

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

6

LONG TITLE

7 **Committee Note:**

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

10 **General Description:**

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

13 **Highlighted Provisions:**

14 This bill:

15 ▶ moves and renumbers provisions related to private activity bonds from GOED to
16 DWS;

17 ▶ repeals provisions related to the State Advisory Council on Science and
18 Technology, the Utah Broadband Outreach Center, the Technology

19 Commercialization and Innovation Program, and the Health System Reform Act;

20 ▶ modifies GOED's duties regarding certain targeted industries;

21 ▶ modifies GOED's duties regarding broadband economic development and mapping;

22 and

23 ▶ makes technical changes.

24 **Money Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27



28 This bill provides a special effective date.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **63I-1-263**, as last amended by Laws of Utah 2017, Chapters 23, 47, 95, 166, 205, 469,
32 and 470

33 **63N-3-111**, as renumbered and amended by Laws of Utah 2015, Chapter 283

34 ENACTS:

35 **63N-3-501**, Utah Code Annotated 1953

36 RENUMBERS AND AMENDS:

37 **35A-8-2101**, (Renumbered from 63N-5-101, as renumbered and amended by Laws of
38 Utah 2015, Chapter 283)

39 **35A-8-2102**, (Renumbered from 63N-5-102, as renumbered and amended by Laws of
40 Utah 2015, Chapter 283)

41 **35A-8-2103**, (Renumbered from 63N-5-103, as renumbered and amended by Laws of
42 Utah 2015, Chapter 283)

43 **35A-8-2104**, (Renumbered from 63N-5-104, as renumbered and amended by Laws of
44 Utah 2015, Chapter 283)

45 **35A-8-2105**, (Renumbered from 63N-5-105, as renumbered and amended by Laws of
46 Utah 2015, Chapter 283)

47 **35A-8-2106**, (Renumbered from 63N-5-106, as renumbered and amended by Laws of
48 Utah 2015, Chapter 283)

49 **35A-8-2107**, (Renumbered from 63N-5-107, as renumbered and amended by Laws of
50 Utah 2015, Chapter 283)

51 **35A-8-2108**, (Renumbered from 63N-5-108, as renumbered and amended by Laws of
52 Utah 2015, Chapter 283)

53 **35A-8-2109**, (Renumbered from 63N-5-109, as renumbered and amended by Laws of
54 Utah 2015, Chapter 283)

55 **35A-8-2110**, (Renumbered from 63N-5-110, as enacted by Laws of Utah 2015, Chapter
56 283)

57 REPEALS:

58 **63N-2-412**, as renumbered and amended by Laws of Utah 2015, Chapter 283

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

92 ~~[63N-5-102]~~. **35A-8-2102. Definitions.**

93 As used in this part:

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

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

96 (b) bonds have been issued.

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

98 35A-8-2106.

99 (3) "Board of review" means the Private Activity Bond Review Board created in
100 Section ~~[63N-5-103]~~ 35A-8-2103.

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

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

105 (6) "Form 8038" means the Department of the Treasury tax form 8038 (OMB No.
106 1545-0720) or any other federal tax form or other method of reporting required by the
107 Department of the Treasury under Section 149(e) of the code.

108 (7) "Issuing authority" means:

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

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

112 (c) the state; or

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

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

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

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

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

121 ~~[63N-5-103].~~ 35A-8-2103. Private Activity Bond Review Board.

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

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

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

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

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

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

131 (v) ~~[the chair of the Utah Housing Corporation or the chair's]~~ the director of the
132 division or the director's designee; and

133 (b) six local government members who are:

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

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

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

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

144 (c) Members may be reappointed only once.

145 (3) (a) If a local government member ceases to be an elected or appointed official of
146 the city or county the member is appointed to represent, that membership on the board of
147 review terminates immediately and there shall be a vacancy in the membership.

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

151 (4) (a) The chair of the board of review is the executive director of the ~~[office]~~

152 department or the executive director's designee.

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

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

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

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

158 (a) Section [63A-3-106](#);

159 (b) Section [63A-3-107](#); and

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

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

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

166 ~~[63N-5-104].~~ **35A-8-2104. Powers, functions, and duties of board of**
167 **review.**

168 The board of review shall:

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

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

173 (3) maintain a record of all applications filed by issuing authorities under Section
174 ~~[63N-5-105]~~ [35A-8-2105](#) and all certificates of allocation issued under Section ~~[63N-5-107]~~
175 [35A-8-2107](#);

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

177 (5) determine the amount of volume cap to be treated as a carryforward under Section
178 146(f) of the code and allocate this carryforward to one or more qualified carryforward
179 purposes;

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

183 under this part;

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

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

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

189 ~~[63N-5-105]~~. **35A-8-2105. Allocation of volume cap.**

190 (1) (a) Subject to Subsection (1)(b), the volume cap for each year shall be distributed
191 by the board of review to the [~~various~~] allotment accounts as [~~set forth~~] described in Section
192 [~~63N-5-106~~] 35A-8-2106.

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

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

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

202 (b) In making an allocation of volume cap the board of review shall consider the
203 following:

204 (i) the principal amount of the bonds proposed to be issued;

205 (ii) the nature and the location of the project or the type of program;

206 (iii) the likelihood that the bonds will be sold and the timeframe of bond issuance;

207 (iv) whether the project or program could obtain adequate financing without an
208 allocation of volume cap;

209 (v) the degree to which an allocation of volume cap is required for the project or
210 program to proceed or continue;

211 (vi) the social, health, economic, and educational effects of the project or program on
212 the local community and state as a whole;

213 (vii) the anticipated economic development created or retained within the local

214 community and the state as a whole;

215 (viii) the anticipated number of jobs, both temporary and permanent, created or
216 retained within the local community and the state as a whole;

217 (ix) if the project is a residential rental project, the degree to which the residential
218 rental project:

219 (A) targets lower income populations; and

220 (B) is accessible housing; and

221 (x) whether the project meets the principles of quality growth recommended by the
222 Quality Growth Commission created ~~[under]~~ in Section 11-38-201.

223 (4) The board of review shall provide evidence of an allocation of volume cap by
224 issuing a certificate in accordance with Section ~~[63N-5-107]~~ 35A-8-2107.

225 (5) (a) From January 1 to June 30 of each year, the board of review shall set aside at
226 least 50% of the Small Issue Bond Account that may only be allocated ~~[only]~~ to manufacturing
227 projects.

228 (b) From July 1 to August 15 of each year, the board of review shall set aside at least
229 50% of the Pool Account that may only be allocated ~~[only]~~ to manufacturing projects.

230 Section 6. Section **35A-8-2106**, which is renumbered from Section 63N-5-106 is
231 renumbered and amended to read:

232 ~~[63N-5-106]~~. **35A-8-2106. Allotment accounts.**

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

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

237 (b) the Student Loan Account, for which eligible issuing authorities are those
238 authorized under the code and state statute to issue qualified student loan bonds under Section
239 144(b) of the code;

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

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

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

- 245 (iii) qualified redevelopment bonds under Section 144(c) of the code;
- 246 (d) the Exempt Facilities Account, for which eligible issuing authorities are those
247 authorized under the code and state statute to issue any bonds requiring an allocation of volume
248 cap other than for purposes described in Subsections (1)(a), (b), or (c);
- 249 (e) the Pool Account, for which eligible issuing authorities are those authorized under
250 the code and state statute to issue any bonds requiring an allocation of volume cap; and
- 251 (f) the Carryforward Account, for which eligible issuing authorities are those with
252 projects or programs qualifying under Section 146(f) of the code.
- 253 (2) (a) The volume cap shall be distributed to the [~~various~~] allotment accounts on
254 January 1 of each year on the following basis:
- 255 (i) 42% to the Single Family Housing Account;
- 256 (ii) 33% to the Student Loan Account;
- 257 (iii) 1% to the Exempt Facilities Account; and
- 258 (iv) 24% to the Small Issue Bond Account.
- 259 (b) From July 1 to September 30 of each year, the board of review may transfer any
260 unallocated volume cap from the Exempt Facilities Account or the Small Issue Bond Account
261 to the Pool Account.
- 262 (c) [~~The board of review, upon~~] Upon written notification by the issuing authorities
263 eligible for volume cap allocation from the Single Family Housing Account or the Student
264 Loan Account that all or a portion of volume cap distributed into that allotment account will
265 not be used, the board of review may transfer the unused volume cap between the Single
266 Family Housing Account and the Student Loan Account.
- 267 (d) From October 1 to the third Friday of December of each year, the board of review
268 shall transfer all unallocated volume cap into the Pool Account.
- 269 (e) On the third Saturday of December of each year, the board of review shall transfer
270 uncollected volume cap, or allocated volume cap for which bonds have not been issued prior to
271 the third Saturday of December, into the Carryforward Account.
- 272 (f) If the authority to issue bonds designated in any allotment account is rescinded by
273 amendment to the code, the board of review may transfer any unallocated volume cap from that
274 allotment account to any other allotment account.
- 275 Section 7. Section **35A-8-2107**, which is renumbered from Section 63N-5-107 is

276 renumbered and amended to read:

277 ~~[63N-5-107].~~ 35A-8-2107. Certificates of allocation.

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

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

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

286 (d) (i) Certificates of allocation shall remain in effect for a period of 90 days from the
287 date of approval.

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

291 (2) (a) An issuing authority receiving an allocation of volume cap from the
292 Carryforward Account shall receive a certificate of allocation similar to the certificates of
293 allocation described in Subsection (1) from the board of review stating the amount of allocation
294 from the Carryforward Account that has been allocated to the issuing authority and the
295 expiration of the allocation.

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

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

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

307 ~~[63N-5-108]~~. 35A-8-2108. Issuing authorities -- Limitations -- Duties.

308 (1) (a) ~~[Any]~~ Notwithstanding any law to the contrary ~~[notwithstanding]~~, an issuing
309 authority issuing bonds without a certificate of allocation issued under Section ~~[63N-5-107]~~
310 35A-8-2107, or an issuing authority issuing bonds after the expiration of a certificate of
311 allocation, is not entitled to an allocation of the volume cap for those bonds.

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

314 (2) Each issuing authority shall:

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

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

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

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

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

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

332 ~~[63N-5-109]~~. 35A-8-2109. Procedures -- Adjudicative proceedings.

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

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

338 ~~[63N-5-110]~~. 35A-8-2110. Duties of the department.

339 (1) The ~~[office]~~ department is recognized as an issuing authority as defined in Section
340 ~~[63N-5-102]~~ 35A-8-2102, entitled to issue bonds from the Small Issue Bond Account created
341 in Subsection ~~[63N-5-106(1)(c)]~~ 35A-8-2106(1)(c) as a part of the state's private activity bond
342 volume cap authorized by the Internal Revenue Code and computed under Section 146, Internal
343 Revenue Code.

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

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

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

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

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

355 **63I-1-263. Repeal dates, Titles 63A to 63N.**

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

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

358 (3) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
359 1, 2018.

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

362 (5) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1,
363 2020.

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

366 (7) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1,
367 2018.

368 (8) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,

369 2023.

370 (9) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
371 2020.

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

373 (11) On July 1, 2025:

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

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

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

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

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

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

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

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

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

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

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

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

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

399 (13) The Crime Victim Reparations and Assistance Board, created in Section

400 [63M-7-504](#), is repealed July 1, 2027.

401 (14) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2027.

402 (15) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2018.

403 (16) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is
404 repealed January 1, 2021.

405 (b) Subject to Subsection (16)(c), Sections [59-7-610](#) and [59-10-1007](#) regarding tax
406 credits for certain persons in recycling market development zones, are repealed for taxable
407 years beginning on or after January 1, 2021.

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

409 (i) for the purchase price of machinery or equipment described in Section [59-7-610](#) or
410 [59-10-1007](#), if the machinery or equipment is purchased on or after January 1, 2021; or

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

413 (d) Notwithstanding Subsections (16)(b) and (c), a person may carry forward a tax
414 credit in accordance with Section [59-7-610](#) or [59-10-1007](#) if:

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

416 (ii) (A) for the purchase price of machinery or equipment described in Section
417 [59-7-610](#) or [59-10-1007](#), the machinery or equipment is purchased on or before December 31,
418 2020; or

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

421 (17) Section [63N-2-512](#) is repealed on July 1, 2021.

422 (18) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed
423 January 1, 2021.

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

426 (c) Notwithstanding Subsection (18)(b), an entity may carry forward a tax credit in
427 accordance with Section [59-9-107](#) if:

428 (i) the person is entitled to a tax credit under Section [59-9-107](#) on or before December
429 31, 2020; and

430 (ii) the qualified equity investment that is the basis of the tax credit is certified under

431 Section [63N-2-603](#) on or before December 31, 2023.

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

434 [~~(20) Title 63N, Chapter 12, Part 3, Utah Broadband Outreach Center, is repealed July~~
435 ~~1, 2018.~~]

436 [(21)] (20) Title 63N, Chapter 12, Part 4, Career and Technical Education Board, is
437 repealed July 1, 2018.

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

439 **63N-3-111. Annual policy considerations.**

440 (1) (a) The board shall determine annually which industries or groups of industries
441 shall be targeted industries as defined in Section [63N-3-102](#).

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

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

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

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

454 (4) The board may establish:

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

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

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

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

463 **63N-3-501. Infrastructure and broadband coordination.**

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

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

468 (b) voluntarily submitted public utility data;

469 (c) workforce data, including information regarding:

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

471 (ii) business resource centers;

472 (iii) public institutions of higher education; and

473 (iv) procurement technical assistance centers;

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

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

478 and

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

481 (2) The office may:

482 (a) make recommendations to state and federal agencies, local governments, the
483 governor, and the Legislature regarding policies and initiatives that promote the development
484 of broadband-related infrastructure in the state and help implement those policies and
485 initiatives;

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

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

490 (d) create a voluntary broadband advisory committee, which may include broadband
491 providers and other public and private stakeholders, to solicit input on broadband-related policy
492 guidance, best practices, and adoption strategies;

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

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

498 (i) apply for federal grants;

499 (ii) participate in federal programs; and

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

501 Section 14. **Repealer.**

502 This bill repeals:

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

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

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

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

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

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

509 Section **63N-11-106, Reporting on federal health reform -- Prohibition of**
510 **individual mandate.**

511 Section **63N-12-101, Title -- Purpose.**

512 Section **63N-12-102, Definition of terms.**

513 Section **63N-12-103, Creation.**

514 Section **63N-12-104, Members -- Appointment -- Terms -- Qualifications --**
515 **Vacancies -- Chair and vice chair -- Executive secretary -- Executive committee --**
516 **Quorum -- Expenses.**

517 Section **63N-12-105, Duties and powers.**

518 Section **63N-12-106, Adviser -- Duties and powers.**

519 Section **63N-12-107, Request for information.**

520 Section **63N-12-108, Science education program.**

521 Section **63N-12-301, Title.**

522 Section **63N-12-302, Definitions.**

523 Section **63N-12-303, Creation of center.**

524 Section **63N-12-304**, Center responsibilities.

525 Section **63N-12-305**, Reporting.

526 Section 15. **Effective date.**

527 This bill takes effect on July 1, 2018.

Legislative Review Note
Office of Legislative Research and General Counsel