

1                   **OFFICE OF ECONOMIC DEVELOPMENT AMENDMENTS**

2                                   2018 GENERAL SESSION

3                                   STATE OF UTAH

4                           **Chief Sponsor: Carl R. Albrecht**

5                           Senate Sponsor: Ralph Okerlund

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7   **LONG TITLE**

8   **General Description:**

9           This bill modifies provisions related to the Governor's Office of Economic  
10 Development (GOED) and the Department of Workforce Services (DWS).

11 **Highlighted Provisions:**

12           This bill:

- 13           ▶ moves and renumbers provisions related to private activity bonds from GOED to
- 14 DWS;
- 15           ▶ repeals provisions related to the State Advisory Council on Science and
- 16 Technology, the Utah Broadband Outreach Center, the Technology
- 17 Commercialization and Innovation Program, and the Health System Reform Act;
- 18           ▶ modifies GOED's duties regarding certain targeted industries;
- 19           ▶ modifies GOED's duties regarding broadband economic development and mapping;
- 20 and
- 21           ▶ makes technical changes.

22 **Money Appropriated in this Bill:**

23           None

24 **Other Special Clauses:**

25           This bill provides a special effective date.

26 **Utah Code Sections Affected:**

27 AMENDS:

28           **63I-1-263**, as last amended by Laws of Utah 2017, Chapters 23, 47, 95, 166, 205, 469,  
29 and 470

30           **63N-3-111**, as renumbered and amended by Laws of Utah 2015, Chapter 283

31 ENACTS:

32           **63N-3-501**, Utah Code Annotated 1953

33 RENUMBERS AND AMENDS:

34           **35A-8-2101**, (Renumbered from 63N-5-101, as renumbered and amended by Laws of  
35 Utah 2015, Chapter 283)

36           **35A-8-2102**, (Renumbered from 63N-5-102, as renumbered and amended by Laws of  
37 Utah 2015, Chapter 283)

38           **35A-8-2103**, (Renumbered from 63N-5-103, as renumbered and amended by Laws of  
39 Utah 2015, Chapter 283)

40           **35A-8-2104**, (Renumbered from 63N-5-104, as renumbered and amended by Laws of  
41 Utah 2015, Chapter 283)

42           **35A-8-2105**, (Renumbered from 63N-5-105, as renumbered and amended by Laws of  
43 Utah 2015, Chapter 283)

44           **35A-8-2106**, (Renumbered from 63N-5-106, as renumbered and amended by Laws of  
45 Utah 2015, Chapter 283)

46           **35A-8-2107**, (Renumbered from 63N-5-107, as renumbered and amended by Laws of  
47 Utah 2015, Chapter 283)

48           **35A-8-2108**, (Renumbered from 63N-5-108, as renumbered and amended by Laws of  
49 Utah 2015, Chapter 283)

50           **35A-8-2109**, (Renumbered from 63N-5-109, as renumbered and amended by Laws of  
51 Utah 2015, Chapter 283)

52           **35A-8-2110**, (Renumbered from 63N-5-110, as enacted by Laws of Utah 2015, Chapter  
53 283)

54 REPEALS:

55           **63N-2-412**, as renumbered and amended by Laws of Utah 2015, Chapter 283

56           **63N-11-101**, as renumbered and amended by Laws of Utah 2015, Chapter 283

57           **63N-11-102**, as renumbered and amended by Laws of Utah 2015, Chapter 283

- 58 **63N-11-103**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 59 **63N-11-104**, as last amended by Laws of Utah 2017, Chapter 292
- 60 **63N-11-105**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 61 **63N-11-106**, as last amended by Laws of Utah 2017, Chapter 18
- 62 **63N-12-101**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63 **63N-12-102**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 64 **63N-12-103**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 65 **63N-12-104**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 66 **63N-12-105**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 67 **63N-12-106**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 68 **63N-12-107**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 69 **63N-12-108**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 70 **63N-12-301**, as enacted by Laws of Utah 2015, Chapter 278
- 71 **63N-12-302**, as enacted by Laws of Utah 2015, Chapter 278
- 72 **63N-12-303**, as enacted by Laws of Utah 2015, Chapter 278
- 73 **63N-12-304**, as enacted by Laws of Utah 2015, Chapter 278
- 74 **63N-12-305**, as enacted by Laws of Utah 2015, Chapter 278

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

77 **Part 21. Private Activity Bonds**

78 Section 1. Section **35A-8-2101**, which is renumbered from Section 63N-5-101 is  
 79 renumbered and amended to read:

80 ~~[63N-5-101].~~ **35A-8-2101. Title -- Purpose.**

81 (1) This [~~chapter~~] part is known as "Private Activity Bonds."

82 (2) [~~It is the intent of the Legislature to establish~~] This part establishes procedures to  
 83 [~~most~~] effectively and equitably allocate this state's private activity bond volume cap  
 84 authorized by the Internal Revenue Code of 1986 in order to maximize the social and economic  
 85 benefits to this state.

86 Section 2. Section **35A-8-2102**, which is renumbered from Section 63N-5-102 is  
87 renumbered and amended to read:

88 ~~[63N-5-102]~~. **35A-8-2102. Definitions.**

89 As used in this part:

90 (1) "Allocated volume cap" means a volume cap for which:

91 (a) a certificate of allocation is in effect; or ~~[for which]~~

92 (b) bonds have been issued.

93 (2) "Allotment accounts" means the various accounts created in Section ~~[63N-5-106]~~

94 35A-8-2106.

95 (3) "Board of review" means the Private Activity Bond Review Board created in

96 Section ~~[63N-5-103]~~ 35A-8-2103.

97 (4) "Bond" means any obligation for which an allocation of volume cap is required by  
98 the code.

99 (5) "Code" means the Internal Revenue Code of 1986, as amended, and any related  
100 Internal Revenue Service regulations.

101 (6) "Form 8038" means the Department of the Treasury tax form 8038 (OMB No.  
102 1545-0720) or any other federal tax form or other method of reporting required by the  
103 Department of the Treasury under Section 149(e) of the code.

104 (7) "Issuing authority" means:

105 (a) any county, city, or town in the state;

106 (b) any not-for-profit corporation or joint agency, or other entity acting on behalf of  
107 one or more counties, cities, towns, or any combination of these;

108 (c) the state; or

109 (d) any other entity authorized to issue bonds under state law.

110 (8) "State" means the state of Utah and any of its agencies, institutions, and divisions  
111 authorized to issue bonds or certificates under state law.

112 (9) "Volume cap" means the private activity bond volume cap for the state as computed  
113 under Section 146 of the code.

114 (10) "Year" means each calendar year.

115 Section 3. Section **35A-8-2103**, which is renumbered from Section 63N-5-103 is  
116 renumbered and amended to read:

117 ~~[63N-5-103].~~ **35A-8-2103. Private Activity Bond Review Board.**

118 (1) There is created within the ~~[office]~~ department the Private Activity Bond Review  
119 Board, composed of the following 11 members:

120 (a) (i) the executive director of the ~~[office]~~ department or the executive director's  
121 designee;

122 ~~[(ii) an employee of the office designated by the executive director;]~~

123 (ii) the executive director of the Governor's Office of Economic Development or the  
124 executive director's designee;

125 (iii) the state treasurer or the state treasurer's designee;

126 (iv) the chair of the Board of Regents or the chair's designee; and

127 (v) the chair of the Utah Housing Corporation or the chair's designee; and

128 (b) six local government members who are:

129 (i) three elected or appointed county officials, nominated by the Utah Association of  
130 Counties and appointed by the governor with the consent of the Senate; and

131 (ii) three elected or appointed municipal officials, nominated by the Utah League of  
132 Cities and Towns and appointed by the governor with the consent of the Senate.

133 (2) (a) Except as required by Subsection (2)(b), the terms of office for the local  
134 government members of the board of review shall be four-year terms.

135 (b) Notwithstanding the requirements of Subsection (2)(a), the governor shall, at the  
136 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
137 board of review members are staggered so that approximately half of the board of review is  
138 appointed every two years.

139 (c) Members may be reappointed only once.

140 (3) (a) If a local government member ceases to be an elected or appointed official of  
141 the city or county the member is appointed to represent, that membership on the board of

142 review terminates immediately and there shall be a vacancy in the membership.

143 (b) When a vacancy occurs in the membership for any reason, the replacement shall be  
144 appointed within 30 days in the manner of the regular appointment for the unexpired term[, and  
145 until his successor is appointed and qualified].

146 (4) (a) The chair of the board of review is the executive director of the [~~office~~]  
147 department or the executive director's designee.

148 (b) The chair is nonvoting except in the case of a tie vote.

149 (5) Six members of the board of review constitute a quorum.

150 (6) Formal action by the board of review requires a majority vote of a quorum.

151 (7) A member may not receive compensation or benefits for the member's service, but  
152 may receive per diem and travel expenses in accordance with:

153 (a) Section 63A-3-106;

154 (b) Section 63A-3-107; and

155 (c) rules made by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

156 (8) The chair of the board of review serves as the state official designated under state  
157 law to make certifications required to be made under Section 146 of the code including the  
158 certification required by Section 149(e)(2)(F) of the code.

159 Section 4. Section 35A-8-2104, which is renumbered from Section 63N-5-104 is  
160 renumbered and amended to read:

161 ~~[63N-5-104].~~ 35A-8-2104. Powers, functions, and duties of the board of  
162 review.

163 The board of review shall:

164 (1) make, subject to the limitations of the code, allocations of volume cap to issuing  
165 authorities;

166 (2) determine the amount of volume cap to be allocated with respect to approved  
167 applications;

168 (3) maintain a record of all applications filed by issuing authorities under Section  
169 [~~63N-5-105~~] 35A-8-2105 and all certificates of allocation issued under Section [~~63N-5-107~~]

170 [35A-8-2107](#);

171 (4) maintain a record of all bonds issued by issuing authorities during each year;

172 (5) determine the amount of volume cap to be treated as a carryforward under Section  
173 146(f) of the code and allocate this carryforward to one or more qualified carryforward  
174 purposes;

175 (6) make available upon reasonable request a certified copy of all or any part of the  
176 records maintained by the board of review under this part or a summary of them, including  
177 information relating to the volume cap for each year and any amounts available for allocation  
178 under this part;

179 (7) [~~promulgate~~] make rules for the allocation of volume cap under this part; and

180 (8) charge reasonable fees for the performance of duties prescribed by this part,  
181 including application, filing, and processing fees.

182 Section 5. Section **35A-8-2105**, which is renumbered from Section 63N-5-105 is  
183 renumbered and amended to read:

184 [~~63N-5-105~~]. **35A-8-2105. Allocation of volume cap.**

185 (1) (a) Subject to Subsection (1)(b), the volume cap for each year shall be distributed  
186 by the board of review to the [~~various~~] allotment accounts as [~~set forth~~] described in Section  
187 [~~63N-5-106~~] [35A-8-2106](#).

188 (b) The board of review may distribute up to 50% of each increase in the volume cap  
189 for use in development that occurs in quality growth areas, depending upon the board's analysis  
190 of the relative need for additional volume cap between development in quality growth areas  
191 and the allotment accounts under Section [~~63N-5-106~~] [35A-8-2106](#).

192 (2) To obtain an allocation of the volume cap, issuing authorities shall submit to the  
193 board of review an application containing information required by the procedures and  
194 processes of the board of review.

195 (3) (a) The board of review shall establish criteria for making allocations of volume  
196 cap that are consistent with the purposes of the code and this part.

197 (b) In making an allocation of volume cap the board of review shall consider the

198 following:

- 199 (i) the principal amount of the bonds proposed to be issued;
- 200 (ii) the nature and the location of the project or the type of program;
- 201 (iii) the likelihood that the bonds will be sold and the timeframe of bond issuance;
- 202 (iv) whether the project or program could obtain adequate financing without an  
203 allocation of volume cap;
- 204 (v) the degree to which an allocation of volume cap is required for the project or  
205 program to proceed or continue;
- 206 (vi) the social, health, economic, and educational effects of the project or program on  
207 the local community and state as a whole;
- 208 (vii) the anticipated economic development created or retained within the local  
209 community and the state as a whole;
- 210 (viii) the anticipated number of jobs, both temporary and permanent, created or  
211 retained within the local community and the state as a whole;
- 212 (ix) if the project is a residential rental project, the degree to which the residential  
213 rental project:
  - 214 (A) targets lower income populations; and
  - 215 (B) is accessible housing; and
- 216 (x) whether the project meets the principles of quality growth recommended by the  
217 Quality Growth Commission created ~~[under]~~ in Section [11-38-201](#).
- 218 (4) The board of review shall provide evidence of an allocation of volume cap by  
219 issuing a certificate in accordance with Section ~~[63N-5-107]~~ [35A-8-2107](#).
- 220 (5) (a) From January 1 to June 30 of each year, the board of review shall set aside at  
221 least 50% of the Small Issue Bond Account that may only be allocated ~~[only]~~ to manufacturing  
222 projects.
- 223 (b) From July 1 to August 15 of each year, the board of review shall set aside at least  
224 50% of the Pool Account that may only be allocated ~~[only]~~ to manufacturing projects.
- 225 Section 6. Section **35A-8-2106**, which is renumbered from Section 63N-5-106 is



226 renumbered and amended to read:

227 ~~[63N-5-106]~~. 35A-8-2106. **Allotment accounts.**

228 (1) There are created the following allotment accounts:

229 (a) the Single Family Housing Account, for which eligible issuing authorities are those  
230 authorized under the code and state statute to issue qualified mortgage bonds under Section 143  
231 of the code;

232 (b) the Student Loan Account, for which eligible issuing authorities are those  
233 authorized under the code and state statute to issue qualified student loan bonds under Section  
234 144(b) of the code;

235 (c) the Small Issue Bond Account, for which eligible issuing authorities are those  
236 authorized under the code and state statute to issue:

237 (i) qualified small issue bonds under Section 144(a) of the code;

238 (ii) qualified exempt facility bonds for qualified residential rental projects under  
239 Section 142(d) of the code; or

240 (iii) qualified redevelopment bonds under Section 144(c) of the code;

241 (d) the Exempt Facilities Account, for which eligible issuing authorities are those  
242 authorized under the code and state statute to issue any bonds requiring an allocation of volume  
243 cap other than for purposes described in Subsections (1)(a), (b), or (c);

244 (e) the Pool Account, for which eligible issuing authorities are those authorized under  
245 the code and state statute to issue any bonds requiring an allocation of volume cap; and

246 (f) the Carryforward Account, for which eligible issuing authorities are those with  
247 projects or programs qualifying under Section 146(f) of the code.

248 (2) (a) The volume cap shall be distributed to the ~~[various]~~ allotment accounts on  
249 January 1 of each year on the following basis:

250 (i) 42% to the Single Family Housing Account;

251 (ii) 33% to the Student Loan Account;

252 (iii) 1% to the Exempt Facilities Account; and

253 (iv) 24% to the Small Issue Bond Account.

254 (b) From July 1 to September 30 of each year, the board of review may transfer any  
255 unallocated volume cap from the Exempt Facilities Account or the Small Issue Bond Account  
256 to the Pool Account.

257 (c) [~~The board of review, upon~~] Upon written notification by the issuing authorities  
258 eligible for volume cap allocation from the Single Family Housing Account or the Student  
259 Loan Account that all or a portion of volume cap distributed into that allotment account will  
260 not be used, the board of review may transfer the unused volume cap between the Single  
261 Family Housing Account and the Student Loan Account.

262 (d) From October 1 to the third Friday of December of each year, the board of review  
263 shall transfer all unallocated volume cap into the Pool Account.

264 (e) On the third Saturday of December of each year, the board of review shall transfer  
265 uncollected volume cap, or allocated volume cap for which bonds have not been issued prior to  
266 the third Saturday of December, into the Carryforward Account.

267 (f) If the authority to issue bonds designated in any allotment account is rescinded by  
268 amendment to the code, the board of review may transfer any unallocated volume cap from that  
269 allotment account to any other allotment account.

270 Section 7. Section **35A-8-2107**, which is renumbered from Section 63N-5-107 is  
271 renumbered and amended to read:

272 [~~63N-5-107~~]. **35A-8-2107. Certificates of allocation.**

273 (1) (a) After an allocation of volume cap for a project or program is approved by the  
274 board of review, the board of review shall issue a numbered certificate of allocation stating the  
275 amount of the allocation, the allotment account for which the allocation is being made, and the  
276 expiration date of the allocation.

277 (b) The certificates of allocation shall be mailed to the issuing authority within 10  
278 working days of the date of approval.

279 (c) [~~No bonds~~] Bonds are not entitled to any allocation of the volume cap unless the  
280 issuing authority received a certificate of allocation with respect to the bonds.

281 (d) (i) Certificates of allocation shall remain in effect for a period of 90 days from the

282 date of approval.

283 (ii) If bonds for which a certificate has been approved are not issued within the 90-day  
284 period, the certificate of allocation is void and volume cap shall be returned to the applicable  
285 allotment account for reallocation by the board of review.

286 (2) (a) An issuing authority receiving an allocation of volume cap from the  
287 Carryforward Account shall receive a certificate of allocation similar to the certificates of  
288 allocation described in Subsection (1) from the board of review stating the amount of allocation  
289 from the Carryforward Account that has been allocated to the issuing authority and the  
290 expiration of the allocation.

291 (b) (i) If in the judgment of the board of review an issuing authority or a person or  
292 entity responsible for a project or program receiving an allocation from the Carryforward  
293 Account does not proceed with diligence in providing for the issuance of the bonds with  
294 respect to the project or program, and because of the lack of diligence the volume cap cannot  
295 be used, the board of review may exclude from [its] the board of review's consideration for a  
296 given period of time, determined by the board of review, an application of the issuing authority,  
297 person, or entity.

298 (ii) The board of review may, at any time, review and modify [its] the board of review's  
299 decisions relating to ~~[this exclusion]~~ the exclusion described in this Subsection (2)(b).

300 Section 8. Section **35A-8-2108**, which is renumbered from Section 63N-5-108 is  
301 renumbered and amended to read:

302 ~~[63N-5-108].~~ **35A-8-2108. Issuing authorities -- Limitations -- Duties.**

303 (1) (a) ~~[Any]~~ Notwithstanding any law to the contrary ~~[notwithstanding]~~, an issuing  
304 authority issuing bonds without a certificate of allocation issued under Section ~~[63N-5-107]~~  
305 35A-8-2107, or an issuing authority issuing bonds after the expiration of a certificate of  
306 allocation, is not entitled to an allocation of the volume cap for those bonds.

307 (b) An issuing authority issuing bonds in excess of the amount set forth in the related  
308 certificate of allocation is not entitled to an allocation of the volume cap for the excess.

309 (2) Each issuing authority shall:

310 (a) advise the board of review, within 15 days after the issuance of bonds, of the  
 311 principal amount of bonds issued under each certificate of allocation by delivering to the board  
 312 of review a copy of the Form 8038 that was delivered or shall be delivered to the Internal  
 313 Revenue Service in connection with the bonds, or, if no Form 8038 is required to be delivered  
 314 to the Internal Revenue Service, a completed copy of a Form 8038 prepared for the board of  
 315 review with respect to the bonds; and

316 (b) if all or a stated portion of the bonds for which a certificate of allocation was  
 317 received will not be issued, advise the board of review in writing, within 15 days of the earlier  
 318 of:

319 (i) the final decision not to issue all or a stated portion of the bonds; or

320 (ii) the expiration of the certificate of allocation.

321 (3) Failure by an issuing authority to notify the board of review under Subsection (2),  
 322 including failure to timely deliver a Form 8038, may, in the sole discretion of the board of  
 323 review, result in the ~~[issuing authority being denied]~~ board of review denying further  
 324 consideration of applications from the issuing authority.

325 Section 9. Section **35A-8-2109**, which is renumbered from Section 63N-5-109 is  
 326 renumbered and amended to read:

327 ~~[63N-5-109]~~. **35A-8-2109. Procedures -- Adjudicative proceedings.**

328 The board of review shall comply with the procedures and requirements of Title 63G,  
 329 Chapter 4, Administrative Procedures Act, in ~~[its]~~ the board of review's adjudicative  
 330 proceedings.

331 Section 10. Section **35A-8-2110**, which is renumbered from Section 63N-5-110 is  
 332 renumbered and amended to read:

333 ~~[63N-5-110]~~. **35A-8-2110. Duties of the department.**

334 (1) The ~~[office]~~ department is recognized as an issuing authority as defined in Section  
 335 ~~[63N-5-102]~~ 35A-8-2102, entitled to issue bonds from the Small Issue Bond Account created  
 336 in Subsection ~~[63N-5-106(1)(c)]~~ 35A-8-2106(1)(c) as a part of the state's private activity bond  
 337 volume cap authorized by the Internal Revenue Code and computed under Section 146, Internal

338 Revenue Code.

339 (2) To promote and encourage the issuance of bonds from the Small Issue Bond  
340 Account for manufacturing projects, the [~~office~~] department may:

341 (a) develop campaigns and materials that inform qualified small manufacturing  
342 businesses about the existence of the program and the application process;

343 (b) assist small businesses in applying for and qualifying for these bonds; and

344 (c) develop strategies to lower the cost to small businesses of applying for and  
345 qualifying for these bonds, including making arrangements with financial advisors,  
346 underwriters, bond counsel, and other professionals involved in the issuance process to provide  
347 [~~their~~] services at a reduced rate when the [~~division~~] department can provide [~~them~~] such  
348 service providers with a high volume of applicants or issues.

349 Section 11. Section **63I-1-263** is amended to read:

350 **63I-1-263. Repeal dates, Titles 63A to 63N.**

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

352 (2) Section **63A-5-603**, State Facility Energy Efficiency Fund, is repealed July 1, 2023.

353 (3) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July  
354 1, 2018.

355 (4) Title 63C, Chapter 4b, Commission for the Stewardship of Public Lands, is  
356 repealed November 30, 2019.

357 (5) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1,  
358 2020.

359 (6) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is  
360 repealed July 1, 2021.

361 (7) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1,  
362 2018.

363 (8) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,  
364 2023.

365 (9) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,

366 2020.

367 (10) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.

368 (11) On July 1, 2025:

369 (a) in Subsection 17-27a-404(3)(c)(ii), the language that states "the Resource  
370 Development Coordinating Committee," is repealed;

371 (b) Subsection 23-14-21(2)(c) is amended to read "(c) provide notification of proposed  
372 sites for the transplant of species to local government officials having jurisdiction over areas  
373 that may be affected by a transplant.";

374 (c) in Subsection 23-14-21(3), the language that states "and the Resource Development  
375 Coordinating Committee" is repealed;

376 (d) in Subsection 23-21-2.3(1), the language that states "the Resource Development  
377 Coordinating Committee created in Section 63J-4-501 and" is repealed;

378 (e) in Subsection 23-21-2.3(2), the language that states "the Resource Development  
379 Coordinating Committee and" is repealed;

380 (f) Subsection 63J-4-102(1) is repealed and the remaining subsections are renumbered  
381 accordingly;

382 (g) Subsections 63J-4-401(5)(a) and (c) are repealed;

383 (h) Subsection 63J-4-401(5)(b) is renumbered to Subsection 63J-4-401(5)(a) and the  
384 word "and" is inserted immediately after the semicolon;

385 (i) Subsection 63J-4-401(5)(d) is renumbered to Subsection 63J-4-401(5)(b);

386 (j) Sections 63J-4-501, 63J-4-502, 63J-4-503, 63J-4-504, and 63J-4-505 are repealed;  
387 and

388 (k) Subsection 63J-4-603(1)(e)(iv) is repealed and the remaining subsections are  
389 renumbered accordingly.

390 (12) (a) Subsection 63J-1-602.4(15) is repealed July 1, 2022.

391 (b) When repealing Subsection 63J-1-602.4(15), the Office of Legislative Research and  
392 General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make  
393 necessary changes to subsection numbering and cross references.

- 394 (13) The Crime Victim Reparations and Assistance Board, created in Section  
395 [63M-7-504](#), is repealed July 1, 2027.
- 396 (14) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2027.
- 397 (15) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2018.
- 398 (16) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is  
399 repealed January 1, 2021.
- 400 (b) Subject to Subsection (16)(c), Sections [59-7-610](#) and [59-10-1007](#) regarding tax  
401 credits for certain persons in recycling market development zones, are repealed for taxable  
402 years beginning on or after January 1, 2021.
- 403 (c) A person may not claim a tax credit under Section [59-7-610](#) or [59-10-1007](#):
- 404 (i) for the purchase price of machinery or equipment described in Section [59-7-610](#) or  
405 [59-10-1007](#), if the machinery or equipment is purchased on or after January 1, 2021; or  
406 (ii) for an expenditure described in Subsection [59-7-610](#)(1)(b) or [59-10-1007](#)(1)(b), if  
407 the expenditure is made on or after January 1, 2021.
- 408 (d) Notwithstanding Subsections (16)(b) and (c), a person may carry forward a tax  
409 credit in accordance with Section [59-7-610](#) or [59-10-1007](#) if:
- 410 (i) the person is entitled to a tax credit under Section [59-7-610](#) or [59-10-1007](#); and  
411 (ii) (A) for the purchase price of machinery or equipment described in Section  
412 [59-7-610](#) or [59-10-1007](#), the machinery or equipment is purchased on or before December 31,  
413 2020; or  
414 (B) for an expenditure described in Subsection [59-7-610](#)(1)(b) or [59-10-1007](#)(1)(b), the  
415 expenditure is made on or before December 31, 2020.
- 416 (17) Section [63N-2-512](#) is repealed on July 1, 2021.
- 417 (18) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed  
418 January 1, 2021.
- 419 (b) Section [59-9-107](#) regarding tax credits against premium taxes is repealed for  
420 calendar years beginning on or after January 1, 2021.
- 421 (c) Notwithstanding Subsection (18)(b), an entity may carry forward a tax credit in

422 accordance with Section 59-9-107 if:

423 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December  
424 31, 2020; and

425 (ii) the qualified equity investment that is the basis of the tax credit is certified under  
426 Section 63N-2-603 on or before December 31, 2023.

427 (19) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program,  
428 is repealed January 1, 2023.

429 [~~(20) Title 63N, Chapter 12, Part 3, Utah Broadband Outreach Center, is repealed July~~  
430 ~~1, 2018.~~]

431 [~~(21)~~] (20) Title 63N, Chapter 12, Part 4, Career and Technical Education Board, is  
432 repealed July 1, 2018.

433 Section 12. Section 63N-3-111 is amended to read:

434 **63N-3-111. Annual policy considerations.**

435 (1) (a) The board shall determine annually which industries or groups of industries  
436 shall be targeted industries as defined in Section 63N-3-102.

437 (b) The office shall make recommendations to state and federal agencies, local  
438 governments, the governor, and the Legislature regarding policies and initiatives that promote  
439 the economic development of targeted industries.

440 (c) The office may create one or more voluntary advisory committees that may include  
441 public and private stakeholders to solicit input on policy guidance and best practices in  
442 encouraging the economic development of targeted industries.

443 (2) In designating an economically disadvantaged rural area, the board shall consider  
444 the average agricultural and nonagricultural wage, personal income, unemployment, and  
445 employment in the area.

446 (3) In evaluating the economic impact of applications for assistance, the board shall use  
447 an econometric cost-benefit model or models adopted by the Governor's Office of Management  
448 and Budget.

449 (4) The board may establish:



450 (a) minimum interest rates to be applied to loans granted that reflect a fair social rate of  
451 return to the state comparable to prevailing market-based rates such as the prime rate, U.S.  
452 Government T-bill rate, or bond coupon rate as paid by the state, adjusted by social indicators  
453 such as the rate of unemployment; and

454 (b) minimum applicant expense ratios, as long as they are at least equal to those  
455 required under Subsection [63N-3-105\(1\)\(a\)](#) or [63N-3-108\(1\)\(b\)\(i\)\(A\)](#).

456 Section 13. Section **63N-3-501** is enacted to read:

457 **Part 5. Infrastructure and Broadband Coordination**

458 **63N-3-501. Infrastructure and broadband coordination.**

459 (1) The office shall partner with the Automated Geographic Reference Center created  
460 in Section [63F-1-506](#) to collect and maintain a database and interactive map that displays  
461 economic development data statewide, including:

462 (a) voluntarily submitted broadband availability, speeds, and other broadband data;

463 (b) voluntarily submitted public utility data;

464 (c) workforce data, including information regarding:

465 (i) enterprise zones designated under Section [63N-2-206](#);

466 (ii) business resource centers;

467 (iii) public institutions of higher education; and

468 (iv) procurement technical assistance centers;

469 (d) transportation data, which may include information regarding railway routes,  
470 commuter rail routes, airport locations, and major highways;

471 (e) lifestyle data, which may include information regarding state parks, national parks  
472 and monuments, United States Forest Service boundaries, ski areas, golf courses, and hospitals;  
473 and

474 (f) other relevant economic development data as determined by the office, including  
475 data provided by partner organizations.

476 (2) The office may:

477 (a) make recommendations to state and federal agencies, local governments, the

478 governor, and the Legislature regarding policies and initiatives that promote the development  
479 of broadband-related infrastructure in the state and help implement those policies and  
480 initiatives;

481 (b) facilitate coordination between broadband providers and public and private entities;

482 (c) collect and analyze data on broadband availability and usage in the state, including  
483 Internet speed, capacity, the number of unique visitors, and the availability of broadband  
484 infrastructure throughout the state;

485 (d) create a voluntary broadband advisory committee, which shall include broadband  
486 providers and other public and private stakeholders, to solicit input on broadband-related policy  
487 guidance, best practices, and adoption strategies;

488 (e) work with broadband providers, state and local governments, and other public and  
489 private stakeholders to facilitate and encourage the expansion and maintenance of broadband  
490 infrastructure throughout the state; and

491 (f) in accordance with the requirements of Title 63J, Chapter 5, Federal Funds  
492 Procedures Act, and in accordance with federal requirements:

493 (i) apply for federal grants;

494 (ii) participate in federal programs; and

495 (iii) administer federally funded broadband-related programs.

496 Section 14. **Repealer.**

497 This bill repeals:

498 Section **63N-2-412, Technology Commercialization and Innovation Program.**

499 Section **63N-11-101, Title.**

500 Section **63N-11-102, Definitions.**

501 Section **63N-11-103, Duties related to health system reform.**

502 Section **63N-11-104, Creation of Office of Consumer Health Services -- Duties.**

503 Section **63N-11-105, Strategic plan for health system reform.**

504 Section **63N-11-106, Reporting on federal health reform -- Prohibition of**

505 **individual mandate.**

- 506 Section **63N-12-101**, **Title -- Purpose.**
- 507 Section **63N-12-102**, **Definition of terms.**
- 508 Section **63N-12-103**, **Creation.**
- 509 Section **63N-12-104**, **Members -- Appointment -- Terms -- Qualifications --**
- 510 **Vacancies -- Chair and vice chair -- Executive secretary -- Executive committee --**
- 511 **Quorum -- Expenses.**
- 512 Section **63N-12-105**, **Duties and powers.**
- 513 Section **63N-12-106**, **Adviser -- Duties and powers.**
- 514 Section **63N-12-107**, **Request for information.**
- 515 Section **63N-12-108**, **Science education program.**
- 516 Section **63N-12-301**, **Title.**
- 517 Section **63N-12-302**, **Definitions.**
- 518 Section **63N-12-303**, **Creation of center.**
- 519 Section **63N-12-304**, **Center responsibilities.**
- 520 Section **63N-12-305**, **Reporting.**
- 521 Section 15. **Effective date.**
- 522 This bill takes effect on July 1, 2018.