

**STATE AGENCY REPORTING AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Aaron Osmond**

House Sponsor: Rebecca P. Edwards

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**LONG TITLE**

**Committee Note:**

The Economic Development and Workforce Services Interim Committee recommended this bill.

**General Description:**

This bill modifies Title 9, Heritage, Arts, Libraries, and Cultural Development; Title 35A, Utah Workforce Services Code; and Title 63M, Chapter 1, Governor's Office of Economic Development, by amending annual agency reporting provisions.

**Highlighted Provisions:**

This bill:

▸ describes annual written reporting requirements for the Department of Heritage and Arts, the Department of Workforce Services, and the Governor's Office of Economic Development;

▸ eliminates separate reports to certain legislative committees and instead requires that the information from those reports be included in an annual written report prepared by the Department of Heritage and Arts, the Department of Workforce Services, or the Governor's Office of Economic Development; and

▸ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**



28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **9-1-201**, as last amended by Laws of Utah 2013, Chapter 255

32 **9-7-217**, as last amended by Laws of Utah 2012, Chapter 246

33 **9-9-107**, as last amended by Laws of Utah 2013, Chapter 255

34 **9-9-405**, as last amended by Laws of Utah 2013, Chapters 203 and 255

35 **35A-1-201**, as last amended by Laws of Utah 2013, Chapter 255

36 **35A-1-206**, as last amended by Laws of Utah 2013, Chapter 255

37 **35A-3-116**, as last amended by Laws of Utah 2013, Chapters 354 and 400

38 **35A-3-203**, as last amended by Laws of Utah 2012, Chapters 212 and 246

39 **35A-3-206**, as last amended by Laws of Utah 2013, Chapter 400

40 **35A-3-313**, as last amended by Laws of Utah 2012, Chapter 246

41 **35A-4-403**, as last amended by Laws of Utah 2013, Chapter 315

42 **35A-8-307**, as last amended by Laws of Utah 2013, Chapter 255

43 **35A-8-508**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and  
44 amended by Laws of Utah 2012, Chapter 212

45 **35A-8-602**, as last amended by Laws of Utah 2012, Chapter 242 and renumbered and  
46 amended by Laws of Utah 2012, Chapter 212

47 **35A-8-721**, as last amended by Laws of Utah 2013, Chapter 255

48 **35A-8-804**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and  
49 amended by Laws of Utah 2012, Chapter 212

50 **35A-8-1203**, as last amended by Laws of Utah 2012, Chapter 246 and renumbered and  
51 amended by Laws of Utah 2012, Chapter 212

52 **35A-8-1607**, as last amended by Laws of Utah 2013, Chapter 255

53 **35A-8-1708**, as last amended by Laws of Utah 2013, Chapter 255

54 **35A-9-201**, as last amended by Laws of Utah 2013, Chapter 255

55 **35A-9-305**, as enacted by Laws of Utah 2013, Chapter 59

56 **63I-4a-203**, as renumbered and amended by Laws of Utah 2013, Chapter 325

57 **63M-1-201**, as last amended by Laws of Utah 2013, Chapter 255

58 **63M-1-403**, as last amended by Laws of Utah 2012, Chapter 246

- 59 **63M-1-605**, as last amended by Laws of Utah 2013, Chapter 255
- 60 **63M-1-704**, as last amended by Laws of Utah 2011, Chapter 392
- 61 **63M-1-904**, as last amended by Laws of Utah 2012, Chapters 18 and 246
- 62 **63M-1-1103**, as last amended by Laws of Utah 2012, Chapter 246
- 63 **63M-1-1206**, as last amended by Laws of Utah 2012, Chapter 242
- 64 **63M-1-1304**, as last amended by Laws of Utah 2013, Chapter 255
- 65 **63M-1-1404**, as last amended by Laws of Utah 2013, Chapter 255
- 66 **63M-1-1606**, as last amended by Laws of Utah 2013, Chapter 255
- 67 **63M-1-1805**, as last amended by Laws of Utah 2013, Chapter 255
- 68 **63M-1-1901**, as last amended by Laws of Utah 2013, Chapter 255
- 69 **63M-1-2006**, as last amended by Laws of Utah 2012, Chapter 246
- 70 **63M-1-2406**, as last amended by Laws of Utah 2013, Chapters 255 and 392
- 71 **63M-1-2504**, as last amended by Laws of Utah 2013, Chapter 255
- 72 **63M-1-2704**, as last amended by Laws of Utah 2012, Chapter 246
- 73 **63M-1-2910**, as last amended by Laws of Utah 2012, Chapters 246 and 423
- 74 **63M-1-3105**, as last amended by Laws of Utah 2013, Chapter 255
- 75 **63M-1-3207**, as enacted by Laws of Utah 2013, Chapter 336

76 ENACTS:

- 77 **9-1-208**, Utah Code Annotated 1953
- 78 **35A-1-109**, Utah Code Annotated 1953
- 79 **63M-1-206**, Utah Code Annotated 1953

80 REPEALS AND REENACTS:

- 81 **63M-1-3306**, as enacted by Laws of Utah 2013, Chapter 25

82 REPEALS:

- 83 **35A-8-1802**, as enacted by Laws of Utah 2012, Chapter 212



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

86 Section 1. Section **9-1-201** is amended to read:

87 **9-1-201. Department of Heritage and Arts -- Creation -- Powers and duties.**

88 (1) There is created the Department of Heritage and Arts.

89 (2) The department shall:

90 (a) be responsible for preserving and promoting the heritage of the state, the arts in the  
91 state, and cultural development within the state;

92 (b) perform heritage, arts, and cultural development planning for the state;

93 (c) coordinate the program plans of the various divisions within the department;

94 (d) administer and coordinate all state or federal grant programs which are, or become,  
95 available for heritage, arts, and cultural development;

96 (e) administer any other programs over which the department is given administrative  
97 supervision by the governor;

98 (f) submit~~[, before November 1,]~~ an annual written report to the governor and the  
99 Legislature as described in Section 9-1-208; and

100 (g) perform any other duties as provided by the Legislature.

101 (3) The department may solicit and accept contributions of money, services, and  
102 facilities from any other sources, public or private, but may not use those contributions for  
103 publicizing the exclusive interest of the donor.

104 (4) Money received under Subsection (3) shall be deposited in the General Fund as  
105 restricted revenues of the department.

106 Section 2. Section **9-1-208** is enacted to read:

107 **9-1-208. Annual report -- Content -- Format.**

108 (1) The department shall prepare and submit to the governor and the Legislature, by  
109 October 1 of each year, an annual written report of the operations, activities, programs, and  
110 services of the department, including its divisions, offices, boards, commissions, councils, and  
111 committees, for the preceding fiscal year.

112 (2) For each operation, activity, program, or service provided by the department, the  
113 annual report shall include:

114 (a) a description of the operation, activity, program, or service;

115 (b) data selected and used by the department to measure progress, performance, and  
116 scope of the operation, activity, program, or service, including summary data;

117 (c) budget data, including the amount and source of funding, expenses, and allocation  
118 of full-time employees for the operation, activity, program, or service;

119 (d) historical data from previous years for comparison with data reported under  
120 Subsections (2)(b) and (c);

121 (e) goals, challenges, and achievements related to the operation, activity, program, or  
 122 service;

123 (f) relevant federal and state statutory references and requirements;

124 (g) contact information of officials knowledgeable and responsible for each operation,  
 125 activity, program, or service; and

126 (h) other information determined by the department that:

127 (i) may be needed, useful, or of historical significance; or

128 (ii) promotes accountability and transparency for each operation, activity, program, or  
 129 service with the public and elected officials.

130 (3) The annual report shall be designed to provide clear, accurate, and accessible  
 131 information to the public, the governor, and the Legislature.

132 (4) The department shall:

133 (a) submit the annual report in accordance with Section [68-3-14](#); and

134 (b) make the annual report, and previous annual reports, accessible to the public by  
 135 placing a link to the reports on the department's website.

136 Section 3. Section **9-7-217** is amended to read:

137 **9-7-217. Reporting.**

138 The division shall [~~submit an annual written report to the Economic Development and~~  
 139 ~~Workforce Services Interim Committee before November 1 regarding~~] submit a report to the  
 140 department regarding the compliance of library boards with the provisions of Section [9-7-215](#)  
 141 for inclusion in the annual written report described in Section [9-1-208](#).

142 Section 4. Section **9-9-107** is amended to read:

143 **9-9-107. Division report.**

144 The [~~division shall submit, before November 1, an annual written~~] department shall  
 145 include a report of [its] the division's operations and recommendations [to:] in the annual  
 146 written report described in Section [9-1-208](#).

147 [~~(1) the department;~~]

148 [~~(2) the governor; and~~]

149 [~~(3) the Native American Legislative Liaison Committee created in Section [36-22-1](#).]~~

150 Section 5. Section **9-9-405** is amended to read:

151 **9-9-405. Review committee.**

- 152 (1) There is created a Native American Remains Review Committee.
- 153 (2) (a) The review committee shall be composed of seven members as follows:
- 154 (i) four Tribal members shall be appointed by the director from nominations submitted
- 155 by the elected officials of Indian Tribal Nations described in Subsection 9-9-104.5(2)(b); and
- 156 (ii) three shall be appointed by the director from nominations submitted by
- 157 representatives of Utah's repositories.
- 158 (b) A member appointed under Subsection (2)(a)(i) shall have familiarity and
- 159 experience with this part.
- 160 (c) (i) A member appointed under Subsection (2)(a)(i) serves at the will of the director,
- 161 and if the member represents an Indian Tribal Nation, at the will of that Indian Tribal Nation.
- 162 Removal of a member who represents an Indian Tribal Nation requires the joint decision of the
- 163 director and the Indian Tribal Nation.
- 164 (ii) A member appointed under Subsection (2)(a)(ii) serves at the will of the director,
- 165 and if the member represents a repository, at the will of the Division of State History. Removal
- 166 of a member who represents a repository requires the joint decision of the director and the
- 167 Division of State History.
- 168 (d) When a vacancy occurs in the membership for any reason, the director shall appoint
- 169 a replacement in the same manner as the original appointment under Subsection (2)(a).
- 170 (e) A member may not receive compensation or benefits for the member's service, but
- 171 may receive per diem and travel expenses in accordance with:
- 172 (i) Section 63A-3-106;
- 173 (ii) Section 63A-3-107; and
- 174 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 175 63A-3-107.
- 176 (f) The review committee shall designate one of its members as chair.
- 177 (3) The review committee shall:
- 178 (a) monitor the identification process conducted under Section 9-9-403 to ensure a fair
- 179 and objective consideration and assessment of all available relevant information and evidence;
- 180 (b) review a finding relating to the following, subject to the rules made by the division
- 181 under Subsection 9-9-403(6):
- 182 (i) the identity or cultural affiliation of Native American remains; or

- 183 (ii) the return of Native American remains;
- 184 (c) facilitate the resolution of a dispute among Indian Tribal Nations or lineal  
185 descendants and state agencies relating to the return of Native American remains, including  
186 convening the parties to the dispute if considered desirable;
- 187 (d) consult with Indian Tribal Nations on matters within the scope of the work of the  
188 review committee affecting these Indian Tribal Nations;
- 189 (e) consult with the division in the development of rules to carry out this part;
- 190 (f) perform other related functions as the division may assign to the review committee;
- 191 and
- 192 (g) make recommendations, if appropriate, regarding care of Native American remains  
193 that are to be repatriated.
- 194 (4) A record or finding made by the review committee relating to the identity of or  
195 cultural affiliation of Native American remains and the return of Native American remains may  
196 be admissible in any action brought under this part.
- 197 (5) The appropriate state agency having primary authority over the lands as provided in  
198 Chapter 8, Part 3, Antiquities, shall ensure that the review committee has reasonable access to:
- 199 (a) Native American remains under review; and
- 200 (b) associated scientific and historical documents.
- 201 (6) The division shall provide reasonable administrative and staff support necessary for  
202 the deliberations of the review committee.
- 203 (7) ~~The [review committee shall submit, before November 1, an annual written report~~  
204 ~~to the Native American Legislative Liaison Committee, created in Section 36-22-1, on]~~  
205 department shall include in the annual written report described in Section 9-1-208, a  
206 description of the progress made, and any barriers encountered, by the review committee in  
207 implementing this section during the previous year.
- 208 Section 6. Section **35A-1-109** is enacted to read:
- 209 **35A-1-109. Annual report -- Content -- Format.**
- 210 (1) The department shall prepare and submit to the governor and the Legislature, by  
211 October 1 of each year, an annual written report of the operations, activities, programs, and  
212 services of the department, including its divisions, offices, boards, commissions, councils, and  
213 committees, for the preceding fiscal year.

214 (2) For each operation, activity, program, or service provided by the department, the  
215 annual report shall include:

216 (a) a description of the operation, activity, program, or service;

217 (b) data selected and used by the department to measure progress, performance, and  
218 scope of the operation, activity, program, or service, including summary data;

219 (c) budget data, including the amount and source of funding, expenses, and allocation  
220 of full-time employees for the operation, activity, program, or service;

221 (d) historical data from previous years for comparison with data reported under  
222 Subsections (2)(b) and (c);

223 (e) goals, challenges, and achievements related to the operation, activity, program, or  
224 service;

225 (f) relevant federal and state statutory references and requirements;

226 (g) contact information of officials knowledgeable and responsible for each operation,  
227 activity, program, or service; and

228 (h) other information determined by the department that:

229 (i) may be needed, useful, or of historical significance; or

230 (ii) promotes accountability and transparency for each operation, activity, program, or  
231 service with the public and elected officials.

232 (3) The annual report shall be designed to provide clear, accurate, and accessible  
233 information to the public, the governor, and the Legislature.

234 (4) The department shall:

235 (a) submit the annual report in accordance with Section [68-3-14](#); and

236 (b) make the annual report, and previous annual reports, accessible to the public by  
237 placing a link to the reports on the department's website.

238 Section 7. Section **35A-1-201** is amended to read:

239 **35A-1-201. Executive director -- Appointment -- Removal -- Compensation --**

240 **Qualifications -- Responsibilities -- Deputy directors.**

241 (1) (a) The chief administrative officer of the department is the executive director, who  
242 is appointed by the governor with the consent of the Senate.

243 (b) The executive director serves at the pleasure of the governor.

244 (c) The executive director shall receive a salary established by the governor within the



245 salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

246 (d) The executive director shall be experienced in administration, management, and  
247 coordination of complex organizations.

248 (2) The executive director shall:

249 (a) administer and supervise the department in compliance with Title 67, Chapter 19,  
250 Utah State Personnel Management Act;

251 (b) supervise and coordinate between the economic service areas and directors created  
252 under Chapter 2, Economic Service Areas;

253 (c) coordinate policies and program activities conducted through the divisions and  
254 economic service areas of the department;

255 (d) approve the proposed budget of each division, the Workforce Appeals Board, and  
256 each economic service area within the department;

257 (e) approve all applications for federal grants or assistance in support of any  
258 department program; and

259 (f) fulfill such other duties as assigned by the Legislature or as assigned by the  
260 governor that are not inconsistent with this title.

261 (3) The executive director may appoint deputy or assistant directors to assist the  
262 executive director in carrying out the department's responsibilities.

263 ~~[(4)(a) The executive director shall submit, before November 1, an annual written  
264 report to the governor and the Legislature concerning the operations of the department and the  
265 programs that the department administers.]~~

266 ~~[(b) If federal law requires that a report to the governor or Legislature be given  
267 concerning the department or a program administered by the department, the executive director  
268 or the executive director's designee shall make that report.]~~

269 ~~[(5)]~~ (4) The executive director shall at least annually provide for the sharing of  
270 information between the advisory councils established under this title.

271 Section 8. Section **35A-1-206** is amended to read:

272 **35A-1-206. State Council on Workforce Services -- Appointment -- Membership**  
273 **-- Terms of members -- Compensation.**

274 (1) There is created a State Council on Workforce Services that shall:

275 (a) perform the activities described in Subsection (8);

276 (b) advise on issues requested by the department and the Legislature; and  
277 (c) make recommendations to the department regarding:  
278 (i) the implementation of Chapters 2, Economic Service Areas, 3, Employment  
279 Support Act, and 5, Training and Workforce Improvement Act; and  
280 (ii) the coordination of apprenticeship training.  
281 (2) (a) The council shall consist of the following voting members:  
282 (i) a private sector representative from each economic service area as designated by the  
283 economic service area director;  
284 (ii) the superintendent of public instruction or the superintendent's designee;  
285 (iii) the commissioner of higher education or the commissioner's designee; and  
286 (iv) the following members appointed by the governor in consultation with the  
287 executive director:  
288 (A) four representatives of small employers as defined by rule by the department;  
289 (B) four representatives of large employers as defined by rule by the department;  
290 (C) four representatives of employees or employee organizations, including at least one  
291 representative from nominees suggested by public employees organizations;  
292 (D) two representatives of the clients served under this title including  
293 community-based organizations;  
294 (E) a representative of veterans in the state;  
295 (F) the executive director of the Utah State Office of Rehabilitation; and  
296 (G) the Applied Technology College president.  
297 (b) The following shall serve as nonvoting ex officio members of the council:  
298 (i) the executive director or the executive director's designee;  
299 (ii) a legislator appointed by the governor from nominations of the speaker of the  
300 House of Representatives and president of the Senate;  
301 (iii) the executive director of the Department of Human Services;  
302 (iv) the director of the Governor's Office of Economic Development or the director's  
303 designee; and  
304 (v) the executive director of the Department of Health.  
305 (3) (a) The governor shall appoint one nongovernmental member from the council as  
306 the chair of the council.

- 307 (b) The chair shall serve at the pleasure of the governor.
- 308 (4) (a) A member appointed by the governor shall serve a term of four years and may  
309 be reappointed to one additional term.
- 310 (b) A member shall continue to serve until the member's successor has been appointed  
311 and qualified.
- 312 (c) Except as provided in Subsection (4)(d), as terms of council members expire, the  
313 governor shall appoint each new member or reappointed member to a four-year term.
- 314 (d) Notwithstanding the requirements of Subsection (4)(c), the governor shall, at the  
315 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
316 council members are staggered so that approximately one half of the council is appointed every  
317 two years.
- 318 (e) When a vacancy occurs in the membership for any reason, the replacement shall be  
319 appointed for the unexpired term.
- 320 (5) A majority of the voting members constitutes a quorum for the transaction of  
321 business.
- 322 (6) A member may not receive compensation or benefits for the member's service, but  
323 may receive per diem and travel expenses in accordance with:
- 324 (a) Section [63A-3-106](#);
- 325 (b) Section [63A-3-107](#); and
- 326 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
327 [63A-3-107](#).
- 328 (7) The department shall provide staff and administrative support to the council at the  
329 direction of the executive director.
- 330 (8) The council shall:
- 331 (a) develop a state workforce services plan in accordance with Section [35A-1-207](#);
- 332 (b) review economic service area plans to certify consistency with state policy  
333 guidelines;
- 334 (c) improve the understanding and visibility of state workforce services efforts through  
335 external and internal marketing strategies;
- 336 (d) ~~[submit, before November 1, an annual written report to the governor and the~~  
337 ~~Legislature on]~~ include in the annual written report described in Section [35A-1-109](#),

338 information and accomplishments related to the activities of the department;

339 (e) issue other studies, reports, or documents the council considers advisable that are  
340 not required under Subsection (8)(d);

341 (f) coordinate the planning and delivery of workforce development services with public  
342 education, higher education, vocational rehabilitation, and human services; and

343 (g) perform other responsibilities within the scope of workforce services as requested  
344 by:

345 (i) the Legislature;

346 (ii) the governor; or

347 (iii) the executive director.

348 Section 9. Section **35A-3-116** is amended to read:

349 **35A-3-116. Refugee services fund -- Use of money -- Committee and director**  
350 **duties -- Restrictions.**

351 (1) There is created an expendable special revenue fund, known as the "Refugee  
352 Services Fund."

353 (2) The director shall administer the fund with input from the department and any  
354 advisory committee involved with the provision of refugee services within the department.

355 (3) (a) Money shall be deposited into the fund from legislative appropriations, federal  
356 grants, private foundations, and individual donors.

357 (b) The director shall encourage a refugee who receives services funded under  
358 Subsection (8) to be a donor to the fund when the refugee's financial situation improves  
359 sufficiently to make a donation.

360 (4) Except for money restricted to a specific use under federal law or by a donor, the  
361 director may not spend money from the fund without the input described in Subsection (2).

362 (5) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,  
363 State Money Management Act, and all interest or other earnings derived from the fund money  
364 shall be deposited in the fund.

365 (6) Money in the fund may not be used by the director for administrative expenses.

366 (7) If the department establishes a refugee services advisory committee referenced in  
367 Subsection (2), the committee may:

368 (a) advise the director on refugee services needs in the state and on relevant operational

369 aspects of any grant or revenue collection program established under this part;

370 (b) recommend specific refugee projects to the director;

371 (c) recommend policies and procedures for administering the fund;

372 (d) make recommendations on grants made from the fund for refugee services activities

373 authorized under this section;

374 (e) advise the director on the criteria by which grants from the fund shall be made;

375 (f) recommend the order approved projects should be funded;

376 (g) make recommendations regarding the distribution of money from the fund in

377 accordance with federal or donor restrictions; and

378 (h) have joint responsibility to solicit public and private funding for the fund.

379 (8) The director may use fund money to:

380 (a) train an existing refugee organization to develop its capacity to operate

381 professionally and effectively and to become an independent, viable organization; or

382 (b) provide grants to refugee organizations and other entities identified in Subsection

383 (9) to assist them:

384 (i) with case management;

385 (ii) in meeting emergency housing needs for refugees;

386 (iii) in providing English language services;

387 (iv) in providing interpretive services;

388 (v) in finding and maintaining employment for refugees;

389 (vi) in collaborating with the state's public education system to improve the

390 involvement of refugee parents in assimilating their children into public schools;

391 (vii) in meeting the health and mental health needs of refugees;

392 (viii) in providing or arranging for child care services; or

393 (ix) in administering refugee services.

394 (9) The director, with the input described in Subsection (2), may grant fund money for

395 refugee services outlined in Subsection (8) through a request for proposal process to:

396 (a) local governments;

397 (b) nonprofit community, charitable, or neighborhood-based organizations or private

398 for-profit organizations involved with providing or arranging for the provision of refugee

399 services; or

400 (c) regional or statewide nonprofit organizations.

401 (10) (a) The director shall enter into a written agreement with each successful grant  
402 applicant.

403 (b) The agreement shall include specific terms for each grant consistent with the  
404 provisions of this section, including the structure, amount, and nature of the grant.

405 (11) The director shall monitor the activities of the recipients of grants issued from the  
406 fund on an annual basis to ensure compliance with the terms and conditions imposed on the  
407 recipient by the fund.

408 (12) The director shall require an entity that receives a grant under this section to  
409 provide periodic accounting of how the money was used.

410 (13) ~~[The director shall submit an annual written report to the Economic Development~~  
411 ~~and Workforce Services Interim Committee before November 1 regarding]~~ As part of the  
412 annual written report described in Section 35A-1-109, the director shall report the status of the  
413 fund [and of], including programs and services funded by the fund.

414 Section 10. Section 35A-3-203 is amended to read:

415 **35A-3-203. Functions and duties of office -- Annual report.**

416 The office shall:

417 (1) assess critical child care needs throughout the state on an ongoing basis and focus  
418 its activities on helping to meet the most critical needs;

419 (2) provide child care subsidy services for income-eligible children through age 12 and  
420 for income-eligible children with disabilities through age 18;

421 (3) provide information:

422 (a) to employers for the development of options for child care in the work place; and

423 (b) for educating the public in obtaining quality child care;

424 (4) coordinate services for quality child care training and child care resource and  
425 referral core services;

426 (5) apply for, accept, or expend gifts or donations from public or private sources;

427 (6) provide administrative support services to the committee;

428 (7) work collaboratively with the following for the delivery of quality child care and  
429 early childhood programs, and school age programs throughout the state:

430 (a) the State Board of Education; and

431 (b) the Department of Health;

432 (8) research child care programs and public policy that will improve quality and  
433 accessibility and that will further the purposes of the office and child care, early childhood  
434 programs, and school age programs;

435 (9) provide planning and technical assistance for the development and implementation  
436 of programs in communities that lack child care, early childhood programs, and school age  
437 programs;

438 (10) provide organizational support for the establishment of nonprofit organizations  
439 approved by the Child Care Advisory Committee, created in Section [35A-3-205](#); and

440 (11) ~~[submit an annual written report to the Economic Development and Workforce~~  
441 ~~Services Interim Committee before November 1 on]~~ coordinate with the department to include  
442 in the annual written report described in Section [35A-1-109](#) information regarding the status of  
443 child care in Utah.

444 Section 11. Section [35A-3-206](#) is amended to read:

445 **35A-3-206. Child Care Fund -- Use of money -- Committee and director duties --**  
446 **Restrictions.**

447 (1) There is created an expendable special revenue fund known as the "Child Care  
448 Fund."

449 (2) The director of the office shall administer the fund under the direction of the  
450 committee.

451 (3) (a) The office may form nonprofit corporations or foundations controlled by the  
452 director of the office and the committee to aid and assist the office in attaining its charitable,  
453 research, and educational objectives.

454 (b) The nonprofit corporations or foundations may receive and administer Legislative  
455 appropriations, government grants, contracts, and private gifts to carry out their public  
456 purposes.

457 (c) Money collected by the nonprofit corporation or foundation may be deposited in the  
458 Child Care Fund.

459 (d) A nonprofit foundation controlled by the director of the office and the committee  
460 shall submit to the Division of Finance, within 60 days after the close of the foundation's fiscal  
461 year, a financial report summarizing the foundation's financial position and results of

462 operations of the most recent fiscal year.

463 (4) (a) There shall be deposited into the fund money from numerous sources, including,  
464 grants, private foundations, and individual donors.

465 (b) The fund shall be used to accept money designated for child care initiatives  
466 improving the quality, affordability, or accessibility of child care.

467 (5) The money in the fund that is not restricted to a specific use under federal law or by  
468 donors may not be expended without approval of the committee.

469 (6) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,  
470 State Money Management Act, except that all interest or other earnings derived from the fund  
471 money shall be deposited in the fund.

472 (7) The money in the fund may not be used for administrative expenses of the office  
473 normally provided for by legislative appropriation.

474 (8) The committee shall:

475 (a) advise the director of the office on child care needs in the state and on relevant  
476 operational aspects of any grant, loan, or revenue collection program established under this  
477 part;

478 (b) recommend specific child care projects to the director of the office;

479 (c) recommend policy and procedures for administering the fund;

480 (d) make recommendations on grants, loans, or contracts from the fund for any of the  
481 child care activities authorized under this part;

482 (e) establish the criteria by which loans and grants will be made;

483 (f) determine the order in which approved child care projects will be funded;

484 (g) make recommendations regarding the distribution of money from the fund in  
485 accordance with the procedures, conditions, and restrictions placed upon the money by the  
486 donors; and

487 (h) have joint responsibility with the office to solicit public and private funding for the  
488 fund.

489 (9) Fund money shall be used for any of the following activities:

490 (a) training of child care providers;

491 (b) scholarships and grants for child care providers' professional development;

492 (c) child care public awareness and consumer education services;



493 (d) child care provider recruitment;

494 (e) Office of Child Care sponsored activities;

495 (f) matching money for obtaining grants; or

496 (g) other activities that will assist in the improvement of child care quality,

497 affordability, or accessibility.

498 (10) The director of the office, with the consent of the committee and the executive

499 director, may grant, lend, or contract fund money for child care purposes to:

500 (a) local governments;

501 (b) nonprofit community, charitable, or neighborhood-based organizations;

502 (c) regional or statewide nonprofit organizations; or

503 (d) child care providers.

504 (11) Preference may be given but awards may not be limited to applicants for fund

505 money that demonstrate any of the following:

506 (a) programmatic or financial need;

507 (b) diversity of clientele or geographic location; and

508 (c) coordination with or enhancement of existing services.

509 (12) The executive director or the executive director's designee shall monitor the

510 activities of the recipients of grants, loans, or contracts issued from the fund on an annual basis

511 to ensure compliance with the terms and conditions imposed on the recipient by the fund.

512 (13) The entities receiving grants, loans, or contracts shall provide the director of the

513 office with an annual accounting of how the money they received from the fund has been spent.

514 (14) (a) The director of the office shall make an annual report to the committee

515 regarding the status of the fund and the programs and services funded by the fund.

516 (b) The report shall be included [~~as a component of the report to the Legislature~~

517 ~~required under Subsection 35A-3-203(11)] in the annual written report described in Section~~

518 35A-1-109.

519 Section 12. Section **35A-3-313** is amended to read:

520 **35A-3-313. Performance goals.**

521 (1) As used in this section:

522 (a) "Performance goals" means a target level of performance or an expected level of

523 performance against which actual performance is compared.

524 (b) "Performance indicators" means actual performance information regarding a  
525 program or activity.

526 (c) "Performance monitoring system" means a process to regularly collect and analyze  
527 performance information including performance indicators and performance goals.

528 (2) (a) The department shall establish a performance monitoring system for cash  
529 assistance provided under this part.

530 (b) The department shall establish the performance indicators and performance goals  
531 that will be used in the performance monitoring system for cash assistance under this part.

532 (c) (i) The department shall [~~submit an annual written report to the legislative fiscal~~  
533 ~~analyst and the Economic Development and Workforce Services Interim Committee before~~  
534 ~~November 1 describing~~] include in the annual written report described in Section [35A-1-109](#), a  
535 description of the difference between actual performance and performance goals for the second,  
536 third, and fourth quarters of the prior fiscal year and the first quarter of the current fiscal year.

537 (ii) (A) The legislative fiscal analyst or the analyst's designee shall convey the  
538 information [~~contained in the report~~] described in Subsection (2)(c)(i) to the appropriation  
539 subcommittee that has oversight responsibilities for the Department of Workforce Services  
540 during the General Session that follows the submission of the report.

541 (B) The subcommittee may consider the information in its deliberations regarding the  
542 budget for services and supports under this chapter.

543 Section 13. Section **35A-4-403** is amended to read:

544 **35A-4-403. Eligibility of individual -- Conditions -- Furnishing reports -- Weeks**  
545 **of employment -- Successive benefit years.**

546 (1) Except as provided in Subsections (2) and (3), an unemployed individual is eligible  
547 to receive benefits for any week if the division finds:

548 (a) the individual has made a claim for benefits for that week in accordance with rules  
549 the department may prescribe, except as provided in Subsection (4);

550 (b) the individual has registered for work with the department and acted in a good faith  
551 effort to secure employment during each and every week for which the individual made a claim  
552 for benefits under this chapter in accordance with rules the department may prescribe, except as  
553 provided in Subsection (4);

554 (c) the individual is able to work and is available for work during each and every week

555 for which the individual made a claim for benefits under this chapter;

556 (d) the individual has been unemployed for a waiting period of one week for each  
557 benefit year, but a week may not be counted as a week of unemployment for the purpose of this  
558 Subsection (1)(d):

559 (i) unless it occurs within the benefit year that includes the week for which the  
560 individual claims benefits;

561 (ii) if benefits have been paid for the claim; or

562 (iii) unless the individual was eligible for benefits for the week as provided in this  
563 section and Sections [35A-4-401](#) and [35A-4-405](#), except for the requirement of this Subsection  
564 (1)(d);

565 (e) (i) the individual has furnished the division separation and other information the  
566 department may prescribe by rule, or proves to the satisfaction of the division that the  
567 individual had good cause for failing to furnish the information;

568 (ii) if an employer fails to furnish reports concerning separation and employment as  
569 required by this chapter and rules adopted under the chapter, the division shall, on the basis of  
570 information it obtains, determine the eligibility and insured status of an individual affected by  
571 that failure and the employer is not considered to be an interested party to the determination;

572 (f) (i) the individual's base-period wages were at least 1-1/2 times the individual's  
573 wages for insured work paid during that quarter of the individual's base period in which the  
574 individual's wages were highest; or

575 (ii) for any claimant whose benefit year is effective on or before January 1, 2011, the  
576 individual shows to the satisfaction of the division that the individual worked at least 20 weeks  
577 in insured work during the individual's base-period and earned wages of at least 5% of the  
578 monetary base-period wage requirement each week, rounded to the nearest whole dollar,  
579 provided that the individual's total base-period wages were not less than the monetary  
580 base-period wage requirement as defined in Section [35A-4-201](#); and

581 (g) (i) the individual applying for benefits in a successive benefit year has had  
582 subsequent employment since the effective date of the preceding benefit year equal to at least  
583 six times the individual's weekly benefit amount, in insured work; and

584 (ii) the individual's total wages and employment experience in the individual's base  
585 period meet the requirements specified in Subsection (1)(f).

586 (2) (a) For purposes of this Subsection (2), "suitable employment" means:  
587 (i) work of a substantially equal or higher skill level than the individual's past adversely  
588 affected employment as defined for purposes of the Trade Act of 1974; and  
589 (ii) wages for that work at not less than 80% of the individual's average weekly wage  
590 as determined for purposes of the Trade Act of 1974.

591 (b) (i) An individual in training with the approval of the division is not ineligible to  
592 receive benefits by reason of nonavailability for work, failure to search for work, refusal of  
593 suitable work, failure to apply for or to accept suitable work, or not having been unemployed  
594 for a waiting period of one week for any week the individual is in the approved training.

595 (ii) For purposes of Subsection (2)(b)(i), the division shall approve any mandatory  
596 apprenticeship-related training.

597 (c) Notwithstanding any other provision of this chapter, the division may not deny an  
598 otherwise eligible individual benefits for any week:

599 (i) because the individual is in training approved under Section 236 (a)(1) of the Trade  
600 Act of 1974, 19 U.S.C. 2296(a);

601 (ii) for leaving work to enter training described in Subsection (2)(c)(i) if the work left  
602 is not suitable employment; or

603 (iii) because of the application to any such week in training of provisions in this law or  
604 any applicable federal unemployment compensation law relating to availability for work, active  
605 search for work, or refusal to accept work.

606 (3) An individual located in a foreign country for three or more days of a week and  
607 who is otherwise eligible for benefits is only eligible to receive benefits for that week if:

608 (a) the individual is legally authorized to work in the foreign country; and  
609 (b) the state and the foreign country have entered into a reciprocal agreement  
610 concerning the payment of unemployment benefits.

611 (4) The department may, by rule, waive or alter either or both of the requirements of  
612 Subsections (1)(a) and (b) as to:

613 (a) individuals attached to regular jobs;  
614 (b) a disaster in Utah as declared by the president of the United States or by the state's  
615 governor after giving due consideration to factors directly associated with the disaster,  
616 including:

617 (i) the disaster's impact on employers and their ability to employ workers in the  
618 affected area in Utah;

619 (ii) the disaster's impact on claimants and their ability to comply with filing  
620 requirements in the affected area in Utah; and

621 (iii) the magnitude of the disaster and the anticipated time for recovery; and

622 (c) cases or situations when it finds that compliance with the requirements would be  
623 oppressive, or would be inconsistent with the purposes of this chapter, as long as the rule does  
624 not conflict with Subsection 35A-4-401(1).

625 ~~[(5) The director of the division or the director's designee shall submit an annual  
626 written report to the Workforce Employment Advisory Council and to the Economic  
627 Development and Workforce Services Interim Committee before November 1 concerning the  
628 impact on individuals applying for unemployment compensation and the unemployment trust  
629 insurance fund as a result of amendments made to Subsections (1)(f) and 35A-4-201(1) during  
630 the Legislature's 2010 General Session.]~~

631 Section 14. Section 35A-8-307 is amended to read:

632 **35A-8-307. Impact fund administered by impact board -- Eligibility for  
633 assistance -- Review by board -- Administration costs -- Annual report.**

634 (1) (a) The impact board shall:

635 (i) administer the impact fund in a manner that will keep a portion of the impact fund  
636 revolving;

637 (ii) determine provisions for repayment of loans;

638 (iii) establish criteria for determining eligibility for assistance under this part; and

639 (iv) consider recommendations from the School and Institutional Trust Lands  
640 Administration when awarding a grant described in Subsection 35A-8-303(6).

641 (b) (i) The criteria for awarding loans or grants made from funds described in  
642 Subsection 35A-8-303(5) shall be consistent with the requirements of Subsection  
643 35A-8-303(5).

644 (ii) The criteria for awarding grants made from funds described in Subsection  
645 35A-8-303(2)(c) shall be consistent with the requirements of Subsection 35A-8-303(6).

646 (c) In order to receive assistance under this part, subdivisions and interlocal agencies  
647 shall submit formal applications containing the information that the impact board requires.

648 (2) In determining eligibility for loans and grants under this part, the impact board shall  
649 consider the following:

- 650 (a) the subdivision's or interlocal agency's current mineral lease production;
- 651 (b) the feasibility of the actual development of a resource that may impact the  
652 subdivision or interlocal agency directly or indirectly;
- 653 (c) current taxes being paid by the subdivision's or interlocal agency's residents;
- 654 (d) the borrowing capacity of the subdivision or interlocal agency, including:
  - 655 (i) its ability and willingness to sell bonds or other securities in the open market; and
  - 656 (ii) its current and authorized indebtedness;
- 657 (e) all possible additional sources of state and local revenue, including utility user  
658 charges;
- 659 (f) the availability of federal assistance funds;
- 660 (g) probable growth of population due to actual or prospective natural resource  
661 development in an area;
- 662 (h) existing public facilities and services;
- 663 (i) the extent of the expected direct or indirect impact upon public facilities and  
664 services of the actual or prospective natural resource development in an area; and
- 665 (j) the extent of industry participation in an impact alleviation plan, either as specified  
666 in Title 63M, Chapter 5, Resource Development Act, or otherwise.

667 (3) The impact board may not fund an education project that could otherwise have  
668 reasonably been funded by a school district through a program of annual budgeting, capital  
669 budgeting, bonded indebtedness, or special assessments.

670 (4) The impact board may restructure all or part of the agency's or subdivision's  
671 liability to repay loans for extenuating circumstances.

672 (5) The impact board shall:

673 (a) review the proposed uses of the impact fund for loans or grants before approving  
674 them and may condition its approval on whatever assurances the impact board considers  
675 necessary to ensure that proceeds of the loan or grant will be used in accordance with the  
676 Leasing Act and this part; and

677 (b) ensure that each loan specifies the terms for repayment and is evidenced by general  
678 obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate

679 subdivision or interlocal agency issued to the impact board under whatever authority for the  
680 issuance of those bonds, notes, or obligations exists at the time of the loan.

681 (6) The impact board shall allocate from the impact fund to the department those funds  
682 that are appropriated by the Legislature for the administration of the impact fund, but this  
683 amount may not exceed 2% of the annual receipts to the impact fund.

684 (7) The department shall [~~submit, before November 1, an annual written report to the~~  
685 ~~Legislature concerning~~] include in the annual written report described in Section 35A-1-109,  
686 the number and type of loans and grants made as well as a list of subdivisions and interlocal  
687 agencies that received this assistance.

688 Section 15. Section **35A-8-508** is amended to read:

689 **35A-8-508. Annual accounting.**

690 (1) The executive director shall monitor the activities of recipients of grants and loans  
691 issued under this part on a yearly basis to ensure compliance with the terms and conditions  
692 imposed on the recipient by the executive director with the approval of the board or by this  
693 part.

694 (2) An entity that receives a grant or loan under this part shall provide the executive  
695 director with an annual accounting of how the money the entity received from the fund has  
696 been spent.

697 (3) The executive director shall make an annual report to the board accounting for the  
698 expenditures authorized by the board.

699 [~~(4) The board shall submit an annual written report to the Economic Development and~~  
700 ~~Workforce Services Interim Committee before November 1.~~]

701 (4) The board shall submit a report to the department for inclusion in the annual  
702 written report described in Section 35A-1-109:

- 703 (a) accounting for expenditures authorized by the board; and
- 704 (b) evaluating the effectiveness of the program.

705 Section 16. Section **35A-8-602** is amended to read:

706 **35A-8-602. Purposes of Homeless Coordinating Committee -- Uses of Pamela**  
707 **Atkinson Homeless Account.**

708 (1) (a) The Homeless Coordinating Committee shall work to ensure that services  
709 provided to the homeless by state agencies, local governments, and private organizations are

710 provided in a cost-effective manner.

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

714 (i) have families with children;

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

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

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

719 (2) The committee members designated in Subsection 35A-8-601(2) shall:

720 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice  
721 and input of those designated in Subsection 35A-8-601(3);

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

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

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

729 (b) The committee may:

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

733 (ii) pay for the initial costs of the State Tax Commission in implementing Section  
734 59-10-1306 from the account.

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

738 (b) If there are decreases in contributions to the account, the committee may expend  
739 money held in the account to provide program stability, but the committee shall reimburse the  
740 amount of those expenditures to the account.



741 (5) The committee shall make an annual report to the [~~Business, Economic~~  
742 ~~Development, and Labor Appropriations Subcommittee~~] department regarding the programs  
743 and services funded by contributions to the Pamela Atkinson Homeless Account for inclusion  
744 in the annual written report described in Section 35A-1-109.

745 (6) The state treasurer shall invest the money in the Pamela Atkinson Homeless  
746 Account according to the procedures and requirements of Title 51, Chapter 7, State Money  
747 Management Act, except that interest and other earnings derived from the restricted account  
748 shall be deposited in the restricted account.

749 Section 17. Section **35A-8-721** is amended to read:

750 **35A-8-721. Annual report to governor and Legislature -- Contents -- Audits.**

751 (1) (a) The corporation shall, following the close of each fiscal year, submit, before  
752 November 1, an annual written report of its activities for the preceding year to the governor and  
753 the Legislature.

754 (b) Each report shall set forth a complete operating and financial statement of the  
755 corporation during the fiscal year it covers.

756 (c) At least once each year, an independent certified public accountant shall audit the  
757 books and accounts of the corporation.

758 (d) A complete copy of each annual audit report shall be:

759 (i) included in the report to the governor and the Legislature under Subsection (2); and  
760 (ii) available for public inspection at the corporation's office.

761 (2) The corporation shall, each fiscal year, submit a budget of its operations to the  
762 Legislature and the governor.

763 (3) (a) The corporation shall form an audit committee consisting of no less than three  
764 trustees.

765 (b) The audit committee has exclusive authority to:

766 (i) select and engage the independent certified public accountant to audit the  
767 corporation; and

768 (ii) supervise the audit.

769 (4) The corporation shall provide additional information upon request by the governor,  
770 the Legislature, a legislative committee, the legislative auditor general, or the state auditor.

771 (5) The reporting described in this section shall be included in the department's annual

772 written report described in Section 35A-1-109.

773 Section 18. Section **35A-8-804** is amended to read:

774 **35A-8-804. Technical assistance to political subdivisions for housing plan.**

775 (1) Within appropriations from the Legislature, the division shall establish a program  
776 to assist municipalities to meet the requirements of Section 10-9a-408 and counties to meet the  
777 requirements of Section 17-27a-408.

778 (2) Assistance under this section may include:

779 (a) financial assistance for the cost of developing a plan for low and moderate income  
780 housing;

781 (b) information on how to meet present and prospective needs for low and moderate  
782 income housing; and

783 (c) technical advice and consultation on how to facilitate the creation of low and  
784 moderate income housing.

785 (3) The division shall submit an annual [~~written report to the Economic Development  
786 and Workforce Services Interim Committee before November 1~~] report to the department  
787 regarding the scope, amount, and type of assistance provided to municipalities and counties  
788 under this section, including the number of low and moderate income housing units constructed  
789 or rehabilitated within the state, for inclusion in the department's annual written report  
790 described in Section 35A-1-109.

791 Section 19. Section **35A-8-1203** is amended to read:

792 **35A-8-1203. Annual accounting.**

793 (1) The director shall monitor the activities of recipients of the loans and loan  
794 guarantees issued under this part on a yearly basis to ensure compliance with the terms and  
795 conditions imposed on the recipient by the director under this part.

796 (2) An entity receiving a loan or loan guarantee under this part shall provide the  
797 director with an annual accounting of how the money it received from the fund was spent.

798 (3) The director shall [~~submit an annual written report to the Economic Development  
799 and Workforce Services Interim Committee before November 1~~] provide the following  
800 information to the department for inclusion in the department's annual written report described  
801 in Section 35A-1-109:

802 (a) an accounting [~~for~~] of expenditures made from the fund; and

803 (b) ~~[evaluating]~~ an evaluation of the effectiveness of the loan and loan guarantee  
804 program.

805 Section 20. Section **35A-8-1607** is amended to read:

806 **35A-8-1607. Division to distribute money -- Annual report -- Administration**  
807 **costs.**

808 (1) The division shall distribute loan and grant money if the loan or grant is approved  
809 by the board.

810 (2) The division shall ~~[submit an annual written report, before November 1,]~~ provide  
811 an annual report to the department concerning the number and type of loans and grants made as  
812 well as a list of recipients of this assistance ~~[to:]~~ for inclusion in the department's annual  
813 written report described in Section [35A-1-109](#).

814 ~~[(a) the Native American Legislative Liaison Committee, created in Section [36-22-1](#);~~  
815 ~~and]~~

816 ~~[(b) the governor.]~~

817 (3) The division, with board approval, may use fund money for the administration of  
818 the fund, but this amount may not exceed 2% of the annual receipts to the fund.

819 Section 21. Section **35A-8-1708** is amended to read:

820 **35A-8-1708. Annual report.**

821 The division shall ~~[submit, before November 1, an annual written report to the Native~~  
822 ~~American Legislative Liaison Committee and the governor]~~ provide an annual report to the  
823 department concerning the number and type of loans and grants made as well as a list of  
824 recipients of this assistance for inclusion in the department's annual written report described in  
825 Section [35A-1-109](#).

826 Section 22. Section **35A-9-201** is amended to read:

827 **35A-9-201. Intergenerational poverty tracking system -- Data -- Analysis --**  
828 **Annual report.**

829 (1) The department shall establish and maintain a system to track intergenerational  
830 poverty.

831 (2) The system shall:

832 (a) identify groups that have a high risk of experiencing intergenerational poverty;

833 (b) identify incidents, patterns, and trends that explain or contribute to

834 intergenerational poverty;

835 (c) assist case workers, social scientists, and government officials in the study and  
836 development of effective and efficient plans and programs to help individuals and families in  
837 the state to break the cycle of poverty; and

838 (d) gather and track available local, state, and national data on:

839 (i) official poverty rates;

840 (ii) child poverty rates;

841 (iii) years spent by individuals in childhood poverty;

842 (iv) years spent by individuals in adult poverty; and

843 (v) related poverty information.

844 (3) The department shall:

845 (a) use available data in the tracking system, including public assistance data, census  
846 data, and other data made available to the department;

847 (b) develop and implement methods to integrate, compare, analyze, and validate the  
848 data for the purposes described in Subsection (2);

849 (c) protect the privacy of individuals living in poverty by using and distributing data  
850 within the tracking system in compliance with:

851 (i) federal requirements; and

852 (ii) the provisions of Title 63G, Chapter 2, Government Records Access and  
853 Management Act; and

854 (d) ~~[submit, before November 1, an annual written]~~ include in the annual written report  
855 described in Section 35A-1-109, a report on the data, findings, and potential uses of the  
856 tracking system [to:].

857 ~~[(i) the governor;]~~

858 ~~[(ii) the Legislative Management Committee; and]~~

859 ~~[(iii) the Economic Development and Workforce Services Interim Committee.]~~

860 Section 23. Section **35A-9-305** is amended to read:

861 **35A-9-305. Annual report by the commission.**

862 (1) The commission shall ~~[submit, before November 1, an annual written report to:]~~  
863 provide a report to the department for inclusion in the department's annual written report  
864 described in Section 35A-1-109.

- 865 ~~[(a) the governor;]~~  
 866 ~~[(b) the Legislative Management Committee;]~~  
 867 ~~[(c) the Economic Development and Workforce Services Interim Committee;]~~  
 868 ~~[(d) the Education Interim Committee;]~~  
 869 ~~[(e) the Health and Human Services Interim Committee;]~~  
 870 ~~[(f) the Judiciary Interim Committee; and]~~  
 871 ~~[(g) the Law Enforcement and Criminal Justice Interim Committee.]~~  
 872 (2) The report ~~[described in Subsection (1)]~~ shall:  
 873 (a) include the five and 10-year plans described in Subsection 35A-9-303(2)(e);  
 874 (b) describe how the commission fulfilled its statutory purposes and duties during the  
 875 year;  
 876 (c) describe policies, procedures, and programs that have been implemented or  
 877 modified to help break the cycle of poverty and end welfare dependency for children in the  
 878 state affected by intergenerational poverty; and  
 879 (d) contain recommendations on how the state should act to address issues relating to  
 880 breaking the cycle of poverty and ending welfare dependency for children in the state affected  
 881 by intergenerational poverty.
- 882 Section 24. Section **63I-4a-203** is amended to read:  
 883 **63I-4a-203. Free Market Protection and Privatization Board -- Duties.**  
 884 (1) The board shall:  
 885 (a) determine whether an activity provided by an agency could be privatized to provide  
 886 the same types and quality of a good or service that would result in cost savings;  
 887 (b) review privatization of an activity at the request of:  
 888 (i) an agency; or  
 889 (ii) a private enterprise;  
 890 (c) review issues concerning agency competition with one or more private enterprises  
 891 to determine:  
 892 (i) whether privatization:  
 893 (A) would be feasible;  
 894 (B) would result in cost savings; and  
 895 (C) would result in equal or better quality of a good or service; and

896 (ii) ways to eliminate any unfair competition with a private enterprise;  
897 (d) recommend privatization to an agency if a proposed privatization is demonstrated  
898 to provide a more cost efficient and effective manner of providing a good or service, taking  
899 into account:

- 900 (i) the scope of providing the good or service;
- 901 (ii) whether cost savings will be realized;
- 902 (iii) whether quality will be improved;
- 903 (iv) the impact on risk management;
- 904 (v) the impact on timeliness;
- 905 (vi) the ability to accommodate fluctuating demand;
- 906 (vii) the ability to access outside expertise;
- 907 (viii) the impact on oversight;
- 908 (ix) the ability to develop sound policy and implement best practices; and
- 909 (x) legal and practical impediments to privatization;

910 (e) comply with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, in making  
911 rules establishing privatization standards, procedures, and requirements;

912 (f) in fulfilling the duties described in this Subsection (1), consult with, maintain  
913 communication with, and access information from:

- 914 (i) other entities promoting privatization; and
- 915 (ii) managers and employees in the public sector;
- 916 (g) comply with Part 3, Commercial Activities Inventory and Review; and
- 917 (h) (i) prepare an annual report for each calendar year that contains:  
918 (A) information about the board's activities;  
919 (B) recommendations on privatizing an activity provided by an agency; and  
920 (C) the status of the inventory created under Part 3, Commercial Activities Inventory  
921 and Review;

922 (ii) submit the annual report to the Legislature and the governor by no later than  
923 January 15 immediately following the calendar year for which the report is made; and

924 (iii) ~~[each interim, provide an oral]~~ submit, before November 1, an annual written  
925 report to the Government Operations Interim Committee ~~[and the Economic Development and~~  
926 ~~Workforce Services Interim Committee].~~

927 (2) The board may, using the criteria described in Subsection (1), consider whether to  
928 recommend privatization of an activity provided by an agency, a county, or a special district:

929 (a) on the board's own initiative;

930 (b) upon request by an agency, a county, or a special district;

931 (c) in response to a complaint that an agency, a county, or a special district is engaging  
932 in unfair competition with a private enterprise; or

933 (d) in light of a proposal made by any person, regardless of whether the proposal was  
934 solicited.

935 (3) In addition to filing a copy of recommendations for privatization with an agency  
936 head, the board shall file a copy of its recommendations for privatization with:

937 (a) the governor's office; and

938 (b) the Office of Legislative Fiscal Analyst for submission to the relevant legislative  
939 appropriation subcommittee.

940 (4) (a) The board may appoint advisory groups to conduct studies, research, or  
941 analyses, and make reports and recommendations with respect to a matter within the  
942 jurisdiction of the board.

943 (b) At least one member of the board shall serve on each advisory group.

944 (5) (a) Subject to Subsection (5)(b), this chapter does not preclude an agency from  
945 privatizing the provision of a good or service independent of the board.

946 (b) If an agency privatizes the provision of a good or service, the agency shall include  
947 as part of the contract that privatizes the provision of the good or service that any contractor  
948 assumes all liability to provide the good or service.

949 Section 25. Section **63M-1-201** is amended to read:

950 **63M-1-201. Creation of office.**

951 (1) There is created the Governor's Office of Economic Development.

952 (2) The office shall:

953 (a) be responsible for economic development within the state;

954 (b) perform economic development planning for the state;

955 (c) administer and coordinate all state or federal grant programs which are, or become  
956 available, for economic development;

957 (d) administer any other programs over which the office is given administrative

958 supervision by the governor;

959 (e) submit~~[-before November 1,]~~ an annual written report ~~[to the Legislature]~~ as  
960 described in Section 63M-1-206; and

961 (f) perform any other duties as provided by the Legislature.

962 (3) The office may solicit and accept contributions of money, services, and facilities  
963 from any other source, public or private, but may not use the money for publicizing the  
964 exclusive interest of the donor.

965 (4) Money received under Subsection (3) shall be deposited in the General Fund as  
966 dedicated credits of the office.

967 (5) (a) The office is recognized as an issuing authority as defined in Subsection  
968 63M-1-3002(7), entitled to issue bonds from the Small Issue Bond Account created in  
969 Subsection 63M-1-3006(1)(c) as a part of the state's private activity bond volume cap  
970 authorized by the Internal Revenue Code of 1986 and computed under Section 146 of the code.

971 (b) To promote and encourage the issuance of bonds from the Small Issue Bond  
972 Account for manufacturing projects, the office may:

973 (i) develop campaigns and materials that inform qualified small manufacturing  
974 businesses about the existence of the program and the application process;

975 (ii) assist small businesses in applying for and qualifying for these bonds; or

976 (iii) develop strategies to lower the cost to small businesses of applying for and  
977 qualifying for these bonds, including making arrangements with financial advisors,

978 underwriters, bond counsel, and other professionals involved in the issuance process to provide  
979 their services at a reduced rate when the division can provide them with a high volume of  
980 applicants or issues.

981 Section 26. Section **63M-1-206** is enacted to read:

982 **63M-1-206. Annual report -- Content -- Format.**

983 (1) The office shall prepare and submit to the governor and the Legislature, by October  
984 1 of each year, an annual written report of the operations, activities, programs, and services of  
985 the office, including the divisions, sections, boards, commissions, councils, and committees  
986 established under this chapter, for the preceding fiscal year.

987 (2) For each operation, activity, program, or service provided by the office, the annual  
988 report shall include:



- 989           (a) a description of the operation, activity, program, or service;  
990           (b) data selected and used by the office to measure progress, performance, and scope of  
991 the operation, activity, program, or service, including summary data;  
992           (c) budget data, including the amount and source of funding, expenses, and allocation  
993 of full-time employees for the operation, activity, program, or service;  
994           (d) historical data from previous years for comparison with data reported under  
995 Subsections (2)(b) and (c);  
996           (e) goals, challenges, and achievements related to the operation, activity, program, or  
997 service;  
998           (f) relevant federal and state statutory references and requirements;  
999           (g) contact information of officials knowledgeable and responsible for each operation,  
1000 activity, program, or service; and  
1001           (h) other information determined by the office that:  
1002           (i) may be needed, useful, or of historical significance; or  
1003           (ii) promotes accountability and transparency for each operation, activity, program, or  
1004 service with the public and elected officials.  
1005           (3) The annual report shall be designed to provide clear, accurate, and accessible  
1006 information to the public, the governor, and the Legislature.  
1007           (4) The office shall:  
1008           (a) submit the annual report in accordance with Section [68-3-14](#); and  
1009           (b) make the annual report, and previous annual reports, accessible to the public by  
1010 placing a link to the reports on the office's website.  
1011           Section 27. Section **63M-1-403** is amended to read:  
1012           **63M-1-403. Powers of the office.**  
1013           The office shall:  
1014           (1) monitor the implementation and operation of this part and conduct a continuing  
1015 evaluation of the progress made in the enterprise zones;  
1016           (2) evaluate an application for designation as an enterprise zone from a county  
1017 applicant or a municipal applicant and determine if the applicant qualifies for that designation;  
1018           (3) provide technical assistance to county applicants and municipal applicants in  
1019 developing applications for designation as enterprise zones;

1020 (4) assist county applicants and municipal applicants designated as enterprise zones in  
 1021 obtaining assistance from the federal government and agencies of the state;

1022 (5) assist a qualified business entity in obtaining the benefits of an incentive or  
 1023 inducement program authorized by this part; and

1024 (6) as part of the annual written report described in Section 63M-1-206, prepare an  
 1025 annual evaluation based, in part, on data provided by the State Tax Commission that~~[-(a)]~~  
 1026 evaluates the effectiveness of the program and any suggestions for legislation~~[-and]~~.

1027 ~~[(b) is available upon request to the governor and to the Revenue and Taxation Interim  
 1028 Committee of the Legislature before November 1 of each year.]~~

1029 Section 28. Section **63M-1-605** is amended to read:

1030 **63M-1-605. Duties and powers.**

1031 (1) The council shall:

1032 (a) encourage the use of science and technology in the administration of state and local  
 1033 government;

1034 (b) develop programs whereby state agencies and the several public and private  
 1035 institutions of higher education and technical colleges within the state may assist business and  
 1036 industry in the utilization of science and technology;

1037 (c) further communication between agencies of federal, state, and local government  
 1038 who wish to utilize science and technology;

1039 (d) develop programs of cooperation on matters of science and technology between:

1040 (i) state and local government agencies;

1041 (ii) the several public and private institutions of higher education and technical  
 1042 colleges within the state; and

1043 (iii) business and industry within the state; or

1044 (iv) any combination of these;

1045 (e) provide a means whereby government, business, industry, and higher education  
 1046 may be represented in the formulation and implementation of state policies and programs on  
 1047 matters of science and technology;

1048 (f) review, catalog, and compile the research and development uses by the state  
 1049 universities of the revenue derived from mineral lease funds on state and federal lands;

1050 (g) ~~[submit, before November 1, an annual written report to the Legislature on]~~ submit

1051 an annual report to the office regarding the expenditure and utilization of these mineral lease  
1052 funds for inclusion in the office's annual written report described in Section [63M-1-206](#);

1053 (h) make recommendations to the Legislature on the further uses of these mineral lease  
1054 funds in order to stimulate research and development directed toward the more effective  
1055 utilization of the state's natural resources; and

1056 (i) prepare and submit, before November 1, an annual written report to the governor  
1057 and the Legislature.

1058 (2) The council may:

1059 (a) in accordance with Title 63J, Chapter 5, Federal Funds Procedures Act, apply for,  
1060 receive, and disburse funds, contributions, or grants from whatever source for the purposes set  
1061 forth in this part;

1062 (b) employ, compensate, and prescribe the duties and powers of those individuals,  
1063 subject to the provisions of this part relating to the adviser, necessary to execute the duties and  
1064 powers of the council; and

1065 (c) enter into contracts for the purposes of this part.

1066 Section 29. Section **63M-1-704** is amended to read:

1067 **63M-1-704. Administration -- Grants and loans.**

1068 (1) The Governor's Office of Economic Development shall administer this part.

1069 (2) (a) (i) The office may award Technology Commercialization and Innovation  
1070 Program grants or issue loans to the various colleges, universities, and licensees in the state for  
1071 the purposes of this part.

1072 (ii) If loans are issued under Subsection (2)(a)(i), the Division of Finance may set up a  
1073 fund or account as necessary for the proper accounting of the loans.

1074 (b) The Governor's Office of Economic Development shall develop a process to  
1075 determine whether a college or university that receives a grant under this part must return the  
1076 grant proceeds or a portion of the grant proceeds if the technology that is developed with the  
1077 grant proceeds is licensed to a licensee that:

1078 (i) does not maintain a manufacturing or service location in the state from which the  
1079 licensee or a sublicensee exploits the technology; or

1080 (ii) initially maintains a manufacturing or service location in the state from which the  
1081 licensee or a sublicensee exploits the technology, but within five years after issuance of the

1082 license the licensee or sublicensee transfers the manufacturing or service location for the  
1083 technology to a location out of the state.

1084 (c) A repayment by a college or university of grant proceeds or a portion of the grant  
1085 proceeds shall come only from the proceeds of the license established between the licensee and  
1086 the college or university.

1087 (d) (i) A licensee that receives a grant under this part shall return the grant proceeds or  
1088 a portion of the grant proceeds to the office if the licensee:

1089 (A) does not maintain a manufacturing or service location in the state from which the  
1090 licensee exploits the technology; or

1091 (B) initially maintains a manufacturing or service location in the state from which the  
1092 licensee exploits the technology, but within five years after issuance of the grant the licensee  
1093 transfers the manufacturing or service location for the technology to an out of state location.

1094 (ii) A repayment by a licensee that receives a grant shall come only from the proceeds  
1095 of the license to that licensee.

1096 (iii) A repayment by a licensee shall be prorated based only on the number of full years  
1097 the licensee operated in the state from the date of the awarded grant.

1098 (3) (a) Funding allocations shall be made by the office with the advice of the State  
1099 Advisory Council for Science and Technology and the board.

1100 (b) Each proposal shall receive the best available outside review.

1101 (4) (a) In considering each proposal, the office shall weigh technical merit, the level of  
1102 matching funds from private and federal sources, and the potential for job creation and  
1103 economic development.

1104 (b) Proposals or consortia that combine and coordinate related research at two or more  
1105 colleges and universities shall be encouraged.

1106 (5) The State Advisory Council on Science and Technology shall review the activities  
1107 and progress of grant recipients on a regular basis and assist the office in ~~[preparing an annual~~  
1108 ~~report on]~~ including as part of the office's annual written report described in Section

1109 [63M-1-206](#), the accomplishments and direction of the Technology Commercialization and  
1110 Innovation Program.

1111 Section 30. Section **63M-1-904** is amended to read:

1112 **63M-1-904. Rural Fast Track Program -- Creation -- Funding -- Qualifications**

1113 **for program participation -- Awards -- Reports.**

1114 (1) (a) There is created the Rural Fast Track Program.

1115 (b) The program is a funded component of the economically disadvantaged rural areas  
1116 designation in Subsection 63M-1-903(1)(a).

1117 (2) The purpose of the program is to provide an efficient way for small companies in  
1118 rural areas of the state to receive incentives for creating high paying jobs in those areas of the  
1119 state.

1120 (3) (a) Twenty percent of the unencumbered amount in the Industrial Assistance  
1121 Account created in Subsection 63M-1-903(1) at the beginning of each fiscal year shall be used  
1122 to fund the program.

1123 (b) The 20% referred to in Subsection (3)(a) is not in addition to but is a part of the up  
1124 to 50% designation for economically disadvantaged rural areas referred to in Subsection  
1125 63M-1-903(1)(a).

1126 (c) If any of the 20% allocation referred to in Subsection (3)(a) has not been used in the  
1127 program by the end of the third quarter of each fiscal year, that money may be used for any  
1128 other loan, grant, or assistance program offered through the Industrial Assistance Account  
1129 during the fiscal year.

1130 (4) (a) To qualify for participation in the program a company shall:

1131 (i) complete and file with the office an application for participation in the program,  
1132 signed by an officer of the company;

1133 (ii) be located and conduct its business operations in a county in the state that has:

1134 (A) a population of less than 30,000; and

1135 (B) an average household income of less than \$60,000 as reflected in the most recently  
1136 available data collected and reported by the United States Census Bureau;

1137 (iii) have been in business in the state for at least two years; and

1138 (iv) have at least two employees.

1139 (b) (i) The office shall verify an applicant's qualifications under Subsection (4)(a).

1140 (ii) The application must be approved by the administrator in order for a company to  
1141 receive an incentive or other assistance under this section.

1142 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1143 administrator may make rules governing:

- 1144 (i) the content of the application form referred to in Subsection (4)(a)(i);
- 1145 (ii) who qualifies as an employee under Subsection (4)(a)(iv); and
- 1146 (iii) the verification procedure referred to in Subsection (4)(b).

1147 (5) (a) The administrator shall make incentive cash awards to small companies under  
1148 this section based on the following criteria:

- 1149 (i) \$1,000 for each new incremental job that pays over 110% of the county's average  
1150 annual wage;
- 1151 (ii) \$1,250 for each incremental job that pays over 115% of the county's average annual  
1152 wage; and
- 1153 (iii) \$1,500 for each incremental job that pays over 125% of the county's average  
1154 annual wage.

1155 (b) The administrator shall make a cash award under Subsection (5)(a) when a new  
1156 incremental job has been in place for at least 12 months.

1157 (c) The creation of a new incremental job by a company is based on the number of  
1158 employees at the company during the previous 24 months.

1159 (d) (i) A small company may also apply for grants, loans, or other financial assistance  
1160 under the program to help develop its business in rural Utah and may receive up to \$50,000  
1161 under the program if approved by the administrator.

1162 (ii) The board must approve a distribution that exceeds the \$50,000 cap under  
1163 Subsection (5)(d)(i).

1164 (6) The administrator shall make a quarterly report to the board of the awards made by  
1165 the administrator under this section and ~~[submit an annual written report to the Economic~~  
1166 ~~Development and Workforce Services Interim Committee before November 1]~~ submit a report  
1167 to the office on the awards and their impact on economic development in the state's rural areas  
1168 for inclusion in the office's annual written report described in Section [63M-1-206](#).

1169 Section 31. Section **63M-1-1103** is amended to read:

1170 **63M-1-1103. Duties of the office.**

1171 The office shall:

- 1172 (1) facilitate recycling development zones through state support of county incentives  
1173 which encourage development of manufacturing enterprises that use recycling materials  
1174 currently collected;

1175 (2) evaluate an application from a county or municipality executive authority to be  
1176 designated as a recycling market development zone and determine if the county or municipality  
1177 qualifies for that designation;

1178 (3) provide technical assistance to municipalities and counties in developing  
1179 applications for designation as a recycling market development zone;

1180 (4) assist counties and municipalities designated as recycling market development  
1181 zones in obtaining assistance from the federal government and agencies of the state;

1182 (5) assist a qualified business in obtaining the benefits of an incentive or inducement  
1183 program authorized by this part;

1184 (6) monitor the implementation and operation of this part and conduct a continuing  
1185 evaluation of the progress made in the recycling market development zone; and

1186 (7) ~~[submit an annual written report evaluating]~~ include in the annual written report  
1187 described in Section 63M-1-206, an evaluation of the effectiveness of the program and  
1188 ~~[providing] recommendations for legislation [to the Natural Resources, Agriculture, and~~  
1189 ~~Environment Interim Committee before November 1].~~

1190 Section 32. Section **63M-1-1206** is amended to read:

1191 **63M-1-1206. Board duties and powers.**

1192 (1) The board shall:

1193 (a) establish criteria and procedures for the allocation and issuance of contingent tax  
1194 credits to designated investors by means of certificates issued by the board, provided that a  
1195 contingent tax credit may not be issued unless the Utah fund of funds:

1196 (i) first agrees to treat the amount of the tax credit redeemed by the state as a loan from  
1197 the state to the Utah fund of funds; and

1198 (ii) agrees to repay the loan upon terms and conditions established by the board;

1199 (b) establish criteria and procedures for assessing the likelihood of future certificate  
1200 redemptions by designated investors, including:

1201 (i) criteria and procedures for evaluating the value of investments made by the Utah  
1202 fund of funds; and

1203 (ii) the returns from the Utah fund of funds;

1204 (c) establish criteria and procedures for registering and redeeming contingent tax  
1205 credits by designated investors holding certificates issued by the board;

1206 (d) establish a target rate of return or range of returns on venture capital investments of  
1207 the Utah fund of funds;

1208 (e) establish criteria and procedures governing commitments obtained by the board  
1209 from designated purchasers including:

1210 (i) entering into commitments with designated purchasers; and

1211 (ii) drawing on commitments to redeem certificates from designated investors;

1212 (f) have power to:

1213 (i) expend funds;

1214 (ii) invest funds;

1215 (iii) issue debt and borrow funds;

1216 (iv) enter into contracts;

1217 (v) insure against loss; and

1218 (vi) perform any other act necessary to carry out its purpose; and

1219 (g) make, amend, and repeal rules for the conduct of its affairs, consistent with this part  
1220 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1221 (2) (a) All rules made by the board under Subsection (1)(g) are subject to review by the  
1222 Legislative Management Committee:

1223 (i) whenever made, modified, or repealed; and

1224 (ii) in each even-numbered year.

1225 (b) Subsection (2)(a) does not preclude the legislative Administrative Rules Review  
1226 Committee from reviewing and taking appropriate action on any rule made, amended, or  
1227 repealed by the board.

1228 (3) (a) The criteria and procedures established by the board for the allocation and  
1229 issuance of contingent tax credits shall:

1230 (i) include the contingencies that must be met for a certificate and its related tax credits  
1231 to be:

1232 (A) issued by the board;

1233 (B) transferred by a designated investor; and

1234 (C) redeemed by a designated investor in order to receive a contingent tax credit; and

1235 (ii) tie the contingencies for redemption of certificates to:

1236 (A) the targeted rates of return and scheduled redemptions of equity interests purchased



1237 by designated investors in the Utah fund of funds; and

1238 (B) the scheduled principal and interest payments payable to designated investors that  
1239 have made loans or other debt obligations to the Utah fund of funds.

1240 (b) The board may not issue contingent tax credits under this part prior to July 1, 2004.

1241 (4) (a) The board may charge a placement fee to the Utah fund of funds for the  
1242 issuance of a certificate and related contingent tax credit to a designated investor.

1243 (b) The fee shall:

1244 (i) be charged only to pay for reasonable and necessary costs of the board; and

1245 (ii) not exceed .5% of the private investment of the designated investor.

1246 (5) The board's criteria and procedures for redeeming certificates:

1247 (a) shall give priority to the redemption amount from the available funds in the  
1248 redemption reserve; and

1249 (b) to the extent there are insufficient funds in the redemption reserve to redeem  
1250 certificates, shall grant the board the option to redeem certificates:

1251 (i) by certifying a contingent tax credit to the designated investor; or

1252 (ii) by making demand on designated purchasers consistent with the requirements of  
1253 Section [63M-1-1221](#).

1254 (6) (a) The board shall, in consultation with the corporation, publish an annual report  
1255 of the activities conducted by the Utah fund of funds, and [~~submit the report to the governor~~  
1256 ~~and the Business, Economic Development, and Labor Appropriations Subcommittee~~] the  
1257 executive director shall include the report in the office's annual written report described in  
1258 Section [63M-1-206](#).

1259 (b) The annual report shall:

1260 (i) include a copy of the audit of the Utah fund of funds and a valuation of the assets of  
1261 the Utah fund of funds;

1262 (ii) review the progress of the investment fund allocation manager in implementing its  
1263 investment plan; and

1264 (iii) describe any redemption or transfer of a certificate issued under this part.

1265 (c) The annual report may not identify any specific designated investor who has  
1266 redeemed or transferred a certificate.

1267 (d) (i) Beginning July 1, 2006, and thereafter every two years, the board shall publish a

1268 progress report which shall evaluate the progress of the state in accomplishing the purposes  
1269 stated in Section [63M-1-1202](#).

1270 ~~[(ii) The board shall give a copy of the report to the Legislature.]~~

1271 (ii) The executive director shall include the progress report in the office's annual  
1272 written report described in Section [63M-1-206](#).

1273 Section 33. Section **63M-1-1304** is amended to read:

1274 **63M-1-1304. Council powers and duties.**

1275 (1) The council shall:

1276 (a) coordinate and advise on policies and objectives related to economic development  
1277 and growth within the state;

1278 (b) coordinate with state and private entities, including private venture capital and seed  
1279 capital firms, to avoid duplication of programs and to increase the availability of venture and  
1280 seed capital for research and for the development and growth of new and existing businesses in  
1281 the state;

1282 (c) focus on technologies, industries, and geographical areas of the state in which the  
1283 state can expand investment and entrepreneurship and stimulate job growth;

1284 (d) coordinate ideas and strategies to increase national and international business  
1285 activities for both the urban and rural areas of the state; and

1286 (e) plan, coordinate, advise, or recommend any other action that would better the state's  
1287 economy.

1288 (2) The council shall ~~[submit, before November 1, an annual written report of its~~  
1289 ~~activities to the governor and the Economic Development and Workforce Services Interim~~  
1290 ~~Committee]~~ annually report its activities to the office for inclusion in the office's annual written  
1291 report described in Section [63M-1-206](#).

1292 Section 34. Section **63M-1-1404** is amended to read:

1293 **63M-1-1404. Powers and duties of office related to tourism development plan --**  
1294 **Annual report and survey.**

1295 (1) The office shall:

1296 (a) be the tourism development authority of the state;

1297 (b) develop a tourism advertising, marketing, and branding program for the state;

1298 (c) receive approval from the Board of Tourism Development under Subsection

1299 [63M-1-1403](#)(1)(a) before implementing the out-of-state advertising, marketing, and branding  
1300 campaign;

1301 (d) develop a plan to increase the economic contribution by tourists visiting the state;

1302 (e) plan and conduct a program of information, advertising, and publicity relating to the  
1303 recreational, scenic, historic, and tourist advantages and attractions of the state at large; and

1304 (f) encourage and assist in the coordination of the activities of persons, firms,  
1305 associations, corporations, travel regions, counties, and governmental agencies engaged in  
1306 publicizing, developing, and promoting the scenic attractions and tourist advantages of the  
1307 state.

1308 (2) Any plan provided for under Subsection (1) shall address, but not be limited to,  
1309 enhancing the state's image, promoting Utah as a year-round destination, encouraging  
1310 expenditures by visitors to the state, and expanding the markets where the state is promoted.

1311 (3) The office shall:

1312 (a) conduct a regular and ongoing research program to identify statewide economic  
1313 trends and conditions in the tourism sector of the economy; and

1314 (b) ~~[submit, before November 1, an annual written report to the Economic~~  
1315 ~~Development and Workforce Services Interim Committee and the Business, Economic~~  
1316 ~~Development, and Labor Appropriations Subcommittee]~~ include in the annual written report  
1317 described in Section [63M-1-206](#), a report on the economic efficiency of the advertising and  
1318 branding campaigns conducted under this part.

1319 Section 35. Section **63M-1-1606** is amended to read:

1320 **63M-1-1606. Annual report.**

1321 The office shall ~~[submit, before November 1, an annual written]~~ include in the annual  
1322 written report described in Section [63M-1-206](#), a report of the program's operations and  
1323 recommendations [to:].

1324 ~~[(1) the governor;]~~

1325 ~~[(2) the Rural Development Legislative Liaison Committee created in Section~~  
1326 ~~[36-25-102](#); and]~~

1327 ~~[(3) the Economic Development and Workforce Services Interim Committee.]~~

1328 Section 36. Section **63M-1-1805** is amended to read:

1329 **63M-1-1805. Annual report.**

1330 The office shall [~~submit, before November 1, an annual written report to the Economic~~  
1331 ~~Development and Workforce Services Interim Committee describing~~] include the following  
1332 information in the annual written report described in Section [63M-1-206](#):

1333 (1) the office's success in attracting within-the-state production of television series,  
1334 made-for-television movies, and motion pictures, including feature films and independent  
1335 films;

1336 (2) the amount of incentive commitments made by the office under this part and the  
1337 period of time over which the incentives will be paid; and

1338 (3) the economic impact on the state related to:

1339 (a) dollars left in the state; and

1340 (b) providing motion picture incentives under this part.

1341 Section 37. Section **63M-1-1901** is amended to read:

1342 **63M-1-1901. Military installation projects for economic development -- Funding**  
1343 **-- Criteria -- Dispersal -- Report.**

1344 (1) The Legislature recognizes that significant growth in the state's economy can be  
1345 achieved by state and local support of the continuing expansion and development of federal  
1346 military installations throughout the state.

1347 (2) The office, through its director, may receive and distribute legislative  
1348 appropriations and public and private grants and donations for military installation projects  
1349 that:

1350 (a) have a strong probability of increasing the growth and development of a military  
1351 facility within the state, thereby providing significant economic benefits to the state;

1352 (b) will provide a significant number of new jobs within the state that should remain  
1353 within the state for a period of several years; and

1354 (c) involve a partnership between the military and private industry or local government  
1355 or the military and private industry and local government.

1356 (3) (a) The director may distribute money under this section to:

1357 (i) a regional or statewide nonprofit economic development organization; or

1358 (ii) a federal military partnership that has the mission of promoting the economic  
1359 growth of a military installation.

1360 (b) The director shall make a distribution under this section upon:

- 1361 (i) receipt of an application on a form prescribed by the office that lists:  
1362 (A) the particulars of the proposed use of the money requested, such as needed  
1363 equipment purchases and anticipated training costs;  
1364 (B) the estimated number of new jobs that will be created by the proposed project;  
1365 (C) pending contracts related to the project that are to be finalized from funding  
1366 anticipated under this section; and  
1367 (D) a projected date on which the applicant shall provide the director with a report on  
1368 the implementation and performance of the project, including the creation of new jobs; and  
1369 (ii) a determination by the director that the project satisfies the requirements listed in  
1370 Subsection (2).
- 1371 (c) (i) The office shall monitor the activities of a recipient of money under this section  
1372 to ensure that there is compliance with the terms and conditions imposed on the recipient under  
1373 this part.
- 1374 (ii) The office shall [~~submit, before November 1, an annual written report to the~~  
1375 ~~Economic Development and Workforce Services Interim Committee and the Business,~~  
1376 ~~Economic Development, and Labor Appropriations Subcommittee]~~ include in the annual  
1377 written report described in Section 63M-1-206, a report regarding the use and impact of the  
1378 money distributed under this section.
- 1379 Section 38. Section **63M-1-2006** is amended to read:
- 1380 **63M-1-2006. Report on amount of grants and loans, projects, and outstanding**  
1381 **debt.**
- 1382 The board shall [~~submit an annual written report to the Economic Development and~~  
1383 ~~Workforce Services Interim Committee before November 1 on]~~ annually provide the following  
1384 information to the office for inclusion in the office's annual written report described in Section  
1385 63M-1-206:
- 1386 (1) the total amount of grants and loans the board awarded to eligible counties under  
1387 this part during the fiscal year that ended on the June 30 immediately preceding the November  
1388 interim meeting;
- 1389 (2) a description of the projects with respect to which the board awarded a grant or loan  
1390 under this part;
- 1391 (3) the total amount of outstanding debt service that is being repaid by a grant or loan

1392 awarded under this part;

1393 (4) ~~on~~ whether the grants and loans awarded under this part have resulted in  
1394 economic development within project areas; and

1395 (5) ~~on~~ whether the board recommends:

1396 (a) that the grants and loans authorized by this part should be continued; or

1397 (b) any modifications to this part~~[-and]~~.

1398 ~~[(6) on any other issue relating to this part as determined by the Economic  
1399 Development and Workforce Services Interim Committee.]~~

1400 Section 39. Section **63M-1-2406** is amended to read:

1401 **63M-1-2406. Reports -- Posting monthly and annual reports -- Audit and study of**  
1402 **tax credits.**

1403 (1) The office shall ~~[submit, before November 1, an annual written report to the  
1404 Economic Development and Workforce Services Interim Committee describing]~~ include the  
1405 following information in the annual written report described in Section [63M-1-206](#):

1406 (a) the office's success in attracting new commercial projects to development zones  
1407 under this part and the corresponding increase in new incremental jobs;

1408 (b) the estimated amount of tax credit commitments made by the office and the period  
1409 of time over which tax credits will be paid;

1410 (c) the economic impact on the state related to generating new state revenues and  
1411 providing tax credits under this part;

1412 (d) the estimated costs and economic benefits of the tax credit commitments that the  
1413 office made;

1414 (e) the actual costs and economic benefits of the tax credit commitments that the office  
1415 made; and

1416 (f) tax credit commitments that the office made, with the associated calculation.

1417 ~~[(2) The office shall post the annual report under Subsection (1) on its website and on a  
1418 state website.]~~

1419 ~~[(3)]~~ (2) The office shall monthly post on its website and on a state website:

1420 (a) the new tax credit commitments that the office made during the previous month;

1421 and

1422 (b) the estimated costs and economic benefits of those tax credit commitments.

1423            [~~(4)~~] (3) (a) On or before November 1, 2014, and every five years after November 1,  
1424 2014, the office shall:

1425            (i) conduct an audit of the tax credits allowed under Section 63M-1-2405;  
1426            (ii) study the tax credits allowed under Section 63M-1-2405; and  
1427            (iii) make recommendations concerning whether the tax credits should be continued,  
1428 modified, or repealed.

1429            (b) An audit under Subsection [~~(4)~~] (3)(a)(i) shall include an evaluation of:

1430            (i) the cost of the tax credits;  
1431            (ii) the purposes and effectiveness of the tax credits; and  
1432            (iii) the extent to which the state benefits from the tax credits.

1433            Section 40. Section 63M-1-2504 is amended to read:

1434            **63M-1-2504. Creation of Office of Consumer Health Services -- Duties.**

1435            (1) There is created within the Governor's Office of Economic Development the Office  
1436 of Consumer Health Services.

1437            (2) The office shall:

1438            (a) in cooperation with the Insurance Department, the Department of Health, and the  
1439 Department of Workforce Services, and in accordance with the electronic standards developed  
1440 under Sections 31A-22-635 and 63M-1-2506, create a Health Insurance Exchange that:

1441            (i) provides information to consumers about private and public health programs for  
1442 which the consumer may qualify;

1443            (ii) provides a consumer comparison of and enrollment in a health benefit plan posted  
1444 on the Health Insurance Exchange; and

1445            (iii) includes information and a link to enrollment in premium assistance programs and  
1446 other government assistance programs;

1447            (b) contract with one or more private vendors for:

1448            (i) administration of the enrollment process on the Health Insurance Exchange,  
1449 including establishing a mechanism for consumers to compare health benefit plan features on  
1450 the exchange and filter the plans based on consumer preferences;

1451            (ii) the collection of health insurance premium payments made for a single policy by  
1452 multiple payers, including the policyholder, one or more employers of one or more individuals  
1453 covered by the policy, government programs, and others; and

- 1454 (iii) establishing a call center in accordance with Subsection (3);
- 1455 (c) assist employers with a free or low cost method for establishing mechanisms for the
- 1456 purchase of health insurance by employees using pre-tax dollars;
- 1457 (d) establish a list on the Health Insurance Exchange of insurance producers who, in
- 1458 accordance with Section [31A-30-209](#), are appointed producers for the Health Insurance
- 1459 Exchange; and
- 1460 (e) [~~submit, before November 1, an annual written report to the Business and Labor~~
- 1461 ~~Interim Committee and the Health System Reform Task Force regarding~~] include in the annual
- 1462 written report described in Section [63M-1-206](#), a report on the operations of the Health
- 1463 Insurance Exchange required by this chapter.
- 1464 (3) A call center established by the office:
- 1465 (a) shall provide unbiased answers to questions concerning exchange operations, and
- 1466 plan information, to the extent the plan information is posted on the exchange by the insurer;
- 1467 and
- 1468 (b) may not:
- 1469 (i) sell, solicit, or negotiate a health benefit plan on the Health Insurance Exchange;
- 1470 (ii) receive producer compensation through the Health Insurance Exchange; and
- 1471 (iii) be designated as the default producer for an employer group that enters the Health
- 1472 Insurance Exchange without a producer.
- 1473 (4) The office:
- 1474 (a) may not:
- 1475 (i) regulate health insurers, health insurance plans, health insurance producers, or
- 1476 health insurance premiums charged in the exchange;
- 1477 (ii) adopt administrative rules, except as provided in Section [63M-1-2506](#); or
- 1478 (iii) act as an appeals entity for resolving disputes between a health insurer and an
- 1479 insured;
- 1480 (b) may establish and collect a fee for the cost of the exchange transaction in
- 1481 accordance with Section [63J-1-504](#) for:
- 1482 (i) processing an application for a health benefit plan;
- 1483 (ii) accepting, processing, and submitting multiple premium payment sources;
- 1484 (iii) providing a mechanism for consumers to filter and compare health benefit plans in



1485 the exchange based on consumer preferences; and

1486 (iv) funding the call center; and

1487 (c) shall separately itemize the fee established under Subsection (4)(b) as part of the  
1488 cost displayed for the employer selecting coverage on the exchange.

1489 Section 41. Section **63M-1-2704** is amended to read:

1490 **63M-1-2704. Establishment and administration of business resource centers --**  
1491 **Components.**

1492 (1) The Governor's Office of Economic Development, hereafter referred to in this part  
1493 as "the office," shall establish business resource centers in at least four different geographical  
1494 regions of the state where host institutions are located and the host institutions agree to enter  
1495 into a business resource center partnership with the office.

1496 (2) The office, in partnership with a host institution, shall provide methodology and  
1497 oversight for a business resource center.

1498 (3) A host institution shall contribute 50% of a business resource center's operating  
1499 costs through cash or in-kind contributions, unless otherwise provided under Subsection  
1500 [63M-1-2707\(7\)](#).

1501 (4) The office shall work with the Utah Business Assistance Advisory Board  
1502 established under Section [63M-1-2706](#), hereafter referred to in this part as "the board," to  
1503 provide operational oversight and coordination of the business resource centers established  
1504 under this part.

1505 (5) (a) A business resource center shall work with state agencies in creating methods to  
1506 coordinate functions and measure the impact of the efforts provided by the state agencies and  
1507 the center.

1508 (b) The host institution, state, local and federal governmental entities,  
1509 quasi-governmental entities, and private entities may:

1510 (i) participate in the activities offered by or through a business resource center; and

1511 (ii) provide personnel or other appropriate links to the center.

1512 (c) (i) Other entities that are not initially involved in the establishment of a business  
1513 resource center and that are capable of providing supportive services to Utah businesses may  
1514 apply to the center to become a provider of services at the center.

1515 (ii) Entities identified in Subsections (5)(a) and (b) shall provide the board with a

1516 service plan, to include funding, which would be made available or supplied to cover the  
1517 expenses of their services offered at a business resource center.

1518 (iii) The board shall review each application made under Subsection (5)(c)(i) and make  
1519 a recommendation for approval by the office as a precondition for providing the service being  
1520 offered.

1521 (6) A business resource center may:

1522 (a) partner with the [~~Governor's Office of Economic Development~~] office, other host  
1523 institutions, and other entities to develop and establish web-based access to virtual business  
1524 resource center services over the Internet to assist in establishing and growing businesses in the  
1525 state, particularly in those situations where traveling to a business resource center site is not  
1526 practical;

1527 (b) develop a data base and software for:

1528 (i) tracking clients and their progress; and

1529 (ii) tracking responses and services provided by state agencies and evaluating their  
1530 effectiveness; and

1531 (c) develop outreach programs and services targeted to business clients in rural areas of  
1532 the state.

1533 (7) The [~~Governor's Office of Economic Development shall submit an annual written~~  
1534 ~~report to the Economic Development and Workforce Services Interim Committee before~~  
1535 ~~November 1~~] office shall include in the annual written report described in Section 63M-1-206,  
1536 a report on measured performance of economic development programs offered by or through  
1537 established business resource centers.

1538 Section 42. Section **63M-1-2910** is amended to read:

1539 **63M-1-2910. Reports on tax credit certificates -- Study by legislative committees.**

1540 (1) The office shall [~~submit an annual written report to the Revenue and Taxation~~  
1541 ~~Interim Committee before November 1 describing~~] include the following information in the  
1542 annual written report described in Section 63M-1-206:

1543 (a) the total amount listed on tax credit certificates the office issues under this part;

1544 (b) the criteria that the office uses in prioritizing the issuance of tax credits amongst tax  
1545 credit applicants under this part; and

1546 (c) the economic impact on the state related to providing tax credits under this part.

1547 (2) (a) On or before November 1, 2016, and every five years after November 1, 2016,  
1548 the Revenue and Taxation Interim Committee shall:

1549 (i) study the tax credits allowed under Sections [59-7-614.6](#), [59-10-1025](#), and  
1550 [59-10-1109](#); and

1551 (ii) make recommendations concerning whether the tax credits should be continued,  
1552 modified, or repealed.

1553 (b) The study under Subsection (2)(a) shall include an evaluation of:

1554 (i) the cost of the tax credits under Sections [59-7-614.6](#), [59-10-1025](#), and [59-10-1109](#);

1555 (ii) the purposes and effectiveness of the tax credits; and

1556 (iii) the extent to which the state benefits from the tax credits.

1557 Section 43. Section **63M-1-3105** is amended to read:

1558 **63M-1-3105. Report to the legislative committees.**

1559 The office shall ~~[submit, before November 1, an annual written report to the Economic~~  
1560 ~~Development and Workforce Services Interim Committee and the Revenue and Taxation~~  
1561 ~~Interim Committee describing]~~ provide the following information in the annual written report  
1562 described in Section [63M-1-206](#):

1563 (1) the office's success in attracting alternative energy manufacturing projects to the  
1564 state and the resulting increase in new state revenues under this part;

1565 (2) the amount of tax credits the office has granted or will grant and the time period  
1566 during which the tax credits have been or will be granted; and

1567 (3) the economic impact on the state by comparing new state revenues to tax credits  
1568 that have been or will be granted under this part.

1569 Section 44. Section **63M-1-3207** is amended to read:

1570 **63M-1-3207. Report to Legislature and the State Board of Education.**

1571 (1) The board shall report the progress of the STEM Action Center, including the  
1572 information described in Subsection (2), to the following groups once each year:

1573 (a) the Education Interim Committee;

1574 (b) the Public Education Appropriations Subcommittee; ~~[and]~~

1575 (c) the State Board of Education~~[;]~~; and

1576 (d) the office for inclusion in the office's annual written report described in Section  
1577 [63M-1-206](#).

1578           (2) The report described in Subsection (1) shall include information that demonstrates  
1579 the effectiveness of the program, including:

1580           (a) the number of educators receiving professional development;

1581           (b) the number of students receiving services from the STEM Action Center;

1582           (c) a list of the providers selected pursuant to this part;

1583           (d) a report on the STEM Action Center's fulfilment of its duties described in  
1584 Subsection [63M-1-3204](#); and

1585           (e) student performance of students participating in a STEM Action Center program as  
1586 collected in Subsection [63M-1-3204](#)(4).

1587           Section 45. Section [63M-1-3306](#) is repealed and reenacted to read:

1588           **63M-1-3306. Annual report.**

1589           The executive director shall include in the annual written report described in Section  
1590 [63M-1-206](#), a report from the director on the activities of the Outdoor Recreation Office.

1591           Section 46. **Repealer.**

1592           This bill repeals:

1593           Section [35A-8-1802](#), **Interim study.**

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**Legislative Review Note**  
**as of 11-21-13 6:38 AM**

**Office of Legislative Research and General Counsel**