

ECONOMIC DEVELOPMENT AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to economic development.

Highlighted Provisions:

This bill:

- ▶ defines terms, including "rural county";
- ▶ creates the Rural County Grant Program (grant program);
- ▶ describes the requirements for a rural county to apply for a grant under the grant program;
- ▶ requires each rural county that seeks to participate in the grant program to create a County Economic Development Advisory Board (CED board) and describes the membership and duties of a CED board;
- ▶ describes the requirements of the Governor's Rural Partnership Board in administering the grant program;
- ▶ repeals provisions of the Utah Science Technology and Research Governing Authority Act;
- ▶ moves the provisions of the Recycling Market Development Zone Act from the Governor's Office of Economic Development (GOED) to the Office of Energy Development;
- ▶ modifies provisions related to certain GOED administered economic development programs;



- 28 ▶ repeals provisions related to certain GOED administered economic development
- 29 programs, which has the effect of ending those programs; and
- 30 ▶ makes technical changes.

31 **Money Appropriated in this Bill:**

32 This bill appropriates in fiscal year 2021:

- 33 ▶ to the General Fund Restricted -- Workforce Development Restricted Account, as
- 34 an ongoing appropriation:
 - 35 • from the General Fund, (\$14,636,900);
- 36 ▶ to the Governor's Office of Economic Development -- Rural County Grant Program,
- 37 as an ongoing appropriation:
 - 38 • from the General Fund, \$10,000,000.

39 **Other Special Clauses:**

40 This bill provides retrospective operation.

41 **Utah Code Sections Affected:**

42 AMENDS:

- 43 **53B-17-1101**, as enacted by Laws of Utah 2018, Chapter 453
- 44 **53B-18-1601**, as enacted by Laws of Utah 2018, Chapter 453
- 45 **59-7-610**, as last amended by Laws of Utah 2019, Chapter 247
- 46 **59-10-1007**, as last amended by Laws of Utah 2019, Chapter 247
- 47 **63A-3-110**, as last amended by Laws of Utah 2019, Chapter 211
- 48 **63A-5-305**, as last amended by Laws of Utah 2016, Chapter 240
- 49 **63C-10-103**, as last amended by Laws of Utah 2018, Chapter 204
- 50 **63I-1-263**, as last amended by Laws of Utah 2019, Chapters 89, 246, 311, 414, 468,
- 51 469, 482 and last amended by Coordination Clause, Laws of Utah 2019, Chapter
- 52 246
- 53 **63J-1-602.2**, as last amended by Laws of Utah 2019, Chapters 136, 326, 468, and 469
- 54 **63N-1-501**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 55 **63N-2-203**, as last amended by Laws of Utah 2017, Chapter 252
- 56 **63N-2-204**, as last amended by Laws of Utah 2016, Chapter 11
- 57 **63N-2-208**, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 58 **63N-2-213**, as last amended by Laws of Utah 2019, Chapter 247

59 **63N-4-104**, as renumbered and amended by Laws of Utah 2015, Chapter 283

60 **67-19-15**, as last amended by Laws of Utah 2018, Chapters 39 and 415

61 ENACTS:

62 **17-54-101**, Utah Code Annotated 1953

63 **17-54-102**, Utah Code Annotated 1953

64 **17-54-103**, Utah Code Annotated 1953

65 **17-54-104**, Utah Code Annotated 1953

66 RENUMBERS AND AMENDS:

67 **63M-4-801**, (Renumbered from 63N-2-401, as renumbered and amended by Laws of
68 Utah 2015, Chapter 283)

69 **63M-4-802**, (Renumbered from 63N-2-402, as last amended by Laws of Utah 2015,
70 Chapter 30 and renumbered and amended by Laws of Utah 2015, Chapter 283)

71 **63M-4-803**, (Renumbered from 63N-2-403, as renumbered and amended by Laws of
72 Utah 2015, Chapter 283)

73 **63M-4-804**, (Renumbered from 63N-2-404, as renumbered and amended by Laws of
74 Utah 2015, Chapter 283)

75 **63M-4-805**, (Renumbered from 63N-2-405, as renumbered and amended by Laws of
76 Utah 2015, Chapter 283)

77 **63M-4-806**, (Renumbered from 63N-2-406, as renumbered and amended by Laws of
78 Utah 2015, Chapter 283)

79 **63M-4-807**, (Renumbered from 63N-2-407, as renumbered and amended by Laws of
80 Utah 2015, Chapter 283)

81 **63M-4-808**, (Renumbered from 63N-2-408, as renumbered and amended by Laws of
82 Utah 2015, Chapter 283)

83 **63M-4-809**, (Renumbered from 63N-2-409, as renumbered and amended by Laws of
84 Utah 2015, Chapter 283)

85 **63M-4-810**, (Renumbered from 63N-2-410, as renumbered and amended by Laws of
86 Utah 2015, Chapter 283)

87 **63M-4-811**, (Renumbered from 63N-2-411, as renumbered and amended by Laws of
88 Utah 2015, Chapter 283)

89 REPEALS:

- 90 **13-1-14**, as last amended by Laws of Utah 2019, Chapter 352
- 91 **59-7-614.11**, as enacted by Laws of Utah 2017, Chapter 252
- 92 **59-10-1039**, as enacted by Laws of Utah 2017, Chapter 252
- 93 **63M-2-101**, as last amended by Laws of Utah 2015, Chapter 283
- 94 **63M-2-102**, as last amended by Laws of Utah 2019, Chapter 352
- 95 **63M-2-301**, as last amended by Laws of Utah 2019, Chapters 246 and 352
- 96 **63M-2-302**, as last amended by Laws of Utah 2019, Chapter 352
- 97 **63M-2-302.5**, as last amended by Laws of Utah 2019, Chapter 352
- 98 **63M-2-304**, as last amended by Laws of Utah 2019, Chapter 352
- 99 **63M-2-501**, as enacted by Laws of Utah 2016, Chapter 240
- 100 **63M-2-502**, as last amended by Laws of Utah 2019, Chapter 352
- 101 **63M-2-503**, as last amended by Laws of Utah 2019, Chapter 352
- 102 **63M-2-504**, as last amended by Laws of Utah 2019, Chapter 352
- 103 **63M-2-601**, as enacted by Laws of Utah 2016, Chapter 240
- 104 **63M-2-602**, as last amended by Laws of Utah 2018, Chapter 453
- 105 **63M-2-701**, as enacted by Laws of Utah 2016, Chapter 240
- 106 **63M-2-703**, as last amended by Laws of Utah 2019, Chapter 352
- 107 **63M-2-801**, as enacted by Laws of Utah 2016, Chapter 240
- 108 **63M-2-802**, as last amended by Laws of Utah 2019, Chapter 352
- 109 **63M-2-803**, as last amended by Laws of Utah 2019, Chapter 352
- 110 **63N-2-213.5**, as enacted by Laws of Utah 2017, Chapter 252
- 111 **63N-3-104**, as last amended by Laws of Utah 2019, Chapter 499
- 112 **63N-3-104.5**, as last amended by Laws of Utah 2019, Chapter 499

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

115 Section 1. Section **17-54-101** is enacted to read:

116 **CHAPTER 54. RURAL COUNTY GRANT PROGRAM**

117 **17-54-101. Title.**

118 This chapter is known as the "Rural County Grant Program."

119 Section 2. Section **17-54-102** is enacted to read:

120 **17-54-102. Definitions.**

121 (1) "CED board" means a County Economic Development Advisory Board as
122 described in Section 17-54-104.

123 (2) "Grant" means a grant available under the Rural County Grant Program created in
124 Section 17-54-103.

125 (3) "Grant program" means the Rural County Grant Program created in Section
126 17-54-103.

127 (4) "Office of Rural Development" means the Office of Rural Development created
128 within the Governor's Office of Economic Development in Section 63N-4-102.

129 (5) "Rural county" means a county of the third, fourth, fifth, or sixth class.

130 (6) "Rural partnership board" means the Governor's Rural Partnership Board created in
131 Section 63C-10-102.

132 Section 3. Section 17-54-103 is enacted to read:

133 **17-54-103. Rural County Grant Program.**

134 (1) There is created the Rural County Grant Program.

135 (2) The grant program shall be administered by the rural partnership board with the
136 cooperation of the Office of Rural Development.

137 (3) In administering the grant program, the rural partnership board shall award grants
138 to rural counties to address the economic development needs of rural counties, in accordance
139 with the provisions of this chapter, which needs may include:

140 (a) business recruitment, development, and expansion;

141 (b) workforce training and development; and

142 (c) infrastructure and capital facilities improvements for business development.

143 (4) Subject to appropriations from the Legislature and subject to the reporting and
144 other requirements of this chapter, grant money shall be distributed:

145 (a) equally between all rural counties that have created a CED board, in an amount up
146 to and including \$200,000 annually per county; and

147 (b) for grant money that is available after \$200,000 has been provided annually to each
148 eligible rural county, through the process described in Subsection (6).

149 (5) Beginning in 2021, a rural county may not receive an additional grant under this
150 chapter unless the rural county:

151 (a) demonstrates a funding match, which may include a funding match provided by any

152 combination of a community reinvestment agency, redevelopment agency, community
153 development and renewal agency, private-sector entity, nonprofit entity, federal matching
154 grant, county or municipality general fund match, or in-kind match, and that totals:

- 155 (i) a 10% match for a county of the sixth class;
- 156 (ii) a 20% match for a county of the fifth class;
- 157 (iii) a 30% match for a county of the fourth class; and
- 158 (iv) a 40% match for a county of the third class; and

159 (b) has complied with the reporting requirements required by the rural partnership
160 board and the reporting requirements described in Subsection (9) for all previous years that the
161 county has received a grant.

162 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
163 rural partnership board shall make rules establishing the eligibility and reporting criteria for a
164 rural county to receive grant money under Subsection (4)(b), including:

- 165 (a) the form and process for a county to submit an application to the rural partnership
166 board for a grant;
- 167 (b) the method of scoring and prioritizing grant program applications from rural
168 counties;
- 169 (c) the reporting, auditing, and post-performance requirements for a rural county that
170 receives grant money; and
- 171 (d) any deadlines that shall be met by a rural county when applying for a grant.

172 (7) In determining the award of grant money under Subsection (4)(b), the rural
173 partnership board may not award more than \$800,000 annually to a rural county.

174 (8) In determining the award of grant money under Subsection (4)(b), the rural
175 partnership board may prioritize applications that demonstrate any combination of the
176 following:

- 177 (a) that the county has or is actively pursuing the creation of an effective strategic
178 economic development plan;
- 179 (b) consistency with local economic development priorities;
- 180 (c) economic need;
- 181 (d) utilization of local financial or in-kind resources in combination with a grant;
- 182 (e) evidence that jobs will be created; and

183 (f) evidence that there will be a positive return on investment.

184 (9) On or before September 1 of each year, a county that has received a grant under this
185 chapter in the previous 12 months shall provide a written report to the rural partnership board
186 that describes:

187 (a) the amount of grant money the county has received;

188 (b) how grant money has been distributed by the county, including what companies or
189 entities have utilized grant money, how much grant money each company or entity has
190 received, and how each company or entity has used the money;

191 (c) an evaluation of the effectiveness of awarded grants in improving economic
192 development in the county, including the number of jobs created, infrastructure that has been
193 created, and capital improvements in the county;

194 (d) how much matching money has been utilized by the county and what entities have
195 provided the matching money; and

196 (e) any other reporting, auditing, or post-performance requirements established by the
197 rural partnership board under Subsection (6).

198 (10) The Office of Rural Development shall compile the reported information and
199 provide a written report to the Governor's Office of Economic Development for inclusion in the
200 Governor's Office of Economic Development's annual written report described in Section
201 [63N-1-301](#).

202 Section 4. Section **17-54-104** is enacted to read:

203 **17-54-104. County Economic Development Advisory Board.**

204 (1) Each rural county that seeks to obtain a grant under this chapter, shall create a CED
205 board composed of the following members appointed by the county executive with the advice
206 and consent of the county legislative body:

207 (a) a county representative;

208 (b) a representative of a municipality in the county;

209 (c) a workforce development representative;

210 (d) a private-sector representative; and

211 (e) a member of the public who lives in the county.

212 (2) Each CED board shall assist and advise the county executive and the county
213 legislative body on:

- 214 (a) applying for a grant under this chapter;
- 215 (b) what projects should be funded by grant money provided to a rural county under
- 216 this chapter; and
- 217 (c) preparing reporting requirements for grant money received by a rural county under
- 218 this chapter.

219 Section 5. Section **53B-17-1101** is amended to read:

220 **53B-17-1101. Definitions.**

221 As used in this part:

- 222 (1) "Researcher" means an individual who:
 - 223 (a) on May 8, 2018, is employed, alone or as part of a research team, by the university;
 - 224 (b) before May 8, 2018, received funding from USTAR for some or all of the
 - 225 researcher's startup costs or salary;
 - 226 (c) was recruited to become a member of the university's faculty; and
 - 227 (d) after May 8, 2018, receives some or all of the researcher's start up costs or salary
 - 228 from a legislative appropriation to the university for that purpose.

229 (2) "University" means the University of Utah.

230 (3) "USTAR" means the Utah Science Technology and Research Initiative [~~created in~~
231 ~~Section 63M-2-301~~], which was repealed in 2020.

232 Section 6. Section **53B-18-1601** is amended to read:

233 **53B-18-1601. Definitions.**

234 As used in this part:

- 235 (1) "Researcher" means an individual who:
 - 236 (a) on May 8, 2018, is employed, alone or as part of a research team, by the university;
 - 237 (b) before May 8, 2018, received funding from USTAR for some or all of the
 - 238 researcher's startup costs or salary;
 - 239 (c) was recruited to become a member of the university's faculty; and
 - 240 (d) after May 8, 2018, receives some or all of the researcher's start up costs or salary
 - 241 from a legislative appropriation to the university for that purpose.

242 (2) "University" means Utah State University.

243 (3) "USTAR" means the Utah Science Technology and Research Initiative [~~created in~~
244 ~~Section 63M-2-301~~], which was repealed in 2020.

245 Section 7. Section **59-7-610** is amended to read:

246 **59-7-610. Recycling market development zones tax credits.**

247 (1) Subject to other provisions of this section, a taxpayer that is a business operating in
248 a recycling market development zone as defined in Section [~~63N-2-402~~] 63M-4-802 may claim
249 the following nonrefundable tax credits:

250 (a) a tax credit of 5% of the purchase price paid for machinery and equipment used
251 directly in:

252 (i) commercial composting; or

253 (ii) manufacturing facilities or plant units that:

254 (A) manufacture, process, compound, or produce recycled items of tangible personal
255 property for sale; or

256 (B) reduce or reuse postconsumer waste material; and

257 (b) a tax credit equal to the lesser of:

258 (i) 20% of net expenditures to third parties for rent, wages, supplies, tools, test
259 inventory, and utilities made by the taxpayer for establishing and operating recycling or
260 composting technology in Utah; and

261 (ii) \$2,000.

262 (2) (a) To claim a tax credit described in Subsection (1), the taxpayer shall receive
263 from the [~~Governor's Office of Economic Development~~] Office of Energy Development a
264 written certification, on a form approved by the commission, that includes:

265 (i) a statement that the taxpayer is operating a business within the boundaries of a
266 recycling market development zone;

267 (ii) for claims of the tax credit described in Subsection (1)(a):

268 (A) the type of the machinery and equipment that the taxpayer purchased;

269 (B) the date that the taxpayer purchased the machinery and equipment;

270 (C) the purchase price for the machinery and equipment;

271 (D) the total purchase price for all machinery and equipment for which the taxpayer is
272 claiming a tax credit;

273 (E) a statement that the machinery and equipment are integral to the composting or
274 recycling process; and

275 (F) the amount of the taxpayer's tax credit; and

- 276 (iii) for claims of the tax credit described in Subsection (1)(b):
- 277 (A) the type of net expenditure that the taxpayer made to a third party;
- 278 (B) the date that the taxpayer made the payment to a third party;
- 279 (C) the amount that the taxpayer paid to each third party;
- 280 (D) the total amount that the taxpayer paid to all third parties;
- 281 (E) a statement that the net expenditures support the establishment and operation of
- 282 recycling or composting technology in Utah; and
- 283 (F) the amount of the taxpayer's tax credit.
- 284 (b) (i) The [~~Governor's Office of Economic Development~~] Office of Energy
- 285 Development shall provide a taxpayer seeking to claim a tax credit under Subsection (1) with a
- 286 copy of the written certification.
- 287 (ii) The taxpayer shall retain a copy of the written certification for the same period of
- 288 time that a person is required to keep books and records under Section [59-1-1406](#).
- 289 (c) The [~~Governor's Office of Economic Development~~] Office of Energy Development
- 290 shall submit to the commission an electronic list that includes:
- 291 (i) the name and identifying information of each taxpayer to which the office issues a
- 292 written certification; and
- 293 (ii) for each taxpayer, the amount of each tax credit listed on the written certification.
- 294 (3) A taxpayer may not claim a tax credit under Subsection (1)(a), Subsection (1)(b), or
- 295 both that exceeds 40% of the taxpayer's state income tax liability as the tax liability is
- 296 calculated:
- 297 (a) for the taxable year in which the taxpayer made the purchases or payments;
- 298 (b) before any other tax credits the taxpayer may claim for the taxable year; and
- 299 (c) before the taxpayer claiming a tax credit authorized by this section.
- 300 (4) The commission shall make rules governing what information a taxpayer shall file
- 301 with the commission to verify the entitlement to and amount of a tax credit.
- 302 (5) Except as provided in Subsections (6) through (8), a taxpayer may carry forward, to
- 303 the next three taxable years, the amount of the tax credit that exceeds the taxpayer's income tax
- 304 liability for the taxable year.
- 305 (6) A taxpayer may not claim or carry forward a tax credit described in Subsection
- 306 (1)(a) in a taxable year during which the taxpayer claims or carries forward a tax credit under

307 Section [63N-2-213](#).

308 (7) A taxpayer may not claim or carry forward a tax credit described in Subsection
309 (1)(b) in a taxable year during which the taxpayer claims or carries forward a tax credit under
310 Section [63N-2-213](#).

311 (8) A taxpayer may not claim or carry forward a tax credit under this section for a
312 taxable year during which the taxpayer claims the targeted business income tax credit under
313 Section [59-7-624](#).

314 Section 8. Section **59-10-1007** is amended to read:

315 **59-10-1007. Recycling market development zones tax credits.**

316 (1) Subject to other provisions of this section, a claimant, estate, or trust in a recycling
317 market development zone as defined in Section [[63N-2-402](#)] [63M-4-802](#) may claim the
318 following nonrefundable tax credits:

319 (a) a tax credit of 5% of the purchase price paid for machinery and equipment used
320 directly in:

321 (i) commercial composting; or

322 (ii) manufacturing facilities or plant units that:

323 (A) manufacture, process, compound, or produce recycled items of tangible personal
324 property for sale; or

325 (B) reduce or reuse postconsumer waste material; and

326 (b) a tax credit equal to the lesser of:

327 (i) 20% of net expenditures to third parties for rent, wages, supplies, tools, test
328 inventory, and utilities made by the claimant, estate, or trust for establishing and operating
329 recycling or composting technology in Utah; and

330 (ii) \$2,000.

331 (2) (a) To claim a tax credit described in Subsection (1), the claimant, estate, or trust
332 shall receive from the [~~Governor's Office of Economic Development~~] Office of Energy
333 Development a written certification, on a form approved by the commission, that includes:

334 (i) a statement that the claimant, estate, or trust is operating within the boundaries of a
335 recycling market development zone;

336 (ii) for claims of the tax credit described in Subsection (1)(a):

337 (A) the type of the machinery and equipment that the claimant, estate, or trust

338 purchased;

339 (B) the date that the claimant, estate, or trust purchased the machinery and equipment;

340 (C) the purchase price for the machinery and equipment;

341 (D) the total purchase price for all machinery and equipment for which the claimant,

342 estate, or trust is claiming a tax credit;

343 (E) the amount of the claimant's, estate's, or trust's tax credit; and

344 (F) a statement that the machinery and equipment are integral to the composting or

345 recycling process; and

346 (iii) for claims of the tax credit described in Subsection (1)(b):

347 (A) the type of net expenditure that the claimant, estate, or trust made to a third party;

348 (B) the date that the claimant, estate, or trust made the payment to a third party;

349 (C) the amount that the claimant, estate, or trust paid to each third party;

350 (D) the total amount that the claimant, estate, or trust paid to all third parties;

351 (E) a statement that the net expenditures support the establishment and operation of

352 recycling or composting technology in Utah; and

353 (F) the amount of the claimant's, estate's, or trust's tax credit.

354 (b) (i) The [~~Governor's Office of Economic Development~~] Office of Energy

355 Development shall provide a claimant, estate, or trust seeking to claim a tax credit under

356 Subsection (1) with a copy of the written certification.

357 (ii) The claimant, estate, or trust shall retain a copy of the written certification for the

358 same period of time that a person is required to keep books and records under Section

359 [59-1-1406](#).

360 (c) The [~~Governor's Office of Economic Development~~] Office of Energy Development

361 shall submit to the commission an electronic list that includes:

362 (i) the name and identifying information of each claimant, estate, or trust to which the

363 office issues a written certification; and

364 (ii) for each claimant, estate, or trust, the amount of each tax credit listed on the written

365 certification.

366 (3) A claimant, estate, or trust may not claim a tax credit under Subsection (1)(a),

367 Subsection (1)(b), or both that exceeds 40% of the claimant's, estate's, or trust's state income

368 tax liability as the tax liability is calculated:

369 (a) for the taxable year in which the claimant, estate, or trust made the purchases or
370 payments;

371 (b) before any other tax credits the claimant, estate, or trust may claim for the taxable
372 year; and

373 (c) before the claimant, estate, or trust claiming a tax credit authorized by this section.

374 (4) The commission shall make rules governing what information a claimant, estate, or
375 trust shall file with the commission to verify the entitlement to and amount of a tax credit.

376 (5) Except as provided in Subsections (6) through (8), a claimant, estate, or trust may
377 carry forward, to the next three taxable years, the amount of the tax credit that exceeds the
378 taxpayer's income tax liability for the taxable year.

379 (6) A claimant, estate, or trust may not claim or carry forward a tax credit described in
380 Subsection (1)(a) in a taxable year during which the claimant, estate, or trust claims or carries
381 forward a tax credit under Section 63N-2-213.

382 (7) A claimant, estate, or trust may not claim a tax credit described in Subsection (1)(b)
383 in a taxable year during which the claimant, estate, or trust claims or carries forward a tax
384 credit under Section 63N-2-213.

385 (8) A claimant, estate, or trust may not claim or carry forward a tax credit available
386 under this section for a taxable year during which the claimant, estate, or trust claims the
387 targeted business income tax credit under Section 59-10-1112.

388 Section 9. Section 63A-3-110 is amended to read:

389 **63A-3-110. Personal use expenditures for state officers and employees.**

390 (1) As used in this section:

391 (a) "Employee" means a person who is not an elected or appointed officer and who is
392 employed on a full- or part-time basis by a governmental entity.

393 (b) "Governmental entity" means:

394 (i) an executive branch agency of the state, the offices of the governor, lieutenant
395 governor, state auditor, attorney general, and state treasurer, the State Board of Education, and
396 the State Board of Regents;

397 (ii) the Office of the Legislative Auditor General, the Office of the Legislative Fiscal
398 Analyst, the Office of Legislative Research and General Counsel, the Legislature, and
399 legislative committees;

400 (iii) courts, the Judicial Council, the Administrative Office of the Courts, and similar
401 administrative units in the judicial branch; or

402 (iv) independent state entities created under Title 63H, Independent State Entities~~[-or]~~.

403 [~~(v) the Utah Science Technology and Research Governing Authority created under~~

404 ~~Section 63M-2-301.~~]

405 (c) "Officer" means a person who is elected or appointed to an office or position within
406 a governmental entity.

407 (d) (i) "Personal use expenditure" means an expenditure made without the authority of
408 law that:

409 (A) is not directly related to the performance of an activity as a state officer or
410 employee;

411 (B) primarily furthers a personal interest of a state officer or employee or a state
412 officer's or employee's family, friend, or associate; and

413 (C) would constitute taxable income under federal law.

414 (ii) "Personal use expenditure" does not include:

415 (A) a de minimis or incidental expenditure; or

416 (B) a state vehicle or a monthly stipend for a vehicle that an officer or employee uses to
417 travel to and from the officer or employee's official duties, including a minimal allowance for a
418 detour as provided by the state.

419 (e) "Public funds" means the same as that term is defined in Section 51-7-3.

420 (2) A state officer or employee may not:

421 (a) use public funds for a personal use expenditure; or

422 (b) incur indebtedness or liability on behalf of, or payable by, a governmental entity for
423 a personal use expenditure.

424 (3) If the Division of Finance or the responsible governmental entity determines that a
425 state officer or employee has intentionally made a personal use expenditure in violation of
426 Subsection (2), the governmental entity shall:

427 (a) require the state officer or employee to deposit the amount of the personal use
428 expenditure into the fund or account from which:

429 (i) the personal use expenditure was disbursed; or

430 (ii) payment for the indebtedness or liability for a personal use expenditure was

431 disbursed;

432 (b) require the state officer or employee to remit an administrative penalty in an
433 amount equal to 50% of the personal use expenditure to the Division of Finance; and

434 (c) deposit the money received under Subsection (3)(b) into the General Fund.

435 (4) (a) Any state officer or employee who has been found by a governmental entity to
436 have made a personal use expenditure in violation of Subsection (2) may appeal the finding of
437 the governmental entity.

438 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
439 Division of Finance shall make rules regarding an appeal process for an appeal made under
440 Subsection (4)(a), including the designation of an appeal authority.

441 (5) (a) Subject to Subsection (5)(b), the Division of Finance may withhold all or a
442 portion of the wages of a state officer or employee who has violated Subsection (2) until the
443 requirements of Subsection (3) have been met.

444 (b) If the state officer or employee has requested an appeal under Subsection (4), the
445 Division of Finance may only withhold the wages of the officer or employee after the appeal
446 authority described in Subsection (4)(b) has confirmed that the officer or employee violated
447 Subsection (2).

448 (6) Nothing in this chapter immunizes a state officer or employee from or precludes
449 any criminal prosecution or civil or employment action for an unlawful personal use
450 expenditure.

451 (7) A state officer or employee who is convicted of misusing public money or public
452 property under Section 76-8-402 may not disburse public funds or access public accounts.

453 Section 10. Section 63A-5-305 is amended to read:

454 **63A-5-305. Leasing by higher education institutions.**

455 (1) The Board of Regents shall establish written policies and procedures governing
456 leasing by higher education institutions.

457 (2) Except as provided in [Sections] Section 53B-2a-113 [~~and 63M-2-602~~], a higher
458 education institution shall comply with the procedures and requirements of the Board of
459 Regents' policies before signing or renewing a lease.

460 Section 11. Section 63C-10-103 is amended to read:

461 **63C-10-103. Duties.**

- 462 (1) The board shall:
- 463 (a) serve as an advisory board to:
- 464 (i) the governor on rural economic and planning issues; and
- 465 (ii) the Governor's Office of Economic Development on rural economic development
- 466 issues;
- 467 (b) prepare an annual strategic plan that:
- 468 (i) identifies rural economic development, planning, and leadership training challenges,
- 469 opportunities, priorities, and objectives; and
- 470 (ii) includes a work plan for accomplishing the objectives referred to in Subsection
- 471 (1)(b)(i);
- 472 (c) identify local, regional, and statewide rural economic development and planning
- 473 priorities;
- 474 (d) study and take input on issues relating to local, regional, and statewide rural
- 475 economic development, including challenges, opportunities, best practices, policy, planning,
- 476 and collaboration;
- 477 (e) advocate for rural needs, programs, policies, opportunities, and other issues relating
- 478 to rural economic development and planning;
- 479 (f) administer the Rural County Grant Program created in Section 17-54-103; and
- 480 ~~[(f) review projects in enterprise zones proposed by nonprofit corporations~~
- 481 ~~headquartered in enterprise zones as described in Subsection 63N-2-213.5(6);]~~
- 482 ~~[(g) review applications for cash awards, grants, loans, or other financial assistance~~
- 483 ~~under:]~~
- 484 ~~[(i) the Rural Fast Track Program described in Section 63N-3-104; and]~~
- 485 ~~[(ii) the Business Expansion and Retention Initiative described in Section~~
- 486 ~~63N-3-104.5; and]~~
- 487 ~~[(h)]~~ (g) no later than October 1 of each year, submit to the governor, the Legislature,
- 488 and the Economic Development and Workforce Services Interim Committee an annual report,
- 489 in accordance with Section 68-3-14, that provides:
- 490 (i) an overview of the rural economy in the state;
- 491 (ii) a summary of current issues and policy matters relating to rural economic
- 492 development; and

493 (iii) a statement of the board's initiatives, programs, and economic development
494 priorities.

495 (2) The board may engage in activities necessary to fulfill the board's duties, including:

496 (a) propose or support rural economic development legislation; and

497 (b) create one or more subcommittees.

498 Section 12. Section **63I-1-263** is amended to read:

499 **63I-1-263. Repeal dates, Titles 63A to 63N.**

500 (1) In relation to the Utah Transparency Advisory Board, on January 1, 2025:

501 (a) Subsection **63A-1-201**(1) is repealed;

502 (b) Subsection **63A-1-202**(2)(c), the language that states "using criteria established by
503 the board" is repealed;

504 (c) Section **63A-1-203** is repealed;

505 (d) Subsections **63A-1-204**(1) and (2), the language that states "After consultation with
506 the board, and" is repealed; and

507 (e) Subsection **63A-1-204**(1)(b), the language that states "using the standards provided
508 in Subsection **63A-1-203**(3)(c)" is repealed.

509 (2) Subsection **63A-5-228**(2)(h), relating to prioritizing and allocating capital
510 improvement funding, is repealed on July 1, 2024.

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

512 (4) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
513 1, 2028.

514 (5) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1,
515 2025.

516 (6) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1,
517 2020.

518 (7) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is
519 repealed July 1, 2021.

520 (8) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1,
521 2023.

522 (9) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,
523 2025.

524 (10) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
525 2020.

526 (11) In relation to the State Fair Corporation Board of Directors, on January 1, 2025:

527 (a) Subsection 63H-6-104(2)(c), related to a Senate appointment, is repealed;

528 (b) Subsection 63H-6-104(2)(d), related to a House appointment, is repealed;

529 (c) in Subsection 63H-6-104(2)(e), the language that states ", of whom only one may
530 be a legislator, in accordance with Subsection (3)(e)," is repealed;

531 (d) Subsection 63H-6-104(3)(a)(i) is amended to read:

532 "(3)(a)(i) Except as provided in Subsection (3)(a)(ii), a board member appointed under
533 Subsection (2)(e) or (f) shall serve a term that expires on the December 1 four years after the
534 year that the board member was appointed.";

535 (e) in Subsections 63H-6-104(3)(a)(ii), (c)(ii), and (d), the language that states "the
536 president of the Senate, the speaker of the House, the governor," is repealed and replaced with
537 "the governor"; and

538 (f) Subsection 63H-6-104(3)(e), related to limits on the number of legislators, is
539 repealed.

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

541 (13) Section 63M-7-212 is repealed on December 31, 2019.

542 (14) On July 1, 2025:

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

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

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

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

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

554 (f) Subsection 63J-4-102(1) is repealed and the remaining subsections are renumbered

555 accordingly;

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

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

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

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

561 and

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

564 (15) Subsection 63J-1-602.1(13), Nurse Home Visiting Restricted Account is repealed
565 July 1, 2026.

566 (16) Subsection 63J-1-602.2(4), referring to dedicated credits to the Utah Marriage
567 Commission, is repealed July 1, 2023.

568 (17) Subsection 63J-1-602.2(5), referring to the Trip Reduction Program, is repealed
569 July 1, 2022.

570 (18) (a) Subsection 63J-1-602.1(53), relating to the Utah Statewide Radio System
571 Restricted Account, is repealed July 1, 2022.

572 (b) When repealing Subsection 63J-1-602.1(53), the Office of Legislative Research and
573 General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make
574 necessary changes to subsection numbering and cross references.

575 (19) Subsection 63J-1-602.2(23), related to the Utah Seismic Safety Commission, is
576 repealed January 1, 2025.

577 (20) Subsection 63J-4-708(1), in relation to the Talent Ready Utah Board, on January
578 1, 2023, is amended to read:

579 "(1) On or before October 1, the board shall provide an annual written report to the
580 Social Services Appropriations Subcommittee and the Economic Development and Workforce
581 Services Interim Committee."

582 (21) In relation to the Utah Substance Use and Mental Health Advisory Council, on
583 January 1, 2023:

584 (a) Sections 63M-7-301, 63M-7-302, 63M-7-303, 63M-7-304, and 63M-7-306 are
585 repealed;

586 (b) Section 63M-7-305, the language that states "council" is replaced with
587 "commission";

588 (c) Subsection 63M-7-305(1) is repealed and replaced with:
589 "(1) "Commission" means the Commission on Criminal and Juvenile Justice."; and

590 (d) Subsection 63M-7-305(2) is repealed and replaced with:
591 "(2) The commission shall:

592 (a) provide ongoing oversight of the implementation, functions, and evaluation of the
593 Drug-Related Offenses Reform Act; and

594 (b) coordinate the implementation of Section 77-18-1.1 and related provisions in
595 Subsections 77-18-1(5)(b)(iii) and (iv).".

596 (22) The Crime Victim Reparations and Assistance Board, created in Section
597 63M-7-504, is repealed July 1, 2027.

598 (23) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2021.

599 (24) Subsection 63N-1-301(4)(c), related to the Talent Ready Utah Board, is repealed
600 on January 1, 2023.

601 (25) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.

602 [~~(26) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is~~
603 ~~repealed January 1, 2021.~~]

604 [~~(b) Subject to Subsection (26)(c), Sections 59-7-610 and 59-10-1007 regarding tax~~
605 ~~credits for certain persons in recycling market development zones, are repealed for taxable~~
606 ~~years beginning on or after January 1, 2021.~~]

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

608 [~~(i) for the purchase price of machinery or equipment described in Section 59-7-610 or~~
609 ~~59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or]~~

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

612 [~~(d) Notwithstanding Subsections (26)(b) and (c), a person may carry forward a tax~~
613 ~~credit in accordance with Section 59-7-610 or 59-10-1007 if:~~]

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

615 [~~(ii) (A) for the purchase price of machinery or equipment described in Section~~
616 ~~59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,~~

617 2020; or]

618 [~~(B)~~ for an expenditure described in Subsection ~~59-7-610(1)(b)~~ or ~~59-10-1007(1)(b)~~;
619 the expenditure is made on or before December 31, 2020.]

620 [~~(27)~~ (26) Section 63N-2-512 is repealed on July 1, 2021.

621 [~~(28)~~ (27) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed
622 January 1, 2021.

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

625 (c) Notwithstanding Subsection [~~(28)~~ (27)(b), an entity may carry forward a tax credit
626 in accordance with Section 59-9-107 if:

627 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December
628 31, 2020; and

629 (ii) the qualified equity investment that is the basis of the tax credit is certified under
630 Section 63N-2-603 on or before December 31, 2023.

631 [~~(29)~~ (28) Subsections 63N-3-109(2)(e) and 63N-3-109(2)(f)(i) are repealed July 1,
632 2023.

633 [~~(30)~~ (29) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is
634 repealed July 1, 2023.

635 [~~(31)~~ (30) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant
636 Program, is repealed January 1, 2023.

637 [~~(32)~~ (31) In relation to the Pete Suazo Utah Athletic Commission, on January 1,
638 2021:

639 (a) Subsection 63N-10-201(2)(a) is amended to read:

640 "(2) (a) The governor shall appoint five commission members with the advice and
641 consent of the Senate.";

642 (b) Subsection 63N-10-201(2)(b), related to legislative appointments, is repealed;

643 (c) in Subsection 63N-10-201(3)(a), the language that states ", president, or speaker,
644 respectively," is repealed; and

645 (d) Subsection 63N-10-201(3)(d) is amended to read:

646 "(d) The governor may remove a commission member for any reason and replace the
647 commission member in accordance with this section."

648 [~~33~~] (32) In relation to the Talent Ready Utah Board, on January 1, 2023:

649 (a) Subsection 9-22-102(16) is repealed;

650 (b) in Subsection 9-22-114(2), the language that states "Talent Ready Utah," is
651 repealed; and

652 (c) in Subsection 9-22-114(5), the language that states "representatives of Talent Ready
653 Utah," is repealed.

654 [~~34~~] (33) Title 63N, Chapter 12, Part 5, Talent Ready Utah Center, is repealed
655 January 1, 2023.

656 Section 13. Section 63J-1-602.2 is amended to read:

657 **63J-1-602.2. List of nonlapsing appropriations to programs.**

658 Appropriations made to the following programs are nonlapsing:

659 (1) The Legislature and its committees.

660 (2) The Percent-for-Art Program created in Section 9-6-404.

661 (3) The LeRay McAllister Critical Land Conservation Program created in Section
662 11-38-301.

663 (4) Dedicated credits accrued to the Utah Marriage Commission as provided under
664 Subsection 17-16-21(2)(d)(ii).

665 (5) The Trip Reduction Program created in Section 19-2a-104.

666 (6) The Division of Wildlife Resources for the appraisal and purchase of lands under
667 the Pelican Management Act, as provided in Section 23-21a-6.

668 (7) The primary care grant program created in Section 26-10b-102.

669 (8) Sanctions collected as dedicated credits from Medicaid provider under Subsection
670 26-18-3(7).

671 (9) The Utah Health Care Workforce Financial Assistance Program created in Section
672 26-46-102.

673 (10) The Rural Physician Loan Repayment Program created in Section 26-46a-103.

674 (11) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.

675 (12) Funds that the Department of Alcoholic Beverage Control retains in accordance
676 with Subsection 32B-2-301(7)(a) or (b).

677 (13) The General Assistance program administered by the Department of Workforce
678 Services, as provided in Section 35A-3-401.

- 679 (14) A new program or agency that is designated as nonlapsing under Section
680 36-24-101.
- 681 (15) The Utah National Guard, created in Title 39, Militia and Armories.
- 682 (16) The State Tax Commission under Section 41-1a-1201 for the:
- 683 (a) purchase and distribution of license plates and decals; and
684 (b) administration and enforcement of motor vehicle registration requirements.
- 685 (17) The Search and Rescue Financial Assistance Program, as provided in Section
686 53-2a-1102.
- 687 (18) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 688 (19) The State Board of Regents for teacher preparation programs, as provided in
689 Section 53B-6-104.
- 690 (20) The Medical Education Program administered by the Medical Education Council,
691 as provided in Section 53B-24-202.
- 692 (21) The State Board of Education, as provided in Section 53F-2-205.
- 693 (22) The Division of Services for People with Disabilities, as provided in Section
694 62A-5-102.
- 695 (23) The Division of Fleet Operations for the purpose of upgrading underground
696 storage tanks under Section 63A-9-401.
- 697 (24) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.
- 698 (25) Appropriations to the Department of Technology Services for technology
699 innovation as provided under Section 63F-4-202.
- 700 (26) The Office of Administrative Rules for publishing, as provided in Section
701 63G-3-402.
- 702 [~~(27) The Utah Science Technology and Research Initiative created in Section~~
703 ~~63M-2-301.~~]
- 704 [(28)] (27) The Governor's Office of Economic Development to fund the Enterprise
705 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 706 [(29)] (28) Appropriations to fund the Governor's Office of Economic Development's
707 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
708 Employment Expansion Program.
- 709 [(30)] (29) The Department of Human Resource Management user training program, as

710 provided in Section 67-19-6.

711 [~~31~~] (30) A public safety answering point's emergency telecommunications service
712 fund, as provided in Section 69-2-301.

713 [~~32~~] (31) The Traffic Noise Abatement Program created in Section 72-6-112.

714 [~~33~~] (32) The Judicial Council for compensation for special prosecutors, as provided
715 in Section 77-10a-19.

716 [~~34~~] (33) A state rehabilitative employment program, as provided in Section
717 78A-6-210.

718 [~~35~~] (34) The Utah Geological Survey, as provided in Section 79-3-401.

719 [~~36~~] (35) The Bonneville Shoreline Trail Program created under Section 79-5-503.

720 [~~37~~] (36) Adoption document access as provided in Sections 78B-6-141, 78B-6-144,
721 and 78B-6-144.5.

722 [~~38~~] (37) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
723 Defense Commission.

724 [~~39~~] (38) The program established by the Division of Facilities Construction and
725 Management under Subsection 63A-5-228(3) under which state agencies receive an
726 appropriation and pay lease payments for the use and occupancy of buildings owned by the
727 Division of Facilities Construction and Management.

728 Section 14. Section 63M-4-801, which is renumbered from Section 63N-2-401 is
729 renumbered and amended to read:

Part 8. Recycling Market Development Zone Act

~~63N-2-401~~. **63M-4-801. Title.**

This part is known as the "Recycling Market Development Zone Act."

733 Section 15. Section 63M-4-802, which is renumbered from Section 63N-2-402 is
734 renumbered and amended to read:

~~63N-2-402~~. **63M-4-802. Definitions.**

As used in this part:

737 (1) "Composting" means the controlled decay of landscape waste or sewage sludge and
738 organic industrial waste, or a mixture of these, by the action of bacteria, fungi, molds, and other
739 organisms.

740 (2) "Postconsumer waste material" means any product generated by a business or

741 consumer that has served its intended end use, and that has been separated from solid waste for
742 the purposes of collection, recycling, and disposition and that does not include secondary waste
743 material.

744 (3) (a) "Recovered materials" means waste materials and by-products that have been
745 recovered or diverted from solid waste.

746 (b) "Recovered materials" does not include those materials and by-products generated
747 from, and commonly reused within, an original manufacturing process.

748 (4) (a) "Recycling" means the diversion of materials from the solid waste stream and
749 the beneficial use of the materials and includes a series of activities by which materials that
750 would become or otherwise remain waste are diverted from the waste stream for collection,
751 separation, and processing, and are used as raw materials or feedstocks in lieu of or in addition
752 to virgin materials in the manufacture of goods sold or distributed in commerce or the reuse of
753 the materials as substitutes for goods made from virgin materials.

754 (b) "Recycling" does not include burning municipal solid waste for energy recovery.

755 (5) "Recycling market development zone" or "zone" means an area designated by the
756 office as meeting the requirements of this part.

757 (6) (a) "Secondary waste material" means industrial by-products that go to disposal
758 facilities and waste generated after completion of a manufacturing process.

759 (b) "Secondary waste material" does not include internally generated scrap commonly
760 returned to industrial or manufacturing processes, such as home scrap and mill broke.

761 (7) "Tax incentive" means a nonrefundable tax credit available under Section 59-7-610
762 or 59-10-1007.

763 Section 16. Section **63M-4-803**, which is renumbered from Section 63N-2-403 is
764 renumbered and amended to read:

765 ~~[63N-2-403]~~. **63M-4-803. Duties of the office.**

766 The office shall:

767 (1) facilitate recycling development zones through state support of county incentives
768 ~~[which]~~ that encourage development of manufacturing enterprises that use recycling materials
769 currently collected;

770 (2) evaluate an application from a county or municipality executive authority to be
771 designated as a recycling market development zone and determine if the county or municipality

772 qualifies for that designation;

773 (3) provide technical assistance to municipalities and counties in developing
774 applications for designation as a recycling market development zone;

775 (4) assist counties and municipalities designated as recycling market development
776 zones in obtaining assistance from the federal government and agencies of the state;

777 (5) assist a qualified business in obtaining the benefits of an incentive or inducement
778 program authorized by this part; and

779 (6) monitor the implementation and operation of this part and conduct a continuing
780 evaluation of the progress made in the recycling market development zone[~~;~~and].

781 [~~(7) include in the annual written report described in Section 63N-2-301, an evaluation~~
782 ~~of the effectiveness of the program and recommendations for legislation.~~]

783 Section 17. Section **63M-4-804**, which is renumbered from Section 63N-2-404 is
784 renumbered and amended to read:

785 [~~63N-2-404~~]. **63M-4-804. Criteria for recycling market development zone**
786 **-- Application process and fees.**

787 (1) An area may be designated as a recycling market development zone only if:

788 (a) the county or municipality agrees to make a qualifying local contribution under
789 Section [~~63N-2-405~~] 63M-4-805; and

790 (b) the county or municipality provides for postconsumer waste collection for recycling
791 within the county or municipality.

792 (2) The executive authority of any municipality or county desiring to be designated as a
793 recycling market development zone shall:

794 (a) obtain the written approval of the municipality or county's legislative body; and

795 (b) file an application with the office demonstrating the county or municipality meets
796 the requirements of this part.

797 (3) The application shall be in a form prescribed by the office, and shall include:

798 (a) a plan developed by the county or municipality that identifies local contributions
799 meeting the requirements of Section [~~63N-2-405~~] 63M-4-805;

800 (b) a county or municipality development plan that outlines:

801 (i) the specific investment or development reasonably expected to take place;

802 (ii) any commitments obtained from businesses to participate, and in what capacities

803 regarding recycling markets;

804 (iii) the county's or municipality's economic development plan and demonstration of
805 coordination between the zone and the county or municipality in overall development goals;

806 (iv) zoning requirements demonstrating that sufficient portions of the proposed zone
807 area are zoned as appropriate for the development of commercial, industrial, or manufacturing
808 businesses;

809 (v) the county's or municipality's long-term waste management plan and evidence that
810 the zone will be adequately served by the plan; and

811 (vi) the county or municipality postconsumer waste collection infrastructure;

812 (c) the county's or municipality's proposed means of assessing the effectiveness of the
813 development plan or other programs implemented within the zone;

814 (d) state whether within the zone either of the following will be established:

815 (i) commercial manufacturing or industrial processes that will produce end products
816 that consist of not less than 50% recovered materials, of which not less than 25% is
817 postconsumer waste material; or

818 (ii) commercial composting;

819 (e) any additional information required by the office; and

820 (f) any additional information the county or municipality considers relevant to its
821 designation as a recycling market development zone.

822 (4) A county or municipality applying for designation as a recycling market
823 development zone shall pay to the office an application fee determined under Section
824 [63J-1-504](#).

825 Section 18. Section **63M-4-805**, which is renumbered from Section 63N-2-405 is
826 renumbered and amended to read:

827 ~~**63N-2-405**~~. **63M-4-805**. **Qualifying local contributions.**

828 Qualifying local contributions to the recycling market development zone may vary
829 depending on available resources, and may include:

830 (1) simplified procedures for obtaining permits;

831 (2) dedication of available government grants;

832 (3) waiver of business license or permit fees;

833 (4) infrastructure improvements;

- 834 (5) private contributions;
- 835 (6) utility rate concessions;
- 836 (7) suspension or relaxation of locally originated zoning laws or general plans; and
- 837 (8) other proposed local contributions as the office finds promote the purposes of this
- 838 part.

839 Section 19. Section **63M-4-806**, which is renumbered from Section 63N-2-406 is
 840 renumbered and amended to read:

841 ~~[63N-2-406]~~. **63M-4-806. Eligibility review.**

842 (1) The office shall:

843 (a) review and evaluate an application submitted under Section [~~63N-2-404~~]

844 63M-4-804; and

845 (b) determine whether the municipality or county is eligible for designation as a
 846 recycling market development zone.

847 (2) In designating recycling market development zones, the office shall consider:

848 (a) whether the current waste management practices and conditions of the county or
 849 municipality are favorable to the development of postconsumer waste material markets;

850 (b) whether the creation of the zone is necessary to assist in attracting private sector
 851 recycling investments to the area; and

852 (c) the amount of available landfill capacity to serve the zone.

853 Section 20. Section **63M-4-807**, which is renumbered from Section 63N-2-407 is
 854 renumbered and amended to read:

855 ~~[63N-2-407]~~. **63M-4-807. Quarterly consideration.**

856 The office shall take action quarterly on any application requesting designation as a
 857 recycling market development zone.

858 Section 21. Section **63M-4-808**, which is renumbered from Section 63N-2-408 is
 859 renumbered and amended to read:

860 ~~[63N-2-408]~~. **63M-4-808. Duration of designation.**

861 A recycling market development zone designation ends five years from the date the
 862 office designates the area as a recycling market development zone, at the end of which the
 863 county or municipality may reapply for the designation.

864 Section 22. Section **63M-4-809**, which is renumbered from Section 63N-2-409 is

865 renumbered and amended to read:

866 ~~[63N-2-409].~~ **63M-4-809. Revocation of designations.**

867 (1) The office may revoke the designation of a recycling market development zone if
868 no businesses utilize the tax incentives during any calendar year.

869 (2) Before revocation of the zone, the office shall conduct a public hearing within a
870 reasonable distance of the zone to determine reasons for inactivity and explore possible
871 alternative actions.

872 Section 23. Section **63M-4-810**, which is renumbered from Section 63N-2-410 is
873 renumbered and amended to read:

874 ~~[63N-2-410].~~ **63M-4-810. Recycling market development zone credit.**

875 For a taxpayer within a recycling market development zone, there are allowed the
876 nonrefundable credits against tax as provided by Sections [59-7-610](#) and [59-10-1007](#).

877 Section 24. Section **63M-4-811**, which is renumbered from Section 63N-2-411 is
878 renumbered and amended to read:

879 ~~[63N-2-411].~~ **63M-4-811. Annual report.**

880 (1) A county or municipality designated as a recycling market development zone shall
881 report by no later than July 31 of each year to the office regarding the economic activity that
882 has occurred in the zone following the designation.

883 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
884 office may make rules providing for the form and content of the annual reports.

885 Section 25. Section **63N-1-501** is amended to read:

886 **63N-1-501. Governor's Economic Development Coordinating Council --**
887 **Membership -- Expenses.**

888 (1) There is created in the office the Governor's Economic Development Coordinating
889 Council, consisting of the following 11 members:

890 (a) the executive director, who shall serve as chair of the council;

891 (b) the chair of the board or the chair's designee;

892 ~~[(c) the chair of the Utah Science Technology and Research Governing Authority~~
893 ~~created in Section [63M-2-301](#) or the chair's designee;]~~

894 ~~[(d)]~~ (c) the chair of the Governor's Rural Partnership Board created in Section
895 [63C-10-102](#) or the chair's designee;

896 ~~[(e)]~~ (d) the chair of the board of directors of the Utah Capital Investment Corporation
897 created in Section 63N-6-301 or the chair's designee;

898 ~~[(f)]~~ (e) the chair of the Economic Development Corporation of Utah or its successor
899 organization or the chair's designee;

900 ~~[(g)]~~ (f) the chair of the World Trade Center Utah or its successor organization or the
901 chair's designee; and

902 ~~[(h)]~~ (g) ~~four~~ five members appointed by the governor, with the consent of the
903 Senate, who have expertise in business, economic development, entrepreneurship, or the
904 raising of venture or seed capital for research and business growth.

905 (2) (a) The ~~four~~ five members appointed by the governor may serve for no more than
906 two consecutive two-year terms.

907 (b) The governor shall appoint a replacement if a vacancy occurs from the membership
908 appointed under Subsection (1)~~[(h)]~~(g).

909 (3) Six members of the council constitute a quorum for the purpose of conducting
910 council business and the action of a majority of a quorum constitutes the action of the council.

911 (4) A member may not receive compensation or benefits for the member's service on
912 the council, but may receive per diem and travel expenses in accordance with:

913 (a) Sections 63A-3-106 and 63A-3-107; and

914 (b) rules made by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

915 (5) The office shall provide office space and administrative staff support for the
916 council.

917 (6) The council, as a governmental entity, has all the rights, privileges, and immunities
918 of a governmental entity of the state and its meetings are subject to Title 52, Chapter 4, Open
919 and Public Meetings Act.

920 Section 26. Section 63N-2-203 is amended to read:

921 **63N-2-203. Powers of the office.**

922 The office shall:

923 (1) monitor the implementation and operation of this part and conduct a continuing
924 evaluation of the progress made in the enterprise zones;

925 (2) evaluate an application for designation as an enterprise zone from a county
926 applicant or a municipal applicant and determine if the applicant qualifies for that designation;

927 (3) provide technical assistance to county applicants and municipal applicants in
 928 developing applications for designation as enterprise zones;

929 (4) assist county applicants and municipal applicants designated as enterprise zones in
 930 obtaining assistance from the federal government and agencies of the state;

931 (5) assist a qualified business entity in obtaining the benefits of an incentive or
 932 inducement program authorized by this part; and

933 (6) as part of the annual written report described in Section 63N-1-301, prepare an
 934 annual evaluation that provides:

935 (a) based on data from the State Tax Commission, the total amount of tax credits
 936 claimed under this part;

937 (b) the total amount awarded in tax credits for each development zone;

938 (c) the number of new full-time employee positions reported to obtain tax credits in
 939 each development zone;

940 (d) the amount of tax credits awarded for rehabilitating a building in each development
 941 zone;

942 (e) the amount of tax credits awarded for investing in a plant, equipment, or other
 943 depreciable property in each development zone; and

944 [~~(f) the list of approved projects under Section 63N-2-213.5 and the aggregate value of~~
 945 ~~the tax credit certificates issued related to contributions to those approved projects; and]~~

946 [~~(g)~~ (f) recommendations regarding the effectiveness of the program and any
 947 suggestions for legislation.

948 Section 27. Section 63N-2-204 is amended to read:

949 **63N-2-204. Criteria for designation of enterprise zones -- Application.**

950 (1) A county applicant seeking designation as an enterprise zone shall file an
 951 application with the office that, in addition to complying with the other requirements of this
 952 part:

953 (a) verifies that the county has a population of not more than 70,000; and

954 (b) provides clear evidence of the need for development in the county.

955 (2) A municipal applicant seeking designation as an enterprise zone shall file an
 956 application with the office that, in addition to complying with other requirements of this part:

957 (a) verifies that the municipality has a population that does not exceed 20,000;

958 (b) verifies that the municipality is within a county that has a population of not more
959 than 70,000; and

960 (c) provides clear evidence of the need for development in the municipality.

961 (3) An application filed under Subsection (1) or (2) shall be in a form and in
962 accordance with procedures approved by the office, and shall include the following
963 information:

964 (a) a plan developed by the county applicant or municipal applicant that identifies local
965 contributions meeting the requirements of Section 63N-2-205;

966 (b) the county applicant or municipal applicant has a development plan that outlines:

967 (i) the types of investment and development within the zone that the county applicant
968 or municipal applicant expects to take place if the incentives specified in this part are provided;

969 (ii) the specific investment or development reasonably expected to take place;

970 (iii) any commitments obtained from businesses;

971 (iv) the projected number of jobs that will be created and the anticipated wage level of
972 those jobs;

973 (v) any proposed emphasis on the type of jobs created, including any affirmative action
974 plans; and

975 (vi) a copy of the county applicant's or municipal applicant's economic development
976 plan to demonstrate coordination between the zone and overall county or municipal goals;

977 (c) the county applicant's or municipal applicant's proposed means of assessing the
978 effectiveness of the development plan or other programs within the zone once they have been
979 implemented within the zone;

980 (d) any additional information required by the office; and

981 (e) any additional information the county applicant or municipal applicant considers
982 relevant to its designation as an enterprise zone.

983 (4) On or after January 1, 2020, no new enterprise zones shall be designated.

984 Section 28. Section 63N-2-208 is amended to read:

985 **63N-2-208. Duration of designation.**

986 (1) Each enterprise zone has a duration of five years~~[; at the end of which the county~~
987 ~~may reapply for the designation].~~

988 (2) On or after January 1, 2020, a county may not reapply for an enterprise zone

989 designation for an enterprise zone that has reached the end of the enterprise zone's five-year
990 duration.

991 Section 29. Section **63N-2-213** is amended to read:

992 **63N-2-213. State tax credits.**

993 (1) The office shall certify a business entity's eligibility for a tax credit described in this
994 section.

995 (2) A business entity seeking to receive a tax credit as provided in this section shall
996 provide the office with:

997 (a) an application for a tax credit certificate in a form approved by the office, including
998 a certification, by an officer of the business entity, of a signature on the application; and

999 (b) documentation that demonstrates the business entity has met the requirements to
1000 receive the tax credit.

1001 (3) If, after review of an application and documentation provided by a business entity
1002 as described in Subsection (2), the office determines that the application and documentation are
1003 inadequate to provide a reasonable justification for authorizing the tax credit, the office shall:

1004 (a) deny the tax credit; or

1005 (b) inform the business entity that the application or documentation was inadequate
1006 and ask the business entity to submit additional documentation.

1007 (4) If, after review of an application and documentation provided by a business entity
1008 as described in Subsection (2), the office determines that the application and documentation
1009 provide reasonable justification for authorizing a tax credit, the office shall:

1010 (a) determine the amount of the tax credit to be granted to the business entity;

1011 (b) issue a tax credit certificate to the business entity; and

1012 (c) provide a duplicate copy of the tax credit certificate to the State Tax Commission.

1013 (5) A business entity may not claim a tax credit under this section unless the business
1014 entity has a tax credit certificate issued by the office.

1015 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1016 office shall make rules describing:

1017 (a) the form and content of an application for a tax credit under this section;

1018 (b) the documentation requirements for a business entity to receive a tax credit
1019 certificate under this section; and

- 1020 (c) administration of the program, including relevant timelines and deadlines.
- 1021 (7) Subject to the limitations of Subsections (8) through (10), and if the requirements
1022 of this part are met, the following nonrefundable tax credits against a tax under Title 59,
1023 Chapter 7, Corporate Franchise and Income Taxes, or Title 59, Chapter 10, Individual Income
1024 Tax Act, are applicable in an enterprise zone:
- 1025 (a) a tax credit of \$750 may be claimed by a business entity for each new full-time
1026 employee position created within the enterprise zone;
- 1027 (b) an additional \$500 tax credit may be claimed if the new full-time employee position
1028 created within the enterprise zone pays at least 125% of:
- 1029 (i) the county average monthly nonagricultural payroll wage for the respective industry
1030 as determined by the Department of Workforce Services; or
- 1031 (ii) if the county average monthly nonagricultural payroll wage is not available for the
1032 respective industry, the total average monthly nonagricultural payroll wage in the respective
1033 county where the enterprise zone is located;
- 1034 (c) an additional tax credit of \$750 may be claimed if the new full-time employee
1035 position created within the enterprise zone is in a business entity that adds value to agricultural
1036 commodities through manufacturing or processing;
- 1037 (d) an additional tax credit of \$200 may be claimed [~~for two consecutive years~~] for
1038 each new full-time employee position created within the enterprise zone that is filled by an
1039 employee who is insured under an employer-sponsored health insurance program if the
1040 employer pays at least 50% of the premium cost for the year for which the credit is claimed;
- 1041 (e) a tax credit of 25% of the first \$200,000 spent on rehabilitating a building in the
1042 enterprise zone that has been vacant for two years or more, including that the building has had
1043 or contained no occupants, tenants, furniture, or personal property for two years or more, in the
1044 time period immediately before the rehabilitation; and
- 1045 (f) (i) subject to the limitations of Subsection (7)(f)(ii), an annual investment tax credit
1046 of 10% of the first \$250,000 in investment, and 5% of the next [~~\$1,000,000~~] \$750,000
1047 qualifying investment in plant, equipment, or other depreciable property[-]; and
- 1048 (ii) the maximum amount of annual investment tax credit that can be claimed by a
1049 business entity under Subsection (7)(f)(i) is an amount equal to the amount being claimed by
1050 the business entity under Subsections (7)(a) through (d) in the same taxable year.

1051 (8) (a) Subject to the limitations of Subsection (8)(b), a business entity claiming a tax
1052 credit under Subsections (7)(a) through (d) may claim the tax credit for no more than 30
1053 full-time employee positions in a taxable year.

1054 (b) A business entity that received a tax credit for one or more new full-time employee
1055 positions under Subsections (7)(a) through (d) in a prior taxable year may claim a tax credit for
1056 a new full-time employee position in a subsequent taxable year under Subsections (7)(a)
1057 through (d) if:

1058 (i) the business entity has created a new full-time position within the enterprise zone;
1059 and

1060 (ii) the total number of full-time employee positions at the business entity at any point
1061 during the tax year for which the tax credit is being claimed is greater than the highest number
1062 of full-time employee positions that existed at the business entity in the previous three taxable
1063 years.

1064 (c) Construction jobs are not eligible for the tax credits under Subsections (7)(a)
1065 through (d).

1066 (9) If the amount of a tax credit under this section exceeds a business entity's tax
1067 liability under this chapter for a taxable year, the business entity may carry forward the amount
1068 of the tax credit exceeding the liability for a period that does not exceed the next three taxable
1069 years.

1070 (10) Tax credits under Subsections (7)(a) through (f) may not be claimed by a business
1071 entity primarily engaged in retail trade or by a public utilities business.

1072 (11) A business entity that has no employees:

1073 (a) may not claim tax credits under Subsections (7)(a) through (d); and

1074 (b) may claim tax credits under Subsections (7)(e) through (f).

1075 (12) (a) A business entity may not claim or carry forward a tax credit available under
1076 this part for a taxable year during which the business entity has claimed the targeted business
1077 income tax credit available under Section [63N-2-304](#).

1078 (b) A business entity may not claim or carry forward a tax credit available under this
1079 section for a taxable year during which the business entity claims or carries forward a tax credit
1080 available under Section [59-7-610](#) or [59-10-1007](#).

1081 (13) (a) On or before November 30, 2018, and every three years after 2018, the

1082 Revenue and Taxation Interim Committee shall review the tax credits provided by this section
1083 and make recommendations concerning whether the tax credits should be continued, modified,
1084 or repealed.

1085 (b) In conducting the review required by Subsection (13)(a), the Revenue and Taxation
1086 Interim Committee shall:

1087 (i) schedule time on at least one committee agenda to conduct the review;

1088 (ii) invite state agencies, individuals, and organizations concerned with the credits
1089 under review to provide testimony;

1090 (iii) ensure that the recommendations described in this section include an evaluation of:

1091 (A) the cost of the tax credits to the state;

1092 (B) the purpose and effectiveness of the tax credits; and

1093 (C) the extent to which the state benefits from the tax credits; and

1094 (iv) undertake other review efforts as determined by the chairs of the Revenue and
1095 Taxation Interim Committee.

1096 Section 30. Section **63N-4-104** is amended to read:

1097 **63N-4-104. Duties.**

1098 (1) The Office of Rural Development shall:

1099 (a) provide staff support to the Governor's Rural Partnership Board in accordance with
1100 Subsection [63C-10-102\(6\)](#);

1101 (b) facilitate within GOED the implementation of the strategic plan prepared under
1102 Subsection [63C-10-103\(1\)\(b\)](#);

1103 (c) work to enhance the capacity of GOED to address rural economic development,
1104 planning, and leadership training challenges and opportunities by establishing partnerships and
1105 positive working relationships with appropriate public and private sector entities, individuals,
1106 and institutions;

1107 (d) work with the Governor's Rural Partnership Board to coordinate and focus
1108 available resources in ways that address the economic development, planning, and leadership
1109 training challenges and priorities in rural Utah; ~~and~~

1110 (e) assist the Governor's Rural Partnership Board in administering the Rural County
1111 Grant Program created in Section [17-54-103](#), including, as described in Subsection

1112 [17-54-103\(10\)](#), compiling reported information regarding the program for inclusion in GOED's

1113 annual written report described in Section [63N-1-301](#); and

1114 ~~[(e)]~~ (f) in accordance with economic development and planning policies set by state
1115 government, coordinate relations between:

1116 (i) the state;

1117 (ii) rural governments;

1118 (iii) other public and private groups engaged in rural economic planning and
1119 development; and

1120 (iv) federal agencies.

1121 (2) (a) The Office of Rural Development may:

1122 (i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1123 make rules necessary to carry out its duties;

1124 (ii) accept gifts, grants, devises, and property, in cash or in kind, for the benefit of rural
1125 Utah citizens; and

1126 (iii) use those gifts, grants, devises, and property received under Subsection (2)(a)(ii)
1127 for the use and benefit of rural citizens within the state.

1128 (b) All resources received under Subsection (2)(a)(ii) shall be deposited in the General
1129 Fund as dedicated credits to be used as directed in Subsection (2)(a)(iii).

1130 Section 31. Section **67-19-15** is amended to read:

1131 **67-19-15. Career service -- Exempt positions -- Schedules for civil service**
1132 **positions -- Coverage of career service provisions.**

1133 (1) Except as otherwise provided by law or by rules and regulations established for
1134 federally aided programs, the following positions are exempt from the career service provisions
1135 of this chapter and are designated under the following schedules:

1136 (a) schedule AA includes the governor, members of the Legislature, and all other
1137 elected state officers;

1138 (b) schedule AB includes appointed executives and board or commission executives
1139 enumerated in Section [67-22-2](#);

1140 (c) schedule AC includes all employees and officers in:

1141 (i) the office and at the residence of the governor;

1142 ~~[(ii) the Utah Science Technology and Research Initiative (USTAR);]~~

1143 ~~[(iii)]~~ (ii) the Public Lands Policy Coordinating Council;

- 1144 [~~(iv)~~] (iii) the Office of the State Auditor; and
- 1145 [~~(v)~~] (iv) the Office of the State Treasurer;
- 1146 (d) schedule AD includes employees who:
- 1147 (i) are in a confidential relationship to an agency head or commissioner; and
- 1148 (ii) report directly to, and are supervised by, a department head, commissioner, or
- 1149 deputy director of an agency or its equivalent;
- 1150 (e) schedule AE includes each employee of the State Board of Education that the State
- 1151 Board of Education designates as exempt from the career service provisions of this chapter;
- 1152 (f) schedule AG includes employees in the Office of the Attorney General who are
- 1153 under their own career service pay plan under Sections 67-5-7 through 67-5-13;
- 1154 (g) schedule AH includes:
- 1155 (i) teaching staff of all state institutions; and
- 1156 (ii) employees of the Utah Schools for the Deaf and the Blind who are:
- 1157 (A) educational interpreters as classified by the department; or
- 1158 (B) educators as defined by Section 53E-8-102;
- 1159 (h) schedule AN includes employees of the Legislature;
- 1160 (i) schedule AO includes employees of the judiciary;
- 1161 (j) schedule AP includes all judges in the judiciary;
- 1162 (k) schedule AQ includes:
- 1163 (i) members of state and local boards and councils appointed by the governor and
- 1164 governing bodies of agencies;
- 1165 (ii) a water commissioner appointed under Section 73-5-1;
- 1166 (iii) other local officials serving in an ex officio capacity; and
- 1167 (iv) officers, faculty, and other employees of state universities and other state
- 1168 institutions of higher education;
- 1169 (l) schedule AR includes employees in positions that involve responsibility:
- 1170 (i) for determining policy;
- 1171 (ii) for determining the way in which a policy is carried out; or
- 1172 (iii) of a type not appropriate for career service, as determined by the agency head with
- 1173 the concurrence of the executive director;
- 1174 (m) schedule AS includes any other employee:

1175 (i) whose appointment is required by statute to be career service exempt;
1176 (ii) whose agency is not subject to this chapter; or
1177 (iii) whose agency has authority to make rules regarding the performance,
1178 compensation, and bonuses for its employees;

1179 (n) schedule AT includes employees of the Department of Technology Services,
1180 designated as executive/professional positions by the executive director of the Department of
1181 Technology Services with the concurrence of the executive director;

1182 (o) schedule AU includes patients and inmates employed in state institutions;

1183 (p) employees of the Department of Workforce Services, designated as schedule AW:

1184 (i) who are temporary employees that are federally funded and are required to work
1185 under federally qualified merit principles as certified by the director; or

1186 (ii) for whom substantially all of their work is repetitive, measurable, or transaction
1187 based, and who voluntarily apply for and are accepted by the Department of Workforce
1188 Services to work in a pay for performance program designed by the Department of Workforce
1189 Services with the concurrence of the executive director; and

1190 (q) for employees in positions that are temporary, seasonal, time limited, funding
1191 limited, or variable hour in nature, under schedule codes and parameters established by the
1192 department by administrative rule.

1193 (2) The civil service shall consist of two schedules as follows:

1194 (a) (i) Schedule A is the schedule consisting of positions under Subsection (1).

1195 (ii) Removal from any appointive position under schedule A, unless otherwise
1196 regulated by statute, is at the pleasure of the appointing officers without regard to tenure.

1197 (b) Schedule B is the competitive career service schedule, consisting of:

1198 (i) all positions filled through competitive selection procedures as defined by the
1199 executive director; or

1200 (ii) positions filled through a department approved on-the-job examination intended to
1201 appoint a qualified person with a disability, or a veteran in accordance with Title 71, Chapter
1202 10, Veterans Preference.

1203 (3) (a) The executive director, after consultation with the heads of concerned executive
1204 branch departments and agencies and with the approval of the governor, shall allocate positions
1205 to the appropriate schedules under this section.

1206 (b) Agency heads shall make requests and obtain approval from the executive director
1207 before changing the schedule assignment and tenure rights of any position.

1208 (c) Unless the executive director's decision is reversed by the governor, when the
1209 executive director denies an agency's request, the executive director's decision is final.

1210 (4) (a) Compensation for employees of the Legislature shall be established by the
1211 directors of the legislative offices in accordance with Section 36-12-7.

1212 (b) Compensation for employees of the judiciary shall be established by the state court
1213 administrator in accordance with Section 78A-2-107.

1214 (c) Compensation for officers, faculty, and other employees of state universities and
1215 institutions of higher education shall be established as provided in Title 53B, Chapter 1,
1216 Governance, Powers, Rights, and Responsibilities, and Title 53B, Chapter 2, Institutions of
1217 Higher Education.

1218 (d) Unless otherwise provided by law, compensation for all other schedule A
1219 employees shall be established by their appointing authorities, within ranges approved by, and
1220 after consultation with the executive director of the Department of Human Resource
1221 Management.

1222 (5) An employee who is in a position designated schedule AC and who holds career
1223 service status on June 30, 2010, shall retain the career service status if the employee:

1224 (a) remains in the position that the employee is in on June 30, 2010; and

1225 (b) does not elect to convert to career service exempt status in accordance with a rule
1226 made by the department.

1227 Section 32. **Repealer.**

1228 This bill repeals:

1229 Section 13-1-14, **Workforce Development Restricted Account.**

1230 Section 59-7-614.11, **Nonrefundable nonprofit contribution tax credit.**

1231 Section 59-10-1039, **Nonrefundable nonprofit contribution tax credit.**

1232 Section 63M-2-101, **Title.**

1233 Section 63M-2-102, **Definitions.**

1234 Section 63M-2-301, **The Utah Science Technology and Research Initiative --**
1235 **Governing authority -- Program director.**

1236 Section 63M-2-302, **USTAR powers and duties.**

- 1237 Section **63M-2-302.5**, USTAR requirements.
- 1238 Section **63M-2-304**, Background checks for employees.
- 1239 Section **63M-2-501**, Title.
- 1240 Section **63M-2-502**, Principal researchers -- Agreement requirements --
- 1241 **Discontinuing funding.**
- 1242 Section **63M-2-503**, USTAR grant programs.
- 1243 Section **63M-2-504**, Other USTAR support.
- 1244 Section **63M-2-601**, Title.
- 1245 Section **63M-2-602**, Lease agreement for a research building -- Requirements for
- 1246 **lease agreement.**
- 1247 Section **63M-2-701**, Title.
- 1248 Section **63M-2-703**, Reporting requirements for private entities.
- 1249 Section **63M-2-801**, Title.
- 1250 Section **63M-2-802**, USTAR annual report.
- 1251 Section **63M-2-803**, Audit requirements.
- 1252 Section **63N-2-213.5**, State tax credits for contributions to a nonprofit corporation.
- 1253 Section **63N-3-104**, Rural Fast Track Program -- Creation -- Funding --
- 1254 **Qualifications for program participation -- Awards -- Reports.**
- 1255 Section **63N-3-104.5**, Business Expansion and Retention Initiative -- Creation --
- 1256 **Funding -- Qualifications for program participation -- Awards -- Reports.**
- 1257 Section 33. **Appropriation.**
- 1258 The following sums of money are appropriated for the fiscal year beginning July 1,
- 1259 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for
- 1260 fiscal year 2021. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
- 1261 Act, the Legislature appropriates the following sums of money from the funds or accounts
- 1262 indicated for the use and support of the government of the state of Utah.

1263 ITEM 1

1264	<u>To General Fund Restricted -- Workforce Development Restricted Account</u>	
1265	<u>From General Fund</u>	<u>(\$14,636,900)</u>
1266	<u>Schedule of Programs:</u>	
1267	<u>Workforce Development Restricted Account</u>	<u>(\$14,636,900)</u>

1268 ITEM 2
1269 To Governor's Office of Economic Development -- Rural County Grant Program
1270 From General Fund \$10,000,000
1271 Schedule of Programs:
1272 Workforce Development Restricted Account \$10,000,000
1273 The Legislature intends that the Governor's Office of Economic Development use the
1274 appropriation in this item to:
1275 (1) fund the portion of the Rural County Grant Program described in Subsection
1276 17-54-103(4)(a) in an amount of no more than \$5,000,000; and
1277 (2) use the remainder of the appropriation to fund the portion of the Rural County
1278 Grant Program described in Subsection 17-54-103(4)(b).
1279 **Section 34. Retrospective operation.**
1280 The repeal of Sections 59-7-614.11, 59-10-1039, and 63N-2-213.5 in this bill have
1281 retrospective operation for a taxable year beginning on or after January 1, 2020.