

1 **POLITICAL SUBDIVISIONS - REPORT OF RECEIPTS**
2 **OF FEDERAL MONEY**

3 2012 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Ken Ivory**

6 Senate Sponsor: Todd Weiler

7
8 **LONG TITLE**

9 **General Description:**

10 This bill requires the reporting of federal receipts by a political subdivision and requires
11 the report to contain a plan to operate the political subdivision in the event federal
12 receipts are reduced by 5% and 25% or more.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ defines terms;
- 16 ▶ requires a political subdivision to prepare and submit a report to the Division of
17 Finance on federal receipts received by the political subdivision;
- 18 ▶ requires the report to contain a plan to operate the state agency in the event federal
19 receipts are reduced by 5% and 25% or more;
- 20 ▶ requires the Division of Finance to report to the Executive Appropriations
21 Committee on the reports the political subdivisions are required to make to the
22 Division of Finance;
- 23 ▶ provides procedures for requiring the Executive Appropriations Committee to
24 review the Division of Finance report; and
- 25 ▶ provides that the Executive Appropriations Committee may make certain
26 recommendations, including a reduction or elimination of appropriations to certain
27 political subdivisions.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 ENACTS:

34 **11-49-101**, Utah Code Annotated 1953

35 **11-49-102**, Utah Code Annotated 1953

36 **11-49-103**, Utah Code Annotated 1953



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

39 Section 1. Section **11-49-101** is enacted to read:

40 **CHAPTER 49. FEDERAL RECEIPTS REPORTING REQUIREMENTS**

41 **11-49-101. Title.**

42 This chapter is known as "Federal Receipts Reporting Requirements."

43 Section 2. Section **11-49-102** is enacted to read:

44 **11-49-102. Definitions.**

45 As used in this chapter:

46 (1) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.

47 Sec. 7501, that is reported as part of a single audit.

48 (2) "Political subdivision" means a county, a municipality, a local district, a special
49 service district, an entity created by an interlocal agreement adopted under Title 11, Chapter 13,

50 Interlocal Cooperation Act, or a community development and renewal agency created under

51 Title 17C, Limited Purpose Local Government Entities - Community Development and

52 Renewal Agencies Act.

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

54 Section 3. Section **11-49-103** is enacted to read:

55 **11-49-103. Federal receipts reporting requirements.**

56 (1) Subject to Subsection (2) and except as provided in Subsection (3), a political
57 subdivision shall each year, on or before September 30, prepare a report that:

58 (a) reports the aggregate value of federal receipts the political subdivision received for

59 the preceding fiscal year;

60 (b) reports the aggregate amount of federal funds appropriated by the Legislature to the
61 political subdivision for the preceding fiscal year;

62 (c) calculates the percentage of the political subdivision's total budget for the preceding
63 fiscal year that constitutes federal receipts that the political subdivision received for that fiscal
64 year; and

65 (d) develops plans for operating the political subdivision if there is a reduction of:

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

67 (ii) 25% or more in the federal receipts that the political subdivision receives.

68 (2) A political subdivision that prepares a report in accordance with Subsection (1)

69 shall submit the report to the Division of Finance on or before October 1 of each year.

70 (3) A political subdivision that has adopted a fiscal year period that is a biennial period

71 shall:

72 (a) comply with this section as if it had adopted a fiscal period that is an annual period;

73 and

74 (b) allocate federal fund receipts and federal fund appropriations to each of the two
75 annual periods in the biennial budget.

76 (4) (a) The Division of Finance shall, on or before November 30 of each year, prepare a
77 report that:

78 (i) compiles and summarizes the reports the Division of Finance receives in accordance
79 with Subsection (2); and

80 (ii) compares the aggregate value of federal receipts each political subdivision received
81 for the previous fiscal year to the aggregate amount of federal funds appropriated by the
82 Legislature to that political subdivision for that fiscal year.

83 (b) The Division of Finance shall, as part of the report required by Subsection (4)(a),
84 compile a list of political subdivisions that do not submit a report as required by this section.

85 (5) The Division of Finance shall submit the report required by Subsection (4) to the
86 Executive Appropriations Committee on or before November 1 of each year.

87 (6) Upon receipt of the report required by Subsection (4), the chairs of the Executive
88 Appropriations Committee shall place the report on the agenda for review and consideration at
89 the next Executive Appropriations Committee meeting.

- 90 (7) When considering the report required by Subsection (4), the Executive
91 Appropriations Committee may elect to:
92 (a) recommend that the Legislature reduce or eliminate appropriations for a political
93 subdivision;
94 (b) take no action; or
95 (c) take another action that a majority of the committee approves.
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Legislative Review Note
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Office of Legislative Research and General Counsel