

1 **FEDERAL GRANTS MANAGEMENT AMENDMENTS**

2 2017 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Justin L. Fawson**

5 Senate Sponsor: Ann Millner

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions relating to the review and approval procedures for certain
10 federal funds requests under the Federal Funds Procedures Act.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ amends definitions;
- 14 ▶ modifies the federal funds requests that are subject to the review and approval
15 procedures under the Federal Funds Procedures Act; and
- 16 ▶ makes technical changes.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 ~~None~~ **→ This bill provides a special effective date. ←**

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **26-18-18**, as last amended by Laws of Utah 2016, Chapter 279

24 **63J-5-102**, as last amended by Laws of Utah 2016, Chapter 272

25 **63J-5-103**, as last amended by Laws of Utah 2015, Chapter 190

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



28 Section 1. Section **26-18-18** is amended to read:

29 **26-18-18. Optional Medicaid expansion.**

30 (1) For purposes of this section, "PPACA" means the same as that term is defined in
31 Section [31A-1-301](#).

32 (2) The department and the governor shall not expand the state's Medicaid program to
33 the optional population under PPACA unless:

34 (a) the governor or the governor's designee has reported the intention to expand the
35 state Medicaid program under PPACA to the Legislature in compliance with the legislative
36 review process in Sections [63N-11-106](#) and [26-18-3](#); and

37 (b) [~~notwithstanding Subsection [63J-5-103](#)(2),~~] the governor submits the request for
38 expansion of the Medicaid program for optional populations to the Legislature under the high
39 impact federal funds request process required by Section [63J-5-204](#), Legislative review and
40 approval of certain federal funds request.

41 (3) The department shall request approval from the Centers for Medicare and Medicaid
42 Services within the United States Department of Health and Human Services for waivers from
43 federal statutory and regulatory law necessary to implement the health coverage improvement
44 program under Section [26-18-411](#). The health coverage improvement program under Section
45 [26-18-411](#) is not Medicaid expansion for purposes of this section.

46 Section 2. Section **63J-5-102** is amended to read:

47 **63J-5-102. Definitions.**

48 (1) As used in this chapter:

49 (a) (i) "Agency" means a department, division, committee, commission, council, court,
50 or other administrative subunit of the state.

51 (ii) "Agency" includes:

52 (A) executive branch entities;

53 (B) judicial branch entities; and

54 (C) the State Board of Education.

55 (iii) "Agency" does not mean higher education institutions or political subdivisions.

56 (b) (i) "Federal funds" means cash or other money received from the United States
57 government or from other individuals or entities for or on behalf of the United States and
58 deposited with the state treasurer or any agency of the state.

59 (ii) "Federal funds" includes federal assistance and federal assistance programs,
60 however described.

61 (iii) "Federal funds" does not include money received from the United States
62 government to reimburse the state for money expended by the state.

63 (c) "Federal funds reauthorization" means:

64 (i) the formal submission from an agency to the federal government applying for or
65 seeking reauthorization of federal funds which the state is currently receiving;

66 (ii) the formal submission from an agency to the federal government applying for or
67 seeking reauthorization to participate in a federal program in which the state is currently
68 participating that will result in federal funds being transferred to an agency; or

69 (iii) that period after the first year of a previously authorized and awarded grant or
70 funding award, during which federal funds are disbursed or are scheduled to be disbursed after
71 the first year because the term of the grant or financial award extends for more than one year.

72 (d) (i) "Federal funds request summary" means a document detailing:

73 (A) the amount of money that is being requested or is available to be received by the
74 state from the federal government for each federal funds reauthorization or new federal funds
75 request;

76 (B) those federal funds reauthorizations and new federal funds requests that are
77 included as part of the agency's proposed budget for the fiscal year, and the amount of those
78 requests;

79 (C) the amount of new state money, if any, that will be required to receive the federal
80 funds or participate in the federal program;

81 (D) the number of additional permanent full-time employees, additional permanent
82 part-time employees, or combination of additional permanent full-time employees and
83 additional permanent part-time employees, if any, that the state estimates are needed in order to
84 receive the federal funds or participate in the federal program; and

85 (E) any requirements that the state must meet as a condition for receiving the federal
86 funds or participating in the federal program.

87 (ii) "Federal funds request summary" includes, if available:

88 (A) the letter awarding an agency a grant of federal funds[;] or [~~(B)~~] other official
89 documentation awarding an agency a grant of federal funds[;] and

90 (B) a document detailing federal maintenance of effort requirements.

91 (e) "Federal maintenance of effort requirements" means any matching, level of effort,
92 or earmarking requirements, as defined in Office of Management and Budget requirements,
93 that are imposed on an agency as a condition of receiving federal funds.

94 (f) "Local education agency" or "LEA" means:

95 (i) a school district;

96 (ii) a charter school; or

97 (iii) the Utah Schools for the Deaf and the Blind.

98 (g) "New federal funds" means:

99 (i) federal assistance or other federal funds that are available from the federal
100 government that:

101 (A) the state is not currently receiving; or

102 (B) exceed the federal funds amount most recently approved by the Legislature by
103 more than 25% for a federal grant or program in which the state is currently participating;

104 (ii) a federal assistance program or other federal program in which the state is not
105 currently participating; or

106 (iii) a one-time TANF request.

107 (h) "New federal funds request" means:

108 (i) the formal submission from an agency to the federal government:

109 (A) applying for or otherwise seeking to obtain new federal funds; or

110 (B) applying for or seeking to participate in a new federal program that will result in
111 federal funds being transferred to an agency; or

112 (ii) a one-time TANF request.

113 (i) (i) "New state money" means money, whether specifically appropriated by the
114 Legislature or not, that the federal government requires Utah to expend as a condition for
115 receiving the federal funds or participating in the federal program.

116 (ii) "New state money" includes money expended to meet federal maintenance of effort
117 requirements.

118 (j) "One-time TANF request" means a proposed expenditure by the Department of
119 Workforce Services from its reserves of federal Temporary Assistance for Needy Families
120 funds:

121 (i) for a project or program that will last for a fixed amount of time and is not an
 122 ongoing project or program of the Department of Workforce Services; and

123 (ii) that is greater than \$1,000,000 over the amount most recently approved by the
 124 Legislature.

125 (k) (i) "Pass-through federal funds" means federal funds provided to an agency that are
 126 distributed to local governments or private entities without being used by the agency.

127 (ii) "Pass-through federal funds" does not include federal funds provided to the State
 128 Board of Education that are distributed to a local education agency or other subrecipient
 129 without being used by the State Board of Education.

130 (l) "State" means the state of Utah and all of its agencies, and any administrative
 131 subunits of those agencies.

132 (2) When this chapter describes an employee as a "permanent full-time employee" or a
 133 "permanent part-time employee," it is not intended to, and may not be construed to, affect the
 134 employee's status as an at-will employee.

135 Section 3. Section **63J-5-103** is amended to read:

136 **63J-5-103. Scope and applicability of chapter.**

137 (1) [~~Except as provided in Subsection (2), and except~~] Except as otherwise provided by
 138 a statute superseding provisions of this chapter by explicit reference to this chapter, the
 139 provisions of this chapter apply to each agency and govern each federal funds request.

140 [~~(2) This chapter does not govern federal funds requests for:~~]

141 [~~(a) the Medical Assistance Program, commonly known as Medicaid;~~]

142 [~~(b) the Children's Health Insurance Program;~~]

143 [~~(c) the Women, Infant, and Children program;~~]

144 [~~(d) the Temporary Assistance for Needy Families program, except for a one-time
 145 TANF request as defined in Section ~~63J-5-102~~;~~]

146 [~~(e) Social Security Act money;~~]

147 [~~(f) the Substance Abuse Prevention and Treatment program;~~]

148 [~~(g) Child Care and Development Block Grant;~~]

149 [~~(h) SNAP Administration and Training money;~~]

150 [~~(i) Unemployment Insurance Operations money;~~]

151 [~~(j) Federal Highway Administration money;~~]

152 [~~(k) the Utah National Guard; or~~]
153 [~~(l) pass-through federal funds.~~]
154 [~~(3)~~] (2) The governor need not seek legislative review or approval of federal funds
155 received by the state if:
156 (a) the governor has declared a state of emergency; and
157 (b) the federal funds are received to assist victims of the state of emergency under
158 Section [53-2a-204](#).
158a **H→ Section 4. Effective date.**
158b **This bill takes effect October 1, 2017.** ←**H**

Legislative Review Note
Office of Legislative Research and General Counsel