

Representative Ken Ivory proposes the following substitute bill:

FEDERAL RECEIPTS REPORTING REQUIREMENTS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Wayne L. Niederhauser

LONG TITLE

General Description:

This bill requires the reporting of federal receipts received by certain state agencies, requires the report to contain a plan to operate the state agency in the event federal receipts are reduced by ~~H→ [25% or more]~~ certain amounts ←H , and requires the Government Operations and Political Subdivisions Interim Committee to study whether to apply federal receipts reporting requirements to certain other governmental entities.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires certain state agencies to prepare and submit a report to the Division of Finance on federal receipts received by the state agencies;
- ▶ requires the report to contain a plan to operate the state agency in the event federal receipts are reduced by ~~H→ [25% or more]~~ certain amounts ←H ;
- ▶ requires the Division of Finance to report to the Executive Appropriations Committee on the reports the state agencies are required to make to the Division of Finance;
- ▶ provides procedures for requiring the Executive Appropriations Committee to review the Division of Finance report;



57 (ii) "Designated state agency" does not include the judicial branch, the legislative
 58 branch, or an office or other entity within the judicial branch or the legislative branch.

59 (b) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.
 60 Sec. 7501, that is reported as part of a single audit.

61 (c) "Single audit" is as defined in 31 U.S.C. Sec. 7501.

62 (2) Subject to Subsections (3) and (4), a designated state agency shall each year, on or
 63 before October 31, prepare a report that:

64 (a) reports the \$→ aggregate ←\$ value of federal receipts the designated state agency
 64a received for the
 65 preceding fiscal year;

66 (b) reports the \$→ aggregate ←\$ amount of federal funds appropriated by the Legislature
 66a to the
 67 designated state agency for the preceding fiscal year.

68 (c) calculates the percentage of the designated state agency's total budget for the
 69 preceding fiscal year that constitutes federal receipts that the designated state agency received
 70 for that fiscal year; and

71 (d) H→ [develops a plan] \$→ [develop] develops ←\$ plans ←H for operating the
 71a designated state agency if
 71a there is a reduction of \$→ :

71b (i) ←\$ H→ 5% \$→ [.] or more in the federal receipts that the designated state agency
 71c receives; ←\$ and \$→ [a reduction of] ←H

72 (ii) ←\$ 25% or more in the federal receipts that the designated state agency receives.

73 (3) (a) The report required by Subsection (2) that the Board of Regents prepares shall
 74 include the information required by Subsections (2)(a) through (c) for each state institution of
 75 higher education listed in Section 53B-2-101.

76 (b) The report required by Subsection (2) that the State Office of Education prepares
 77 shall include the information required by Subsections (2)(a) through (c) for each school H→ district
 77a and each charter school ←H within
 78 the public education system.

79 (4) A designated state agency that prepares a report in accordance with Subsection (2)
 80 shall submit the report to the Division of Finance on or before November 1 of each year.

81 (5) (a) The Division of Finance shall, on or before November 30 of each year, prepare a
 82 report that:

83 (i) compiles and summarizes the reports the Division of Finance receives in accordance

84 with Subsection (4); and

85 (ii) compares the \$→ aggregate value of ←\$ federal receipts each designated state agency

85a received for the

86 previous fiscal year to the \$→ aggregate ←\$ amount of federal funds appropriated by the

86a Legislature to that

87 designated state agency for that fiscal year.

88 (b) The Division of Finance shall, as part of the report required by Subsection (5)(a),
 89 compile a list of designated state agencies that do not submit a report as required by this
 90 section.

91 (6) The Division of Finance shall submit the report required by Subsection (5) to the
 92 Executive Appropriations Committee on or before December 1 of each year.

93 (7) Upon receipt of the report required by Subsection (5), the chairs of the Executive
 94 Appropriations Committee shall place the report on the agenda for review and consideration at
 95 the next Executive Appropriations Committee meeting.

96 (8) When considering the report required by Subsection (5), the Executive
 97 Appropriations Committee may elect to:

98 (a) recommend that the Legislature reduce or eliminate appropriations for a designated
 99 state agency;

100 (b) take no action; or

101 (c) take another action that a majority of the committee approves.

102 **Section 2. Government Operations and Political Subdivisions Interim Committee**
 103 **study.**

104 During the 2011 interim, the Government Operations and Political Subdivisions Interim
 105 Committee shall study whether to draft legislation requiring:

106 (1) a political subdivision to:

107 (a) calculate the ~~§~~ **→ aggregate ←** ~~§~~ value of federal receipts the political subdivision
 107a receives;

108 (b) calculate the percentage of the political subdivision's total budget that constitutes
 109 federal receipts; and

110 (c) develop a plan for operating the political subdivision if there is a reduction of ~~§~~ :

110a **(i) 5% or more in the federal receipts that the political subdivision receives; and**

110b **(ii) ~~§~~ 25%**

111 or more in the federal receipts ~~§~~ **→ that ←** ~~§~~ the political subdivision receives; or

112 (2) a state institution of higher education listed in Section 53B-2-101 or a school within
 113 the public education system to develop a plan for operating the state institution of higher
 114 education or the school if there is a reduction of ~~§~~ :

114a **(i) 5% or more in the federal receipts that the state institution of higher education or school**
 114b **receives; and**

114c **(ii) ~~§~~ 25% or more in the federal receipts ~~§~~ **→ that ←** ~~§~~ the state**

115 institution of higher education or school receives.