otherwise
1435 removed from state use, if the total construction cost of the replacement space is less than
1436 \$2,500,000; or
1437 (B) the construction of facilities that do not fully enclose a space.
1438 (d) "Replacement cost of existing state facilities" means the replacement cost, as
1439 determined by the Division of Risk Management, of state facilities, excluding auxiliary
1440 facilities as defined by the State Building Board.
1441 (e) "State funds" means public money appropriated by the Legislature.
1442 (2) The State Building Board, on behalf of all state agencies, commissions,
1443 departments, and institutions shall submit its capital development recommendations and
1444 priorities to the Legislature for approval and prioritization.
1445 (3) (a) Except as provided in Subsections (3)(b), (d), and (e), a capital development
1446 project may not be constructed on state property without legislative approval.
1447 (b) Legislative approval is not required for a capital development project that consists
1448 of the design or construction of a new facility if the State Building Board determines that:
1449 (i) the requesting state agency, commission, department, or institution has provided
1450 adequate assurance that:
1451 (A) state funds will not be used for the design or construction of the facility; and

1452 (B) the state agency, commission, department, or institution has a plan for funding in
1453 place that will not require increased state funding to cover the cost of operations and
1454 maintenance to, or state funding for, immediate or future capital improvements to the resulting
1455 facility; and

1456 (ii) the use of the state property is:

1457 (A) appropriate and consistent with the master plan for the property; and

1458 (B) will not create an adverse impact on the state.

1459 (c) (i) The Division of Facilities Construction and Management shall maintain a record
1460 of facilities constructed under the exemption provided in Subsection (3)(b).

1461 (ii) For facilities constructed under the exemption provided in Subsection (3)(b), a state
1462 agency, commission, department, or institution may not request:

1463 (A) increased state funds for operations and maintenance; or

1464 (B) state capital improvement funding.

1465 (d) Legislative approval is not required for:

1466 (i) the renovation, remodeling, or retrofitting of an existing facility with nonstate funds
1467 that has been approved by the State Building Board;

1468 (ii) a facility to be built with nonstate funds and owned by nonstate entities within
1469 research park areas at the University of Utah and Utah State University;

1470 (iii) a facility to be built at This is the Place State Park by This is the Place Foundation
1471 with funds of the foundation, including grant money from the state, or with donated services or
1472 materials;

1473 (iv) a capital project that:

1474 (A) is funded by:

1475 (I) the Uintah Basin Revitalization Fund; or

1476 (II) the Navajo Revitalization Fund; and

1477 (B) does not provide a new facility for a state agency or higher education institution; or

1478 (v) a capital project on school and institutional trust lands that is funded by the School
1479 and Institutional Trust Lands Administration from the Land Grant Management Fund and that
1480 does not fund construction of a new facility for a state agency or higher education institution.

1481 (e) (i) Legislative approval is not required for capital development projects to be built
1482 for the Department of Transportation as a result of an exchange of real property under Section

1483 72-5-111.

1484 (ii) When the Department of Transportation approves those exchanges, it shall notify
1485 the president of the Senate, the speaker of the House, and the cochairs of the [~~Capital Facilities~~
1486 ~~and Administrative Services~~] Infrastructure and General Government Appropriations
1487 Subcommittee of the Legislature's Joint Appropriation Committee about any new facilities to
1488 be built under this exemption.

1489 (4) (a) (i) The State Building Board, on behalf of all state agencies, commissions,
1490 departments, and institutions shall by January 15 of each year, submit a list of anticipated
1491 capital improvement requirements to the Legislature for review and approval.

1492 (ii) The list shall identify:

1493 (A) a single project that costs more than \$1,000,000;

1494 (B) multiple projects within a single building or facility that collectively cost more than
1495 \$1,000,000;

1496 (C) a single project that will be constructed over multiple years with a yearly cost of
1497 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

1498 (D) multiple projects within a single building or facility with a yearly cost of
1499 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

1500 (E) a single project previously reported to the Legislature as a capital improvement
1501 project under \$1,000,000 that, because of an increase in costs or scope of work, will now cost
1502 more than \$1,000,000; and

1503 (F) multiple projects within a single building or facility previously reported to the
1504 Legislature as a capital improvement project under \$1,000,000 that, because of an increase in
1505 costs or scope of work, will now cost more than \$1,000,000.

1506 (b) Unless otherwise directed by the Legislature, the State Building Board shall
1507 prioritize capital improvements from the list submitted to the Legislature up to the level of
1508 appropriation made by the Legislature.

1509 (c) In prioritizing capital improvements, the State Building Board shall consider the
1510 results of facility evaluations completed by an architect/engineer as stipulated by the building
1511 board's facilities maintenance standards.

1512 (d) The State Building Board may require an entity that benefits from a capital
1513 improvement project to repay the capital improvement funds from savings that result from the

1514 project.

1515 (e) The State Building Board may provide capital improvement funding to a single
1516 project, or to multiple projects within a single building or facility, even if the total cost of the
1517 project or multiple projects is \$2,500,000 or more, if:

1518 (i) the capital improvement project or multiple projects require more than one year to
1519 complete; and

1520 (ii) the Legislature has affirmatively authorized the capital improvement project or
1521 multiple projects to be funded in phases.

1522 (5) The Legislature may authorize:

1523 (a) the total square feet to be occupied by each state agency; and

1524 (b) the total square feet and total cost of lease space for each agency.

1525 (6) (a) Except as provided in Subsection (6)(b) or (c), the Legislature may not fund the
1526 design or construction of any new capital development projects, except to complete the funding
1527 of projects for which partial funding has been previously provided, until the Legislature has
1528 appropriated 1.1% of the replacement cost of existing state facilities to capital improvements.

1529 (b) (i) As used in this Subsection (6)(b):

1530 (A) "Education Fund budget deficit" is as defined in Section 63J-1-312; and

1531 (B) "General Fund budget deficit" is as defined in Section 63J-1-312.

1532 (ii) If the Legislature determines that an Education Fund budget deficit or a General
1533 Fund budget deficit exists, the Legislature may, in eliminating the deficit, reduce the amount
1534 appropriated to capital improvements to 0.9% of the replacement cost of state buildings.

1535 (c) The requirements under Subsections (6)(a) and (b) do not apply to the 2008-09,
1536 2009-10, 2010-11, and 2011-12 fiscal years.

1537 (7) (a) If, after approval of capital development and capital improvement priorities by
1538 the Legislature under this section, emergencies arise that create unforeseen critical capital
1539 improvement projects, the State Building Board may, notwithstanding the requirements of Title
1540 63J, Chapter 1, Budgetary Procedures Act, reallocate capital improvement funds to address
1541 those projects.

1542 (b) The State Building Board shall report any changes it makes in capital improvement
1543 allocations approved by the Legislature to:

1544 (i) the Office of Legislative Fiscal Analyst within 30 days of the reallocation; and

1545 (ii) the Legislature at its next annual general session.

1546 (8) (a) The State Building Board may adopt a rule allocating to institutions and
1547 agencies their proportionate share of capital improvement funding.

1548 (b) The State Building Board shall ensure that the rule:

1549 (i) reserves funds for the Division of Facilities Construction and Management for
1550 emergency projects; and

1551 (ii) allows the delegation of projects to some institutions and agencies with the
1552 requirement that a report of expenditures will be filed annually with the Division of Facilities
1553 Construction and Management and appropriate governing bodies.

1554 (9) It is the intent of the Legislature that in funding capital improvement requirements
1555 under this section the General Fund be considered as a funding source for at least half of those
1556 costs.

1557 Section 27. Section **63A-5-701** is amended to read:

1558 **63A-5-701. State Building Energy Efficiency Program.**

1559 (1) For purposes of this section:

1560 (a) "Division" means the Division of Facilities Construction and Management
1561 established in Section 63A-5-201.

1562 (b) "Energy efficiency measures" means actions taken or initiated by a state agency that
1563 reduce the state agency's energy use, increase the state agency's energy efficiency, reduce
1564 source energy consumption, reduce water consumption, or lower the costs of energy or water to
1565 the state agency.

1566 (c) "Energy savings agreement" means an agreement entered into by a state agency
1567 whereby the state agency implements energy efficiency measures and finances the costs
1568 associated with implementation of energy efficiency measures using the stream of expected
1569 savings in utility costs resulting from implementation of the energy efficiency measures as the
1570 funding source for repayment.

1571 (d) "State agency" means each executive, legislative, and judicial branch department,
1572 agency, board, commission, or division, and includes a state institution of higher education as
1573 defined in Section 53B-3-102.

1574 (e) "State Building Energy Efficiency Program" means a program established under
1575 this section for the purpose of improving energy efficiency measures and reducing the energy

1576 costs for state facilities.

1577 (f) (i) "State facility" means any building, structure, or other improvement that is
1578 constructed on property owned by the state, its departments, commissions, institutions, or
1579 agencies, or a state institution of higher education.

1580 (ii) "State facility" does not mean:

1581 (A) an unoccupied structure that is a component of the state highway system;

1582 (B) a privately owned structure that is located on property owned by the state, its
1583 departments, commissions, institutions, or agencies, or a state institution of higher education;

1584 or

1585 (C) a structure that is located on land administered by the School and Institutional
1586 Trust Lands Administration under a lease, permit, or contract with the School and Institutional
1587 Trust Lands Administration.

1588 (2) The division shall:

1589 (a) develop and administer the state building energy efficiency program, which shall
1590 include guidelines and procedures to improve energy efficiency in the maintenance and
1591 management of state facilities;

1592 (b) provide information and assistance to state agencies in their efforts to improve
1593 energy efficiency;

1594 (c) analyze energy consumption by state agencies to identify opportunities for
1595 improved energy efficiency;

1596 (d) establish an advisory group composed of representatives of state agencies to
1597 provide information and assistance in the development and implementation of the state
1598 building energy efficiency program; and

1599 (e) submit to the governor and to the [~~Capital Facilities and Administrative Services~~]
1600 Infrastructure and General Government Appropriations Subcommittee of the Legislature an
1601 annual report that:

1602 (i) identifies strategies for long-term improvement in energy efficiency;

1603 (ii) identifies goals for energy conservation for the upcoming year; and

1604 (iii) details energy management programs and strategies that were undertaken in the
1605 previous year to improve the energy efficiency of state agencies and the energy savings
1606 achieved.

- 1607 (3) Each state agency shall:
- 1608 (a) designate a staff member that is responsible for coordinating energy efficiency
- 1609 efforts within the agency;
- 1610 (b) provide energy consumption and costs information to the division;
- 1611 (c) develop strategies for improving energy efficiency and reducing energy costs; and
- 1612 (d) provide the division with information regarding the agency's energy efficiency and
- 1613 reduction strategies.

1614 (4) (a) A state agency may enter into an energy savings agreement for a term of up to

1615 20 years.

- 1616 (b) Before entering into an energy savings agreement, the state agency shall:
- 1617 (i) utilize the division to oversee the project unless the project is exempt from the
- 1618 division's oversight or the oversight is delegated to the agency under the provisions of Section
- 1619 63A-5-206;
- 1620 (ii) obtain the prior approval of the governor or the governor's designee; and
- 1621 (iii) provide the Office of Legislative Fiscal Analyst with a copy of the proposed
- 1622 agreement before the agency enters into the agreement.

1623 Section 28. Section **63B-3-301** is amended to read:

1624 **63B-3-301. Legislative intent -- Additional projects.**

1625 (1) It is the intent of the Legislature that, for any lease purchase agreement that the

1626 Legislature may authorize the Division of Facilities Construction and Management to enter into

1627 during its 1994 Annual General Session, the State Building Ownership Authority, at the

1628 reasonable rates and amounts it may determine, and with technical assistance from the state

1629 treasurer, the director of the Division of Finance, and the director of the Governor's Office of

1630 Planning and Budget, may seek out the most cost effective and prudent lease purchase plans

1631 available to the state and may, pursuant to Title 63B, Chapter 1, Part 3, State Building

1632 Ownership Authority Act, certificate out interests in, or obligations of the authority pertaining

1633 to:

- 1634 (a) the lease purchase obligation; or
- 1635 (b) lease rental payments under the lease purchase obligation.

1636 (2) It is the intent of the Legislature that the Department of Transportation dispose of

1637 surplus real properties and use the proceeds from those properties to acquire or construct

1638 through the Division of Facilities Construction and Management a new District Two Complex.

1639 (3) It is the intent of the Legislature that the State Building Board allocate funds from
1640 the Capital Improvement appropriation and donations to cover costs associated with the
1641 upgrade of the Governor's Residence that go beyond the restoration costs which can be covered
1642 by insurance proceeds.

1643 (4) (a) It is the intent of the Legislature to authorize the State Building Ownership
1644 Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority
1645 Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in
1646 which participation interests may be created, to provide up to \$10,600,000 for the construction
1647 of a Natural Resources Building in Salt Lake City, together with additional amounts necessary
1648 to:

- 1649 (i) pay costs of issuance;
- 1650 (ii) pay capitalized interest; and
- 1651 (iii) fund any debt service reserve requirements.

1652 (b) It is the intent of the Legislature that the authority seek out the most cost effective
1653 and prudent lease purchase plan available with technical assistance from the state treasurer, the
1654 director of the Division of Finance, and the director of the Governor's Office of Planning and
1655 Budget.

1656 (c) It is the intent of the Legislature that the operating budget for the Department of
1657 Natural Resources not be increased to fund these lease payments.

1658 (5) (a) It is the intent of the Legislature to authorize the State Building Ownership
1659 Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority
1660 Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in
1661 which participation interests may be created, to provide up to \$8,300,000 for the acquisition of
1662 the office buildings currently occupied by the Department of Environmental Quality and
1663 approximately 19 acres of additional vacant land at the Airport East Business Park in Salt Lake
1664 City, together with additional amounts necessary to:

- 1665 (i) pay costs of issuance;
- 1666 (ii) pay capitalized interest; and
- 1667 (iii) fund any debt service reserve requirements.

1668 (b) It is the intent of the Legislature that the authority seek out the most cost effective

1669 and prudent lease purchase plan available with technical assistance from the state treasurer, the
1670 director of the Division of Finance, and the director of the Governor's Office of Planning and
1671 Budget.

1672 (6) (a) It is the intent of the Legislature to authorize the State Building Ownership
1673 Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority
1674 Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in
1675 which participation interests may be created, to provide up to \$9,000,000 for the acquisition or
1676 construction of up to two field offices for the Department of Human Services in the
1677 southwestern portion of Salt Lake County, together with additional amounts necessary to:

- 1678 (i) pay costs of issuance;
1679 (ii) pay capitalized interest; and
1680 (iii) fund any debt service reserve requirements.

1681 (b) It is the intent of the Legislature that the authority seek out the most cost effective
1682 and prudent lease purchase plan available with technical assistance from the state treasurer, the
1683 director of the Division of Finance, and the director of the Governor's Office of Planning and
1684 Budget.

1685 (7) (a) It is the intent of the Legislature to authorize the State Building Ownership
1686 Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority
1687 Act, to issue or execute obligations or enter into or arrange for lease purchase agreements in
1688 which participation interests may be created, to provide up to \$5,000,000 for the acquisition or
1689 construction of up to 13 stores for the Department of Alcoholic Beverage Control, together
1690 with additional amounts necessary to:

- 1691 (i) pay costs of issuance;
1692 (ii) pay capitalized interest; and
1693 (iii) fund any debt service reserve requirements.

1694 (b) It is the intent of the Legislature that the authority seek out the most cost effective
1695 and prudent lease purchase plan available with technical assistance from the state treasurer, the
1696 director of the Division of Finance, and the director of the Governor's Office of Planning and
1697 Budget.

1698 (c) It is the intent of the Legislature that the operating budget for the Department of
1699 Alcoholic Beverage Control not be increased to fund these lease payments.

1700 (8) (a) It is the intent of the Legislature to authorize the State Building Ownership
1701 Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority
1702 Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in
1703 which participation interests may be created, to provide up to \$6,800,000 for the construction
1704 of a Prerelease and Parole Center for the Department of Corrections, containing a minimum of
1705 300 beds, together with additional amounts necessary to:

- 1706 (i) pay costs of issuance;
- 1707 (ii) pay capitalized interest; and
- 1708 (iii) fund any debt service reserve requirements.

1709 (b) It is the intent of the Legislature that the authority seek out the most cost effective
1710 and prudent lease purchase plan available with technical assistance from the state treasurer, the
1711 director of the Division of Finance, and the director of the Governor's Office of Planning and
1712 Budget.

1713 (9) If S.B. 275, 1994 General Session, which authorizes funding for a Courts Complex
1714 in Salt Lake City, becomes law, it is the intent of the Legislature that:

1715 (a) the Legislative Management Committee, the Interim Appropriation Subcommittees
1716 for General Government and Capital Facilities and Executive Offices, Courts, and Corrections,
1717 the Office of the Legislative Fiscal Analyst, the Governor's Office of Planning and Budget, and
1718 the State Building Board participate in a review of the proposed facility design for the Courts
1719 Complex no later than December 1994; and

1720 (b) although this review will not affect the funding authorization issued by the 1994
1721 Legislature, it is expected that Division of Facilities Construction and Management will give
1722 proper attention to concerns raised in these reviews and make appropriate design changes
1723 pursuant to the review.

1724 (10) It is the intent of the Legislature that:

1725 (a) the Division of Facilities Construction and Management, in cooperation with the
1726 Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services,
1727 develop a flexible use prototype facility for the Division of Youth Corrections renamed in 2003
1728 to the Division of Juvenile Justice Services;

1729 (b) the development process use existing prototype proposals unless it can be
1730 quantifiably demonstrated that the proposals cannot be used;

1731 (c) the facility is designed so that with minor modifications, it can accommodate
1732 detention, observation and assessment, transition, and secure programs as needed at specific
1733 geographical locations;

1734 (d) (i) funding as provided in the fiscal year 1995 bond authorization for the Division
1735 of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services is used to
1736 design and construct one facility and design the other;

1737 (ii) the Division of Youth Corrections renamed in 2003 to the Division of Juvenile
1738 Justice Services shall:

1739 (A) determine the location for the facility for which design and construction are fully
1740 funded; and

1741 (B) in conjunction with the Division of Facilities Construction and Management,
1742 determine the best methodology for design and construction of the fully funded facility;

1743 (e) the Division of Facilities Construction and Management submit the prototype as
1744 soon as possible to the [~~Capital Facilities and Administrative Services Appropriation~~]
1745 Infrastructure and General Government Appropriations Subcommittee and Executive Offices,
1746 Criminal Justice, and Legislature Appropriation Subcommittee for review;

1747 (f) the Division of Facilities Construction and Management issue a Request for
1748 Proposal for one of the facilities, with that facility designed and constructed entirely by the
1749 winning firm;

1750 (g) the other facility be designed and constructed under the existing Division of
1751 Facilities Construction and Management process;

1752 (h) that both facilities follow the program needs and specifications as identified by
1753 Division of Facilities Construction and Management and the Division of Youth Corrections
1754 renamed in 2003 to the Division of Juvenile Justice Services in the prototype; and

1755 (i) the fully funded facility should be ready for occupancy by September 1, 1995.

1756 (11) It is the intent of the Legislature that the fiscal year 1995 funding for the State Fair
1757 Park Master Study be used by the Division of Facilities Construction and Management to
1758 develop a master plan for the State Fair Park that:

1759 (a) identifies capital facilities needs, capital improvement needs, building
1760 configuration, and other long term needs and uses of the State Fair Park and its buildings; and

1761 (b) establishes priorities for development, estimated costs, and projected timetables.

1762 (12) It is the intent of the Legislature that:

1763 (a) the Division of Facilities Construction and Management, in cooperation with the
1764 Division of Parks and Recreation and surrounding counties, develop a master plan and general
1765 program for the phased development of Antelope Island;

1766 (b) the master plan:

1767 (i) establish priorities for development;

1768 (ii) include estimated costs and projected time tables; and

1769 (iii) include recommendations for funding methods and the allocation of

1770 responsibilities between the parties; and

1771 (c) the results of the effort be reported to the Natural Resources, Agriculture, and

1772 Environmental Quality Appropriations Subcommittee and [~~Capital Facilities and~~

1773 ~~Administrative Services Appropriation~~] Infrastructure and General Government Appropriations

1774 Subcommittee.

1775 (13) It is the intent of the Legislature to authorize the University of Utah to use:

1776 (a) bond reserves to plan, design, and construct the Kingsbury Hall renovation under

1777 the supervision of the director of the Division of Facilities Construction and Management

1778 unless supervisory authority is delegated by the director; and

1779 (b) donated and other nonappropriated funds to plan, design, and construct the Biology

1780 Research Building under the supervision of the director of the Division of Facilities

1781 Construction and Management unless supervisory authority is delegated by the director.

1782 (14) It is the intent of the Legislature to authorize Utah State University to use:

1783 (a) federal and other funds to plan, design, and construct the Bee Lab under the

1784 supervision of the director of the Division of Facilities Construction and Management unless

1785 supervisory authority is delegated by the director;

1786 (b) donated and other nonappropriated funds to plan, design, and construct an Athletic

1787 Facility addition and renovation under the supervision of the director of the Division of

1788 Facilities Construction and Management unless supervisory authority is delegated by the

1789 director;

1790 (c) donated and other nonappropriated funds to plan, design, and construct a renovation

1791 to the Nutrition and Food Science Building under the supervision of the director of the

1792 Division of Facilities Construction and Management unless supervisory authority is delegated

1793 by the director; and

1794 (d) federal and private funds to plan, design, and construct the Millville Research
1795 Facility under the supervision of the director of the Division of Facilities Construction and
1796 Management unless supervisory authority is delegated by the director.

1797 (15) It is the intent of the Legislature to authorize Salt Lake Community College to use:

1798 (a) institutional funds to plan, design, and construct a remodel to the Auto Trades
1799 Office and Learning Center under the supervision of the director of the Division of Facilities
1800 Construction and Management unless supervisory authority is delegated by the director;

1801 (b) institutional funds to plan, design, and construct the relocation and expansion of a
1802 temporary maintenance compound under the supervision of the director of the Division of
1803 Facilities Construction and Management unless supervisory authority is delegated by the
1804 director; and

1805 (c) institutional funds to plan, design, and construct the Alder Amphitheater under the
1806 supervision of the director of the Division of Facilities Construction and Management unless
1807 supervisory authority is delegated by the director.

1808 (16) It is the intent of the Legislature to authorize Southern Utah University to use:

1809 (a) federal funds to plan, design, and construct a Community Services Building under
1810 the supervision of the director of the Division of Facilities Construction and Management
1811 unless supervisory authority is delegated by the director; and

1812 (b) donated and other nonappropriated funds to plan, design, and construct a stadium
1813 expansion under the supervision of the director of the Division of Facilities Construction and
1814 Management unless supervisory authority is delegated by the director.

1815 (17) It is the intent of the Legislature to authorize the Department of Corrections to use
1816 donated funds to plan, design, and construct a Prison Chapel at the Central Utah Correctional
1817 Facility in Gunnison under the supervision of the director of the Division of Facilities
1818 Construction and Management unless supervisory authority is delegated by the director.

1819 (18) If the Utah National Guard does not relocate in the Signetics Building, it is the
1820 intent of the Legislature to authorize the Guard to use federal funds and funds from Provo City
1821 to plan and design an Armory in Provo, Utah, under the supervision of the director of the
1822 Division of Facilities Construction and Management unless supervisory authority is delegated
1823 by the director.

1824 (19) It is the intent of the Legislature that the Utah Department of Transportation use
1825 \$250,000 of the fiscal year 1995 highway appropriation to fund an environmental study in
1826 Ogden, Utah of the 2600 North Corridor between Washington Boulevard and I-15.

1827 (20) It is the intent of the Legislature that the Ogden-Weber Applied Technology
1828 Center use the money appropriated for fiscal year 1995 to design the Metal Trades Building
1829 and purchase equipment for use in that building that could be used in metal trades or other
1830 programs in other Applied Technology Centers.

1831 (21) It is the intent of the Legislature that the Bridgerland Applied Technology Center
1832 and the Ogden-Weber Applied Technology Center projects as designed in fiscal year 1995 be
1833 considered as the highest priority projects for construction funding in fiscal year 1996.

1834 (22) It is the intent of the Legislature that:

1835 (a) the Division of Facilities Construction and Management complete physical space
1836 utilization standards by June 30, 1995, for the use of technology education activities;

1837 (b) these standards are to be developed with and approved by the State Office of
1838 Education, the Board of Regents, and the Utah State Building Board;

1839 (c) these physical standards be used as the basis for:

1840 (i) determining utilization of any technology space based on number of stations capable
1841 and occupied for any given hour of operation; and

1842 (ii) requests for any new space or remodeling;

1843 (d) the fiscal year 1995 projects at the Bridgerland Applied Technology Center and the
1844 Ogden-Weber Applied Technology Center are exempt from this process; and

1845 (e) the design of the Davis Applied Technology Center take into account the utilization
1846 formulas established by the Division of Facilities Construction and Management.

1847 (23) It is the intent of the Legislature that Utah Valley State College may use the
1848 money from the bond allocated to the remodel of the Signetics building to relocate its technical
1849 education programs at other designated sites or facilities under the supervision of the director
1850 of the Division of Facilities Construction and Management unless supervisory authority is
1851 delegated by the director.

1852 (24) It is the intent of the Legislature that the money provided for the fiscal year 1995
1853 project for the Bridgerland Applied Technology Center be used to design and construct the
1854 space associated with Utah State University and design the technology center portion of the

1855 project.

1856 (25) It is the intent of the Legislature that the governor provide periodic reports on the
1857 expenditure of the funds provided for electronic technology, equipment, and hardware to the
1858 Public Utilities and Technology Interim Committee, the [~~Capital Facilities and Administrative~~
1859 ~~Services Appropriation~~] Infrastructure and General Government Appropriations Subcommittee,
1860 and the Legislative Management Committee.

1861 Section 29. Section **63J-1-201** is amended to read:

1862 **63J-1-201. Governor's proposed budget to Legislature -- Contents -- Preparation**
1863 **-- Appropriations based on current tax laws and not to exceed estimated revenues.**

1864 (1) The governor shall deliver, not later than 30 days before the date the Legislature
1865 convenes in the annual general session, a confidential draft copy of the governor's proposed
1866 budget recommendations to the Office of the Legislative Fiscal Analyst according to the
1867 requirements of this section.

1868 (2) (a) When submitting a proposed budget, the governor shall, within the first three
1869 days of the annual general session of the Legislature, submit to the presiding officer of each
1870 house of the Legislature:

1871 (i) a proposed budget for the ensuing fiscal year;

1872 (ii) a schedule for all of the proposed changes to appropriations in the proposed budget,
1873 with each change clearly itemized and classified; and

1874 (iii) as applicable, a document showing proposed changes in estimated revenues that
1875 are based on changes in state tax laws or rates.

1876 (b) The proposed budget shall include:

1877 (i) a projection of the total estimated revenues and appropriations for the next fiscal
1878 year;

1879 (ii) the source of changes to all direct, indirect, and in-kind matching funds for all
1880 federal grants or assistance programs included in the budget;

1881 (iii) a plan of proposed changes to appropriations and estimated revenues for the next
1882 fiscal year that is based upon the current fiscal year state tax laws and rates;

1883 (iv) an itemized estimate of the proposed changes to appropriations for:

1884 (A) the Legislative Department as certified to the governor by the president of the
1885 Senate and the speaker of the House;

- 1886 (B) the Executive Department;
- 1887 (C) the Judicial Department as certified to the governor by the state court
- 1888 administrator;
- 1889 (D) changes to salaries payable by the state under the Utah Constitution or under law
- 1890 for lease agreements planned for the next fiscal year; and
- 1891 (E) all other changes to ongoing or one-time appropriations, including dedicated
- 1892 credits, restricted funds, nonlapsing balances, grants, and federal funds;
- 1893 (v) for each line item, the average annual dollar amount of staff funding associated
- 1894 with all positions that were vacant during the last fiscal year;
- 1895 (vi) deficits or anticipated deficits;
- 1896 (vii) the recommendations for each state agency for new full-time employees for the
- 1897 next fiscal year, which shall also be provided to the State Building Board as required by
- 1898 Subsection 63A-5-103(2);
- 1899 (viii) any explanation that the governor may desire to make as to the important features
- 1900 of the budget and any suggestion as to methods for the reduction of expenditures or increase of
- 1901 the state's revenue; and
- 1902 (ix) information detailing certain fee increases as required by Section 63J-1-504.
- 1903 (3) For the purpose of preparing and reporting the proposed budget:
- 1904 (a) The governor shall require the proper state officials, including all public and higher
- 1905 education officials, all heads of executive and administrative departments and state institutions,
- 1906 bureaus, boards, commissions, and agencies expending or supervising the expenditure of the
- 1907 state money, and all institutions applying for state money and appropriations, to provide
- 1908 itemized estimates of changes in revenues and appropriations.
- 1909 (b) The governor may require the persons and entities subject to Subsection (3)(a) to
- 1910 provide other information under these guidelines and at times as the governor may direct,
- 1911 which may include a requirement for program productivity and performance measures, where
- 1912 appropriate, with emphasis on outcome indicators.
- 1913 (c) The governor may require representatives of public and higher education, state
- 1914 departments and institutions, and other institutions or individuals applying for state
- 1915 appropriations to attend budget meetings.
- 1916 (4) In submitting the budgets for the Departments of Health and Human Services and

1917 the Office of the Attorney General, the governor shall consider a separate recommendation in
1918 the governor's budget for changes in funds to be contracted to:

1919 (a) local mental health authorities under Section 62A-15-110;
1920 (b) local substance abuse authorities under Section 62A-15-110;
1921 (c) area agencies under Section 62A-3-104.2;
1922 (d) programs administered directly by and for operation of the Divisions of Substance
1923 Abuse and Mental Health and Aging and Adult Services;

1924 (e) local health departments under Title 26A, Chapter 1, Local Health Departments;
1925 and

1926 (f) counties for the operation of Children's Justice Centers under Section 67-5b-102.

1927 (5) (a) In making budget recommendations, the governor shall consider an amount
1928 sufficient to grant the following entities the same percentage increase for wages and benefits
1929 that the governor includes in the governor's budget for persons employed by the state:

1930 (i) local health departments, local mental health authorities, local substance abuse
1931 authorities, and area agencies;

1932 (ii) local conservation districts and Utah Association of Conservation District
1933 employees, as related to the budget for the Department of Agriculture; and

1934 (iii) employees of corporations that provide direct services under contract with:

1935 (A) the Utah State Office of Rehabilitation and the Division of Services for People
1936 with Disabilities;

1937 (B) the Division of Child and Family Services; and

1938 (C) the Division of Juvenile Justice Services within the Department of Human
1939 Services.

1940 (b) If the governor does not include in the governor's budget an amount sufficient to
1941 grant an increase for any entity described in Subsection (5)(a), the governor shall include a
1942 message to the Legislature regarding the governor's reason for not including that amount.

1943 (6) (a) The Families, Agencies, and Communities Together Council may propose a
1944 budget recommendation to the governor for collaborative service delivery systems operated
1945 under Section 63M-9-402, as provided under Subsection 63M-9-201(4)(e).

1946 (b) The Legislature may, through a specific program schedule, designate funds
1947 appropriated for collaborative service delivery systems operated under Section 63M-9-402.

1948 (7) The governor shall include in the governor's budget the state's portion of the budget
1949 for the Utah Communications Agency Network established in Title 63C, Chapter 7, Utah
1950 Communications Agency Network Act.

1951 (8) (a) The governor shall include a separate recommendation in the governor's budget
1952 for funds to maintain the operation and administration of the Utah Comprehensive Health
1953 Insurance Pool. In making the recommendation, the governor may consider:

1954 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
1955 least three years;

1956 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
1957 of at least three years;

1958 (iii) the annual Medical Care Consumer Price Index;

1959 (iv) the annual base budget for the pool established by the [~~Commerce and Revenue~~]
1960 Business, Economic Development, and Labor Appropriations Subcommittee for each fiscal
1961 year;

1962 (v) the growth or decline in insurance premium taxes and fees collected by the State
1963 Tax Commission and the Insurance Department; and

1964 (vi) the availability of surplus General Fund revenue under Section 63J-1-312 and
1965 Subsection 59-14-204(5)(b).

1966 (b) In considering the factors in Subsections (8)(a)(i), (ii), and (iii), the governor may
1967 consider the actuarial data and projections prepared for the board of the Utah Comprehensive
1968 Health Insurance Pool as it develops the governor's financial statements and projections for
1969 each fiscal year.

1970 (9) (a) In submitting the budget for the Department of Public Safety, the governor shall
1971 include a separate recommendation in the governor's budget for maintaining a sufficient
1972 number of alcohol-related law enforcement officers to maintain the enforcement ratio equal to
1973 or below the number specified in Subsection 32B-1-201(2).

1974 (b) If the governor does not include in the governor's budget an amount sufficient to
1975 maintain the number of alcohol-related law enforcement officers described in Subsection
1976 (9)(a), the governor shall include a message to the Legislature regarding the governor's reason
1977 for not including that amount.

1978 (10) (a) The governor may revise all estimates, except those relating to the Legislative

1979 Department, the Judicial Department, and those providing for the payment of principal and
1980 interest to the state debt and for the salaries and expenditures specified by the Utah
1981 Constitution or under the laws of the state.

1982 (b) The estimate for the Judicial Department, as certified by the state court
1983 administrator, shall also be included in the budget without revision, but the governor may make
1984 separate recommendations on the estimate.

1985 (11) The total appropriations requested for expenditures authorized by the budget may
1986 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing
1987 fiscal year.

1988 (12) If any item of the budget as enacted is held invalid upon any ground, the invalidity
1989 does not affect the budget itself or any other item in it.

1990 Section 30. Section **63J-1-201.7** is amended to read:

1991 **63J-1-201.7. Legislative budget considerations -- Wage increases for certain**
1992 **entities -- Comprehensive health insurance pool.**

1993 (1) In adopting a budget for each fiscal year, the Legislature shall consider an amount
1994 sufficient to grant local health departments, local mental health authorities, local substance
1995 abuse authorities, area agencies on aging, conservation districts, and Utah Association of
1996 Conservation District employees the same percentage increase for wages and benefits that is
1997 included in the budget for persons employed by the state.

1998 (2) (a) In adopting a budget each year for the Utah Comprehensive Health Insurance
1999 Pool, the Legislature shall determine an amount that is sufficient to fund the pool for each
2000 fiscal year.

2001 (b) When making a determination under this Subsection (2), the Legislature shall
2002 consider factors it determines are appropriate, which may include:

2003 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
2004 least three years;

2005 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
2006 of at least three years;

2007 (iii) the annual Medical Care Consumer Price Index;

2008 (iv) the annual base budget for the pool established by the [~~Commerce and Revenue~~]
2009 Business, Economic Development, and Labor Appropriations Subcommittee for each fiscal

2010 year;

2011 (v) the growth or decline in insurance premium taxes and fees collected by the tax
2012 commission and the insurance department from the previous fiscal year; and

2013 (vi) the availability of surplus General Fund revenue under Section 63J-1-312 and
2014 Subsection 59-14-204(5)(b).

2015 (c) In considering the factors in Subsections (2)(b)(i), (ii), and (iii), the Legislature may
2016 consider the actuarial data and projections prepared for the board of the Utah Comprehensive
2017 Health Insurance Pool as it develops its financial statements and projections for each fiscal
2018 year.

2019 (d) The funds appropriated by the Legislature to fund the Utah Comprehensive Health
2020 Insurance Pool as determined under this Subsection (2):

2021 (i) shall be deposited into the fund established by Section 31A-29-120; and

2022 (ii) are restricted and are to be used to maintain the operation, administration, and
2023 management of the Utah Comprehensive Health Insurance Pool created by Section
2024 31A-29-104.

2025 Section 31. Section **63M-1-1206** is amended to read:

2026 **63M-1-1206. Board duties and powers.**

2027 (1) The board shall:

2028 (a) establish criteria and procedures for the allocation and issuance of contingent tax
2029 credits to designated investors by means of certificates issued by the board, provided that a
2030 contingent tax credit may not be issued unless the Utah fund of funds:

2031 (i) first agrees to treat the amount of the tax credit redeemed by the state as a loan from
2032 the state to the Utah fund of funds; and

2033 (ii) agrees to repay the loan upon terms and conditions established by the board;

2034 (b) establish criteria and procedures for assessing the likelihood of future certificate
2035 redemptions by designated investors, including:

2036 (i) criteria and procedures for evaluating the value of investments made by the Utah
2037 fund of funds; and

2038 (ii) the returns from the Utah fund of funds;

2039 (c) establish criteria and procedures for registering and redeeming contingent tax
2040 credits by designated investors holding certificates issued by the board;

2041 (d) establish a target rate of return or range of returns on venture capital investments of
2042 the Utah fund of funds;

2043 (e) establish criteria and procedures governing commitments obtained by the board
2044 from designated purchasers including:

2045 (i) entering into commitments with designated purchasers; and

2046 (ii) drawing on commitments to redeem certificates from designated investors;

2047 (f) have power to:

2048 (i) expend funds;

2049 (ii) invest funds;

2050 (iii) issue debt and borrow funds;

2051 (iv) enter into contracts;

2052 (v) insure against loss; and

2053 (vi) perform any other act necessary to carry out its purpose; and

2054 (g) make, amend, and repeal rules for the conduct of its affairs, consistent with this part
2055 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

2056 (2) (a) All rules made by the board under Subsection (1)(g) are subject to review by the
2057 Legislative Management Committee:

2058 (i) whenever made, modified, or repealed; and

2059 (ii) in each even-numbered year.

2060 (b) Subsection (2)(a) does not preclude the legislative Administrative Rules Review
2061 Committee from reviewing and taking appropriate action on any rule made, amended, or
2062 repealed by the board.

2063 (3) (a) The criteria and procedures established by the board for the allocation and
2064 issuance of contingent tax credits shall:

2065 (i) include the contingencies that must be met for a certificate and its related tax credits
2066 to be:

2067 (A) issued by the board;

2068 (B) transferred by a designated investor; and

2069 (C) redeemed by a designated investor in order to receive a contingent tax credit; and

2070 (ii) tie the contingencies for redemption of certificates to:

2071 (A) the targeted rates of return and scheduled redemptions of equity interests purchased

2072 by designated investors in the Utah fund of funds; and

2073 (B) the scheduled principal and interest payments payable to designated investors that
2074 have made loans or other debt obligations to the Utah fund of funds.

2075 (b) The board may not issue contingent tax credits under this part prior to July 1, 2004.

2076 (4) (a) The board may charge a placement fee to the Utah fund of funds for the
2077 issuance of a certificate and related contingent tax credit to a designated investor.

2078 (b) The fee shall:

2079 (i) be charged only to pay for reasonable and necessary costs of the board; and

2080 (ii) not exceed .5% of the private investment of the designated investor.

2081 (5) The board's criteria and procedures for redeeming certificates:

2082 (a) shall give priority to the redemption amount from the available funds in the
2083 redemption reserve; and

2084 (b) to the extent there are insufficient funds in the redemption reserve to redeem
2085 certificates, shall grant the board the option to redeem certificates:

2086 (i) by certifying a contingent tax credit to the designated investor; or

2087 (ii) by making demand on designated purchasers consistent with the requirements of
2088 Section 63M-1-1221.

2089 (6) (a) The board shall, in consultation with the corporation, publish an annual report
2090 of the activities conducted by the Utah fund of funds, and submit the report to the governor and
2091 the Business, Economic Development [~~and Revenue~~], and Labor Appropriations
2092 Subcommittee.

2093 (b) The annual report shall:

2094 (i) include a copy of the audit of the Utah fund of funds and a valuation of the assets of
2095 the Utah fund of funds;

2096 (ii) review the progress of the investment fund allocation manager in implementing its
2097 investment plan; and

2098 (iii) describe any redemption or transfer of a certificate issued under this part.

2099 (c) The annual report may not identify any specific designated investor who has
2100 redeemed or transferred a certificate.

2101 (d) (i) Beginning July 1, 2006, and thereafter every two years, the board shall publish a
2102 progress report which shall evaluate the progress of the state in accomplishing the purposes

2103 stated in Section 63M-1-1202.

2104 (ii) The board shall give a copy of the report to the Legislature.

2105 Section 32. Section **63M-1-1404** is amended to read:

2106 **63M-1-1404. Powers and duties of office related to tourism development plan --**
2107 **Annual report and survey.**

2108 (1) The office shall:

2109 (a) be the tourism development authority of the state;

2110 (b) develop a tourism advertising, marketing, and branding program for the state;

2111 (c) receive approval from the Board of Tourism Development under Subsection
2112 63M-1-1403(1)(a) before implementing the out-of-state advertising, marketing, and branding
2113 campaign;

2114 (d) develop a plan to increase the economic contribution by tourists visiting the state;

2115 (e) plan and conduct a program of information, advertising, and publicity relating to the
2116 recreational, scenic, historic, and tourist advantages and attractions of the state at large; and

2117 (f) encourage and assist in the coordination of the activities of persons, firms,
2118 associations, corporations, travel regions, counties, and governmental agencies engaged in
2119 publicizing, developing, and promoting the scenic attractions and tourist advantages of the
2120 state.

2121 (2) Any plan provided for under Subsection (1) shall address, but not be limited to,
2122 enhancing the state's image, promoting Utah as a year-round destination, encouraging
2123 expenditures by visitors to the state, and expanding the markets where the state is promoted.

2124 (3) The office shall conduct a regular and ongoing research program to identify
2125 statewide economic trends and conditions in the tourism sector of the economy and to provide
2126 an annual evaluation of the economic efficiency of the advertising and branding campaigns
2127 conducted under this part to the Legislature's Workforce Services and Community and
2128 Economic Development Interim Committee and the Business, Economic Development [~~and~~
2129 ~~Human Resources~~], and Labor Appropriations Subcommittee.

2130 Section 33. Section **63M-1-1901** is amended to read:

2131 **63M-1-1901. Military installation projects for economic development -- Funding**
2132 **-- Criteria -- Dispersal -- Report.**

2133 (1) The Legislature recognizes that significant growth in the state's economy can be

2134 achieved by state and local support of the continuing expansion and development of federal
2135 military installations throughout the state.

2136 (2) The office, through its director, may receive and distribute legislative
2137 appropriations and public and private grants and donations for military installation projects
2138 that:

2139 (a) have a strong probability of increasing the growth and development of a military
2140 facility within the state, thereby providing significant economic benefits to the state;

2141 (b) will provide a significant number of new jobs within the state that should remain
2142 within the state for a period of several years; and

2143 (c) involve a partnership between the military and private industry or local government
2144 or the military and private industry and local government.

2145 (3) (a) The director may distribute money under this section to:

2146 (i) a regional or statewide nonprofit economic development organization; or

2147 (ii) a federal military partnership that has the mission of promoting the economic
2148 growth of a military installation.

2149 (b) The director shall make a distribution under this section upon:

2150 (i) receipt of an application on a form prescribed by the office that lists:

2151 (A) the particulars of the proposed use of the money requested, such as needed
2152 equipment purchases and anticipated training costs;

2153 (B) the estimated number of new jobs that will be created by the proposed project;

2154 (C) pending contracts related to the project that are to be finalized from funding
2155 anticipated under this section; and

2156 (D) a projected date on which the applicant shall provide the director with a report on
2157 the implementation and performance of the project, including the creation of new jobs; and

2158 (ii) a determination by the director that the project satisfies the requirements listed in
2159 Subsection (2).

2160 (c) (i) The office shall monitor the activities of a recipient of money under this section
2161 to ensure that there is compliance with the terms and conditions imposed on the recipient under
2162 this part.

2163 (ii) The office shall submit an annual report to the Workforce Services and Community
2164 and Economic Development Interim Committee and the Business, Economic Development

2165 [~~and Revenue~~], and Labor Appropriations Subcommittee on the use and impact of the money
2166 distributed under this section, with the first report to occur not later than September 1, 2005.

2167 Section 34. Section **63M-2-302** is amended to read:

2168 **63M-2-302. Governing authority powers.**

2169 (1) The governing authority shall:

2170 (a) ensure that funds appropriated and received for research and development at the
2171 research universities and for the technology outreach program are used appropriately,
2172 effectively, and efficiently in accordance with the intent of the Legislature;

2173 (b) in cooperation with the universities' administrations, expand key research at the two
2174 research universities;

2175 (c) enhance technology transfer and commercialization of research and technologies
2176 developed at the research universities to create high-quality jobs and new industries in the
2177 private sector in Utah;

2178 (d) review state and local economic development plans and appropriations to ensure
2179 that the project and appropriations do not duplicate existing or planned programs;

2180 (e) establish economic development objectives for the project;

2181 (f) by following the procedures and requirements of Title 63G, Chapter 3, Utah
2182 Administrative Rulemaking Act, make rules for allocating money appropriated to it for
2183 research teams and for the commercialization of new technology between Utah State
2184 University and the University of Utah;

2185 (g) verify that the project is being enhanced by research grants and that it is meeting the
2186 governing authority's economic development objectives;

2187 (h) monitor all research plans that are part of the project at the research universities to
2188 determine that appropriations are being spent in accordance with legislative intent and to
2189 maximize the benefit and return to the state;

2190 (i) develop methods and incentives to encourage investment in and contributions to the
2191 project from the private sector; and

2192 (j) annually report and make recommendations to:

2193 (i) the governor; and

2194 (ii) the Business, Economic Development [~~and Revenue~~], and Labor Appropriations
2195 Subcommittee.

2196 (2) The governing authority may:
2197 (a) in addition to money received by it from the Legislature, receive contributions from
2198 any source in the form of money, property, labor, or other things of value for the project;
2199 (b) subject to any restrictions imposed by the donation, appropriations, or bond
2200 authorizations, allocate money received by it among the research universities, technology
2201 outreach program, and technology transfer offices to support commercialization and technology
2202 transfer to the private sector; or
2203 (c) enter into agreements necessary to obtain private equity investment in the project.
2204 (3) All money appropriated to the governing authority is nonlapsing.
2205 (4) The governing authority shall report to the Business, Economic Development [~~and~~
2206 Revenue], and Labor Appropriations Subcommittee and to the Legislative Executive
2207 Appropriations Committee by November 1 of each year on its activities, including:
2208 (a) the achievement of the objectives and duties provided under this part;
2209 (b) its annual expenditure of funds; and
2210 (c) nonlapsing balances retained by the governing authority.
2211 Section 35. Section **73-30-202** is amended to read:
2212 **73-30-202. Duties of the council.**
2213 (1) (a) The council shall advise the persons listed in Subsection (1)(b) on the
2214 sustainable use, protection, and development of the Great Salt Lake in terms of balancing:
2215 (i) sustainable use;
2216 (ii) environmental health; and
2217 (iii) reasonable access for existing and future development.
2218 (b) The council shall advise, as provided in Subsection (1)(a):
2219 (i) the governor;
2220 (ii) the Department of Natural Resources; and
2221 (iii) the Department of Environmental Quality.
2222 (2) The council shall assist the Division of Forestry, Fire, and State Lands in its
2223 responsibilities for the Great Salt Lake described in Section 65A-10-8.
2224 (3) The council:
2225 (a) may recommend appointments to the Great Salt Lake technical team created by the
2226 Division of Forestry, Fire, and State Lands; and

2227 (b) shall receive and utilize technical support from the Great Salt Lake technical team.

2228 (4) The council shall assist the Department of Natural Resources, the Department of
2229 Environmental Quality, and their applicable boards in accomplishing their responsibilities for
2230 the Great Salt Lake.

2231 (5) The council shall report annually to the Natural Resources, Agriculture, and
2232 Environmental Quality Appropriations Subcommittee on the council's activities.