

STATE INNOVATION AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Robert M. Spendlove

Senate Sponsor: _____

LONG TITLE

General Description:

This bill addresses state innovation.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Utah Innovation Lab (innovation lab) within the Utah System of Higher Education for policy research and development;
- ▶ describes the duties of the innovation lab;
- ▶ requires the innovation lab to submit an annual report to the Utah Board of Higher Education;
- ▶ creates the Strategic Innovation Grant Pilot Program (pilot program) within the Governor's Office of Economic Opportunity (GO Utah office), for awarding grants to businesses to implement projects that address air quality or water conservation;
- ▶ requires the (GO Utah office) to consult with the innovation lab, the Division of Air Quality, and the Division of Water Resources in administering the pilot program;
- ▶ describes the requirements for a business entity to receive grant money under the pilot program;
- ▶ requires the (GO Utah office) to make rules and report on the pilot program;
- ▶ establishes a sunset date for the pilot program; and
- ▶ includes technical and conforming changes.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **63I-1-263**, as last amended by Laws of Utah 2021, Chapters 70, 72, 84, 90, 171, 196,
35 260, 280, 282, 345, 382, 401, 421 and last amended by Coordination Clause, Laws
36 of Utah 2021, Chapter 382

37 **63I-2-253**, as last amended by Laws of Utah 2021, First Special Session, Chapter 14

38 ENACTS:

39 **53B-33-101**, Utah Code Annotated 1953

40 **53B-33-102**, Utah Code Annotated 1953

41 **63N-3-801**, Utah Code Annotated 1953

42 **63N-3-802**, Utah Code Annotated 1953



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

45 Section 1. Section **53B-33-101** is enacted to read:

46 **CHAPTER 33. UTAH INNOVATION LAB**

47 **53B-33-101. Definitions.**

48 As used in this chapter:

49 (1) "Innovation District at the Point" means the economic development policy initiative
50 established within the Utah System of Higher Education to address the development of the
51 point of the mountain state land, as defined in Section [11-59-101](#).

52 (2) "Innovation lab" means the Utah Innovation Lab created in Section [53B-33-102](#).

53 (3) "Institution of higher education" means an institution of higher education described
54 in Section [53B-1-102](#).

55 Section 2. Section **53B-33-102** is enacted to read:

56 **53B-33-102. Creation of Utah Innovation Lab -- Executive director -- Duties --**

57 **Annual report.**

58 (1) There is created the Utah Innovation Lab.

59 (2) The executive director of the Innovation District at the Point shall serve as the
60 executive director of the innovation lab.

61 (3) The innovation lab shall:

62 (a) research and develop innovative solutions for significant public policy challenges
63 affecting the state, including:

64 (i) housing affordability;

65 (ii) growth, land use, and economic development;

66 (iii) technology commercialization;

67 (iv) homelessness; and

68 (v) air quality, water conservation, and environmental protection;

69 (b) provide a place for students, researchers, and policymakers to collaborate, share
70 ideas, and experiment with creative methods;

71 (c) use an evidence-based approach for the development of policy solutions;

72 (d) coordinate efforts in policy development with institutions of higher education;

73 (e) provide resources and expertise to policymakers, state agencies, and other
74 stakeholders; and

75 (f) consult with the Governor's Office of Economic Opportunity to meet the
76 requirements of Section [63N-3-802](#).

77 (4) The innovation lab shall submit an annual written report describing the innovation
78 lab's operations to the board.

79 Section 3. Section **63I-1-263** is amended to read:

80 **63I-1-263. Repeal dates, Titles 63A to 63N.**

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

82 (a) Section [63A-16-102](#) is repealed;

83 (b) Section [63A-16-201](#) is repealed; and

84 (c) Section [63A-16-202](#) is repealed.

85 (2) Subsection [63A-5b-405](#)(5), relating to prioritizing and allocating capital
86 improvement funding, is repealed July 1, 2024.

87 (3) Section [63A-5b-1003](#), State Facility Energy Efficiency Fund, is repealed July 1,
88 2023.

89 (4) Sections [63A-9-301](#) and [63A-9-302](#), related to the Motor Vehicle Review

90 Committee, are repealed July 1, 2023.

91 (5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
92 1, 2028.

93 (6) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1,
94 2025.

95 (7) Title 63C, Chapter 12, Snake Valley Aquifer Advisory Council, is repealed July 1,
96 2024.

97 (8) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is
98 repealed July 1, 2023.

99 (9) Title 63C, Chapter 18, Behavioral Health Crisis Response Commission, is repealed
100 July 1, 2023.

101 (10) Title 63C, Chapter 23, Education and Mental Health Coordinating Council, is
102 repealed July 1, 2026.

103 (11) Title 63A, Chapter 16, Part 7, Data Security Management Council, is repealed
104 July 1, 2025.

105 (12) Section [63G-6a-805](#), which creates the Purchasing from Persons with Disabilities
106 Advisory Board, is repealed July 1, 2026.

107 (13) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,
108 2025.

109 (14) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
110 2024.

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

112 (16) Subsection [63J-1-602.1\(17\)](#), Nurse Home Visiting Restricted Account is repealed
113 July 1, 2026.

114 (17) (a) Subsection [63J-1-602.1\(61\)](#), relating to the Utah Statewide Radio System
115 Restricted Account, is repealed July 1, 2022.

116 (b) When repealing Subsection [63J-1-602.1\(61\)](#), the Office of Legislative Research and
117 General Counsel shall, in addition to the office's authority under Subsection [36-12-12\(3\)](#), make
118 necessary changes to subsection numbering and cross references.

119 (18) Subsection [63J-1-602.2\(5\)](#), referring to dedicated credits to the Utah Marriage
120 Commission, is repealed July 1, 2023.

121 (19) Subsection 63J-1-602.2(6), referring to the Trip Reduction Program, is repealed
122 July 1, 2022.

123 (20) Subsection 63J-1-602.2(24), related to the Utah Seismic Safety Commission, is
124 repealed January 1, 2025.

125 (21) [~~Title 63J, Chapter 4, Part 5,~~] Title 63L, Chapter 11, Part 4, Resource
126 Development Coordinating Committee, is repealed July 1, 2027.

127 (22) In relation to the advisory committee created in Subsection 63L-11-305(3), on July
128 1, 2022:

129 (a) Subsection 63L-11-305(1)(a), which defines "advisory committee," is repealed; and

130 (b) Subsection 63L-11-305(3), which creates the advisory committee, is repealed.

131 (23) In relation to the Utah Substance Use and Mental Health Advisory Council, on
132 January 1, 2023:

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

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

137 (c) Subsection 63M-7-305(1) is repealed and replaced with:

138 "(1) "Commission" means the Commission on Criminal and Juvenile Justice."; and

139 (d) Subsection 63M-7-305(2) is repealed and replaced with:

140 "(2) The commission shall:

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

143 (b) coordinate the implementation of Section 77-18-104 and related provisions in
144 Subsections 77-18-103(2)(c) and (d)."

145 (24) The Crime Victim Reparations and Assistance Board, created in Section
146 63M-7-504, is repealed July 1, 2027.

147 (25) Title 63M, Chapter 7, Part 6, Utah Council on Victims of Crime, is repealed July
148 1, 2022.

149 (26) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2026.

150 [~~(27) Title 63N, Chapter 1, Part 5, Governor's Economic Development Coordinating~~
151 ~~Council, is repealed July 1, 2024.~~]

152 ~~[(28)]~~ (27) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.

153 ~~[(29)]~~ (28) Section 63N-2-512, related to the Hotel Impact Mitigation Fund, is repealed
154 July 1, 2028.

155 ~~[(30)]~~ (29) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed
156 January 1, 2021.

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

159 (c) Notwithstanding Subsection(30)(b), an entity may carry forward a tax credit in
160 accordance with Section 59-9-107 if:

161 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December
162 31, 2020; and

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

165 (30) Title 63N, Chapter 3, Part 8, Strategic Innovation Grant Pilot Program, is repealed
166 July 1, 2027.

167 (31) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed
168 July 1, 2023.

169 (32) Title 63N, Chapter 7, Part 1, Board of Tourism Development, is repealed July 1,
170 2025.

171 (33) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program,
172 is repealed January 1, 2028.

173 Section 4. Section 63I-2-253 is amended to read:

174 **63I-2-253. Repeal dates -- Titles 53 through 53G.**

175 (1) Section 53-1-106.1 is repealed January 1, 2022.

176 (2) (a) Section 53-2a-217, regarding procurement during an epidemic or pandemic
177 emergency, is repealed on December 31, 2021.

178 (b) When repealing Section 53-2a-217, the Office of Legislative Research and General
179 Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make
180 necessary changes to subsection numbering and cross references.

181 (3) Section 53-2a-219, in relation to termination of emergency powers pertaining to
182 COVID-19, is repealed on July 1, 2021.

183 (4) (a) Subsection [53B-2a-108\(5\)](#), regarding exceptions to the composition of a
184 technical college board of trustees, is repealed July 1, 2022.

185 (b) When repealing Subsection [53B-2a-108\(5\)](#), the Office of Legislative Research and
186 General Counsel shall, in addition to its authority under Subsection [36-12-12\(3\)](#), make
187 necessary changes to subsection numbering and cross references.

188 (5) Section [53B-6-105.7](#) is repealed July 1, 2024.

189 (6) (a) Subsection [53B-7-705\(6\)\(b\)\(iii\)\(A\)](#), the language that states "Except as
190 provided in Subsection (6)(b)(iii)(B)," is repealed July 1, 2021.

191 (b) Subsection [53B-7-705\(6\)\(b\)\(iii\)\(B\)](#), regarding comparing a technical college's
192 change in performance with the technical college's average performance, is repealed July 1,
193 2021.

194 (7) (a) Subsection [53B-7-707\(3\)\(a\)\(ii\)](#), the language that states "Except as provided in
195 Subsection (3)(b)," is repealed July 1, 2021.

196 (b) Subsection [53B-7-707\(3\)\(b\)](#), regarding performance data of a technical college
197 during a fiscal year before fiscal year 2020, is repealed July 1, 2021.

198 (8) Section [53B-7-707](#) regarding performance metrics for technical colleges is repealed
199 July 1, 2023.

200 (9) Section [53B-8-114](#) is repealed July 1, 2024.

201 (10) The following sections, regarding the Regents' scholarship program, are repealed
202 on July 1, 2023:

203 (a) Section [53B-8-202](#);

204 (b) Section [53B-8-203](#);

205 (c) Section [53B-8-204](#); and

206 (d) Section [53B-8-205](#).

207 (11) Section [53B-10-101](#) is repealed on July 1, 2027.

208 (12) Title 53B, Chapter 18, Part 14, Uintah Basin Air Quality Research Project, is
209 repealed July 1, 2023.

210 (13) Subsection [53B-33-102\(3\)\(f\)](#), which requires the Utah Innovation Lab to consult
211 with the Governor's Office of Economic Opportunity, is repealed July 1, 2027.

212 [~~13~~] (14) Section [53E-1-202.2](#), regarding a Public Education Appropriations
213 Subcommittee evaluation and recommendations, is repealed January 1, 2024.

- 214 ~~[(14)]~~ (15) Section [53E-3-520](#) is repealed July 1, 2021.
- 215 ~~[(15)]~~ (16) Subsection [53E-10-309](#)(7), related to the PRIME pilot program, is repealed
216 July 1, 2024.
- 217 ~~[(16)]~~ (17) In Subsections [53F-2-205](#)(4) and (5), regarding the State Board of
218 Education's duties if contributions from the minimum basic tax rate are overestimated or
219 underestimated, the language that states "or [53F-2-301.5](#), as applicable" is repealed July 1,
220 2023.
- 221 ~~[(17)]~~ (18) Section [53F-2-209](#), regarding local education agency budgetary flexibility,
222 is repealed July 1, 2024.
- 223 ~~[(18)]~~ (19) Subsection [53F-2-301](#)(1), relating to the years the section is not in effect, is
224 repealed July 1, 2023.
- 225 ~~[(19)]~~ (20) Section [53F-2-302.1](#), regarding the Enrollment Growth Contingency
226 Program, is repealed July 1, 2023.
- 227 ~~[(20)]~~ (21) Subsection [53F-2-314](#)(4), relating to a one-time expenditure between the
228 at-risk WPU add-on funding and previous at-risk funding, is repealed January 1, 2024.
- 229 ~~[(21)]~~ (22) Section [53F-2-418](#), regarding the Supplemental Educator COVID-19
230 Stipend, is repealed January 1, 2022.
- 231 ~~[(22)]~~ (23) In Subsection [53F-2-515](#)(1), the language that states "or [53F-2-301.5](#), as
232 applicable" is repealed July 1, 2023.
- 233 ~~[(23)]~~ (24) Section [53F-4-207](#) is repealed July 1, 2022.
- 234 ~~[(24)]~~ (25) Subsection [53F-4-401](#)(3)(b), regarding a child enrolled or eligible for
235 enrollment in kindergarten, is repealed July 1, 2022.
- 236 ~~[(25)]~~ (26) In Subsection [53F-4-404](#)(4)(c), the language that states "Except as provided
237 in Subsection (4)(d)" is repealed July 1, 2022.
- 238 ~~[(26)]~~ (27) Subsection [53F-4-404](#)(4)(d) is repealed July 1, 2022.
- 239 ~~[(27)]~~ (28) In Subsection [53F-9-302](#)(3), the language that states "or [53F-2-301.5](#), as
240 applicable" is repealed July 1, 2023.
- 241 ~~[(28)]~~ (29) In Subsection [53F-9-305](#)(3)(a), the language that states "or [53F-2-301.5](#), as
242 applicable" is repealed July 1, 2023.
- 243 ~~[(29)]~~ (30) In Subsection [53F-9-306](#)(3)(a), the language that states "or [53F-2-301.5](#), as
244 applicable" is repealed July 1, 2023.

245 ~~[(30)]~~ (31) In Subsection [53G-3-304\(1\)\(c\)\(i\)](#), the language that states "or [53F-2-301.5](#),
246 as applicable" is repealed July 1, 2023.

247 ~~[(31)]~~ (32) Subsections [53G-10-204\(1\)\(c\)](#) through (e), and Subsection [53G-10-204\(6\)](#),
248 related to the civics engagement pilot program, are repealed on July 1, 2023.

249 ~~[(32)]~~ (33) On July 1, 2023, when making changes in this section, the Office of
250 Legislative Research and General Counsel shall, in addition to the office's authority under
251 Subsection [36-12-12\(3\)](#), make corrections necessary to ensure that sections and subsections
252 identified in this section are complete sentences and accurately reflect the office's perception of
253 the Legislature's intent.

254 Section 5. Section **63N-3-801** is enacted to read:

Part 8. Strategic Innovation Grant Pilot Program

63N-3-801. Definitions.

257 As used in this part:

258 (1) "Applicable agency" means:

259 (a) for a project related to air quality, the Division of Air Quality created in Section
260 [19-1-105](#);

261 (b) for a project related to water resources, the Division of Water Resources created in
262 Section [73-10-18](#).

263 (2) "Business entity" means a for-profit or non-profit business entity.

264 (3) "Innovation lab" means the Utah Innovation Lab created in Section [53B-33-102](#).

265 (4) "Grant" means a grant awarded as part of the pilot program.

266 (5) "Pilot program" means the Strategic Innovation Grant Pilot Program created in
267 Section [63N-3-802](#).

268 Section 6. Section **63N-3-802** is enacted to read:

63N-3-802. Strategic Innovation Grant Pilot Program.

270 (1) There is created within the office the Strategic Innovation Grant Pilot Program.

271 (2) Subject to available funds, the office, in consultation with the innovation lab and
272 each applicable agency, shall award grants to business entities to implement projects to
273 improve:

274 (a) air quality in the state; or

275 (b) the conservation or more efficient utilization of water resources in the state.

276 (3) (a) The office, in consultation with the innovation lab and each applicable agency,
277 shall develop goals and objectives specific to each type of project described in Subsection (2).

278 (b) The office shall issue a public solicitation for participation in the pilot program that
279 describes the goals and objectives developed for each particular type of project.

280 (4) (a) A business entity may apply to the office for a grant under the pilot program.

281 (b) An application under Subsection (4)(a) shall:

282 (i) specify:

283 (A) the expected outcomes that the funding would be used to achieve;

284 (B) how the business entity intends to achieve the expected outcomes;

285 (C) how the project is expected to meet the goals and objectives developed for that
286 particular type of project under Subsection (3);

287 (D) the extent to which the project offers a strategic and innovative solution to achieve
288 the expected outcomes;

289 (E) the date on which the business entity expects to complete the project, subject to
290 Subsection (6)(b)(vii); and

291 (F) the total amount of money needed for the project; and

292 (ii) include any other information requested by the office.

293 (5) The office shall review and make a determination regarding a grant application
294 after consulting with the innovation lab and the applicable agency.

295 (6) (a) Before the office may award a grant to a business entity under the pilot program,
296 the office, in consultation with the innovation lab and the applicable entity, shall enter into a
297 written agreement with the business entity.

298 (b) The written agreement described in Subsection (6)(a) shall:

299 (i) specify the amount of the grant;

300 (ii) specify the time period for distributing the grant;

301 (iii) specify the terms and conditions for receiving the grant, including reporting
302 requirements;

303 (iv) identify specific targets and benchmarks that align with the grant proposal;

304 (v) require the business entity to coordinate or partner with the applicable agency in
305 implementing the project;

306 (vi) require the business entity to submit to independent evaluations by the Kem C.

307 Gardner Policy Institute at the University of Utah over the course of the project's
308 implementation to determine whether the project is meeting:
309 (A) the targets and benchmarks specified in the written agreement; and
310 (B) the goals and objectives developed for that particular type of project under
311 Subsection (3); and
312 (vii) require the business entity to complete the project no later than July 1, 2026.
313 (c) In awarding grants under this section, the office, in consultation with the innovation
314 lab and each applicable agency, shall prioritize projects that:
315 (i) offer a strategic and innovative solution for achieving the intended outcomes; or
316 (ii) demonstrate a funding match from a private entity.
317 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
318 office, in consultation with the innovation lab and each applicable agency, shall make rules to
319 administer the pilot program.
320 (8) The office shall, as part of the office's written report under Section [63N-1a-306](#)
321 submitted in 2026, and if otherwise requested by the Economic Development and Workforce
322 Services Interim Committee, report the following information:
323 (a) the total amount of grants the office awarded to business entities under the pilot
324 program;
325 (b) a description of the projects for which the office awarded grants under the pilot
326 program;
327 (c) a summary of the results of the independent evaluations conducted by the Kem C.
328 Gardner Policy Institute; and
329 (d) the office's recommendations regarding the effectiveness of the pilot program and
330 any suggestions for legislation.