

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AMENDMENTS**

3 2014 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Gage Froerer**

6 Senate Sponsor: Wayne A. Harper

8 **LONG TITLE**

9 **General Description:**

10 This bill repeals an existing revenue bond authorization, authorizes certain state
11 agencies and institutions to issue revenue bonds, and authorizes or amends the
12 authorization for the lease-purchase, construction, or renovation of capital facilities
13 using agency, institutional, or donated funds.

14 **Highlighted Provisions:**

15 This bill:

16 ▶ repeals a revenue bond authorization for the State Building Ownership Authority to
17 issue or execute obligations or enter into or arrange for a lease-purchase agreement
18 to provide up to \$10,500,000 for the construction of a multipurpose building for the
19 state fair park that has not been issued;

20 ▶ increases the planning, design, and construction or renovation authorizations and
21 maximum square footage of the following, provided that only agency, institutional,
22 or donated funds are used:

23 • for a Center for the Arts at Southern Utah University, increases the authorization
24 by \$5,000,000;

25 • for a Science and Technology Building at Utah State University Tooele,
26 increases the authorization by \$1,800,000; and

27 • for a Drivers License Building in Price, increases the authorization by \$228,000;

28 ▶ authorizes the State Board of Regents to issue revenue bonds for the following:

29 • \$45,238,000 for constructing the Lassonde Living Center at the University of

30 Utah; and

31 • \$32,000,000 for the replacement of utility distribution infrastructure at the
32 University of Utah;

33 ▶ provides a prohibition on using state funding for operations and maintenance and
34 capital improvement costs for the Lasonde Living Center at the University of Utah;

35 ▶ provides that until July 1, 2024, the Utah State Building Board shall annually
36 allocate up to \$1,500,000 of the capital improvement funding allocation given to the
37 University of Utah to be used to pay the debt service on the bond authorized for the
38 replacement of utility distribution infrastructure at the University of Utah;

39 ▶ authorizes the planning, design, and construction or renovation of the following,
40 provided that only agency, institutional, or donated funds are used:

41 • for an expansion and renovation of the Alumni House at the University of Utah
42 at a cost of \$10,000,000, and prohibits the use of state funds for operation and
43 maintenance and capital improvement costs of the building; and

44 • for a Communications and Driver License Building at the Department of Public
45 Safety in Vernal at a cost of up to \$875,000, and authorizes the use of state
46 funds for operation and maintenance and capital improvement costs of the
47 building; and

48 ▶ authorizes the Mountainland Applied Technology Campus of the Utah College of
49 Applied Technology to use up to \$10,683,000 of existing and institutional funds to
50 enter into a lease-purchase agreement for a Technology Trades Building for the
51 Mountainland Applied Technology College at the Lehi Campus and prohibits the
52 college from requesting state funds for operation and maintenance costs or capital
53 improvements during the term of the lease-purchase agreement.

54 **Money Appropriated in this Bill:**

55 None

56 **Other Special Clauses:**

57 None

58 **Utah Code Sections Affected:**

59 AMENDS:

60 **63A-5-104**, as last amended by Laws of Utah 2013, Chapters 250 and 409

61 **63B-22-201**, as enacted by Laws of Utah 2013, Chapter 409

62 **63I-1-263**, as last amended by Laws of Utah 2013, Chapters 28, 62, 101, 167, 250, and
63 413

64 ENACTS:

65 **63B-23-101**, Utah Code Annotated 1953

66 **63B-23-201**, Utah Code Annotated 1953

67 **63B-23-301**, Utah Code Annotated 1953

68 REPEALS:

69 **63B-9-102**, as last amended by Laws of Utah 2008, Chapter 382



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

72 Section 1. Section **63A-5-104** is amended to read:

73 **63A-5-104. Definitions -- Capital development and capital improvement process**
74 **-- Approval requirements -- Limitations on new projects -- Emergencies.**

75 (1) As used in this section:

76 (a) "Capital developments" means a:

- 77 (i) remodeling, site, or utility project with a total cost of \$2,500,000 or more;
- 78 (ii) new facility with a construction cost of \$500,000 or more; or
- 79 (iii) purchase of real property where an appropriation is requested to fund the purchase.

80 (b) "Capital improvements" means a:

81 (i) remodeling, alteration, replacement, or repair project with a total cost of less than
82 \$2,500,000;

83 (ii) site and utility improvement with a total cost of less than \$2,500,000; or

84 (iii) new facility with a total construction cost of less than \$500,000.

85 (c) (i) "New facility" means the construction of a new building on state property

86 regardless of funding source.

87 (ii) "New facility" includes:

88 (A) an addition to an existing building; and

89 (B) the enclosure of space that was not previously fully enclosed.

90 (iii) "New facility" does not mean:

91 (A) the replacement of state-owned space that is demolished or that is otherwise
92 removed from state use, if the total construction cost of the replacement space is less than
93 \$2,500,000; or

94 (B) the construction of facilities that do not fully enclose a space.

95 (d) "Replacement cost of existing state facilities" means the replacement cost, as
96 determined by the Division of Risk Management, of state facilities, excluding auxiliary
97 facilities as defined by the State Building Board.

98 (e) "State funds" means public money appropriated by the Legislature.

99 (2) The State Building Board, on behalf of all state agencies, commissions,
100 departments, and institutions shall submit its capital development recommendations and
101 priorities to the Legislature for approval and prioritization.

102 (3) (a) Except as provided in Subsections (3)(b), (d), and (e), a capital development
103 project may not be constructed on state property without legislative approval.

104 (b) Legislative approval is not required for a capital development project that consists
105 of the design or construction of a new facility if the State Building Board determines that:

106 (i) the requesting state agency, commission, department, or institution has provided
107 adequate assurance that:

108 (A) state funds will not be used for the design or construction of the facility; and

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

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

- 114 (A) appropriate and consistent with the master plan for the property; and
- 115 (B) will not create an adverse impact on the state.
- 116 (c) (i) The Division of Facilities Construction and Management shall maintain a record
- 117 of facilities constructed under the exemption provided in Subsection (3)(b).
- 118 (ii) For facilities constructed under the exemption provided in Subsection (3)(b), a state
- 119 agency, commission, department, or institution may not request:
 - 120 (A) increased state funds for operations and maintenance; or
 - 121 (B) state capital improvement funding.
- 122 (d) Legislative approval is not required for:
 - 123 (i) the renovation, remodeling, or retrofitting of an existing facility with nonstate funds
 - 124 that has been approved by the State Building Board;
 - 125 (ii) a facility to be built with nonstate funds and owned by nonstate entities within
 - 126 research park areas at the University of Utah and Utah State University;
 - 127 (iii) a facility to be built at This is the Place State Park by This is the Place Foundation
 - 128 with funds of the foundation, including grant money from the state, or with donated services or
 - 129 materials;
- 130 (iv) a capital project that:
 - 131 (A) is funded by:
 - 132 (I) the Uintah Basin Revitalization Fund; or
 - 133 (II) the Navajo Revitalization Fund; and
 - 134 (B) does not provide a new facility for a state agency or higher education institution; or
- 135 (v) a capital project on school and institutional trust lands that is funded by the School
- 136 and Institutional Trust Lands Administration from the Land Grant Management Fund and that
- 137 does not fund construction of a new facility for a state agency or higher education institution.
- 138 (e) (i) Legislative approval is not required for capital development projects to be built
- 139 for the Department of Transportation:
 - 140 (A) as a result of an exchange of real property under Section [72-5-111](#); or
 - 141 (B) as a result of a sale or exchange of real property from a maintenance facility if the

142 real property is exchanged for, or the proceeds from the sale of the real property are used for,
143 another maintenance facility, including improvements for a maintenance facility and real
144 property.

145 (ii) When the Department of Transportation approves a sale or exchange under
146 Subsection (3)(e), it shall notify the president of the Senate, the speaker of the House, and the
147 cochairs of the Infrastructure and General Government Appropriations Subcommittee of the
148 Legislature's Joint Appropriation Committee about any new facilities to be built or improved
149 under this exemption.

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

153 (ii) The list shall identify:

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

155 (B) multiple projects within a single building or facility that collectively cost more than
156 \$1,000,000;

157 (C) a single project that will be constructed over multiple years with a yearly cost of
158 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

159 (D) multiple projects within a single building or facility with a yearly cost of
160 \$1,000,000 or more and an aggregate cost of more than \$2,500,000;

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

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

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

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

173 (d) Beginning on July 1, 2013, in prioritizing capital improvements, the State Building
174 Board shall allocate at least 80% of the funds that the Legislature appropriates for capital
175 improvements to:

176 (i) projects that address:

177 (A) a structural issue;

178 (B) fire safety;

179 (C) a code violation; or

180 (D) any issue that impacts health and safety;

181 (ii) projects that upgrade:

182 (A) an HVAC system;

183 (B) an electrical system;

184 (C) essential equipment;

185 (D) an essential building component; or

186 (E) infrastructure, including a utility tunnel, water line, gas line, sewer line, roof,
187 parking lot, or road; or

188 (iii) projects that demolish and replace an existing building that is in extensive
189 disrepair and cannot be fixed by repair or maintenance.

190 (e) Beginning on July 1, 2013, in prioritizing capital improvements, the State Building
191 Board shall allocate no more than 20% of the funds that the Legislature appropriates for capital
192 improvements to:

193 (i) remodeling and aesthetic upgrades to meet state programmatic needs; or

194 (ii) construct an addition to an existing building or facility.

195 (f) The State Building Board may require an entity that benefits from a capital
196 improvement project to repay the capital improvement funds from savings that result from the
197 project.

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

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

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

205 (h) In prioritizing and allocating capital improvement funding, the State Building
206 Board shall comply with the requirement in Subsection [63B-23-101\(2\)\(f\)](#).

207 (5) The Legislature may authorize:

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

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

210 (6) If construction of a new building or facility will be paid for by nonstate funds, but
211 will require an immediate or future increase in state funding for operations and maintenance or
212 for capital improvements, the Legislature may not authorize the new building or facility until
213 the Legislature appropriates funds for:

214 (a) the portion of operations and maintenance, if any, that will require an immediate or
215 future increase in state funding; and

216 (b) the portion of capital improvements, if any, that will require an immediate or future
217 increase in state funding.

218 (7) (a) Except as provided in Subsection (7)(b) or (c), the Legislature may not fund the
219 design or construction of any new capital development projects, except to complete the funding
220 of projects for which partial funding has been previously provided, until the Legislature has
221 appropriated 1.1% of the replacement cost of existing state facilities to capital improvements.

222 (b) (i) As used in this Subsection (7)(b):

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

224 (B) "General Fund budget deficit" is as defined in Section [63J-1-312](#).

225 (ii) If the Legislature determines that an Education Fund budget deficit or a General

226 Fund budget deficit exists, the Legislature may, in eliminating the deficit, reduce the amount
227 appropriated to capital improvements to 0.9% of the replacement cost of state buildings.

228 (c) (i) The requirements under Subsections (6)(a) and (b) do not apply to the 2008-09,
229 2009-10, 2010-11, 2011-12, and 2012-13 fiscal years.

230 (ii) For the 2013-14 fiscal year, the amount appropriated to capital improvements shall
231 be reduced to 0.9% of the replacement cost of state facilities.

232 (8) (a) If, after approval of capital development and capital improvement priorities by
233 the Legislature under this section, emergencies arise that create unforeseen critical capital
234 improvement projects, the State Building Board may, notwithstanding the requirements of Title
235 63J, Chapter 1, Budgetary Procedures Act, reallocate capital improvement funds to address
236 those projects.

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

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

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

241 (9) (a) The State Building Board may adopt a rule allocating to institutions and
242 agencies their proportionate share of capital improvement funding.

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

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

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

249 (10) It is the intent of the Legislature that in funding capital improvement requirements
250 under this section the General Fund be considered as a funding source for at least half of those
251 costs.

252 (11) (a) Subject to Subsection (11)(b), at least 80% of the state funds appropriated for
253 capital improvements shall be used for maintenance or repair of the existing building or

254 facility.

255 (b) The State Building Board may modify the requirement described in Subsection
256 (11)(a) if the State Building Board determines that a different allocation of capital
257 improvements funds is in the best interest of the state.

258 Section 2. Section **63B-22-201** is amended to read:

259 **63B-22-201. Authorizations to design and construct capital facilities using**
260 **institutional or agency funds.**

261 (1) The Legislature intends that:

262 (a) Southern Utah University may, subject to requirements in Title 63A, Chapter 5,
263 State Building Board - Division of Facilities Construction and Management, use up to
264 [~~\$30,000,000~~] \$35,000,000 in donations and institutional funds to plan, design, and construct a
265 Center for the Arts with up to [~~80,490~~] 110,000 square feet;

266 (b) no state funds be used for any portion of this project; and

267 (c) the university may not request state funds for operation and maintenance costs or
268 capital improvements.

269 (2) The Legislature intends that:

270 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
271 Building Board - Division of Facilities Construction and Management, use up to \$11,040,000
272 in donations and institutional funds to plan, design, and construct a Renovation and Addition of
273 Phase II of the Kennecott Building with up to 40,700 new square feet;

274 (b) no state funds be used for any portion of this project; and

275 (c) the university may use state funds for operation and maintenance costs or capital
276 improvements.

277 (3) The Legislature intends that:

278 (a) Utah State University may, subject to requirements in Title 63A, Chapter 5, State
279 Building Board - Division of Facilities Construction and Management, use up to [~~\$8,000,000~~]
280 \$9,800,000 in donations and institutional funds to plan, design, and construct a Science and
281 Technology Building at Utah State University Tooele with up to [~~26,000~~] 33,000 square feet;

282 (b) no state funds be used for any portion of this project; and

283 (c) the university may use state funds for operation and maintenance costs or capital
284 improvements.

285 (4) The Legislature intends that:

286 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
287 5, State Building Board - Division of Facilities Construction and Management, use up to
288 [~~\$1,277,000~~] \$1,505,000 in nonlapsing balances to plan, design, and construct a Drivers
289 License Building in Price with up to [~~7,000~~] 7,500 square feet;

290 (b) no state funds be used for any portion of this project; and

291 (c) the department may use state funds for operation and maintenance costs or capital
292 improvements.

293 Section 3. Section **63B-23-101** is enacted to read:

294 **CHAPTER 23. 2014 BONDING AND FINANCING AUTHORIZATIONS**

295 **Part 1. 2014 Revenue Bond Authorizations**

296 **63B-23-101. Revenue bond authorizations -- Board of Regents.**

297 (1) The Legislature intends that:

298 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
299 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
300 money on the credit, revenues, and reserves of the university, other than appropriations of the
301 Legislature, to finance the cost of constructing the Lasonde Living Center;

302 (b) the University of Utah use student fees and rents as the primary revenue sources for
303 repayment of any obligation created under authority of this Subsection (1);

304 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
305 this Subsection (1) is \$45,238,000, together with other amounts necessary to pay costs of
306 issuance, pay capitalized interest, and fund any debt service reserve requirements;

307 (d) the university shall plan, design, and construct the Lasonde Living Center subject
308 to the requirements of Title 63A, Chapter 5, State Building Board - Division of Facilities
309 Construction and Management; and

310 (e) the university may not request state funds for operation and maintenance costs or
311 capital improvements.

312 (2) The Legislature intends that:

313 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
314 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
315 money on the credit, revenues, and reserves of the university, except as provided in Subsection
316 (2)(f), other than appropriations of the Legislature, to finance the cost of replacing the
317 University of Utah's utility distribution infrastructure;

318 (b) the University of Utah impose a power bill surcharge as the primary revenue source
319 for the repayment of any obligation created under authority of this Subsection (2);

320 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
321 this Subsection (2) is \$32,000,000 together with other amounts necessary to pay costs of
322 issuance, pay capitalized interest, and fund any debt service reserve requirements;

323 (d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2)
324 may not mature later than 10 years after the date of issuance;

325 (e) the university shall plan, design, and construct the University of Utah's replacement
326 utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5, State
327 Building Board - Division of Facilities Construction and Management; and

328 (f) until July 1, 2024, the Utah State Building Board annually allocate up to \$1,500,000
329 of the capital improvement funding allocation given to the University of Utah under Section
330 [63A-5-104](#) to be used to pay the debt service on the bonds authorized under this Subsection
331 (2).

332 Section 4. Section **63B-23-201** is enacted to read:

333 **Part 2. 2014 Capital Facility Design and Construction Authorizations**
334 **63B-23-201. Authorizations to design and construct capital facilities using**
335 **institutional or agency funds.**

336 (1) The Legislature intends that:

337 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State

338 Building Board - Division of Facilities Construction and Management, use up to \$10,000,000
339 in donations and institutional funds to plan, design, and construct an expansion and renovation
340 of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;
341 (b) the university may not use state funds for any portion of this project; and
342 (c) the university may not use state funds for operation and maintenance costs or
343 capital improvements.

344 (2) The Legislature intends that:

345 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
346 5, State Building Board - Division of Facilities Construction and Management, use up to
347 \$875,000 in nonlapsing balances to plan, design, and construct a Communications and Drivers
348 License Building in Vernal with up to 3,500 square feet;

349 (b) the department may not use state funds for any portion of this project; and
350 (c) the department may use state funds for operation and maintenance costs or capital
351 improvements.

352 Section 5. Section **63B-23-301** is enacted to read:

353 **Part 3. 2014 Lease-Purchase Authorizations**

354 **63B-23-301. Lease-purchase authorizations.**

355 The Legislature intends that:

356 (1) the Mountainland Applied Technology Campus of the Utah College of Applied
357 Technology, subject to requirements in Title 63A, Chapter 5, State Building Board - Division
358 of Facilities Construction and Management, use up to \$10,683,000 of existing and institutional
359 funds to enter into a lease-purchase agreement to plan, design, and construct a Technology
360 Trades Building for the Mountainland Applied Technology College at the Lehi Campus with
361 up to 40,500 square feet; and

362 (2) the college may not request state funds for operation and maintenance costs or
363 capital improvements during the term of the lease-purchase agreement.

364 Section 6. Section **63I-1-263** is amended to read:

365 **63I-1-263. Repeal dates, Titles 63A to 63M.**

366 (1) Section [63A-4-204](#), authorizing the Risk Management Fund to provide coverage to
367 any public school district which chooses to participate, is repealed July 1, 2016.

368 (2) Subsections [63A-5-104](#)(4)(d) and (e) are repealed on July 1, 2014.

369 (3) Subsection [63A-4-104](#)(4)(h) is repealed on July 1, 2024.

370 [~~(3)~~] (4) Section [63A-5-603](#), State Facility Energy Efficiency Fund, is repealed July 1,
371 2016.

372 [~~(4)~~] (5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed
373 July 1, 2018.

374 [~~(5)~~] (6) Section [53B-24-402](#), rural residency training program, is repealed July 1,
375 2015.

376 [~~(6)~~] (7) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is
377 repealed July 1, 2014.

378 [~~(7)~~] (8) Title 63C, Chapter 14, Federal Funds Commission, is repealed July 1, 2018.

379 [~~(8)~~] (9) Subsection [63G-6a-1402](#)(7) authorizing certain transportation agencies to
380 award a contract for a design-build transportation project in certain circumstances, is repealed
381 July 1, 2015.

382 [~~(9)~~] (10) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
383 July 1, 2020.

384 [~~(10)~~] (11) The Resource Development Coordinating Committee, created in Section
385 [63J-4-501](#), is repealed July 1, 2015.

386 [~~(11)~~] (12) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

387 [~~(12)~~] (13) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone
388 Act, is repealed January 1, 2021.

389 (b) Subject to Subsection [~~(12)~~] (13)(c), Sections [59-7-610](#) and [59-10-1007](#) regarding
390 tax credits for certain persons in recycling market development zones, are repealed for taxable
391 years beginning on or after January 1, 2021.

392 (c) A person may not claim a tax credit under Section [59-7-610](#) or [59-10-1007](#):

393 (i) for the purchase price of machinery or equipment described in Section [59-7-610](#) or

394 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

395 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
396 the expenditure is made on or after January 1, 2021.

397 (d) Notwithstanding Subsections ~~[12]~~ (13)(b) and (c), a person may carry forward a
398 tax credit in accordance with Section 59-7-610 or 59-10-1007 if:

399 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

400 (ii) (A) for the purchase price of machinery or equipment described in Section
401 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
402 2020; or

403 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
404 expenditure is made on or before December 31, 2020.

405 ~~[13]~~ (14) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

406 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

407 (A) direct the Health System Reform Task Force to evaluate the issues listed in
408 Subsection ~~[13]~~ (14)(b)(ii), and by January 1, 2013, develop and recommend criteria for the
409 Legislature to use to negotiate the terms of the Health Care Compact; and

410 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the
411 member states that the Legislature determines are appropriate after considering the
412 recommendations of the Health System Reform Task Force.

413 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
414 Legislature regarding:

415 (A) the impact of the Supreme Court ruling on the Affordable Care Act;

416 (B) whether Utah is likely to be required to implement any part of the Affordable Care
417 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
418 in 2014;

419 (C) whether the compact's current funding formula, based on adjusted 2010 state
420 expenditures, is the best formula for Utah and other state compact members to use for
421 establishing the block grants from the federal government;

422 (D) whether the compact's calculation of current year inflation adjustment factor,
423 without consideration of the regional medical inflation rate in the current year, is adequate to
424 protect the state from increased costs associated with administering a state based Medicaid and
425 a state based Medicare program;

426 (E) whether the state has the flexibility it needs under the compact to implement and
427 fund state based initiatives, or whether the compact requires uniformity across member states
428 that does not benefit Utah;

429 (F) whether the state has the option under the compact to refuse to take over the federal
430 Medicare program;

431 (G) whether a state based Medicare program would provide better benefits to the
432 elderly and disabled citizens of the state than a federally run Medicare program;

433 (H) whether the state has the infrastructure necessary to implement and administer a
434 better state based Medicare program;

435 (I) whether the compact appropriately delegates policy decisions between the
436 legislative and executive branches of government regarding the development and
437 implementation of the compact with other states and the federal government; and

438 (J) the impact on public health activities, including communicable disease surveillance
439 and epidemiology.

440 [~~(14)~~] (15) The Crime Victim Reparations and Assistance Board, created in Section
441 [63M-7-504](#), is repealed July 1, 2017.

442 [~~(15)~~] (16) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
443 2017.

444 Section 7. **Repealer.**

445 This bill repeals:

446 Section [63B-9-102](#), **State Building Ownership Authority revenue bond**
447 **authorizations.**