

1        **JOINT RULES RESOLUTION ON BUDGET PROCESS AMENDMENTS**

2                                    2014 GENERAL SESSION

3                                    STATE OF UTAH

4                                    **Chief Sponsor: Brad R. Wilson**

5                                    Senate Sponsor: Jerry W. Stevenson

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7        **LONG TITLE**

8        **General Description:**

9                    This joint resolution of the Legislature modifies provisions related to duties of the  
10        Executive Appropriations Committee when preparing base budget recommendations.

11       **Highlighted Provisions:**

12                    This resolution:

- 13                    ▶ provides that when directing staff on what revenue estimates to use in preparing  
14        budget recommendations, the Executive Appropriations Committee shall hear a  
15        report on treating above-trend revenue growth as one-time revenue for major tax  
16        types;
- 17                    ▶ provides that when deciding whether to set aside special allocations for the end of  
18        the session, the Executive Appropriations Committee shall consider the historical,  
19        current, and anticipated status of debt, long-term liabilities, General Fund  
20        borrowing, reserves, fund balances, nonlapsing appropriation balances, cash funded  
21        infrastructure investment, and federal funds paid to the state;
- 22                    ▶ amends deadlines within the general session to:
  - 23                    • prioritize fiscal note bills;
  - 24                    • pass or defeat a bill with a fiscal note;
  - 25                    • pass or defeat a base budget bill;
  - 26                    • complete decisions necessary to draft the final appropriations bill;
  - 27                    • for legislators to receive a copy of any supplemental appropriations bill and  
28        bond bill; and
  - 29                    • pass or defeat a bond bill;

- 30           ▶ repeals requirements for the Executive Appropriations Committee to conduct an
- 31 agency in-depth budget review; and
- 32           ▶ makes technical changes.

33 **Special Clauses:**

34           None

35 **Legislative Rules Affected:**

36 AMENDS:

37           **JR3-2-402**

38           **JR4-5-101**

39           **JR4-5-201**

40           **JR4-5-202**

41           **JR4-5-301**

42 REPEALS:

43           **JR3-2-502**



45 *Be it resolved by the Legislature of the state of Utah:*

46           Section 1. **JR3-2-402** is amended to read:

47           **JR3-2-402. Executive appropriations -- Duties -- Base budgets.**

48           (1) As used in this rule:

49           (a) "Base budget" means amounts appropriated by the Legislature for each item of

50 appropriation for the current fiscal year that:

51           (i) are not designated as one-time in an appropriation, regardless of whether the

52 appropriation is covered by ongoing or one-time revenue sources; and

53           (ii) were not vetoed by the governor, unless the Legislature overrode the veto.

54           (b) "Base budget" includes:

55           (i) any changes to those amounts approved by the Executive Appropriations

56 Committee; and

57           (ii) amounts appropriated for debt service.

58 (2) (a) The Executive Appropriations Committee shall meet no later than the third  
59 Wednesday in December to:

60 (i) direct staff as to what revenue estimate to use in preparing budget  
61 recommendations, to include a forecast for federal fund receipts;

62 (ii) consider treating above-trend revenue growth as one-time revenue for major tax  
63 types;

64 (iii) hear a report on the historical, current, and anticipated status of the following:

65 (A) debt;

66 (B) long term liabilities;

67 (C) contingent liabilities;

68 (D) General Fund borrowing;

69 (E) reserves;

70 (F) fund balances;

71 (G) nonlapsing appropriation balances;

72 (H) cash funded infrastructure investment; and

73 (I) changes in federal funds paid to the state;

74 ~~[(ii)]~~ (iv) decide whether to set aside special allocations for the end of the session,  
75 including ~~[any special]~~ allocations ~~[resulting from an anticipated reduction in the amount of~~  
76 ~~federal funds paid to the state;]~~;

77 (A) to address any anticipated reduction in the amount of federal funds paid to the  
78 state; and

79 (B) of one-time revenue to pay down debt and other liabilities;

80 ~~[(iii)]~~ (v) approve the appropriate amount for each subcommittee to use in preparing its  
81 budget;

82 ~~[(iv)]~~ (vi) set a budget figure; and

83 ~~[(v)]~~ (vii) adopt a base budget in accordance with Subsection (2)(b) and direct the  
84 legislative fiscal analyst to prepare one or more appropriations acts appropriating one or more  
85 base budgets for the next fiscal year.

86 (b) In a base budget adopted under Subsection (2)(a), appropriations from the General  
87 Fund, the Education Fund, and the Uniform School Fund shall be set as follows:

88 (i) if the next fiscal year ongoing revenue estimates set under Subsection (2)(a)(i) are  
89 equal to or greater than the current fiscal year ongoing appropriations, the new fiscal year base  
90 budget is not changed;

91 (ii) if the next fiscal year ongoing revenue estimates set under Subsection (2)(a)(i) are  
92 less than the current fiscal year ongoing appropriations, the new fiscal year base budget is  
93 reduced by the same percentage that projected next fiscal year ongoing revenue estimates are  
94 lower than the total of current fiscal year ongoing appropriations; and

95 (iii) in making a reduction under Subsection (2)(b)(ii), appropriated debt service shall  
96 not be reduced, and other ongoing appropriations shall be reduced, in an amount sufficient to  
97 make the total ongoing appropriations, including the unadjusted debt service, equal to the  
98 percentage calculated under Subsection (2)(b)(ii).

99 (c) The chairs of each appropriation subcommittee are invited to attend this meeting.

100 (3) Appropriations subcommittees may not meet while the Senate or House is in  
101 session without special leave from the speaker of the House and the president of the Senate.

102 (4) All proposed items of expenditure to be included in the appropriations bills shall be  
103 submitted to one of the subcommittees named in [JR3-2-302](#) for consideration and  
104 recommendation.

105 (5) (a) After receiving and reviewing subcommittee reports, the Executive  
106 Appropriations Committee may refer the report back to an appropriations subcommittee with  
107 any guidelines the Executive Appropriations Committee considers necessary to assist the  
108 subcommittee in producing a balanced budget.

109 (b) The subcommittee shall meet to review the new guidelines and report the  
110 adjustments to the chairs of the Executive Appropriations Committee as soon as possible.

111 (6) (a) After receiving the reports, the Executive Appropriations Committee chairs will  
112 report them to the Executive Appropriations Committee.

113 (b) That committee shall:

- 114 (i) make any further adjustments necessary to balance the budget; and
- 115 (ii) complete all decisions necessary to draft the final appropriations bill no later than
- 116 the [~~38th~~] 39th day of the annual general session.

117 Section 2. **JR4-5-101** is amended to read:

118 **JR4-5-101. Deadline for passing certain fiscal note bills.**

119 (1) (a) The House shall refer any Senate bill with a fiscal note of \$10,000 or more to

120 the House Rules Committee before giving that bill a third reading.

121 (b) The Senate shall table on third reading each House bill with a fiscal note of \$10,000

122 or more.

123 (2) (a) Before adjourning on the [~~32nd~~] 43rd day of the annual general session, each

124 legislator shall prioritize fiscal note bills and identify other projects or programs for new or

125 one-time funding according to the process established by leadership.

126 (b) Before adjourning on the [~~39th~~] 44th day of the annual general session, the

127 Legislature shall either pass or defeat each bill with a fiscal note of \$10,000 or more except

128 constitutional amendment resolutions.

129 Section 3. **JR4-5-201** is amended to read:

130 **JR4-5-201. Deadline for passing base budget bills.**

131 (1) Each legislator shall receive a copy of each base budget bill for the next fiscal year

132 by calendared floor time on the first day of the annual general session.

133 (2) By noon on the [~~tenth~~] 16th day, but not before the third day, of the annual general

134 session, the Legislature shall either pass or defeat each base budget bill.

135 Section 4. **JR4-5-202** is amended to read:

136 **JR4-5-202. Deadline for passing certain appropriations bills and school finance**

137 **bills.**

138 (1) Each legislator shall receive a copy of any general appropriations bills, any

139 supplemental appropriations bills, and any school finance bills by calendared floor time on the

140 [~~43rd~~] 42nd day of the annual general session.

141 (2) Before the calendared closing time of the 43rd day of the annual general session,

142 the Legislature shall either pass or defeat those general appropriations bills, supplemental  
143 appropriations bills, and school finance bills.

144 Section 5. **JR4-5-301** is amended to read:

145 **Part 3. Bond Bills**

146 **JR4-5-301. Deadline for passing bond bills.**

147 (1) Each legislator shall receive a copy of any bond bill by noon on the [~~39th~~] 42nd day  
148 of the annual general session.

149 (2) Before the calendared closing time of the [~~39th~~] 43rd day of the annual general  
150 session, the Legislature shall either pass or defeat each bond bill.

151 Section 6. **Repealer.**

152 This resolution repeals:

153 **JR3-2-502, In-depth budget review.**