

Norman K Thurston proposes the following substitute bill:

General Government and Appropriations Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jen Plumb

House Sponsor: Norman K Thurston

LONG TITLE

General Description:

This bill amends provisions related to government departments and legislative appropriations.

Highlighted Provisions:

This bill:

- repeals the Rural Health Care Facilities restricted account;
- appropriates money to the State Tax Commission (tax commission) for distribution to certain counties and municipalities to improve the delivery of health care in rural areas of the state;
- requires the insurance commissioner to update the state's essential health benefits plan with benefits mandated since January 1, 2012;
- allows the insurance commissioner to update the plan described above to incorporate federally mandated benefits under the Patient Protection and Affordable Care Act;
- repeals the tax commission's reporting requirements related to the tax commission's collection of the beer excise tax;
- authorizes the Labor Commission (commission) to use certain restricted account funds to pay the salary and benefits of a compliance officer for the commission's Division of Occupational Safety and Health;
- grants the Department of Government Operations (department) the authority to operate the department as an internal service fund agency to provide certain government-related services;
- establishes a process for an internal service fund agency to compensate the agency's employees at a rate that is equivalent to state agency employees by submitting a proposed increased rate schedule to the rate committee after the annual legislative session;

- requires the rate committee to convene a meeting within 30 days of receiving the rate schedule described above to review and approve or reject the increased rate schedule;
- repeals an outdated reference to the former Department of Administrative Services; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

This bill appropriates (\$218,900) in restricted fund and account transfers for fiscal year 2025, all of which is from the General Fund.

This bill appropriates (\$218,900) in restricted fund and account transfers for fiscal year 2026, all of which is from the General Fund.

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

26B-1-308, as last amended by Laws of Utah 2023, Chapter 310 and renumbered and amended by Laws of Utah 2023, Chapter 305

31A-45-403, as enacted by Laws of Utah 2018, Chapter 319

34A-2-701, as last amended by Laws of Utah 2019, Chapter 194

34A-6-301, as last amended by Laws of Utah 2013, Chapter 72

34A-6-302, as renumbered and amended by Laws of Utah 1997, Chapter 375

59-1-210, as last amended by Laws of Utah 2023, Chapter 329

59-15-109, as last amended by Laws of Utah 2024, Chapter 94

63A-1-103, as last amended by Laws of Utah 2021, Chapter 344

63A-1-109.5, as last amended by Laws of Utah 2016, Chapter 193

63A-1-114, as last amended by Laws of Utah 2022, Chapter 169

63B-1-304, as last amended by Laws of Utah 2022, Chapter 421

63J-1-410, as last amended by Laws of Utah 2014, Chapter 236

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

Section 1. Section **26B-1-308** is amended to read:

26B-1-308 . Rural Health Care Facilities Account -- Source of revenues -- Interest -- Distribution of revenues -- Expenditure of revenues -- Unexpended revenues lapse into the General Fund.

(1) As used in this section:

(a) "Emergency medical services" is as defined in Section 53-2d-101.

(b) "Federally qualified health center" is as defined in 42 U.S.C. Sec. 1395x.

(c) "Fiscal year" means a one-year period beginning on July 1 of each year.

(d) "Freestanding urgent care center" is as defined in Section 59-12-801.

(e) "Nursing care facility" is as defined in Section 26B-2-201.

(f) "Rural city hospital" is as defined in Section 59-12-801.

(g) "Rural county health care facility" is as defined in Section 59-12-801.

~~[(h) "Rural county hospital" is as defined in Section 59-12-801.]~~

~~[(i) "Rural county nursing care facility" is as defined in Section 59-12-801.]~~

~~[(j)]~~ (h) "Rural emergency medical services" is as defined in Section 59-12-801.

(i) "Rural health care funds" means money appropriated by the Legislature to improve the delivery of quality health care in rural areas of the state.

~~[(k)]~~ (j) "Rural health clinic" is as defined in 42 U.S.C. Sec. 1395x.

~~[(2) There is created a restricted account within the General Fund known as the "Rural Health Care Facilities Account."]~~

~~[(3)(a) The restricted account shall be funded by amounts appropriated by the Legislature.]~~

~~[(b) Any interest earned on the restricted account shall be deposited into the General Fund.]~~

~~[(4)]~~ (2) Subject to Subsections ~~[(5)]~~ (3) and ~~[(6)]~~ (4), the State Tax Commission shall for a fiscal year distribute ~~[money deposited into the restricted account]~~ rural health care funds to each:

(a) county legislative body of a county that, on January 1, 2007, imposes a tax in accordance with Section 59-12-802 and has not repealed the tax; or

(b) city legislative body of a city that, on January 1, 2007, imposes a tax in accordance with Section 59-12-804 and has not repealed the tax.

~~[(5)]~~ (3)(a) Subject to Subsection ~~[(6)]~~ (4), for purposes of the distribution required by Subsection ~~[(4)]~~ (2), the State Tax Commission shall:

(i) estimate for each county and city described in Subsection ~~[(4)]~~ (2) the amount by which the revenues collected from the taxes imposed under Sections 59-12-802 and 59-12-804 for fiscal year 2005-06 would have been reduced had:

(A) the amendments made by Laws of Utah 2007, Chapter 288, Sections 25 and 26, to Sections 59-12-802 and 59-12-804 been in effect for fiscal year 2005-06; and

(B) each county and city described in Subsection ~~[(4)]~~ (2) imposed the tax under

- Sections 59-12-802 and 59-12-804 for the entire fiscal year 2005-06;
- (ii)(A) for fiscal years ending before fiscal year 2018, calculate a percentage for each county and city described in Subsection [(4)] (2) by dividing the amount estimated for each county and city in accordance with Subsection [(5)(a)(i)] (3)(a)(i) by \$555,000; and
- (B) beginning in fiscal year 2018, calculate a percentage for each county and city described in Subsection [(4)] (2) by dividing the amount estimated for each county and city in accordance with Subsection [(5)(a)(i)] (3)(a)(i) by \$218,809.33;
- (iii) distribute to each county and city described in Subsection [(4)] (2) an amount equal to the product of:
- (A) the percentage calculated in accordance with Subsection [(5)(a)(ii)] (3)(a)(ii); and
- (B) the amount appropriated by the Legislature [to the restricted account] as rural health care funds for the fiscal year.
- (b) The State Tax Commission shall make the estimations, calculations, and distributions required by Subsection [(5)(a)] (3)(a) on the basis of data collected by the State Tax Commission.
- [(6)] (4) If a county legislative body repeals a tax imposed under Section 59-12-802 or a city legislative body repeals a tax imposed under Section 59-12-804:
- (a) the [commission] State Tax Commission shall determine in accordance with Subsection [(5)] (3) the distribution that, but for this Subsection [(6)] (4), the county legislative body or city legislative body would receive; and
- (b) after making the determination required by Subsection [(6)(a)] (4)(a), the [commission] State Tax Commission shall:
- (i) if the effective date of the repeal of a tax imposed under Section 59-12-802 or 59-12-804 is October 1:
- (A)(I) distribute to the county legislative body or city legislative body 25% of the distribution determined in accordance with Subsection [(6)(a)] (4)(a); and
- (II) deposit 75% of the distribution determined in accordance with Subsection [(6)(a)] (4)(a) into the General Fund; and
- (B) beginning with the first fiscal year after the effective date of the repeal and for each subsequent fiscal year, deposit the entire amount of the distribution determined in accordance with Subsection [(6)(a)] (4)(a) into the General Fund;

(ii) if the effective date of the repeal of a tax imposed under Section 59-12-802 or 59-12-804 is January 1:

(A)(I) distribute to the county legislative body or city legislative body 50% of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a); and

(II) deposit 50% of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a) into the General Fund; and

(B) beginning with the first fiscal year after the effective date of the repeal and for each subsequent fiscal year, deposit the entire amount of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a) into the General Fund;

(iii) if the effective date of the repeal of a tax imposed under Section 59-12-802 or 59-12-804 is April 1:

(A)(I) distribute to the county legislative body or city legislative body 75% of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a); and

(II) deposit 25% of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a) into the General Fund; and

(B) beginning with the first fiscal year after the effective date of the repeal and for each subsequent fiscal year, deposit the entire amount of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a) into the General Fund;

or

(iv) if the effective date of the repeal of a tax imposed under Section 59-12-802 or 59-12-804 is July 1, beginning on that effective date and for each subsequent fiscal year, deposit the entire amount of the distribution determined in accordance with Subsection [~~(6)(a)~~] (4)(a) into the General Fund.

[~~(7)~~] (5)(a) Subject to Subsection [~~(7)(b)~~] (5)(b) and Section 59-12-802, a county legislative body shall distribute the money the county legislative body receives in accordance with Subsection [~~(5)~~] (3) or [~~(6)~~] (4):

(i) for a county of the third or fourth class, to fund rural county health care facilities in that county; and

(ii) for a county of the fifth or sixth class, to fund:

(A) rural emergency medical services in that county;

(B) federally qualified health centers in that county;

(C) freestanding urgent care centers in that county;

(D) rural county health care facilities in that county;

(E) rural health clinics in that county; or

- (F) a combination of Subsections ~~[(7)(a)(ii)(A)]~~ (5)(a)(ii)(A) through (E).
- (b) A county legislative body shall distribute the money the county legislative body receives in accordance with Subsection ~~[(5) or (6)]~~ (3) or (4) to a center, clinic, facility, or service described in Subsection ~~[(7)(a)]~~ (5)(a) as determined by the county legislative body.
- (c) A center, clinic, facility, or service that receives a distribution in accordance with this Subsection ~~[(7)]~~ (5) shall expend that distribution for the same purposes for which money collected from a tax under Section 59-12-802 may be expended.
- ~~[(8)]~~ (6)(a) Subject to Subsection ~~[(8)(b)]~~ (6)(b), a city legislative body shall distribute the money the city legislative body receives in accordance with Subsection ~~[(5) or (6)]~~ (3) or (4) to fund rural city hospitals in that city.
- (b) A city legislative body shall distribute a percentage of the money the city legislative body receives in accordance with Subsection ~~[(5) or (6)]~~ (3) or (4) to each rural city hospital described in Subsection ~~[(8)(a)]~~ (6)(a) equal to the same percentage that the city legislative body distributes to that rural city hospital in accordance with Section 59-12-805 for the calendar year ending on the December 31 immediately preceding the first day of the fiscal year for which the city legislative body receives the distribution in accordance with Subsection ~~[(5) or (6)]~~ (3) or (4).
- (c) A rural city hospital that receives a distribution in accordance with this Subsection ~~[(8)]~~ (6) shall expend that distribution for the same purposes for which money collected from a tax under Section 59-12-804 may be expended.
- ~~[(9) Any money remaining in the Rural Health Care Facilities Account at the end of a fiscal year after the State Tax Commission makes the distributions required by this section shall lapse into the General Fund.]~~
- Section 2. Section **31A-45-403** is amended to read:
- 31A-45-403 . Essential health benefits.**
- (1) The state designates the state's own essential health benefits benchmark plan and does not accept a federal determination of the essential health benefits benchmark plan under the PPACA.
- (2) ~~[Subject to Subsections (3) and (4), the]~~ The commissioner shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that designate the essential health benefits benchmark plan for the state.
- ~~(3)(a)~~ The commissioner shall update the state's essential health benefits benchmark plan for plan years beginning on January 1, 2027.

- (b) The commissioner shall include in the plan described in Subsection (3)(a):
- (i) any state mandated health insurance benefit that applies to a health benefit plan effective on or after January 1, 2012, through January 1, 2025; and
 - (ii) additional benefits mandated by the PPACA.

- (4) The commissioner may expand the state's essential health benefit plan if additional benefits are mandated by the PPACA.

~~[(3) Before the commissioner makes rules in accordance with Subsection (2):]~~

~~[(a) the commissioner shall present a summary of the commissioner's planned rules to the Health Reform Task Force; and]~~

~~[(b) the Health Reform Task Force shall recommend whether the commissioner makes rules in accordance with the presented summary.]~~

~~[(4) The essential health benefits plan:]~~

~~[(a) may not include a state mandate if the inclusion of the state mandate would require the state to contribute to premium subsidies under the PPACA; and]~~

~~[(b) may add benefits in addition to the benefits included in a benchmark plan adopted in accordance with this section if the additional benefits are mandated under the PPACA.]~~

Section 3. Section **34A-2-701** is amended to read:

34A-2-701 . Premium assessment restricted account for safety.

- (1) There is created in the General Fund a restricted account known as the "Workplace Safety Account."

- (2)(a) An amount equal to 0.25% of the premium income remitted to the state treasurer pursuant to Subsection 59-9-101(2)(c)(ii) shall be deposited in the Workplace Safety Account in the General Fund for use as provided in this section.

(b) Beginning with fiscal year 2008-09, if the balance in the Workplace Safety Account exceeds \$500,000 at the close of a fiscal year, the excess shall be transferred to:

- (i) the Employers' Reinsurance Fund, created under Subsection 34A-2-702(1); or
- (ii) if the commissioner has made the notification described in Subsection 34A-2-702(7), the Uninsured Employers' Fund created in Section 34A-2-704.

- (3) The Legislature shall appropriate from the restricted account money to one or both of the following:

(a) money to the commission for use by the commission to:

- (i) improve safety consultation services available to Utah employers;[-or]
- (ii) provide for electronic or print media advertising campaigns designed to promote

- 233 workplace safety; [and] or
234 (iii) pay the salary and benefits of an employee of the commission who is an
235 authorized representative of the Division of Occupational Safety and Health under
236 Chapter 6, Part 3, Enforcement; and
- 237 (b) subject to Subsection (7), money known as the "Eddie P. Mayne Workplace Safety
238 and Occupational Health Funding Program":
239 (i) to an institution within the state system of higher education, as defined in Section
240 53B-1-102; and
241 (ii) to be expended by an education and research center that is:
242 (A) affiliated with the institution described in Subsection (3)(b)(i); and
243 (B) designated as an education and research center by the National Institute for
244 Occupational Safety and Health.
- 245 (4) From money appropriated by the Legislature from the restricted account to the
246 commission for use by the commission, the commission may fund other safety programs
247 or initiatives recommended to it by its state workers' compensation advisory council
248 created under Section 34A-2-107.
- 249 (5)(a) The commission shall annually report to the governor, the Legislature, and its
250 state council regarding:
251 (i) the use of the money appropriated to the commission under Subsection (3) or (4);
252 and
253 (ii) the impact of the use of the money on the safety of Utah's workplaces.
- 254 (b) By no later than August 15 following a fiscal year in which an education and
255 research center receives money from an appropriation under Subsection (3)(b), the
256 education and research center shall report:
257 (i) to:
258 (A) the governor;
259 (B) the Legislature;
260 (C) the commission; and
261 (D) the state workers' compensation advisory council created under Section
262 34A-2-107; and
263 (ii) regarding:
264 (A) the use of the money appropriated under Subsection (3)(b); and
265 (B) the impact of the use of the money on the safety of Utah's workplaces.
- 266 (6) The money deposited in the restricted account:

(a) shall be:

(i) used only for the activities described in Subsection (3) or (4); and

(ii) expended according to processes that can be verified by audit; and

(b) may not be used by the commission for:

(i) administrative costs unrelated to the restricted account; or

(ii) any activity of the commission other than the activities of the commission

described in Subsection (3) or (4).

(7) The total of appropriations under Subsection (3)(b) may not exceed for a fiscal year an amount equal to 20% of the premium income remitted to the state treasurer pursuant to Subsection 59-9-101(2)(c) and deposited in the Workplace Safety Account during the previous fiscal year.

Section 4. Section **34A-6-301** is amended to read:

34A-6-301 . Inspection and investigation of workplace, worker injury, illness, or complaint -- Warrants -- Attendance of witnesses -- Recordkeeping by employers -- Employer and employee representatives -- Request for inspection -- Compilation and publication of reports and information -- Rules.

(1)(a) The division or ~~[its representatives]~~ the division's authorized representative, upon presenting appropriate credentials to the owner, operator, or agent in charge, may:

(i) enter without delay at reasonable times any workplace where work is performed by an employee of an employer;

(ii) inspect and investigate during regular working hours and at other reasonable times in a reasonable manner any workplace, worker injury, occupational disease, or complaint and all pertinent methods, operations, processes, conditions, structures, machines, apparatus, devices, equipment, and materials in the workplace; and

(iii) question privately any such employer, owner, operator, agent, or employee.

(b) The division, upon an employer's refusal to permit an inspection, may seek a warrant pursuant to the Utah Rules of Criminal Procedure.

(2)(a) The division or ~~[its representatives]~~ the division's authorized representative may require the attendance and testimony of witnesses and the production of evidence under oath.

(b) Witnesses shall receive fees and mileage in accordance with Section 78B-1-119.

(c)(i) If any person fails or refuses to obey an order of the division to appear, any district court within the jurisdiction of which such person is found, or resides or

transacts business, upon the application by the division, shall have jurisdiction to issue to any person an order requiring that person to:

(A) appear to produce evidence if, as, and when so ordered; and

(B) give testimony relating to the matter under investigation or in question.

(ii) Any failure to obey an order of the court described in this Subsection (2)(c) may be punished by the court as a contempt.

(3)(a) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, requiring employers:

(i) to keep records regarding activities related to this chapter considered necessary for enforcement or for the development of information about the causes and prevention of occupational accidents and diseases; and

(ii) through posting of notices or other means, to inform employees of their rights and obligations under this chapter including applicable standards.

(b) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, requiring employers to keep records regarding any work-related death and injury and any occupational disease as provided in this Subsection (3)(b).

(i) Each employer shall investigate or cause to be investigated all work-related injuries and occupational diseases and any sudden or unusual occurrence or change of conditions that pose an unsafe or unhealthful exposure to employees.

(ii) Each employer shall, within eight hours of occurrence, notify the division of any:

(A) work-related fatality;

(B) disabling, serious, or significant injury; or

(C) occupational disease incident.

(iii)(A) Each employer shall file a report with the Division of Industrial Accidents in accordance with Sections 34A-2-407 and 34A-3-108, after the employer's first knowledge of the occurrence, or after the employee's notification of the same, in the form prescribed by the Division of Industrial Accidents, of any work-related fatality or any work-related injury or occupational disease resulting in:

(I) medical treatment;

(II) loss of consciousness;

(III) loss of work;

(IV) restriction of work; or

- 335 (V) transfer to another job.
- 336 (B)(I) Each employer shall file a subsequent report with the Division of
337 Industrial Accidents of any previously reported injury or occupational
338 disease that later resulted in death.
- 339 (II) The subsequent report shall be filed with the Division of Industrial
340 Accidents in accordance with Sections 34A-2-407 and 34A-3-108.
- 341 (iv) A report is not required for minor injuries, such as cuts or scratches that require
342 first aid treatment only, unless a treating physician files, or is required to file, the
343 Physician's Initial Report of Work Injury or Occupational Disease with the
344 Division of Industrial Accidents.
- 345 (v) A report is not required:
- 346 (A) for occupational diseases that manifest after the employee is no longer
347 employed by the employer with which the exposure occurred; or
- 348 (B) where the employer is not aware of an exposure occasioned by the
349 employment which results in a compensable occupational disease as defined by
350 Section 34A-3-103.
- 351 (vi) Each employer shall provide the employee with:
- 352 (A) a copy of the report submitted to the Division of Industrial Accidents; and
- 353 (B) a statement, as prepared by the Division of Industrial Accidents, of the
354 employee's rights and responsibilities related to the industrial injury or
355 occupational disease.
- 356 (vii) Each employer shall maintain a record in a manner prescribed by the
357 commission of all work-related fatalities or work-related injuries and of all
358 occupational diseases resulting in:
- 359 (A) medical treatment;
- 360 (B) loss of consciousness;
- 361 (C) loss of work;
- 362 (D) restriction of work; or
- 363 (E) transfer to another job.
- 364 (viii) The commission shall make rules in accordance with Title 63G, Chapter 3,
365 Utah Administrative Rulemaking Act, to implement this Subsection (3)(b)
366 consistent with nationally recognized rules or standards on the reporting and
367 recording of work-related injuries and occupational diseases.
- 368 (c)(i) The commission shall make rules in accordance with Title 63G, Chapter 3,

Utah Administrative Rulemaking Act, requiring employers to keep records regarding exposures to potentially toxic materials or harmful physical agents required to be measured or monitored under Section 34A-6-202.

(ii)(A) The rules made under Subsection (3)(c)(i) shall provide for employees or their representatives:

(I) to observe the measuring or monitoring; and

(II) to have access to the records of the measuring or monitoring, and to records that indicate their exposure to toxic materials or harmful agents.

(B) Each employer shall promptly notify employees being exposed to toxic materials or harmful agents in concentrations that exceed prescribed levels and inform any such employee of the corrective action being taken.

(4) Information obtained by the division shall be obtained with a minimum burden upon employers, especially those operating small businesses.

(5) A representative of the employer and a representative authorized by employees shall be given an opportunity to accompany the division's authorized representative during the physical inspection of any workplace. If there is no authorized employee representative, the division's authorized representative shall consult with a reasonable number of employees concerning matters of health and safety in the workplace.

(6)(a)(i)(A) Any employee or representative of employees who believes that a violation of an adopted safety or health standard exists that threatens physical harm, or that an imminent danger exists, may request an inspection by giving notice to the division's authorized representative of the violation or danger.

The notice shall be:

(I) in writing, setting forth with reasonable particularity the grounds for notice; and

(II) signed by the employee or representative of employees.

(B) A copy of the notice shall be provided the employer or the employer's agent no later than at the time of inspection.

(C) Upon request of the person giving notice, the person's name and the names of individual employees referred to in the notice may not appear in the copy or on any record published, released, or made available pursuant to Subsection (7).

(ii)(A) If upon receipt of the notice the division's authorized representative determines there are reasonable grounds to believe that a violation or danger exists, the authorized representative shall make a special inspection in

accordance with this section as soon as practicable to determine if a violation or danger exists.

(B) If the division's authorized representative determines there are no reasonable grounds to believe that a violation or danger exists, the authorized representative shall notify the employee or representative of the employees in writing of that determination.

(b)(i) Prior to or during any inspection of a workplace, any employee or representative of employees employed in the workplace may notify the division or [~~its representative~~] the division's authorized representative of any violation of a standard that they have reason to believe exists in the workplace.

(ii) The division shall:

(A) by rule, establish procedures for informal review of any refusal by [a] an authorized representative of the division to issue a citation with respect to any alleged violation; and

(B) furnish the employees or representative of employees requesting review a written statement of the reasons for the division's final disposition of the case.

(7)(a) The division may compile, analyze, and publish, either in summary or detailed form, all reports or information obtained under this section, subject to the limitations set forth in Section 34A-6-306.

(b) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, necessary to carry out its responsibilities under this chapter, including rules for information obtained under this section, subject to the limitations set forth in Section 34A-6-306.

(8) Any employer who refuses or neglects to make reports, to maintain records, or to file reports with the commission as required by this section is guilty of a class C misdemeanor and subject to citation under Section 34A-6-302 and a civil assessment as provided under Section 34A-6-307, unless the commission finds that the employer has shown good cause for submitting a report later than required by this section.

Section 5. Section **34A-6-302** is amended to read:

34A-6-302 . Citations issued by division -- Grounds -- Posting -- Limitation.

(1)(a) If upon inspection or investigation, the division or [its] the division's authorized representative believes that an employer has violated a requirement of Section 34A-6-201, of any standard, rule, or order issued under Section 34A-6-202, or any rules under this chapter, it shall with reasonable promptness issue a citation to the

437 employer.

438 (b) Each citation shall:

439 (i) be in writing; and

440 (ii) describe with particularity the nature of the violation, including a reference to the
441 provision of the chapter, standard, rule, or order alleged to have been violated.

442 (c) The citation shall fix a reasonable time for the abatement of the violation. In the case
443 of a review proceeding initiated by the employer in good faith, not for the purpose of
444 delay or avoidance of the penalties, the time for abatement begins to run on the date
445 of the final order of the commission.

446 (d) The commission may prescribe procedures for the issuance of a notice in lieu of a
447 citation with respect to violations that have no direct or immediate relationship to
448 safety or health.

449 (2) Each citation issued under this section or a copy shall be prominently posted by the
450 employer, as required by rule, at or near each place a violation referred to in the citation
451 occurred.

452 (3) A citation may not be issued under this section after the expiration of six months
453 following the occurrence of any violation.

454 Section 6. Section **59-1-210** is amended to read:

455 **59-1-210 . General powers and duties.**

456 The powers and duties of the commission are as follows:

457 (1) to sue and be sued in its own name;

458 (2) to adopt rules and policies consistent with the Constitution and laws of this state to
459 govern the commission, executive director, division directors, and commission
460 employees in the performance of their duties;

461 (3) to adopt rules and policies consistent with the Constitution and laws of the state, to
462 govern county boards and officers in the performance of any duty relating to assessment,
463 equalization, and collection of taxes;

464 (4) to prescribe the use of forms relating to the assessment of property for state or local
465 taxation, the equalization of those assessments, the reporting of property or income for
466 state or local taxation purposes, or for the computation of those taxes and the reporting
467 of any information, statistics, or data required by the commission;

468 (5) to administer and supervise the tax laws of the state;

469 (6) to prepare and maintain from year to year a complete record of all lands subject to
470 taxation in this state, and all machinery used in mining and all property or surface

- improvements upon or appurtenant to mines or mining claims;
- (7) to exercise general supervision over assessors and county boards of equalization including the authority to enforce Section 59-2-303.1, and over other county officers in the performance of their duties relating to the assessment of property and collection of taxes, so that all assessments of property are just and equal, according to fair market value, and that the tax burden is distributed without favor or discrimination;
- (8) to reconvene any county board of equalization which, when reconvened, may only address business approved by the commission and extend the time for which any county board of equalization may sit for the equalization of assessments;
- (9) to confer with, advise, and direct county treasurers, assessors, and other county officers in matters relating to the assessment and equalization of property for taxation and the collection of taxes;
- (10) to provide for and hold annually at such time and place as may be convenient a district or state convention of county assessors, auditors, and other county officers to consider and discuss matters relative to taxation, uniformity of valuation, and changes in the law relative to taxation and methods of assessment, to which county assessors and other officers called to attend shall attend at county expense;
- (11) to direct proceedings, actions, and prosecutions to enforce the laws relating to the penalties, liabilities, and punishments of public officers, persons, and officers or agents of corporations for failure or neglect to comply with the statutes governing the reporting, assessment, and taxation of property;
- (12) to cause complaints to be made in the proper court seeking removal from office of assessors, auditors, members of county boards, and other assessing, taxing, or disbursing officers, who are guilty of official misconduct or neglect of duty;
- (13) to require county attorneys to immediately institute and prosecute actions and proceedings in respect to penalties, forfeitures, removals, and punishments for violations of the laws relating to the assessment and taxation of property in their respective counties;
- (14) to require any person to furnish any information required by the commission to ascertain the value and the relative burden borne by all kinds of property in the state, and to require from all state and local officers any information necessary for the proper discharge of the duties of the commission;
- (15) to examine all records relating to the valuation of property of any person;
- (16) to subpoena witnesses to appear and give testimony and produce records relating to

any matter before the commission;

(17) to cause depositions of witnesses to be taken as in civil actions at the request of the commission or any party to any matter or proceeding before the commission;

(18) to authorize any member or employee of the commission to administer oaths and affirmations in any matter or proceeding relating to the exercise of the powers and duties of the commission;

(19) to visit periodically each county of the state, to investigate and direct the work and methods of local assessors and other officials in the assessment, equalization, and taxation of property, and to ascertain whether the law requiring the assessment of all property not exempt from taxation, and the collection of taxes, have been properly administered and enforced;

(20) to carefully examine all cases where evasion or violation of the laws for assessment and taxation of property is alleged, to ascertain whether existing laws are defective or improperly administered;

(21) to furnish to the governor from time to time such assistance and information as the governor requires;

(22) to transmit to the governor and to each member of the Legislature recommendations as to legislation which will correct or eliminate defects in the operation of the tax laws and will equalize the burden of taxation within the state;

(23) to correct any error in any assessment made by it at any time before the tax is due and report the correction to the county auditor, who shall enter the corrected assessment upon the assessment roll;

(24) to compile and publish statistics relating to taxation in the state and prepare and submit an annual budget to the governor for inclusion in the state budget to be submitted to the Legislature;

(25) to perform any further duties imposed by law, and exercise all powers necessary in the performance of its duties;

(26) to adopt a schedule of fees assessed for services provided by the commission, unless otherwise provided by statute. The fee shall be reasonable and fair, and shall reflect the cost of services provided. Each fee established in this manner shall be submitted to and approved by the Legislature as part of the commission's annual appropriations request. The commission may not charge or collect any fee proposed in this manner without approval by the Legislature;

(27) to comply with the procedures and requirements of Title 63G, Chapter 4,

Administrative Procedures Act, in its adjudicative proceedings; and
(28) to distribute [~~the money deposited into the Rural Health Care Facilities Account~~]
money to improve the delivery of quality health care in rural areas of the state, as
required by Section 26B-1-308.

Section 7. Section **59-15-109** is amended to read:

59-15-109 . Commission to deposit beer tax revenue.

(1) Except as provided in Subsections (2) and (3), the commission shall deposit revenue
collected under this chapter as follows:

(a) the greater of the following shall be deposited into the Alcoholic Beverage

Enforcement and Treatment Restricted Account created in Section 32B-2-403:

(i) an amount calculated by:

(A) determining an amount equal to 50% of the revenue collected for the fiscal
year two years preceding the fiscal year for which the deposit is made; and

(B) subtracting \$30,000 from the amount determined under Subsection

(1)(a)(i)(A); or

(ii) \$4,350,000; and

(b) the revenue collected in excess of the amount deposited in accordance with
Subsection (1)(a) shall be deposited into the General Fund.

(2) The commission shall annually deposit into the Alcoholic Beverage Enforcement and
Treatment Restricted Account created in Section 32B-2-403 an amount equal to the
amount of revenue generated in the current fiscal year by the portion of the tax imposed
under Section 59-15-101 that is equal to:

(a) \$0.30 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2003; and

(b) a proportionate rate to the rate described in Subsection (2)(a) for:

(i) any quantity of beer other than a 31-gallon barrel; or

(ii) the fractional parts of a 31-gallon barrel.

(3) Beginning fiscal year 2024-25, the commission shall annually deposit into the Alcoholic
Beverage Control Act Enforcement Fund created in Section 32B-2-305 an amount equal
to the amount of revenue generated in the current fiscal year by the portion of the tax
imposed under Section 59-15-101 that exceeds:

(a) \$13.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2024; and

(b) a proportionate rate to the rate described in Subsection (3)(a) for:

- 573 (i) any quantity of beer other than a 31-gallon barrel; or
574 (ii) the fractional parts of a 31-gallon barrel.
- 575 ~~[(4)(a) The commission shall notify the entities described in Subsection (4)(b) not later~~
576 ~~than the September 1 preceding the fiscal year of the deposit of:]~~
- 577 ~~[(i) the amount of the proceeds of the beer excise tax collected in accordance with~~
578 ~~this section for the fiscal year two years preceding the fiscal year of deposit; and]~~
- 579 ~~[(ii) an amount equal to 50% of the amount listed in Subsection (4)(a)(i).]~~
- 580 ~~[(b) The notification required by Subsection (4)(a) shall be sent to:]~~
- 581 ~~[(i) the Governor's Office of Planning and Budget; and]~~
- 582 ~~[(ii) the Legislative Fiscal Analyst.]~~

583 Section 8. Section **63A-1-103** is amended to read:

584 **63A-1-103 . Definitions.**

585 As used in this title:

- 586 (1) "Agency" means a board, commission, institution, department, division, officer, council,
587 office, committee, bureau, or other administrative unit of the state, including the agency
588 head, agency employees, or other persons acting on behalf of or under the authority of
589 the agency head, the Legislature, the courts, or the governor, but does not mean a
590 political subdivision of the state, or any administrative unit of a political subdivision of
591 the state.
- 592 (2) "Department" means the Department of Government Operations.
- 593 (3) "Enterprise business management system" means the software system administered by
594 the department to integrate, streamline, and centralize the department's business
595 operations related to:
- 596 (a) the state's accounting system;
597 (b) payroll and human resources management;
598 (c) vendor management; and
599 (d) loan management and servicing.

- 600 ~~[(3)]~~ (4) "Executive director" means the executive director of the Department of
601 Government Operations.

602 Section 9. Section **63A-1-109.5** is amended to read:

603 **63A-1-109.5 . Department authority to operate the department, a division, or an**
604 **office as an internal service fund agency.**

- 605 (1) Subject to Subsection (2), Section 63A-1-114, and provisions governing internal
606 service funds or internal service fund agencies under Title 63J, Chapter 1, Budgetary

Procedures Act, the department may~~[- operate a division or office described in Section 63A-1-109 as an internal service fund agency.]~~ :

(a) operate the department as an internal service fund agency; or

(b) operate a division or office described in Section 63A-1-109 as an internal service fund agency.

(2)(a) The department may only operate the department as an internal service fund agency for the purpose of providing a service related to the enterprise business management system.

(b) If the department operates the department as an internal service fund agency in accordance with this section, the department shall, before charging a rate, fee, or other amount for a service provided by the department's internal service fund to an executive branch agency, or to a subscriber of services other than an executive branch agency:

(i) submit the proposed rate, fee, or other amount and cost analysis to the rate committee established in Section 63A-1-114; and

(ii) obtain the approval of the Legislature as required under Section 63J-1-410.

Section 10. Section **63A-1-114** is amended to read:

63A-1-114 . Rate committee -- Membership -- Duties.

(1)(a) There is created a rate committee consisting of the executive directors, commissioners, or superintendents of seven state agencies, which may include the State Board of Education, that use services and pay rates to one of the department internal service funds, or their designee, that the governor appoints for a two-year term.

(b) The department may not have a representative on the rate committee.

(c)(i) The committee shall elect a chair from the committee's members.

(ii) Members of the committee who are state government employees and who do not receive salary, per diem, or expenses from their agency for their service on the committee shall receive no compensation, benefits, per diem, or expenses for the members' service on the committee.

(d) The department shall provide staff services to the committee.

(2)[(a) ~~A division described in Section 63A-1-109 that manages an internal service fund shall submit to the committee a proposed rate schedule for services rendered by the division to an executive branch entity or an entity that subscribes to services rendered by the division.~~] A division described in Section 63A-1-109 that operates an internal

641 service fund, or the department, if the department operates an internal service fund
642 under Section 63A-1-109.5, shall submit to the rate committee:

643 (a) a proposed rate schedule for the goods or services rendered by the department or the
644 division to:

645 (i) an executive branch entity; or

646 (ii) an entity that subscribes to a service rendered by the department or the division;

647 and

648 (b) other information or analysis requested by the rate committee.

649 [(b)] (3) [The] Subject to Subsection (4), the committee shall:

650 [(i)] (a) conduct all meetings in accordance with Title 52, Chapter 4, Open and Public
651 Meetings Act;

652 [(ii)] (b) meet at least once each calendar year to:

653 [(A)] (i) discuss the service performance of each internal service fund;

654 [(B)] (ii) review the proposed rate schedules;

655 [(C)] (iii) at the rate committee's discretion, [-]approve, increase, or decrease the rate [-]
656 schedules described in Subsection [(2)(b)(ii)(B)] (3)(b)(ii); and

657 [(D)] (iv) discuss any prior or potential adjustments to the service level received by
658 state agencies that pay rates to an internal service fund;

659 [(iii)] (c) recommend a proposed rate schedule for each internal service fund to:

660 [(A)] (i) the Governor's Office of Planning and Budget; and

661 [(B)] (ii) each legislative appropriations subcommittee that, in accordance with
662 Section 63J-1-410, approves the internal service fund agency's rates and budget;

663 and

664 [(iv)] (d) review and approve, increase, or decrease an interim rate when an internal
665 service fund agency begins a new service or introduces a new product between
666 annual general sessions of the Legislature.

667 (4) In addition to the meeting described in Subsection (3)(b), if an internal service fund
668 agency submits a proposed increased rate schedule to the rate committee in accordance
669 with Subsection 63J-1-410(4)(c), the committee shall, no later than 30 days after the day
670 on which the committee receives the increased rate schedule, convene a meeting of the
671 committee to:

672 (a) review the proposed increased rate schedule; and

673 (b) at the committee's discretion, approve or reject the proposed increased rate schedule.

674 [(e)] (5) The committee may in accordance with Subsection 63J-1-410(4), decrease a rate

that has been approved by the Legislature.

Section 11. Section **63B-1-304** is amended to read:

63B-1-304 . State Building Ownership Authority created -- Members -- Compensation.

(1) There is created a body politic and corporate to be known as the State Building Ownership Authority composed of:

- (a) the governor;
- (b) the state treasurer; and
- (c) the executive director of the Department of Government Operations.

(2) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

- (a) Section 63A-3-106;
- (b) Section 63A-3-107; and
- (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(3)(a) Upon request, the division shall provide staff support to the State Building Ownership Authority.

(b) The State Building Ownership Authority may seek and obtain independent financial advice, support, and information from the state financial advisor created under Section 67-4-16.

Section 12. Section **63J-1-410** is amended to read:

63J-1-410 . Internal service funds -- Governance and review.

(1) For purposes of this section:

- (a) "Agency" means a department, division, office, bureau, or other unit of state government, and includes any subdivision of an agency.
- (b) "Do not replace vehicles" means a vehicle accounted for in the Division of Fleet Operations for which charges to an agency for its use do not include amounts to cover depreciation or to accumulate assets to replace the vehicle at the end of its useful life.
- (c) "Internal service fund agency" means an agency that provides goods or services to other agencies of state government or to other governmental units on a capital maintenance and cost reimbursement basis, and which recovers costs through interagency billings.
- (d) "Revolving loan fund" means each of the revolving loan funds defined in Section

63A-3-205.

- (2) An internal service fund agency is not subject to this section with respect to its administration of a revolving loan fund.
- (3)(a) An internal service fund agency may not bill another agency for services that it provides for each internal service fund operated by the agency, unless the Legislature has:
- (i) reviewed and approved each internal service fund's budget request;
 - (ii) reviewed and approved each internal service fund's rates, fees, and other amounts that it charges those who use its services and included those rates, fees, and amounts in an appropriation act;
 - (iii) approved the number of full-time~~[-, permanent]~~ positions of each internal service fund as part of the annual appropriation process;
 - (iv) ~~[review]~~ reviewed the number of full-time equivalent contract employees of each internal service fund as part of the annual appropriation process; and
 - (v) appropriated to the internal service fund agency each internal service fund's estimated revenue based upon the rates and fee structure that are the basis for the estimate.
- (b) If an internal service fund agency operates more than one internal service fund within the internal service fund agency, the internal service fund agency shall comply with the review and approval requirements under Subsection (3)(a) for each internal service fund.
- (c) If an internal service fund agency operates an internal service fund and does not get the approvals required under Subsection (3)(a) or (4)(b), the internal service fund agency shall rebate all rates, fees, and amounts collected to those who use the services for the rates, fees, and amounts collected that were not approved under Subsection (3)(a) or (4)(b).
- (4)(a) Except as provided in Subsection (4)(b) and (c), an internal service fund agency may not charge rates, fees, and other amounts that exceed the rates, fees, and amounts ~~[established]~~ approved by the Legislature in ~~[the]~~ an appropriations act.
- (b)(i) An internal service fund agency that begins a new service or introduces a new product between annual general sessions of the Legislature may, for that service or product:
- (A) establish and charge an interim rate or amount;
 - (B) acquire contract employees, if necessary; or

- 743 (C) do a combination of Subsections (4)(b)(i)(A) and (B).
- 744 (ii) The internal service fund agency shall:
- 745 (A) submit the interim rate or amount under Subsection (4)(b)(i) to the Legislature
- 746 for approval at the next annual general session; and
- 747 (B) report any change in the number of contract employees under Subsection
- 748 (4)(b)(i) to the appropriate legislative appropriations subcommittee for review.
- 749 (c) An internal service fund agency may, in a fiscal year, charge rates, fees, and other
- 750 amounts that exceed the rates, fees, or amounts approved by the Legislature in an
- 751 appropriations act, if:
- 752 (i) during the immediately preceding annual general session, the Legislature
- 753 appropriates money to each state agency to pay for an increase in the state
- 754 agency's employee's compensation;
- 755 (ii) within \hat{H} → [30] 90 ← \hat{H} days after the day on which the Legislature adjourns
- 755a the general session
- 756 sine die, the internal service fund agency submits a proposed increased rate
- 757 schedule to the rate committee established in Section 63A-1-114 that adjusts the
- 758 rates, fees, and amounts approved by the Legislature to reflect the percentage
- 759 increase that the Legislature appropriated for state agency employee compensation
- 760 under Subsection (4)(c)(i);
- 761 (iii) the rate committee approves the proposed increased rate schedule described in
- 762 Subsection (4)(c)(ii) during the meeting described in Subsection 63A-1-114(4);
- 763 and
- 764 (iv) the internal service fund agency uses all the revenue from the rate schedule
- 765 increase under this Subsection (4) to increase the internal service fund agency's
- 766 employee's compensation in an amount equivalent to the state agency employee
- 767 compensation increase described in Subsection (4)(c)(i).
- 768 (5) The internal service fund agency budget request shall separately identify the capital
- 769 needs and the related capital budget.
- 770 (6) In the fiscal year that the accounting change referred to in Subsection 51-5-6(2) is
- 771 implemented by the Division of Finance, the Division of Finance shall transfer equity
- 772 created by that accounting change to any internal service fund agency up to the amount
- 773 needed to eliminate any long-term debt and deficit working capital in the fund.
- 774 (7) No new internal service fund agency may be established unless reviewed and approved
- 775 by the Legislature.

- 776 (8)(a) Except as provided in Subsection (8)(f), an internal service fund agency may not
777 acquire capital assets unless legislative approval for acquisition of the assets has been
778 included in an appropriations act for the internal service fund agency.
- 779 (b) An internal service fund agency may not acquire capital assets after the transfer
780 mandated by Subsection (6) has occurred unless the internal service fund agency has
781 adequate working capital.
- 782 (c) The internal service fund agency shall provide working capital from the following
783 sources in the following order:
- 784 (i) first, from operating revenues to the extent allowed by state rules and federal
785 regulations;
- 786 (ii) second, from long-term debt, subject to the restrictions of this section; and
787 (iii) last, from an appropriation.
- 788 (d)(i) To eliminate negative working capital, an internal service fund agency may
789 incur long-term debt from the General Fund or Special Revenue Funds to acquire
790 capital assets.
- 791 (ii) The internal service fund agency shall repay all long-term debt borrowed from the
792 General Fund or Special Revenue Funds by making regular payments over the
793 useful life of the asset according to the asset's depreciation schedule.
- 794 (e)(i) The Division of Finance may not allow an internal service fund agency's
795 borrowing to exceed 90% of the net book value of the agency's capital assets as of
796 the end of the fiscal year.
- 797 (ii) If an internal service fund agency wishes to purchase authorized assets or enter
798 into equipment leases that would increase its borrowing beyond 90% of the net
799 book value of the agency's capital assets, the agency may purchase those assets
800 only with money appropriated from another fund, such as the General Fund or a
801 special revenue fund.
- 802 (f)(i) Except as provided in Subsection (8)(f)(ii), capital assets acquired through
803 agency appropriation may not be transferred to any internal service fund agency
804 without legislative approval.
- 805 (ii) Vehicles acquired by agencies from appropriated funds or money appropriated to
806 agencies to be used for vehicle purchases may be transferred to the Division of
807 Fleet Operations and, when transferred, become part of the Fleet Operations
808 Internal Service Fund.
- 809 (iii) Vehicles acquired with funding from sources other than state appropriations or

acquired through the federal surplus property donation program may be transferred to the Division of Fleet Operations and, when transferred, become part of the Fleet Operations Internal Service Fund.

(iv) Unless otherwise approved by the Legislature, vehicles acquired under Subsection (8)(f)(iii) shall be accounted for as "do not replace" vehicles.

(9) The Division of Finance shall adopt policies and procedures related to the accounting for assets, liabilities, equity, revenues, expenditures, and transfers of internal service funds agencies.

Section 13. **FY 2025 Appropriations.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2024, and ending June 30, 2025. These are additions to amounts previously appropriated for fiscal year 2025.

Subsection 13(a). **Operating and Capital Budgets**

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.

ITEM 1	To Utah State Tax Commission - Rural Health Care Facilities Distribution	
	From General Fund, One-time	218,900
	From General Fund Restricted - Rural Healthcare	
	Facilities Acct, One-time	(218,900)

Subsection 13(b). **Restricted Fund and Account Transfers**

The Legislature authorizes the State Division of Finance to transfer the following amounts between the following funds or accounts as indicated. Expenditures and outlays from the funds to which the money is transferred must be authorized by an appropriation.

ITEM 2	To General Fund Restricted - Rural Health Care Facilities Fund	
	From General Fund, One-time	(218,900)
	Schedule of Programs:	
	General Fund Restricted - Rural Health Care	
	Facilities Fund	(218,900)

Section 14. **FY 2026 Appropriations.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2025, and ending June 30, 2026. These are additions to amounts previously appropriated for fiscal year 2026.

Subsection 14(a). **Operating and Capital Budgets**

844 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
845 Legislature appropriates the following sums of money from the funds or accounts indicated for
846 the use and support of the government of the state of Utah.

847 ITEM 3 To Utah State Tax Commission - Rural Health Care Facilities Distribution
848 From General Fund Restricted - Rural Healthcare
849 Facilities Acct (218,900)
850 Schedule of Programs:
851 Rural Health Care Facilities Distribution (218,900)

852 ITEM 4 To Utah State Tax Commission - Rural Health Care Facilities Distribution
853 From General Fund 218,900
854 Schedule of Programs:
855 Rural Health Care Facilities Distribution 218,900

856 Subsection 14(b). **Restricted Fund and Account Transfers**

857 The Legislature authorizes the State Division of Finance to transfer the following
858 amounts between the following funds or accounts as indicated. Expenditures and outlays from
859 the funds to which the money is transferred must be authorized by an appropriation.

860 ITEM 5 To General Fund Restricted - Rural Health Care Facilities Fund
861 From General Fund (218,900)
862 Schedule of Programs:
863 General Fund Restricted - Rural Health Care
864 Facilities Fund (218,900)

865 Section 15. **Effective Date.**
866 This bill takes effect on May 7, 2025.