

**Senator Lincoln Fillmore** proposes the following substitute bill:

**COVID-19 FINANCIAL RELIEF FUNDING**

2020 THIRD SPECIAL SESSION

STATE OF UTAH

**Chief Sponsor: Lincoln Fillmore**

House Sponsor: Mike Schultz

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**LONG TITLE**

**General Description:**

This bill funds new and existing programs and services related to relieving economic injury to individuals and businesses affected by COVID-19.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ directs the Conservation Commission to make grants to agricultural operations that are financially harmed as a direct result of measures taken to minimize the public's exposure to COVID-19;
- ▶ requires the Conservation Commission to report to the Natural Resources, Agriculture and Environment Interim Committee regarding grants made to agricultural operations;
- ▶ directs the Department of Workforce Services to assist state residents financially harmed by COVID-19 to retain or obtain housing using certain funds;
- ▶ directs the Governor's Office of Economic Development to establish and administer a COVID-19 Commercial Rental Assistance Program that grants rental relief to certain businesses that have lost revenue as a direct result of measures taken to minimize the public's exposure to COVID-19;



26           ▶ requires the Department of Workforce Services to report to the Economic  
27 Development and Workforce Services Interim Committee regarding funds spent to  
28 assist state residents; and

29           ▶ requires the Governor's Office of Economic Development to report to the  
30 Legislature regarding the COVID-19 Commercial Rental Assistance Program.

31 **Money Appropriated in this Bill:**

32           None

33 **Other Special Clauses:**

34           This bill provides a special effective date.

35           This bill provides a repeal date.

36 **Utah Code Sections Affected:**

37 ENACTS:

38           **4-18-106.1**, Utah Code Annotated 1953

39           **35A-8-2301**, Utah Code Annotated 1953

40           **35A-8-2302**, Utah Code Annotated 1953

41           **35A-8-2303**, Utah Code Annotated 1953

42           **63N-14-101**, Utah Code Annotated 1953

43           **63N-14-102**, Utah Code Annotated 1953

44           **63N-14-201**, Utah Code Annotated 1953

45           **63N-14-202**, Utah Code Annotated 1953

46           **63N-14-203**, Utah Code Annotated 1953



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

49           Section 1. Section **4-18-106.1** is enacted to read:

50           **4-18-106.1. COVID-19 Agricultural Operations Grant Program.**

51           (1) As used in this section:

52           (a) "CARES Act" means the Coronavirus Aid, Relief, and Economic Security Act,

53 Pub. L. 116-136.

54           (b) "COVID-19" means:

55           (i) severe acute respiratory syndrome coronavirus 2; or

56           (ii) the disease caused by severe acute respiratory syndrome coronavirus 2.

57 (c) "Program" means the COVID-19 Agricultural Operations Grant Program  
58 established in Subsection (2).

59 (2) The commission shall establish and administer a COVID-19 Agricultural  
60 Operations Grant Program in accordance with this section.

61 (3) (a) Under the program, the commission may make a grant:

62 (i) to an agricultural operation financially harmed as a direct result of federal, state, or  
63 local public health measures taken to minimize the public's exposure to COVID-19; and

64 (ii) in an amount not to exceed \$40,000.

65 (b) The commission may utilize the board appointed in Section [4-18-106](#) to:

66 (i) oversee the award process for grants, as described in this section; and

67 (ii) approve grants.

68 (4) (a) Upon application for a grant described in this section, an agricultural operation  
69 shall disclose whether the agricultural operation has received or applied for funds from the  
70 Paycheck Protection Program described in the CARES Act.

71 (b) An agricultural operation that receives funds between February 15, 2020, and June  
72 30, 2020, from the Paycheck Protection Program described in the CARES Act, is only eligible  
73 to receive a grant under this section in an amount not to exceed \$20,000.

74 (c) An agricultural operation described in Subsection (4)(b) that receives more than the  
75 amount for which the agricultural operation is eligible under Subsection (4)(b) shall return to  
76 the commission any funds for which the agricultural operation is not eligible.

77 (5) Grants the commission makes in accordance with this section shall be made using  
78 funds:

79 (a) the state receives from the Coronavirus Relief Fund described in the CARES Act;

80 (b) the Legislature appropriates; and

81 (c) in a total amount not to exceed \$20,000,000.

82 (6) The commission may make rules in accordance with Title 63G, Chapter 3, Utah  
83 Administrative Rulemaking Act, to carry out the provisions of this section.

84 (7) This section supersedes any conflicting provisions of Utah law.

85 (8) The division shall provide a report to the Natural Resources, Agriculture, and  
86 Environment Interim Committee before December 31, 2020, regarding grants made under this  
87 section, including:

- 88 (a) the number of applications submitted to receive a grant under the program;
- 89 (b) the number of grants awarded under the program;
- 90 (c) the amount of money granted under the program; and
- 91 (d) any other information the commission considers relevant to evaluating the success
- 92 of the program.

93 Section 2. Section **35A-8-2301** is enacted to read:

94 **Part 23. COVID-19 Residential Housing Assistance**

95 **35A-8-2301. Definitions.**

96 As used in this part, "COVID-19" means:

- 97 (1) severe acute respiratory syndrome coronavirus 2; or
- 98 (2) the disease caused by severe acute respiratory syndrome coronavirus 2.

99 Section 3. Section **35A-8-2302** is enacted to read:

100 **35A-8-2302. COVID-19 residential housing assistance -- Rulemaking.**

101 (1) Beginning August 1, 2020, the division shall assist state residents financially  
102 harmed by COVID-19 retain or obtain housing:

103 (a) through a new or existing housing-related program or service; and

104 (b) using funds:

105 (i) the state receives from the Coronavirus Relief Fund described in The Coronavirus  
106 Aid, Relief, and Economic Security Act, Pub. L. 116-136;

107 (ii) the Legislature appropriates; and

108 (iii) in a total amount not to exceed \$20,000,000.

109 (2) The division shall make rules in accordance with Title 63G, Chapter 3, Utah  
110 Administrative Rulemaking Act, for any new program or service the division establishes to  
111 carry out the provisions of this part.

112 Section 4. Section **35A-8-2303** is enacted to read:

113 **35A-8-2303. Reporting.**

114 The division shall provide a report to the Economic Development and Workforce  
115 Services Interim Committee before December 31, 2020, regarding money used under this part,  
116 including:

117 (1) the amount of money used to carry out the provisions of this part;

118 (2) the number of individuals and families served under this part;

119 (3) the programs and services used to serve state residents in accordance with this part;  
120 and

121 (4) any other information the division considers relevant to evaluating assistance  
122 provided to state residents in accordance with this part.

123 Section 5. Section **63N-14-101** is enacted to read:

124 **CHAPTER 14. COVID-19 COMMERCIAL RENTAL ASSISTANCE PROGRAM**

125 **Part 1. General Provisions**

126 **63N-14-101. Title.**

127 This chapter is known as "COVID-19 Commercial Rental Assistance Programs."

128 Section 6. Section **63N-14-102** is enacted to read:

129 **63N-14-102. Definitions.**

130 As used in this chapter:

131 (1) "Business entity" means a business that:

132 (a) employs fewer than 100 employees;

133 (b) has the business's principal place of business in this state;

134 (c) was in operation on February 15, 2020; and

135 (d) (i) is registered with the Division of Corporations and Commercial Code in  
136 accordance with Section [16-15-104](#);

137 (ii) is tax exempt under Section 501(c)(3) or (19) of the Internal Revenue Code;

138 (iii) is a Tribal business concern described in 15 U.S.C. Sec. 657a (b)(2)(C); or

139 (iv) is an individual who:

140 (A) operates under a sole proprietorship;

141 (B) operates as an independent contractor; or

142 (C) is self-employed.

143 (2) "CARES Act" means the Coronavirus Aid, Relief, and Economic Security Act,  
144 Pub. L. 116-136.

145 (3) "COVID-19" means:

146 (a) severe acute respiratory syndrome coronavirus 2; or

147 (b) the disease caused by severe acute respiratory syndrome coronavirus 2.

148 (4) "Program" means the COVID-19 Commercial Rental Assistance Program  
149 established in Section [63N-14-201](#).

150 (5) "Qualified business entity" means a business entity that:  
151 (a) leases commercial property in the state for the purpose of conducting the business  
152 entity's business; and

153 (b) demonstrates to the office, through affidavit and any additional information the  
154 office requires, that the business entity has lost at least 50% of the business entity's monthly  
155 gross revenue:

156 (i) for a four-week period beginning on or after February 1, 2020; and  
157 (ii) as a direct result of federal, state, or local public health measures taken to minimize  
158 the public's exposure to COVID-19.

159 (6) (a) "Rent" means the amount under a rental agreement that a business entity owes a  
160 lessor for the right to occupy commercial property.

161 (b) "Rent" does not include a charge or fee for a utility the lessor furnishes in  
162 accordance with a rental agreement.

163 Section 7. Section **63N-14-201** is enacted to read:

164 **Part 2. COVID-19 Commercial Rental Assistance**

165 **63N-14-201. Creation of the COVID-19 Commercial Rental Assistance Program.**

166 (1) The office shall establish and administer a COVID-19 Commercial Rental  
167 Assistance Program in accordance with this chapter.

168 (2) In administering the program, the office:

169 (a) shall accept applications for commercial rental assistance;

170 (b) shall determine whether an applicant for commercial rental assistance is a qualified  
171 business entity; and

172 (c) subject to Subsection (3), may grant a single month of rental assistance to an  
173 applicant that is a qualified business entity, in an amount not to exceed the lesser of:

174 (i) \$10,000; or

175 (ii) (A) if the qualified business entity demonstrates a monthly gross revenue loss of  
176 50% or greater, but less than 71%, an amount equal to 50% of the qualified business entity's  
177 monthly rent; or

178 (B) if the qualified business entity demonstrates a monthly gross revenue loss of 71%  
179 or greater, an amount equal to 100% of the qualified business entity's monthly rent.

180 (3) (a) Upon application, a business entity shall disclose whether the business entity

181 has received or applied for funds from the Paycheck Protection Program described in the  
182 CARES Act.

183 (b) A qualified business entity that receives funds between February 15, 2020, and June  
184 30, 2020, from the Paycheck Protection Program described in the CARES Act, is only eligible  
185 under this chapter to receive a single month of rental assistance, in an amount not to exceed the  
186 lesser of:

187 (i) \$5,000; or

188 (ii) (A) if the qualified business entity demonstrates a monthly gross revenue loss of  
189 50% or greater, but less than 71%, an amount equal to 25% of the qualified business entity's  
190 monthly rent; or

191 (B) if the qualified business entity demonstrates a monthly gross revenue loss of 71%  
192 or greater, an amount equal to 50% of the qualified business entity's monthly rent.

193 (c) A qualified business entity described in Subsection (3)(b) that receives more than  
194 the amount for which the qualified business entity is eligible under Subsection (3)(b) shall  
195 return to the office any funds for which the qualified business entity is not eligible.

196 (4) The office shall provide rental assistance in accordance with this chapter using  
197 funds:

198 (a) the state receives from the Coronavirus Relief Fund described in the CARES Act;

199 (b) the Legislature appropriates; and

200 (c) in a total amount not to exceed \$40,000,000.

201 Section 8. Section **63N-14-202** is enacted to read:

202 **63N-14-202. Conflicting provisions -- Rulemaking.**

203 (1) This chapter supersedes any conflicting provisions of Utah law.

204 (2) The office may make rules in accordance with Title 63G, Chapter 3, Utah

205 Administrative Rulemaking Act, to carry out the provisions of this chapter, including the  
206 method for determining a business entity's loss of gross revenue.

207 Section 9. Section **63N-14-203** is enacted to read:

208 **63N-14-203. Reporting.**

209 The office shall include the following in the office's annual report to the governor and  
210 the Legislature regarding the program established under this chapter:

211 (1) the number of applications submitted under the program;

- 212           (2) the number of grants awarded under the program;
- 213           (3) the amount of money granted under the program; and
- 214           (4) any other information the division considers relevant to evaluating the success of
- 215 the program.

216           Section 10. **Effective date.**

217           If approved by two-thirds of all the members elected to each house, this bill takes effect

218 upon approval by the governor, or the day following the constitutional time limit of Utah

219 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,

220 the date of veto override.

221           Section 11. **Repeal dates.**

222           This bill is repealed on January 1, 2021.