

1 **AMENDMENTS TO REQUIREMENTS FOR GOVERNOR'S**
2 **PROPOSED BUDGET**

3 2013 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne A. Harper**

6 House Sponsor: Stephen G. Handy

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies a provision of the Budgetary Procedures Act relating to the
11 governor's proposed budget.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ requires the governor's proposed budget to:

- 15 • include an estimate of federal funds receipts in the amount of total estimated
16 revenue; and
- 17 • consider projected changes in federal grants or assistance programs in the plan
18 of proposed changes to appropriations and estimated revenues for the next fiscal
19 year.

20 **Money Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **63J-1-201**, as last amended by Laws of Utah 2012, Chapters 242 and 341

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

29 Section 1. Section **63J-1-201** is amended to read:

30 **63J-1-201. Governor's proposed budget to Legislature -- Contents -- Preparation**
31 **-- Appropriations based on current tax laws and not to exceed estimated revenues.**

32 (1) The governor shall deliver, not later than 30 days before the date the Legislature
33 convenes in the annual general session, a confidential draft copy of the governor's proposed
34 budget recommendations to the Office of the Legislative Fiscal Analyst according to the
35 requirements of this section.

36 (2) (a) When submitting a proposed budget, the governor shall, within the first three
37 days of the annual general session of the Legislature, submit to the presiding officer of each
38 house of the Legislature:

39 (i) a proposed budget for the ensuing fiscal year;

40 (ii) a schedule for all of the proposed changes to appropriations in the proposed budget,
41 with each change clearly itemized and classified; and

42 (iii) as applicable, a document showing proposed changes in estimated revenues that
43 are based on changes in state tax laws or rates.

44 (b) The proposed budget shall include:

45 (i) a projection of the total estimated revenues, including estimated receipts of federal
46 funds, and appropriations for the next fiscal year;

47 (ii) the source of changes to all direct, indirect, and in-kind matching funds for all
48 federal grants or assistance programs included in the budget;

49 (iii) a plan of proposed changes to appropriations and estimated revenues for the next
50 fiscal year that is based upon the current fiscal year state tax laws and rates and considers
51 projected changes in federal grants or assistance programs included in the budget;

52 (iv) an itemized estimate of the proposed changes to appropriations for:

53 (A) the Legislative Department as certified to the governor by the president of the
54 Senate and the speaker of the House;

55 (B) the Executive Department;

56 (C) the Judicial Department as certified to the governor by the state court
57 administrator;

58 (D) changes to salaries payable by the state under the Utah Constitution or under law
59 for lease agreements planned for the next fiscal year; and

60 (E) all other changes to ongoing or one-time appropriations, including dedicated
61 credits, restricted funds, nonlapsing balances, grants, and federal funds;

62 (v) for each line item, the average annual dollar amount of staff funding associated
63 with all positions that were vacant during the last fiscal year;

64 (vi) deficits or anticipated deficits;

65 (vii) the recommendations for each state agency for new full-time employees for the
66 next fiscal year, which shall also be provided to the State Building Board as required by
67 Subsection 63A-5-103(2);

68 (viii) any explanation that the governor may desire to make as to the important features
69 of the budget and any suggestion as to methods for the reduction of expenditures or increase of
70 the state's revenue; and

71 (ix) information detailing certain fee increases as required by Section 63J-1-504.

72 (3) For the purpose of preparing and reporting the proposed budget:

73 (a) The governor shall require the proper state officials, including all public and higher
74 education officials, all heads of executive and administrative departments and state institutions,
75 bureaus, boards, commissions, and agencies expending or supervising the expenditure of the
76 state money, and all institutions applying for state money and appropriations, to provide
77 itemized estimates of changes in revenues and appropriations.

78 (b) The governor may require the persons and entities subject to Subsection (3)(a) to
79 provide other information under these guidelines and at times as the governor may direct,
80 which may include a requirement for program productivity and performance measures, where
81 appropriate, with emphasis on outcome indicators.

82 (c) The governor may require representatives of public and higher education, state
83 departments and institutions, and other institutions or individuals applying for state
84 appropriations to attend budget meetings.

85 (4) In submitting the budgets for the Departments of Health and Human Services and

86 the Office of the Attorney General, the governor shall consider a separate recommendation in
87 the governor's budget for changes in funds to be contracted to:

- 88 (a) local mental health authorities under Section 62A-15-110;
- 89 (b) local substance abuse authorities under Section 62A-15-110;
- 90 (c) area agencies under Section 62A-3-104.2;
- 91 (d) programs administered directly by and for operation of the Divisions of Substance

92 Abuse and Mental Health and Aging and Adult Services;

- 93 (e) local health departments under Title 26A, Chapter 1, Local Health Departments;

94 and

- 95 (f) counties for the operation of Children's Justice Centers under Section 67-5b-102.

96 (5) (a) In making budget recommendations, the governor shall consider an amount
97 sufficient to grant the following entities the same percentage increase for wages and benefits
98 that the governor includes in the governor's budget for persons employed by the state:

- 99 (i) local health departments, local mental health authorities, local substance abuse
100 authorities, and area agencies;

- 101 (ii) local conservation districts and Utah Association of Conservation District
102 employees, as related to the budget for the Department of Agriculture; and

- 103 (iii) employees of corporations that provide direct services under contract with:

104 (A) the Utah State Office of Rehabilitation and the Division of Services for People
105 with Disabilities;

106 (B) the Division of Child and Family Services; and

107 (C) the Division of Juvenile Justice Services within the Department of Human
108 Services.

109 (b) If the governor does not include in the governor's budget an amount sufficient to
110 grant an increase for any entity described in Subsection (5)(a), the governor shall include a
111 message to the Legislature regarding the governor's reason for not including that amount.

112 (6) (a) The Families, Agencies, and Communities Together Council may propose a
113 budget recommendation to the governor for collaborative service delivery systems operated

114 under Section 63M-9-402, as provided under Subsection 63M-9-201(4)(e).

115 (b) The Legislature may, through a specific program schedule, designate funds
116 appropriated for collaborative service delivery systems operated under Section 63M-9-402.

117 (7) The governor shall include in the governor's budget the state's portion of the budget
118 for the Utah Communications Agency Network established in Title 63C, Chapter 7, Utah
119 Communications Agency Network Act.

120 (8) (a) The governor shall include a separate recommendation in the governor's budget
121 for funds to maintain the operation and administration of the Utah Comprehensive Health
122 Insurance Pool. In making the recommendation, the governor may consider:

123 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
124 least three years;

125 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
126 of at least three years;

127 (iii) the annual Medical Care Consumer Price Index;

128 (iv) the annual base budget for the pool established by the Business, Economic
129 Development, and Labor Appropriations Subcommittee for each fiscal year;

130 (v) the growth or decline in insurance premium taxes and fees collected by the State
131 Tax Commission and the Insurance Department; and

132 (vi) the availability of surplus General Fund revenue under Section 63J-1-312 and
133 Subsection 59-14-204(5).

134 (b) In considering the factors in Subsections (8)(a)(i), (ii), and (iii), the governor may
135 consider the actuarial data and projections prepared for the board of the Utah Comprehensive
136 Health Insurance Pool as it develops the governor's financial statements and projections for
137 each fiscal year.

138 (9) (a) In submitting the budget for the Department of Public Safety, the governor shall
139 include a separate recommendation in the governor's budget for maintaining a sufficient
140 number of alcohol-related law enforcement officers to maintain the enforcement ratio equal to
141 or below the number specified in Subsection 32B-1-201(2).

142 (b) If the governor does not include in the governor's budget an amount sufficient to
143 maintain the number of alcohol-related law enforcement officers described in Subsection
144 (9)(a), the governor shall include a message to the Legislature regarding the governor's reason
145 for not including that amount.

146 (10) (a) The governor may revise all estimates, except those relating to the Legislative
147 Department, the Judicial Department, and those providing for the payment of principal and
148 interest to the state debt and for the salaries and expenditures specified by the Utah
149 Constitution or under the laws of the state.

150 (b) The estimate for the Judicial Department, as certified by the state court
151 administrator, shall also be included in the budget without revision, but the governor may make
152 separate recommendations on the estimate.

153 (11) The total appropriations requested for expenditures authorized by the budget may
154 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing
155 fiscal year.

156 (12) If any item of the budget as enacted is held invalid upon any ground, the invalidity
157 does not affect the budget itself or any other item in it.