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| 1      | UTAH BROADBAND OUTREACH CENTER   |
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| 2      | 2015 GENERAL SESSION   |
| 3      | STATE OF UTAH  |
| 4      | Chief Sponsor: Stephen G. Handy  |
| 5      | Senate Sponsor: Ralph Okerlund   |
| 6<br>7 | LONG TITLE   |
| 8      | General Description:   |
| 9      | This bill creates the Utah Broadband Outreach Center within the Governor's Office of               |
| 10     | Economic Development (GOED).   |
| 11     | Highlighted Provisions:  |
| 12     | This bill:   |
| 13     | <ul><li>defines terms;</li></ul>   |
| 14     | <ul> <li>creates the Utah Broadband Outreach Center (center) within GOED;</li> </ul>               |
| 15     | <ul> <li>authorizes the executive director of GOED to appoint a director of the center;</li> </ul> |
| 16     | describes the duties of the center, which include:   |
| 17     | <ul> <li>coordinating broadband development policy and promotion among broadband</li> </ul>        |
| 18     | providers, state and federal agencies, and local government entities;                              |
| 19     | • making recommendations to the governor and Legislature regarding policies and                    |
| 20     | initiatives that promote the development of broadband-related infrastructure in                    |
| 21     | the state; and   |
| 22     | <ul> <li>coordinating with broadband providers and other relevant stakeholders to</li> </ul>       |
| 23     | promote the voluntary expansion of broadband infrastructure in both rural and                      |
| 24     | urban communities;   |
| 25     | <ul> <li>describes reporting requirements of the center; and</li> </ul>                            |
| 26     | provides a sunset date.  |
| 27     | Money Appropriated in this Bill:   |
| 28     | This bill appropriates in fiscal year 2015:  |
| 29     | ▶ to the Governor's Office of Economic Development – Utah Broadband Outreach                       |

| 30       | Center as a one time appropriation:  |
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| 31       | • from the General Fund, One-time, \$75,000.   |
| 32       | This bill appropriates in fiscal year 2016:  |
| 33       | <ul> <li>to the Governor's Office of Economic Development - Utah Broadband Outreach</li> </ul> |
| 34       | Center as an ongoing appropriation:  |
| 35       | • from the General Fund, \$350,000.  |
| 36       | Other Special Clauses:   |
| 37       | This bill provides a special effective date.   |
| 38       | <b>Utah Code Sections Affected:</b>  |
| 39       | AMENDS:  |
| 40       | 63I-1-263, as last amended by Laws of Utah 2014, Chapters 113, 189, 195, 211, 419,             |
| 41       | 429, and 435   |
| 42       | ENACTS:  |
| 43       | 63N-12-301, Utah Code Annotated 1953   |
| 44       | 63N-12-302, Utah Code Annotated 1953   |
| 45       | 63N-12-303, Utah Code Annotated 1953   |
| 46       | 63N-12-304, Utah Code Annotated 1953   |
| 47       | <b>63N-12-305</b> , Utah Code Annotated 1953   |
| 48<br>49 | Be it enacted by the Legislature of the state of Utah:   |
| 50       | Section 1. Section <b>63I-1-263</b> is amended to read:  |
| 51       | 63I-1-263. Repeal dates, Titles 63A to 63N.  |
| 52       | (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to             |
| 53       | any public school district which chooses to participate, is repealed July 1, 2016.             |
| 54       | (2) Subsection 63A-5-104(4)(h) is repealed on July 1, 2024.                                    |
| 55       | (3) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.        |
| 56       | (4) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July         |
| 57       | 1, 2018.   |

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58 (5) Title 63C, Chapter 14, Federal Funds Commission, is repealed July 1, 2018.

- 59 (6) Title 63C, Chapter 15, Prison Relocation Commission, is repealed July 1, 2017.
- 60 (7) Subsection 63G-6a-1402(7) authorizing certain transportation agencies to award a
- 61 contract for a design-build transportation project in certain circumstances, is repealed July 1,
- 62 2015.
- 63 (8) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
- 64 2020.
- 65 (9) The Resource Development Coordinating Committee, created in Section
- 66 63J-4-501, is repealed July 1, 2015.
- 67 (10) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.
- 68 (11) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act, is 69 repealed January 1, 2021.
- 70 (b) Subject to Subsection (11)(c), Sections 59-7-610 and 59-10-1007 regarding tax 71 credits for certain persons in recycling market development zones, are repealed for taxable 72 years beginning on or after January 1, 2021.
- 73 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:
- 74 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
- 75 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or
- 76 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if 77 the expenditure is made on or after January 1, 2021.
- 78 (d) Notwithstanding Subsections (11)(b) and (c), a person may carry forward a tax 79 credit in accordance with Section 59-7-610 or 59-10-1007 if:
- 80 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and
- 81 (ii) (A) for the purchase price of machinery or equipment described in Section
- 82 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
- 83 2020; or
- 84 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
- expenditure is made on or before December 31, 2020.

| 86  | (12) Section 63M-1-3412 is repealed on July 1, 2021.   |
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| 87  | (13) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.                    |
| 88  | (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:                     |
| 89  | (A) direct the Health System Reform Task Force to evaluate the issues listed in                  |
| 90  | Subsection (13)(b)(ii), and by January 1, 2013, develop and recommend criteria for the           |
| 91  | Legislature to use to negotiate the terms of the Health Care Compact; and                        |
| 92  | (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the                  |
| 93  | member states that the Legislature determines are appropriate after considering the              |
| 94  | recommendations of the Health System Reform Task Force.  |
| 95  | (ii) The Health System Reform Task Force shall evaluate and develop criteria for the             |
| 96  | Legislature regarding:   |
| 97  | (A) the impact of the Supreme Court ruling on the Affordable Care Act;                           |
| 98  | (B) whether Utah is likely to be required to implement any part of the Affordable Care           |
| 99  | Act prior to negotiating the compact with the federal government, such as Medicaid expansion     |
| 100 | in 2014;   |
| 101 | (C) whether the compact's current funding formula, based on adjusted 2010 state                  |
| 102 | expenditures, is the best formula for Utah and other state compact members to use for            |
| 103 | establishing the block grants from the federal government;                                       |
| 104 | (D) whether the compact's calculation of current year inflation adjustment factor,               |
| 105 | without consideration of the regional medical inflation rate in the current year, is adequate to |
| 106 | protect the state from increased costs associated with administering a state based Medicaid and  |
| 107 | a state based Medicare program;  |
| 108 | (E) whether the state has the flexibility it needs under the compact to implement and            |
| 109 | fund state based initiatives, or whether the compact requires uniformity across member states    |
| 110 | that does not benefit Utah;  |
| 111 | (F) whether the state has the option under the compact to refuse to take over the federal        |

(G) whether a state based Medicare program would provide better benefits to the

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Medicare program;

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| 114  | elderly and disabled citizens of the state than a federally run Medicare program;           |
|------|---|
| 115  | (H) whether the state has the infrastructure necessary to implement and administer a        |
| 116  | better state based Medicare program;  |
| 117  | (I) whether the compact appropriately delegates policy decisions between the                |
| 118  | legislative and executive branches of government regarding the development and              |
| 119  | implementation of the compact with other states and the federal government; and             |
| 120  | (J) the impact on public health activities, including communicable disease surveillance     |
| 121  | and epidemiology.   |
| 122  | (14) (a) Title 63M, Chapter 1, Part 35, Utah Small Business Jobs Act, is repealed           |
| 123  | January 1, 2021.  |
| 124  | (b) Section 59-9-107 regarding tax credits against premium taxes is repealed for            |
| 125  | calendar years beginning on or after January 1, 2021.                                       |
| 126  | (c) Notwithstanding Subsection (14)(b), an entity may carry forward a tax credit in         |
| 127  | accordance with Section 59-9-107 if:  |
| 128  | (i) the person is entitled to a tax credit under Section 59-9-107 on or before December     |
| 129  | 31, 2020; and   |
| 130  | (ii) the qualified equity investment that is the basis of the tax credit is certified under |
| 131  | Section 63M-1-3503 on or before December 31, 2023.  |
| 132  | (15) The Crime Victim Reparations and Assistance Board, created in Section                  |
| 133  | 63M-7-504, is repealed July 1, 2017.  |
| 134  | (16) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2017.             |
| 135  | (17) Title 63N, Chapter 12, Part 3, Utah Broadband Outreach Center, is repealed July        |
| 136  | <u>1, 2018.</u>   |
| 137  | Section 2. Section 63N-12-301 is enacted to read:   |
| 138  | Part 3. Utah Broadband Outreach Center  |
| 139  | <u>63N-12-301.</u> Title.   |
| 140  | This part is known as the "Utah Broadband Outreach Center."                                 |
| 1/11 | Section 3 Section 63N-12-302 is enacted to read:  |

| 142 | <u>63N-12-302.</u> Definitions.  |
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| 143 | As used in this part:  |
| 144 | (1) (a) "Broadband" means high-speed Internet access that is always on.                          |
| 145 | (b) "Broadband" includes both mobile and fixed technologies.                                     |
| 146 | (2) "Center" means the Utah Broadband Outreach Center created in Section                         |
| 147 | <u>63N-12-303.</u>   |
| 148 | Section 4. Section 63N-12-303 is enacted to read:  |
| 149 | 63N-12-303. Creation of center.  |
| 150 | (1) There is created within GOED the Utah Broadband Outreach Center.                             |
| 151 | (2) The executive director shall appoint a director of the center.                               |
| 152 | (3) The director of the center may appoint staff with the approval of the executive              |
| 153 | director.  |
| 154 | Section 5. Section 63N-12-304 is enacted to read:  |
| 155 | 63N-12-304. Center responsibilities.   |
| 156 | (1) The center shall:  |
| 157 | (a) coordinate broadband development policy and promotion among:                                 |
| 158 | (i) voluntarily participating broadband providers in the state;                                  |
| 159 | (ii) state and federal agencies; and   |
| 160 | (iii) local government entities in the state;  |
| 161 | (b) make recommendations to the governor and Legislature regarding policies and                  |
| 162 | initiatives that promote the development of broadband-related infrastructure and help            |
| 163 | implement those policies and initiatives;  |
| 164 | (c) promote policies and initiatives that encourage private-sector deployment of                 |
| 165 | infrastructure and public-private partnerships to increase broadband services to urban and rural |
| 166 | communities;   |
| 167 | (d) facilitate coordination between broadband providers and public and private entities          |
| 168 | (e) coordinate with broadband providers and other relevant stakeholders to promote the           |
| 169 | voluntary expansion of broadband infrastructure in both rural and urban communities;             |

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| 170 | (f) promote the adoption and utilization of up-to-date broadband technologies and                |
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| 171 | infrastructure; and  |
| 172 | (g) collect and analyze data on broadband availability and usage in the state, including         |
| 173 | Internet speed, capacity, unique visitors, and broadband infrastructure available throughout the |
| 174 | state.   |
| 175 | (2) The center may:  |
| 176 | (a) work with broadband providers, state and local governments, and other public and             |
| 177 | private stakeholders to facilitate and encourage the expansion of broadband infrastructure       |
| 178 | throughout the state;  |
| 179 | (b) work with state and local government entities to promote best practices that                 |
| 180 | increase coordination between public and private partners and encourage broader deployment       |
| 181 | of broadband infrastructure;   |
| 182 | (c) work with various stakeholders, including the Office of Rural Development created            |
| 183 | in Section 63N-4-102, the Governor's Rural Partnership Board created in Section 63C-10-102,      |
| 184 | chambers of commerce, developers, and state and local governments to market existing             |
| 185 | broadband infrastructure, particularly in rural communities;                                     |
| 186 | (d) create a voluntary broadband advisory committee that may include broadband                   |
| 187 | providers and other public and private stakeholders to solicit input on policy guidance, best    |
| 188 | practices, and broadband adoption strategies;  |
| 189 | (e) partner with the Automated Geographic Reference Center created in Section                    |
| 190 | <u>63F-1-506 to:</u>   |
| 191 | (i) collect and maintain a database and interactive map that displays residential and            |
| 192 | commercial broadband data;   |
| 193 | (ii) display data regarding broadband availability on the center's website and make the          |
| 194 | data available for other state and national websites;  |
| 195 | (iii) conduct research on broadband availability and adoption; and                               |
| 196 | (iv) conduct research to verify broadband availability data; and                                 |
| 197 | (f) in accordance with the requirements of Title 631 Chanter 5 Federal Funds                     |

| 198 | Procedures Act:   |          |
|-----|---|----------|
| 199 | (i) apply for federal grants;   |          |
| 200 | (ii) participate in federal programs; and   |          |
| 201 | (iii) in accordance with federal requirements, administer federally funded                    |          |
| 202 | broadband-related programs.   |          |
| 203 | Section 6. Section 63N-12-305 is enacted to read:   |          |
| 204 | <u>63N-12-305.</u> Reporting.   |          |
| 205 | (1) The center shall prepare an annual report describing the center's operations and          |          |
| 206 | recommendations for inclusion in GOED's annual written report described in Section            |          |
| 207 | <u>63N-1-301.</u>   |          |
| 208 | (2) The center shall maintain a public website that:  |          |
| 209 | (a) provides updated information regarding broadband coverage and availability in the         |          |
| 210 | state; and  |          |
| 211 | (b) provides information as determined by the center that aids in marketing and               |          |
| 212 | expanding broadband and broadband infrastructure in the state.                                |          |
| 213 | Section 7. Appropriation.   |          |
| 214 | Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for         |          |
| 215 | the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following sums of money |          |
| 216 | are appropriated from resources not otherwise appropriated, or reduced from amounts           |          |
| 217 | previously appropriated, out of the funds or accounts indicated. These sums of money are in   |          |
| 218 | addition to any amounts previously appropriated for fiscal year 2015.                         |          |
| 219 | To Governor's Office of Economic Development – Utah Broadband Outreach Center                 |          |
| 220 | From General Fund, One-time   | \$75,000 |
| 221 | Schedule of Programs:   |          |
| 222 | <u>Utah Broadband Outreach Center</u> <u>\$75,000</u>   |          |
| 223 | Section 8. Appropriation.   |          |
| 224 | Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for         |          |
| 225 | the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money |          |

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| 226 | are appropriated from resources not otherwise appropriated, or reduced from amounts    |           |
| 227 | previously appropriated, out of the funds or accounts indicated. These sums of money a | re in     |
| 228 | addition to any amounts previously appropriated for fiscal year 2016.                  |           |
| 229 | To Governor's Office of Economic Development – Utah Broadband Outreach Ce              | enter     |
| 230 | From General Fund  | \$350,000 |
| 231 | Schedule of Programs:  |           |
| 232 | Utah Broadband Outreach Center \$350,000   |           |
| 233 | Section 9. Effective date.   |           |
| 234 | Uncodified Section 8, Appropriation, takes effect on July 1, 2015.                     |           |