Unified Economic Opportunity Commission

UEOC October Meeting

October 18, 2023 – 8:30 AM
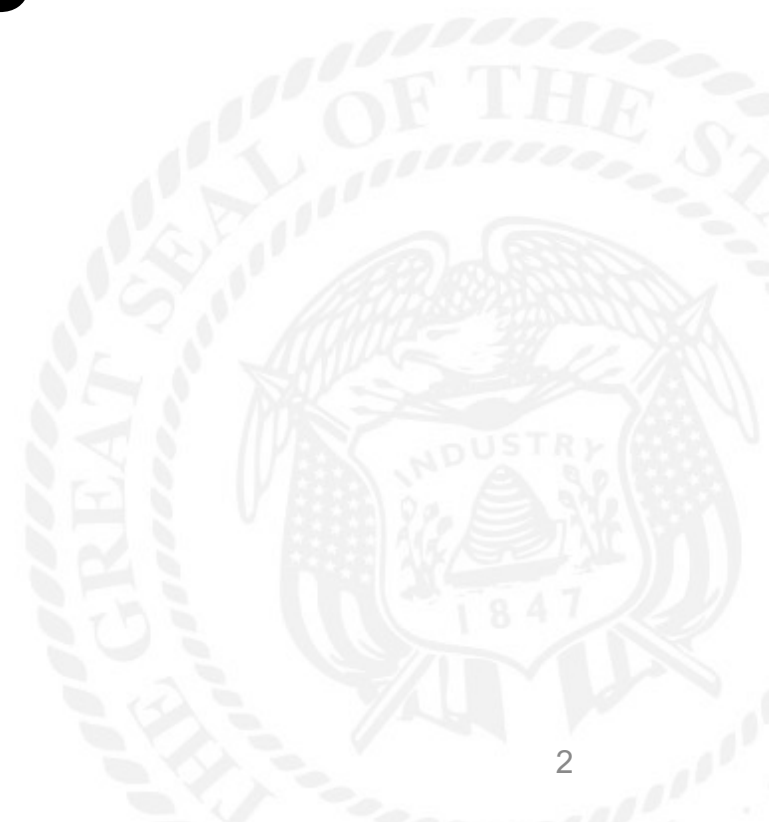
Capitol Room 445

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Meeting Goals & Structure

Kori Ann Edwards, GOEO Managing Director
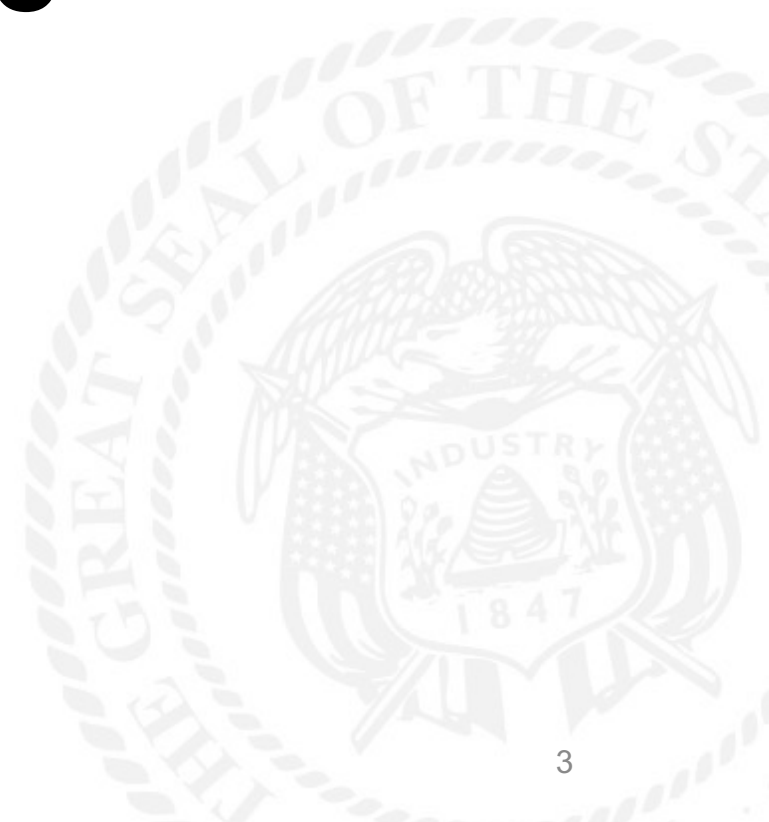
Unified Economic Opportunity Commission

UEOC Lifecycle & Timeline

Kyle Palmer, UEOC Director

Unified Economic Opportunity Commission

UEOC 2023-24

April 12 – Select new topics, leadership, and membership for Working Groups & Subcommittees.

May 31 – Subcommittees & Working Groups present policy topics to be covered during the summer.

May-August 2023 – Subcommittees & Working Groups meet to develop policy and funding recommendations.

August 30 – Working Groups present early-action items for UEOC consideration to forward to September Interim Committees and Governor's Budget.

~~September 27 – Working Groups present regular items for UEOC consideration to forward to October Interim Committees and Governor's Budget.~~

October 18 – Working Groups present remaining items for UEOC consideration to forward to November Interim Committees.

YOU ARE HERE

October-January 2023 – UEOC Staff works with Working Group leadership to prepare for 2024 Legislative Session.

January 10, 2024 – Final discussions and reports, Working Groups are disbanded. UEOC staff will work with legislators on commission recommendations.

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Talent, Education, & Industry Alignment Subcommittee

Chair: Sen. Ann Millner

Staff: Vic Hockett

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Industry Workgroup Recommendations:

- Life Sciences Workforce Funding Request

- K12 Computer Science Grant

- Talent Ready Connections Funding Request

- Behavioral Health Expansion Request

- Youth Apprenticeship System & Governance Policy

Utah's Life Sciences Industry is Booming

- Life sciences jobs increased 79% from 2001-2021 compared to the 8% national average

- From 2021-2021, Utah's job growth in the life sciences industry was the highest among all fifty states

- Utah has the second highest concentration of life sciences employment, second only to Massachusetts

- A wide spectrum of needs from biological technicians to highly specialized Ph.D. scientists

- 2020-2021: 3,144 available jobs in research and development

- 5,488 positions in pharmaceutical preparation

- Many of these occupations are projected to experience growth rates ranging from 17% to 50% (DWS 33% growth average for occupations)

- Entry level $42,280 average wage

- $102,720 average wage for occupations necessitating a bachelor's degree

Life Sciences Initiative Request

Total Student Increases	1250	New or Expanded Programs
Tech / Associates	150	5
Bachelor	700	12
Master	370	8
PhD	30	3

Life Sciences Workforce Initiative: $7,125,00 ongoing

Program Creation and Expansions

- 50 anticipated FTE ($6M)
- 1250 additional student capacity
- Equipment, supplies, curriculum development, program expansion costs ($1.125MM)

Utah has an Access Problem

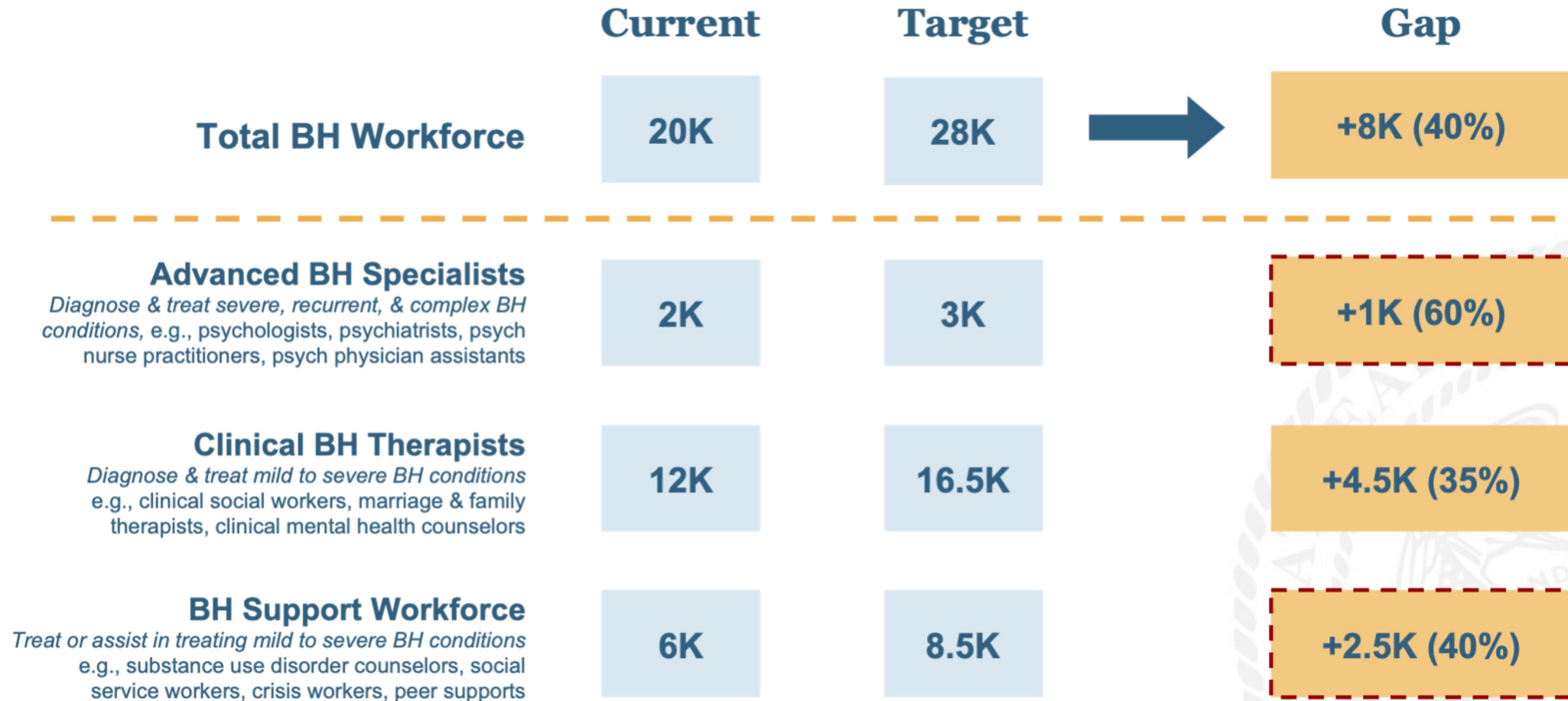| Utahns **receiving** behavioral health care	Utahns with an **unmet need** for behavioral health care
~530k	~210k-515k
Even among those children in Utah who do access care, **40% of parents report that it is difficult or impossible** to obtain this care for their children.	From 2020-2021, **58% of children** aged 3-17 in Utah with a clinically diagnosed mental or behavioral health condition **did not receive treatment** or counseling.

~750K-1 million Utahns need access to behavioral health care

Utah Needs More Specialists & Extenders

	Current	**Target**	**Gap**
Total BH Workforce	20K	28K	+8K (40%)
Advanced BH Specialists *Diagnose & treat severe, recurrent, & complex BH conditions, e.g., psychologists, psychiatrists, psych nurse practitioners, psych physician assistants*	2K	3K	+1K (60%)
Clinical BH Therapists *Diagnose & treat mild to severe BH conditions e.g., clinical social workers, marriage & family therapists, clinical mental health counselors*	12K	16.5K	+4.5K (35%)
BH Support Workforce *Treat or assist in treating mild to severe BH conditions e.g., substance use disorder counselors, social service workers, crisis workers, peer supports*	6K	8.5K	+2.5K (40%)

Values rounded to nearest 5% or to nearest 500. Target uses IAPT guideline of 10% advanced, 60% clinical, & 30% support. Workforce figures based on DOPL MLO report "Active License Count," accessed 2/28/2023; data on DHHS licensees provided to OPLR by DHHS administrators in July, 2022; data on advanced BH specialists from University of Michigan, Behavioral Health Workforce Research Center, 2018 – Mapping Supply of the U.S. Psychiatric Workforce; Unmet need figures based on 2020-2021 National Survey of Children's Health; 2018-2019 National Survey on Drug Use and Health.

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Behavioral Health Request

Behavioral Health Expansions: $2,850,000 ongoing

Program Creation and Expansions
- 20 anticipated FTE ($2.4M)
- 500 additional student capacity
- Equipment, supplies, curriculum dev, program expansion costs ($450k)

Commerce   **USHE & TRU**   **DHHS**   **Insurance**

Total Student Increase	500
Bachelors	160
Masters	280
PhD	60

Talent Ready Connections Request

Appropriations from this request will be used to create and expand new and innovative apprenticeship programs throughout the state.

All programs under this initiative must show a strong connection to skills-based learning and work-based learning models, including apprenticeships, project-based learning, and employer commitments to onboard apprentices.

| $3M Funds Invested | 15 Programs Funded | 977 Students Served |

Talent Ready Connections Expansion Request

$2M ongoing (previously funded at $2M one time)

Expansions of Apprenticeships, Skills-Based programs, and Work-Based Learning

- FTEs, Equipment, Supplies, Curriculum Development, Program Expansion Costs
- An estimated 650 - 1000 new students served annually

Avoiding The Workforce Gap

↑ **42%**
new job growth

DWS 10-Year Workforce Projections

25000
20000
15000
10000
5000
0

2022   2032

25K+

Occupation Gap

20,000+
9-12 grade students without access to CS courses

100+
Utah schools that cannot offer CS courses

$99,000
Median salary

Computer Science For Utah

Currently, more than 20,000 Jr. High & High school students do not have access to computer science courses.

Computer Science Request: $5MM ongoing

This additional funding will:

1) Increase CS Offerings: Every student in a Utah secondary public school to have access to robust computer science courses. Add AI and Cyber.

2) Increase Licensed Educators in CS: Utah lacks enough teachers for computer science courses.

3) Increase access to CS principles in K-8 where CTE funds cannot be utilized.

State of Utah Team

NGA Policy Academy for Youth Apprenticeships

Goals & Strategies

1. Solidify statewide governance structure for youth apprenticeships.
2. Use data to inform program development, implementation and accountability for continuous improvement in outcomes.
3. Reduce logistical, regulatory and financial barriers to student and employer participation.
4. Develop pre-apprenticeships to increase participation, completion and retention in youth apprenticeship programs.

Subcommittee on Housing Affordability

Co-Chairs: Sen. Lincoln Fillmore & Rep. Stephen Whyte

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Ongoing Funding

- **Attainable Housing Grants: $15MM**
  - Office of Homeless Services
- **Olene Walker Housing Loan Fund GAP Financing: $10MM**
  - DWS, Division of Housing and Community Development
- **Homeless Shelter Cities Mitigation: $2.5MM**
  - Office of Homeless Services
- **Housing and Community Development Support Staff & Administrative Overhead: $238,000**
  - Two full-time staff, Moderate Income Housing Plan Program Specialist and Appropriations Program Specialist (DWS, Division of Housing and Community Development)

One-Time Funding

- **Deeply Affordable Housing Grants: $50MM**
  - Office of Homeless Services
- **Utah Housing Preservation Fund: $25MM**
- **Humanity Statewide Affordable Homeownership Program: $5MM**

New Source

- **Homeless Dedicated Funding Source: $39MM**
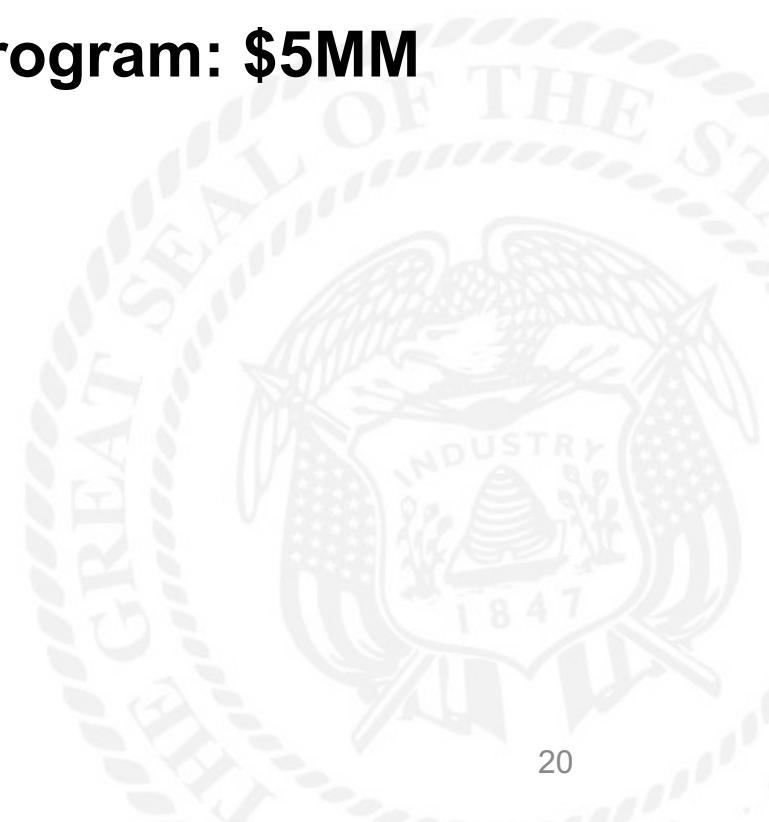
Policy

- Modular housing: Adopt a statewide building code for modular housing to streamline regulations and inspections

- Facilitate housing production through state infrastructure funding

- Allow for RDA/CRA flexibility to share resources between cities, invest in homeownership up to 100% AMI, and housing set-aside expenditure timing

- Align state funds with good local planning to facilitate a variety of housing types; state funds act as incentives

- Align state economic development incentives with the production of workforce housing.

- Create a "Missing Middle Housing" Toolkit to provide technical assistance to local governments and home builders. This will improve planning for affordable home ownership.

- Improve land use outcomes in the courts

- Address how garages count toward parking minimums in residential areas

Policy Priorities with "Consensus in Progress"

- Parking minimums

- Residential setbacks

- Make general plans "binding"

- "Minimum base density"

- Damages/financial penalties

- Appeal authority
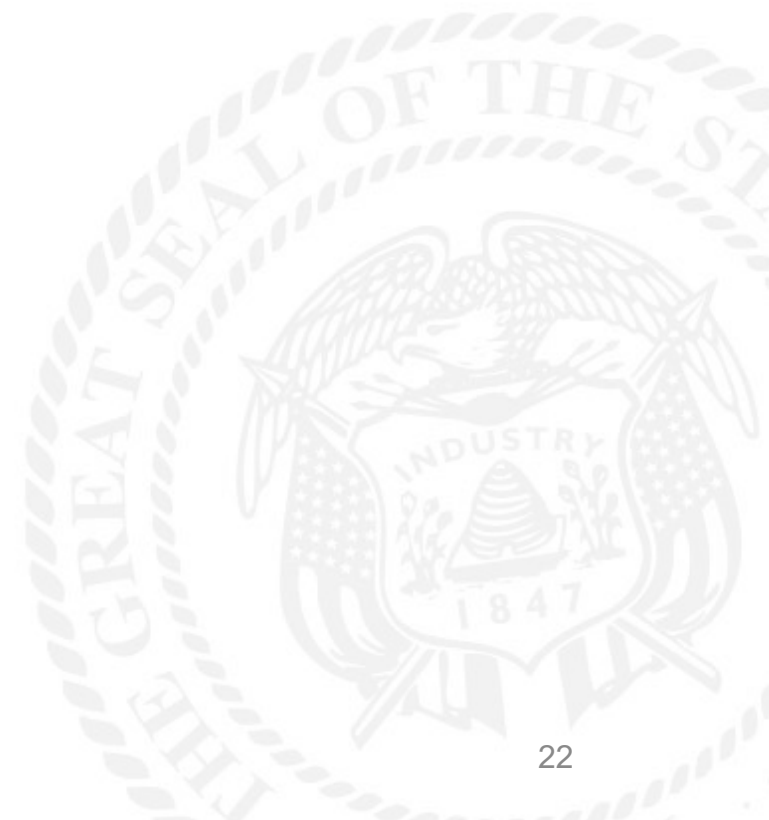
Women in the Economy Subcommittee

Co-Chairs: Sen. Luz Escamilla & Rep. Karianne Lisonbee

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# Flexibility & Access in the Workplace

- **Streamline the process of obtaining business licenses:** Continue the process begun by the Department of Commerce to create a one-stop shop to obtain business licenses. This includes linking county and municipality sites and providing local governments the tools and resources to get online.

- **Work toward fair wage practices:** The success of the returnship program has demonstrated that many Utahns are re-entering the workforce without the benefit of a prolonged salary history. The Women in the Economy Subcommittee supports preventing the use of salary history in the hiring process for public employees.

Childcare & Families

Childcare Private-Public Partnership:
- Partnership between the state and private sectors to increase childcare availability
- GOEO administers the incentive, which has state-owned facilities available at no cost to the employers
- Employers contract with a high-quality childcare provider
- The centers have capacity for children of the company, state employees, and community members
- Report with a sunset review in five years
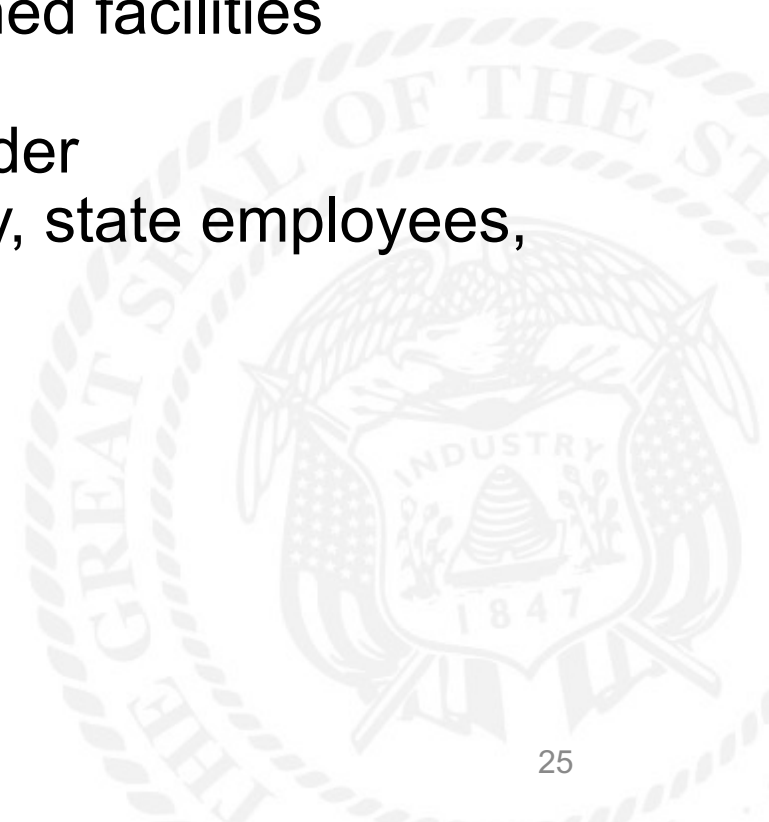
Childcare & Families, cont.

- **Expand Child Tax Credit:** Allow families with 4-year-olds to be eligible for the Child Tax Credit.

- **Proficiency in Math:** Direct USBE to analyze causes for the gender disparity in math achievement in Utah at Grade 8 and construct a corrective plan to narrow this gap. The aim of this plan is to better prepare girls to participate in Utah's targeted industries, which rely heavily on advanced math skills.

Working Group on Technology, Innovation, & Investment

Co-Chairs: Rep. Jefferson Moss, Sen. Chris Wilson, & Ryan Starks

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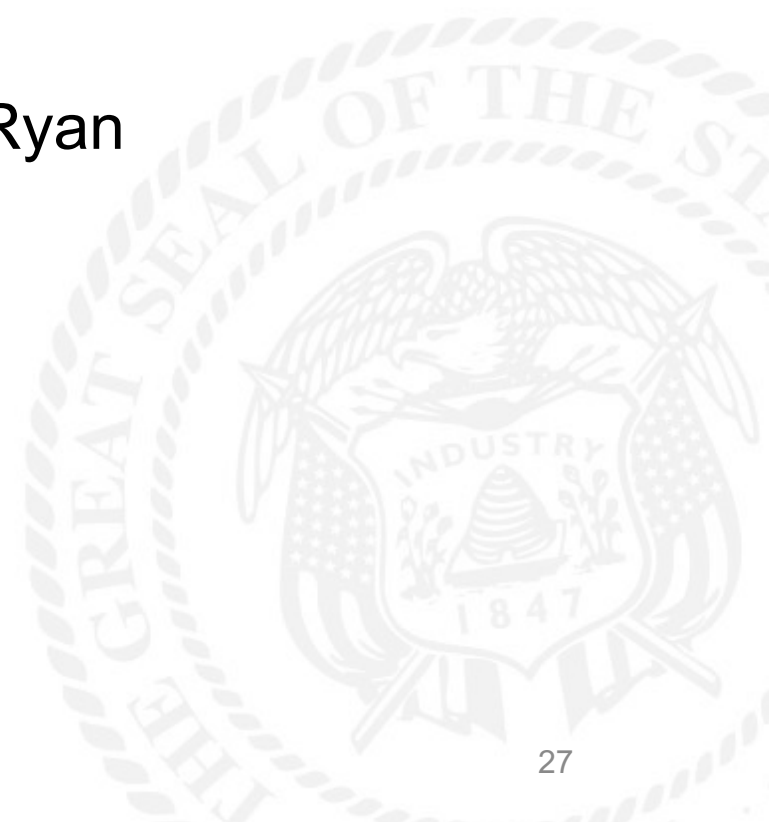
Critical Innovation Funding Sources

- **Support continued funding for the following initiatives:**
  - Manufacturing Modernization Grant: $12MM one-time
  - Utah Innovation Lab: Additional funding (potentially Fund of Funds)
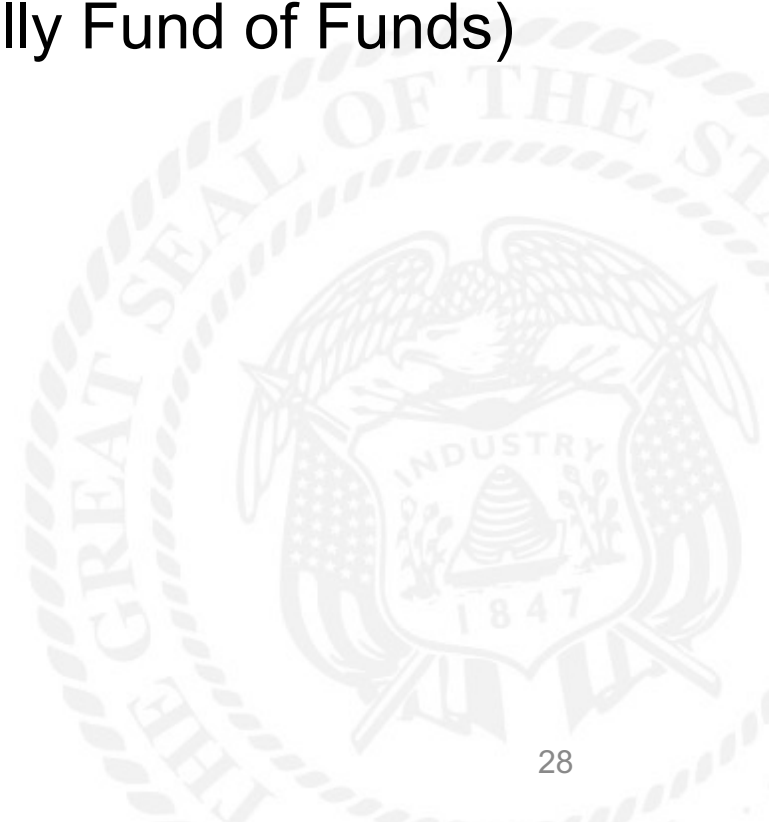
Key Privacy Drivers

PPOC

Personal Privacy
Oversight Commission
Recommendations

UTAH STATE
LEGISLATURE
Office of the
Legislative Auditor
General

OLAG
Report No.
2023-07

CPO

2022 and 2023
Judiciary Interim
Committee Reports

OLAG Recommendation 1.1 The Legislature should consider whether **guardrails are needed** to balance the benefits of data and data sharing with **data privacy practices** in agencies.

OLAG Recommendation 1.2 The Legislature should consider the merits of passing a **data privacy act** into statute to provide a **data privacy governance structure for state agencies** and incorporate data privacy principles into their data processing and sharing practice.

Data Privacy Workgroup

- Rep. Jefferson Moss
- Sen. Kirk Cullimore, J.D.
- John Dougal, State Auditor
- Christopher Bramwell, CPO
- Micah Vorwaller, J.D., Deputy CPO
- Dr. Whitney Phillips, Ph.D., SPO
- Nora Korzova, J.D., Ast. SPO
- Chris Koopman, J.D., Privacy Commissioner
- David Sonnenreich, J.D., Privacy Commissioner

- Denise Farnsworth, J.D., Privacy Commissioner
- Dr. Samuel Smith, Ph.D., Privacy Commissioner
- Steve McCown, Privacy Commissioner
- Laura Thompson, J.D., DWS Privacy Officer
- Scott Elder, J.D., Drafting Attorney
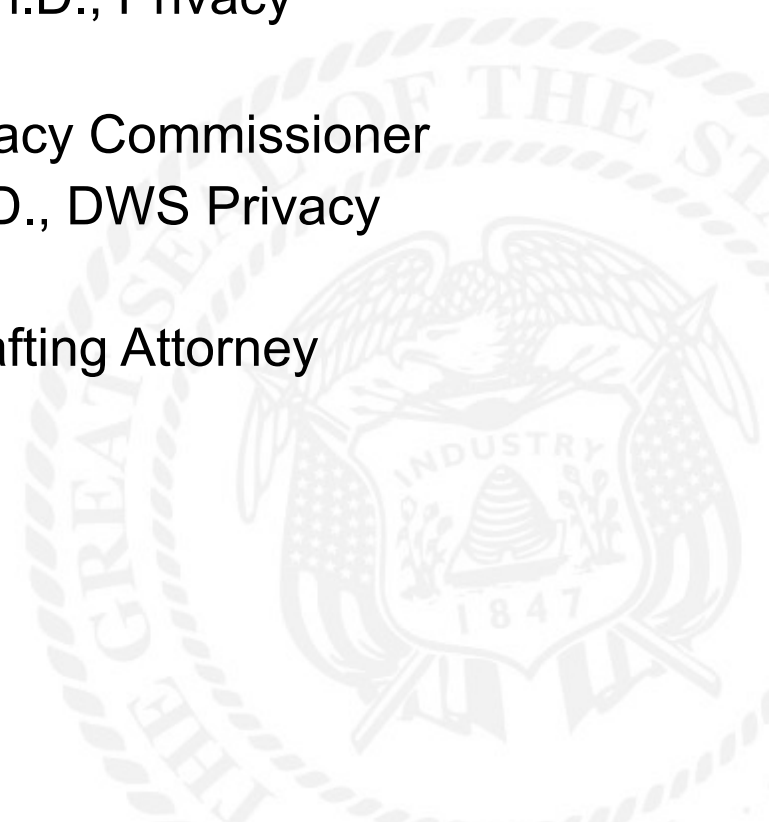
Utah Government Privacy Act

To ensure that personal data is protected, the Working Group on Technology, Innovation, & Investment recommends the creation of the Utah Government Privacy Act, which aims to:

- Look forward, basing compliance requirements on new PII processing activities;
- Develop a strategic generally applicable data privacy plan;
- Establish data breach and privacy incident reporting requirements;
- Define privacy obligations;
- Clean up existing code and rule to make existing privacy obligations clear; and
- Require transparency about existing non-compliant processing activities to inform policy decisions.
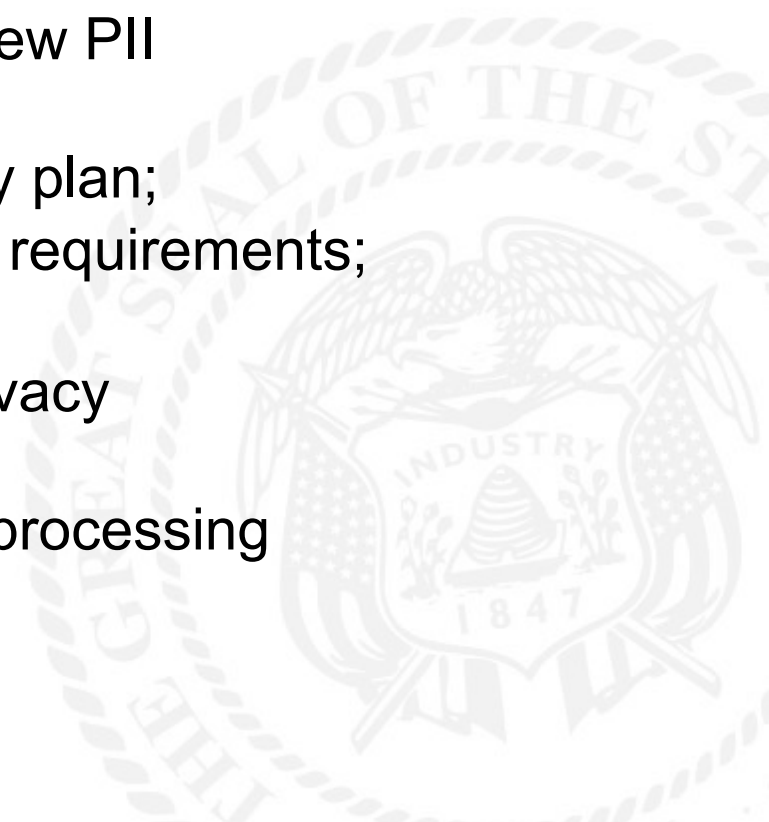
Utah Government Privacy Act cont.

The Utah Government Privacy Act creates the following:
- A Data Protection Authority in executive branch for facilitation;
- A privacy request and complaint process for data subjects re: agencies' privacy obligations;
- A Privacy Ombudsman position; and
- A Privacy Committee to hear privacy complaints and issue rulings.

Utah Government Privacy Act, cont.

Forward-Looking Compliance: Government entities would come into compliance as new processing activities are established or existing processing activities are updated.

Fiscally Sustainable: Government entities would account for the cost of privacy (cost of doing business) in new or substantive changes to existing processing activities. Costs should be required to be estimated and identified in fiscal notes for bills and rules that create new or change existing processing activities. **Entities would not implement *new* processing activities for which privacy obligations can not be met.**

Transparency: Entities would report non-compliance of pre-existing processing activities using a not-yet-defined risk-based threshold to make policy makers aware of resources needed to bring prioritized processing activities into compliance with requirements.

AI Framework

Protect the Public

Encourage Innovation

AI

Enable Regulatory/ Industry Learning
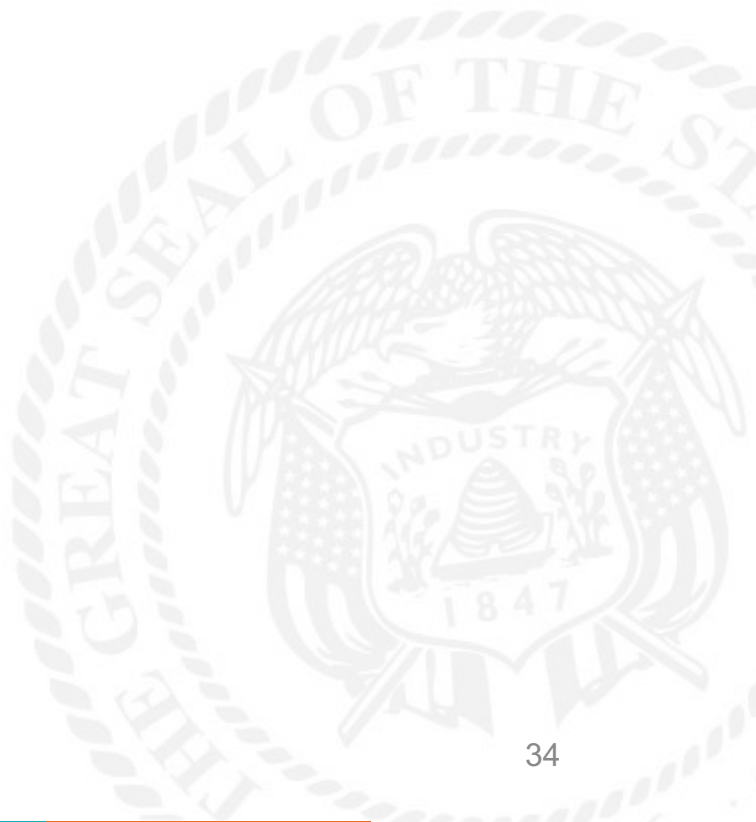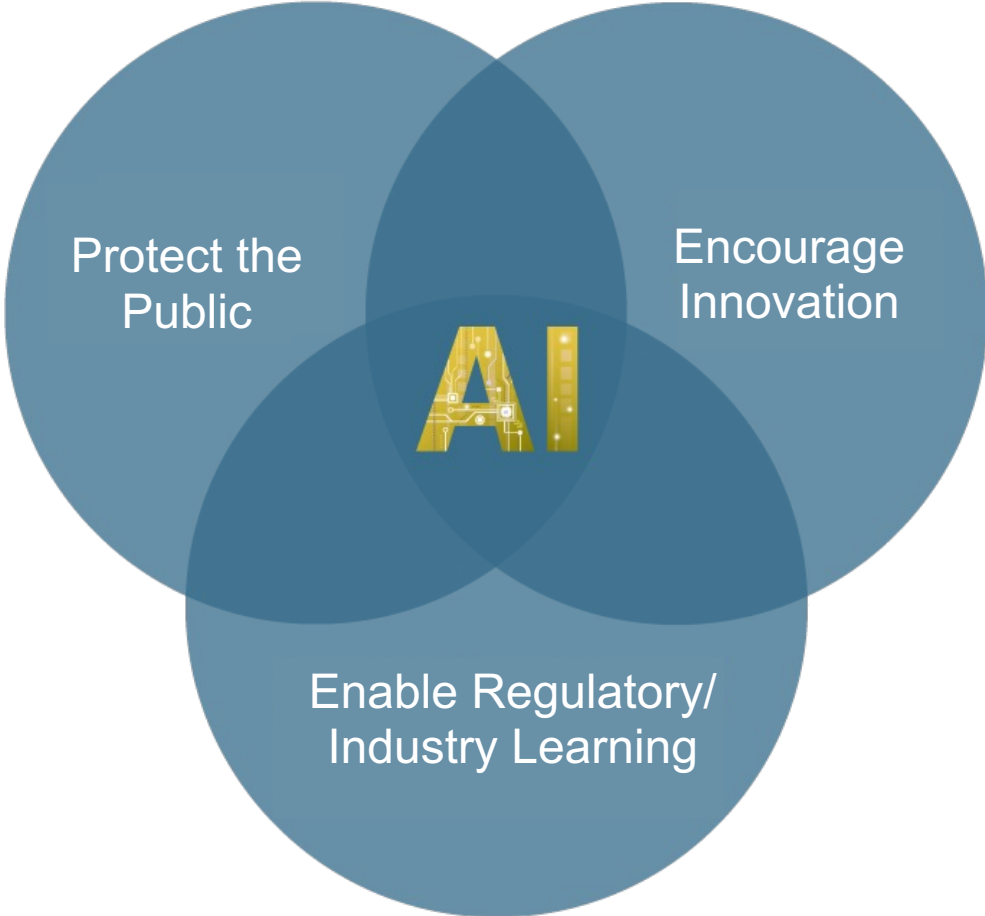
AI Learning Laboratory

Purpose: Allow companies to develop in the space without undue risk of government action while also enabling the State to observe and learn how to correctly regulate AI.

Annual Learning Agenda

1. Learning Laboratory determines annual topic (Examples: Consumer protection laws, data privacy, healthcare)
2. Open invitation to entities with expertise/models in AI subject area
3. Provides insights that are used to inform regulatory decisions by government and ideas for future legislation

Regulatory Certainty

1. Firms participating in the lab's learning agenda receive regulatory certainty in coordination with enforcing agencies
2. Other firms outside the learning agenda process can apply for regulatory certainty on a case-by-case basis

Potential Legislative Changes 2024

Consumer Protection

- Individuals using AI to commit deceptive acts are liable for the deceptive act

- Law already allows for this, but statute change would be helpful to provide clear direction for businesses

Data Privacy

- Explore including using data for LLM creation

- Review $25MM threshold

- Possible exemptions for synthetic data

Global Talent: International Student Recommendations

Talent Accelerator

Expand talent strategies to include international students hiring using OPT

Connect Utah companies with international students and graduates, filling critical talent gaps in targeted industries

Entrepreneur in Residence

University partnership to provide relevant part-time work opportunities for international students post graduation to enable participation in Utah's entrepreneurship and start-up programs so they can grow and thrive.

Global Talent Accelerator

International Student

- Prepares international students for positions in the US job market.
- Understand the legal pathways to OPT employment and other immigration pathways
- Provide workshops, networking events and career-building offerings to students
- Accessible to all Utah international students

Employers

- Introduce employers to the talent pipeline
- Build understanding of the OPT programs and other legal pathways to retain talent
- Provide training and resources on regulation, hiring processes, and other topics to attract and retain international student talent
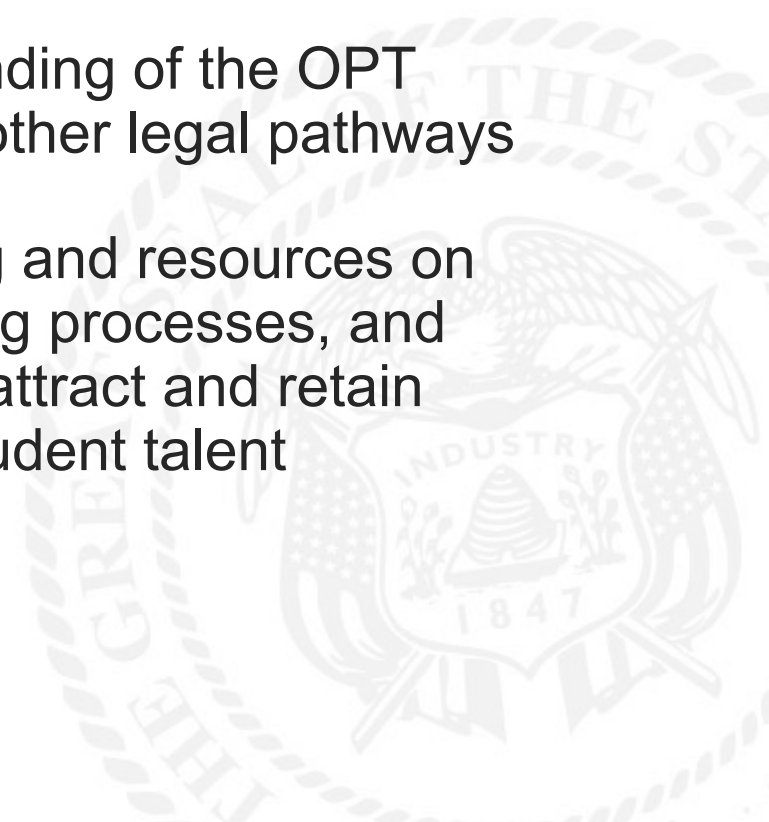
Global Entrepreneurship

International Student

- International students and foreign-born faculty contributed to approximately 75% of patents from the nation's top research universities, like those in Utah.

- Retain talent by offering an entrepreneur in residence pathway for international students at one of Utah's innovation or entrepreneurship hubs.

- Receives financial support for PT employment and sponsorship for H1-B Visa Cap

University Partnership

- Introduce employers to the talent pipeline
- Build understanding of the OPT programs and other legal pathways to retain talent
- Provide training and resources on regulation, hiring processes, and other topics to attract and retain international student talent
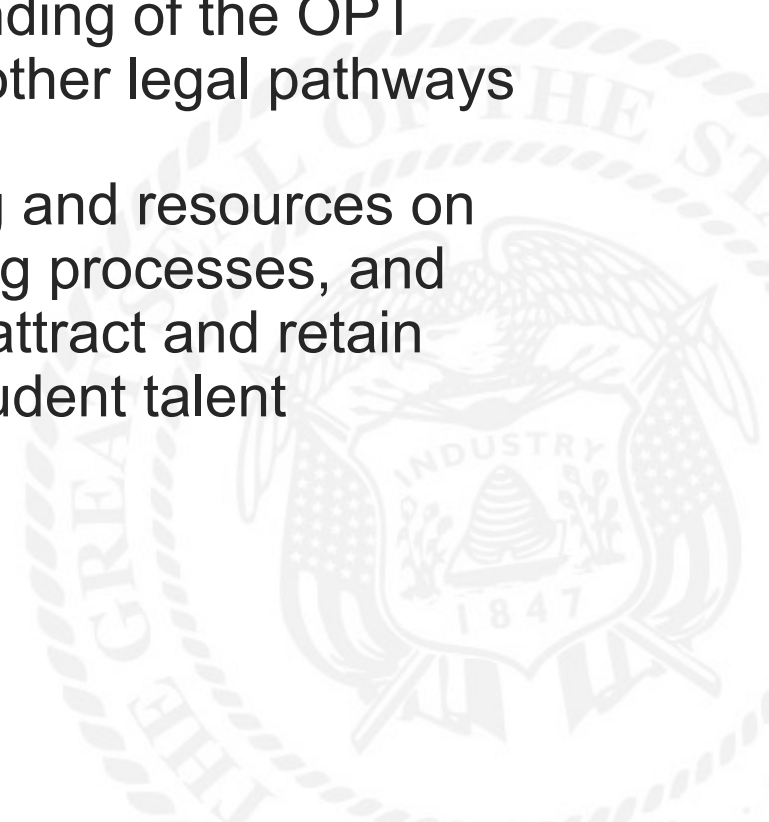
Recommended Action

Pilot a statewide Global Talent Accelerator program: $250,000 one-time

Governor's Office of Economic Opportunity's Utah Center for Immigration and Integration
- Create infrastructure and provide programming to launch a statewide international student talent pipeline.
- Facilitate partnerships to create a Global Entrepreneurship program and incubator 2 to 3 entrepreneurs.
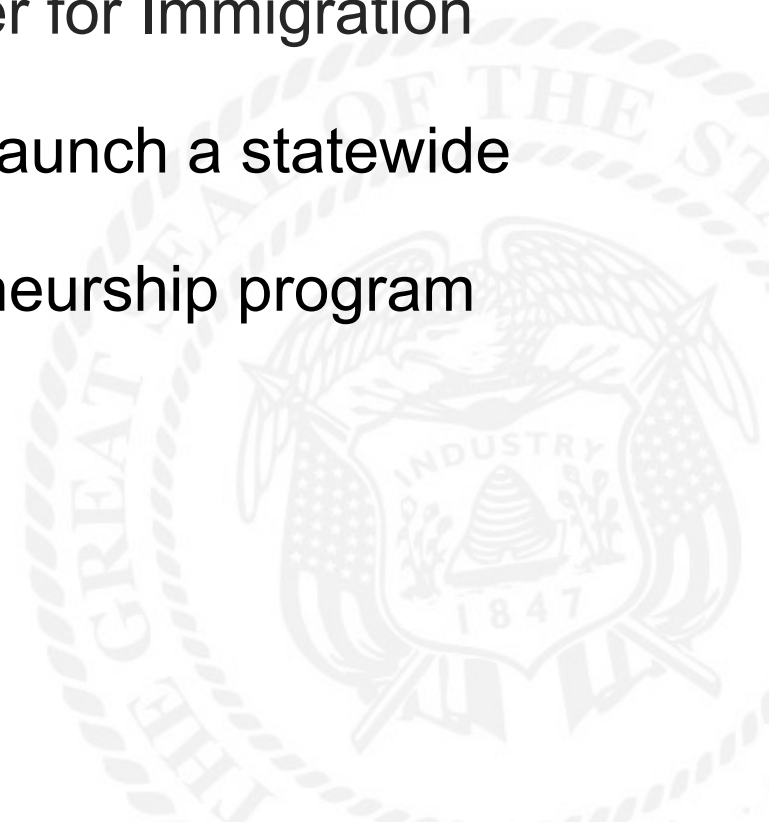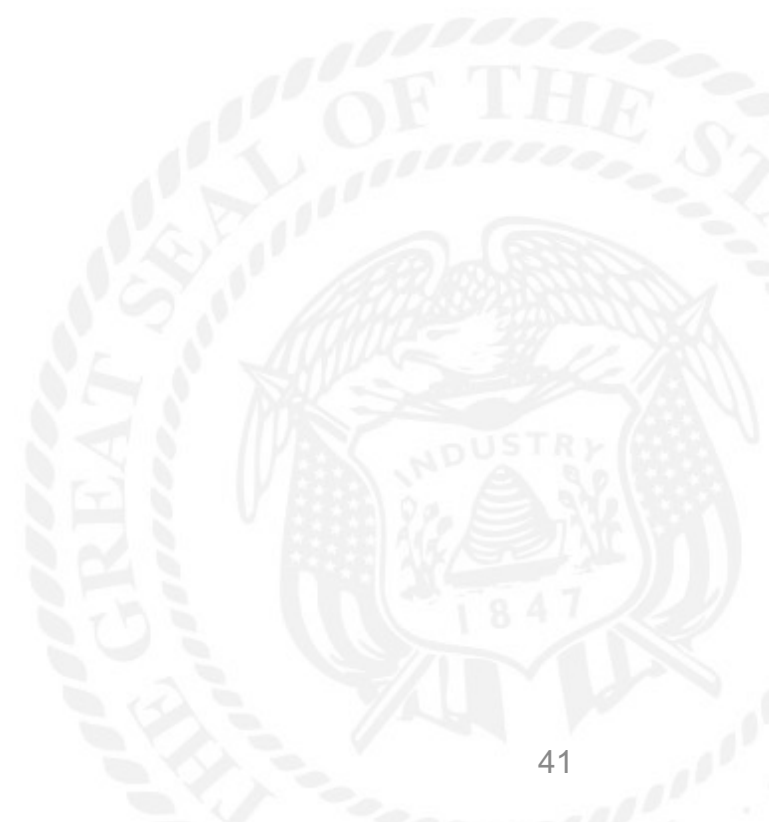
Mid-Meeting Break

10 minutes(-ish)

**Unified Economic
Opportunity Commission**

Working Group on Water, Energy, & Natural Resources

Co-Chairs: Sen. Scott Sandall, Rep. Casey Snider, Joel Ferry

Unified Economic Opportunity Commission

Previously Recommended Priorities

- Saved Water Statute
- Water Measuring and Accounting Amendments
- Greenbelt Amendments
- Support additional telemetry & metering
- Water Infrastructure Amendments
- Utah Water Ways Amendments
- Support San Rafael Research Center
- Clean Energy Amendments
  - Update "renewable" to "clean"
  - Value nuclear in the Community Renewable Energy Act & Energy Resource Procurement Act
  - Add nuclear to the Renewable Energy Systems Tax Credits
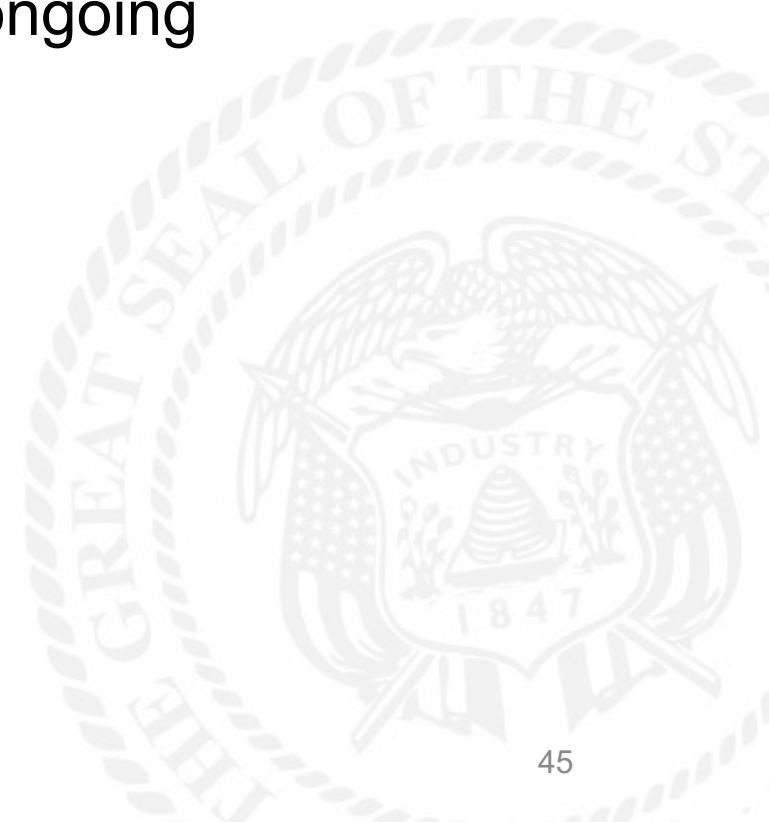
Water Infrastructure

- Increase aqueduct resilience, $125MM one-time
  - $125MM is the state's share; the total cost is estimated to be $553MM
- Watershed restoration, $100MM one-time
- Increase dam safety, $6.5MM ongoing
  - Using current funding amounts, it would take more than 100 years to get all of Utah's dams up-to-code
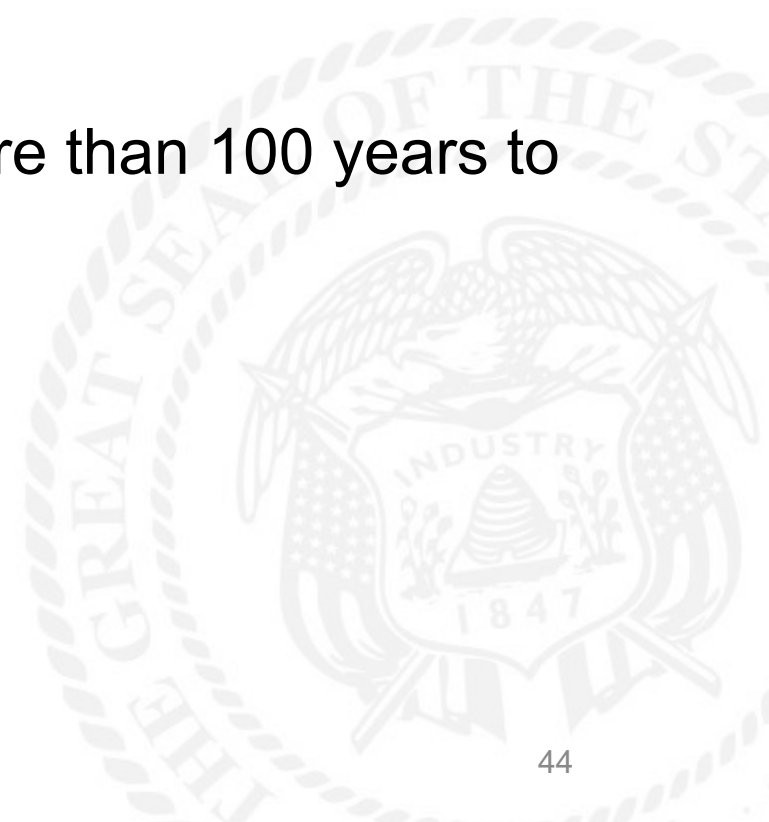
Water Savings

Funding recommendations:
- Create an Agricultural Water Savings Demonstration Facility, $400,000 ongoing
- Increased metering and telemetry, at least $500,000 ongoing

Energy Transition

- Enhance asset mapping for geological survey
  - $150,00 ongoing for one FTE
  - $200,000 one-time
- Expand High Cost Infrastructure Tax Credit for critical minerals expansion and processing
- Expand the Mineral Exploration Tax Credit for critical minerals expansion and processing
- Support litigation and pre-litigation efforts
  - $500,000 ongoing for FTEs and outside consultants
  - $1.5MM one-time for outside counsel, experts, and consultants for current or near-term litigation related to Biden Administration rulemakings

Working Group on Growth & Transportation

Co-Chairs: Sen. Kirk Cullimore, Rep. Cal Musselman, & Carlos Braceras

Unified Economic Opportunity Commission

Invest in Multimodal Transportation

Utah's economy, businesses, and residents rely on a variety of transportation modes, including:

- State and local roads

- Transit rail and bus

- Active transportation

- Freight for manufacturing, retail, and online fulfillment

Recommendation: Continue to invest in multimodal transportation capacity, preservation, and safe operation, with an emphasis on finding additional ways to invest in transit as our state continues to grow.
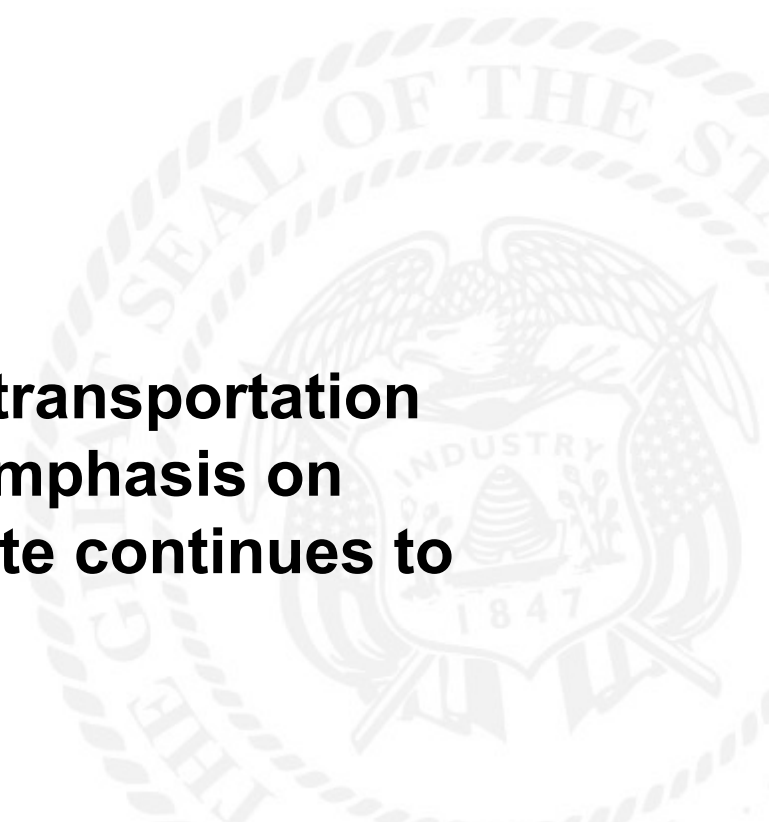
Infrastructure Challenges and Solutions

- **Current Challenges:** Infrastructure costs often limit effective development, especially housing supply

- **Proposed solutions:** Create/modify tools to incentivize infrastructure development and zoning that meets <u>shared goals for housing development</u>:
  - Owner-occupied
  - "Missing middle"
  - Affordable
  - Smaller lots (< 5000-7000 square feet) and/or townhome
  - Coordinated with transportation and other infrastructure

Infrastructure Challenges and Solutions, cont'd

Policy Proposals to Advance <u>Shared Goals for Housing Development</u>:

1. Appropriate funds to SIB "greenfield" revolving loan fund: 2022 UEOC endorsement; $50-$100MM one-time

2. Establish Limited Infrastructure Districts (LIDs), controlled by local government, as a tool to support infrastructure development needed for growth

3. Create new tools, including tax policy/incentives, loan funds, or other mechanisms, to incentivize zoning and development

Other Infrastructure Opportunities

- **Enhance Electrification Infrastructure: $1MM one-time**
  - Assist local governments with applying for, administering, and matching infrastructure-related grants

- **Transportation Utility Fee**
  - Create parameters to ensure an adequate process for imposing fees and using funding appropriately

- **Guiding Our Growth: $250,000 one-time**
  - Phase IV, focusing on implementation, building awareness, and closing the conversation

Transit Innovation Grants

- **Establish Transit Innovation Grants with one-time state funding to operate locally designed pilot programs to increase ridership: $25MM one-time**
    - Shuttles that provide first/last mile connections or park and ride services
    - Fare-based pass program for K-12 students or ticketed events (e.g. Eccles Theatre ticket would serve as a TRAX ticket)
    - Increased service (frequency) for transit hotspots
    - Enhance rural transit by providing funding for a Good Neighbor program

Market Analysis

Comprehensive Housing Capacity, Infrastructure, and Market Analysis: An estimated $150,000-$250,000 one-time

- Identify a "Project Owner" within the Administration where this work will be advanced to allow coordination between the identified Department and Staff to finalize the scope and budget
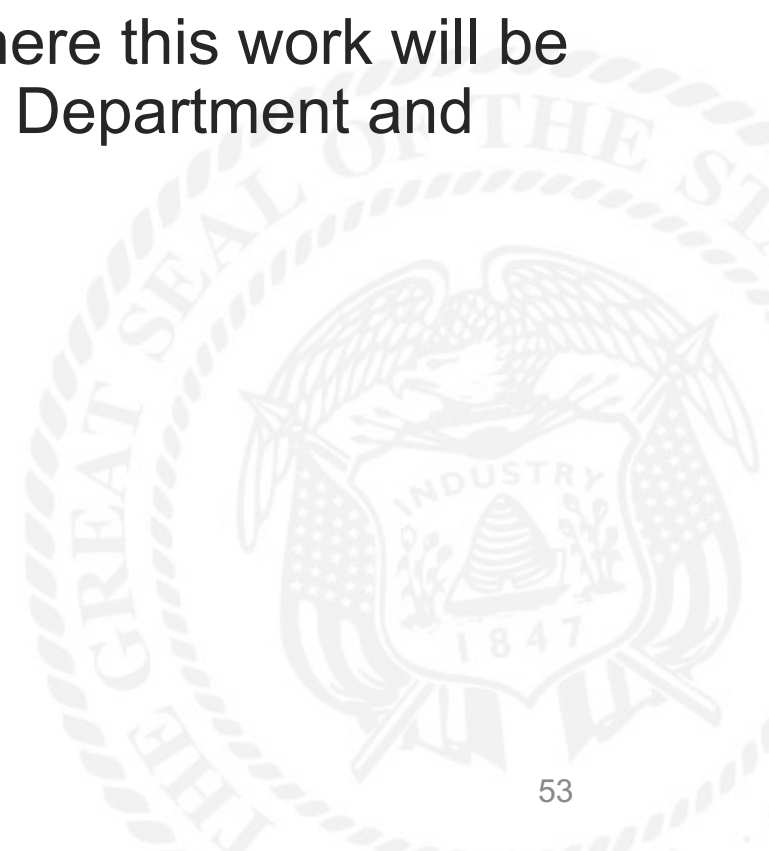
Growth Policy Alignment

Proactively establish more parks, open space, and public spaces within urban centers, growing communities, and rural areas

- **Modify County Option Funding taxes:** Authorize ZAP/RAP tax to allow for 20-year terms, which would better match bond repayment cycles

- **Refine Outdoor Recreation Grants program:**
  - Clarify project type eligibility
  - Include an assessment of local planning and policy alignment in grant evaluation criteria, and
  - Coordinate grant awards with Outdoor Adventure Commission efforts and ATIF

Working Group on Government Efficiency

Co-Chairs: Sen. Evan Vickers, Rep. Robert Spendlove, & Marvin Dodge

Unified Economic Opportunity Commission
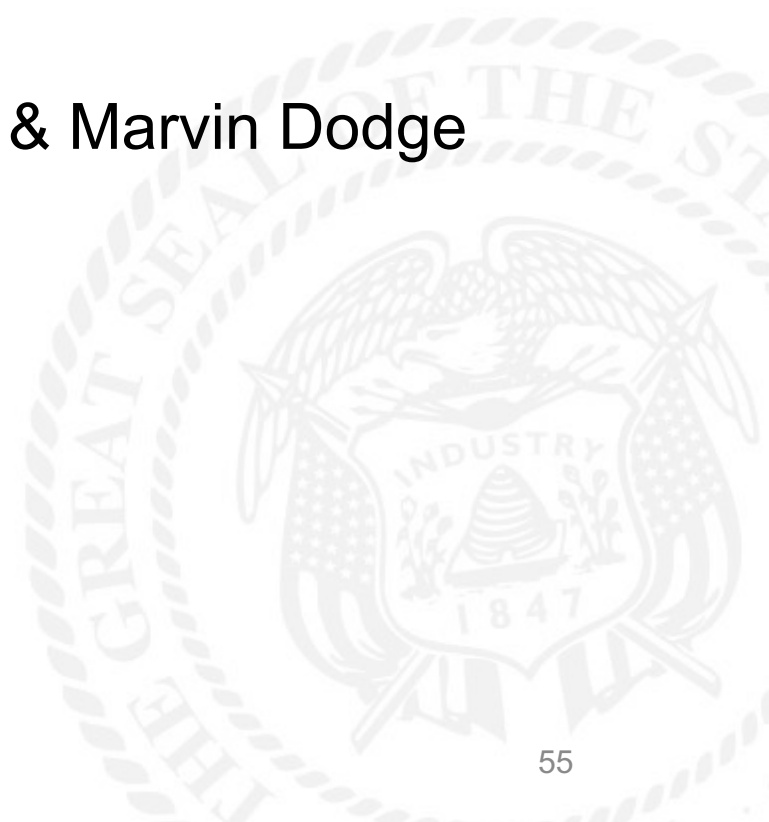
Boards & Commissions Restructure

The State of Utah has more than 400 boards and commissions. The Working Group on Government Efficiency recommends the following two-pronged approach:

- **Create criteria for boards and commissions**
- **Eliminate duplicative and inactive boards and commissions**

PTIF Account for Tax Distribution

Create an administrative rule that requires all government entities receiving a property tax distribution to have a PTIF account.

- The Utah State Auditor's Office is supportive
- The Utah State Treasurer's Office is supportive and has determined that there are enough accounts for all counties
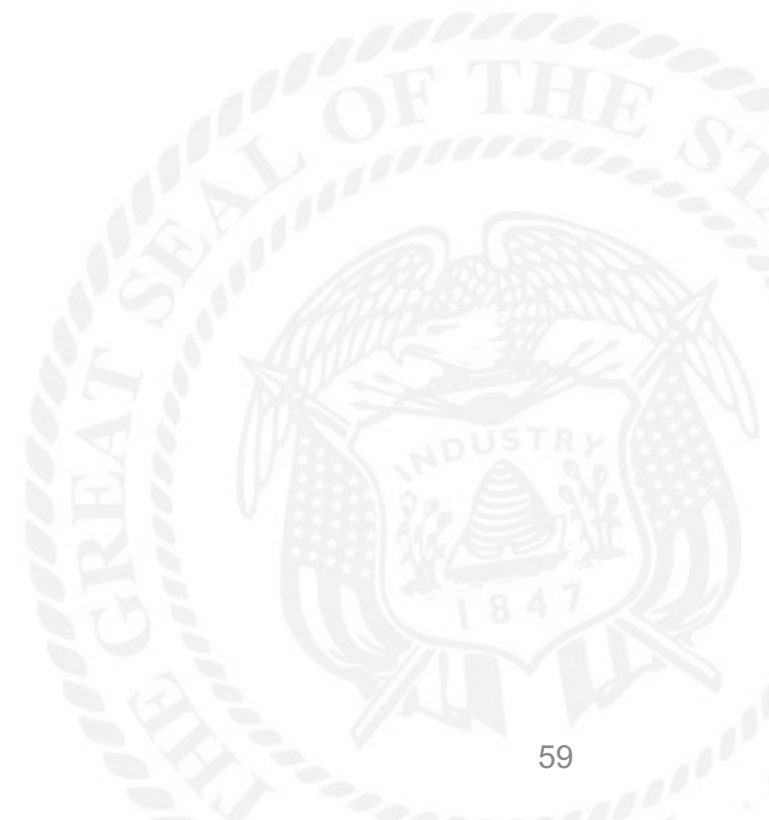
Multicounty Appraisal Trust Projects

Require all county assessors to be on MCAT by 2026.

- Dedicated levy will be allowed for assistance in property valuation
- The state will contract through MCAT for statewide aerial photography
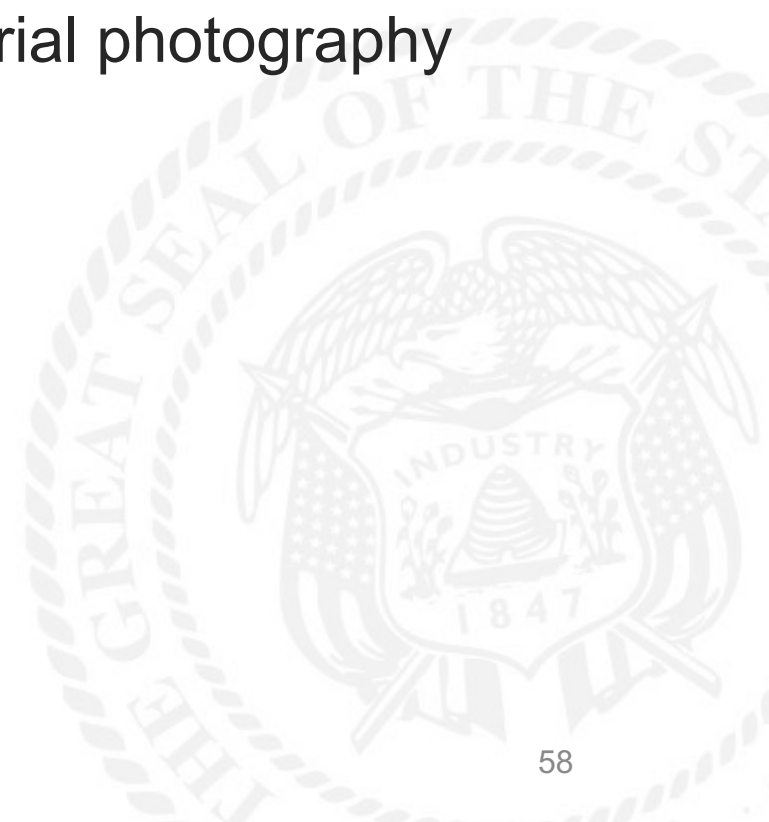
Customer Service Initiative

Support request for additional one-time funding for FY 2024-2025: $3,220,100 MM ongoing

Suggested Motion:

"I move to support the recommendations of the subcommittees and working groups as stated and forward them to interim legislative committees. I further move to direct UEOC staff to work with the legislature to seek their completion."

Previously Recommended Priorities

- Coordinating growth impacts
- Implementation of existing growth policies
- Foreign credentialing
- Support Manufacturing Modernization Grant
- Support continued investment in the Deep Tech Initiative
- Complete a market assessment of innovation districts and industry ecosystem
- Database on moderate and affordable housing needs, supply, and demand
- Inventory of existing programs and policies
- Housing authority data

# Previously Recommended Priorities cont.

- Saved Water Statute
- Water Measuring and Accounting Amendments
- Greenbelt Amendments
- Support additional telemetry & metering
- Water Infrastructure Amendments
- Utah Water Ways Amendments
- Support San Rafael Research Center
- Clean Energy Amendments
  - Update "renewable" to "clean"
  - Value nuclear in the Community Renewable Energy Act & Energy Resource Procurement Act
  - Add nuclear to the Renewable Energy Systems Tax Credits

Approval of Minutes

refer to draft minutes
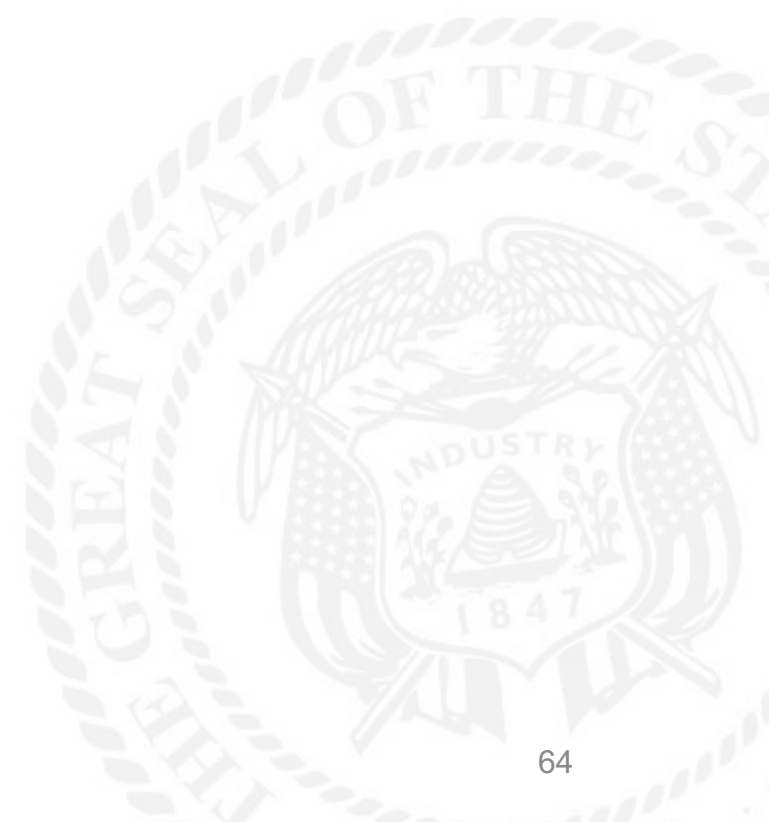
**Unified Economic
Opportunity Commission**
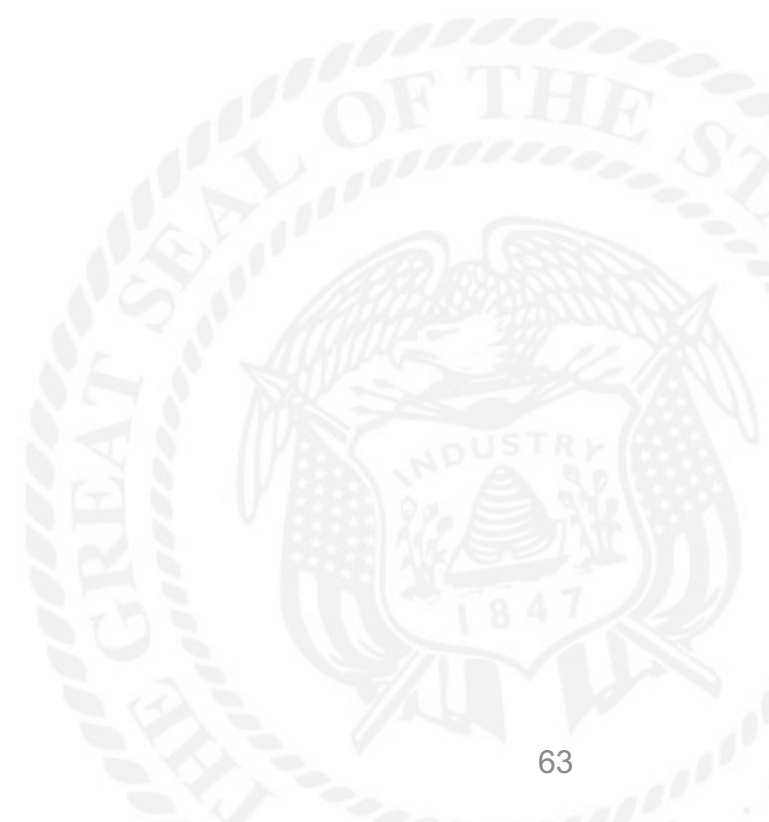
Suggested Motion:

"I move to approve the August 30, 2023 meeting minutes of the Unified Economic Opportunity Commission."

Concluding Remarks

Governor Cox, President Adams, Representative Peterson

**Unified Economic
Opportunity Commission**

Unified Economic Opportunity Commission

UEOC October Meeting