

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, \$500,000.

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

63N-4-504, Utah Code Annotated 1953

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

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

Part 5. Rural Rapid Manufacturing Grant Program

63N-4-501. Title.

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

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

63N-4-502. Definitions.

As used in this part:

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

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

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

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

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

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

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

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

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

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

(b) provide funding for the building and improvement of equipment to provide

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

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

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

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

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

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

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

(d) the reporting requirements of grant recipients.

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

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

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

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

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

Section 5. Appropriation.

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

86	<u>ITEM 1</u>		
87	<u>To the Governor's Office of Economic Development -- Rural Rapid</u>		
88	<u>Manufacturing Grant Program</u>		
89	<u>From General Fund, One-time</u>		<u>\$500,000</u>
90	<u>Schedule of Programs:</u>		
91	<u>Rural Rapid Manufacturing Grant Program</u>	<u>\$500,000</u>	