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Utah State Legislature

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November 19, 2019

Senator Jerry W. Stevenson, Senate Chair
Representative Bradley G. Last, House Chair
Executive Appropriations Committee
Utah State Legislature
Salt Lake City, UT 84114

Dear Senator Stevenson and Representative Last,

The Business, Economic Development and Labor Appropriations Subcommittee is pleased to report our actions during the 2019 Interim. In response to new requirements in HJR 18 (2019 General Session), you asked us to meet three times (June, August and October) to review accountable process budgets. We also deliberated on items that were required by intent language, pending from the 2019 General Session, or otherwise emerging in advance of the 2020 General Session.

As required by JR3-2-501, as amended in HJR 18, we identified approximately 20 percent of our budget for the accountable budget process, ensuring that each program within our purview is subject to the process at least once every five years. We presented our plan to you during your May 14, 2019 meeting. Please find a copy of our plan [here](#) and attached to this report.

Based on the schedule, the Governor's Office of Economic Development was slated to be the first department evaluated, however, because of work they were doing on a strategic vision the chairs agreed to have the Department of Heritage and Arts be the first department to go through the accountable budget process.

Per HJR 18, the accountable budget process is "a review of a line item or program... to determine whether or the extent to which to recommend the line item or program be included in a budget for the upcoming fiscal year."

A key part of the accountable budget process for the Business, Economic Development and Labor Appropriations Subcommittee was a review of the new grants program evaluation requested by the Legislature in the 2019 General Session. The department was able to provide comprehensive information for many of the Request for Appropriation items along with detailed information on funding requests made through the competitive grant process. The subcommittee felt the information provided by the department would be helpful going forward as they look at prioritizing future requests for appropriation.

The subcommittee looked at requiring several of the ongoing pass through items to go through the competitive grant process but ultimately decided to let the new grant process play out for another year

before making any significant changes. The subcommittee did take a vote to encourage the Executive Appropriations Committee to make the sustainable grant program funding ongoing.

The following details the results of our accountable budget process:

1. The subcommittee scrutinized the budgets for the Department of Heritage and Arts this year. The department makes up about 20 percent of the programs for the subcommittee.
2. The subcommittee reviewed the changes to the Arts grants program adopted in the 2019 General Session.
3. The subcommittee worked with the agency to develop and adopt new performance measures that should help evaluate agency outcomes.
4. The subcommittee voted to consolidate the Office of Museum Services and Division of Arts and Museums into one-line item but retain the reporting on the program level.
5. The subcommittee voted to make the percent-for-the-Arts program a separate line item.
6. The subcommittee voted to authorize the department to replace up to three vehicles.
7. The subcommittee voted to allow nonlapsing intent for FY 2020.
8. The subcommittee passed intent to have the Division of State Library review the Bookmobile program services and billing formula and have them come back with recommendations by August 2020 on what to do with the program.

Sincerely,

Chairs of the Business, Economic Development and Labor Appropriations Subcommittee.

Sen. Scott D. Sandall, Co-Chair

Rep. Val K. Potter, Co-Chair

Rep. Christine F. Watkins, House Vice Chair