



In 2021, the Utah State Legislature expanded Utah code Title 17 Chapter 31 to include the use of transient room taxes (TRT) for economic diversification activities for Utah gateway communities. The City of Moab supports the continuation of Grand County's expenditure of (TRT) for economic diversification activities as outlined in Utah Code 17-31-2 and 17-31-5.5.

Moab City has participated in Grand County's diversification programming and believes in the promise and potential of this program to help diversify and strengthen Moab's economic environment. We support Grand County's Economic Diversification program for the following reasons:

- It has provided much-needed capital for diversified small business needs;
- It encourages and supports year-round employment opportunities;
- It facilitates a partnership with Utah State University by establishing a Small Business Development Center in Moab at the USU campus;
- It could provide funding for a future Revolving Loan Fund to be administered by the Southeastern Utah Association of Local Governments;
- It has allowed Grand County to create a diversified Economic Development Department that has turned Utah's Rural County Grant program and other related resources into meaningful expansions of workplace diversity;
- Grand County has developed these programs transparently and with community input from representatives that include Moab City, the Economic Development Corporation of Utah, Utah State University, The Governor's Office of Economic Opportunity, the Moab Area Travel Council Advisory Board, the Moab Area Chamber of Commerce, and Grand County's Economic Development Advisory Board.

Grand County's Economic Development program was implemented in 2022 and will sunset in five years on July 1st 2026 as per Utah State Code 63I-1-217. Moab City believes that allowing the program to continue throughout the five year time frame will provide an opportunity to evaluate the success of the program overtime. Therefore, Moab City supports the continuation of the Grand County's Economic Diversification program as stated in Utah State Code Title 17 Chapter 31 section 2 and section 5.5 that was effective as of July 1, 2022 and disagree with the HB 416 that will repeal this program on July 1, 2023.