

**EXEMPT VEHICLE AMENDMENTS**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Bruce R. Cutler**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends provisions regarding certain government vehicles.

**Highlighted Provisions:**

This bill:

- ▶ requires state and local government to display on vehicles with an "EX" license plate:
  - the text "For Official Use Only";
  - the text "How's My Driving?" and the phone number to call;
- ▶ specifies the size of identification marks and text on vehicles with an "EX" license plate;
- ▶ establishes the state auditor as the contact for compliment and complaint phone calls;
- ▶ for each phone call, authorizes the state auditor to impose an administrative fee on the entity that owns, operates, or leases the vehicle for providing the service of driver feedback; and
- ▶ requires the state auditor to report to the Government Operations Interim Committee.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2016:

- ▶ to the Office of the State Auditor - State Auditor, as an ongoing appropriation:



- 28 • from Dedicated Credits Revenue, \$5,000.

29 **Other Special Clauses:**

30 This bill provides a special effective date.

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **41-1a-407**, as last amended by Laws of Utah 2008, Chapter 382

34 **67-3-1**, as last amended by Laws of Utah 2014, Chapter 377

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

37 Section 1. Section **41-1a-407** is amended to read:

38 **41-1a-407. Plates issued to political subdivisions or state -- Use of "EX" letters --**  
39 **Confidential information.**

40 (1) Except as provided in Subsection (2), each municipality, board of education, school  
41 district, state institution of learning, county, other governmental division, subdivision, or  
42 district, and the state shall:

43 (a) place a license plate displaying the letters, "EX" on every vehicle owned and  
44 operated by it or leased for its exclusive use; ~~and~~

45 (b) display in a size sufficient to be plainly readable from a distance of 100 feet during  
46 daylight an identification mark designating the vehicle as the property of the entity in a  
47 conspicuous place on both sides of the vehicle[-];

48 (c) display in a size sufficient to be plainly readable from a distance of 100 feet during  
49 daylight the text "For Official Use Only" in a conspicuous place on both the passenger side and  
50 the driver side of the vehicle; and

51 (d) display in a size sufficient to be plainly readable from a distance of 100 feet during  
52 daylight on the back side of the vehicle the following information, as determined by the state  
53 auditor under Subsection 67-3-1(17):

54 (i) the text "How's My Driving?";

55 (ii) text informing a caller that the caller will need to include the license plate number  
56 when calling; and

57 (iii) a phone number to call.

58 (2) The entity need not display the "EX" license plate or the identification mark

59 required by Subsection (1) if:

60 (a) the vehicle is in the direct service of the governor, lieutenant governor, attorney  
61 general, state auditor, or state treasurer of Utah;

62 (b) the vehicle is used in official investigative work where secrecy is essential;

63 (c) the vehicle is used in an organized Utah Highway Patrol operation that is:

64 (i) conducted within a county of the first or second class as defined under Section  
65 17-50-501, unless no more than one unmarked vehicle is used for the operation;

66 (ii) approved by the commissioner of public safety;

67 (iii) of a duration of 14 consecutive days or less; and

68 (iv) targeted toward careless driving, aggressive driving, and accidents involving:

69 (A) violations of Title 41, Chapter 6a, Part 5, Driving Under the Influence and  
70 Reckless Driving;

71 (B) speeding violations for exceeding the posted speed limit by 21 or more miles per  
72 hour;

73 (C) speeding violations in a reduced speed school zone under Section 41-6a-604;

74 (D) violations of Section 41-6a-1002 related to pedestrian crosswalks; or

75 (E) violations of Section 41-6a-702 related to lane restrictions;

76 (d) the vehicle is provided to an official of the entity as part of a compensation package  
77 allowing unlimited personal use of that vehicle;

78 (e) the personal security of the occupants of the vehicle would be jeopardized if the  
79 "EX" license plate were in place; or

80 (f) the vehicle is used in routine enforcement on a state highway with four or more  
81 lanes involving:

82 (i) violations of Section 41-6a-701 related to operating a vehicle on the right side of a  
83 roadway;

84 (ii) violations of Section 41-6a-702 related to left lane restrictions;

85 (iii) violations of Section 41-6a-704 related to overtaking and passing vehicles  
86 proceeding in the same direction;

87 (iv) violations of Section 41-6a-711 related to following a vehicle at a safe distance;  
88 and

89 (v) violations of Section 41-6a-804 related to turning and changing lanes.

90 (3) Plates issued to Utah Highway Patrol vehicles may bear the capital letters "UHP," a  
91 beehive logo, and the call number of the trooper to whom the vehicle is issued.

92 (4) (a) The commission shall issue "EX" and "UHP" plates.

93 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
94 commission shall make rules establishing the procedure for application for and distribution of  
95 the plates.

96 (5) For a vehicle that qualifies for "EX" or "UHP" license plates, the entity is not  
97 required to display an annual registration decal.

98 (6) (a) Information shall be confidential for vehicles that are not required to display the  
99 "EX" license plate or the identification mark under Subsections (2)(a), (b), (d), and (e).

100 (b) (i) If a law enforcement officer's identity must be kept secret, the law enforcement  
101 officer's agency head may request in writing that the division remove the license plate  
102 information of the officer's personal vehicles from all public access files and place it in a  
103 confidential file until the assignment is completed.

104 (ii) The agency head shall notify the division when the assignment is completed.

105 (7) A peace officer engaged in an organized operation under Subsection (2)(c) shall be  
106 in a uniform clearly identifying the law enforcement agency the peace officer is representing  
107 during the operation.

108 Section 2. Section **67-3-1** is amended to read:

109 **67-3-1. Functions and duties.**

110 (1) (a) The state auditor is the auditor of public accounts and is independent of any  
111 executive or administrative officers of the state.

112 (b) The state auditor is not limited in the selection of personnel or in the determination  
113 of the reasonable and necessary expenses of the state auditor's office.

114 (2) The state auditor shall examine and certify annually in respect to each fiscal year,  
115 financial statements showing:

116 (a) the condition of the state's finances;

117 (b) the revenues received or accrued;

118 (c) expenditures paid or accrued;

119 (d) the amount of unexpended or unencumbered balances of the appropriations to the  
120 agencies, departments, divisions, commissions, and institutions; and

- 121 (e) the cash balances of the funds in the custody of the state treasurer.
- 122 (3) (a) The state auditor shall:
  - 123 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of
  - 124 any department of state government or any independent agency or public corporation as the law
  - 125 requires, as the auditor determines is necessary, or upon request of the governor or the
  - 126 Legislature;
  - 127 (ii) perform the audits in accordance with generally accepted auditing standards and
  - 128 other auditing procedures as promulgated by recognized authoritative bodies;
  - 129 (iii) as the auditor determines is necessary, conduct the audits to determine:
    - 130 (A) honesty and integrity in fiscal affairs;
    - 131 (B) accuracy and reliability of financial statements;
    - 132 (C) effectiveness and adequacy of financial controls; and
    - 133 (D) compliance with the law.
  - 134 (b) If any state entity receives federal funding, the state auditor shall ensure that the
  - 135 audit is performed in accordance with federal audit requirements.
  - 136 (c) (i) The costs of the federal compliance portion of the audit may be paid from an
  - 137 appropriation to the state auditor from the General Fund.
  - 138 (ii) If an appropriation is not provided, or if the federal government does not
  - 139 specifically provide for payment of audit costs, the costs of the federal compliance portions of
  - 140 the audit shall be allocated on the basis of the percentage that each state entity's federal funding
  - 141 bears to the total federal funds received by the state.
  - 142 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit
  - 143 funds passed through the state to local governments and to reflect any reduction in audit time
  - 144 obtained through the use of internal auditors working under the direction of the state auditor.
  - 145 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to
  - 146 financial audits, and as the auditor determines is necessary, conduct performance and special
  - 147 purpose audits, examinations, and reviews of any entity that receives public funds, including a
  - 148 determination of any or all of the following:
    - 149 (i) the honesty and integrity of all its fiscal affairs;
    - 150 (ii) whether or not its administrators have faithfully complied with legislative intent;
    - 151 (iii) whether or not its operations have been conducted in an efficient, effective, and

152 cost-efficient manner;

153 (iv) whether or not its programs have been effective in accomplishing the intended  
154 objectives; and

155 (v) whether or not its management, control, and information systems are adequate,  
156 effective, and secure.

157 (b) The auditor may not conduct performance and special purpose audits,  
158 examinations, and reviews of any entity that receives public funds if the entity:

159 (i) has an elected auditor; and

160 (ii) has, within the entity's last budget year, had its financial statements or performance  
161 formally reviewed by another outside auditor.

162 (5) The state auditor shall administer any oath or affirmation necessary to the  
163 performance of the duties of the auditor's office, and may subpoena witnesses and documents,  
164 whether electronic or otherwise, and examine into any matter that the auditor considers  
165 necessary.

166 (6) The state auditor may require all persons who have had the disposition or  
167 management of any property of this state or its political subdivisions to submit statements  
168 regarding it at the time and in the form that the auditor requires.

169 (7) The state auditor shall:

170 (a) except where otherwise provided by law, institute suits in Salt Lake County in  
171 relation to the assessment, collection, and payment of its revenues against:

172 (i) persons who by any means have become entrusted with public money or property  
173 and have failed to pay over or deliver the money or property; and

174 (ii) all debtors of the state;

175 (b) collect and pay into the state treasury all fees received by the state auditor;

176 (c) perform the duties of a member of all boards of which the state auditor is a member  
177 by the constitution or laws of the state, and any other duties that are prescribed by the  
178 constitution and by law;

179 (d) stop the payment of the salary of any state official or state employee who:

180 (i) refuses to settle accounts or provide required statements about the custody and  
181 disposition of public funds or other state property;

182 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling

183 board or department head with respect to the manner of keeping prescribed accounts or funds;  
184 or

185 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the  
186 official's or employee's attention;

187 (e) establish accounting systems, methods, and forms for public accounts in all taxing  
188 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;

189 (f) superintend the contractual auditing of all state accounts;

190 (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of  
191 property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that  
192 officials and employees in those taxing units comply with state laws and procedures in the  
193 budgeting, expenditures, and financial reporting of public funds; and

194 (h) subject to Subsection (9), withhold the disbursement of tax money from any county,  
195 if necessary, to ensure that officials and employees in the county comply with Section  
196 [59-2-303.1](#).

197 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds  
198 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal  
199 written notice of noncompliance from the auditor and has been given 60 days to make the  
200 specified corrections.

201 (b) If, after receiving notice under Subsection (8)(a), a state or independent local  
202 fee-assessing unit that exclusively assesses fees has not made corrections to comply with state  
203 laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the  
204 state auditor:

205 (i) shall provide a recommended timeline for corrective actions; and

206 (ii) may prohibit the state or local fee-assessing unit from accessing money held by the  
207 state; and

208 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an  
209 account of a financial institution by filing an action in district court requesting an order of the  
210 court to prohibit a financial institution from providing the fee-assessing unit access to an  
211 account.

212 (c) The state auditor shall remove a limitation on accessing funds under Subsection  
213 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and

214 financial reporting of public funds.

215 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with  
216 state law, the state auditor:

217 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to  
218 comply;

219 (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the  
220 state; and

221 (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an  
222 account of a financial institution by:

223 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that  
224 the institution prohibit access to the account; or

225 (B) filing an action in district court requesting an order of the court to prohibit a  
226 financial institution from providing the taxing or fee-assessing unit access to an account.

227 (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state  
228 law, the state auditor shall eliminate a limitation on accessing funds described in Subsection  
229 (8)(d).

230 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has  
231 received formal written notice of noncompliance from the auditor and has been given 60 days  
232 to make the specified corrections.

233 (10) Notwithstanding Subsection (7)(g), (7)(h), (8)(b), or (8)(d) the state auditor:

234 (a) shall authorize a disbursement by a state or local taxing or fee-assessing unit if the  
235 disbursement is necessary to:

236 (i) avoid a major disruption in the operations of the state or local taxing or  
237 fee-assessing unit; or

238 (ii) meet debt service obligations; and

239 (b) may authorize a disbursement by a state or local taxing or fee-assessing unit as the  
240 state auditor determines is appropriate.

241 (11) The state auditor shall:

242 (a) establish audit guidelines and procedures for audits of local mental health and  
243 substance abuse authorities and their contract providers, conducted pursuant to Title 17,  
244 Chapter 43, Parts 2, Local Substance Abuse Authorities and 3, Local Mental Health



245 Authorities, Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal  
246 Organizations, and Other Local Entities Act, and Title 62A, Chapter 15, Substance Abuse and  
247 Mental Health Act; and

248 (b) ensure that those guidelines and procedures provide assurances to the state that:

249 (i) state and federal funds appropriated to local mental health authorities are used for  
250 mental health purposes;

251 (ii) a private provider under an annual or otherwise ongoing contract to provide  
252 comprehensive mental health programs or services for a local mental health authority is in  
253 compliance with state and local contract requirements, and state and federal law;

254 (iii) state and federal funds appropriated to local substance abuse authorities are used  
255 for substance abuse programs and services; and

256 (iv) a private provider under an annual or otherwise ongoing contract to provide  
257 comprehensive substance abuse programs or services for a local substance abuse authority is in  
258 compliance with state and local contract requirements, and state and federal law.

259 (12) The state auditor may, in accordance with the auditor's responsibilities for political  
260 subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from Political  
261 Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or  
262 investigations of any political subdivision that are necessary to determine honesty and integrity  
263 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of  
264 financial controls and compliance with the law.

265 (13) (a) The state auditor may not audit work that the state auditor performed before  
266 becoming state auditor.

267 (b) If the state auditor has previously been a responsible official in state government  
268 whose work has not yet been audited, the Legislature shall:

269 (i) designate how that work shall be audited; and

270 (ii) provide additional funding for those audits, if necessary.

271 (14) The state auditor shall:

272 (a) with the assistance, advice, and recommendations of an advisory committee  
273 appointed by the state auditor from among local district boards of trustees, officers, and  
274 employees and special service district boards, officers, and employees:

275 (i) prepare a Uniform Accounting Manual for Local Districts that:

276 (A) prescribes a uniform system of accounting and uniform budgeting and reporting  
277 procedures for local districts under Title 17B, Limited Purpose Local Government Entities -  
278 Local Districts, and special service districts under Title 17D, Chapter 1, Special Service  
279 District Act;

280 (B) conforms with generally accepted accounting principles; and

281 (C) prescribes reasonable exceptions and modifications for smaller districts to the  
282 uniform system of accounting, budgeting, and reporting;

283 (ii) maintain the manual under Subsection (14)(a) so that it continues to reflect  
284 generally accepted accounting principles;

285 (iii) conduct a continuing review and modification of procedures in order to improve  
286 them;

287 (iv) prepare and supply each district with suitable budget and reporting forms; and

288 (v) prepare instructional materials, conduct training programs, and render other  
289 services considered necessary to assist local districts and special service districts in  
290 implementing the uniform accounting, budgeting, and reporting procedures; and

291 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices  
292 and experiences of specific local districts and special service districts selected by the state  
293 auditor and make the information available to all districts.

294 (15) (a) The following records in the custody or control of the state auditor are  
295 protected records under Title 63G, Chapter 2, Government Records Access and Management  
296 Act:

297 (i) records that would disclose information relating to allegations of personal  
298 misconduct, gross mismanagement, or illegal activity of a past or present governmental  
299 employee if the information or allegation cannot be corroborated by the state auditor through  
300 other documents or evidence, and the records relating to the allegation are not relied upon by  
301 the state auditor in preparing a final audit report;

302 (ii) records and audit workpapers to the extent they would disclose the identity of a  
303 person who during the course of an audit, communicated the existence of any waste of public  
304 funds, property, or manpower, or a violation or suspected violation of a law, rule, or regulation  
305 adopted under the laws of this state, a political subdivision of the state, or any recognized entity  
306 of the United States, if the information was disclosed on the condition that the identity of the

307 person be protected;

308 (iii) before an audit is completed and the final audit report is released, records or drafts  
309 circulated to a person who is not an employee or head of a governmental entity for their  
310 response or information;

311 (iv) records that would disclose an outline or part of any audit survey plans or audit  
312 program; and

313 (v) requests for audits, if disclosure would risk circumvention of an audit.

314 (b) The provisions of Subsections (15)(a)(i), (ii), and (iii) do not prohibit the disclosure  
315 of records or information that relate to a violation of the law by a governmental entity or  
316 employee to a government prosecutor or peace officer.

317 (c) The provisions of this Subsection (15) do not limit the authority otherwise given to  
318 the state auditor to classify a document as public, private, controlled, or protected under Title  
319 63G, Chapter 2, Government Records Access and Management Act.

320 (16) If the state auditor conducts an audit of an entity that the state auditor has  
321 previously audited and finds that the entity has not implemented a recommendation made by  
322 the state auditor in a previous audit, the state auditor shall notify the Legislative Management  
323 Committee through its audit subcommittee that the entity has not implemented that  
324 recommendation.

325 (17) (a) As used in this Subsection (17):

326 (i) "Entity" means an entity required to comply with the provisions of Subsection  
327 41-1a-407(1).

328 (ii) "Phone number" means the phone number displayed on a vehicle under Subsection  
329 41-1a-407(1)(d)(iii).

330 (iii) "Vehicle" means a vehicle required under Subsection 41-1a-407(1)(d) to have  
331 certain information displayed on the vehicle.

332 (b) The state auditor shall:

333 (i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
334 adopt rules specifying the requirements for displaying information on vehicles pursuant to  
335 Subsection 41-1a-407(1)(d);

336 (ii) establish and maintain the phone number and a way for a caller to leave a message;

337 (iii) monitor and log calls made to the phone number;

338 (iv) using the vehicle license plate number, establish a way to identify the entity that  
339 owns, operates, or leases the vehicle that was referenced in the caller's message;

340 (v) forward both compliments and complaints to the entity that owns, operates, or  
341 leases the vehicle that was referenced in the caller's message; and

342 (vi) report to the Government Operations Interim Committee no later than November  
343 30 of each year the following information for each entity:

344 (A) the number of compliments received in the last year;

345 (B) the number of complaints received in the last year;

346 (C) the total amount of fees imposed by the state auditor under Subsection (17)(c) in  
347 the last year; and

348 (D) the total amount of fees collected by the state auditor under Subsection (17)(c) in  
349 the last year.

350 (c) For each phone call, the state auditor may charge the entity that owns, operates, or  
351 leases the vehicle that was referenced in the caller's message, an administrative fee, determined  
352 pursuant to Section 63J-1-504, not to exceed \$50 per call for providing the service of driver  
353 feedback.

354 (d) Fees collected under Subsection (17)(c):

355 (i) shall be deposited into the General Fund as a dedicated credit to be used by the state  
356 auditor; and

357 (ii) may only be used by the state auditor to implement the provisions of this  
358 Subsection (17).

359 **Section 3. Appropriation.**

360 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for  
361 the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money  
362 are appropriated from resources not otherwise appropriated, or reduced from amounts  
363 previously appropriated, out of the funds or accounts indicated. These sums of money are in  
364 addition to any amounts previously appropriated for fiscal year 2016.

365 To Office of the State Auditor - State Auditor

366 From Dedicated Credits Revenue \$5,000

367 Schedule of Programs:

368 State Auditor \$5,000

369 Section 4. **Effective date.**

370 This bill takes effect on January 1, 2016.

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**Legislative Review Note**  
as of 2-18-15 9:29 AM

**Office of Legislative Research and General Counsel**