

HB0009S01 compared with HB0009

~~text~~ shows text that was in HB0009 but was deleted in HB0009S01.

text shows text that was not in HB0009 but was inserted into HB0009S01.

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Representative Gage Froerer proposes the following substitute bill:

REVENUE BOND AND CAPITAL FACILITIES

AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: Wayne A. Harper

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ repeals a revenue bond authorization for the State Building Ownership Authority to issue or execute obligations or enter into or arrange for a lease-purchase agreement to provide up to \$10,500,000 for the construction of a multipurpose building for the

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state fair park that has not been issued:

- ▶ increases the planning, design, and construction or renovation authorizations and maximum square footage of the following, provided that only agency, institutional, or donated funds are used:
 - for a Center for the Arts at Southern Utah University, increases the authorization by \$5,000,000:
 - for a Science and Technology Building at Utah State University Tooele, increases the authorization by \$1,800,000; and
 - for a Drivers License Building in Price, increases the authorization by \$228,000;
- ▶ authorizes the State Building Ownership Authority to issue \$744,800 in revenue bonds for an Agriculture Laboratory Building in Nephi and authorizes the department to use state funds for operation or maintenance costs or capital improvements:
- ▶ authorizes the State Board of Regents to issue revenue bonds for the following:
 - \$45,238,000 for constructing the Lassonde Living Center at the University of Utah; and
 - ~~(\$29)~~ \$32,400,000,000 for the replacement of utility distribution infrastructure at the University of Utah;
- ▶ provides a prohibition on using state funding for operations and maintenance and capital improvement costs for the ~~{Science and Technology Building at Utah State University Tooele; and~~

Lassonde Living Center at the University of Utah;

- ▶ provides that until July 1, 2024, the Utah State Building Board shall annually allocate up to \$1,500,000 of the capital improvements funding allocation given to the University of Utah to be used to pay the debt service on the bond authorized for the replacement of utility distribution infrastructure at the University of Utah;
- ▶ authorizes the planning, design, and construction or renovation of the following, provided that only agency, institutional, or donated funds are used:
 - for an expansion and renovation of the Alumni House at the University of Utah at a cost of \$10,000,000, and prohibits the use of state funds for operation and maintenance and capital improvement costs of the building;†

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- ~~• for a Technology Trades Building for the Mountain Land Applied Technology College at the Lehi campus at a cost of \$10,683,000,} and {prohibits the use of state funds for operation and maintenance and capital improvement costs of the building,}~~
- for a Communications and Driver License Building at the Department of Public Safety in Vernal at a cost of up to \$875,000, and ~~{prohibits}~~ authorizes the use of state funds for operation and maintenance and capital improvement costs of the building; and
- ~~{• for an Agriculture Laboratory Building at the Department of Agriculture in Nephi at a cost of up to \$744,800,}~~ authorizes the Mountainland Applied Technology Campus of the Utah College of Applied Technology to use up to \$10,683,000 of existing and institutional funds to enter into a lease-purchase agreement for a Technology Trades Building for the Mountainland Applied Technology College at the Lehi Campus and prohibits the ~~{use of}~~ college from requesting state funds for operation and maintenance ~~{and}~~ costs or capital ~~{improvement costs}~~ improvements during the term of the ~~{building}~~ lease-purchase agreement.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

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

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

413

ENACTS:

63B-23-101, Utah Code Annotated 1953

63B-23-102, Utah Code Annotated 1953

63B-23-201, Utah Code Annotated 1953

63B-23-301, Utah Code Annotated 1953

REPEALS:

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

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

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

63A-5-104. Definitions -- Capital development and capital improvement process

-- Approval requirements -- Limitations on new projects -- Emergencies.

(1) As used in this section:

(a) "Capital developments" means a:

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

(b) "Capital improvements" means a:

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

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

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

(c) (i) "New facility" means the construction of a new building on state property regardless of funding source.

(ii) "New facility" includes:

(A) an addition to an existing building; and

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

(iii) "New facility" does not mean:

(A) the replacement of state-owned space that is demolished or that is otherwise

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removed from state use, if the total construction cost of the replacement space is less than \$2,500,000; or

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

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

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

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

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

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

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

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

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

(ii) the use of the state property is:

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

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

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

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

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

(B) state capital improvement funding.

(d) Legislative approval is not required for:

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

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

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

(iv) a capital project that:

(A) is funded by:

(I) the Uintah Basin Revitalization Fund; or

(II) the Navajo Revitalization Fund; and

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

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

(e) (i) Legislative approval is not required for capital development projects to be built for the Department of Transportation:

(A) as a result of an exchange of real property under Section 72-5-111; or

(B) as a result of a sale or exchange of real property from a maintenance facility if the real property is exchanged for, or the proceeds from the sale of the real property are used for, another maintenance facility, including improvements for a maintenance facility and real property.

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

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

(ii) The list shall identify:

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

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

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

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

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

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

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

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

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

(i) projects that address:

(A) a structural issue;

(B) fire safety;

(C) a code violation; or

(D) any issue that impacts health and safety;

(ii) projects that upgrade:

(A) an HVAC system;

(B) an electrical system;

(C) essential equipment;

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(D) an essential building component; or

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

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

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

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

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

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

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

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

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

(h) In prioritizing and allocating capital improvement funding, the State Building Board shall comply with the requirement in Subsection 63B-23-102(2)(f).

(5) The Legislature may authorize:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) allows the delegation of projects to some institutions and agencies with the

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requirement that a report of expenditures will be filed annually with the Division of Facilities Construction and Management and appropriate governing bodies.

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

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

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

Section ~~11~~2. Section **63B-22-201** is amended to read:

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

(1) The Legislature intends that:

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

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

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

(2) The Legislature intends that:

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

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

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

(3) The Legislature intends that:

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

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

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

(4) The Legislature intends that:

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

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

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

Section ~~2~~3. Section **63B-23-101** is enacted to read:

CHAPTER 23. 2014 BONDING AND FINANCING AUTHORIZATIONS

Part 1. 2014 Revenue Bond Authorizations

63B-23-101. Revenue bond authorizations -- State Building Ownership Authority.

The Legislature intends that:

(1) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$744,800 for the construction of an Agriculture Laboratory Building in Nephi with up to 3,500 square feet, together with amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(2) the Department of Agriculture use existing lease budgets as the primary revenue source for repayment of any obligation created under authority of this section; and

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

Section 4. Section **63B-23-102** is enacted to read:

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~~63B-23-101~~ 63B-23-102. Revenue bond authorizations -- Board of Regents.

(1) The Legislature intends that:

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

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

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

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

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

(2) The Legislature intends that:

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

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

(c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) is ~~(\$29)~~ \$32, ~~(400)~~ 000,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not mature later than ~~(15)~~ 10 years after the date of issuance; ~~and~~

(e) the university shall plan, design, and construct the University of Utah's replacement utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5, State

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Building Board - Division of Facilities Construction and Management; and

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

Section ~~33~~5. Section **63B-23-201** is enacted to read:

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

(1) The Legislature intends that:

(a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and Management, use up to \$10,000,000 in donations and institutional funds to plan, design, and construct an expansion and renovation of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;

(b) the university may not use state funds for any portion of this project; and

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

(2) The Legislature intends that:

~~(a) the Mountain Land Applied Technology College may, subject to requirements in Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and Management, use up to \$10,683,000 in donations and institutional funds to plan, design, and construct a Technology Trades Building for the Mountain Land Applied Technology College at the Lehi Campus with up to 40,500 square feet;~~

~~(b) the college may not use state funds for any portion of this project; and~~

~~(c) the college may not use state funds for operation and maintenance costs or capital improvements.~~

~~(3) The Legislature intends that:~~

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

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(b) the department may not use state funds for any portion of this project; and

(c) the department may ~~not~~ use state funds for operation and maintenance costs or capital improvements.

~~(4)~~ Section 6. Section 63B-23-301 is enacted to read:

Part 3. 2014 Lease-Purchase Authorizations

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

The Legislature intends that:

~~(a) the Department of Agriculture may~~ 1) the Mountainland Applied Technology Campus of the Utah College of Applied Technology, subject to requirements in Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and Management, use up to ~~(\$744,800 in agency funds)~~ \$10,683,000 of existing and institutional funds to enter into a lease-purchase agreement to plan, design, and construct ~~an Agriculture Laboratory Building in Nephi with up to 3~~ a Technology Trades Building for the Mountainland Applied Technology College at the Lehi Campus with up to 40,500 square feet; and

~~(b) 2) the department may not use state funds for any portion of this project; and~~

~~(c) the department may not use~~ college may not request state funds for operation and maintenance costs or capital improvements.

Legislative Review Note

~~as of 3-7-14 10:49 AM~~

~~Office of Legislative Research and General Counsel~~ during the term of the lease-purchase agreement.

Section 7. Section 63I-1-263 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) for the purchase price of machinery or equipment described in Section 59-7-610 or 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 8. **Repealer.**

This bill repeals:

Section **63B-9-102, State Building Ownership Authority revenue bond authorizations.**