

1 **TALENT DEVELOPMENT AND RETENTION STRATEGY**

2 2018 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Ann Millner**

5 House Sponsor: Brad R. Wilson

7 **LONG TITLE**

8 **General Description:**

9 This bill creates a program to provide an incentive loan to a student who intends to
10 work in a qualifying job.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ creates the Talent Development Incentive Loan Program to award an incentive loan
15 to an individual who:
 - 16 • pursues a qualifying degree for a qualifying job; and
 - 17 • intends to work in a qualifying job in Utah;
- 18 ▶ requires the institution of higher education to award incentive loans;
- 19 ▶ allows an institution of higher education to use money from a business or industry
20 partner for funding or repaying an incentive loan;
- 21 ▶ provides for the Governor's Office of Economic Development to determine which
22 jobs are qualifying jobs and the qualifying degrees for each qualifying job;
- 23 ▶ describes the conditions under which repayment of an incentive loan is waived or
24 required; and
- 25 ▶ requires the State Board of Regents to make rules.

26 **Money Appropriated in this Bill:**

27 This bill appropriates in fiscal year 2019:

- 28 ▶ to the State Board of Regents – Student Assistance – Talent Development Incentive

29 Loan Program, as an ongoing appropriation:
30 • from the Education Fund, \$2,500,000.

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 ENACTS:

- 35 **53B-10-201**, Utah Code Annotated 1953
- 36 **53B-10-202**, Utah Code Annotated 1953
- 37 **53B-10-203**, Utah Code Annotated 1953
- 38 **53B-10-204**, Utah Code Annotated 1953
- 39 **53B-10-205**, Utah Code Annotated 1953



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

42 Section 1. Section **53B-10-201** is enacted to read:

43 **CHAPTER 10. INCENTIVE LOAN PROGRAMS**

44 **Part 2. Talent Development Incentive Loan Program**

45 **53B-10-201. Definitions.**

46 As used in this part:

47 (1) "Full-time" means the number of credit hours the board determines is full-time
48 enrollment for a student.

49 (2) "GOED" means the Governor's Office of Economic Development created in
50 Section [63N-1-201](#).

51 (3) "Incentive loan" means a loan described in Section [53B-10-202](#).

52 (4) "Institution" means an institution of higher education that is part of the Utah
53 System of Higher Education described in Subsection [53B-1-102\(1\)\(a\)](#).

54 (5) "Program" means the Talent Development Incentive Loan Program created in
55 Section [53B-10-202](#).

56 (6) "Qualifying degree" means an associate's or a bachelor's degree that qualifies an
57 individual to work in a qualifying job, as determined by GOED under Section 53B-10-203.

58 (7) "Qualifying job" means a job:

59 (a) described in Section 53B-10-203 for which an individual may receive an incentive
60 loan for the current two-year period; or

61 (b) (i) that was selected in accordance with Section 53B-10-203 at the time a recipient
62 received an incentive loan; and

63 (ii) (A) for which the recipient is pursuing a qualifying degree;

64 (B) for which the recipient completed a qualifying degree; or

65 (C) in which the recipient is working.

66 (8) "Recipient" means an individual who receives an incentive loan.

67 Section 2. Section 53B-10-202 is enacted to read:

68 **53B-10-202. Talent Development Incentive Loan Program.**

69 (1) There is created the Talent Development Incentive Loan Program to recruit and
70 train individuals to work in certain jobs that have a high demand for new employees and offer
71 high wages.

72 (2) Subject to available funds, an institution shall award an incentive loan to an
73 individual who:

74 (a) is enrolled full time in the institution;

75 (b) has completed at least:

76 (i) one semester of full-time equivalent course work if the individual is pursuing an
77 associate's degree; or

78 (ii) two semesters of full-time equivalent course work if the individual is pursuing a
79 bachelor's degree;

80 (c) is pursuing or declares an intent to pursue a qualifying degree;

81 (d) declares an intent to work in a qualifying job described in Subsection

82 53B-10-201(7)(a) in Utah following graduation;

83 (e) applies to the institution to receive an incentive loan; and
84 (f) meets other criteria determined by the board in the rules described in Section
85 53B-10-205.

86 (3) (a) An institution may award an incentive loan to a recipient in an amount up to the
87 cost of resident tuition, fees, and books for the number of credit hours in which the recipient is
88 enrolled each semester.

89 (b) An institution may award an incentive loan to a recipient for up to the expected
90 amount of time for the recipient to complete the qualifying degree, as determined by the
91 institution.

92 (c) An institution may cancel an incentive loan in accordance with the rules described
93 in Section 53B-10-205.

94 (4) An institution may use money from a partnership with an industry or business for
95 funding or repaying an incentive loan.

96 (5) The board may use up to 5% of money appropriated for the program for
97 administration.

98 Section 3. Section **53B-10-203** is enacted to read:

99 **53B-10-203. Selection of qualifying jobs and qualifying degrees.**

100 (1) Every other year, GOED shall select:

101 (a) five qualifying jobs that:

102 (i) have the highest demand for new employees; and

103 (ii) offer high wages; and

104 (b) the qualifying degrees for each qualifying job.

105 (2) GOED shall:

106 (a) ensure that each qualifying job:

107 (i) ranks in the top 40% of jobs based on an employment index that considers the job's
108 growth rate and total openings;

109 (ii) ranks in the top 40% of jobs for wages; and

110 (iii) requires an associate's degree or a bachelor's degree; and
111 (b) report the five qualifying jobs and qualifying degrees to the board.

112 Section 4. Section **53B-10-204** is enacted to read:

113 **53B-10-204. Repayment of an incentive loan.**

114 (1) For each year that a recipient works in a qualifying job in Utah following
115 completion of a qualifying degree, the institution that awarded the incentive loan shall waive
116 repayment of the amount of one year of the recipient's incentive loan.

117 (2) Except as provided in Subsection (3)(a), an institution may not require a recipient
118 to repay an incentive loan.

119 (3) (a) Except as provided in Subsection (3)(b), an institution shall require a recipient
120 to repay to the institution:

121 (i) the full amount of an incentive loan if the recipient fails to:

122 (A) graduate with a qualifying degree within six years of initially receiving the
123 incentive loan; or

124 (B) work in a qualifying job in Utah within one year of completing a qualifying degree;
125 or

126 (ii) the outstanding amount of an incentive loan if the recipient works in a qualifying
127 job for fewer years than the number of years required to waive repayment of the full incentive
128 loan.

129 (b) An institution may waive or delay a repayment described in Subsection (3)(a) in
130 accordance with the rules described in Section [53B-10-205](#).

131 (4) An institution may require appropriate interest with the repayment of an incentive
132 loan.

133 (5) An institution shall use a repayment received under this section for the program.

134 Section 5. Section **53B-10-205** is enacted to read:

135 **53B-10-205. Rulemaking.**

136 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

137 board shall make rules to:

138 (1) establish an application process for an individual to apply for an incentive loan;

139 (2) subject to Section 53B-10-202, establish qualifying criteria for an individual to
140 receive an incentive loan;

141 (3) establish how state funding available for incentive loans is divided among
142 institutions;

143 (4) establish how to determine an amount of money for an incentive loan;

144 (5) establish the circumstances under which an institution may:

145 (a) cancel an incentive loan; or

146 (b) waive or delay repayment of an incentive loan; and

147 (6) administer the program.

148 **Section 6. Appropriation.**

149 The following sums of money are appropriated for the fiscal year beginning July 1,
150 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for
151 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
152 Act, the Legislature appropriates the following sums of money from the funds or accounts
153 indicated for the use and support of the government of the state of Utah.

154 ITEM 1

155 To State Board of Regents - Student Assistance

156 From Education Fund

\$2,500,000

157 Schedule of Programs:

158 Talent Development Incentive Loan Program \$2,500,000

159 The Legislature intends that the appropriation provided under this item be used for the
160 Talent Development Incentive Loan Program created in Section 53B-10-202.