

State of Utah

Revolving Loan Funds

- This section defines revolving loan funds and includes a table showing appropriated revolving loan funds.





Sophia DiCaro Goodick, Analyst

REVOLVING LOAN FUNDS

Overview

Numerous revolving loan programs have been established by the State of Utah to promote economic development within the State. These loan funds typically provide startup General Fund appropriations when established. Some loan funds receive periodic General Fund appropriations to enhance the loan programs. In addition, some loan programs receive federal funds and private contributions. Once established, loan repayments generally remain within the loan programs in order to provide additional monies for future loans. Thus, a revolving source of funding is provided.

Several revolving loan programs provide low-interest loans to local governments, such as cities and counties, to provide water and sewer systems or other vital infrastructure necessary for economic growth. Other revolving loan programs provide low-interest loans and grants to provide low-income housing for Utah residents, or provide loans for agricultural development in the State.

In addition, the Industrial Assistance Fund provides low-interest loans to businesses that provide new jobs in rural Utah. If these businesses create an established number of new jobs, they are not required to repay all or part of the related loan.

Since the fund balances within loan programs are not a source of operating or capital funding for state departments, the budgets and other financial information relating to revolving loan programs are not included in departmental budget tables.

Table 40, Revolving Loan Funds, shows the total legislative appropriations to revolving loan funds, including new state funds, loan repayments (shown as either dedicated credits or restricted and trust funds), federal funds, and carryforward balances.

Table 40
REVOLVING LOAN FUNDS
 Funds Available to Loan by Funding Source
 Three-Year Comparison

	General Fund	Education Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted/Trust Funds	Other Funds	Total Available
Industrial Assistance Fund								
Actual FY 2007	\$1,408,600	\$0	\$0	\$0	\$0	\$0	\$0	\$1,408,600
Authorized FY 2008	1,513,000	0	0	0	0	0	0	1,513,000
Appropriated FY 2009	0	0	0	0	0	0	0	0
Permanent Community Impact Fund								
Actual FY 2007	0	0	0	0	55,252,900	0	0	55,252,900
Authorized FY 2008	0	0	0	0	50,472,100	0	0	50,472,100
Appropriated FY 2009	0	0	0	0	78,900,000	0	0	78,900,000
Olene Walker Housing Loan Fund								
Actual FY 2007	3,236,400	0	3,783,100	0	0	0	0	7,019,500
Authorized FY 2008	2,636,400	0	3,606,000	0	0	0	0	6,242,400
Appropriated FY 2009	3,136,400	0	3,850,000	0	0	0	0	6,986,400
Agriculture Resource Development Fund								
Actual FY 2007	0	0	0	0	0	525,000 (a)	0	525,000
Authorized FY 2008	0	0	0	0	0	525,000 (a)	0	525,000
Appropriated FY 2009	0	0	0	0	0	525,000 (a)	0	525,000
Water Resources Construction Fund								
Actual FY 2007	539,100	0	0	7,504,200	0	0	200,200	8,243,500
Authorized FY 2008	539,100	0	0	7,536,300	0	0	5,031,400	13,106,800
Appropriated FY 2009	539,100	0	0	7,424,200	0	0	0	7,963,300
Water Resources Cities Water Loan Fund								
Actual FY 2007	0	0	0	1,741,700	0	0	603,300	2,345,000
Authorized FY 2008	0	0	0	1,864,100	0	0	2,576,600	4,440,700
Appropriated FY 2009	0	0	0	1,915,300	0	0	0	1,915,300
Water Resources Conservation and Development Fund								
Actual FY 2007	1,043,200	0	0	30,281,700	0	14,791,200 (a)	(6,926,100)	39,190,000
Authorized FY 2008	1,043,200	0	0	28,531,000	0	14,648,000 (a)	5,830,600	50,052,800
Appropriated FY 2009	1,043,200	0	0	28,661,900	0	15,719,600 (a)	0	45,424,700
Water Quality Loan Fund								
Actual FY 2007	0	0	4,867,500	9,200,300	0	3,587,500 (a)	0	17,655,300
Authorized FY 2008	0	0	5,500,000	11,120,000	0	3,587,500 (a)	0	20,207,500
Appropriated FY 2009	0	0	5,500,000	11,120,000	0	3,587,500 (a)	0	20,207,500
Drinking Water Loan Fund								
Actual FY 2007	0	0	6,725,000	2,616,600	0	3,587,500 (a)	0	12,929,100
Authorized FY 2008	0	0	6,580,000	3,370,000	0	3,587,500 (a)	0	13,537,500
Appropriated FY 2009	0	0	6,560,000	3,370,000	0	3,587,500 (a)	0	13,517,500
Energy Efficiency Loan Fund (b)								
Actual FY 2007	0	0	0	0	0	0	0	0
Authorized FY 2008	0	5,000,000	0	0	0	0	(5,000,000)	0
Appropriated FY 2009	0	0	0	0	0	0	5,000,000	5,000,000
State Facility Energy Efficiency Loan Fund (c)								
Actual FY 2007	0	0	0	0	0	0	0	0
Authorized FY 2008	0	0	0	0	0	0	0	0
Appropriated FY 2009	0	0	0	0	0	3,650,000	0	3,650,000
TOTAL REVOLVING LOAN FUND APPROPRIATIONS								
Actual FY 2007	\$6,227,300	\$0	\$15,375,600	\$51,344,500	\$55,252,900	\$22,491,200	(\$6,122,600)	\$144,568,900
Authorized FY 2008	5,731,700	5,000,000	15,686,000	52,421,400	50,472,100	22,348,000	8,438,600	160,097,800
Appropriated FY 2009	4,718,700	0	15,910,000	52,491,400	78,900,000	27,069,600	5,000,000	184,089,700

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Table 40 (Continued)
REVOLVING LOAN FUNDS
 Funds Available to Loan by Funding Source
 Three-Year Comparison

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(a) *These restricted funds come from the 1/16th of 1.0 percent state sales tax designated by law to go to these loan funds. House Bill 6004, Sales and Use Tax Amendments (Curtis), which passed in the 2002 Sixth Special Session, limited the distribution of the 1/16th of 1.0 percent state sales tax to the lower of the actual amount collected or \$17,500,000. Not reflected in the above table is \$2,450,000 that is transferred to the Department of Natural Resources for endangered species and \$175,000 transferred to the Division of Water Rights. These amounts are shown in the Natural Resources operating table.*

House Bill 47, Sales Tax Diversion for Water Projects and Water Financing (Ure), which passed in the 2006 General Session, removed the \$17,500,000 cap associated with the 1/16th of 1.0 percent sales tax. The distribution of funds below \$17,500,000 remains the same. Revenue above the \$17,500,000 will be distributed as follows: \$500,000 to the Department of Natural Resources for watershed rehabilitation and restoration; \$150,000 to the Division of Water Resources for the cloud seeding program; 6.0 percent of the remaining funds to Water Rights for operating expenses; and 94 percent of the remaining funds to the Department of Water Resources Conservation and Development Fund for preconstruction costs of large state water development projects.

(b) *This loan fund was created by HB 351, Revolving Loan Fund for Certain Energy Efficient Projects (Barrus), in the 2007 General Session. School districts are the recipients of these funds.*

(c) *This loan fund was created by HB 198, State Agency Energy Efficiency (Hunsaker), in the 2008 General Session. State agencies are the recipients of these funds.*

Table 40 includes funding available to loan from each appropriated revolving loan fund. The appropriated budgets for revolving loan funds are not included in departmental budget tables since they do not provide operating or capital funds for use by state departments. The funds available are loaned or granted to state agencies, local governmental entities, private businesses, or individuals.