

1 **HOMELESS SHELTER FUNDING AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Gene Davis**

5 House Sponsor: Steve Eliason

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions relating to the Homeless Shelter Cities Mitigation
10 Restricted Account.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ clarifies how the State Tax Commission calculates a county's or municipality's
14 contribution into the Homeless Shelter Cities Mitigation Restricted Account; and
- 15 ▶ makes technical changes.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 This bill provides a special effective date.

20 This bill provides retrospective operation.

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **35A-8-608**, as enacted by Laws of Utah 2018, Chapter 312

24 **35A-8-609**, as enacted by Laws of Utah 2018, Chapter 312

25 **59-12-205**, as last amended by Laws of Utah 2018, Chapters 258, 312, and 330

26 **63J-1-801**, as enacted by Laws of Utah 2018, Chapter 312

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

29 Section 1. Section **35A-8-608** is amended to read:

30 **35A-8-608. Grant eligible entity application process for Homeless Shelter Cities**

31 **Mitigation Restricted Account funds.**

32 (1) As used in this section:

33 (a) "Account" means the restricted account created in Section [35A-8-606](#).

34 (b) "Committee" means the Homeless Coordinating Committee created in this part.

35 (c) "Grant" means an award of funds from the account.

36 (d) "Grant eligible entity" means:

37 (i) the Department of Public Safety; or

38 (ii) a city, town, or metro township that:

39 (A) has a homeless shelter within the city's, town's, or metro township's geographic

40 boundaries;

41 (B) has increased community, social service, ~~and~~ or public safety service needs due to

42 the location of a homeless shelter within the city's, town's, or metro township's geographic

43 boundaries; and

44 (C) is certified as a grant eligible entity in accordance with Section [35A-8-609](#).

45 (e) "Homeless shelter" means a facility that:

46 (i) provides temporary shelter to homeless individuals;

47 (ii) has the capacity to provide temporary shelter to at least 60 individuals per night;

48 and

49 (iii) operates year-round and is not subject to restrictions that limit the hours, days,

50 weeks, or months of operation.

51 (f) "Public safety services" means law enforcement, emergency medical services, and

52 fire protection.

53 (2) Subject to the availability of funds, a grant eligible entity may request a grant to

54 mitigate the impacts of the location of a homeless shelter:

55 (a) through employment of additional personnel to provide public safety services in

56 and around a homeless shelter; or

57 (b) for a grant eligible entity that is a city, town, or metro township, through:

58 (i) development of a community and neighborhood program within the city's, town's, or
59 metro township's boundaries; or

60 (ii) provision of social services within the city's, town's, or metro township's
61 boundaries.

62 (3) (a) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the
63 department shall make rules governing:

64 (i) the process for determining whether there is sufficient revenue to the account to
65 offer a grant program for the next fiscal year; and

66 (ii) the process for notifying grant eligible entities about the availability of grants for
67 the next fiscal year.

68 (b) (i) If the committee offers a grant program for the next fiscal year, the committee
69 shall set aside time on the agenda of a committee meeting that occurs on or after July 1 and on
70 or before November 30 to allow a grant eligible entity to present a request for account funds for
71 the next fiscal year.

72 (ii) A grant eligible entity may present a request for account funds by:

73 (A) sending an electronic copy of the request to the committee before the meeting; and

74 (B) appearing at the meeting to present the request.

75 (c) The request described in Subsection (3)(b) shall contain:

76 (i) for a grant request to develop a community and neighborhood program:

77 (A) a proposal outlining the components of a community and neighborhood program;

78 (B) a summary of the grant eligible entity's proposed use of any grant awarded; and

79 (C) the amount requested;

80 (ii) for a grant request to provide social services:

81 (A) a proposal outlining the need for additional social services;

82 (B) a summary of the grant eligible entity's proposed use of any grant awarded; and

83 (C) the amount requested;

84 (iii) for a grant request to employ additional personnel to provide public safety

85 services:

86 (A) data relating to the grant eligible entity's public safety services for the current fiscal
87 year, including crime statistics and calls for public safety services;

88 (B) data showing an increase in the grant eligible entity's need for public safety
89 services in the next fiscal year;

90 (C) a summary of the grant eligible entity's proposed use of any grant awarded; and

91 (D) the amount requested; ~~and~~ or

92 (iv) for a grant request to provide some combination of the activities described in
93 Subsections (3)(c)(i) through (iii), the information required by this Subsection (3) for each
94 activity for which the grant eligible entity requests a grant.

95 (d) (i) On or before November 30, a grant eligible entity that received a grant during
96 the previous fiscal year shall file electronically with the committee a report that includes:

97 (A) a summary of the amount of the grant that the grant eligible entity received and the
98 grant eligible entity's specific use of those funds;

99 (B) an evaluation of the grant eligible entity's effectiveness in using the grant to
100 address the grant eligible entity's increased needs due to the location of a homeless shelter; and

101 (C) any proposals for improving the grant eligible entity's effectiveness in using a grant
102 that the grant eligible entity may receive in future fiscal years.

103 (ii) The committee may request additional information as needed to make the
104 evaluation described in Subsection (3)(e).

105 (e) The committee shall evaluate a grant request made in accordance with this
106 Subsection (3) using the following factors:

107 (i) the strength of the proposal that the grant eligible entity provides to support the
108 request;

109 (ii) if the grant eligible entity received a grant during the previous fiscal year, the
110 efficiency with which the grant eligible entity used the grant during the previous fiscal year;

111 (iii) the availability of alternative funding for the grant eligible entity to address the
112 grant eligible entity's needs due to the location of a homeless shelter; and

113 (iv) any other considerations identified by the committee.

114 (f) (i) After making the evaluation described in Subsection (3)(e) for each grant eligible
115 entity that makes a grant request and subject to other provisions of this Subsection (3)(f), the
116 committee shall vote to:

- 117 (A) prioritize the grant requests; and
- 118 (B) recommend a grant amount for each grant eligible entity.

119 (ii) The committee shall support the prioritization and recommendation described in
120 Subsection (3)(f)(i) with findings on each of the factors described in Subsection (3)(e).

121 (g) The committee shall submit a list that prioritizes the grant requests and
122 recommends a grant amount for each grant eligible entity that requested a grant to:

- 123 (i) the governor for inclusion in the governor's budget to be submitted to the
124 Legislature; and
- 125 (ii) the Social Services Appropriations Subcommittee of the Legislature for approval in
126 accordance with Section 63J-1-802.

127 (4) (a) Subject to Subsection (4)(b), the department shall disburse the revenue in the
128 account as a grant to a grant eligible entity:

- 129 (i) after making the disbursements required by Section 35A-8-607; and
- 130 (ii) subject to the availability of funds in the account:
 - 131 (A) in the order of priority that the Legislature gives to each eligible grant entity under
132 Section 63J-1-802; and
 - 133 (B) in the amount that the Legislature approves to a grant eligible entity under Section
134 63J-1-802.

135 (b) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the
136 department shall make rules governing the process for the department to determine the timeline
137 within the fiscal year for funding the grants.

138 (5) On or before October 1, the department, in cooperation with the committee, shall:

- 139 (a) submit an annual written report electronically to the Social Services Appropriations
140 Subcommittee of the Legislature that gives a complete accounting of the department's
141 disbursement of the money from the account under this section for the previous fiscal year; and

142 (b) include information regarding the disbursement of money from the account under
143 this section in the annual report described in Section 35A-1-109.

144 Section 2. Section 35A-8-609 is amended to read:

145 **35A-8-609. Certification of eligible municipality or grant eligible entity.**

146 (1) The department shall certify each year, on or after July 1 and before the first
147 meeting of the [~~committee~~] Homeless Coordinating Committee after July 1, the cities or towns
148 that meet the requirements of an eligible municipality or a grant eligible entity as of July 1.

149 (2) On or before October 1, the department shall provide a list of the cities or towns
150 that the department has certified as meeting the requirements of an eligible municipality or a
151 grant eligible entity for the year to the State Tax Commission.

152 Section 3. Section 59-12-205 is amended to read:

153 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
154 **tax revenue -- Determination of population.**

155 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
156 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's
157 sales and use tax ordinances:

158 (a) within 30 days of the day on which the state makes an amendment to an applicable
159 provision of Part 1, Tax Collection; and

160 (b) as required to conform to the amendments to Part 1, Tax Collection.

161 (2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

162 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
163 be distributed to each county, city, and town on the basis of the percentage that the population
164 of the county, city, or town bears to the total population of all counties, cities, and towns in the
165 state; and

166 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from
167 the sales and use tax authorized by this part shall be distributed to each county, city, and town
168 on the basis of the location of the transaction as determined under Sections 59-12-211 through
169 59-12-215; and

170 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
171 within a project area described in a project area plan adopted by the military installation
172 development authority under Title 63H, Chapter 1, Military Installation Development
173 Authority Act, shall be distributed to the military installation development authority created in
174 Section 63H-1-201.

175 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
176 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

177 (i) the county, city, or town is a:

178 (A) county of the third, fourth, fifth, or sixth class;

179 (B) city of the fifth class; or

180 (C) town;

181 (ii) the county, city, or town received a distribution under this section for the calendar
182 year beginning on January 1, 2008, that was less than the distribution under this section that the
183 county, city, or town received for the calendar year beginning on January 1, 2007;

184 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
185 within the unincorporated area of the county for one or more days during the calendar year
186 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
187 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
188 American Industry Classification System of the federal Executive Office of the President,
189 Office of Management and Budget; or

190 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
191 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
192 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
193 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
194 2002 North American Industry Classification System of the federal Executive Office of the
195 President, Office of Management and Budget; and

196 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
197 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for

198 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
199 a direct payment permit under Section 59-12-107.1; or

200 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
201 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
202 city or town for one or more days during the calendar year beginning on January 1, 2008, was
203 not the holder of a direct payment permit under Section 59-12-107.1.

204 (b) The commission shall make the distribution required by this Subsection (3) to a
205 county, city, or town described in Subsection (3)(a):

206 (i) from the distribution required by Subsection (2)(a); and

207 (ii) before making any other distribution required by this section.

208 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
209 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

210 (ii) For purposes of Subsection (3)(c)(i):

211 (A) the numerator of the fraction is the difference calculated by subtracting the
212 distribution a county, city, or town described in Subsection (3)(a) received under this section
213 for the calendar year beginning on January 1, 2008, from the distribution under this section that
214 the county, city, or town received for the calendar year beginning on January 1, 2007; and

215 (B) the denominator of the fraction is \$333,583.

216 (d) A distribution required by this Subsection (3) is in addition to any other distribution
217 required by this section.

218 (4) (a) As used in this Subsection (4):

219 (i) "Eligible county, city, or town" means a county, city, or town that:

220 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)
221 equal to the amount described in Subsection (4)(b)(ii); and

222 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
223 2016.

224 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
225 distributions an eligible county, city, or town received from a tax imposed in accordance with

226 this part for fiscal year 2004-05.

227 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
228 imposed in accordance with this part equal to the greater of:

229 (i) the payment required by Subsection (2); or

230 (ii) the minimum tax revenue distribution.

231 (5) (a) For purposes of this Subsection (5):

232 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
233 1.8% of the participating local government's tax revenue distribution amount under Subsection
234 (2)(a) for the previous fiscal year.

235 (ii) "Participating local government" means a county or municipality, as defined in
236 Section [10-1-104](#), that is not an eligible municipality or grant eligible entity certified in
237 accordance with Section [35A-8-609](#).

238 (b) For revenue collected from the tax authorized by this part that is distributed on or
239 after January 1, 2019, the commission, before making a tax revenue distribution under
240 Subsection (2)(a) to a participating local government, shall:

241 (i) subtract one-twelfth of the annual local contribution for each participating local
242 government from the participating local government's tax revenue distribution under
243 Subsection (2)(a); and

244 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
245 Cities Mitigation Restricted Account created in Section ~~[[35A-8a-606](#)]~~ [35A-8-606](#).

246 (c) ~~[The]~~ For a participating local government that qualifies to receive a distribution
247 described in Subsection (3) or (4), the commission shall ~~[make the calculation and distribution~~
248 ~~described in]~~ apply the provisions of this Subsection (5) after ~~[making the distributions~~
249 ~~described in]~~ the commission applies the provisions of Subsections (3) and (4).

250 (6) (a) Population figures for purposes of this section shall be based on the most recent
251 official census or census estimate of the United States Bureau of the Census.

252 (b) If a needed population estimate is not available from the United States Bureau of
253 the Census, population figures shall be derived from the estimate from the Utah Population

254 Committee.

255 (c) The population of a county for purposes of this section shall be determined only
256 from the unincorporated area of the county.

257 Section 4. Section **63J-1-801** is amended to read:

258 **63J-1-801. Definitions.**

259 As used in this part:

260 (1) "Committee" means the Homeless Coordinating Committee created in Section
261 [35A-8-601](#).

262 (2) "Eligible municipality" means a city of the third, fourth, or fifth class, a town, or a
263 metro township that:

264 (a) has, or is proposed to have, a homeless shelter within the city's, town's, or metro
265 township's geographic boundaries that:

266 (i) provides or is proposed to provide temporary shelter to homeless individuals;

267 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200
268 individuals per night; and

269 (iii) operates year-round and is not subject to restrictions that limit the hours, days,
270 weeks, or months of operation; and

271 (b) due to the location of a homeless shelter within the city's, town's, or metro
272 township's geographic boundaries, needs more public safety services than the city, town, or
273 metro township needed before the location of the homeless shelter within the city's, town's, or
274 metro township's geographic boundaries.

275 (3) "Grant eligible entity" means:

276 (a) the Department of Public Safety; or

277 (b) a city, town, or metro township that has:

278 (i) a homeless shelter within the city's, town's, or metro township's geographic
279 boundaries that:

280 (A) provides temporary shelter to homeless individuals;

281 (B) has the capacity to provide temporary shelter to at least 60 individuals per night;

282 and

283 (C) operates year-round and is not subject to restrictions that limit the hours, days,
284 weeks, or months of operation; and

285 (ii) increased community, social service, [~~and~~] or public safety service needs due to the
286 location of a homeless shelter within the city's, town's, or metro township's geographic
287 boundaries.

288 Section 5. **Effective date.**

289 If approved by two-thirds of all the members elected to each house, this bill takes effect
290 upon approval by the governor, or the day following the constitutional time limit of Utah
291 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
292 the date of veto override.

293 Section 6. **Retrospective operation.**

294 This bill has retrospective operation to January 1, 2019.