

**ACCEPTING FEDERAL FUNDS AMENDMENTS**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kenneth W. Sumsion**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends the Federal Funds Procedures Act.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ requires state review of federal funds requests of more than \$50,000;
- ▶ provides that political subdivisions and charter schools are subject to the federal funds review and approval process;
- ▶ allows the Legislature to opt out or to decline to receive certain federal funds; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63J-5-204**, as renumbered and amended by Laws of Utah 2008, Chapter 382

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

Section 1. Section **63J-5-204** is amended to read:



28 **63J-5-204. Legislative review and approval of certain new federal funds requests.**

29 (1) As used in this section:

30 (a) "Charter school" means a school created under Title 53A, Chapter 1a, Part 5, The  
31 Utah Charter Schools Act.

32 [~~(a)~~] (b) "High impact federal funds request" means a new federal funds request that  
33 will or could:

34 (i) result in the state, a political subdivision, or a charter school receiving total  
35 payments of \$10,000,000 or more per year from the federal government;

36 (ii) require the state, a political subdivision, or a charter school to add 11 or more  
37 permanent full-time employees, 11 or more permanent part-time employees, or combination of  
38 permanent full-time and permanent part-time employees equal to 11 or more in order to receive  
39 the new federal funds or participate in the new federal program; or

40 (iii) require the state to expend more than \$1,000,000 of new state money in a fiscal  
41 year in order to receive or administer the new federal funds or participate in the new federal  
42 program.

43 [~~(b)~~] (c) "Medium impact federal funds request" means a new federal funds request that  
44 will or could:

45 (i) result in the state, a political subdivision, or a charter school receiving total  
46 payments of more than [~~\$1,000,000~~] \$50,000 but less than \$10,000,000 per year from the  
47 federal government;

48 (ii) require the state, a political subdivision, or a charter school to add more than zero  
49 but less than 11 permanent full-time employees, more than zero but less than 11 permanent  
50 part-time employees, or a combination of permanent full-time employees and permanent  
51 part-time employees equal to more than zero but less than 11 in order to receive or administer  
52 the new federal funds or participate in the new federal program; or

53 (iii) require the state to expend \$1 to \$1,000,000 of new state money in a fiscal year in  
54 order to receive or administer the new federal funds or participate in the new federal program.

55 (2) (a) Before obligating the state, a political subdivision, or a charter school to accept  
56 or receive new federal funds or to participate in a new federal program under a medium impact  
57 federal funds request, and no later than three months after submitting a medium impact federal  
58 funds request, and, where possible, before formally submitting the medium impact federal

59 funds request, an agency, political subdivision, or a charter school shall:

60 (i) submit the federal funds request summary to the governor or the Judicial Council, as  
61 appropriate, for approval or rejection; and

62 (ii) if the governor or Judicial Council approves the new federal funds request, submit  
63 the federal funds request summary to the Legislative Executive Appropriations Committee for  
64 its review and recommendations.

65 (b) The Legislative Executive Appropriations Committee shall review the federal funds  
66 request summary and may:

67 (i) recommend that the agency, political subdivision, or a charter school accept the new  
68 federal funds;

69 (ii) recommend that the agency, political subdivision, or a charter school not accept the  
70 new federal funds; or

71 (iii) recommend to the governor that the governor call a special session of the  
72 Legislature to review and approve or reject the acceptance of the new federal funds.

73 (3) (a) Before obligating the state, a political subdivision, or a charter school to accept  
74 or receive new federal funds or to participate in a new federal program under a high impact  
75 federal funds request, and no later than three months after submitting a high impact federal  
76 funds request, and, where possible, before formally submitting the high impact federal funds  
77 request, an agency, political subdivision, or a charter school shall:

78 (i) submit the federal funds request summary to the governor or Judicial Council, as  
79 appropriate, for approval or rejection; and

80 (ii) if the governor or Judicial Council approves the new federal funds request, submit  
81 the federal funds request summary to the Legislature for its approval or rejection in an annual  
82 general session or a special session.

83 (b) (i) If the Legislature approves the new federal funds request, the agency, political  
84 subdivision, or a charter school may accept the new federal funds or participate in the new  
85 federal program.

86 (ii) If the Legislature fails to approve the new federal funds request, the agency,  
87 political subdivision, or a charter school may not accept the new federal funds or participate in  
88 the new federal program.

89 (c) If an agency, political subdivision, or a charter school fails to obtain the

90 Legislature's approval under this Subsection (3):

91 (i) the governor or Judicial Council, as appropriate, may require the agency, political  
92 subdivision, or a charter school to withdraw the new federal funds request or refuse or return  
93 the new federal funds;

94 (ii) the Legislature may~~[, if federal law allows,]~~ opt out or decline to participate in the  
95 new federal program or decline to receive the new federal funds; or

96 (iii) the Legislature may reduce the agency's General Fund appropriation in an amount  
97 less than, equal to, or greater than the amount of federal funds received by the agency, political  
98 subdivision, or a charter school.

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**Legislative Review Note**  
**as of 2-16-11 6:21 PM**

**Office of Legislative Research and General Counsel**

# FISCAL NOTE

H.B. 315

SHORT TITLE: **Accepting Federal Funds Amendments**

SPONSOR: **Sumsion, K.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.