

FEDERAL RECEIPTS REPORTING REQUIREMENTS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Wayne L. Niederhauser

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LONG TITLE

General Description:

This bill requires the reporting of federal receipts received by certain state agencies, requires the report to contain a plan to operate the state agency in the event federal receipts are reduced by certain amounts, and requires the Government Operations and Political Subdivisions Interim Committee to study whether to apply federal receipts reporting requirements to certain other governmental entities.

Highlighted Provisions:

- This bill:
 - ▶ defines terms;

- 28 ▶ requires certain state agencies to prepare and submit a report to the Division of
- 29 Finance on federal receipts received by the state agencies;
- 30 ▶ requires the report to contain a plan to operate the state agency in the event federal
- 31 receipts are reduced by certain amounts;
- 32 ▶ requires the Division of Finance to report to the Executive Appropriations
- 33 Committee on the reports the state agencies are required to make to the Division of
- 34 Finance;
- 35 ▶ provides procedures for requiring the Executive Appropriations Committee to
- 36 review the Division of Finance report;
- 37 ▶ provides that the Executive Appropriations Committee may make certain
- 38 recommendations including a reduction or elimination of appropriations to certain
- 39 state agencies; and
- 40 ▶ requires the Government Operations and Political Subdivisions Interim Committee
- 41 to study whether to apply federal receipts reporting requirements to certain other
- 42 governmental entities.

43 Money Appropriated in this Bill:

44 None

45 Other Special Clauses:

46 None

47 Utah Code Sections Affected:

48 ENACTS:

49 **63J-1-219**, Utah Code Annotated 1953

50 Uncodified Material Affected:

51 ENACTS UNCODIFIED MATERIAL



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

54 Section 1. Section **63J-1-219** is enacted to read:

55 **63J-1-219. Definitions -- Federal receipts reporting requirements.**

56 (1) As used in this section:

57 (a) (i) "Designated state agency" means the Department of Administrative Services, the
58 Department of Agriculture and Food, the Department of Alcoholic Beverage Control, the
59 Department of Commerce, the Department of Community and Culture, the Department of
60 Corrections, the Department of Environmental Quality, the Department of Financial
61 Institutions, the Department of Health, the Department of Human Resource Management, the
62 Department of Human Services, the Department of Insurance, the Department of Natural
63 Resources, the Department of Public Safety, the Department of Technology Services, the
64 Department of Transportation, the Department of Veterans' Affairs, the Department of
65 Workforce Services, the Labor Commission, the Office of Economic Development, the Public
66 Service Commission, the State Board of Regents, the State Office of Education, the State Tax
67 Commission, or the Utah National Guard.

68 (ii) "Designated state agency" does not include the judicial branch, the legislative
69 branch, or an office or other entity within the judicial branch or the legislative branch.

70 (b) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.
71 Sec. 7501, that is reported as part of a single audit.

72 (c) "Single audit" is as defined in 31 U.S.C. Sec. 7501.

73 (2) Subject to Subsections (3) and (4), a designated state agency shall each year, on or
74 before October 31, prepare a report that:

75 (a) reports the aggregate value of federal receipts the designated state agency received
76 for the preceding fiscal year;

77 (b) reports the aggregate amount of federal funds appropriated by the Legislature to the
78 designated state agency for the preceding fiscal year;

79 (c) calculates the percentage of the designated state agency's total budget for the
80 preceding fiscal year that constitutes federal receipts that the designated state agency received
81 for that fiscal year; and

82 (d) develops plans for operating the designated state agency if there is a reduction of:

83 (i) 5% or more in the federal receipts that the designated state agency receives; and

84 (ii) 25% or more in the federal receipts that the designated state agency receives.

85 (3) (a) The report required by Subsection (2) that the Board of Regents prepares shall
86 include the information required by Subsections (2)(a) through (c) for each state institution of
87 higher education listed in Section 53B-2-101.

88 (b) The report required by Subsection (2) that the State Office of Education prepares
89 shall include the information required by Subsections (2)(a) through (c) for each school district
90 and each charter school within the public education system.

91 (4) A designated state agency that prepares a report in accordance with Subsection (2)
92 shall submit the report to the Division of Finance on or before November 1 of each year.

93 (5) (a) The Division of Finance shall, on or before November 30 of each year, prepare a
94 report that:

95 (i) compiles and summarizes the reports the Division of Finance receives in accordance
96 with Subsection (4); and

97 (ii) compares the aggregate value of federal receipts each designated state agency
98 received for the previous fiscal year to the aggregate amount of federal funds appropriated by
99 the Legislature to that designated state agency for that fiscal year.

100 (b) The Division of Finance shall, as part of the report required by Subsection (5)(a),
101 compile a list of designated state agencies that do not submit a report as required by this
102 section.

103 (6) The Division of Finance shall submit the report required by Subsection (5) to the
104 Executive Appropriations Committee on or before December 1 of each year.

105 (7) Upon receipt of the report required by Subsection (5), the chairs of the Executive
106 Appropriations Committee shall place the report on the agenda for review and consideration at
107 the next Executive Appropriations Committee meeting.

108 (8) When considering the report required by Subsection (5), the Executive
109 Appropriations Committee may elect to:

110 (a) recommend that the Legislature reduce or eliminate appropriations for a designated
111 state agency;

112 (b) take no action; or

113 (c) take another action that a majority of the committee approves.

114 Section 2. **Government Operations and Political Subdivisions Interim Committee**
115 **study.**

116 During the 2011 interim, the Government Operations and Political Subdivisions Interim
117 Committee shall study whether to draft legislation requiring:

118 (1) a political subdivision to:

119 (a) calculate the aggregate value of federal receipts the political subdivision receives;

120 (b) calculate the percentage of the political subdivision's total budget that constitutes
121 federal receipts; and

122 (c) develop a plan for operating the political subdivision if there is a reduction of:

123 (i) 5% or more in the federal receipts that the political subdivision receives; and

124 (ii) 25% or more in the federal receipts that the political subdivision receives; or

125 (2) a state institution of higher education listed in Section 53B-2-101 or a school within
126 the public education system to develop a plan for operating the state institution of higher
127 education or the school if there is a reduction of:

128 (a) 5% or more in the federal receipts that the state institution of higher education or
129 school receives; and

130 (b) 25% or more in the federal receipts that the state institution of higher education or
131 school receives.