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~~text~~ shows text that was in SB0218 but was deleted in SB0218S01.

text shows text that was not in SB0218 but was inserted into SB0218S01.

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Senator Scott D. Sandall proposes the following substitute bill:

FUND OF FUNDS MODIFICATIONS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: _____

LONG TITLE

General Description:

This bill relates to the Utah Capital Investment Corporation and the ~~fund~~Fund of ~~funds~~Funds.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ repeals provisions relating to the Utah Capital Investment Corporation and the ~~fund~~Fund of ~~funds~~Funds, except that:
 - the Utah Capital Investment Restricted Account remains intact, but is modified to accept funds paid to the state by the Utah Capital Investment Corporation or the ~~fund~~Fund of ~~funds~~Funds;
 - provides for the Utah Capital Investment Corporation to convert from an

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independent quasi-public non-profit corporation to a private non-profit corporation;

- provides for the continued operation of the ~~{fund}~~ Fund of ~~{funds}~~ Funds until certain criteria are met;
- provides for the payment of funds to the state, the investment of funds on behalf of the state, and the disbursement of proceeds from the investments to the state; ~~{and}~~
- provides for payment for the costs and services relating to the investments, funds, and proceeds; and
 - makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

63E-1-102, as last amended by Laws of Utah 2018, Chapter 393

63J-7-102, as last amended by Laws of Utah 2018, Chapter 415

63N-6-204, as enacted by Laws of Utah 2021, Chapter 438

67-3-12, as last amended by Laws of Utah 2021, Chapter 398 and renumbered and amended by Laws of Utah 2021, Chapter 84 and last amended by Coordination Clause, Laws of Utah 2021, Chapter 398

ENACTS:

63N-6-307, Utah Code Annotated 1953

REPEALS AND REENACTS:

63N-6-103, as last amended by Laws of Utah 2021, Chapter 438

63N-6-306, as renumbered and amended by Laws of Utah 2015, Chapter 283

REPEALS:

63N-6-101, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-102, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283

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- 63N-6-201, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-202, as last amended by Laws of Utah 2019, Chapter 136
- 63N-6-203, as last amended by Laws of Utah 2019, Chapter 214
- 63N-6-301, as last amended by Laws of Utah 2021, Chapter 438
- 63N-6-302, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-303, as last amended by Laws of Utah 2021, Chapter 438
- 63N-6-304, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-305, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-401, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-402, as last amended by Laws of Utah 2021, Chapter 438
- 63N-6-403, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-404, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-405, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-406, as last amended by Laws of Utah 2021, Chapter 438
- 63N-6-407, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-408, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-409, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-410, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-411, as renumbered and amended by Laws of Utah 2015, Chapter 283
- 63N-6-412, as renumbered and amended by Laws of Utah 2015, Chapter 283

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

Section 1. Section **63E-1-102** is amended to read:

63E-1-102. Definitions -- List of independent entities.

As used in this title:

- (1) "Authorizing statute" means the statute creating an entity as an independent entity.
- (2) "Committee" means the Retirement and Independent Entities Committee created by

Section 63E-1-201.

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(3) "Independent corporation" means a corporation incorporated in accordance with Chapter 2, Independent Corporations Act.

(4) (a) "Independent entity" means an entity having a public purpose relating to the state or its citizens that is individually created by the state or is given by the state the right to exist and conduct its affairs as an:

(i) independent state agency; or

(ii) independent corporation.

(b) "Independent entity" includes the:

(i) Utah Beef Council, created by Section 4-21-103;

(ii) Utah Dairy Commission created by Section 4-22-103;

(iii) Heber Valley Historic Railroad Authority created by Section 63H-4-102;

(iv) Utah State Railroad Museum Authority created by Section 63H-5-102;

(v) Utah Housing Corporation created by Section 63H-8-201;

(vi) Utah State Fair Corporation created by Section 63H-6-103;

(vii) Utah State Retirement Office created by Section 49-11-201;

(viii) School and Institutional Trust Lands Administration created by Section 53C-1-201;

(ix) School and Institutional Trust Fund Office created by Section 53D-1-201;

(x) Utah Communications Authority created by Section 63H-7a-201;

(xi) Utah Energy Infrastructure Authority created by Section 63H-2-201; and

~~[(xii) Utah Capital Investment Corporation created by Section 63N-6-301; and]~~

~~[(xiii)]~~ (xii) Military Installation Development Authority created by Section 63H-1-201.

(c) Notwithstanding this Subsection (4), "independent entity" does not include:

(i) the Public Service Commission of Utah created by Section 54-1-1;

(ii) an institution within the state system of higher education;

(iii) a city, county, or town;

(iv) a local school district;

(v) a local district under Title 17B, Limited Purpose Local Government Entities - Local Districts; or

(vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

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(5) "Independent state agency" means an entity that is created by the state, but is independent of the governor's direct supervisory control.

(6) "Money held in trust" means money maintained for the benefit of:

- (a) one or more private individuals, including public employees;
- (b) one or more public or private entities; or
- (c) the owners of a quasi-public corporation.

(7) "Public corporation" means an artificial person, public in ownership, individually created by the state as a body politic and corporate for the administration of a public purpose relating to the state or its citizens.

(8) "Quasi-public corporation" means an artificial person, private in ownership, individually created as a corporation by the state, which has accepted from the state the grant of a franchise or contract involving the performance of a public purpose relating to the state or its citizens.

Section 2. Section **63J-7-102** is amended to read:

63J-7-102. Scope and applicability of chapter.

(1) Except as provided in Subsection (2), and except as otherwise provided by a statute superseding provisions of this chapter by explicit reference to this chapter, the provisions of this chapter apply to each agency and govern each grant received on or after May 5, 2008.

(2) This chapter does not govern:

- (a) a grant deposited into a General Fund restricted account;
- (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;
- (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;
- (d) a grant made to the state without a restriction or other designated purpose that is deposited into the General Fund as free revenue;
- (e) a grant made to the state that is restricted only to "education" and that is deposited into the Education Fund or Uniform School Fund as free revenue;
- (f) in-kind donations;
- (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state when required by state law or application of state law;
- (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax Contribution Act;

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- (i) a grant received by an agency from another agency or political subdivision;
- (j) a grant to the Utah Dairy Commission created in Section 4-22-103;
- (k) a grant to the Heber Valley Historic Railroad Authority created in Section 63H-4-102;
- (l) a grant to the Utah State Railroad Museum Authority created in Section 63H-5-102;
- (m) a grant to the Utah Housing Corporation created in Section 63H-8-201;
- (n) a grant to the Utah State Fair Corporation created in Section 63H-6-103;
- (o) a grant to the Utah State Retirement Office created in Section 49-11-201;
- (p) a grant to the School and Institutional Trust Lands Administration created in Section 53C-1-201;
- (q) a grant to the Utah Communications Authority created in Section 63H-7a-201;
- (r) a grant to the Medical Education Program created in Section 53B-24-202;
- ~~[(s) a grant to the Utah Capital Investment Corporation created in Section 63N-6-301;]~~
- ~~[(t)]~~ (s) a grant to the Utah Charter School Finance Authority created in Section 53G-5-602;
- ~~[(u)]~~ (t) a grant to the State Building Ownership Authority created in Section 63B-1-304; or
- ~~[(v)]~~ (u) a grant to the Military Installation Development Authority created in Section 63H-1-201.

(3) An agency need not seek legislative review or approval of grants under Part 2, Grant Approval Requirements, if:

- (a) the governor has declared a state of emergency; and
- (b) the grant is donated to the agency to assist victims of the state of emergency under Subsection 53-2a-204(1).

Section 3. Section **63N-6-103** is repealed and reenacted to read:

63N-6-103. Definitions.

As used in this chapter:

- (1) "Date of ~~dissolution~~ transition" means ~~May 4~~ December 31, 2022, the day on which the Utah Capital Investment Corporation, under Section 63N-6-306, ceases to be an independent quasi-public entity.
- (2) "Fund of ~~funds~~ Funds" means the ~~fund~~ Utah Fund of ~~funds~~ Funds LLC, a

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~~{subsidiary of the Utah Capital Investment Corporation, or the successor entity of the fund of funds LLC}~~ Utah limited liability company, or the entity that is the successor to the Utah Fund of Funds LLC in holding the original assets and subsequent investments.

(3) "Original assets" means all ~~{liquid assets, investments, and other}~~ assets held by the Utah Capital Investment Corporation or ~~{its subsidiaries}~~ the Fund of Funds on the date of ~~{dissolution}~~.

~~—— (4) transition, including all cash, cash equivalents, investments, and other assets.~~

(4) "Manager" means Utah Capital Investment Corporation or, if applicable, an entity reasonably acceptable to the state, as represented by the state treasurer, that replaces Utah Capital Investment Corporation as a manager or general partner of the Fund of Funds.

(5) "Original investments" means all investments that, on the date of ~~{dissolution}~~ transition:

(a) (i) are held by the Fund of Funds or the Utah Capital Investment Corporation ~~{or its subsidiaries; and~~

~~—— (b) have not fully matured;~~

~~—— (5); or~~

(ii) are subject to outstanding commitments to invest via the Fund of Funds or the Utah Capital Investment Corporation; and

(b) are not cash, cash equivalents, or marketable securities.

(6) "Restricted account" means the Utah Capital Investment Restricted Account created in Section 63N-6-204.

~~{6}7~~ "Subsequent investments" means all investments made by the ~~{Utah Capital Investment Corporation, the fund of funds, or their subsidiaries using the remaining funds described in Subsection 63N-6-306(6)}~~ Fund of Funds after the date of ~~{dissolution}~~ transition that are not original investments.

~~{7}8~~ "Utah Capital Investment Corporation" means:

(a) before the date of ~~{dissolution}~~ transition, the independent quasi-public entity known as the Utah Capital Investment Corporation; or

(b) on or after the date of ~~{dissolution}~~:

~~—— (i) transition,~~ the private non-profit corporation described in ~~{Subsection}~~ Section 63N-6-306 ~~{(2)(a)}~~ that succeeds the entity described in Subsection ~~{(7)8}~~ (a) ~~{; or}~~.

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~~{ (ii) an entity that succeeds the private non-profit corporation described in Subsection (7)(b)(i):~~

‡ Section 4. Section **63N-6-204** is amended to read:

63N-6-204. Utah Capital Investment Restricted Account.

(1) There is created a restricted account within the General Fund known as the Utah Capital Investment Restricted Account.

(2) The restricted account shall be funded by[:] disbursements from the ~~{fund}~~Fund of ~~{funds}~~Funds or the Utah Capital Investment Corporation.

~~[(a) redemption reserve money and other money from the corporation as directed by statute; and]~~

~~[(b) appropriations made to the account by the Legislature.]~~

(3) The state treasurer shall:

(a) administer the restricted account;

~~[(a)]~~ (b) invest money in the restricted account in accordance with Title 51, Chapter 7, State Money Management Act; and

~~[(b)]~~ (c) deposit interest or other earnings derived from investment of restricted account money into the restricted account.

(4) The Legislature may appropriate funds from the restricted account to the General Fund or for any other lawful purpose.

~~[(4) Subject to appropriations by the Legislature, the restricted account shall be administered by the Governor's Office of Economic Opportunity for economic development, infrastructure, state parks, recreation, education innovation, or other purposes as directed by the Legislature.]~~

~~[(5) An appropriation from the restricted account is nonlapsing.]~~

Section 5. Section **63N-6-306** is repealed and reenacted to read:

63N-6-306. ~~{ Winding up}~~ Transition of Utah Capital Investment Corporation ~~{as}~~from an independent quasi-public entity.

(1) The board~~{, as constituted before May 4, 2022, is dissolved.~~

~~_____ (2) On May 4, 2022, the}~~ of directors of Utah Capital Investment Corporation~~_____~~

~~_____ (a) ceases to be an independent quasi-public entity and continues as a private non-profit corporation; and~~

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~~_____ (b) the state of Utah ceases to be part of the~~ as it existed on January 1, 2022, shall continue as the board of directors of Utah Capital Investment Corporation.

~~_____ (3) Beginning on the date of dissolution:~~

~~_____ (a) the state, as represented by the state treasurer, will be a member of the fund of funds, or, if the succeeding entity of the fund of funds is a partnership, a partner in the partnership;~~

~~_____ (b) the fund of funds shall be the sole entity to hold all original assets and subsequent assets until those assets are disbursed or transferred to the state under this section; and~~

~~_____ (c) the fund of funds may not hold any assets other than the original assets or subsequent assets} until the {state ceases to be a member or partner or the fund of funds under Subsection (7) or (8)(b):~~

~~_____ (4) board is changed in accordance with the Utah Revised Nonprofit Corporation Act and the articles of incorporation and bylaws of Utah Capital Investment Corporation.~~

(2) On the date of {dissolution} transition:

(a) {there will be disbursed, from the original assets to the restricted account, \$15,000,000} the Utah Capital Investment Corporation ceases to be an independent quasi-public entity and continues as a private non-profit corporation formed under the Utah Revised Nonprofit Corporation Act; and

(b) {there will be disbursed, from} the relationship of the {original assets to} state with the Utah Capital Investment Corporation, {\$4,250,000 as full and final payment of all costs incurred and all services provided for or in behalf of the state, by} as it existed under the Utah Venture Capital Enhancement Act, repealed on May 4, 2022, ceases.

Section 6. Section 63N-6-307 is enacted to read:

63N-6-307. Fund of Funds -- Transfer, investment, and management of assets -- Operating agreement.

(1) On May 4, 2022, the Utah Capital Investment Corporation {, or the fund of funds, under this section:

~~_____ (5) Within 18 months} will cause the Fund of Funds to transfer \$15,000,000 to the state for deposit into the restricted account.~~

(2) Beginning on the date of transition:

(a) the Utah Capital Investment Corporation will transfer to the state a membership or

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limited partnership interest in the Fund of Funds that represents all of the economic interests in the Fund of Funds and that is consistent with this section;

(b) the state, as represented by the state treasurer or an individual appointed by the state treasurer, will be a member or limited partner of the Fund of Funds;

(c) subject to Subsection (5), the Fund of Funds shall be the sole entity to hold all original assets and subsequent investments until those assets are transferred to the state or disbursed as described in this section;

(d) the Fund of Funds may not hold any assets other than the original assets or subsequent investments until the state ceases to be a member or limited partner of the Fund of Funds; and

(e) the state, as represented by the state treasurer, shall designate as the initial manager to serve after the date of ~~dissolution, the fund of funds shall, after complying with Subsection (4), invest~~ transition, the Utah Capital Investment Corporation or another entity managed by the individual who, on January 1, 2022, was the managing director of the Utah Capital Investment Corporation.

(3) On or before the date of transition, the state treasurer shall, on behalf of the state ~~the remaining liquid portion of the original assets, including interest, to the extent reasonably and responsibly possible.~~

~~— (6) The~~ enter into an operating agreement or limited partnership agreement that:

(a) takes effect on the date of transition;

(b) is based on commercial terms consistent with comparable fund of funds ~~shall disburse~~ generally, that includes the right of the state to remove and replace the manager;

(c) provides that the Fund of Funds will dissolve on December 31, 2032, or a later date if the state approves an extension;

(d) provides for the appointment of the manager or another person appointed by the state as a liquidator, to:

(i) liquidate the assets of the Fund of Funds in an orderly fashion; and

(ii) after the payment of liquidation expenses and any other liabilities of the Fund of Funds, distribute the net proceeds to the state, for deposit into the restricted account ~~;~~

~~— (a) ~~;~~~~

(e) provides for investment, after the date of transition, of the original assets held by

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the Fund of Funds that are cash or cash equivalents;

(f) provides for the payment of the proceeds of the original investments ~~as~~ to the state, for deposit into the restricted account, when those investments mature;

~~(b)g~~ provides for the payment of the proceeds of the subsequent investments ~~as~~ to the state, for deposit into the restricted account, when those investments mature; ~~and~~

~~(c) any liquid assets held by the fund of funds, including interest, that are not invested within the 18-month period described in Subsection (5):~~

~~(7) Upon payment to the state of all proceeds and liquid assets~~~~h~~ prohibits reinvestment of the proceeds described in ~~Subsection~~ Subsections ~~(6)~~, the state will no longer be a member or partner of the fund of funds and the state treasurer will no longer hold any position in the fund of funds.

~~(8) Notwithstanding Subsections (5) and (6),~~~~3~~(f) and (g):

(i) provides that the Fund of Funds will be responsible for the payment of out-of-pocket expenses, including fund administration, tax and audit fees and costs, investment and monitoring costs, and similar expenses;

(j) designates a management fee or other compensation to be paid to the manager, that:

(i) reflects ordinary commercial terms; and

(ii) may not, in a calendar year, exceed 1% of the asset value of the Fund of Funds on the immediately preceding December 31; and

(k) provides that if the individual who, on January 1, 2022, was the managing director of the Utah Capital Investment Corporation is no longer ~~the manager of the investments or other assets held by the fund of funds:~~

~~(a) the Utah Capital Investment Corporation and the fund of funds shall, as soon as reasonably possible:~~

~~(i) transfer to the state, for deposit into the restricted account, all remaining original liquid assets and subsequent liquid assets, including interest, all proceeds from the original investments or subsequent investments that have not yet been transferred to the state, including interest, and all other liquid assets to which the state is entitled, including interest;~~

~~(ii) transfer to the state, for management by the state treasurer on behalf of the state, the entire portfolio of the original investments and the subsequent investments that have not fully matured; and~~

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~~(iii) except as provided in Subsection (9), refund to the state, for deposit into the restricted account, the unearned portion of the \$4,250,000 described in Subsection (4)(b), calculated by:~~

~~(A) subtracting from 60 the number of full months, starting on the day of dissolution and ending on the day on which the managing director described in this Subsection (8) ceases to be directly or indirectly the manager of the investments or other assets held by the ~~fund of funds~~; and~~

~~(B) multiplying the resulting difference described in Subsection (8)(a)(iii)(A) by \$70,833; and~~

~~(b) upon completion of the requirements described in Subsection (8)(a), the state will no longer be a member or partner of the fund of funds and ~~Fund of Funds, the state, as represented by~~ the state treasurer ~~will no longer hold any position in the fund of funds.~~~~

~~(9) The amount required to be refunded ~~;~~, as member of the Fund of Funds may remove the manager and appoint another person as the manager.~~

(4) The manager:

(a) may manage investment funds that do not belong to the state, or co-invest investment funds that do not belong to the state with funds invested from the Fund of Funds, upon terms that are not more favorable or less favorable than those provided to the state ~~under Subsection (8)(a)(iii) is zero if the resulting difference~~;

(b) shall keep any funds that do not belong to the state separate from the Fund of Funds;

(c) may not transfer any risk or liability of another party to the state; and

(d) may not take any action that would constitute extending the credit of the state to any party.

(5) (a) The operating agreement or limited partnership agreement shall include the provisions described in Subsections (5)(a) and (b)

(b) Subject to Subsection (5)(c), if the Utah Capital Investment Corporation determines to dissolve before July 1, 2023, the Utah Capital Investment Corporation may retain the funds necessary to wind up the Utah Capital Investment Corporation's affairs, including for the payment of tax preparation, accounting, and legal fees in connection with the dissolution, and any other outstanding liabilities or, in the alternative, the Fund of Funds shall pay those

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necessary funds.

(c) The Utah Capital Investment Corporation may not retain funds, the Fund of Funds is not required to pay funds, and the state is not liable for the payment of any funds, described in Subsection (8)(a)(iii)(A) is zero or less than zero.

Section 67-5(b) if:

(i) the Utah Capital Investment Corporation determines to dissolve on or after July 1, 2023; or

(ii) the Utah Capitol Investment Corporation begins managing funds for a party other than the state before July 1, 2023.

Section 7. Section **67-3-12** is amended to read:

**67-3-12. Utah Public Finance Website -- Establishment and administration --
Records disclosure -- Exceptions.**

(1) As used in this section:

(a) (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same as that term is defined in Section 63E-1-102.

(ii) "Independent entity" includes an entity that is part of an independent entity described in Subsection (1)(a)(i), if the entity is considered a component unit of the independent entity under the governmental accounting standards issued by the Governmental Accounting Standards Board.

(iii) "Independent entity" does not include the Utah State Retirement Office created in Section 49-11-201.

(b) "Local education agency" means a school district or charter school.

(c) "Participating local entity" means:

(i) a county;

(ii) a municipality;

(iii) a local district under Title 17B, Limited Purpose Local Government Entities -
Local Districts;

(iv) a special service district under Title 17D, Chapter 1, Special Service District Act;

(v) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;

(vi) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit District
Act;

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(vii) except for a taxed interlocal entity as defined in Section 11-13-602:

(A) an interlocal entity as defined in Section 11-13-103;

(B) a joint or cooperative undertaking as defined in Section 11-13-103; or

(C) any project, program, or undertaking entered into by interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

(viii) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that is part of an entity described in Subsections (1)(c)(i) through (vii), if the entity is considered a component unit of the entity described in Subsections (1)(c)(i) through (vii) under the governmental accounting standards issued by the Governmental Accounting Standards Board; or

(ix) a conservation district under Title 17D, Chapter 3, Conservation District Act.

(d) (i) "Participating state entity" means the state of Utah, including its executive, legislative, and judicial branches, its departments, divisions, agencies, boards, commissions, councils, committees, and institutions.

(ii) "Participating state entity" includes an entity that is part of an entity described in Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in Subsection (1)(d)(i) under the governmental accounting standards issued by the Governmental Accounting Standards Board.

(e) "Public finance website" or "website" means the website established by the state auditor in accordance with this section.

(f) "Public financial information" means each record that is required under this section or by rule made by the Office of the State Auditor under Subsection (8) to be made available on the public finance website, a participating local entity's website, or an independent entity's website.

(g) "Qualifying entity" means:

(i) an independent entity;

(ii) a participating local entity;

(iii) a participating state entity;

(iv) a local education agency;

(v) a state institution of higher education as defined in Section 53B-3-102;

(vi) the Utah Educational Savings Plan created in Section 58B-8a-103;

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(vii) the Utah Housing Corporation created in Section 63H-8-201;

(viii) the School and Institutional Trust Lands Administration created in Section 53C-1-201; or

~~[(ix) the Utah Capital Investment Corporation created in Section 63N-6-301; or]~~

~~[(x)]~~ (ix) a URS-participating employer.

(h) (i) "URS-participating employer" means an entity that:

(A) is a participating entity, as that term is defined in Section 49-11-102; and

(B) is not required to report public financial information under this section as a qualifying entity described in Subsections (1)(g)(i) through ~~[(ix)]~~ (viii).

(ii) "URS-participating employer" does not include:

(A) the Utah State Retirement Office created in Section 49-11-201; or

(B) a withdrawing entity.

(i) (i) "Withdrawing entity" means an entity that elects to withdraw from participation in a system or plan under Title 49, Chapter 11, Part 6, Procedures and Records.

(ii) "Withdrawing entity" includes a withdrawing entity, as that term is defined in Sections 49-11-623 and 49-11-624.

(2) The state auditor shall establish and maintain a public finance website in accordance with this section.

(3) The website shall:

(a) permit Utah taxpayers to:

(i) view, understand, and track the use of taxpayer dollars by making public financial information available on the Internet for participating state entities, independent entities, participating local entities, and URS-participating employers, using the website; and

(ii) link to websites administered by participating local entities, independent entities, or URS-participating employers that do not use the website for the purpose of providing public financial information as required by this section and by rule made under Subsection (8);

(b) allow a person that has Internet access to use the website without paying a fee;

(c) allow the public to search public financial information on the website;

(d) provide access to financial reports, financial audits, budgets, or other financial documents that are used to allocate, appropriate, spend, and account for government funds, as may be established by rule made in accordance with Subsection (9);

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(e) have a unique and simplified website address;

(f) be guided by the principles described in Subsection 63A-16-202(2);

(g) include other links, features, or functionality that will assist the public in obtaining and reviewing public financial information, as may be established by rule made under Subsection (9); and

(h) include a link to school report cards published on the State Board of Education's website under Section 53E-5-211.

(4) The state auditor shall:

(a) establish and maintain the website, including the provision of equipment, resources, and personnel as necessary;

(b) maintain an archive of all information posted to the website;

(c) coordinate and process the receipt and posting of public financial information from participating state entities; and

(d) coordinate and regulate the posting of public financial information by participating local entities and independent entities.

(5) A qualifying entity shall permit the public to view the qualifying entity's public financial information by posting the public financial information to the public finance website in accordance with rules made under Subsection (9).

(6) The content of the public financial information posted to the public finance website is the responsibility of the qualifying entity posting the public financial information.

(7) A URS-participating employer shall provide employee compensation information for each fiscal year ending on or after June 30, 2022:

(a) to the state auditor for posting on the Utah Public Finance Website; or

(b) (i) through the URS-participating employer's own website; and

(ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state auditor for posting on the Utah Public Finance Website.

(8) (a) A qualifying entity may not post financial information that is classified as private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and Management Act, to the public finance website.

(b) An individual who negligently discloses financial information that is classified as private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and

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Management Act, is not criminally or civilly liable for an improper disclosure of the financial information if the financial information is disclosed solely as a result of the preparation or publication of the website.

(9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the Office of the State Auditor:

(a) shall make rules to:

(i) establish which records a qualifying entity is required to post to the public finance website; and

(ii) establish procedures for obtaining, submitting, reporting, storing, and posting public financial information on the public finance website; and

(b) may make rules governing when a qualifying entity is required to disclose an expenditure made by a person under contract with the qualifying entity, including the form and content of the disclosure.

(10) The rules made under Subsection (9) shall only require a URS-participating employer to provide employee compensation information for each fiscal year ending on or after June 30, 2022:

(a) to the state auditor for posting on the public finance website; or

(b) (i) through the URS-participating employer's own website; and

(ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state auditor for posting on the public finance website.

Section ~~7~~8. **Repealer.**

This bill repeals:

Section **63N-6-101, Title.**

Section **63N-6-102, Findings -- Purpose.**

Section **63N-6-201, Utah Capital Investment Board.**

Section **63N-6-202, Board members -- Meetings -- Expenses.**

Section **63N-6-203, Board duties and powers.**

Section **63N-6-301, Utah Capital Investment Corporation -- Powers and purposes -- Reporting requirements.**

Section **63N-6-302, Incorporator -- Appointment committee.**

Section **63N-6-303, Board of directors.**

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Section **63N-6-304, Investment manager.**

Section **63N-6-305, Management fee -- Additional financial assistance.**

Section **63N-6-401, Organization of Utah fund of funds.**

Section **63N-6-402, Compensation from the Utah fund of funds to the corporation**

-- Redemption reserve.

Section **63N-6-403, Investments by Utah fund of funds.**

Section **63N-6-404, Powers of Utah fund of funds.**

Section **63N-6-405, Annual audits.**

Section **63N-6-406, Certificates and contingent tax credits.**

Section **63N-6-407, Transfer and registration of certificates.**

Section **63N-6-408, Redemption of certificates.**

Section **63N-6-409, Use of commitments to redeem certificates.**

Section **63N-6-410, Powers and effectiveness.**

Section **63N-6-411, Permissible investments.**

Section **63N-6-412, Exemption from certain statutes.**