

GOVERNOR'S OFFICE OF ECONOMIC OPPORTUNITY

AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ronald M. Winterton

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to the Governor's Office of Economic Opportunity.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires the Governor's Office of Economic Opportunity (office) to report certain information regarding reinvestment agencies to the Legislature;
- ▶ expands the nonvoting membership of the Unified Economic Opportunity

Commission;

- ▶ modifies provisions relating to the office's authorization of economic development tax credits;

- ▶ modifies provisions relating to the office's award of loans and grants from the Industrial Assistance Account;

repeals limitations on the office's use of funds from the State Small Business Credit Initiative Program Fund for administration;

- ▶ modifies provisions relating to the office's award of grants under the Economic Assistance Grant Program;

establishes the Redevelopment Matching Grant Program for awarding grants to local governments and service districts for certain projects related to housing and



28 water conservation;

29 ▶ renames the Utah Immigration Assistance Center to the Utah Center for
30 Immigration and Integration and modifies the center's duties; and

31 ▶ makes technical and conforming changes.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 None

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **17C-1-603**, as last amended by Laws of Utah 2021, Chapter 282

39 **63N-1a-201**, as last amended by Laws of Utah 2022, Chapter 362

40 **63N-2-104.3**, as enacted by Laws of Utah 2022, Chapter 200

41 **63N-3-102**, as last amended by Laws of Utah 2022, Chapter 200

42 **63N-3-105**, as last amended by Laws of Utah 2022, Chapter 362

43 **63N-3-106**, as last amended by Laws of Utah 2021, Chapter 282

44 **63N-3-107**, as renumbered and amended by Laws of Utah 2015, Chapter 283

45 **63N-3-111**, as last amended by Laws of Utah 2022, Chapter 200

46 **63N-3-801**, as renumbered and amended by Laws of Utah 2022, Chapter 22

47 **63N-3-1002**, as enacted by Laws of Utah 2022, Chapter 362

48 **63N-4-801**, as enacted by Laws of Utah 2022, Chapter 362

49 **63N-4-802**, as enacted by Laws of Utah 2022, Chapter 362

50 **63N-13-101**, as last amended by Laws of Utah 2021, Chapter 282

51 **63N-17-202**, as last amended by Laws of Utah 2021, Chapters 162, 345 and

52 renumbered and amended by Laws of Utah 2021, Chapter 282

53 **63N-18-102**, as enacted by Laws of Utah 2021, Chapter 304

54 ENACTS:

55 **63N-3-1201**, Utah Code Annotated 1953

56 **63N-3-1202**, Utah Code Annotated 1953

57 RENUMBERS AND AMENDS:

58 **63N-18-201**, (Renumbered from 63N-18-103, as enacted by Laws of Utah 2021,

59 Chapter 304)

60 **63N-18-202**, (Renumbered from 63N-18-104, as enacted by Laws of Utah 2021,

61 Chapter 304)

62 REPEALS:

63 **63N-3-109**, as last amended by Laws of Utah 2022, Chapter 362

64 **63N-18-101**, as enacted by Laws of Utah 2021, Chapter 304



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

67 Section 1. Section **17C-1-603** is amended to read:

68 **17C-1-603. Reporting requirements -- Governor's Office of Economic**

69 **Opportunity to maintain a database.**

70 (1) On or before June 1, 2022, the Governor's Office of Economic Opportunity shall:

71 (a) create a database to track information for each agency located within the state; and

72 (b) make the database publicly accessible from the office's website.

73 (2) (a) The Governor's Office of Economic Opportunity may:

74 (i) contract with a third party to create and maintain the database described in

75 Subsection (1); and

76 (ii) charge a fee for a county, city, or agency to provide information to the database
77 described in Subsection (1).

78 (b) The Governor's Office of Economic Opportunity shall make rules, in accordance
79 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish a fee schedule for
80 the fee described in Subsection (2)(a)(ii).

81 (3) Beginning in 2022, on or before June 30 of each calendar year, an agency shall, for
82 each active project area for which the project area funds collection period has not expired,
83 provide to the database described in Subsection (1) the following information:

84 (a) an assessment of the change in marginal value, including:

85 (i) the base year;

86 (ii) the base taxable value;

87 (iii) the prior year's assessed value;

88 (iv) the estimated current assessed value;

89 (v) the percentage change in marginal value; and

- 90 (vi) a narrative description of the relative growth in assessed value;
- 91 (b) the amount of project area funds the agency received for each year of the project
- 92 area funds collection period, including:
 - 93 (i) a comparison of the actual project area funds received for each year to the amount of
 - 94 project area funds forecasted for each year when the project area was created, if available;
 - 95 (ii) (A) the agency's historical receipts of project area funds, including the tax year for
 - 96 which the agency first received project area funds from the project area; or
 - 97 (B) if the agency has not yet received project area funds from the project area, the year
 - 98 in which the agency expects each project area funds collection period to begin;
 - 99 (iii) a list of each taxing entity that levies or imposes a tax within the project area and a
 - 100 description of the benefits that each taxing entity receives from the project area; and
 - 101 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
- 102 (c) a description of current and anticipated project area development, including:
 - 103 (i) a narrative of any significant project area development, including infrastructure
 - 104 development, site development, participation agreements, or vertical construction; and
 - 105 (ii) other details of development within the project area, including:
 - 106 (A) the total developed acreage;
 - 107 (B) the total undeveloped acreage;
 - 108 (C) the percentage of residential development; and
 - 109 (D) the total number of housing units authorized, if applicable;
 - 110 (d) the project area budget, if applicable, or other project area funds analyses,
 - 111 including:
 - 112 (i) each project area funds collection period, including:
 - 113 (A) the start and end date of the project area funds collection period; and
 - 114 (B) the number of years remaining in each project area funds collection period;
 - 115 (ii) the amount of project area funds the agency is authorized to receive from the
 - 116 project area cumulatively and from each taxing entity, including:
 - 117 (A) the total dollar amount; and
 - 118 (B) the percentage of the total amount of project area funds generated within the
 - 119 project area;
 - 120 (iii) the remaining amount of project area funds the agency is authorized to receive

121 from the project area cumulatively and from each taxing entity; and

122 (iv) the amount of project area funds the agency is authorized to use to pay for the
123 agency's administrative costs, as described in Subsection 17C-1-409(1), including:

124 (A) the total dollar amount; and

125 (B) the percentage of the total amount of all project area funds;

126 (e) the estimated amount of project area funds that the agency is authorized to receive
127 from the project area for the current calendar year;

128 (f) the estimated amount of project area funds to be paid to the agency for the next
129 calendar year;

130 (g) a map of the project area; and

131 (h) any other relevant information the agency elects to provide.

132 ~~[(4)(a) Until the Governor's Office of Economic Opportunity creates a database as
133 required in Subsection (1), an agency shall, on or before November 1 of each calendar year,
134 electronically submit a report to:]~~

135 ~~[(i) the community in which the agency operates;]~~

136 ~~[(ii) the county auditor;]~~

137 ~~[(iii) the State Tax Commission;]~~

138 ~~[(iv) the State Board of Education; and]~~

139 ~~[(v) each taxing entity from which the agency receives project area funds.]~~

140 ~~[(b) An agency shall ensure that the report described in Subsection (4)(a):]~~

141 ~~[(i) contains the same information described in Subsection (3); and]~~

142 ~~[(ii) is posted on the website of the community in which the agency operates.]~~

143 ~~[(5)]~~ (4) Any information an agency submits in accordance with this section:

144 (a) is for informational purposes only; and

145 (b) does not alter the amount of project area funds that an agency is authorized to
146 receive from a project area.

147 ~~[(6)]~~ (5) The provisions of this section apply regardless of when the agency or project
148 area is created.

149 (6) On or before September 1 of each year, the Governor's Office of Economic
150 Opportunity shall prepare and submit an annual written report to the Political Subdivisions
151 Interim Committee that identifies:

152 (a) the agencies that complied with the reporting requirements of this section during
153 the preceding reporting period; and

154 (b) any agencies that failed to comply with the reporting requirements of this section
155 during the preceding reporting period.

156 Section 2. Section **63N-1a-201** is amended to read:

157 **63N-1a-201. Creation of commission.**

158 (1) There is created in the office the Unified Economic Opportunity Commission,
159 established to carry out the mission described in Section **63N-1a-103** and direct the office and
160 other appropriate entities in fulfilling the state strategic goals.

161 (2) The commission consists of:

162 (a) the following voting members:

163 (i) the governor, who shall serve as the chair of the commission;

164 (ii) the executive director, who shall serve as the vice chair of the commission;

165 (iii) the executive director of the Department of Workforce Services;

166 (iv) the executive director of the Department of Transportation;

167 (v) the executive director of the Department of Natural Resources;

168 (vi) the executive director of the Department of Commerce;

169 (vii) the commissioner of the Department of Agriculture and Food;

170 (viii) the executive director of the Governor's Office of Planning and Budget;

171 (ix) the commissioner of higher education;

172 (x) the state superintendent of public instruction;

173 (xi) the president of the Senate or the president's designee;

174 (xii) the speaker of the House of Representatives or the speaker's designee;

175 (xiii) one individual who is knowledgeable about housing needs in the state, including
176 housing density and land use, appointed by the governor;

177 (xiv) one individual who represents the interests of urban cities, appointed by the Utah
178 League of Cities and Towns; and

179 (xv) one individual who represents the interests of rural counties, appointed by the
180 Utah Association of Counties; and

181 (b) the following non-voting members:

182 (i) the chief executive officer of World Trade Center Utah;

183 (ii) the chief executive officer of the Economic Development Corporation of Utah;

184 [and]

185 (iii) a senior advisor to the chair of the commission with expertise in rural affairs of the
186 state, appointed by the chair of the commission[-]; and

187 (iv) the chief executive officer of one of the following entities, appointed by the chair
188 of the commission:

189 (A) the Utah Inland Port Authority created in Section 11-58-201;

190 (B) the Point of the Mountain State Land Authority created in Section 11-59-201; or

191 (C) the Military Installation Development Authority created in Section 63H-1-201.

192 (3) A majority of commission members constitutes a quorum for the purposes of
193 conducting commission business and the action of a majority of a quorum constitutes the action
194 of the commission.

195 (4) The executive director of the office, or the executive director's designee, is the
196 executive director of the commission.

197 (5) The office shall provide:

198 (a) office space and administrative staff support for the commission; and

199 (b) the central leadership and coordination of the commission's efforts in the field of
200 economic development.

201 (6) (a) A member may not receive compensation or benefits for the member's service
202 on the commission, but may receive per diem and travel expenses in accordance with:

203 (i) Sections 63A-3-106 and 63A-3-107; and

204 (ii) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
205 63A-3-107.

206 (b) Compensation and expenses of a commission member who is a legislator are
207 governed by Section 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and
208 Expenses.

209 Section 3. Section 63N-2-104.3 is amended to read:

210 **63N-2-104.3. Limitations on tax credit amount.**

211 (1) Except as provided in Subsection (2)(a), for a new commercial project that is
212 located within the boundary of a county of the first or second class, the office may not
213 authorize a tax credit that exceeds:

214 (a) 50% of the new state revenues from the new commercial project in any given year;

215 (b) 30% of the new state revenues from the new commercial project over ~~[the lesser of~~
216 ~~the life of a new commercial project or]~~ a period of up to 20 years; or

217 (c) 35% of the new state revenues from the new commercial project over ~~[the lesser of~~
218 ~~the life of a new commercial project or]~~ a period of up to 20 years, if:

219 (i) the new commercial project brings 2,500 or more new incremental jobs to the state;

220 (ii) the amount of capital expenditures associated with the new commercial project is
221 \$1,000,000,000 or more; and

222 (iii) the commission approves the tax credit.

223 (2) If the office authorizes a tax credit for a new commercial project located within the
224 boundary of:

225 (a) a municipality with a population of 10,000 or less located within a county of the
226 second class and that is experiencing economic hardship as determined by the office, the office
227 ~~[shall]~~ may authorize a tax credit of up to 50% of new state revenues from the new
228 commercial project over ~~[the lesser of the life of the new commercial project or]~~ a period of up
229 to 20 years;

230 (b) a county of the third class, the office ~~[shall]~~ may authorize a tax credit of up to 50%
231 of new state revenues from the new commercial project over ~~[the lesser of the life of the new~~
232 ~~commercial project or]~~ a period of up to 20 years; and

233 (c) a county of the fourth, fifth, or sixth class, the office ~~[shall]~~ may authorize a tax
234 credit of 50% of new state revenues from the new commercial project over ~~[the lesser of the~~
235 ~~life of the new commercial project or]~~ a period of up to 20 years.

236 Section 4. Section **63N-3-102** is amended to read:

237 **63N-3-102. Definitions.**

238 As used in this part:

239 (1) "Administrator" means the executive director or the executive director's designee.

240 (2) "Economic opportunities" means ~~[unique]~~ business situations or community
241 circumstances~~[, including the development of recreation infrastructure and the promotion of the~~
242 ~~high tech sector in the state,]~~ which lend themselves to the furtherance of the economic
243 interests of the state by providing a catalyst or stimulus to the growth or retention, or both, of
244 commerce and industry in the state, including retention of companies whose relocation outside

245 the state would have a significant detrimental economic impact on the state as a whole, regions
 246 of the state, or specific components of the state [~~as determined by the GO Utah board~~].

247 (3) "Restricted Account" means the restricted account known as the Industrial
 248 Assistance Account created in Section [63N-3-103](#).

249 (4) "Talent development grant" means a grant awarded under Section [63N-3-112](#).

250 Section 5. Section [63N-3-105](#) is amended to read:

251 **[63N-3-105. Qualification for assistance -- Application requirements.](#)**

252 [~~(1)(a) Except as provided in Section [63N-3-109](#), the administrator, in consultation
 253 with the GO Utah board, shall determine which industries, companies, and individuals qualify
 254 to receive money from the Industrial Assistance Account.]~~

255 [~~(b) Except as provided by Subsection (2), to qualify for financial assistance from the
 256 restricted account, an applicant shall:]~~

257 [~~(i) demonstrate to the satisfaction of the administrator that the applicant will expend
 258 funds in the state with employees, vendors, subcontractors, or other businesses in an amount
 259 proportional with money provided from the restricted account at a minimum ratio of one to one
 260 per year or other more stringent requirements as established on a per project basis by the
 261 administrator;]~~

262 [~~(ii) demonstrate to the satisfaction of the administrator the applicant's ability to sustain
 263 economic activity in the state sufficient to repay, by means of cash or appropriate credits, the
 264 loan provided by the restricted account; and]~~

265 [~~(iii) satisfy other criteria the administrator considers appropriate.]~~

266 [(2)(a) The administrator may exempt an applicant from the requirements of
 267 Subsection (1)(a) or (b) if:]

268 [(i) the applicant is part of a targeted industry;]

269 [(ii) the applicant is a quasi-public corporation organized under Title 16, Chapter 6a,
 270 Utah Revised Nonprofit Corporation Act, or Title 63E, Chapter 2, Independent Corporations
 271 Act, and its operations, as demonstrated to the satisfaction of the administrator, will provide
 272 significant economic stimulus to the growth of commerce and industry in the state; or]

273 [(iii) the applicant is an entity offering an economic opportunity under Section
 274 [63N-3-109](#).]

275 [(b) The administrator may not exempt the applicant from the requirement under

276 Subsection ~~63N-3-106~~(2)(b) that the loan be structured so that the repayment or return to the
277 state equals at least the amount of the assistance together with an annual interest charge.]

278 (1) Subject to the requirements of this part, the administrator may provide loans,
279 grants, or other financial assistance from the restricted account to an entity offering an
280 economic opportunity if that entity:

281 (a) applies to the administrator in a form approved by the administrator; and

282 (b) meets the qualifications of Subsection (2).

283 (2) As part of an application for receiving financial assistance under this part, an
284 applicant shall demonstrate the following to the satisfaction of the administrator:

285 (a) the nature of the economic opportunity and the related benefit to the economic
286 well-being of the state by providing evidence documenting the expenditure of money
287 necessitated by the economic opportunity;

288 (b) how the economic opportunity will act in concert with other state, federal, or local
289 agencies to achieve the economic benefit;

290 (c) that the applicant will expend funds in the state with employees, vendors,
291 subcontractors, or other businesses in an amount proportional with money provided from the
292 restricted account at a minimum ratio of one to one per year or other more stringent
293 requirements as established on a per project basis by the administrator;

294 (d) for an application for a loan, the applicant's ability to sustain economic activity in
295 the state sufficient to repay, by means of cash or appropriate credits, the loan provided by the
296 restricted account; and

297 (e) any other criteria the administrator considers appropriate.

298 (3) (a) The administrator may exempt an applicant from any of the requirements of
299 Subsection (2) if:

300 (i) the applicant is part of a targeted industry;

301 (ii) the applicant is a quasi-public corporation organized under Title 16, Chapter 6a,
302 Utah Revised Nonprofit Corporation Act, or Title 63E, Chapter 2, Independent Corporations
303 Act, and the applicant's operations, as demonstrated to the satisfaction of the administrator, will
304 provide significant economic stimulus to the growth of commerce and industry in the state; or

305 (iii) the GO Utah board recommends awarding a grant to the applicant.

306 (b) The administrator may not exempt the applicant from the requirement under

307 Subsection 63N-3-106(1)(b) that the loan be structured so that the repayment or return to the
 308 state equals at least the amount of the assistance together with an annual interest charge.

309 ~~[(3)]~~ (4) The GO Utah board shall make recommendations to the administrator
 310 regarding applications for loans, grants, or other financial assistance from the Industrial
 311 Assistance Account.

312 (5) Before awarding any money under this part, the administrator shall:

313 (a) make findings as to whether an applicant has satisfied the requirements of
 314 Subsection (2);

315 (b) establish benchmarks and timeframes in which progress toward the completion of
 316 the agreed upon activity is to occur;

317 (c) monitor compliance by an applicant with any contract or agreement entered into by
 318 the applicant and the state as provided by Section 63N-3-107; and

319 (d) make funding decisions based upon appropriate findings and compliance.

320 ~~[(4) The administrator shall:]~~

321 ~~[(a) for applicants not described in Subsection (2)(a):]~~

322 ~~[(i) make findings as to whether or not each applicant has satisfied each of the~~
 323 ~~conditions set forth in Subsection (1); and]~~

324 ~~[(ii) monitor the continued compliance by each applicant with each of the conditions~~
 325 ~~set forth in Subsection (1) for five years;]~~

326 ~~[(b) consider the GO Utah board's recommendations with respect to each application;]~~

327 ~~[(c) monitor the compliance by each applicant with the provisions of any contract or~~
 328 ~~agreement entered into between the applicant and the state as provided in Section 63N-3-107;~~
 329 ~~and]~~

330 ~~[(d) make funding decisions based upon appropriate findings and compliance.]~~

331 Section 6. Section 63N-3-106 is amended to read:

332 **63N-3-106. Structure of loans, grants, and assistance -- Repayment -- Earned**
 333 **credits.**

334 ~~[(1)(a) A company that qualifies under Section 63N-3-105 may receive loans, grants,~~
 335 ~~or other financial assistance from the Industrial Assistance Account for expenses related to~~
 336 ~~establishment, relocation, or development of industry in Utah.]~~

337 ~~[(b) An entity offering an economic opportunity that qualifies under Section 63N-3-109~~

338 may:]

339 ~~[(i) receive loans, grants, or other financial assistance from the restricted account for~~
340 ~~expenses related to the establishment, relocation, retention, or development of industry in the~~
341 ~~state; and]~~

342 ~~[(ii) include infrastructure or other economic development precursor activities that act~~
343 ~~as a catalyst and stimulus for economic activity likely to lead to the maintenance or~~
344 ~~enlargement of the state's tax base.]~~

345 ~~[(2)]~~ (1) (a) Subject to Subsection ~~[(2)(b)]~~ (1)(b), the administrator has authority to
346 determine the structure, amount, and nature of any loan, grant, or other financial assistance
347 from the restricted account.

348 (b) Loans made under ~~[Subsection (2)(a)]~~ this part shall be structured so the intended
349 repayment or return to the state, including cash or credit, equals at least the amount of the
350 assistance together with an annual interest charge as negotiated by the administrator.

351 (c) Payments resulting from grants awarded from the restricted account shall be made
352 only after the administrator has determined that the company has satisfied the conditions upon
353 which the payment or earned credit was based.

354 ~~[(3)]~~ (2) ~~[(a)(i)]~~ (a) ~~[Except as provided in Subsection (3)(b), the]~~ The administrator
355 may provide for a system of earned credits that may be used to support grant payments or in
356 lieu of cash repayment of a restricted account loan obligation.

357 ~~[(ii)]~~ (b) The value of the credits described in Subsection ~~[(3)(a)(i)]~~ (2)(a) shall be
358 based on factors determined by the administrator, including:

359 ~~[(A)]~~ (i) the number of Utah jobs created;

360 ~~[(B)]~~ (ii) the increased economic activity in Utah; or

361 ~~[(C)]~~ (iii) other events and activities that occur as a result of the restricted account
362 assistance.

363 ~~[(b)(i) The administrator shall provide for a system of credits to be used to support~~
364 ~~grant payments or in lieu of cash repayment of a restricted account loan when loans are made to~~
365 ~~a company creating an economic impediment.]~~

366 ~~[(ii) The value of the credits described in Subsection (3)(b)(i) shall be based on factors~~
367 ~~determined by the administrator, including:]~~

368 ~~[(A) the number of Utah jobs created;]~~

369 ~~[(B) the increased economic activity in Utah; or]~~
 370 ~~[(C) other events and activities that occur as a result of the restricted account~~
 371 ~~assistance.]~~

372 ~~[(4)]~~ (3) (a) A cash loan repayment or other cash recovery from a company receiving
 373 assistance under this section, including interest, shall be deposited into the restricted account.

374 (b) The administrator and the Division of Finance shall determine the manner of
 375 recognizing and accounting for the earned credits used in lieu of loan repayments or to support
 376 grant payments as provided in Subsection ~~[(3)]~~ (2).

377 ~~[(5)]~~ (4) (a) (i) At the end of each fiscal year, the Division of Finance shall set aside the
 378 balance of the General Fund revenue surplus as defined in Section [63J-1-312](#) after the transfers
 379 of General Fund revenue surplus described in Subsection ~~[(5)(b)]~~ (4)(b) to the Industrial
 380 Assistance Account in an amount equal to any credit that has accrued under this part.

381 (ii) The set aside under Subsection ~~[(5)(a)(i)]~~ (4)(a)(i) shall be capped at \$50,000,000,
 382 at which time no subsequent contributions may be made and any interest accrued above the
 383 \$50,000,000 cap shall be deposited into the General Fund.

384 (b) The set aside required by Subsection ~~[(5)(a)]~~ (4)(a) shall be made after the transfer
 385 of surplus General Fund revenue surplus is made:

386 (i) to the Medicaid Growth Reduction and Budget Stabilization Restricted Account, as
 387 provided in Section [63J-1-315](#);

388 (ii) to the General Fund Budget Reserve Account, as provided in Section [63J-1-312](#);
 389 and

390 (iii) to the Wildland Fire Suppression Fund or State Disaster Recovery Restricted
 391 Account, as provided in Section [63J-1-314](#).

392 (c) These credit amounts may not be used for purposes of the restricted account as
 393 provided in this part until appropriated by the Legislature.

394 Section 7. Section **63N-3-107** is amended to read:

395 **63N-3-107. Agreements.**

396 The administrator shall enter into agreements with each successful applicant that have
 397 specific terms and conditions for each loan, grant, or financial assistance under this part,
 398 including:

399 (1) for a loan:

- 400 ~~[(1)]~~ (a) repayment schedules;
- 401 ~~[(2)]~~ (b) interest rates;
- 402 ~~[(3)]~~ (c) specific economic activity required to qualify for the loan ~~[or assistance]~~ or for
403 repayment credits;
- 404 ~~[(4)]~~ (d) collateral or security, if any; and
- 405 ~~[(5)]~~ (e) other terms and conditions considered appropriate by the administrator~~[-]; and~~
406 (2) for a grant or other financial assistance:
- 407 (a) requirements for compliance monitoring, for a period of five years;
- 408 (b) repayment for nonperformance or departure from the state;
- 409 (c) collateral or security, if any; and
- 410 (d) other terms and conditions considered appropriate by the administrator.

411 Section 8. Section **63N-3-111** is amended to read:

412 **63N-3-111. Annual policy considerations.**

413 (1) (a) The office shall make recommendations to state and federal agencies, local
414 governments, the governor, and the Legislature regarding policies and initiatives that promote
415 the economic development of targeted industries.

416 (b) The office may create one or more voluntary advisory committees that may include
417 public and private stakeholders to solicit input on policy guidance and best practices in
418 encouraging the economic development of targeted industries.

419 (2) In evaluating the economic impact of applications for assistance, the GO Utah
420 board shall use an econometric cost-benefit model.

421 (3) The GO Utah board may establish:

422 (a) minimum interest rates to be applied to loans granted that reflect a fair social rate of
423 return to the state comparable to prevailing market-based rates such as the prime rate, U.S.
424 Government T-bill rate, or bond coupon rate as paid by the state, adjusted by social indicators
425 such as the rate of unemployment; and

426 (b) minimum applicant expense ratios, as long as they are at least equal to those
427 required under Subsection [~~63N-3-105(1)(b)] 63N-3-105(2).~~

428 Section 9. Section **63N-3-801** is amended to read:

429 **63N-3-801. Creation and administration.**

430 (1) There is created an enterprise fund known as the "State Small Business Credit

431 Initiative Program Fund" administered by the office.

432 (2) The executive director or the executive director's designee is the administrator of
433 the fund.

434 (3) Revenues deposited into the fund shall consist of:

435 (a) grants, pay backs, bonuses, entitlements, and other money received from the federal
436 government to implement the State Small Business Credit Initiative; and

437 (b) transfers, grants, gifts, bequests, and other money made available from any source
438 to implement this part.

439 (4) (a) The state treasurer shall invest the money in the fund according to the
440 procedures and requirements of Title 51, Chapter 7, State Money Management Act.

441 (b) Interest and other earnings derived from the fund money shall be deposited in the
442 fund.

443 (5) The office may use fund money for administration of the fund~~[, but not to exceed~~
444 ~~4% of the annual receipts to the fund].~~

445 Section 10. Section **63N-3-1002** is amended to read:

446 **63N-3-1002. Creation of Economic Assistance Grant Program -- Requirements --**
447 **Rulemaking -- Annual report.**

448 (1) There is created the Economic Assistance Grant Program administered by the
449 office.

450 (2) Subject to appropriations from the Legislature, the office may award one or more
451 grants to a business entity to provide funding for projects that:

452 (a) promote and support economic opportunities in the state; and

453 (b) provide a service in the state related to industry, education, community
454 development, or infrastructure.

455 (3) In awarding grants, the office may prioritize projects:

456 ~~[(a) that create new jobs in the state;]~~

457 ~~[(b)]~~ (a) that develop targeted industries in the state;

458 ~~[(c)]~~ (b) where an applicant identifies clear metrics to measure the progress,
459 effectiveness, and scope of the project;

460 ~~[(d) where an applicant secures funding from other sources to help finance the project;]~~

461 ~~[(e)]~~ (c) where an applicant demonstrates comprehensive planning of the project; and

462 [(f)] (d) that require one-time funds.

463 (4) Before a business entity may receive a grant, the business entity shall enter into a
464 written agreement with the office that specifies:

- 465 (a) the amount of the grant;
- 466 (b) the time period for distributing the grant;
- 467 (c) the terms and conditions that the business entity shall meet to receive the grant;
- 468 (d) the structure of the grant; and
- 469 (e) the expenses for which the business entity may expend the grant.

470 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
471 office may make rules to administer the grant program.

472 (6) The office shall include in the annual written report described in Section
473 63N-1a-306 a report on the grant program~~[-including a description and the amount of any~~
474 ~~grants awarded]~~.

475 Section 11. Section 63N-3-1201 is enacted to read:

476 **Part 12. Redevelopment Matching Grant Program**

477 **63N-3-1201. Definitions.**

478 As used in this part:

479 (1) "American Rescue Plan Act" means the American Rescue Plan Act, Pub. L. 117-2.

480 (2) "Grant" means a financial grant awarded as part of the Redevelopment Matching
481 Grant Program created in Section 63N-3-1202.

482 (3) "Grant program" means the Redevelopment Matching Grant Program created in
483 Section 63N-3-1202.

484 (4) "Local government" means a county or municipality.

485 Section 12. Section 63N-3-1202 is enacted to read:

486 **63N-3-1202. Creation of Redevelopment Matching Grant Program -- Eligibility**
487 **and program requirements -- Rulemaking -- Reporting.**

488 (1) There is created the Redevelopment Matching Grant Program administered by the
489 office.

490 (2) Subject to appropriations from the Legislature, the office shall award grants to:

- 491 (a) local governments that meet the qualifications described in Subsection (3), to
492 provide support for projects or services that increase the supply of affordable and high quality

493 living units; and

494 (b) water conservation districts and special service districts that meet the qualifications
495 described in Subsection (4), to provide support for projects or services that conserve or develop
496 water assets.

497 (3) To qualify for a grant, a local government shall:

498 (a) demonstrate that the local government has approved a development application
499 after January 1, 2021, that allows for the creation of new or additional affordable housing units,
500 attached or detached, at a density of at least eight units per acre;

501 (b) demonstrate that the project for which grant funds are sought is not subject to a
502 land use referendum or initiative;

503 (c) provide an equal amount of matching funds; and

504 (d) certify that the local government will spend grant funds:

505 (i) on a project or service that increases the supply of affordable and high quality living
506 units;

507 (ii) within six months of receiving the grant; and

508 (iii) in accordance with the American Rescue Plan Act.

509 (4) To qualify for a grant, a water conservation district or special service district shall:

510 (a) provide an equal amount of matching funds; and

511 (b) certify that the water conservation district or special service district will spend grant
512 funds:

513 (i) on a project or service that conserves or develops water assets; and

514 (ii) in accordance with the American Rescue Plan Act.

515 (5) In awarding grants to local governments, the office may award an initial grant to a

516 local government in an amount of up to \$2,500,000, and an additional grant of up to

517 \$1,500,000, if the project includes a minimum of 1,000 housing units or a minimum of 40 units
518 per acre.

519 (6) The office may not award more than 35% of the total amount of grant funds
520 available for projects to conserve or develop water assets.

521 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
522 office may make rules establishing the eligibility and reporting criteria for grants, including:

523 (a) the form and process of applying for grants;

524 (b) the method and formula for determining grant amounts; and

525 (c) the reporting requirements of grant recipients.

526 (8) The office shall annually prepare and submit a report describing the distribution
527 and uses of grants to the Governor's Office of Planning and Budget and to the Office of the
528 Legislative Fiscal Analyst.

529 (9) In addition to the report described in Subsection (8), the office shall include in the
530 annual written report described in Section 63N-1a-306 a report on the grant program.

531 Section 13. Section 63N-4-801 is amended to read:

532 **63N-4-801. Definitions.**

533 As used in this part:

534 (1) "Advisory committee" means the Rural Opportunity Advisory Committee created
535 in Section 63N-4-804.

536 (2) "Association of governments" means an association of political subdivisions of the
537 state, established pursuant to an interlocal agreement under Title 11, Chapter 13, Interlocal
538 Cooperation Act.

539 [~~2~~] (3) (a) "Business entity" means a sole proprietorship, partnership, association,
540 joint venture, corporation, firm, trust, foundation, or other organization or entity used in
541 carrying on a business.

542 (b) "Business entity" does not include a business primarily engaged in the following:

543 (i) construction;

544 (ii) staffing;

545 (iii) retail trade; or

546 (iv) public utility activities.

547 [~~3~~] (4) "CEO board" means a County Economic Opportunity Advisory Board as
548 described in Section 63N-4-803.

549 [~~4~~] (5) "Fund" means the Rural Opportunity Fund created in Section 63N-4-805.

550 [~~5~~] (6) "Qualified asset" means a physical asset that provides or supports an essential
551 public service.

552 [~~6~~] (7) "Qualified project" means a project to build or improve one or more qualified
553 assets for a rural community, including:

554 (a) telecom and high-speed Internet infrastructure;

555 (b) power and energy infrastructure;
 556 (c) water and sewerage infrastructure;
 557 (d) healthcare infrastructure; or
 558 (e) other infrastructure as defined by rule made by the office in accordance with Title
 559 63G, Chapter 3, Utah Administrative Rulemaking Act.

560 ~~[(7)]~~ (8) "Rural community" means a rural county or rural municipality.

561 ~~[(8)]~~ (9) "Rural county" means a county of the third, fourth, fifth, or sixth class.

562 ~~[(9)]~~ (10) "Rural municipality" means a city, town, or metro township located within
 563 the boundaries of:

564 (a) a county of the third, fourth, fifth, or sixth class; or

565 (b) a county of the second class, if the municipality has a population of 10,000 or less.

566 ~~[(10)]~~ (11) "Rural Opportunity Program" or "program" means the Rural Opportunity
 567 Program created in Section [63N-4-802](#).

568 Section 14. Section [63N-4-802](#) is amended to read:

569 **63N-4-802. Creation of Rural Opportunity Program -- Awarding of grants and**
 570 **loans -- Rulemaking -- Reporting.**

571 (1) There is created the Rural Opportunity Program.

572 (2) The program shall be overseen by the advisory committee and administered by the
 573 office.

574 (3) (a) In overseeing the program, the advisory committee shall make recommendations
 575 to the office on the awarding of grants and loans under this section.

576 (b) After reviewing the recommendations of the advisory committee, and subject to
 577 appropriations from the Legislature, the office shall:

578 (i) award grants to rural communities and business entities in accordance with
 579 Subsection (4) and rules made by the center under Subsection (6); and

580 (ii) award loans to rural communities in accordance with Subsection (5) and rules made
 581 by the center under Subsection (6).

582 (4) (a) The office shall annually distribute an equal amount of grant money to all rural
 583 counties that have created a CEO board and apply for a grant, in an amount up to and including
 584 \$200,000 annually per county.

585 (b) In addition to the grant money distributed to rural counties under Subsection (4)(a),

586 the office may use program funds to:

587 (i) award grants to rural communities that demonstrate a funding match, in an amount
588 established by rule under Subsection (6); [~~and~~]

589 (ii) award grants to business entities that create new jobs within rural communities[~~-~~];
590 and

591 (iii) award grants to associations of governments, subject to Subsection (4)(e).

592 (c) The office shall award grants under this Subsection (4) to address the economic
593 development needs of rural communities, which needs may include:

594 (i) business recruitment, development, and expansion;

595 (ii) workforce training and development; and

596 (iii) infrastructure, industrial building development, and capital facilities improvements
597 for business development.

598 (d) In awarding grants under this Subsection (4), the office:

599 (i) shall prioritize applications in accordance with rules made by the office under
600 Subsection (6); [~~and~~]

601 (ii) may not award more than \$800,000 annually to a rural community or business
602 entity[~~-~~]; and

603 (iii) may not award more than 20% of the total amount of grant funds made available
604 each year to associations of governments.

605 (e) An association of governments may not receive a grant from the program unless the
606 association of governments demonstrates to the office that each county belonging to the
607 association of governments has approved the request for grant funds.

608 (5) (a) In addition to the awarding of grants under Subsection (4), the office may use
609 program funds to award loans to rural communities to provide financing for qualified projects.

610 (b) (i) A rural community may not receive a loan from the program for a qualified
611 project unless:

612 (A) the rural community demonstrates to the office that the rural community has
613 exhausted all other means of securing funding from the state for the qualified project; and

614 (B) the rural community enters into a loan contract with the office.

615 (ii) A loan contract under Subsection (5)(b)(i)(B):

616 (A) shall be secured by legally issued bonds, notes, or other evidence of indebtedness

617 validly issued under state law, including pledging all or any portion of a revenue source
618 controlled by the rural community to the repayment of the loan; and

619 (B) may provide that a portion of the proceeds of the loan may be applied to fund a
620 reserve fund to secure the repayment of the loan.

621 (c) A loan under this Subsection (5) shall bear interest at a rate:

622 (i) not less than bond market interest rates available to the state; and

623 (ii) not more than .5% above bond market interest rates available to the state.

624 (d) Before a rural community may receive a loan from the office, the rural community
625 shall:

626 (i) publish the rural community's intention to obtain the loan at least once in
627 accordance with the publication and notice requirements described in Section 11-14-316; and

628 (ii) adopt an ordinance or resolution authorizing the loan.

629 (e) (i) If a rural community that receives a loan from the office fails to comply with the
630 terms of the loan contract, the office may seek any legal or equitable remedy to obtain
631 compliance or payment of damages.

632 (ii) If a rural community fails to make loan payments when due, the state shall, at the
633 request of the office, withhold an amount of money due to the rural community and deposit the
634 withheld money into the fund to pay the amount due under the contract.

635 (iii) The office may elect when to take any action or request the withholding of money
636 under this Subsection (5)(e).

637 (f) All loan contracts, bonds, notes, or other evidence of indebtedness securing any
638 loans shall be collected and accounted for in accordance with Section 63B-1b-202.

639 (6) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
640 and in collaboration with the advisory committee, the office shall make rules to administer the
641 program.

642 (b) The rules under Subsection (6)(a) shall establish:

643 (i) eligibility criteria for a rural community or business entity to receive a grant or loan
644 under the program;

645 (ii) application requirements;

646 (iii) funding match requirements for a rural community to receive a grant under
647 Subsection (4)(b);

648 (iv) a process for prioritizing grant and loan applications; and

649 (v) reporting requirements.

650 (7) The office shall include the following information in the annual written report
651 described in Section 63N-1a-306:

652 (a) the total amount of grants and loans the office awarded to rural communities and
653 business entities under the program;

654 (b) a description of the projects for which the office awarded a grant or loan under the
655 program;

656 (c) the total amount of outstanding debt service that is being repaid by a grant or loan
657 awarded under the program;

658 (d) whether the grants and loans awarded under the program have resulted in economic
659 development within rural communities; and

660 (e) the office's recommendations regarding the effectiveness of the program and any
661 suggestions for legislation.

662 Section 15. Section 63N-13-101 is amended to read:

663 **63N-13-101. Title -- Projects to assist companies to secure new business with**
664 **federal, state, and local governments.**

665 (1) This chapter is known as "Procurement Programs."

666 (2) The Legislature recognizes that:

667 (a) many Utah companies provide products and services which are routinely procured
668 by a myriad of governmental entities at all levels of government, but that attempting to
669 understand and comply with the numerous certification, registration, proposal, and contract
670 requirements associated with government procurement often raises significant barriers for
671 those companies with no government contracting experience;

672 (b) the costs associated with obtaining a government contract for products or services
673 often prevent most small businesses from working in the governmental procurement market;

674 (c) currently a majority of federal procurement opportunities are contracted to
675 businesses located outside of the state;

676 (d) the office currently administers programs and initiatives that help create and grow
677 companies in Utah and recruit companies to Utah through the use of state employees,
678 public-private partnerships, and contractual services; and

679 (e) there exists a significant opportunity for Utah companies to secure new business
680 with federal, state, and local governments.

681 (3) The office, through its executive director:

682 (a) shall manage and direct the administration of state and federal programs and
683 initiatives whose purpose is to procure federal, state, and local governmental contracts;

684 (b) may require program accountability measures; and

685 (c) may receive and distribute legislative appropriations and public and private grants
686 for projects and programs that:

687 (i) are focused on growing Utah companies and positively impacting statewide
688 revenues by helping these companies secure new business with federal, state, and local
689 governments;

690 (ii) provide guidance to Utah companies interested in obtaining new business with
691 federal, state, and local governmental entities;

692 (iii) would facilitate marketing, business development, and expansion opportunities for
693 Utah companies in cooperation with the office's [~~Procurement Technical Assistance Center~~
694 ~~Program~~] APEX accelerator program and with public, nonprofit, or private sector partners such
695 as local chambers of commerce, trade associations, or private contractors as determined by the
696 office's director to successfully match Utah businesses with government procurement
697 opportunities; and

698 (iv) may include the following components:

699 (A) recruitment, individualized consultation, and an introduction to government
700 contracting;

701 (B) specialized contractor training for companies located in Utah;

702 (C) a Utah contractor matching program for government requirements;

703 (D) experienced proposal and bid support; and

704 (E) specialized support services.

705 (4) (a) The office, through its executive director, shall make any distribution referred to
706 in Subsection (3) on a semiannual basis.

707 (b) A recipient of money distributed under this section shall provide the office with a
708 set of standard monthly reports, the content of which shall be determined by the office to
709 include at least the following information:

- 710 (i) consultive meetings with Utah companies;
- 711 (ii) seminars or training meetings held;
- 712 (iii) government contracts awarded to Utah companies;
- 713 (iv) increased revenues generated by Utah companies from new government contracts;
- 714 (v) jobs created;
- 715 (vi) salary ranges of new jobs; and
- 716 (vii) the value of contracts generated.

717 Section 16. Section **63N-17-202** is amended to read:

718 **63N-17-202. Infrastructure and broadband coordination.**

719 (1) The broadband center shall partner with the Utah Geospatial Resource Center
720 created in Section **63A-16-505** to collect and maintain a database and interactive map that
721 displays economic development data statewide, including:

- 722 (a) voluntarily submitted broadband availability, speeds, and other broadband data;
- 723 (b) voluntarily submitted public utility data;
- 724 (c) workforce data, including information regarding:
 - 725 (i) enterprise zones designated under Section **63N-2-206**;
 - 726 (ii) public institutions of higher education; and
 - 727 (iii) [~~procurement technical assistance centers~~] APEX accelerators;

728 (d) transportation data, which may include information regarding railway routes,
729 commuter rail routes, airport locations, and major highways;

730 (e) lifestyle data, which may include information regarding state parks, national parks
731 and monuments, United States Forest Service boundaries, ski areas, golf courses, and hospitals;
732 and

733 (f) other relevant economic development data as determined by the office, including
734 data provided by partner organizations.

735 (2) The broadband center may:

736 (a) make recommendations to state and federal agencies, local governments, the
737 governor, and the Legislature regarding policies and initiatives that promote the development
738 of broadband-related infrastructure in the state and help implement those policies and
739 initiatives;

740 (b) facilitate coordination between broadband providers and public and private entities;

741 (c) collect and analyze data on broadband availability and usage in the state, including
 742 Internet speed, capacity, the number of unique visitors, and the availability of broadband
 743 infrastructure throughout the state;

744 (d) create a voluntary broadband advisory committee, which shall include broadband
 745 providers and other public and private stakeholders, to solicit input on broadband-related policy
 746 guidance, best practices, and adoption strategies;

747 (e) work with broadband providers, state and local governments, and other public and
 748 private stakeholders to facilitate and encourage the expansion and maintenance of broadband
 749 infrastructure throughout the state; and

750 (f) in accordance with the requirements of Title 63J, Chapter 5, Federal Funds
 751 Procedures Act, and in accordance with federal requirements:

752 (i) apply for federal grants;

753 (ii) participate in federal programs; and

754 (iii) administer federally funded broadband-related programs.

755 Section 17. Section **63N-18-102** is amended to read:

756 **CHAPTER 18. UTAH CENTER FOR IMMIGRATION AND INTEGRATION**

757 **Part 1. General Provisions**

758 **63N-18-102. Definitions.**

759 As used in this chapter:

760 (1) "Center" means the Utah [~~Immigration Assistance Center~~] Center for Immigration
 761 and Integration created in Section [63N-18-201](#).

762 (2) "Foreign labor" means one or more individuals from a nation other than the United
 763 States who are eligible to participate in visa programs established by the federal government to
 764 work in the state.

765 (3) "Foreign labor [~~programs~~—means programs] program" means a program
 766 established by the United States Department of Labor to bring eligible foreign individuals to
 767 the United States for employment opportunities.

768 (4) "Immigrant integration" means a dynamic two-way process in which immigrant
 769 communities and host communities work together to build a cohesive and vibrant society that
 770 has respect for unique cultural differences.

771 Section 18. Section **63N-18-201**, which is renumbered from Section 63N-18-103 is

772 renumbered and amended to read:

773 **Part 2. Utah Center for Immigration and Integration**

774 ~~[63N-18-103].~~ **63N-18-201.** **Creation of the Utah Center for Immigration**
775 **and Integration -- Responsibilities of the center.**

776 (1) There is created within the Governor's Office of Economic Opportunity the Utah
777 ~~[Immigration Assistance]~~ Center for Immigration and Integration.

778 (2) The center shall:

779 ~~[(a) coordinate and provide technical support for businesses in the state that intend to~~
780 ~~utilize federal foreign labor programs;]~~

781 ~~[(b) provide outreach and information to businesses that could benefit from foreign~~
782 ~~labor programs;]~~

783 ~~[(c) coordinate with state and federal government partners to facilitate the successful~~
784 ~~use of foreign labor programs on behalf of businesses in the state; and]~~

785 ~~[(d) coordinate with other entities engaged in international efforts.]~~

786 (a) assist individuals and businesses in the state with identifying pathways for
787 recruiting and retaining foreign labor;

788 (b) coordinate with state agencies in developing and administering policies and
789 programs related to immigrant integration;

790 (c) develop and implement a statewide strategy for immigrant integration that promotes
791 economic opportunities for immigrant communities in the state;

792 (d) create and convene a task force to review and make recommendations regarding the
793 state's policies on immigrant integration;

794 (e) develop sustainable partnerships with local officials, the business sector, and
795 community organizations serving immigrant communities in the state; and

796 (f) advise and make recommendations to the governor, state agencies, and the
797 Legislature regarding immigrant integration and foreign labor issues.

798 (3) The center may not encourage a business to bypass state residents for the business's
799 workforce needs.

800 (4) The center may, in accordance with Title 63G, Chapter 3, Utah Administrative
801 Rulemaking Act, make rules to carry out the center's responsibilities under this chapter.

802 Section 19. Section **63N-18-202**, which is renumbered from Section 63N-18-104 is

803 renumbered and amended to read:

804 ~~63N-18-104.~~ 63N-18-202. Annual report.

805 The office shall include in the annual written report described in Section 63N-1a-306, a
806 report of the center's operations, including:

807 (1) a description of the center's activities regarding immigrant integration;

808 ~~(1)~~ (2) the number of businesses that received assistance in utilizing foreign labor
809 programs;

810 ~~(2)~~ (3) the number of [individuals who were able to work in the state as a result of
811 foreign labor programs] employment-based immigration visas issued for individuals to secure
812 employment opportunities in the state, including the primary employers associated with the
813 visas; and

814 ~~(3)~~ (4) recommendations regarding:

815 (a) changes that would improve the center; and

816 (b) the task force described in Subsection 63N-18-201(2)(d).

817 Section 20. **Repealer.**

818 This bill repeals:

819 Section 63N-3-109, **Financial assistance to entities offering economic opportunities.**

820 Section 63N-18-101, **Title.**