

RURAL ECONOMIC DEVELOPMENT AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Christine F. Watkins

Senate Sponsor: David P. Hinkins

LONG TITLE

General Description:

This bill creates a grant program in the Governor's Office of Economic Development (GOED).

Highlighted Provisions:

This bill:

- ▶ defines terms, including "rapid manufacturing";
- ▶ creates the Rural Rapid Manufacturing Grant Program in GOED; and
- ▶ describes the requirements and purposes of the grant program.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2020:

- ▶ to the Governor's Office of Economic Development -- Rural Rapid Manufacturing Grant Program, as a one-time appropriation:
 - from the General Fund, ~~Ŝ→ [\$1,000,000.]~~ \$500,000. ←Ŝ

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

- 63N-4-501**, Utah Code Annotated 1953
- 63N-4-502**, Utah Code Annotated 1953
- 63N-4-503**, Utah Code Annotated 1953

H.B. 276



28 [63N-4-504](#), Utah Code Annotated 1953



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

31 Section 1. Section **63N-4-501** is enacted to read:

32 **Part 5. Rural Rapid Manufacturing Grant Program**

33 **63N-4-501. Title.**

34 This part is known as the "Rural Rapid Manufacturing Grant Program."

35 Section 2. Section **63N-4-502** is enacted to read:

36 **63N-4-502. Definitions.**

37 As used in this part:

38 (1) "Entity" means an institution of higher education or nonprofit company.

39 (2) "Grant" means a grant awarded as part of the Rural Rapid Manufacturing Grant
40 Program created in Section [63N-4-503](#).

41 (3) "Grant program" means the Rural Rapid Manufacturing Grant Program created in
42 Section [63N-4-503](#).

43 (4) "Rapid manufacturing" means a facility, laboratory, equipment, or process engaged
44 in small-batch, fast-delivery manufacturing.

45 (5) "Rural area" means any area in any county in the state except Salt Lake, Utah,
46 Davis, Weber, Washington, Cache, Tooele, and Summit counties.

47 Section 3. Section **63N-4-503** is enacted to read:

48 **63N-4-503. Creation and purpose of the Rural Rapid Manufacturing Grant**
49 **Program.**

50 (1) There is created the Rural Rapid Manufacturing Grant Program administered by the
51 office.

52 (2) The office may seek to accomplish the following objectives in administering the
53 grant program:

54 (a) provide funding for the construction or renovation of a rapid manufacturing
55 clothing production laboratory, engineering and computer graphics laboratory, manufacturing
56 systems laboratory, or textile science laboratory designed to train students and employees;

57 (b) provide funding for the building and improvement of equipment to provide
58 opportunities for students and employees to train and participate in rapid manufacturing; and

59 (c) provide training and scholarships for students and employees to participate in rapid
60 manufacturing employment opportunities.

61 Section 4. Section **63N-4-504** is enacted to read:

62 **63N-4-504. Requirements for awarding a grant.**

63 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
64 office shall make rules establishing the eligibility and reporting criteria for an entity to receive
65 a grant under this part, including:

66 (a) the form and process of submitting an application to the office for a grant;

67 (b) which entities are eligible to apply for a grant;

68 (c) the method and formula for determining grant amounts; and

69 (d) the reporting requirements of grant recipients.

70 (2) In determining the award of a grant, the office may prioritize projects:

71 (a) that will serve underprivileged or underserved communities, including communities
72 with high unemployment or low median incomes;

73 (b) where an applicant demonstrates comprehensive planning of the project and the
74 cooperation of high quality partners, including an institution of higher education; and

75 (c) that will create new high paying employment positions in rural areas that pay at
76 least 125% of the average wage of the community in which the employment positions will
77 exist.

78 (3) Subject to legislative appropriation, a grant may only be awarded by the executive
79 director for a project in a rural area of the state.

80 Section 5. **Appropriation.**

81 The following sums of money are appropriated for the fiscal year beginning July 1,
82 2019, and ending June 30, 2020. These are additions to amounts previously appropriated for
83 fiscal year 2020. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
84 Act, the Legislature appropriates the following sums of money from the funds or accounts
85 indicated for the use and support of the government of the state of Utah.

86 ITEM 1

87 To the Governor's Office of Economic Development -- Rural Rapid

88 Manufacturing Grant Program

89 From General Fund, One-time \$→ [————— ~~\$1,000,000~~] \$500,000 ←\$

90 Schedule of Programs:

91 Rural Rapid Manufacturing Grant Program \$ → [~~\$1,000,000~~] \$500,000 ← \$