

# Utah Legislative Changes Overview for Economic Development

## Energy

### Economic Development Incentives for Alternative Energy Projects (H.B. 430)

This bill allows the Governor's Office of Economic Development (GOED) to establish renewable energy development zones and offer tax credit incentives to companies located in these zones that generate energy from renewable sources, or manufacture parts that go directly into renewable energy development. Renewable energy includes: biomass, geothermal, solar and wind.  
<http://www.le.state.ut.us/~2009/bills/hbillamd/HB0430.htm>

### Energy Amendments (S.B. 76)

This bill establishes the Utah Generated Renewable Energy Electricity Network Authority. This independent state agency is tasked with the development of a master plan for renewable energy production and transmission infrastructure in the state of Utah. This authority will have the ability to apply for and seek out federal grants, and bond to pay for transmission lines that will bring renewable energy to the power grid.  
<http://le.utah.gov/~2009/bills/sbillenr/sb0076.htm>

### Siting of High Voltage Power Line Act (S.B. 41)

This consensus bill requires a public utility to notify an effected entity and effected landowner when applying for a land use permit to construct a high



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voltage power line. In the state of Utah, utility companies have the right to exercise eminent domain. This bill requires the utility company to conduct public workshops, distribute information to the public about the proposed power line, consider alternative options and provide reasons for not using alternative options (when applicable).  
<http://le.utah.gov/~2009/bills/sbillenr/sb0041.htm>

## USTAR Funding

### Utah Science, Technology and Research Initiative Amendments (S.B. 240)

This bill adds \$33 million from federal stimulus funds from the Governor's discretionary funding to the Utah Science Technology and Research Initiative (USTAR) for

fiscal year 2009-10 only. The bill also adds the Executive Director of the Governor's Office of Economic Development as a member and Vice Chair of the USTAR Governing Authority.

<http://le.utah.gov/~2009/bills/sbillenr/sb0240.htm>

## Film & Tourism

### Financial Incentives for Motion Picture Productions (S.B. 14)

This bill raises the tax credit incentive to 20% of a film's total expenditure in the state and removes the \$500,000 cap that had been in place. The bill provides for motion picture incentives in the form of refundable tax credits for larger budget productions and cash rebate incentives for small budget productions. Ideally, the state wants

to attract television series or large film productions. The Utah State Tax Commission may issue up to \$7,793,700 in tax credit certificates in a fiscal year and \$2,206,300 in motion picture cash rebates in a fiscal year. Governor Jon Huntsman put \$15 million of the discretionary economic federal stimulus money into the incentive fund to help recruit bigger budget TV series and films and, in turn, film studios.

<http://www.le.state.ut.us/~2009/bills/sbillamd/SB0014.htm>

### **Alcohol Amendments (S.B. 187)**

This consensus bill modifies the Alcoholic Beverage Control Act, eliminating the private club and mandatory membership requirement.

<http://www.le.state.ut.us/~2009/htm/doc/sbillhtm/SB0187S01.htm>

## **Healthcare**

### **Health System Reform (H.B. 188, 165, 331 and S.B. 79)**

This piece of legislation expands access to the health insurance market, increases market flexibility and provides greater transparency in the health insurance market. The most significant piece of the health system reform effort is the creation of a health insurance exchange. Through the Internet exchange, businesses and individuals will be able to select health insurance plans that are portable and transparent. Consumers (businesses, sole proprietors, or individuals) can sift through the plans in the exchange, comparing both costs and coverage, select the plan that best fits their needs and pay with pretax dollars. This legislation also requires insurers, providers and the Legislature to continue efforts at health system reform. The Health Reform Task Force will continue for one year and key players in the system are required to continue the process and report back to the Legislature.

<http://le.utah.gov/~2009/bills/hbillenr/hb0188.htm>

## **Community**

### **Community Development and Renewal Agency Amendments (S.B. 205)**

This bill removes the mandate for economic development projects to set aside 20% of tax revenue growth for affordable housing. The bill does not prohibit funneling economic development (EDA) funds toward affordable housing, but rather makes doing so optional.

<http://le.utah.gov/~2009/bills/sbillenr/sb0205.htm>

## **Additional Funding From Legislature**

### **Engineering Initiative Funding**

Governor Jon Huntsman is using \$2 million in stimulus money to continue funding the state's Engineering Initiative. Utah has a critical shortage of engineers and the initiative's purpose is to put more engineers in the marketplace through expanded training at state universities.

### **Tourism Funding**

The Legislature also approved bonding for capital building projects, adding \$1 million in one-time funding from the federal stimulus money and \$6 million in on-going funding for the Tourism Marketing Performance Fund (TMPF), which is used to encourage tourists to come to the state.

### **Transportation Funding**

The Legislature approved \$5 billion in transportation funding, a combination of state and federal dollars, which should translate into 25,000 jobs. Many of Utah's road construction projects are shovel-ready, which helped the state in its

application for stimulus money, and the Utah Department of Transportation is already moving forward with a number of significant projects.

## **ARRA Federal Stimulus Funds**

### **American Recovery and Reinvestment Act (ARRA) of 2009**

Utah may receive \$1.6 billion in federal stimulus funding and more through competitive grants. ARRA provides funding to stabilize state support for critical programs, totaling \$760 million. ARRA increases federal formula funding for services, including education, health and human services and law enforcement, totaling \$420 million. ARRA also funds transportation, energy, water and community development infrastructure programs administered by individual states, totaling \$385 million. Additional information regarding ARRA federal stimulus funding for the state of Utah can be found on the State of Utah website: <http://recovery.utah.gov/>

## **For More Information**

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