

Effective 5/1/2024

Chapter 9 Oversight of Independent Entities

63H-9-101 Definitions.

As used in this chapter:

- (1) "Best practices toolbox" means the collection of resources for governmental entities provided on the website of the Office of the Legislative Auditor General that includes a best practice self-assessment and other resources, tools, surveys, and reports designed to help government organizations better serve the citizens of the state.
- (2) "Consensus group" means the Office of Legislative Research and General Counsel, the Office of the Legislative Auditor General, and the Office of the Legislative Fiscal Analyst.
- (3)
 - (a) "Independent entity" means an entity that:
 - (i) has a public purpose relating to the state or its citizens;
 - (ii) is individually created by the state;
 - (iii) is separate from the judicial and legislative branches of state government; and
 - (iv) is not under the direct supervisory control of the governor.
 - (b) "Independent entity" does not include an entity that is:
 - (i) a county;
 - (ii) a municipality as defined in Section 10-1-104;
 - (iii) an institution of higher education as defined in Section 53B-2-102;
 - (iv) a public school as defined in Section 53G-8-701;
 - (v) a special district as defined in Section 17B-1-102;
 - (vi) a special service district as defined in Section 17D-1-102;
 - (vii) created by an interlocal agreement as described in Section 11-13-203; or
 - (viii) an elective constitutional office, including the state auditor, the state treasurer, and the attorney general.
 - (c) Independent entities that are subject to the provisions of this chapter include the:
 - (i) Career Service Review Office created in Section 67-19a-201;
 - (ii) Capitol Preservation Board created in Section 63C-9-201;
 - (iii) Colorado River Authority created in Section 63M-14-201;
 - (iv) Heber Valley Historic Railroad Authority created in Section 63H-4-102;
 - (v) Military Installation Development Authority created in Section 63H-1-201;
 - (vi) Office of the Great Salt Lake Commissioner created in Section 73-32-301;
 - (vii) Office of Inspector General of Medicaid Services created in Section 63A-13-201;
 - (viii) Point of the Mountain State Land Authority created in Section 11-59-201;
 - (ix) Public Service Commission created in Section 54-1-1;
 - (x) School and Institutional Trust Fund Office created in Section 53C-1-201;
 - (xi) School and Institutional Trust Lands Administration created in Section 53D-1-201;
 - (xii) Utah Beef Council created in Section 4-21-103;
 - (xiii) Utah Capital Investment Corporation created in Section 63N-6-301;
 - (xiv) Utah Communications Authority created in Section 63H-7a-201;
 - (xv) Utah Dairy Commission created in Section 4-22-103;
 - (xvi) Utah Education and Telehealth Network created in Section 53B-17-105;
 - (xvii) Utah Housing Corporation created in Section 63H-8-201;
 - (xviii) Utah Inland Port Authority created in Section 11-58-201;

- (xix) Utah Innovation Lab created in Section 63N-20-201;
- (xx) Utah Lake Authority created in Section 11-65-201;
- (xxi) Utah Retirement Systems created in Section 49-11-201; and
- (xxii) Utah State Fair Park Authority created in Section 11-68-201.

Enacted by Chapter 370, 2024 General Session

63H-9-102 Independent entity best practices.

- (1) By May 1 of each year, the Legislative Management Committee may designate one or more of the independent entities listed in Subsection 63H-9-101(4)(c) for legislative study.
- (2) An independent entity designated for legislative study under Subsection (1) shall:
 - (a) use all designated material in the best practices toolbox to conduct a self-assessment of the independent entity;
 - (b) report the results of the assessment described in Subsection (2)(a) to the consensus group and the governor by June 30; and
 - (c) cooperate with the consensus group and, upon request from the consensus group, provide information and material pertaining to an assessment described in Section 63H-9-103.
- (3) An independent entity may request best practice training from the Office of the Legislative Auditor General.

Enacted by Chapter 370, 2024 General Session

63H-9-103 Consensus group -- Duties.

- (1)
 - (a) By September 1 of each year, the consensus group shall provide a report on each of the assessment results provided under Subsection 63H-9-102(2)(b) to the Legislative Management Committee, the Legislative Audit Subcommittee, and the Executive Appropriations Committee.
 - (b) For each report described in Subsection (1)(a), the consensus group may consider the independent entity's:
 - (i) public purpose;
 - (ii) relative proximity to or independence from the state;
 - (iii) governance structure;
 - (iv) financial risks and controls, so far as they pertain to state funds;
 - (v) oversight structure; and
 - (vi) exemptions from state policies, procedures, and use of resources.
- (2) To facilitate the work of the consensus group, and pursuant to Section 36-12-18, the consensus group may request, and shall be provided upon request, any document, reports, or information available to a department, division, commission, agency, or other instrumentality of state government.
- (3) After receiving a report from the consensus group, the Legislative Management Committee, the Legislative Audit Subcommittee, and the Executive Appropriations Committee may each take any action in accordance with their respective duties, authority, and powers, which may include:
 - (a) requiring an audit;
 - (b) requiring review by an interim committee for potential legislative action; or
 - (c) requesting review by an appropriations subcommittee for potential fiscal action.

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