

RURAL ONLINE WORKING HUBS AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Carl R. Albrecht

Senate Sponsor: Ralph Okerlund

LONG TITLE

General Description:

This bill creates a grant program in the Governor's Office of Economic Development (GOED).

Highlighted Provisions:

This bill:

- ▶ defines terms, including "coworking and innovation center";
- ▶ creates the Rural Coworking and Innovation Center Grant Program in GOED;
- ▶ describes the requirements and purposes of the grant program; and
- ▶ creates the Rural Online Working Hubs Grant Advisory Committee to advise

GOED regarding the grant program.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2020:

▶ to the Governor's Office of Economic Development -- Rural Coworking and Innovation Center Grant Program, as an ongoing appropriation:

- from the General Fund, \$2,000,000.

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

63N-4-501, Utah Code Annotated 1953



- 28 [63N-4-502](#), Utah Code Annotated 1953
- 29 [63N-4-503](#), Utah Code Annotated 1953
- 30 [63N-4-504](#), Utah Code Annotated 1953
- 31 [63N-4-505](#), Utah Code Annotated 1953

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

34 Section 1. Section **63N-4-501** is enacted to read:

35 **Part 5. Rural Coworking and Innovation Center Grant Program**

36 **63N-4-501. Title.**

37 This part is known as the "Rural Coworking and Innovation Center Grant Program."

38 Section 2. Section **63N-4-502** is enacted to read:

39 **63N-4-502. Definitions.**

40 As used in this part:

41 (1) "Advisory committee" means the Rural Online Working Hubs Grant Advisory
42 Committee created in Section [63N-4-505](#).

43 (2) "Coworking and Innovation Center" means a facility designed to provide
44 individuals with the infrastructure and equipment to participate in the online workforce.

45 (3) "Entity" means a county, city, institution of higher education, or nonprofit
46 company.

47 (4) "Grant" means a grant awarded as part of the Rural Coworking and Innovation
48 Center Grant Program created in Section [63N-4-503](#).

49 (5) "Grant program" means the Rural Coworking and Innovation Center Grant Program
50 created in Section [63N-4-503](#).

51 (6) "Rural area" means any area in any county in the state except Salt Lake, Utah,
52 Davis, Weber, Washington, Cache, Tooele, and Summit counties.

53 Section 3. Section **63N-4-503** is enacted to read:

54 **63N-4-503. Creation and purpose of the Rural Coworking and Innovation Center**
55 **Grant Program.**

56 (1) There is created the Rural Coworking and Innovation Center Grant Program
57 administered by the office.

58 (2) The office may seek to accomplish the following objectives in administering the

59 grant program:

60 (a) constructing or renovating a facility in one or more rural areas to create one or more
61 coworking and innovation centers;

62 (b) building and improving utilities and broadband infrastructure in one or more rural
63 areas to support one or more coworking and innovation centers; and

64 (c) purchasing equipment, furniture, and security systems as part of one or more
65 coworking and innovation centers in one or more rural areas.

66 Section 4. Section **63N-4-504** is enacted to read:

67 **63N-4-504. Requirements for awarding a working hubs grant.**

68 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
69 office shall make rules establishing the eligibility and reporting criteria for an entity to receive
70 a grant under this part, including:

71 (a) the form and process of submitting an application to the office for a grant;

72 (b) which entities are eligible to apply for a grant;

73 (c) the method and formula for determining grant amounts; and

74 (d) the reporting requirements of grant recipients.

75 (2) In determining the award of a grant, the office may prioritize projects:

76 (a) that will serve underprivileged or underserved communities, including communities
77 with high unemployment or low median incomes; and

78 (b) where an applicant demonstrates comprehensive planning of the project but has
79 limited access to financial resources, including financial resources from local or county
80 government.

81 (3) Subject to legislative appropriation, a grant may only be awarded by the executive
82 director after consultation with the advisory committee.

83 (4) A grant may only be awarded under this part:

84 (a) if the grant recipient agrees to provide any combination of funds, land, buildings, or
85 in-kind work in an amount equal to at least 25% of the grant;

86 (b) if the grant recipient agrees not to use grant money for the ongoing operation or
87 maintenance of a coworking and innovation center; and

88 (c) in an amount no more than \$500,000 to a grant applicant.

89 Section 5. Section **63N-4-505** is enacted to read:

90 63N-4-505. Rural Online Working Hubs Grant Advisory Committee --

91 **Membership -- Duties -- Expenses.**

92 (1) There is created in the office the Rural Online Working Hubs Grant Advisory
93 Committee, composed of the following five members:

94 (a) the executive director, or the executive director's designee;

95 (b) a member of the Senate, or a member of the House of Representatives, who
96 represents rural constituents, chosen by the president of the Senate;

97 (c) one member representing municipal government in a rural county, recommended by
98 the Utah League of Cities and Towns and appointed by the executive director;

99 (d) one member representing rural county government, recommended by the Utah
100 Association of Counties and appointed by the executive director; and

101 (e) one member representing higher education, appointed by the executive director.

102 (2) The advisory committee shall advise and make recommendations to the office
103 regarding awarding grants under this part.

104 (3) (a) Except as required by Subsection (3)(b), as terms of advisory committee
105 members appointed by the executive director expire, the executive director shall appoint each
106 new member or reappointed member to a four-year term.

107 (b) Notwithstanding the requirements of Subsection (3)(a), the executive director shall,
108 at the time of appointment or reappointment, adjust the length of terms to ensure that the terms
109 of advisory committee members appointed by the executive director are staggered so that
110 approximately half of the appointed advisory committee members are appointed every two
111 years.

112 (4) The executive director, or the director's designee, shall serve as chair of the
113 advisory committee.

114 (5) The advisory committee shall elect annually a vice chair from the advisory
115 committee's members.

116 (6) When a vacancy occurs in the membership for any reason, the executive director
117 shall appoint the replacement for the unexpired term.

118 (7) A majority of the advisory committee constitutes a quorum for the purpose of
119 conducting advisory committee business and the action of a majority of a quorum constitutes
120 the action of the advisory committee.

121 (8) The office shall provide administrative staff support for the advisory committee.

122 (9) A member may not receive compensation or benefits for the member's service, but
123 a member, who is not a legislator, may receive per diem and travel expenses in accordance
124 with:

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

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

127 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
128 [63A-3-107](#).

129 **Section 6. Appropriation.**

130 The following sums of money are appropriated for the fiscal year beginning July 1,
131 2019, and ending June 30, 2020. These are additions to amounts previously appropriated for
132 fiscal year 2020. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
133 Act, the Legislature appropriates the following sums of money from the funds or accounts
134 indicated for the use and support of the government of the state of Utah.

135 ITEM 1

136 To the Governor's Office of Economic Development -- Rural Coworking and
137 Innovation Center Grant Program

138 From General Fund \$2,000,000

139 Schedule of Programs:

140 Rural Coworking and Innovation Center Grant Program \$2,000,000