

## SB0153S02 compared with SB0153

~~text~~ shows text that was in SB0153 but was deleted in SB0153S02.

text shows text that was not in SB0153 but was inserted into SB0153S02.

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Senator Ronald M. Winterton proposes the following substitute bill:

### GOVERNOR'S OFFICE OF ECONOMIC OPPORTUNITY

#### AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ronald M. Winterton**

House Sponsor: \_\_\_\_\_

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#### 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;
- ▶ expands the membership of the Unified Economic Opportunity Commission's

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### Women in the Economy Subcommittee:

- ▶ 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}~~supporting certain local ~~{governments and service districts for certain}~~government projects related to housing and water conservation;
- ▶ allows the office to award grants to associations of governments under the office's Rural Opportunity Program;
- ▶ allows for motion picture incentives that are available only for rural productions to be available for productions occurring in certain second class counties;
- ▶ repeals the sunset date for certain motion picture incentives available only for rural productions;
- ▶ requires the Legislature to conduct a biennial review of motion picture incentives available only for rural productions;
- ▶ renames the Utah Immigration Assistance Center to the Utah Center for Immigration and Integration and modifies the center's duties; and
- ▶ makes technical and conforming changes.

### **Money Appropriated in this Bill:**

None

### **Other Special Clauses:**

None

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

AMENDS:

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

**63I-1-263**, as last amended by Laws of Utah 2022, Chapters 23, 34, 68, 153, 218, 236,

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[249, 274, 296, 313, 361, 362, 417, 419, and 472](#)

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

[63N-1b-402](#), as renumbered and amended by Laws of Utah 2022, Chapter 362

[63N-1b-403](#), as renumbered and amended by Laws of Utah 2022, Chapter 362

[63N-1b-404](#), as renumbered and amended by Laws of Utah 2022, Chapter 362

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

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

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

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

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

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

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

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

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

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

[63N-8-102](#), as last amended by Laws of Utah 2022, Chapter 417

[63N-8-105](#), as last amended by Laws of Utah 2021, Chapter 282

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

**63N-17-202**, as last amended by Laws of Utah 2021, Chapters 162, 345 and  
renumbered and amended by Laws of Utah 2021, Chapter 282

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

### ENACTS:

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

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

### RENUMBERS AND AMENDS:

**63N-18-201**, (Renumbered from 63N-18-103, as enacted by Laws of Utah 2021,  
Chapter 304)

**63N-18-202**, (Renumbered from 63N-18-104, as enacted by Laws of Utah 2021,  
Chapter 304)

### REPEALS:

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

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

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

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

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

#### **Opportunity to maintain a database.**

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

- (a) create a database to track information for each agency located within the state; and
- (b) make the database publicly accessible from the office's website.

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

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

Subsection (1); and

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

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

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

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

- (i) the base year;
- (ii) the base taxable value;
- (iii) the prior year's assessed value;
- (iv) the estimated current assessed value;
- (v) the percentage change in marginal value; and
- (vi) a narrative description of the relative growth in assessed value;

(b) the amount of project area funds the agency received for each year of the project area funds collection period, including:

(i) a comparison of the actual project area funds received for each year to the amount of project area funds forecasted for each year when the project area was created, if available;

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(ii) (A) the agency's historical receipts of project area funds, including the tax year for which the agency first received project area funds from the project area; or

(B) if the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;

(iii) a list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and

(iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;

(c) a description of current and anticipated project area development, including:

(i) a narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and

(ii) other details of development within the project area, including:

(A) the total developed acreage;

(B) the total undeveloped acreage;

(C) the percentage of residential development; and

(D) the total number of housing units authorized, if applicable;

(d) the project area budget, if applicable, or other project area funds analyses,

including:

(i) each project area funds collection period, including:

(A) the start and end date of the project area funds collection period; and

(B) the number of years remaining in each project area funds collection period;

(ii) the amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity, including:

(A) the total dollar amount; and

(B) the percentage of the total amount of project area funds generated within the project area;

(iii) the remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and

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

(A) the total dollar amount; and

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

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

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

(g) a map of the project area; and

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

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

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

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

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

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

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

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

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

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

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

~~(a) is for informational purposes only; and~~

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

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

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

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

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

Section 2. Section 63I-1-263 is amended to read:

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### **63I-1-263. Repeal dates: Titles 63A to 63N.**

- (1) Subsection 63A-5b-405(5), relating to prioritizing and allocating capital improvement funding, is repealed July 1, 2024.
- (2) Section 63A-5b-1003, State Facility Energy Efficiency Fund, is repealed July 1, 2023.
- (3) Sections 63A-9-301 and 63A-9-302, related to the Motor Vehicle Review Committee, are repealed July 1, 2023.
- (4) In relation to the Utah Transparency Advisory Board, on January 1, 2025:
  - (a) Section 63A-18-102 is repealed;
  - (b) Section 63A-18-201 is repealed; and
  - (c) Section 63A-18-202 is repealed.
- (5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July 1, 2028.
- (6) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1, 2025.
- (7) Title 63C, Chapter 12, Snake Valley Aquifer Advisory Council, is repealed July 1, 2024.
- (8) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is repealed July 1, 2023.
- (9) Title 63C, Chapter 18, Behavioral Health Crisis Response Commission, is repealed July 1, 2023.
- (10) Title 63C, Chapter 23, Education and Mental Health Coordinating Council, is repealed July 1, 2026.
- (11) Title 63C, Chapter 27, Cybersecurity Commission, is repealed July 1, 2032.
- (12) Title 63C, Chapter 28, Ethnic Studies Commission, is repealed July 1, 2026.
- (13) Section 63G-6a-805, which creates the Purchasing from Persons with Disabilities Advisory Board, is repealed July 1, 2026.
- (14) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1, 2028.
- (15) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2024.

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

(17) Subsection 63J-1-602.1(17), relating to the Nurse Home Visiting Restricted Account, is repealed July 1, 2026.

(18) Subsection 63J-1-602.2(6), referring to dedicated credits to the Utah Marriage Commission, is repealed July 1, 2023.

~~[(19) Subsection 63J-1-602.2(7), referring to the Trip Reduction Program, is repealed July 1, 2022.]~~

~~[(20)]~~ [(19)] Subsection 63J-1-602.2(26), related to the Utah Seismic Safety Commission, is repealed January 1, 2025.

~~[(21)]~~ [(20)] Title 63L, Chapter 11, Part 4, Resource Development Coordinating Committee, is repealed July 1, 2027.

~~[(22)]~~ [(21)] In relation to the Utah Substance Use and Mental Health Advisory Council, on January 1, 2033:

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

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

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

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

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

"(2) The commission shall:

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

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

~~[(23)]~~ [(22)] The Crime Victim Reparations and Assistance Board, created in Section 63M-7-504, is repealed July 1, 2027.

~~[(24)]~~ [(23)] Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2026.

~~[(25)]~~ [(24)] Title 63N, Chapter 1b, Part 4, Women in the Economy Subcommittee, is repealed January 1, 2025.



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~~[(26)]~~ [(25)] Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.

~~[(27)]~~ [(26)] Section 63N-2-512, related to the Hotel Impact Mitigation Fund, is repealed July 1, 2028.

~~[(28)]~~ [(27)] Title 63N, Chapter 3, Part 9, Strategic Innovation Grant Pilot Program, is repealed July 1, 2027.

~~[(29)]~~ [(28)] Title 63N, Chapter 3, Part 11, Manufacturing Modernization Grant Program, is repealed July 1, 2025.

~~[(30)]~~ [(29)] In relation to the Rural Employment Expansion Program, on July 1, 2023:

(a) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed;  
and

(b) Subsection 63N-4-805(5)(b), referring to the Rural Employment Expansion Program, is repealed.

~~[(31)]~~ [(30)] In relation to the Board of Tourism Development, on July 1, 2025:

(a) Subsection 63N-2-511(1)(b), which defines "tourism board," is repealed;

(b) Subsections 63N-2-511(3)(a) and (5), the language that states "tourism board" is repealed and replaced with "Utah Office of Tourism";

(c) Subsection 63N-7-101(1), which defines "board," is repealed;

(d) Subsection 63N-7-102(3)(c), which requires the Utah Office of Tourism to receive approval from the Board of Tourism Development, is repealed; and

(e) Title 63N, Chapter 7, Part 2, Board of Tourism Development, is repealed.

~~[(32)]~~ [(31)] Subsection 63N-8-103(3)(c), which allows the Governor's Office of Economic Opportunity to issue an amount of tax credit certificates only for rural productions, is repealed on July 1, 2024.

Section ~~[(2)]~~ [(3)]. Section **63N-1a-201** is amended to read:

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

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

(2) The commission consists of:

(a) the following voting members:

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

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- (ii) the executive director, who shall serve as the vice chair of the commission;
- (iii) the executive director of the Department of Workforce Services;
- (iv) the executive director of the Department of Transportation;
- (v) the executive director of the Department of Natural Resources;
- (vi) the executive director of the Department of Commerce;
- (vii) the commissioner of the Department of Agriculture and Food;
- (viii) the executive director of the Governor's Office of Planning and Budget;
- (ix) the commissioner of higher education;
- (x) the state superintendent of public instruction;
- (xi) the president of the Senate or the president's designee;
- (xii) the speaker of the House of Representatives or the speaker's designee;
- (xiii) one individual who is knowledgeable about housing needs in the state, including housing density and land use, appointed by the governor;

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

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

(b) the following non-voting members:

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

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

[and]

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

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

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

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

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

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

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

(5) The office shall provide:

- (a) office space and administrative staff support for the commission; and
- (b) the central leadership and coordination of the commission's efforts in the field of economic development.

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

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

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

### Section 4. Section 63N-1b-402 is amended to read:

#### **63N-1b-402. Women in the Economy Subcommittee created.**

(1) There is created a subcommittee of the commission called the Women in the Economy Subcommittee.

(2) The subcommittee shall consist of ~~four~~ 15 members as follows:

- (a) one senator appointed by the president of the Senate;
- (b) one senator appointed by the minority leader of the Senate;
- (c) one representative appointed by the speaker of the House of Representatives;
- (d) one representative appointed by the minority leader of the House of Representatives;
- (e) the executive director of the department, or the executive director's designee; and
- (f) ~~six~~ 10 members appointed by the governor as follows:
  - (i) ~~a representative of a business with fewer than 50 employees that has been awarded for work flexibility or work-life balance;~~

~~(ii) }~~ two individuals who represent businesses in the state that:

(A) have fewer than 50 employees; and

(B) have demonstrated a commitment to women in the economy;

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~~(ii) [a representative of a business with 50 or more employees, but fewer than 500 employees, that has been awarded for work flexibility or work-life balance];~~

~~(iii) ]~~ two individuals who represent businesses in the state that:

(A) have 50 or more employees, but fewer than 500 employees; and

(B) have demonstrated a commitment to women in the economy;

~~(iii) [a representative of a business with 500 or more employees that has been awarded for work flexibility or work-life balance]~~ two individuals who represent businesses in the state that:

(A) have 500 or more employees; and

(B) have demonstrated a commitment to women in the economy;

(iv) an individual who has experience in economic and demographic work ~~[and is employed by a state institution of higher education];~~

(v) one individual from a nonprofit organization that ~~[addresses issues related to domestic violence; and]~~ focuses on women's advocacy;

(vi) one individual with managerial experience with organized labor~~;~~

~~(3) (a) ]~~ ]; and

(vii) one individual who serves as an officer, employee, or appointee of a local government, nominated by the Utah League of Cities and Towns.

(3) (a) When a vacancy occurs in a position appointed by the governor under Subsection (2)(f), the governor shall appoint a person to fill the vacancy.

(b) A member appointed under Subsection (2)(f) shall serve a term of four years.

(c) Notwithstanding Subsection (3)(b), for members appointed under Subsection (2)(f), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of subcommittee members are staggered so that approximately half of the subcommittee members appointed under Subsection (2)(f) are appointed every two years.

~~(b)~~ (d) Members appointed under Subsection (2)(f) may be removed by the governor for cause.

~~(c)~~ (e) A member appointed under Subsection (2)(f) shall be removed from the subcommittee and replaced by the governor if the member is absent for three consecutive meetings of the subcommittee without being excused by the chair of the subcommittee.

~~(d)~~ (f) A member serves until the member's successor is appointed and qualified.

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(4) In appointing the members under Subsection (2)(f), the governor shall:

(a) take into account the geographical makeup of the subcommittee; and

(b) strive to appoint members who are knowledgeable or have an interest in issues related to women in the economy.

(5) (a) The subcommittee shall select two members who are legislators to serve as cochairs, ~~[one of which shall be a legislator]~~ of which:

(i) one cochair shall be a member of the Senate; and

(ii) one cochair shall be a member of the House of Representatives.

(b) Subject to the other provisions of this Subsection (5), the cochairs are responsible for the call and conduct of meetings.

(c) The cochairs shall call and hold meetings of the subcommittee at least ~~[every two months]~~ four times per year.

~~[(d) One of the bimonthly meetings described in Subsection (5)(c) shall be held while the Legislature is convened in the Legislature's annual general session.]~~

~~[(e) One or more additional meetings may be called upon request by a majority of the subcommittee's members.]~~

(6) (a) A majority of the members of the subcommittee constitutes a quorum.

(b) The action of a majority of a quorum constitutes the action of the subcommittee.

(7) (a) A member of the subcommittee described in Subsection (2)(e) or (f) may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

(i) Section 63A-3-106;

(ii) Section 63A-3-107; and

(iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

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

(8) The office shall provide staff support to the subcommittee.

Section 5. Section 63N-1b-403 is amended to read:

**63N-1b-403. Purpose -- Powers and duties of the subcommittee.**

(1) The subcommittee's purpose is to:

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(a) increase public and government understanding of the current and future impact and needs of the state's women in the economy and how those needs may be most effectively and efficiently met;

(b) identify and recommend implementation of specific policies, procedures, and programs to respond to the rights, needs, and impact of women in the economy; and

(c) facilitate coordination of the functions of public and private entities concerned with women in the economy.

(2) The subcommittee shall:

(a) facilitate the communication and coordination of public and private entities that provide services to women or protect the rights of women;

(b) study, evaluate, and report on the status and effectiveness of policies, procedures, and programs that provide services to women or protect the rights of women;

(c) study and evaluate the policies, procedures, and programs implemented by other states that address the needs of women in the economy or protect the rights of women;

(d) facilitate and conduct the research and study of issues related to women in the economy;

(e) provide a forum for public comment on issues related to women in the economy;

(f) provide public information on women in the economy and the services available to women; and

(g) encourage state and local governments to analyze, plan, and prepare for the impact of women in the economy on services and operations.

(3) To accomplish the subcommittee's duties, the subcommittee may:

(a) request and receive from a state or local government agency or institution summary information relating to women in the economy, including:

(i) reports;

(ii) audits;

(iii) projections; and

(iv) statistics;

(b) in coordination with the office, apply for and accept grants or donations for uses consistent with the duties of the subcommittee from public or private sources; and

(c) appoint one or more working groups to advise and assist the subcommittee.

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(4) Money received by the office under Subsection (3)(b) shall be:

(a) accounted for and expended in compliance with the requirements of federal and state law; and

(b) continuously available to the subcommittee to carry out the subcommittee's duties.

(5) (a) A member of a working group described in Subsection (3)(c):

(i) shall be appointed by the subcommittee;

(ii) may be:

(A) a member of the subcommittee; or

(B) an individual from the private or public sector; and

(iii) notwithstanding Section 35A-11-201, may not receive reimbursement or pay for any work done in relation to the working group.

(b) A working group described in Subsection (3)(c) shall report to the subcommittee on the progress of the working group.

Section 6. Section 63N-1b-404 is amended to read:

### **63N-1b-404. Annual report.**

(1) The subcommittee shall annually prepare a report for inclusion in the [office's annual written report described in Section 63N-1a-306] commission's report to the office under Subsection 63N-1a-202(3).

(2) The report described in Subsection (1) shall:

(a) describe how the subcommittee fulfilled the subcommittee's statutory purposes and duties during the year; and

(b) contain recommendations on how the state should act to address issues relating to women in the economy.

Section ~~3~~7. Section **63N-2-104.3** is amended to read:

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

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

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

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

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

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

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

(iii) the commission approves the tax credit.

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

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

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

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

Section ~~{4}~~ 8. Section **63N-3-102** is amended to read:

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

As used in this part:

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

(2) "Economic opportunities" means ~~[unique]~~ business situations or community circumstances~~[, including the development of recreation infrastructure and the promotion of the high tech sector in the state,]~~ which lend themselves to the furtherance of the economic interests of the state by providing a catalyst or stimulus to the growth or retention, or both, of commerce and industry in the state, including retention of companies whose relocation outside the state would have a significant detrimental economic impact on the state as a whole, regions of the state, or specific components of the state ~~[as determined by the GO Utah board]~~.

(3) "Restricted Account" means the restricted account known as the Industrial



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Assistance Account created in Section 63N-3-103.

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

Section ~~5~~9. Section **63N-3-105** is amended to read:

### **63N-3-105. Qualification for assistance -- Application requirements.**

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

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

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

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

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

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

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

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

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

~~[(b) The administrator may not exempt the applicant from the requirement under Subsection 63N-3-106(2)(b) that the loan be structured so that the repayment or return to the state equals at least the amount of the assistance together with an annual interest charge.]~~

(1) Subject to the requirements of this part, the administrator may provide loans.

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grants, or other financial assistance from the restricted account to an entity offering an economic opportunity if that entity:

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

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

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

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

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

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

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

(e) any other criteria the administrator considers appropriate.

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

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

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

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

(b) The administrator may not exempt the applicant from the requirement under Subsection 63N-3-106(1)(b) that the loan be structured so that the repayment or return to the state equals at least the amount of the assistance together with an annual interest charge.

[~~3~~] (4) The GO Utah board shall make recommendations to the administrator

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regarding applications for loans, grants, or other financial assistance from the Industrial Assistance Account.

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~6~~10. Section 63N-3-106 is amended to read:

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

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

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

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

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state; and]

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~{7}~~ 11. Section **63N-3-107** is amended to read:

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

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

(1) for a loan:

~~[(1)]~~ (a) repayment schedules;

~~[(2)]~~ (b) interest rates;

~~[(3)]~~ (c) specific economic activity required to qualify for the loan [~~or assistance~~] or for

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repayment credits;

~~[(4)]~~ (d) collateral or security, if any; and

~~[(5)]~~ (e) other terms and conditions considered appropriate by the administrator~~[-]; and~~

(2) for a grant or other financial assistance:

(a) requirements for compliance monitoring, for a period of five years;

(b) repayment for nonperformance or departure from the state;

(c) collateral or security, if any; and

(d) other terms and conditions considered appropriate by the administrator.

Section ~~8~~12. Section **63N-3-111** is amended to read:

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

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

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

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

(3) The GO Utah board may establish:

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

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

Section ~~9~~13. Section **63N-3-801** is amended to read:

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

(1) There is created an enterprise fund known as the "State Small Business Credit Initiative Program Fund" administered by the office.

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

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

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

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

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

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

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

Section ~~{10}~~14. Section **63N-3-1002** is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~{11}~~15. Section **63N-3-1201** is enacted to read:

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

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

As used in this part:

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

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

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

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

Section ~~{12}~~16. Section **63N-3-1202** is enacted to read:

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

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

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

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

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



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water assets.

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) In awarding grants to local governments, the office may award an initial grant to a local government in an amount of up to \$2,500,000, and an additional grant of up to \$1,500,000, if the project includes a minimum of 1,000 housing units or a minimum of 40 units per acre.

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

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

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

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

(c) the reporting requirements of grant recipients.

(8) The office shall annually prepare and submit a report describing the distribution

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and uses of grants to the Governor's Office of Planning and Budget and to the Office of the Legislative Fiscal Analyst.

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

Section ~~{13}~~17. Section **63N-4-801** is amended to read:

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

As used in this part:

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

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

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

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

- (i) construction;
- (ii) staffing;
- (iii) retail trade; or
- (iv) public utility activities.

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

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

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

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

- (a) telecom and high-speed Internet infrastructure;
- (b) power and energy infrastructure;
- (c) water and sewerage infrastructure;
- (d) healthcare infrastructure; or

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(e) other infrastructure as defined by rule made by the office in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

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

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

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

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

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

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

Section ~~{14}~~18. Section 63N-4-802 is amended to read:

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

(1) There is created the Rural Opportunity Program.

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

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

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

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

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

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

(b) In addition to the grant money distributed to rural counties under Subsection (4)(a), the office may use program funds to:

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

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

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

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

(i) business recruitment, development, and expansion;

(ii) workforce training and development; and

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

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

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

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

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

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

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

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

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

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

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

(A) shall be secured by legally issued bonds, notes, or other evidence of indebtedness validly issued under state law, including pledging all or any portion of a revenue source controlled by the rural community to the repayment of the loan; and

(B) may provide that a portion of the proceeds of the loan may be applied to fund a

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reserve fund to secure the repayment of the loan.

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) application requirements;

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

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

(v) reporting requirements.

(7) The office shall include the following information in the annual written report

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described in Section 63N-1a-306:

- (a) the total amount of grants and loans the office awarded to rural communities and business entities under the program;
- (b) a description of the projects for which the office awarded a grant or loan under the program;
- (c) the total amount of outstanding debt service that is being repaid by a grant or loan awarded under the program;
- (d) whether the grants and loans awarded under the program have resulted in economic development within rural communities; and
- (e) the office's recommendations regarding the effectiveness of the program and any suggestions for legislation.

Section 19. Section 63N-8-102 is amended to read:

### **63N-8-102. Definitions.**

As used in this chapter:

- (1) "Digital media company" means a company engaged in the production of a digital media project.
- (2) "Digital media project" means all or part of a production of interactive entertainment or animated production that is produced for distribution in commercial or educational markets, which shall include projects intended for Internet or wireless distribution.
- (3) "Dollars left in the state" means expenditures made in the state for a state-approved production, including:
  - (a) an expenditure that is subject to:
    - (i) a corporate franchise or income tax under Title 59, Chapter 7, Corporate Franchise and Income Taxes;
    - (ii) an individual income tax under Title 59, Chapter 10, Individual Income Tax Act; and
    - (iii) a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act, notwithstanding any sales and use tax exemption allowed by law; or
    - (iv) a combination of Subsections (3)(a)(i), (ii), and (iii);
  - (b) payments made to a nonresident only to the extent of the income tax paid to the state on the payments, the amount of per diems paid in the state, and other direct

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reimbursements transacted in the state; and

(c) payments made to a payroll company or loan-out corporation that is registered to do business in the state, only to the extent of the amount of withholding under Section 59-10-402.

(4) "Loan-out corporation" means a corporation owned by one or more artists that provides services of the artists to a third party production company.

(5) "Motion picture company" means a company engaged in the production of:

- (a) motion pictures;
- (b) television series; or
- (c) made-for-television movies.

(6) "Motion picture incentive" means either a cash rebate from the Motion Picture Incentive Account or a refundable tax credit under Section 59-7-614.5 or 59-10-1108.

(7) "New state revenues" means:

(a) incremental new state sales and use tax revenues generated as a result of a digital media project that a digital media company pays under Title 59, Chapter 12, Sales and Use Tax Act;

(b) incremental new state tax revenues that a digital media company pays as a result of a digital media project under:

- (i) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
- (ii) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;

(iii) Title 59, Chapter 10, Part 2, Trusts and Estates;

(iv) Title 59, Chapter 10, Part 4, Withholding of Tax; or

(v) a combination of Subsections (7)(b)(i), (ii), (iii), and (iv);

(c) incremental new state revenues generated as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, paid by employees of the new digital media project as evidenced by payroll records from the digital media company; or

(d) a combination of Subsections (7)(a), (b), and (c).

(8) "Payroll company" means a business entity that handles the payroll and becomes the employer of record for the staff, cast, and crew of a motion picture production.

(9) "Refundable tax credit" means a refundable motion picture tax credit authorized

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under Section 63N-8-103 and claimed under Section 59-7-614.5 or 59-10-1108.

(10) "Restricted account" means the Motion Picture Incentive Account created in Section 63N-8-103.

(11) "Rural production" means a state-approved production in which at least 75% of the total number of production days occur within:

(a) a county of the third, fourth, fifth, or sixth class~~[-]; or~~

(b) a county of the second class that has a national park within or partially within the county's boundaries.

(12) "State-approved production" means a production under Subsections (2) and (5) that is:

(a) approved by the office and ratified by the GO Utah board; and

(b) produced in the state by a motion picture company.

(13) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit certificate for a taxable year.

(14) "Tax credit certificate" means a certificate issued by the office that:

(a) lists the name of the applicant;

(b) lists the applicant's taxpayer identification number;

(c) lists the amount of tax credit that the office awards the applicant for the taxable year; and

(d) may include other information as determined by the office.

Section 20. Section 63N-8-105 is amended to read:

**63N-8-105. Annual report -- Legislative review of motion picture incentives available only for rural productions.**

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

~~(1)~~ (a) the office's success in attracting within-the-state production of television series, made-for-television movies, and motion pictures, including feature films and independent films;

~~(2)~~ (b) the amount of incentive commitments made by the office under this part and the period of time over which the incentives will be paid; ~~and~~

~~(3)~~ (c) ~~and~~



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(c) the amount of incentive commitments made by the office for rural productions under Subsection 63N-8-103(3)(c); and

~~[(3)]~~ (d) the economic impact on the state related to:

~~[(a)]~~ (i) dollars left in the state; and

~~[(b)]~~ (ii) providing motion picture incentives under this part.

(2) (a) Beginning in 2024, and every two years after 2024, the Economic Development and Workforce Services Interim Committee shall review the motion picture incentives available only for rural productions under Subsection 63N-8-103(3)(c).

(b) In a review under this Subsection (2), the Economic Development and Workforce Services Interim Committee shall:

(i) study the motion picture incentives provided for in Subsection 63N-8-103(3)(c); and

(ii) if the Economic Development and Workforce Services Interim Committee decides to recommend legislative action to the Legislature, prepare legislation for consideration by the Legislature in the next general session.

Section ~~{15}~~21. Section 63N-13-101 is amended to read:

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

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

(2) The Legislature recognizes that:

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

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

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

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

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

(3) The office, through its executive director:

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

(b) may require program accountability measures; and

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

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

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

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

(iv) may include the following components:

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

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

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

(D) experienced proposal and bid support; and

(E) specialized support services.

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

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

## SB0153S02 compared with SB0153

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

Section ~~16~~22. Section **63N-17-202** is amended to read:

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

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

- (a) voluntarily submitted broadband availability, speeds, and other broadband data;
- (b) voluntarily submitted public utility data;
- (c) workforce data, including information regarding:
  - (i) enterprise zones designated under Section 63N-2-206;
  - (ii) public institutions of higher education; and
  - (iii) [~~procurement technical assistance centers~~] APEX accelerators;
- (d) transportation data, which may include information regarding railway routes, commuter rail routes, airport locations, and major highways;
- (e) lifestyle data, which may include information regarding state parks, national parks and monuments, United States Forest Service boundaries, ski areas, golf courses, and hospitals; and
- (f) other relevant economic development data as determined by the office, including data provided by partner organizations.

(2) The broadband center may:

- (a) make recommendations to state and federal agencies, local governments, the governor, and the Legislature regarding policies and initiatives that promote the development of broadband-related infrastructure in the state and help implement those policies and initiatives;
- (b) facilitate coordination between broadband providers and public and private entities;

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

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

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

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

- (i) apply for federal grants;
- (ii) participate in federal programs; and
- (iii) administer federally funded broadband-related programs.

Section ~~{17}~~23. Section **63N-18-102** is amended to read:

### CHAPTER 18. UTAH CENTER FOR IMMIGRATION AND INTEGRATION

#### Part 1. General Provisions

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

As used in this chapter:

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

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

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

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

Section ~~{18}~~24. Section **63N-18-201**, which is renumbered from Section 63N-18-103

## SB0153S02 compared with SB0153

is renumbered and amended to read:

### Part 2. Utah Center for Immigration and Integration

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

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

(2) The center shall:

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~{19}~~25. Section **63N-18-202**, which is renumbered from Section 63N-18-104

## SB0153S02 compared with SB0153

is renumbered and amended to read:

~~[63N-18-104].~~        **63N-18-202.** Annual report.

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

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

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

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

~~[(3)]~~ (4) recommendations regarding:

(a) changes that would improve the center; and

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

Section ~~{20}~~26. **Repealer.**

This bill repeals:

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

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