{deleted text} shows text that was in HB1004 but was deleted in HB1004S01.

inserted text shows text that was not in HB1004 but was inserted into HB1004S01.

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**COVID-19** Representative Mike Schultz proposes the following substitute bill:

## **COVID-19 GRANT PROGRAM AMENDMENTS**

2021 FIRST SPECIAL SESSION STATE OF UTAH

**Chief Sponsor: Mike Schultz** 

Senate Sponsor: Kirk A. Cullimore

#### **LONG TITLE**

#### **General Description:**

This bill addresses grant programs responding to COVID-19.

#### **Highlighted Provisions:**

This bill:

- amends the grant program that allows the Governor's Office of Economic Development to respond to the COVID-19 pandemic by directing financial grants to institutions of higher education by:
  - · modifying certain reporting and expenditure requirements; and
  - repealing the sunset date;
- creates a grant program within the Governor's Office of Management and Budget for local governments to receive \{\frac{\text{financial}}{\text{grants}}\}\text{grants for certain purposes related to}
   COVID-19 recovery if the local government \{\text{commits to provide}\}\text{provides}\}\)

matching funds; { and}

- requires the Governor's Office of Management and Budget to report information about the grant program to the Executive Appropriations Committee on an annual basis
- establishes a review committee to make recommendations to the Governor's Office
   of Management and Budget regarding the allocation of grant funds and certain
   procedures, criteria, and requirements for the grant program; and
- provides for the appointment of review committee members.

### Money Appropriated in this Bill:

None

## **Other Special Clauses:**

This bill provides a special effective date.

#### **Utah Code Sections Affected:**

#### AMENDS:

**63I-2-263 (Effective 07/01/21)**, as last amended by Laws of Utah 2021, Chapters 64, 84, 205, 280, 282, 330, 382, and 401

**63N-1b-307 (Effective 07/01/21)**, as renumbered and amended by Laws of Utah 2021, Chapter 282

**63N-12-508 (Superseded 07/01/21)**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 19

#### **ENACTS**:

**63J-4-801**, Utah Code Annotated 1953

63J-4-802, Utah Code Annotated 1953

**63J-4-803**, Utah Code Annotated 1953

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

Section 1. Section 63I-2-263 (Effective 07/01/21) is amended to read:

63I-2-263 (Effective 07/01/21). Repeal dates, Title 63A to Title 63N.

- (1) Section 63A-3-111 is repealed June 30, 2021.
- (2) Title 63C, Chapter 19, Higher Education Strategic Planning Commission is repealed July 1, 2021.

- (3) Title 63C, Chapter 22, Digital Wellness, Citizenship, and Safe Technology Commission is repealed July 1, 2023.
  - (4) Section 63G-1-502 is repealed July 1, 2022.
- (5) The following sections regarding the World War II Memorial Commission are repealed on July 1, 2022:
  - (a) Section 63G-1-801;
  - (b) Section 63G-1-802;
  - (c) Section 63G-1-803; and
  - (d) Section 63G-1-804.
  - (6) Section 63H-7a-303 is repealed July 1, 2024.
  - (7) Subsection 63J-1-206(3)(c), relating to coronavirus, is repealed July 1, 2021.
  - (8) Sections 63M-7-213 and 63M-7-213.5 are repealed on January 1, 2023.
  - (9) Section 63M-7-217 is repealed on July 1, 2022.
- [(10) Subsection 63N-1b-307(3), which allows the Governor's Office of Economic Opportunity to respond to the COVID-19 pandemic by directing financial grants to institutions of higher education, is repealed December 31, 2021.]
- [(11)] (10) Title 63N, Chapter 13, Part 3, Facilitating Public-private Partnerships Act, is repealed January 1, 2024.
- [(12)] (11) Title 63N, Chapter 15, COVID-19 Economic Recovery Programs, is repealed December 31, 2021.

Section 2. Section **63J-4-801** is enacted to read:

# Part 8. COVID-19 Local Assistance Matching Grant Program 63J-4-801. Definitions.

As used in this part:

- (1) "American Rescue Plan Act" means the American Rescue Plan Act, Pub. L. 117-2.
- (2) "COVID-19" means:
- (a) severe acute respiratory syndrome coronavirus 2; or
- (b) the disease caused by severe acute respiratory syndrome coronavirus 2.
- (3) "COVID-19 emergency" means the spread of COVID-19 that the World Health Organization declared a pandemic on March 11, 2020.
  - (4) "Grant program" means the COVID-19 Local Assistance Matching Grant Program

#### established in Section 63J-4-802.

- (<del>{4}</del><u>5</u>) "Local government" means a county, city, town, or metro township.
- (6) "Review committee" means the COVID-19 Local Assistance Matching Grant Program Review Committee established in Section 63J-4-803.
  - Section 3. Section **63J-4-802** is enacted to read:
- <u>63J-4-802.</u> Creation of COVID-19 Local Assistance Matching Grant Program -- Eligibility -- Duties of the office.
- (1) There is established a grant program known as COVID-19 Local Assistance Matching Grant Program that is administered by the office.
- (2) The office shall award financial grants to local governments that meet the qualifications described in Subsection (3) to provide support for:
- (a) projects or services that address the economic impacts of the COVID-19 emergency on housing insecurity, lack of affordable housing, or homelessness;
- (b) costs incurred in addressing public health challenges resulting from the COVID-19 emergency;
  - (c) necessary investments in water and sewer infrastructure; or
  - (d) any other purpose authorized under the American Rescue Plan Act.
  - (3) To be eligible for a grant under this part, a local government shall:
  - (a) {commit to } provide matching funds in an amount determined by the office; and
  - (b) certify that the local government will spend grant funds:
  - (i) on a purpose described in Subsection (2);
  - (ii) within the time period determined by the office; and
  - (\fit\)iii) in accordance with the American Rescue Plan Act.
- (4) As soon as is practicable, but on or before September 15, 2021, the office shall, with recommendations from the review committee, establish:
- (a) procedures for applying for and awarding grants under this part, using an online grants management system that:
  - (i) manages each grant throughout the duration of the grant;
  - (ii) allows for:
  - (A) online submission of grant applications;
  - (B) automated disbursement of grant funds; and

- (<del>{C}B</del>) auditing and reporting for a local government that receives grant funds; and
- (iii) generates reports containing information about each grant;
- (b) criteria for awarding grants; and
- (c) reporting requirements for grant recipients.
- (5) Subject to appropriation, the office shall award grant funds on a competitive basis until December 31, 2024.
- (6) Before November 30 of each year, ending November 30, 2025, the office shall submit a report to the Executive Appropriations Committee that includes:
- (a) <u>a summary of the {information described in} procedures, criteria, and requirements</u> <u>established under Subsection (4);</u>
- (b) a summary of the recommendations of the review committee under Section 63J-4-803;
- (c) the number of applications submitted under the grant program during the previous year;
  - (ted) the number of grants awarded under the grant program during the previous year;
- (\fd\e) the aggregate amount of grant funds awarded under the grant program during the previous year; and
- ( te f) any other information the office considers relevant to evaluating the success of the grant program.
- (7) The office may use funds appropriated by the Legislature for the grant program to pay for administrative costs.

Section 4. Section 63J-4-803 is enacted to read:

# 63J-4-803. COVID-19 Local Assistance Matching Grant Program Review Committee.

- (1) There is created the COVID-19 Local Assistance Matching Grant Program Review Committee composed of the following five members:
  - (a) one member of the Senate, appointed by the president of the Senate;
- (b) one member of the House of Representatives, appointed by the speaker of the House of Representatives;
  - (c) one individual representing the office, appointed by the executive director;
  - (d) one individual representing the Utah Association of Counties, appointed by the

#### Utah Association of Counties; and

- (e) one individual representing the Utah League of Cities and Towns, appointed by the Utah League of Cities and Towns.
  - (2) The review committee shall make recommendations to the office for:
  - (a) the allocation of grant funds under this part; and
- (b) the procedures, criteria, and requirements established under Subsection 63J-4-802(4).
- (3) (a) A member serves an indeterminate term and may be removed from the review committee by the appointing authority at any time.
- (b) A vacancy may be filled in the same manner as an appointment under Subsection (1).
- (4) (a) The salary and expenses of review committee members who are legislators shall be paid in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and Expenses.
- (b) A review committee member who is not a legislator may not receive compensation or benefits for the member's service on the review committee, but may receive per diem and reimbursement for travel expenses incurred as a review committee member at the rates established by the Division of Finance under:
  - (i) Sections 63A-3-106 and 63A-3-107; and
- (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.
  - (5) The office shall provide any necessary staff support to the review committee.

    Section \(\frac{4+\5}{2}\). Section 63N-1b-307 (Effective 07/01/21) is amended to read:

    63N-1b-307 (Effective 07/01/21). Utah Works Program.
  - (1) There is created the Utah Works Program.
- (2) The program, under the direction of the talent subcommittee, shall coordinate and partner with the entities described below to develop short-term pre-employment training and short-term early employment training for student and workforce participants that meet the needs of businesses that are creating jobs and economic growth in the state by:
- (a) partnering with the office, the Department of Workforce Services, and the Utah system of higher education;

- (b) partnering with businesses that have significant hiring demands for primarily newly created jobs in the state;
- (c) coordinating with the Department of Workforce Services, education agencies, and employers to create effective recruitment initiatives to attract student and workforce participants and business participants to the program;
- (d) coordinating with the Utah system of higher education to develop educational and training resources to provide student participants in the program qualifications to be hired by business participants in the program; and
- (e) coordinating with the State Board of Education and local education agencies when appropriate to develop educational and training resources to provide student participants in the program qualifications to be hired by business participants in the program.
- (3) (a) Subject to appropriation, [beginning on August 5, 2020,] the office, in consultation with the talent subcommittee, may respond to the COVID-19 pandemic by directing financial grants to institutions of higher education described in Section 53B-2-101 to offer short-term programs to:
- (i) provide training to furloughed, laid off, dislocated, underserved, or other populations affected by COVID-19 to fill employment gaps in the state;
  - (ii) provide training and education related to industry needs; and
  - (iii) provide students with certificates or other recognition after completion of training.
- [(b) (i) As soon as is practicable but on or before July 31, 2020, the office shall report to the director of the Division of Finance about the grant program under this Subsection (3), including:
- [(A) the process by which the office shall determine which institutions of higher education shall receive financial grants; and]
  - (B) the formula for awarding financial grants.
  - (ii) The office shall:
- [(A) participate in the presentation that the director of the Division of Finance provides to the president of the Senate, the speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives under Section 63A-3-111; and]
  - [(B) consider any recommendations for adjustments to the grant program from the

president of the Senate, the speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives.

- (b) The office shall include the following information in the annual written report described in Section 63N-1-301:
- (i) the process by which the office determines which institutions of higher education shall receive financial grants; and
  - (ii) the formula for awarding financial grants.
- (c) [To implement Subsection (3)(a), an] An institution of higher education that receives grant funds under this Subsection (3):
  - (i) may use grant funds for:
  - (A) costs associated with developing a new program; or
  - (B) costs associated with expanding an existing program; and
  - (ii) shall demonstrate industry needs and opportunities for partnership with industry.
  - [(d) (i) The office shall award grant funds:]
  - [(A) after an initial application period that ends on or before August 31, 2020; and]
- [(B) if funds remain after the initial application period, on a rolling basis until the earlier of funds being exhausted or November 30, 2020.]
- [(ii) An institution of higher education that receives grant funds shall expend the grant funds on or before December 1, 2020.]
- (d) The office shall award grant funds on a rolling basis, until the earlier of funds being exhausted or June 30, 2022.
- (e) The office shall conduct outreach, including education about career guidance, training, and workforce programs, to the targeted populations.
- (4) The office, in consultation with the talent subcommittee, may, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in accordance with the provisions of this section, make rules regarding the development and administration of the Utah Works Program.
- (5) The Utah Works Program shall report the following metrics to the office for inclusion in the office's annual report described in Section 63N-1a-306:
  - (a) the number of participants in the program;
  - (b) how program participants learned about or were referred to the program, including

the number of participants who learned about or were referred to the program by:

- (i) the Department of Workforce Services;
- (ii) marketing efforts of the office or talent subcommittee;
- (iii) a school counselor; and
- (iv) other methods;
- (c) the number of participants who have completed training offered by the program; and
- (d) the number of participants who have been hired by a business participating in the program.

Section  $\{5\}$  6. Section 63N-12-508 (Superseded 07/01/21) is amended to read:

#### 63N-12-508 (Superseded 07/01/21). Utah Works Program.

- (1) There is created within the center the Utah Works Program.
- (2) The program, under the direction of the center and the talent ready board, shall coordinate and partner with the entities described below to develop short-term pre-employment training and short-term early employment training for student and workforce participants that meet the needs of businesses that are creating jobs and economic growth in the state by:
- (a) partnering with the office, the Department of Workforce Services, and the Utah system of higher education;
- (b) partnering with businesses that have significant hiring demands for primarily newly created jobs in the state;
- (c) coordinating with the Department of Workforce Services, education agencies, and employers to create effective recruitment initiatives to attract student and workforce participants and business participants to the program;
- (d) coordinating with the Utah system of higher education to develop educational and training resources to provide student participants in the program qualifications to be hired by business participants in the program; and
- (e) coordinating with the State Board of Education and local education agencies when appropriate to develop educational and training resources to provide student participants in the program qualifications to be hired by business participants in the program.
- (3) (a) Subject to appropriation, [beginning on August 5, 2020,] the office, in consultation with the talent ready board, may respond to the COVID-19 pandemic by directing

financial grants to institutions of higher education described in Section 53B-2-101 to offer short-term programs to:

- (i) provide training to furloughed, laid off, dislocated, underserved, or other populations affected by COVID-19 to fill employment gaps in the state;
  - (ii) provide training and education related to industry needs; and
  - (iii) provide students with certificates or other recognition after completion of training.
- [(b) (i) As soon as is practicable but on or before July 31, 2020, the office shall report to the director of the Division of Finance about the grant program under this Subsection (3), including:
- [(A) the process by which the office shall determine which institutions of higher education shall receive financial grants; and]
  - (B) the formula for awarding financial grants.
  - [(ii) The office shall:]
- [(A) participate in the presentation that the director of the Division of Finance provides to the president of the Senate, the speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives under Section 63A-3-111; and]
- [(B) consider any recommendations for adjustments to the grant program from the president of the Senate, the speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives.]
- (b) The office shall include the following information in the annual written report described in Section 63N-1a-306:
- (i) the process by which the office determines which institutions of higher education shall receive financial grants; and
  - (ii) the formula for awarding financial grants.
- (c) [To implement Subsection (3)(a), an] An institution of higher education that receives grant funds under this Subsection (3):
  - (i) may use grant funds for:
  - (A) costs associated with developing a new program; or
  - (B) costs associated with expanding an existing program; and
  - (ii) shall demonstrate industry needs and opportunities for partnership with industry.

- [(d) (i) The office shall award grant funds:]
- [(A) after an initial application period that ends on or before August 31, 2020; and]
- [(B) if funds remain after the initial application period, on a rolling basis until the earlier of funds being exhausted or November 30, 2020.]
- [(ii) An institution of higher education that receives grant funds shall expend the grant funds on or before December 1, 2020.]
- (d) The office shall award grant funds on a rolling basis, until the earlier of funds being exhausted or June 30, 2022.
- (e) The center shall conduct outreach, including education about career guidance, training, and workforce programs, to the targeted populations.
- (4) The office, in consultation with the talent ready board, may, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in accordance with the provisions of this section, make rules regarding the development and administration of the Utah Works Program.
- (5) The center shall report the following metrics to the office for inclusion in the office's annual report described in Section 63N-1-301:
  - (a) the number of participants in the program;
- (b) how program participants learned about or were referred to the program, including the number of participants who learned about or were referred to the program by:
  - (i) the Department of Workforce Services;
  - (ii) marketing efforts of the center or talent ready board;
  - (iii) a school counselor; and
  - (iv) other methods;
- (c) the number of participants who have completed training offered by the program; and
- (d) the number of participants who have been hired by a business participating in the program.

Section  $\frac{\{6\}}{7}$ . Effective date.

(1) Except as provided in Subsection (2), if approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's

signature, or in the case of a veto, the date of veto override.

- (2) (a) Section 63I-2-263 (Effective 07/01/21) takes effect on July 1, 2021.
- (b) Section 63N-1b-307 (Effective 07/01/21) takes effect on July 1, 2021.