

1 **WORKFORCE DEVELOPMENT FUNDING AMENDMENTS**

 2024 GENERAL SESSION

 STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

 Senate Sponsor: Michael S. Kennedy

2
3 **LONG TITLE**

4 **General Description:**

5 This bill establishes the Workforce Initiatives Fund within the Department of Workforce
6 Services (department).

7 **Highlighted Provisions:**

8 This bill:

- 9 ▸ defines terms;
- 10 ▸ replaces the department's Special Administrative Expense Account with a special
11 revenue fund known as the Workforce Initiatives Fund, consisting of interest and penalties
12 collected by the department under the Employment Support Act;
- 13 ▸ authorizes the department to use Workforce Initiatives Fund revenues for the
14 administration of the Utah Workforce Services Code and to cover the costs of the department's
15 workforce development programs; and
- 16 ▸ makes technical and conforming changes.

17 **Money Appropriated in this Bill:**

18 This bill appropriates in fiscal year 2025:

- 19 ▸ to Department of Workforce Services - Administration - Administrative Support as an
20 ongoing appropriation:
 - 21 • from the Workforce Initiatives Fund, \$70,500
- 22 ▸ to Department of Workforce Services - Operations and Policy - Information Technology as an
23 ongoing appropriation:
 - 24 • from the Workforce Initiatives Fund, \$1,350,000
- 25 ▸ to Department of Workforce Services - Operations and Policy - Other Assistance as an
26 ongoing appropriation:
 - 27 • from the Workforce Initiatives Fund, \$100,000

- 28 ▶ to Department of Workforce Services - Operations and Policy - Workforce Development as an
 29 ongoing appropriation:
- 30 • from the Workforce Initiatives Fund, \$1,365,500
- 31 ▶ to Department of Workforce Services - State Office of Rehabilitation - Deaf and Hard of
 32 Hearing as an ongoing appropriation:
- 33 • from the Workforce Initiatives Fund, \$1,500
- 34 ▶ to Department of Workforce Services - Unemployment Insurance - Adjudication as an ongoing
 35 appropriation:
- 36 • from the Workforce Initiatives Fund, \$110,900
- 37 ▶ to Department of Workforce Services - Unemployment Insurance - Unemployment Insurance
 38 Administration as an ongoing appropriation:
- 39 • from the Workforce Initiatives Fund, \$726,600

40 **Other Special Clauses:**

41 This bill provides a special effective date.

42 **Utah Code Sections Affected:**

43 AMENDS:

- 44 **31A-38-104**, as last amended by Laws of Utah 2011, Chapters 303, 342
- 45 **35A-4-305**, as last amended by Laws of Utah 2012, Chapter 15
- 46 **35A-4-314**, as last amended by Laws of Utah 2023, Chapter 401
- 47 **35A-4-507**, as last amended by Laws of Utah 2011, Chapter 342
- 48 **63B-10-401**, as last amended by Laws of Utah 2023, Chapter 369

49 REPEALS AND REENACTS:

- 50 **35A-4-506**, as last amended by Laws of Utah 2013, Chapter 315

51

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

53 Section 1. Section **31A-38-104** is amended to read:

54 **31A-38-104 . Authorization -- Money transferred for reserves.**

55 (1) The Department of Workforce Services may:

- 56 (a) convert the bridge program to the state program through any of the following, or
 57 combination of the following, that the Department of Workforce Services considers
 58 best serves the needs of qualified participants:
- 59 (i) a contract with a licensed insurance company authorized to do business in the state;
- 60 (ii) through any other arrangement acceptable under the Trade Reform Act; or
- 61 (iii) a self-insurance program through a third party administrator as provided in

62 Subsection 31A-38-103(3)(b)(ii); and
63 (b) obligate up to \$2,000,000 of the [~~Special Administrative Expense Account~~]
64 Workforce Initiatives Fund created in Section 35A-4-506 as reserves for the state
65 program.

66 (2) The money in Subsection (1)(b) may be used until the reserves in the state program
67 become adequate.

68 Section 2. Section **35A-4-305** is amended to read:

69 **35A-4-305 . Collection of contributions -- Unpaid contributions to bear interest --**
70 **Offer to compromise.**

71 (1) (a) Contributions unpaid on the date on which they are due and payable, as
72 prescribed by the division, shall bear interest at the rate of 1% per month from and
73 after that date until payment plus accrued interest is received by the division.

74 (b) (i) Contribution reports not made and filed by the date on which they are due as
75 prescribed by the division are subject to a penalty to be assessed and collected in
76 the same manner as contributions due under this section equal to 5% of the
77 contribution due if the failure to file on time was not more than 15 days, with an
78 additional 5% for each additional 15 days or fraction thereof during which the
79 failure continued, but not to exceed 25% in the aggregate and not less than \$25
80 with respect to each reporting period.

81 (ii) If a report is filed after the required time and it is shown to the satisfaction of the
82 division or its authorized representative that the failure to file was due to a
83 reasonable cause and not to willful neglect, no addition shall be made to the
84 contribution.

85 (c) (i) If contributions are unpaid after 10 days from the date of the mailing or
86 personal delivery by the division or its authorized representative, of a written
87 demand for payment, there shall attach to the contribution, to be assessed and
88 collected in the same manner as contributions due under this section, a penalty
89 equal to 5% of the contribution due.

90 (ii) A penalty may not attach if within 10 days after the mailing or personal delivery,
91 arrangements for payment have been made with the division, or its authorized
92 representative, and payment is made in accordance with those arrangements.

93 (d) The division shall assess as a penalty a service charge, in addition to any other
94 penalties that may apply, in an amount not to exceed the service charge imposed by
95 Section 7-15-1 for dishonored instruments if:

- 96 (i) any amount due the division for contributions, interest, other penalties or benefit
97 overpayments is paid by check, draft, order, or other instrument; and
98 (ii) the instrument is dishonored or not paid by the institution against which it is
99 drawn.
- 100 (e) Except for benefit overpayments under Subsection 35A-4-405(5), benefit
101 overpayments, contributions, interest, penalties, and assessed costs, uncollected three
102 years after they become due, may be charged as uncollectible and removed from the
103 records of the division if:
104 (i) no assets belonging to the liable person and subject to attachment can be found;
105 and
106 (ii) in the opinion of the division there is no likelihood of collection at a future date.
- 107 (f) Interest and penalties collected in accordance with this section shall be ~~paid~~
108 deposited into the ~~[Special Administrative Expense Account created by]~~ Workforce
109 Initiatives Fund created in Section 35A-4-506.
- 110 (g) Action required for the collection of sums due under this chapter is subject to the
111 applicable limitations of actions under Title 78B, Chapter 2, Statutes of Limitations.
- 112 (2) (a) If an employer fails to file a report when prescribed by the division for the
113 purpose of determining the amount of the employer's contribution due under this
114 chapter, or if the report when filed is incorrect or insufficient or is not satisfactory to
115 the division, the division may determine the amount of wages paid for employment
116 during the period or periods with respect to which the reports were or should have
117 been made and the amount of contribution due from the employer on the basis of any
118 information it may be able to obtain.
- 119 (b) The division shall give written notice of the determination to the employer.
- 120 (c) The determination is considered correct unless:
121 (i) the employer, within 10 days after mailing or personal delivery of notice of the
122 determination, applies to the division for a review of the determination as
123 provided in Section 35A-4-508; or
124 (ii) unless the division or its authorized representative of its own motion reviews the
125 determination.
- 126 (d) The amount of contribution determined under Subsection (2)(a) is subject to
127 penalties and interest as provided in Subsection (1).
- 128 (3) (a) If, after due notice, an employer defaults in the payment of contributions, interest,
129 or penalties on the contributions, or a claimant defaults in a repayment of benefit

- 130 overpayments and penalties on the overpayments, the amount due shall be collectible
131 by civil action in the name of the division, and the employer adjudged in default shall
132 pay the costs of the action.
- 133 (b) Civil actions brought under this section to collect contributions, interest, or penalties
134 from an employer, or benefit overpayments and penalties from a claimant shall be:
135 (i) heard by the court at the earliest possible date; and
136 (ii) entitled to preference upon the calendar of the court over all other civil actions
137 except:
138 (A) petitions for judicial review under this chapter; and
139 (B) cases arising under the workers' compensation law of this state.
- 140 (c) (i) (A) To collect contributions, interest, or penalties, or benefit overpayments
141 and penalties due from employers or claimants located outside Utah, the
142 division may employ private collectors providing debt collection services
143 outside Utah.
144 (B) Accounts may be placed with private collectors only after the employer or
145 claimant has been given a final notice that the division intends to place the
146 account with a private collector for further collection action.
147 (C) The notice shall advise the employer or claimant of the employer's or
148 claimant's rights under this chapter and the applicable rules of the department.
- 149 (ii) (A) A private collector may receive as compensation up to 25% of the lesser
150 of the amount collected or the amount due, plus the costs and fees of any civil
151 action or postjudgment remedy instituted by the private collector with the
152 approval of the division.
153 (B) The employer or claimant shall be liable to pay the compensation of the
154 collector, costs, and fees in addition to the original amount due.
- 155 (iii) A private collector is subject to the federal Fair Debt Collection Practices Act, 15
156 U.S.C. Sec. 1692 et seq.
- 157 (iv) (A) A civil action may not be maintained by a private collector without
158 specific prior written approval of the division.
159 (B) When division approval is given for civil action against an employer or
160 claimant, the division may cooperate with the private collector to the extent
161 necessary to effect the civil action.
- 162 (d) (i) Notwithstanding Section 35A-4-312, the division may disclose the
163 contribution, interest, penalties or benefit overpayments and penalties, costs due,

- 164 the name of the employer or claimant, and the employer's or claimant's address
165 and telephone number when any collection matter is referred to a private collector
166 under Subsection (3)(c).
- 167 (ii) A private collector is subject to the confidentiality requirements and penalty
168 provisions provided in Section 35A-4-312 and Subsection 76-8-1301(4), except to
169 the extent disclosure is necessary in a civil action to enforce collection of the
170 amounts due.
- 171 (e) An action taken by the division under this section may not be construed to be an
172 election to forego other collection procedures by the division.
- 173 (4) (a) In the event of a distribution of an employer's assets under an order of a court
174 under the laws of Utah, including a receivership, assignment for benefits of creditors,
175 adjudicated insolvency, composition, or similar proceedings, contributions then or
176 thereafter due shall be paid in full prior to all other claims except taxes and claims for
177 wages of not more than \$400 to each claimant, earned within five months of the
178 commencement of the proceeding.
- 179 (b) If an employer commences a proceeding in the Federal Bankruptcy Court under a
180 chapter of 11 U.S.C. 101 et seq., as amended by the Bankruptcy Abuse Prevention
181 and Consumer Protection Act of 2005, contributions, interest, and penalties then or
182 thereafter due shall be entitled to the priority provided for taxes, interest, and
183 penalties in the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005.
- 184 (5) (a) In addition and as an alternative to any other remedy provided by this chapter and
185 provided that no appeal or other proceeding for review provided by this chapter is
186 then pending and the time for taking it has expired, the division may issue a warrant
187 in duplicate, under its official seal, directed to the sheriff of any county of the state,
188 commanding the sheriff to levy upon and sell the real and personal property of a
189 delinquent employer or claimant found within the sheriff's county for the payment of
190 the contributions due, with the added penalties, interest, or benefit overpayment and
191 penalties, and costs, and to return the warrant to the division and pay into the fund the
192 money collected by virtue of the warrant by a time to be specified in the warrant, not
193 more than 60 days from the date of the warrant.
- 194 (b) (i) Immediately upon receipt of the warrant in duplicate, the sheriff shall file the
195 duplicate with the clerk of the district court in the sheriff's county.
- 196 (ii) The clerk shall enter in the judgment docket, in the column for judgment debtors,
197 the name of the delinquent employer or claimant mentioned in the warrant, and in

198 appropriate columns the amount of the contribution, penalties, interest, or benefit
199 overpayment and penalties, and costs, for which the warrant is issued and the date
200 when the duplicate is filed.

201 (c) The amount of the docketed warrant shall:

202 (i) have the force and effect of an execution against all personal property of the
203 delinquent employer; and

204 (ii) become a lien upon the real property of the delinquent employer or claimant in
205 the same manner and to the same extent as a judgment duly rendered by a district
206 court and docketed in the office of the clerk.

207 (d) After docketing, the sheriff shall:

208 (i) proceed in the same manner as is prescribed by law with respect to execution
209 issued against property upon judgments of a court of record; and

210 (ii) be entitled to the same fees for the sheriff's services in executing the warrant, to
211 be collected in the same manner.

212 (6) (a) Contributions imposed by this chapter are a lien upon the property of an
213 employer liable for the contribution required to be collected under this section who
214 shall sell out the employer's business or stock of goods or shall quit business, if the
215 employer fails to make a final report and payment on the date subsequent to the date
216 of selling or quitting business on which they are due and payable as prescribed by
217 rule.

218 (b) (i) An employer's successor, successors, or assigns, if any, are required to
219 withhold sufficient of the purchase money to cover the amount of the
220 contributions and interest or penalties due and payable until the former owner
221 produces a receipt from the division showing that they have been paid or a
222 certificate stating that no amount is due.

223 (ii) If the purchaser of a business or stock of goods fails to withhold sufficient
224 purchase money, the purchaser is personally liable for the payment of the amount
225 of the contributions required to be paid by the former owner, interest and penalties
226 accrued and unpaid by the former owner, owners, or assignors.

227 (7) (a) If an employer is delinquent in the payment of a contribution, the division may
228 give notice of the amount of the delinquency by registered mail to all persons having
229 in their possession or under their control, any credits or other personal property
230 belonging to the employer, or owing any debts to the employer at the time of the
231 receipt by them of the notice.

- 232 (b) A person notified under Subsection (7)(a) shall neither transfer nor make any other
233 disposition of the credits, other personal property, or debts until:
- 234 (i) the division has consented to a transfer or disposition; or
235 (ii) 20 days after the receipt of the notice.
- 236 (c) All persons notified under Subsection (7)(a) shall, within five days after receipt of
237 the notice, advise the division of credits, other personal property, or other debts in
238 their possession, under their control or owing by them, as the case may be.
- 239 (8) (a) (i) Each employer shall furnish the division necessary information for the
240 proper administration of this chapter and shall include wage information for each
241 employee, for each calendar quarter.
- 242 (ii) The information shall be furnished at a time, in the form, and to those individuals
243 as the department may by rule require.
- 244 (b) (i) Each employer shall furnish each individual worker who is separated that
245 information as the department may by rule require, and shall furnish within 48
246 hours of the receipt of a request from the division a report of the earnings of any
247 individual during the individual's base-period.
- 248 (ii) The report shall be on a form prescribed by the division and contain all
249 information prescribed by the division.
- 250 (c) (i) For each failure by an employer to conform to this Subsection (8) the division
251 shall, unless good cause is shown, assess a \$50 penalty if the filing was not more
252 than 15 days late.
- 253 (ii) If the filing is more than 15 days late, the division shall assess an additional
254 penalty of \$50 for each 15 days, or a fraction of the 15 days that the filing is late,
255 not to exceed \$250 per filing.
- 256 (iii) The penalty is to be collected in the same manner as contributions due under this
257 chapter.
- 258 (d) (i) The division shall prescribe rules providing standards for determining which
259 contribution reports shall be filed on magnetic or electronic media or in other
260 machine-readable form.
- 261 (ii) In prescribing these rules, the division:
- 262 (A) may not require an employer to file contribution reports on magnetic or
263 electronic media unless the employer is required to file wage data on at least
264 250 employees during any calendar quarter or is an authorized employer
265 representative who files quarterly tax reports on behalf of 100 or more

- 266 employers during any calendar quarter;
- 267 (B) shall take into account, among other relevant factors, the ability of the
- 268 employer to comply at reasonable cost with the requirements of the rules; and
- 269 (C) may require an employer to post a bond for failure to comply with the rules
- 270 required by this Subsection (8)(d).
- 271 (9) (a) (i) An employer liable for payments in lieu of contributions shall file
- 272 Reimbursable Employment and Wage Reports.
- 273 (ii) The reports are due on the last day of the month that follows the end of each
- 274 calendar quarter unless the division, after giving notice, changes the due date.
- 275 (iii) A report postmarked on or before the due date is considered timely.
- 276 (b) (i) Unless the employer can show good cause, the division shall assess a \$50
- 277 penalty against an employer who does not file Reimbursable Employment and
- 278 Wage Reports within the time limits set out in Subsection (9)(a) if the filing was
- 279 not more than 15 days late.
- 280 (ii) If the filing is more than 15 days late, the division shall assess an additional
- 281 penalty of \$50 for each 15 days, or a fraction of the 15 days that the filing is late,
- 282 not to exceed \$250 per filing.
- 283 (iii) The division shall assess and collect the penalties referred to in this Subsection
- 284 (9)(b) in the same manner as prescribed in Sections 35A-4-309 and 35A-4-311.
- 285 (10) If a person liable to pay a contribution or benefit overpayment imposed by this chapter
- 286 neglects or refuses to pay it after demand, the amount, including any interest, additional
- 287 amount, addition to contributions, or assessable penalty, together with any additional
- 288 accruable costs, shall be a lien in favor of the division upon all property and rights to
- 289 property, whether real or personal belonging to the person.
- 290 (11) (a) The lien imposed by Subsection (10) arises at the time the assessment, as
- 291 defined in the department rules, is made and continues until the liability for the
- 292 amount assessed, or a judgment against the taxpayer arising out of the liability, is
- 293 satisfied.
- 294 (b) (i) The lien imposed by Subsection (10) is not valid as against a purchaser, holder
- 295 of a security interest, mechanics' lien holder, or judgment lien creditor until the
- 296 division files a warrant with the clerk of the district court.
- 297 (ii) For the purposes of this Subsection (11)(b):
- 298 (A) "Judgment lien creditor" means a person who obtains a valid judgment of a
- 299 court of record for recovery of specific property or a sum certain of money, and

300 who in the case of a recovery of money, has a perfected lien under the
301 judgment on the property involved. A judgment lien does not include inchoate
302 liens such as attachment or garnishment liens until they ripen into a judgment.
303 A judgment lien does not include the determination or assessment of a
304 quasi-judicial authority, such as a state or federal taxing authority.

305 (B) "Mechanics' lien holder" means any person who has a lien on real property, or
306 on the proceeds of a contract relating to real property, for services, labor, or
307 materials furnished in connection with the construction or improvement of the
308 property. A person has a lien on the earliest date the lien becomes valid
309 against subsequent purchasers without actual notice, but not before the person
310 begins to furnish the services, labor, or materials.

311 (C) "Person" means:

- 312 (I) an individual;
- 313 (II) a trust;
- 314 (III) an estate;
- 315 (IV) a partnership;
- 316 (V) an association;
- 317 (VI) a company;
- 318 (VII) a limited liability company;
- 319 (VIII) a limited liability partnership; or
- 320 (IX) a corporation.

321 (D) "Purchaser" means a person who, for adequate and full consideration in
322 money or money's worth, acquires an interest, other than a lien or security
323 interest, in property which is valid under state law against subsequent
324 purchasers without actual notice.

325 (E) "Security interest" means any interest in property acquired by contract for the
326 purpose of securing payment or performance of an obligation or indemnifying
327 against loss or liability. A security interest exists at any time:

- 328 (I) the property is in existence and the interest has become protected under the
329 law against a subsequent judgment lien arising out of an unsecured
330 obligation; and
- 331 (II) to the extent that, at that time, the holder has parted with money or money's
332 worth.

333 (12) (a) Except in cases involving a violation of unemployment compensation provisions

334 under Section 76-8-1301, Subsection 35A-4-304(5), or Subsection 35A-4-405(5), and
335 at the discretion of the division, the division may accept an offer in compromise from
336 an employer or claimant to reduce past due debt arising from contributions or benefit
337 overpayments imposed under this chapter.

338 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
339 division shall make rules for allowing an offer in compromise provided under
340 Subsection (12)(a).

341 Section 3. Section **35A-4-314** is amended to read:

342 **35A-4-314 . Disclosure of information for debt collection -- Court order --**
343 **Procedures -- Use of information restrictions -- Penalties.**

344 (1) The division shall disclose to a creditor who has obtained judgment against a debtor the
345 name and address of the last known employer of the debtor if:

346 (a) the judgment creditor obtains a court order requiring disclosure of the information as
347 described in Subsection (2); and

348 (b) the judgment creditor completes the requirements described in Subsection (3),
349 including entering into a written agreement with the division.

350 (2) (a) A court shall grant an order to disclose the information described in Subsection
351 (1) if, under the applicable Utah Rules of Civil Procedure:

352 (i) the judgment creditor files a motion with the court, which includes a copy of the
353 judgment, and serves a copy of the motion to the judgment debtor and the division;

354 (ii) the judgment debtor and the division have the opportunity to respond to the
355 motion; and

356 (iii) the court denies or overrules any objection to disclosure in the judgment debtor's
357 and the division's response.

358 (b) A court may not grant an order to disclose the information described in Subsection
359 (1), if the court finds that the division has established that disclosure will have a
360 negative effect on:

361 (i) the willingness of employers to report wage and employment information; or

362 (ii) the willingness of individuals to file claims for unemployment benefits.

363 (c) The requirements of Subsection 63G-2-202(7) and Section 63G-2-207 do not apply
364 to information sought through a court order as described in this section.

365 (3) If a court order is granted in accordance with this section, a judgment creditor shall:

366 (a) provide to the division a copy of the order requiring the disclosure;

367 (b) enter into a written agreement with the division, in a form approved by the division;

- 368 (c) pay the division a reasonable fee that reflects the cost for processing the request as
 369 established by department rule; and
- 370 (d) comply with the data safeguard and security measures described in 20 C.F.R. Sec.
 371 603.9 with respect to information received from the division under this section.
- 372 (4) If a judgment creditor complies with Subsection (3), the division shall provide the
 373 information to the judgment creditor within 14 business days after the day on which the
 374 creditor complies with Subsection (3).
- 375 (5) A judgment creditor may not:
- 376 (a) use the information obtained under this section for a purpose other than satisfying the
 377 judgment between the creditor and debtor; or
- 378 (b) disclose or share the information with any other person.
- 379 (6) The division may audit a judgment creditor or other party receiving information under
 380 this section for compliance with the data safeguard and security measures described in
 381 20 C.F.R. Sec. 603.9.
- 382 (7) If a judgment creditor or other party fails to comply with the data safeguard and security
 383 measures under 20 C.F.R. Sec. 603.9, the judgment creditor or other party is subject to a
 384 civil penalty of no more than \$10,000 enforceable by the Utah Office of the Attorney
 385 General as follows:
- 386 (a) the attorney general, on the attorney general's own behalf or on behalf of the
 387 division, may bring an action in a court with jurisdiction under Title 78A, Judiciary
 388 and Judicial Administration, to enforce the civil penalty; and
- 389 (b) if the attorney general prevails in enforcing the civil penalty against the judgment
 390 creditor or other party:
- 391 (i) the attorney general is entitled to an award for reasonable attorney fees, court
 392 costs, and investigative expenses; and
- 393 (ii) the civil penalty shall be deposited into the ~~[special administrative expense~~
 394 ~~account described in Subsection 35A-4-506(1)]~~ Workforce Initiatives Fund created
 395 in Section 35A-4-506.
- 396 Section 4. Section ~~35A-4-506~~ is repealed and reenacted to read:
- 397 **35A-4-506 . Workforce Initiatives Fund.**
- 398 (1) As used in this section, "fund" means the Workforce Initiatives Fund created in
 399 Subsection (2).
- 400 (2) There is created an expendable special revenue fund known as the "Workforce
 401 Initiatives Fund."

- 402 (3) The fund consists of:
- 403 (a) except as provided in Subsection (7), interest and penalties collected under this
- 404 chapter, less refunds made under Subsection 35A-4-306(5);
- 405 (b) money requisitioned under Section 35A-4-507;
- 406 (c) gifts, grants, donations, contributions, or any other conveyance of money that may be
- 407 made to the fund from public or private sources; and
- 408 (d) interest and earnings on fund money.
- 409 (4) The state treasurer shall:
- 410 (a) invest money in the fund in accordance with Title 51, Chapter 7, State Money
- 411 Management Act; and
- 412 (b) deposit interest and earnings derived from investing fund money into the fund.
- 413 (5) Subject to Subsection (6), the department may expend money in the fund:
- 414 (a) for the administration of this title;
- 415 (b) to establish reserves for the state program created under Title 31A, Chapter 38,
- 416 Federal Health Care Tax Credit Program Act, in accordance with Subsection
- 417 31A-38-104(1)(b);
- 418 (c) to cover the costs of programs or initiatives implemented by the department for
- 419 workforce development;
- 420 (d) for a purpose which supports the department, employers, or workforce initiatives; and
- 421 (e) for programs that reinvest in the workforce.
- 422 (6) (a) Money in the fund shall be made available to replace, within a reasonable time,
- 423 any money received by this state under Section 302 of the Social Security Act, 42
- 424 U.S.C. Sec. 502, as amended, that because of any action of contingency has been lost
- 425 or has been expended for purposes other than or in amounts in excess of those
- 426 necessary for the proper administration of this chapter.
- 427 (b) If the department expends money in the fund for a purpose unrelated to the
- 428 administration of the unemployment compensation program as described in
- 429 Subsection 303(a)(8) of the Social Security Act, 42 U.S.C. Sec. 503(a)(8), as
- 430 amended, the division shall develop and follow a cost allocation plan in compliance
- 431 with United States Department of Labor regulations, including the cost principles
- 432 described in 29 C.F.R. Sec. 97.22(b) and 2 C.F.R. Part 225.
- 433 (7) In accordance with Subsection 303(a)(11) of the Social Security Act, 42 U.S.C. Sec.
- 434 503(a)(8), as amended, the department shall deposit 15% of civil penalties collected for
- 435 fraud under Subsection 35A-4-405(5)(c)(i) into the Unemployment Compensation Fund

436 established in Section 35A-4-501.

437 Section 5. Section **35A-4-507** is amended to read:

438 **35A-4-507 . Authority to obtain money from state's account in federal**
 439 **unemployment trust fund -- Use and deposit.**

440 (1) Notwithstanding the provisions of Sections 35A-4-501 and 35A-4-506, the department
 441 may requisition and receive from the state's account in the unemployment trust fund in
 442 the treasury of the United States the money standing to the state's credit as may,
 443 consistent with conditions for approval of this chapter under the Federal Unemployment
 444 Tax Act, 26 U.S.C. 3301 et seq., be used for expenses of administering this chapter and
 445 to expend the money for that purpose.

446 (2) Money requisitioned under Subsection (1) shall be deposited [~~in the Special~~
 447 ~~Administrative Expense Account created by Section 35A-4-506]~~ into the Workforce
 448 Initiatives Fund created in Section 35A-4-506.

449 Section 6. Section **63B-10-401** is amended to read:

450 **63B-10-401 . Other capital facility authorizations and intent language.**

451 (1) It is the intent of the Legislature that:

- 452 (a) Utah State University use institutional funds to plan, design, and construct an
- 453 expansion of the HPER Building under the direction of the director of the Division of
- 454 Facilities Construction and Management unless supervisory authority has been
- 455 delegated;
- 456 (b) no state funds be used for any portion of this project; and
- 457 (c) the university may request state funds for operations and maintenance to the extent
- 458 that the university is able to demonstrate to the Board of Regents that the facility
- 459 meets approved academic and training purposes under Board of Regents policy R710.

460 (2) It is the intent of the Legislature that:

- 461 (a) the University of Utah use institutional funds to plan, design, and construct the
- 462 Moran Eye Center II project under the direction of the director of the Division of
- 463 Facilities Construction and Management unless supervisory authority has been
- 464 delegated;
- 465 (b) no state funds be used for any portion of this project; and
- 466 (c) the university may request state funds for operations and maintenance to the extent
- 467 that the university is able to demonstrate to the Board of Regents that the facility
- 468 meets approved academic and training purposes under Board of Regents policy R710.

469 (3) It is the intent of the Legislature that:

- 470 (a) the University of Utah use institutional funds to plan, design, and construct the E. E.
471 Jones Medical Science Addition under the direction of the director of the Division of
472 Facilities Construction and Management unless supervisory authority has been
473 delegated;
- 474 (b) no state funds be used for any portion of this project; and
- 475 (c) the university may request state funds for operations and maintenance to the extent
476 that the university is able to demonstrate to the Board of Regents that the facility
477 meets approved academic and training purposes under Board of Regents policy R710.
- 478 (4) It is the intent of the Legislature that:
- 479 (a) the University of Utah use institutional funds to plan, design, and construct a
480 Museum of Natural History under the direction of the director of the Division of
481 Facilities Construction and Management unless supervisory authority has been
482 delegated;
- 483 (b) no state funds be used for any portion of this project; and
- 484 (c) the university may request state funds for operations and maintenance to the extent
485 that the university is able to demonstrate to the Board of Regents that the facility
486 meets approved academic and training purposes under Board of Regents policy R710.
- 487 (5) It is the intent of the Legislature that:
- 488 (a) Dixie College use institutional funds to plan, design, and construct the Hurricane
489 Education Center under the direction of the director of the Division of Facilities
490 Construction and Management unless supervisory authority has been delegated;
- 491 (b) no state funds be used for any portion of this project; and
- 492 (c) the college may request state funds for operations and maintenance to the extent that
493 the university is able to demonstrate to the Board of Regents that the facility meets
494 approved academic and training purposes under Board of Regents policy R710.
- 495 (6) It is the intent of the Legislature that:
- 496 (a) Southern Utah University use institutional funds to plan, design, and construct the
497 Shakespearean Festival Center under the direction of the director of the Division of
498 Facilities Construction and Management unless supervisory authority has been
499 delegated;
- 500 (b) no state funds be used for any portion of this project; and
- 501 (c) the college may not request state funds for operations and maintenance.
- 502 (7) It is the intent of the Legislature that:
- 503 (a) the Department of Corrections use donations to plan, design, and construct the

504 Wasatch Family History Center under the direction of the director of the Division of
 505 Facilities Construction and Management unless supervisory authority has been
 506 delegated;

507 (b) no state funds be used for any portion of this project; and

508 (c) the department may request state funds for operations and maintenance.

509 (8) It is the intent of the Legislature that:

510 (a) the Department of Workforce Services use \$1,186,700 from its Special
 511 Administrative Expense Account~~[created in Section 35A-4-506]~~ to plan, design, and
 512 construct an addition to the Cedar City Employment Center under the direction of the
 513 director of the Division of Facilities Construction and Management unless
 514 supervisory authority has been delegated; and

515 (b) the department may request state funds for operations and maintenance.

516 (9) It is the intent of the Legislature that the Division of Facilities Construction and
 517 Management, acting on behalf of the Department of Natural Resources, may enter into a
 518 lease purchase agreement with Carbon County to provide needed space for agency
 519 programs in the area if the Department of Natural Resources obtains the approval of the
 520 Division of Facilities Construction and Management by demonstrating that the lease
 521 purchase will be a benefit to the state and that the lease, including operation and
 522 maintenance costs, can be funded within existing agency budgets.

523 **Section 7. FY 2025 Appropriation.**

524 The following sums of money are appropriated for the fiscal year beginning July 1,
 525 2024, and ending June 30, 2025. These are additions to amounts previously appropriated
 526 for fiscal year 2025.

527 **Subsection 7(a) Operating and Capital Budgets**

528 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
 529 Legislature appropriates the following sums of money from the funds or accounts
 530 indicated for the use and support of the government of the state of Utah.

531	ITEM 1	To Department of Workforce Services - Administration	
532		From Workforce Initiatives Fund	\$70,500
533		Schedule of Programs:	
534		Administrative Support	\$70,500
535	ITEM 2	To Department of Workforce Services - Operations and Policy	
536		From Workforce Initiatives Fund	\$2,815,500
537		Schedule of Programs:	

538	Information Technology	\$1,350,000
539	Other Assistance	\$100,000
540	Workforce Development	\$1,365,500
541	ITEM 3 To Department of Workforce Services - State Office of Rehabilitation	
542	From Workforce Initiatives Fund	\$1,500
543	Schedule of Programs:	
544	Deaf and Hard of Hearing	\$1,500
545	ITEM 4 To Department of Workforce Services - Unemployment Insurance	
546	From Workforce Initiatives Fund	\$837,500
547	Schedule of Programs:	
548	Adjudication	\$110,900
549	Unemployment Insurance Administration	\$726,600

550 The Legislature authorizes the Department of Workforce Services, as allowed by the
 551 fund's authorizing statute, to spend all available money in the Workforce Initiatives
 552 Fund for Fiscal Year 2025 regardless of the amount appropriated.

553 The Legislature authorizes the Department of Government Operations, Division of State
 554 Finance to transfer remaining balances in the Special Administrative Expense Account
 555 to the Workforce Initiatives Fund as of the effective date of this bill.

556 The Legislature intends that all nonlapsing Special Administrative Expense Account
 557 amounts retained at the end of Fiscal Year 2024 for use in Fiscal Year 2025 within the
 558 Department of Workforce Services' Housing and Community Development or
 559 Operations and Policy line items become part of the Workforce Initiatives Fund and be
 560 authorized as available for use within the Department of Workforce Services' Housing
 561 and Community Development or Operations and Policy line items in Fiscal
 562 Year 2025.

563 Section 8. **Effective date.**

564 This bill takes effect on July 1, 2024.