

DEPARTMENT OF AGRICULTURE AND FOOD

AUDIT REQUIREMENTS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Craig W. Buttars

LONG TITLE

General Description:

This bill removes the requirement that a licensed accountant who audits certain accounts be selected by the commissioner and approved by the state auditor and makes technical amendments.

Highlighted Provisions:

This bill:

▶ deletes the requirement that a licensed accountant who audits certain accounts be selected by the commissioner and approved by the state auditor; ~~and~~

▶ **AMENDS PROVISION RELATING TO THE AUDITING OF THE UTAH DAIRY COMMISSION'S ACCOUNTS SO THAT THE ACCOUNTANT PERFORMING THE AUDIT IS SELECTED BY THE COMMISSION RATHER THAN THE COMMISSIONER; AND**

▶ makes technical amendments.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

4-21-5, as last amended by Chapter 134, Laws of Utah 1985

4-22-8, as last amended by Chapter 9, Laws of Utah 2002

4-23-8, as last amended by Chapter 3, Laws of Utah 1982

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



28 Section 1. Section 4-21-5 is amended to read:

29 **4-21-5. Revenue from fees to be used to promote beef industry -- Payment of**
30 **revenue monthly to Utah Beef Council -- Deduction of costs of administration and**
31 **processing funds -- Annual audit of books, records, and accounts -- Financial statement**
32 **of audit published.**

33 (1) (a) All revenue derived from the collection of fees authorized by this chapter [is]
34 shall be used to promote the beef industry of the state [with] and the revenue [generated] shall
35 be paid to:

36 (i) the Utah Beef Council, a Utah nonprofit corporation organized [for the purpose of
37 promoting] to promote Utah beef[-]; or [to]

38 (ii) an agency, acceptable to the department, with the concurrence of the Utah
39 Cattlemen's Association[-, or a].

40 (b) The revenue shall be paid monthly [basis], as requested by the council or appointed
41 agency, [with a deduction of] and the actual costs of administration [of] for processing the
42 funds shall be deducted before disbursing the funds.

43 (2) (a) The books, records, and accounts of the Utah Beef Council or appointed agency
44 [are] shall be audited at least once annually by a licensed accountant [selected by the
45 commissioner and approved by the state auditor].

46 (b) The results of the audit [are] shall be submitted to the commissioner, and a
47 financial statement of the audit and a general statement of operations and promotional and
48 advertising activities shall be published by the council or appointed agency in a major livestock
49 publication having general circulation in Utah.

50 Section 2. Section 4-22-8 is amended to read:

51 **4-22-8. Revenue from assessment used to promote dairy industry -- Deposit of**
52 **funds -- Annual audit of books, records, and accounts -- Annual financial report to**
53 **producers.**

54 (1) The revenue derived from the assessment imposed by Section 4-22-7 shall be used
55 exclusively for the:

- 56 (a) administration of this chapter; and
- 57 (b) promotion of the state's dairy industry.

58 (2) (a) A voucher, receipt, or other written record for each withdrawal from the Utah

59 Dairy Commission Fund shall be kept by the commission.

60 (b) No funds shall be withdrawn from the fund except upon order of the commission.

61 (3) The commission may deposit the proceeds of the assessment in one or more
62 accounts in one or more banks approved by the state as depositories.

63 (4) The books, records, and accounts of the commission's activities are public records.

64 (5) (a) The accounts of the commission shall be audited once annually by a licensed
65 accountant ~~to be~~ **selected by the []** ~~commissioner~~ **COMMISSION [] and approved by the**
65a **state auditor []** .

66 (b) The results of the audit shall be submitted to the:

67 (i) commissioner;

68 (ii) commission; and

69 (iii) Division of Finance.

70 (c) It is the responsibility of the commission to send annually a financial report to each
71 producer.

72 Section 3. Section **4-23-8** is amended to read:

73 **4-23-8. Proceeds of sheep fee -- Refund of sheep fees -- Annual audit of books,**
74 **records, and accounts.**

75 (1) (a) The commissioner ~~[is authorized to expend]~~ may spend an amount not to exceed
76 the equivalent of 16 cents per head each year from the proceeds collected from the fee imposed
77 on sheep for the promotion, advancement, and protection of the sheep interests of the state.

78 (b) All costs to promote or advance sheep interests shall be deducted from the total
79 revenue collected ~~[prior to]~~ before calculating the annual budget request ~~[to]~~, which shall be
80 made by the Division of Wildlife Resources as specified in Section 4-23-9.

81 (c) A sheep fee is refundable in an amount equal to that part of the fee used to promote,
82 advance, or protect sheep interests. ~~[No claim for]~~

83 (d) A refund ~~[is allowed however, unless]~~ claim must be filed with the department on
84 or before January 1 of the year immediately succeeding the year for which the fee was paid.
85 ~~[Each]~~

86 (e) A refund claim ~~[for refund shall]~~ must be certified by the department to the state
87 treasurer for payment from the Agricultural and Wildlife Damage Prevention Account created
88 in Section 4-23-7.5.

89 (2) Any expense incurred by the department in administering refunds shall be paid

90 from funds allocated for the promotion, advancement, and protection of the sheep interests of
91 the state.

92 (3) (a) The books, records, and accounts of the Utah Woolgrowers Association, or any
93 other organization which receives funds from the agricultural and wildlife damage prevention
94 account, for the purpose of promoting, advancing, or protecting the sheep interests of the state,
95 shall be audited at least once annually by a licensed accountant [~~selected by the commission~~
96 ~~and approved by the state auditor~~].

97 (b) The results of [~~such~~] this audit shall be submitted to the commissioner.

Legislative Review Note

as of 2-5-04 2:09 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0349

Department of Agriculture and Food Audit Requirements

10-Feb-04

10:19 AM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst