

R. Neil Walter proposes the following substitute bill:

1 **Local Education Agency Financial Reporting**

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: R. Neil Walter

Senate Sponsor:

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2 **LONG TITLE**

3 **General Description:**

4 This bill amends provisions related to the Utah Public Finance Website and financial  
5 reporting for education.

6 **Highlighted Provisions:**

7 This bill:

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- 9 ▶ defines terms;

10 ▶ excludes certain financial information from reporting requirements;

11 ▶ requires the state auditor to create certain common naming conventions;

12 ▶ requires a local education agency to:

  - 13 • use common naming conventions when reporting payroll data; and
  - 14 • include an employee's benefits when reporting payroll data; and

15 ▶ makes technical and conforming changes.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 This bill provides a special effective date.

20 **Utah Code Sections Affected:**

21 **AMENDS:**

22 **67-3-12**, as last amended by Laws of Utah 2025, First Special Session, Chapter 9

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

25 Section 1. Section **67-3-12** is amended to read:

26 **67-3-12 . Utah Public Finance Website -- Establishment and administration --**

27 **Records disclosure -- Exceptions.**

28 (1) As used in this section:

29       (a) "Common naming convention" means a standardized set of job titles and position  
30       classifications the Office of the State Auditor creates to ensure consistent reporting of  
31       payroll and benefit compensation data for a local education agency.

32       [(a)] (b)(i) Subject to Subsections [(1)(a)(ii)] (1)(b)(ii) and (iii), "independent entity"  
33       means the same as that term is defined in Section 63E-1-102.

34       (ii) "Independent entity" includes an entity that is part of an independent entity  
35       described in Subsection [(1)(a)(i)] (1)(b)(i), if the entity is considered a component  
36       unit of the independent entity under the governmental accounting standards issued  
37       by the Governmental Accounting Standards Board.

38       (iii) "Independent entity" does not include the Utah State Retirement Office created  
39       in Section 49-11-201.

40       [(b)] (c) "Local education agency" means a school district or charter school.

41       [(e)] (d) "Participating local entity" means:  
42       (i) a county;  
43       (ii) a municipality;  
44       (iii) the State Fair Park Authority, created in Section 11-68-201;  
45       (iv) a special district under Title 17B, Limited Purpose Local Government Entities -  
46       Special Districts;  
47       (v) a special service district under Title 17D, Chapter 1, Special Service District Act;  
48       (vi) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;  
49       (vii) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit  
50       District Act;  
51       (viii) except for a taxed interlocal entity as defined in Section 11-13-602:  
52           (A) an interlocal entity as defined in Section 11-13-103;  
53           (B) a joint or cooperative undertaking as defined in Section 11-13-103; or  
54           (C) any project, program, or undertaking entered into by interlocal agreement in  
55       accordance with Title 11, Chapter 13, Interlocal Cooperation Act;  
56       (ix) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that  
57       is part of an entity described in Subsections [(1)(e)(i)] (1)(d)(i) through (viii), if the  
58       entity is considered a component unit of the entity described in Subsections [  
59       (1)(e)(i)] (1)(d)(i) through (viii) under the governmental accounting standards  
60       issued by the Governmental Accounting Standards Board;  
61       (x) a conservation district under Title 17D, Chapter 3, Conservation District Act; or  
62       (xi) a governmental nonprofit corporation under Title 11, Chapter 13a, Governmental

## Nonprofit Corporations Act.

[~~(d)~~] (e)(i) "Participating state entity" means the state of Utah, including its executive, legislative, and judicial branches, its departments, divisions, agencies, boards, commissions, councils, committees, and institutions.

(ii) "Participating state entity" includes an entity that is part of an entity described in Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in Subsection ~~(1)(d)(i)~~ (1)(b)(i) under the governmental accounting standards issued by the Governmental Accounting Standards Board.

[~~(e)~~] (f) "Public finance website" or "website" means the website established by the state auditor in accordance with this section.

[~~(f)~~] (g)(i) "Public financial information" means each record that is required under this section or by rule made by the Office of the State Auditor under [Subsection (9)] Subsection (10) to be made available on the public finance website, a participating local entity's website, or an independent entity's website.

(ii) "Public financial information" does not include payments a third-party contractor or vendor makes to employees of the third-party contractor or vendor in connection with providing a contractual service to a local education agency.

[~~(g)~~] (h) "Qualifying entity" means:

- (i) an independent entity;
- (ii) a participating local entity;
- (iii) a participating state entity;
- (iv) a local education agency;
- (v) an institution of higher education as defined in Section 53H-1-101;
- (vi) the Utah Educational Savings Plan created in Section 53H-10-202;
- (vii) the Utah Housing Corporation created in Section 63H-8-201;
- (viii) the School and Institutional Trust Lands Administration created in Section 53C-1-201;
- (ix) the Utah Capital Investment Corporation created in Section 63N-6-301; or
- (x) a URS-participating employer.

[(h)] (i)(i) "URS-participating employer" means an entity that:

(A) is a participating employer, as that term is defined in Section 49-11-102; and  
(B) is not required to report public financial information under this section as a qualifying entity described in Subsections (1)(g)(i) through (ix).

- (A) the Utah State Retirement Office created in Section 49-11-201;
- (B) an insurer that is subject to the disclosure requirements of Section 31A-4-113;
- (C) a private nonprofit organization that is not a public employees' association; or
- (D) a withdrawing entity.

[(i)] (j)(i) "Withdrawing entity" means:

- (A) an entity that elects to withdraw from participation in a system or plan under Title 49, Chapter 11, Part 6, Procedures and Records;
- (B) until the date determined under Subsection 49-11-626(2)(a), a public employees' association that provides the notice of intent described in Subsection 49-11-626(2)(b); and
- (C) beginning on the date determined under Subsection 49-11-626(2)(a), a public employees' association that makes an election described in Subsection 49-11-626(3).

(ii) "Withdrawing entity" includes a withdrawing entity, as that term is defined in Sections 49-11-623 and 49-11-624.

(2) The state auditor shall[-] :

- (a) establish and maintain a public finance website in accordance with this section[.] ;
- (b) create and maintain a list of common naming conventions that apply to each local education agency; and
- (c) ensure that each local education agency reporting payroll and compensation data selects job titles from the common naming conventions when submitting or updating payroll and compensation data.

(3) The website shall:

- (a) permit Utah taxpayers to:
  - (i) view, understand, and track the use of taxpayer dollars by making public financial information available on the Internet for participating state entities, independent entities, participating local entities, and URS-participating employers, using the website; and
  - (ii) link to websites administered by participating local entities, independent entities, or URS-participating employers that do not use the website for the purpose of providing public financial information as required by this section and by rule made under Subsektion (9) Subsection (10);
- (b) allow a person that has Internet access to use the website without paying a fee;
- (c) allow the public to search public financial information on the website;

131 (d) provide access to financial reports, financial audits, budgets, or other financial  
132 documents that are used to allocate, appropriate, spend, and account for government  
133 funds, as may be established by rule made in accordance with [Subseetion (9)]  
134 Subsection (10);  
135 (e) have a unique and simplified website address;  
136 (f) ~~[be guided by the]~~ use the principles described in Subsection 63A-16-202(2) as  
137 guidance;  
138 (g) include other links, features, or functionality that will assist the public in obtaining  
139 and reviewing public financial information, as may be established by rule made under [  
140 Subseetion (9)] Subsection (10);  
141 (h) use common naming conventions for a local education agency's payroll and  
142 compensation data posted to the website; and  
143 [h] (i) include a link to school report cards published on the State Board of Education's  
144 website under Section 53E-5-211.

145 (4) The state auditor shall:  
146 (a) establish and maintain the website, including the provision of equipment, resources,  
147 and personnel as necessary;  
148 (b) maintain an archive of all information posted to the website;  
149 (c) coordinate and process the receipt and posting of public financial information from  
150 participating state entities; and  
151 (d) coordinate and regulate the posting of public financial information by participating  
152 local entities and independent entities.

153 (5) A qualifying entity shall permit the public to view the qualifying entity's public  
154 financial information by posting the public financial information to the public finance  
155 website in accordance with rules made under [Subseetion (9)] Subsection (10).

156 (6) The content of the public financial information posted to the public finance website is  
157 the responsibility of the qualifying entity posting the public financial information.

158 (7) A URS-participating employer shall provide employee compensation information for  
159 each fiscal year ending on or after June 30, 2022:

160 (a) to the state auditor for posting on the Utah Public Finance Website; or  
161 (b)(i) through the URS-participating employer's own website; and  
162 (ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state  
163 auditor for posting on the Utah Public Finance Website.

164 (8)(a) A qualifying entity may not post financial information that is classified as private,

165 controlled, or protected under Title 63G, Chapter 2, Government Records Access and  
166 Management Act, to the public finance website.

167 (b) An individual who negligently discloses financial information that is classified as  
168 private, protected, or controlled by Title 63G, Chapter 2, Government Records  
169 Access and Management Act, is not criminally or civilly liable for an improper  
170 disclosure of the financial information if the financial information is disclosed solely  
171 as a result of the preparation or publication of the website.

172 (9) A local education agency shall include an employee's benefits when reporting payroll  
173 and compensation data to the state auditor under this section.

174 [9] (10) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
175 the Office of the State Auditor:

176 (a) shall make rules to:

177 (i) establish which records a qualifying entity is required to post to the public finance  
178 website;

179 (ii) establish and enforce common naming conventions for a local education agency  
180 reporting payroll and compensation data; and

181 [9] (iii) establish procedures for obtaining, submitting, reporting, storing, and  
182 posting public financial information on the public finance website; and

183 (b) may make rules:

184 (i) governing when a qualifying entity is required to disclose an expenditure made by  
185 a person under contract with the qualifying entity, including the form and content  
186 of the disclosure; and

187 (ii) allowing for the inclusion of financial data provided by a participating local entity  
188 to be included on the Utah Public Finance Website in a uniform manner.

189 [10] (11) The rules made under [Subsection (9)] Subsection (10) shall only require a  
190 URS-participating employer to provide employee compensation information for each  
191 fiscal year ending on or after June 30, 2022:

192 (a) to the state auditor for posting on the public finance website; or

193 (b)(i) through the URS-participating employer's own website; and

194 (ii) via a link to the website described in [Subsection (10)(b)(i)] Subsection (11)(b)(i),  
195 submitted to the state auditor for posting on the public finance website.

196 **Section 2. Effective Date.**

197 This bill takes effect on July 1, 2026.