

FEDERAL FUNDS COMMISSION EXTENSION

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Deidre M. Henderson

LONG TITLE

General Description:

This bill modifies provisions relating to the Federal Funds Commission.

Highlighted Provisions:

This bill:

- ▶ extends the date that the Federal Funds Commission is authorized to meet to study and assess certain issues relating to federal funds;
- ▶ removes the repeal date of the Federal Funds Commission; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2016:

- ▶ to the Legislature - Senate, as an ongoing appropriation:
 - from the General Fund, \$7,000;
- ▶ to the Legislature - House of Representatives, as an ongoing appropriation:
 - from the General Fund, \$7,000; and
- ▶ to the Legislature - Office of Legislative Research and General Counsel, as an ongoing appropriation:
 - from the General Fund, \$40,000.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

63C-14-301, as enacted by Laws of Utah 2013, Chapter 62

30 **63C-14-302**, as enacted by Laws of Utah 2013, Chapter 62
31 **63I-1-263**, as last amended by Laws of Utah 2014, Chapters 113, 189, 195, 211, 419,
32 429, and 435

33 _____

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

35 Section 1. Section **63C-14-301** is amended to read:

36 **63C-14-301. Commission duties.**

37 (1) Until November 30, [~~2014~~] 2019, the commission shall:

38 (a) study and assess:

39 (i) the financial stability of the federal government;

40 (ii) the level of dependency that the state and local governments have on the receipt of
41 federal funds;

42 (iii) the risk that the state and local governments in the state will experience a reduction
43 in the amount or value of federal funds they receive, in both the near and distant future;

44 (iv) the likely and potential impact on the state and its citizens from a reduction in the
45 amount or value of federal funds received by the state and by local governments in the state, in
46 both the near and distant future; and

47 (v) the likely and potential national impact from a reduction in the amount or value of
48 federal funds paid to the states, in both the near and distant future; and

49 (b) make recommendations to the governor and Legislature on methods to:

50 (i) avoid or minimize the risk of a reduction in the amount or value of federal funds by
51 the state and by local governments in the state;

52 (ii) reduce the dependency of the state and of local governments in the state on federal
53 funds; and

54 (iii) prepare for and respond to a reduction in the amount or value of federal funds by
55 the state and by local governments in the state.

56 (2) After November 30, [~~2014~~] 2019, the commission shall study, assess, and provide
57 recommendations on any federal issue that the governor, the Legislature through a joint

58 resolution of the Legislature, or the Legislative Management Committee directs the
59 commission to study, assess, and make recommendations on.

60 (3) On or before November 30 of each year, the commission shall report to the
61 Government Operations Interim Committee of the Legislature on the commission's findings
62 and recommendations.

63 Section 2. Section **63C-14-302** is amended to read:

64 **63C-14-302. Commission meetings -- Quorum -- Bylaws -- Staff support.**

65 (1) (a) Until November 30, ~~[2014]~~ 2019, the commission shall meet at least quarterly
66 but no more frequently than once a month.

67 (b) After November 30, ~~[2014]~~ 2019, the commission shall meet as directed by the
68 governor, the Legislature, or the Legislative Management Committee in conjunction with
69 direction given under Subsection **63C-14-301(2)**.

70 (2) A majority of the commission members constitutes a quorum, and the action of a
71 majority of a quorum constitutes action of the commission.

72 (3) The commission may adopt bylaws to govern its operations and proceedings.

73 (4) The Office of Legislative Research and General Counsel shall provide staff support
74 to the commission.

75 Section 3. Section **63I-1-263** is amended to read:

76 **63I-1-263. Repeal dates, Titles 63A to 63M.**

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

79 (2) Subsection **63A-5-104(4)(h)** is repealed on July 1, 2024.

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

81 (4) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
82 1, 2018.

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

84 ~~[(6) (5) Title 63C, Chapter 15, Prison Relocation Commission, is repealed July 1,~~
85 2017.

86 ~~[(7)]~~ (6) Subsection ~~63G-6a-1402~~(7) authorizing certain transportation agencies to
87 award a contract for a design-build transportation project in certain circumstances, is repealed
88 July 1, 2015.

89 ~~[(8)]~~ (7) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
90 July 1, 2020.

91 ~~[(9)]~~ (8) The Resource Development Coordinating Committee, created in Section
92 ~~63J-4-501~~, is repealed July 1, 2015.

93 ~~[(10)]~~ (9) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

94 ~~[(11)]~~ (10) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone
95 Act, is repealed January 1, 2021.

96 (b) Subject to Subsection ~~[(11)]~~ (10)(c), Sections ~~59-7-610~~ and ~~59-10-1007~~ regarding
97 tax credits for certain persons in recycling market development zones, are repealed for taxable
98 years beginning on or after January 1, 2021.

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

100 (i) for the purchase price of machinery or equipment described in Section ~~59-7-610~~ or
101 ~~59-10-1007~~, if the machinery or equipment is purchased on or after January 1, 2021; or

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

104 (d) Notwithstanding Subsections ~~[(11)]~~ (10)(b) and (c), a person may carry forward a
105 tax credit in accordance with Section ~~59-7-610~~ or ~~59-10-1007~~ if:

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

107 (ii) (A) for the purchase price of machinery or equipment described in Section
108 ~~59-7-610~~ or ~~59-10-1007~~, the machinery or equipment is purchased on or before December 31,
109 2020; or

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

112 ~~[(12)]~~ (11) Section ~~63M-1-3412~~ is repealed on July 1, 2021.

113 ~~[(13)]~~ (12) (a) Section ~~63M-1-2507~~, Health Care Compact is repealed on July 1, 2014.

- 114 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:
115 (A) direct the Health System Reform Task Force to evaluate the issues listed in
116 Subsection [~~(13)~~] (12)(b)(ii), and by January 1, 2013, develop and recommend criteria for the
117 Legislature to use to negotiate the terms of the Health Care Compact; and
118 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the
119 member states that the Legislature determines are appropriate after considering the
120 recommendations of the Health System Reform Task Force.
- 121 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
122 Legislature regarding:
123 (A) the impact of the Supreme Court ruling on the Affordable Care Act;
124 (B) whether Utah is likely to be required to implement any part of the Affordable Care
125 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
126 in 2014;
127 (C) whether the compact's current funding formula, based on adjusted 2010 state
128 expenditures, is the best formula for Utah and other state compact members to use for
129 establishing the block grants from the federal government;
130 (D) whether the compact's calculation of current year inflation adjustment factor,
131 without consideration of the regional medical inflation rate in the current year, is adequate to
132 protect the state from increased costs associated with administering a state based Medicaid and
133 a state based Medicare program;
134 (E) whether the state has the flexibility it needs under the compact to implement and
135 fund state based initiatives, or whether the compact requires uniformity across member states
136 that does not benefit Utah;
137 (F) whether the state has the option under the compact to refuse to take over the federal
138 Medicare program;
139 (G) whether a state based Medicare program would provide better benefits to the
140 elderly and disabled citizens of the state than a federally run Medicare program;
141 (H) whether the state has the infrastructure necessary to implement and administer a

142 better state based Medicare program;

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

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

148 [~~14~~] (13) (a) Title 63M, Chapter 1, Part 35, Utah Small Business Jobs Act, is
149 repealed January 1, 2021.

150 (b) Section 59-9-107 regarding tax credits against premium taxes is repealed for
151 calendar years beginning on or after January 1, 2021.

152 (c) Notwithstanding Subsection [~~14~~] (13)(b), an entity may carry forward a tax credit
153 in accordance with Section 59-9-107 if:

154 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December
155 31, 2020; and

156 (ii) the qualified equity investment that is the basis of the tax credit is certified under
157 Section 63M-1-3503 on or before December 31, 2023.

158 [~~15~~] (14) The Crime Victim Reparations and Assistance Board, created in Section
159 63M-7-504, is repealed July 1, 2017.

160 [~~16~~] (15) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
161 2017.

162 Section 4. **Appropriation.**

163 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
164 the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money
165 are appropriated from resources not otherwise appropriated, or reduced from amounts
166 previously appropriated, out of the funds or accounts indicated. These sums of money are in
167 addition to any amounts previously appropriated for fiscal year 2016.

168 To Legislature - Senate

169 From General Fund

\$7,000

Enrolled Copy

H.B. 326

170	<u>Schedule of Programs:</u>		
171	<u>Administration</u>	<u>\$7,000</u>	
172	<u>To Legislature - House of Representatives</u>		
173	<u>From General Fund</u>		<u>\$7,000</u>
174	<u>Schedule of Programs:</u>		
175	<u>Administration</u>	<u>\$7,000</u>	
176	<u>To Legislature - Office of Legislative Research and General Counsel</u>		
177	<u>From General Fund</u>		<u>\$40,000</u>
178	<u>Schedule of Programs:</u>		
179	<u>Administration</u>	<u>\$40,000</u>	
180	Section 5. Effective date.		
181	<u>(1) Except as provided in Subsection (2), this bill takes effect on May 12, 2015.</u>		
182	<u>(2) Uncodified Section 4, Appropriation, takes effect on July 1, 2015.</u>		