

## Chapter 3 Auditor

### 67-3-1 Functions and duties.

- (1)
  - (a) The state auditor is the auditor of public accounts and is independent of any executive or administrative officers of the state.
  - (b) The state auditor is not limited in the selection of personnel or in the determination of the reasonable and necessary expenses of the state auditor's office.
- (2) The state auditor shall examine and certify annually in respect to each fiscal year, financial statements showing:
  - (a) the condition of the state's finances;
  - (b) the revenues received or accrued;
  - (c) expenditures paid or accrued;
  - (d) the amount of unexpended or unencumbered balances of the appropriations to the agencies, departments, divisions, commissions, and institutions; and
  - (e) the cash balances of the funds in the custody of the state treasurer.
- (3)
  - (a) The state auditor shall:
    - (i) audit each permanent fund, each special fund, the General Fund, and the accounts of any department of state government or any independent agency or public corporation as the law requires, as the auditor determines is necessary, or upon request of the governor or the Legislature;
    - (ii) perform the audits in accordance with generally accepted auditing standards and other auditing procedures as promulgated by recognized authoritative bodies; and
    - (iii) as the auditor determines is necessary, conduct the audits to determine:
      - (A) honesty and integrity in fiscal affairs;
      - (B) accuracy and reliability of financial statements;
      - (C) effectiveness and adequacy of financial controls; and
      - (D) compliance with the law.
  - (b) If any state entity receives federal funding, the state auditor shall ensure that the audit is performed in accordance with federal audit requirements.
  - (c)
    - (i) The costs of the federal compliance portion of the audit may be paid from an appropriation to the state auditor from the General Fund.
    - (ii) If an appropriation is not provided, or if the federal government does not specifically provide for payment of audit costs, the costs of the federal compliance portions of the audit shall be allocated on the basis of the percentage that each state entity's federal funding bears to the total federal funds received by the state.
    - (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit funds passed through the state to local governments and to reflect any reduction in audit time obtained through the use of internal auditors working under the direction of the state auditor.
- (4)
  - (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to financial audits, and as the auditor determines is necessary, conduct performance and special purpose audits, examinations, and reviews of any entity that receives public funds, including a determination of any or all of the following:

- (i) the honesty and integrity of all the entity's fiscal affairs;
  - (ii) whether the entity's administrators have faithfully complied with legislative intent;
  - (iii) whether the entity's operations have been conducted in an efficient, effective, and cost-efficient manner;
  - (iv) whether the entity's programs have been effective in accomplishing the intended objectives; and
  - (v) whether the entity's management, control, and information systems are adequate, effective, and secure.
- (b) The auditor may not conduct performance and special purpose audits, examinations, and reviews of any entity that receives public funds if the entity:
- (i) has an elected auditor; and
  - (ii) has, within the entity's last budget year, had the entity's financial statements or performance formally reviewed by another outside auditor.
- (5) The state auditor:
- (a) shall administer any oath or affirmation necessary to the performance of the duties of the auditor's office; and
  - (b) may:
    - (i) subpoena witnesses and documents, whether electronic or otherwise; and
    - (ii) examine into any matter that the auditor considers necessary.
- (6) The state auditor may require all persons who have had the disposition or management of any property of this state or its political subdivisions to submit statements regarding the property at the time and in the form that the auditor requires.
- (7) The state auditor shall:
- (a) except where otherwise provided by law, institute suits in Salt Lake County in relation to the assessment, collection, and payment of revenues against:
    - (i) persons who by any means have become entrusted with public money or property and have failed to pay over or deliver the money or property; and
    - (ii) all debtors of the state;
  - (b) collect and pay into the state treasury all fees received by the state auditor;
  - (c) perform the duties of a member of all boards of which the state auditor is a member by the constitution or laws of the state, and any other duties that are prescribed by the constitution and by law;
  - (d) stop the payment of the salary of any state official or state employee who:
    - (i) refuses to settle accounts or provide required statements about the custody and disposition of public funds or other state property;
    - (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling board or department head with respect to the manner of keeping prescribed accounts or funds; or
    - (iii) fails to correct any delinquencies, improper procedures, and errors brought to the official's or employee's attention;
  - (e) establish accounting systems, methods, and forms for public accounts in all taxing or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;
  - (f) superintend the contractual auditing of all state accounts;
  - (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that officials and employees in those taxing units comply with state laws and procedures in the budgeting, expenditures, and financial reporting of public funds;

- (h) subject to Subsection (9), withhold the disbursement of tax money from any county, if necessary, to ensure that officials and employees in the county comply with Section 59-2-303.1; and
  - (i) withhold state allocated funds or the disbursement of property taxes from a local government entity or a limited purpose entity, as those terms are defined in Section 67-1a-15 if the state auditor finds the withholding necessary to ensure that the entity registers and maintains the entity's registration with the lieutenant governor, in accordance with Section 67-1a-15.
- (8)
- (a) Except as otherwise provided by law, the state auditor may not withhold funds under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal written notice of noncompliance from the auditor and has been given 60 days to make the specified corrections.
  - (b) If, after receiving notice under Subsection (8)(a), a state or independent local fee-assessing unit that exclusively assesses fees has not made corrections to comply with state laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the state auditor:
    - (i) shall provide a recommended timeline for corrective actions;
    - (ii) may prohibit the state or local fee-assessing unit from accessing money held by the state; and
    - (iii) may prohibit a state or local fee-assessing unit from accessing money held in an account of a financial institution by filing an action in district court requesting an order of the court to prohibit a financial institution from providing the fee-assessing unit access to an account.
  - (c) The state auditor shall remove a limitation on accessing funds under Subsection (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and financial reporting of public funds.
  - (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with state law, the state auditor:
    - (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to comply;
    - (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the state; and
    - (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an account of a financial institution by:
      - (A) contacting the taxing or fee-assessing unit's financial institution and requesting that the institution prohibit access to the account; or
      - (B) filing an action in district court requesting an order of the court to prohibit a financial institution from providing the taxing or fee-assessing unit access to an account.
  - (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state law, the state auditor shall eliminate a limitation on accessing funds described in Subsection (8)(d).
- (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has received formal written notice of noncompliance from the auditor and has been given 60 days to make the specified corrections.
- (10)
- (a) The state auditor may not withhold funds under Subsection (7)(i) until the state auditor receives a notice of non-registration, as that term is defined in Section 67-1a-15.
  - (b) If the state auditor receives a notice of non-registration, the state auditor may prohibit the local government entity or limited purpose entity, as those terms are defined in Section 67-1a-15, from accessing:
    - (i) money held by the state; and
    - (ii) money held in an account of a financial institution by:

- (A) contacting the entity's financial institution and requesting that the institution prohibit access to the account; or
- (B) filing an action in district court requesting an order of the court to prohibit a financial institution from providing the entity access to an account.
- (c) The state auditor shall remove the prohibition on accessing funds described in Subsection (10)(b) if the state auditor received a notice of registration, as that term is defined in Section 67-1a-15, from the lieutenant governor.
- (11) Notwithstanding Subsection (7)(g), (7)(h), (7)(i), (8)(b), (8)(d), or (10)(b), the state auditor:
  - (a) shall authorize a disbursement by a local government entity or limited purpose entity, as those terms are defined in Section 67-1a-15, or a state or local taxing or fee-assessing unit if the disbursement is necessary to:
    - (i) avoid a major disruption in the operations of the local government entity, limited purpose entity, or state or local taxing or fee-assessing unit; or
    - (ii) meet debt service obligations; and
  - (b) may authorize a disbursement by a local government entity, limited purpose entity, or state or local taxing or fee-assessing unit as the state auditor determines is appropriate.
- (12)
  - (a) The state auditor may seek relief under the Utah Rules of Civil Procedure to take temporary custody of public funds if an action is necessary to protect public funds from being improperly diverted from their intended public purpose.
  - (b) If the state auditor seeks relief under Subsection (12)(a):
    - (i) the state auditor is not required to exhaust the procedures in Subsection (7) or (8); and
    - (ii) the state treasurer may hold the public funds in accordance with Section 67-4-1 if a court orders the public funds to be protected from improper diversion from their public purpose.
- (13) The state auditor shall:
  - (a) establish audit guidelines and procedures for audits of local mental health and substance abuse authorities and their contract providers, conducted pursuant to Title 17, Chapter 43, Part 2, Local Substance Abuse Authorities, Title 17, Chapter 43, Part 3, Local Mental Health Authorities, Title 26B, Chapter 5, Health Care - Substance Use and Mental Health, and Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act; and
  - (b) ensure that those guidelines and procedures provide assurances to the state that:
    - (i) state and federal funds appropriated to local mental health authorities are used for mental health purposes;
    - (ii) a private provider under an annual or otherwise ongoing contract to provide comprehensive mental health programs or services for a local mental health authority is in compliance with state and local contract requirements and state and federal law;
    - (iii) state and federal funds appropriated to local substance abuse authorities are used for substance abuse programs and services; and
    - (iv) a private provider under an annual or otherwise ongoing contract to provide comprehensive substance abuse programs or services for a local substance abuse authority is in compliance with state and local contract requirements, and state and federal law.
- (14)
  - (a) The state auditor may, in accordance with the auditor's responsibilities for political subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or investigations of any political subdivision that are necessary to determine honesty and

integrity in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of financial controls and compliance with the law.

- (b) If the state auditor receives notice under Subsection 11-41-104(7) from the Governor's Office of Economic Opportunity on or after July 1, 2024, the state auditor may initiate an audit or investigation of the public entity subject to the notice to determine compliance with Section 11-41-103.

(15)

- (a) The state auditor may not audit work that the state auditor performed before becoming state auditor.
- (b) If the state auditor has previously been a responsible official in state government whose work has not yet been audited, the Legislature shall:
- (i) designate how that work shall be audited; and
  - (ii) provide additional funding for those audits, if necessary.

(16) The state auditor shall:

- (a) with the assistance, advice, and recommendations of an advisory committee appointed by the state auditor from among special district boards of trustees, officers, and employees and special service district boards, officers, and employees:
- (i) prepare a Uniform Accounting Manual for Special Districts that:
    - (A) prescribes a uniform system of accounting and uniform budgeting and reporting procedures for special districts under Title 17B, Limited Purpose Local Government Entities - Special Districts, and special service districts under Title 17D, Chapter 1, Special Service District Act;
    - (B) conforms with generally accepted accounting principles; and
    - (C) prescribes reasonable exceptions and modifications for smaller districts to the uniform system of accounting, budgeting, and reporting;
  - (ii) maintain the manual under this Subsection (16)(a) so that the manual continues to reflect generally accepted accounting principles;
  - (iii) conduct a continuing review and modification of procedures in order to improve them;
  - (iv) prepare and supply each district with suitable budget and reporting forms; and
  - (v)
    - (A) prepare instructional materials, conduct training programs, and render other services considered necessary to assist special districts and special service districts in implementing the uniform accounting, budgeting, and reporting procedures; and
    - (B) ensure that any training described in Subsection (16)(a)(v)(A) complies with Title 63G, Chapter 22, State Training and Certification Requirements; and
- (b) continually analyze and evaluate the accounting, budgeting, and reporting practices and experiences of specific special districts and special service districts selected by the state auditor and make the information available to all districts.

(17)

- (a) The following records in the custody or control of the state auditor are protected records under Title 63G, Chapter 2, Government Records Access and Management Act:
- (i) records that would disclose information relating to allegations of personal misconduct, gross mismanagement, or illegal activity of a past or present governmental employee if the information or allegation cannot be corroborated by the state auditor through other documents or evidence, and the records relating to the allegation are not relied upon by the state auditor in preparing a final audit report;
  - (ii) records and audit workpapers to the extent the workpapers would disclose the identity of an individual who during the course of an audit, communicated the existence of any waste

- of public funds, property, or manpower, or a violation or suspected violation of a law, rule, or regulation adopted under the laws of this state, a political subdivision of the state, or any recognized entity of the United States, if the information was disclosed on the condition that the identity of the individual be protected;
- (iii) before an audit is completed and the final audit report is released, records or drafts circulated to an individual who is not an employee or head of a governmental entity for the individual's response or information;
  - (iv) records that would disclose an outline or part of any audit survey plans or audit program; and
  - (v) requests for audits, if disclosure would risk circumvention of an audit.
- (b) The provisions of Subsections (17)(a)(i), (ii), and (iii) do not prohibit the disclosure of records or information that relate to a violation of the law by a governmental entity or employee to a government prosecutor or peace officer.
- (c) The provisions of this Subsection (17) do not limit the authority otherwise given to the state auditor to classify a document as public, private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and Management Act.
- (d)
- (i) As used in this Subsection (17)(d), "record dispute" means a dispute between the state auditor and the subject of an audit performed by the state auditor as to whether the state auditor may release a record, as defined in Section 63G-2-103, to the public that the state auditor gained access to in the course of the state auditor's audit but which the subject of the audit claims is not subject to disclosure under Title 63G, Chapter 2, Government Records Access and Management Act.
  - (ii) The state auditor may submit a record dispute to the State Records Committee, created in Section 63G-2-501, for a determination of whether the state auditor may, in conjunction with the state auditor's release of an audit report, release to the public the record that is the subject of the record dispute.
  - (iii) The state auditor or the subject of the audit may seek judicial review of a State Records Committee determination under Subsection (17)(d)(ii), as provided in Section 63G-2-404.
- (18) If the state auditor conducts an audit of an entity that the state auditor has previously audited and finds that the entity has not implemented a recommendation made by the state auditor in a previous audit, the state auditor shall notify the Legislative Management Committee through the Legislative Management Committee's audit subcommittee that the entity has not implemented that recommendation.
- (19) The state auditor shall, with the advice and consent of the Senate, appoint the state privacy officer described in Section 67-3-13.
- (20) Except as provided in Subsection (21), the state auditor shall report, or ensure that another government entity reports, on the financial, operational, and performance metrics for the state system of higher education and the state system of public education, including metrics in relation to students, programs, and schools within those systems.
- (21)
- (a) Notwithstanding Subsection (20), the state auditor shall conduct regular audits of:
    - (i) the scholarship granting organization for the Special Needs Opportunity Scholarship Program, created in Section 53E-7-402;
    - (ii) the State Board of Education for the Carson Smith Scholarship Program, created in Section 53F-4-302; and
    - (iii) the scholarship program manager for the Utah Fits All Scholarship Program, created in Section 53F-6-402.

- (b) Nothing in this subsection limits or impairs the authority of the State Board of Education to administer the programs described in Subsection (21)(a).
- (22) The state auditor shall, based on the information posted by the Office of Legislative Research and General Counsel under Subsection 36-12-12.1(2), for each policy, track and post the following information on the state auditor's website:
- (a) the information posted under Subsections 36-12-12.1(2)(a) through (e);
  - (b) an indication regarding whether the policy is timely adopted, adopted late, or not adopted;
  - (c) an indication regarding whether the policy complies with the requirements established by law for the policy; and
  - (d) a link to the policy.
- (23)
- (a) A legislator may request that the state auditor conduct an inquiry to determine whether a government entity, government official, or government employee has complied with a legal obligation directly imposed, by statute, on the government entity, government official, or government employee.
  - (b) The state auditor may, upon receiving a request under Subsection (23)(a), conduct the inquiry requested.
  - (c) If the state auditor conducts the inquiry described in Subsection (23)(b), the state auditor shall post the results of the inquiry on the state auditor's website.
  - (d) The state auditor may limit the inquiry described in this Subsection (23) to a simple determination, without conducting an audit, regarding whether the obligation was fulfilled.

Amended by Chapter 16, 2023 General Session  
Amended by Chapter 330, 2023 General Session  
Amended by Chapter 353, 2023 General Session  
Amended by Chapter 480, 2023 General Session

#### **67-3-1.5 Fees of state auditor.**

The state auditor shall receive the following fees:

For a copy of any paper filed or recorded in his office, 20 cents per folio.

For affixing certificate, with or without seal, \$1.

For filing any paper not otherwise provided for, \$1.

Renumbered and Amended by Chapter 46, 2001 General Session

#### **67-3-2 Right to compel accounting by, and state accounts with, all collectors of state money -- Escheats.**

Whenever any person has received money, or has money or other personal property which belongs to the state by escheat or otherwise, or has been entrusted with the collection, management or disbursement of any money, bonds, or interest accruing thereon, belonging to or held in trust by the state, and fails to render an account thereof to and make settlement with the state auditor within the time prescribed by law, or, when no particular time is specified, fails to render such account and make settlement, or who fails to pay into the state treasury any money belonging to the state, upon being required so to do by the state auditor, within 20 days after such requisition, the state auditor must state an account with such person, charging 25% damages, and interest at the rate of 10% per annum from the time of failure; a copy of such account in any suit thereon shall be prima facie evidence of the things therein stated. In case the state auditor cannot, for want of information, state such an account, he may in any action brought by him aver the fact,

and allege generally the amount of money or other property which is due to or which belongs to the state.

No Change Since 1953

**67-3-3 Disbursements of public funds -- Suspension of disbursements -- Procedure upon suspension.**

- (1) The state auditor may suspend any disbursement of public funds whenever, in the state auditor's opinion, the disbursement is contrary to law.
- (2)
  - (a) If the validity of a disbursement described in Subsection (1) is not established within six months from the date of original suspension, the state auditor shall refer the matter to the attorney general for appropriate action.
  - (b) If, in the attorney general's opinion, the suspension described in Subsection (2)(a) was justified, the attorney general shall immediately notify the state auditor, who shall immediately make demand upon the surety of the disbursing or certifying officer.
  - (c) If the state auditor makes a demand under Subsection (2)(b), the surety shall immediately meet the demand and pay into the state treasury by certified check or legal tender any amount or amounts disbursed and involved in the suspension.
- (3)
  - (a) The state auditor shall ensure that each suspension is in writing.
  - (b) The state auditor shall:
    - (i) prepare a form to be known as the notice of suspension;
    - (ii) ensure that the form contains complete information as to:
      - (A) the payment suspended;
      - (B) the reason for the suspension;
      - (C) the amount of money involved; and
      - (D) any other information that will clearly establish identification of the payment;
    - (iii) retain the original of the suspension notice;
    - (iv) serve one copy of the suspension notice upon:
      - (A) the disbursing or certifying officer;
      - (B) any member of the finance commission; and
      - (C) the surety of the disbursing or certifying officer, except that mailing the copy to the surety company constitutes legal service;
    - (v) attach one copy of the suspension notice to the document under suspension; and
    - (vi) take receipts entered upon the original suspension notice held by the state auditor from the disbursing or certifying officer, the finance commission, and the surety.
- (4)
  - (a) Immediately upon any suspension becoming final, the finance commission shall:
    - (i) cause an entry to be made debiting the disbursing or certifying officer with the amount of money involved in any suspension notice; and
    - (ii) credit the account originally charged by the payment.
  - (b) Upon release of final suspension by the state auditor, the finance commission shall make a reversing entry, crediting the disbursing or certifying officer, and like credit shall be given in all recoveries from the surety.
- (5)
  - (a) In accordance with this Subsection (5), the state auditor may prohibit the access of a state or local taxing or fee-assessing unit to money held by the state or in an account of a financial



institution, if the state auditor determines that the local taxing or fee-assessing unit is not in compliance with state law regarding budgeting, expenditures, financial reporting of public funds, and transparency.

- (b) The state auditor may not withhold funds under Subsection (5)(a) until the state auditor:
  - (i) sends formal notice of noncompliance to the state or local taxing or fee-assessing unit; and
  - (ii) allows the state or local taxing or fee-assessing unit 60 calendar days to:
    - (A) make the specified corrections; or
    - (B) demonstrate to the state auditor that the specified corrections are not legally required.
- (c) If, after receiving notice under Subsection (5)(b), the state or local fee-assessing unit does not make the specified corrections and the state auditor does not agree with any demonstration under Subsection (5)(b)(ii)(B), the state auditor:
  - (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to comply;
  - (ii) shall provide a recommended timeline for corrective actions;
  - (iii) may prohibit the taxing or fee-assessing unit from accessing money held by the state; and
  - (iv) may prohibit the taxing or fee-assessing unit from accessing money held in an account of a financial institution by:
    - (A) contacting the taxing or fee-assessing unit's financial institution and requesting that the institution prohibit access to the account; or
    - (B) filing an action in district court requesting an order of the court to prohibit a financial institution from providing the taxing or fee-assessing unit access to an account.
- (d) The state auditor shall remove the prohibition on accessing funds described in Subsections (5)(c)(iii) and (iv) if:
  - (i) the state or local taxing or fee-assessing unit makes the specified corrections described in Subsection (5)(b); or
  - (ii) the state auditor agrees with a demonstration under Subsection (5)(b)(ii)(B).

Amended by Chapter 256, 2018 General Session

**67-3-4 Appropriations not to be diverted from purposes.**

No appropriation and no surplus of any appropriation shall be diverted from any account to any other account, except as provided by law, and the money appropriated, or so much as may be necessary, shall be applied to the payment of the item for which the appropriation is made and nothing else.

No Change Since 1953

**67-3-5 Right of visitation and examination.**

For the purpose of carrying out the duties of the state auditor, the state auditor shall have access to all offices of public entities during business hours for the inspection of their records, regardless of any general limitation on access to records provided in an entity's individual statute.

Amended by Chapter 78, 2003 General Session

**67-3-6 Seal.**

The state auditor shall adopt a seal and shall file a description and an impression thereof with the Division of Archives.

Amended by Chapter 67, 1984 General Session

**67-3-8 Preparation and distribution of budget forms.**

The state auditor shall formulate and print budget forms for all cities, all counties, and all school districts. These budget forms shall be distributed at cost to each city, county, and school district.

Amended by Chapter 292, 2003 General Session

**67-3-10 Background checks for employees.**

- (1) As used in this section, "bureau" means the Bureau of Criminal Identification created in Section 53-10-201.
- (2) Beginning July 1, 2018, the state auditor shall require employees involved in an audit, investigation, or review requiring access to information and records, the access to which requires a background check by federal statute or regulation, to submit to a fingerprint-based local, regional, and national criminal history background check and ongoing monitoring as a condition of employment.
- (3) Each individual in a position listed in Subsection (2) shall provide a completed fingerprint card to the state auditor upon request.
- (4) The state auditor shall require that an individual required to submit to a background check under Subsection (3) provide a signed waiver on a form provided by the state auditor that meets the requirements of Subsection 53-10-108(4).
- (5) For a noncriminal justice background search and registration in accordance with Subsection 53-10-108(13), the state auditor shall submit to the bureau:
  - (a) the applicant's personal identifying information and fingerprints for a criminal history search of applicable local, regional, and national databases; and
  - (b) a request for all information received as a result of the local, regional, and nationwide background check.
- (6) The state auditor is responsible for the payment of all fees required by Subsection 53-10-108(15) and any fees required to be submitted to the Federal Bureau of Investigation by the bureau.
- (7) The state auditor may set office policy that:
  - (a) determines how the state auditor will assess the employment status of an individual upon receipt of background information; and
  - (b) identifies the appropriate privacy risk mitigation strategy to be used in accordance with Subsection 53-10-108(13)(b).

Enacted by Chapter 427, 2018 General Session

**67-3-11 Health care price transparency tool -- Transparency tool requirements.**

- (1) The state auditor shall create a health care price transparency tool:
  - (a) subject to appropriations from the Legislature and any available funding from third-party sources;
  - (b) with technical support from the Public Employees' Benefit and Insurance Program created in Section 49-20-103, the Department of Health and Human Services, and the Insurance Department; and
  - (c) in accordance with the requirements in Subsection (2).
- (2) A health care price transparency tool created by the state auditor under this section shall:
  - (a) present health care price information for consumers in a manner that is clear and accurate;
  - (b) be available to the public in a user-friendly manner;

- (c) incorporate existing data collected under Section 26B-8-504;
  - (d) incorporate data collected under Section 26B-4-204, regarding fees for qualified medical providers recommending medical cannabis, as those terms are defined in Section 26B-4-201;
  - (e) group billing codes for common health care procedures;
  - (f) be updated on a regular basis; and
  - (g) be created and operated in accordance with all applicable state and federal laws.
- (3) The state auditor may make the health care pricing data from the health care price transparency tool available to the public through an application program interface format if the data meets state and federal data privacy requirements.
- (4)
- (a) Before making a health care price transparency tool available to the public, the state auditor shall:
    - (i) seek input from the Health Data Committee created in Section 26B-1-204 on the overall accuracy and effectiveness of the reports provided by the health care price transparency tool; and
    - (ii) establish procedures to give data providers a 30-day period to review pricing information before the state auditor publishes the information on the health care price transparency tool.
  - (b) If the state auditor complies with the requirements of Subsection (4)(a), the health care price transparency tool is not subject to the requirements of Section 26B-8-506.
- (5) Each year in which a health care price transparency tool is operational, the state auditor shall report to the Health and Human Services Interim Committee before November 1 of that year:
- (a) the utilization of the health care price transparency tool; and
  - (b) policy options for improving access to health care price transparency data.

Amended by Chapter 330, 2023 General Session

**67-3-12 Utah Public Finance Website -- Establishment and administration -- Records disclosure -- Exceptions.**

- (1) As used in this section:
- (a)
    - (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same as that term is defined in Section 63E-1-102.
    - (ii) "Independent entity" includes an entity that is part of an independent entity described in Subsection (1)(a)(i), if the entity is considered a component unit of the independent entity under the governmental accounting standards issued by the Governmental Accounting Standards Board.
    - (iii) "Independent entity" does not include the Utah State Retirement Office created in Section 49-11-201.
  - (b) "Local education agency" means a school district or charter school.
  - (c) "Participating local entity" means:
    - (i) a county;
    - (ii) a municipality;
    - (iii) the State Fair Park Authority, created in Section 11-68-201;
    - (iv) a special district under Title 17B, Limited Purpose Local Government Entities - Special Districts;
    - (v) a special service district under Title 17D, Chapter 1, Special Service District Act;
    - (vi) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;
    - (vii) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit District Act;

- (viii) except for a taxed interlocal entity as defined in Section 11-13-602:
    - (A) an interlocal entity as defined in Section 11-13-103;
    - (B) a joint or cooperative undertaking as defined in Section 11-13-103; or
    - (C) any project, program, or undertaking entered into by interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act;
  - (ix) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that is part of an entity described in Subsections (1)(c)(i) through (viii), if the entity is considered a component unit of the entity described in Subsections (1)(c)(i) through (viii) under the governmental accounting standards issued by the Governmental Accounting Standards Board; or
  - (x) a conservation district under Title 17D, Chapter 3, Conservation District Act.
- (d)
- (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) under the governmental accounting standards issued by the Governmental Accounting Standards Board.
- (e) "Public finance website" or "website" means the website established by the state auditor in accordance with this section.
- (f) "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) to be made available on the public finance website, a participating local entity's website, or an independent entity's website.
- (g) "Qualifying entity" means:
- (i) an independent entity;
  - (ii) a participating local entity;
  - (iii) a participating state entity;
  - (iv) a local education agency;
  - (v) a state institution of higher education as defined in Section 53B-3-102;
  - (vi) the Utah Educational Savings Plan created in Section 53B-8a-103;
  - (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) "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).
  - (ii) "URS-participating employer" does not include:
    - (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; or
    - (C) a withdrawing entity.
- (i)
- (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 establish and maintain a public finance website in accordance with this section.
- (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 Subsection (9);
  - (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;
  - (d) provide access to financial reports, financial audits, budgets, or other financial documents that are used to allocate, appropriate, spend, and account for government funds, as may be established by rule made in accordance with Subsection (9);
  - (e) have a unique and simplified website address;
  - (f) be guided by the principles described in Subsection 63A-16-202(2);
  - (g) include other links, features, or functionality that will assist the public in obtaining and reviewing public financial information, as may be established by rule made under Subsection (9); and
  - (h) include a link to school report cards published on the State Board of Education's website under Section 53E-5-211.
- (4) The state auditor shall:
- (a) establish and maintain the website, including the provision of equipment, resources, and personnel as necessary;
  - (b) maintain an archive of all information posted to the website;
  - (c) coordinate and process the receipt and posting of public financial information from participating state entities; and
  - (d) coordinate and regulate the posting of public financial information by participating local entities and independent entities.
- (5) A qualifying entity shall permit the public to view the qualifying entity's public financial information by posting the public financial information to the public finance website in accordance with rules made under Subsection (9).
- (6) The content of the public financial information posted to the public finance website is the responsibility of the qualifying entity posting the public financial information.
- (7) A URS-participating employer shall provide employee compensation information for each fiscal year ending on or after June 30, 2022:
- (a) to the state auditor for posting on the Utah Public Finance Website; or
  - (b)
    - (i) through the URS-participating employer's own website; and

- (ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state auditor for posting on the Utah Public Finance Website.
- (8)
- (a) A qualifying entity may not post financial information that is classified as private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and Management Act, to the public finance website.
  - (b) An individual who negligently discloses financial information that is classified as private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and Management Act, is not criminally or civilly liable for an improper disclosure of the financial information if the financial information is disclosed solely as a result of the preparation or publication of the website.
- (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the Office of the State Auditor:
- (a) shall make rules to:
    - (i) establish which records a qualifying entity is required to post to the public finance website; and
    - (ii) establish procedures for obtaining, submitting, reporting, storing, and posting public financial information on the public finance website; and
  - (b) may make rules governing when a qualifying entity is required to disclose an expenditure made by a person under contract with the qualifying entity, including the form and content of the disclosure.
- (10) The rules made under Subsection (9) shall only require a URS-participating employer to provide employee compensation information for each fiscal year ending on or after June 30, 2022:
- (a) to the state auditor for posting on the public finance website; or
  - (b)
    - (i) through the URS-participating employer's own website; and
    - (ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state auditor for posting on the public finance website.

Amended by Chapter 16, 2023 General Session  
Amended by Chapter 502, 2023 General Session

**67-3-13 State privacy officer.**

- (1) As used in this section:
- (a) "Designated government entity" means a government entity that is not a state agency.
  - (b) "Independent entity" means the same as that term is defined in Section 63E-1-102.
  - (c)
    - (i) "Government entity" means the state, a county, a municipality, a higher education institution, a special district, a special service district, a school district, an independent entity, or any other political subdivision of the state or an administrative subunit of any political subdivision, including a law enforcement entity.
    - (ii) "Government entity" includes an agent of an entity described in Subsection (1)(c)(i).
  - (d)
    - (i) "Personal data" means any information relating to an identified or identifiable individual.
    - (ii) "Personal data" includes personally identifying information.
  - (e)
    - (i) "Privacy practice" means the acquisition, use, storage, or disposal of personal data.

- (ii) "Privacy practice" includes:
  - (A) a technology use related to personal data; and
  - (B) policies related to the protection, storage, sharing, and retention of personal data.
- (f)
  - (i) "State agency" means the following entities that are under the direct supervision and control of the governor or the lieutenant governor:
    - (A) a department;
    - (B) a commission;
    - (C) a board;
    - (D) a council;
    - (E) an institution;
    - (F) an officer;
    - (G) a corporation;
    - (H) a fund;
    - (I) a division;
    - (J) an office;
    - (K) a committee;
    - (L) an authority;
    - (M) a laboratory;
    - (N) a library;
    - (O) a bureau;
    - (P) a panel;
    - (Q) another administrative unit of the state; or
    - (R) an agent of an entity described in Subsections (A) through (Q).
  - (ii) "State agency" does not include:
    - (A) the legislative branch;
    - (B) the judicial branch;
    - (C) an executive branch agency within the Office of the Attorney General, the state auditor, the state treasurer, or the State Board of Education; or
    - (D) an independent entity.
- (2) The state privacy officer shall:
  - (a) when completing the duties of this Subsection (2), focus on the privacy practices of designated government entities;
  - (b) compile information about government privacy practices of designated government entities;
  - (c) make public and maintain information about government privacy practices on the state auditor's website;
  - (d) provide designated government entities with educational and training materials developed by the Personal Privacy Oversight Commission established in Section 63C-24-201 that include the information described in Subsection 63C-24-202(1)(b);
  - (e) implement a process to analyze and respond to requests from individuals for the state privacy officer to review a designated government entity's privacy practice;
  - (f) identify annually which designated government entities' privacy practices pose the greatest risk to individual privacy and prioritize those privacy practices for review;
  - (g) review each year, in as timely a manner as possible, the privacy practices that the privacy officer identifies under Subsection (2)(e) or (2)(f) as posing the greatest risk to individuals' privacy;
  - (h) when reviewing a designated government entity's privacy practice under Subsection (2)(g), analyze:

- (i) details about the technology or the policy and the technology's or the policy's application;
  - (ii) information about the type of data being used;
  - (iii) information about how the data is obtained, stored, shared, secured, and disposed;
  - (iv) information about with which persons the designated government entity shares the information;
  - (v) information about whether an individual can or should be able to opt out of the retention and sharing of the individual's data;
  - (vi) information about how the designated government entity de-identifies or anonymizes data;
  - (vii) a determination about the existence of alternative technology or improved practices to protect privacy; and
  - (viii) a finding of whether the designated government entity's current privacy practice adequately protects individual privacy; and
- (i) after completing a review described in Subsections (2)(g) and (h), determine:
- (i) each designated government entity's use of personal data, including the designated government entity's practices regarding data:
    - (A) acquisition;
    - (B) storage;
    - (C) disposal;
    - (D) protection; and
    - (E) sharing;
  - (ii) the adequacy of the designated government entity's practices in each of the areas described in Subsection (2)(i)(i); and
  - (iii) for each of the areas described in Subsection (2)(i)(i) that the state privacy officer determines to require reform, provide recommendations for reform to the designated government entity and the legislative body charged with regulating the designated government entity.
- (3)
- (a) The legislative body charged with regulating a designated government entity that receives a recommendation described in Subsection (2)(i)(iii) shall hold a public hearing on the proposed reforms:
- (i) with a quorum of the legislative body present; and
  - (ii) within 90 days after the day on which the legislative body receives the recommendation.
- (b)
- (i) The legislative body shall provide notice of the hearing described in Subsection (3)(a).
  - (ii) Notice of the public hearing and the recommendations to be discussed shall be posted for the jurisdiction of the designated government entity, as a class A notice under Section 63G-30-102, for at least 30 days before the day on which the legislative body will hold the public hearing.
  - (iii) Each notice required under Subsection (3)(b)(i) shall:
    - (A) identify the recommendations to be discussed; and
    - (B) state the date, time, and location of the public hearing.
- (c) During the hearing described in Subsection (3)(a), the legislative body shall:
- (i) provide the public the opportunity to ask questions and obtain further information about the recommendations; and
  - (ii) provide any interested person an opportunity to address the legislative body with concerns about the recommendations.



- (d) At the conclusion of the hearing, the legislative body shall determine whether the legislative body shall adopt reforms to address the recommendations and any concerns raised during the public hearing.
- (4)
  - (a) Except as provided in Subsection (4)(b), if the chief privacy officer described in Section 67-1-17 is not conducting reviews of the privacy practices of state agencies, the state privacy officer may review the privacy practices of a state agency in accordance with the processes described in this section.
  - (b) Subsection (3) does not apply to a state agency.
- (5) The state privacy officer shall:
  - (a) quarterly report, to the Personal Privacy Oversight Commission:
    - (i) recommendations for privacy practices for the commission to review; and
    - (ii) the information provided in Subsection (2)(i); and
  - (b) annually, on or before October 1, report to the Judiciary Interim Committee:
    - (i) the results of any reviews described in Subsection (2)(g), if any reviews have been completed;
    - (ii) reforms, to the extent that the state privacy officer is aware of any reforms, that the designated government entity made in response to any reviews described in Subsection (2)(g);
    - (iii) the information described in Subsection (2)(i); and
    - (iv) recommendations for legislation based on any results of a review described in Subsection (2)(g).

Amended by Chapter 16, 2023 General Session  
Amended by Chapter 173, 2023 General Session  
Amended by Chapter 435, 2023 General Session