

**4th Sub. H.B. 325**  
**PRIMARY CARE NETWORK AMENDMENTS**

Senator **Brian Zehnder** proposes the following amendments:

1. *Page 1, Lines 17 through 21:*

17 program described in this bill; and  
18 ▶ amends the Inpatient Hospital Assessment Act to pay for the cost of the  
19 enhancement waiver program {~~;~~and} .  
20 {~~→ dedicates a portion of the growth in the state's revenue from alcohol and tobacco~~  
21 ~~taxes to pay for the cost of the enhancement waiver program.~~}

2. *Page 2, Lines 43 through 44:*

43 {~~32B-2-301, as last amended by Laws of Utah 2017, Chapter 159~~}  
44 {~~59-14-204, as last amended by Laws of Utah 2016, Chapter 168~~}

3. *Page 14, Line 412:*

412 which the programs specified in {~~Subsection~~} Subsections (1)(a) and (c) are not in effect for the full  
fiscal

4. *Page 19, Lines 573 through 578:*

573 {~~(g) the amount transferred under Subsection 32B-2-301(7);~~}  
574 {~~(h) the amount transferred under Subsection 59-14-204(6);~~}  
575 [(~~f~~)] {~~(f)~~} (g) gifts, grants, donations, or any other conveyance of money that may be made to  
576 the fund from private sources; [~~and~~]  
577 {~~(j)~~} (h) interest earned on money in the fund; and  
578 [(~~g~~)] {~~(k)~~} (i) additional amounts as appropriated by the Legislature.

5. *Page 22, Line 673:*

673 described in {~~Subsection~~} Subsections (2)(b) and (c) shall be deposited into the General Fund by the  
end of

6. *Page 22, Line 675 through Page 26, Line 783:*

675 {~~Section 16. Section 32B-2-301 is amended to read:~~  
676 ~~32B-2-301. State property -- Liquor Control Fund -- Markup Holding Fund.~~

677 ~~— (1) The following are property of the state:~~  
678 ~~— (a) the money received in the administration of this title, except as otherwise provided;~~  
679 ~~and~~  
680 ~~— (b) property acquired, administered, possessed, or received by the department.~~  
681 ~~— (2) (a) There is created an enterprise fund known as the "Liquor Control Fund."~~  
682 ~~— (b) Except as provided in Sections 32B-3-205 and 32B-2-304, money received in the~~  
683 ~~administration of this title shall be transferred to the Liquor Control Fund.~~  
684 ~~— (3) (a) There is created an enterprise fund known as the "Markup Holding Fund."~~  
685 ~~— (b) In accordance with Section 32B-2-304, the State Tax Commission shall deposit~~  
686 ~~revenue remitted to the State Tax Commission from the markup imposed under Section~~  
687 ~~32B-2-304 into the Markup Holding Fund.~~  
688 ~~— (c) Money deposited into the Markup Holding Fund may be expended:~~  
689 ~~— (i) to the extent appropriated by the Legislature; and~~  
690 ~~— (ii) to fund the deposits required by Subsection 32B-2-304(4) and Subsection~~  
691 ~~32B-2-305(4).~~  
692 ~~— (4) The department may draw from the Liquor Control Fund only to the extent~~  
693 ~~appropriated by the Legislature or provided for by statute, except that the department may draw~~  
694 ~~by warrant without an appropriation from the Liquor Control Fund for an expenditure that is~~  
695 ~~directly incurred by the department:~~  
696 ~~— (a) to purchase an alcoholic product;~~  
697 ~~— (b) to transport an alcoholic product from the supplier to a warehouse of the~~  
698 ~~department; and~~  
699 ~~— (c) for variances related to an alcoholic product.~~  
700 ~~— (5) (a) As used in this Subsection (5), "base budget" means the same as that term is~~  
701 ~~defined in legislative rule.~~  
702 ~~— (b) The department's base budget shall include as an appropriation from the Liquor~~  
703 ~~Control Fund:~~  
704 ~~— (i) credit card related fees paid by the department;~~  
705 ~~— (ii) package agency compensation; and~~  
706 ~~— (iii) the department's costs of shipping and warehousing alcoholic products.~~  
707 ~~— (6) Before the transfer required by Subsection (7), the department may retain each~~  
708 ~~fiscal year from the Liquor Control Fund \$1,000,000 that the department may use for:~~  
709 ~~— (a) capital equipment purchases;~~  
710 ~~— (b) salary increases for department employees;~~  
711 ~~— (c) performance awards for department employees; or~~  
712 ~~— (d) information technology enhancements because of changes or trends in technology.~~  
713 ~~— (7) [The] (a) Except as provided in Subsection (7)(b), the department shall transfer~~  
714 ~~annually from the Liquor Control Fund and the State Tax Commission shall transfer annually~~  
715 ~~from the Markup Holding Fund to the General Fund a sum equal to the amount of net profit~~  
716 ~~earned from the sale of liquor since the preceding transfer of money under this Subsection (7).~~

717 The transfers shall be calculated by no later than September 1 and made by no later than  
718 September 30 after a fiscal year. The Division of Finance may make year-end closing entries in  
719 the Liquor Control Fund and the Markup Holding Fund in order to comply with Subsection  
720 51-5-6(2):

721 ~~—— (b) Subject to Subsection (7)(c), and in accordance with Subsection 26-36b-208(2)(f),  
722 for each fiscal year beginning in fiscal year 2019, the department and the Division of Finance  
723 shall transfer to the Medicaid Expansion Fund, created in Section 26-36b-208, any amount  
724 described in Subsection (7)(a) in excess of the amount transferred by the department or the  
725 Division of Finance in fiscal year 2018.~~

726 ~~—— (c) The annual transfer to the Medicaid Expansion Fund, described in Subsection  
727 (7)(b), shall be capped at:~~

728 ~~—— (i) for fiscal year 2019, \$1,150,000; and~~

729 ~~—— (ii) for a fiscal year beginning after fiscal year 2019, \$2,400,000.~~

730 ~~—— (8) (a) By the end of each day, the department shall:~~

731 ~~—— (i) make a deposit to a qualified depository, as defined in Section 51-7-3; and~~

732 ~~—— (ii) report the deposit to the state treasurer.~~

733 ~~—— (b) A commissioner or department employee is not personally liable for a loss caused  
734 by the default or failure of a qualified depository.~~

735 ~~—— (c) Money deposited in a qualified depository is entitled to the same priority of  
736 payment as other public funds of the state.~~

737 ~~—— (9) If the cash balance of the Liquor Control Fund is not adequate to cover a warrant  
738 drawn against the Liquor Control Fund by the department, the cash resources of the General  
739 Fund may be used to the extent necessary. At no time may the fund equity of the Liquor  
740 Control Fund fall below zero.~~

741 ~~—— Section 17. Section 59-14-204 is amended to read:~~

742 ~~—— 59-14-204. Tax basis == Rate == Future increase == Cigarette Tax Restricted  
743 Account == Appropriation and expenditure of revenues.~~

744 ~~—— (1) Except for cigarettes described under Subsection 59-14-210(3), there is levied a tax  
745 upon the sale, use, storage, or distribution of cigarettes in the state.~~

746 ~~—— (2) The rates of the tax levied under Subsection (1) are, beginning on July 1, 2010:~~

747 ~~—— (a) 8.5 cents on each cigarette, for all cigarettes weighing not more than three pounds  
748 per thousand cigarettes; and~~

749 ~~—— (b) 9.963 cents on each cigarette, for all cigarettes weighing in excess of three pounds  
750 per thousand cigarettes.~~

751 ~~—— (3) Except as otherwise provided under this chapter, the tax levied under Subsection  
752 (1) shall be paid by any person who is the manufacturer, jobber, importer, distributor,  
753 wholesaler, retailer, user, or consumer.~~

754 ~~—— (4) The tax rates specified in this section shall be increased by the commission by the  
755 same amount as any future reduction in the federal excise tax on cigarettes.~~

756 ~~—— (5) (a) There is created within the General Fund a restricted account known as the~~

757 ~~"Cigarette Tax Restricted Account."~~  
758 ~~—— (b) The Cigarette Tax Restricted Account consists of:~~  
759 ~~—— (i) the first \$7,950,000 of the revenues collected from a tax under this section; and~~  
760 ~~—— (ii) any other appropriations the Legislature makes to the Cigarette Tax Restricted~~  
761 ~~Account:~~  
762 ~~—— (c) For each fiscal year beginning with fiscal year 2011-12 and subject to appropriation~~  
763 ~~by the Legislature, the Division of Finance shall distribute money from the Cigarette Tax~~  
764 ~~Restricted Account as follows:~~  
765 ~~—— (i) \$250,000 to the Department of Health to be expended for a tobacco prevention and~~  
766 ~~control media campaign targeted towards children;~~  
767 ~~—— (ii) \$2,900,000 to the Department of Health to be expended for tobacco prevention;~~  
768 ~~reduction, cessation, and control programs;~~  
769 ~~—— (iii) \$2,000,000 to the University of Utah Health Sciences Center for the Huntsman~~  
770 ~~Cancer Institute to be expended for cancer research; and~~  
771 ~~—— (iv) \$2,800,000 to the University of Utah Health Sciences Center to be expended for~~  
772 ~~medical education at the University of Utah School of Medicine:~~  
773 ~~—— (d) In determining how to appropriate revenue deposited into the Cigarette Tax~~  
774 ~~Restricted Account that is not otherwise appropriated under Subsection (5)(c), the Legislature~~  
775 ~~shall give particular consideration to enhancing Medicaid provider reimbursement rates and~~  
776 ~~medical coverage for the uninsured:~~  
777 ~~—— (6) (a) For each fiscal year beginning with fiscal year 2019, the State Tax Commission~~  
778 ~~shall distribute to the Medicaid Expansion Fund, created in Section 26-36b-208, any revenues~~  
779 ~~collected from a tax under this section in excess of the revenues collected from a tax under this~~  
780 ~~section in fiscal year 2018:~~  
781 ~~—— (b) The distribution in Subsection (6)(a) shall occur after the distributions described in~~  
782 ~~Subsections (5)(b)(i) and (5)(c).}~~  
783 Section {~~18~~} 16 . Section 631-1-226 is amended to read:

7. Page 26, Line 795:

795 Section {~~19~~} 17 . Effective date.

8. Page 26, Line 800:

800 Section {~~20~~} 18 . Coordinating H.B. 325 with H.B. 14 -- Superseding substantive and

9. Page 27, Line 807:

807 Section {~~21~~} 19 . Coordinating H.B. 325 with H.B. 472 -- Substantive and technical

10. Page 28, Line 851:

851 which the programs specified in ~~{Subsection}~~ Subsections (1)(a) and ~~{(c)}~~ (d) are not in  
effect for the full fiscal

11. Page 30, Lines 919 through 924:

919 ~~{(h) the amount transferred under Subsection 32B-2-301(7);}~~  
920 ~~{(i) the amount transferred under Subsection 59-14-204(6);}~~  
921 [(f)] ~~{(j)}~~ (h) gifts, grants, donations, or any other conveyance of money that may be made to  
922 the fund from private sources; [and]  
923 ~~{(k)}~~ (i) interest earned on money in the fund; and  
924 [(g)] ~~{(l)}~~ (j) additional amounts as appropriated by the Legislature.

12. Page 32, Lines 956 through 959:

956 paying a rate that exceeds the Medicaid fee-for-service [rates] rate. ; and  
957 (7) Section 26-36b-211 in this H.B. 325 supersedes Section 26-36b-211 in H.B. 472.  
958 Section ~~{22}~~ 20 . Coordinating H.B. 325 with S.B. 125 -- Superseding substantive and  
959 technical amendments.