

1                   **JOINT RULES RESOLUTION ON BASE BUDGETING**

2                                   **PROVISIONS**

3   2019 GENERAL SESSION

4   STATE OF UTAH

5                                   **Chief Sponsor: Jefferson Moss**

6                                   Senate Sponsor: Daniel Hemmert

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8 **LONG TITLE**

9 **General Description:**

10           This resolution modifies joint rules related to base budgeting.

11 **Highlighted Provisions:**

12           This resolution:

13           ▶ defines terms;

14           ▶ requires every appropriations subcommittee to create ~~§~~→ [a zero-based] an accountable

14a process ←~~§~~ budget for a

15 percentage of the subcommittee's budgets each interim; and

16           ▶ modifies provisions governing appropriations subcommittee meetings.

17 **Special Clauses:**

18           None

19 **Legislative Rules Affected:**

20 AMENDS:

21           **JR3-2-101**

22           **JR3-2-402**

23           **JR3-2-501**

24           **JR4-2-406**

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

27           Section 1. **JR3-2-101** is amended to read:



28 **JR3-2-101. Definitions.**

29 As used in this chapter:

29a **§→ (1) "Accountable process budget" means a budget that is created by starting from zero**  
 29b **and adding line items and programs recommended through an accountable budget process.**

29c **(2) "Accountable budget process" means a review of a line item or program in a simple**  
 29d **base budget to determine whether or the extent to which to recommend the line item or**  
 29e **program be included in a budget for the upcoming fiscal year. ←§**

30 **§→ [(1)] (3) ←§ "Base budget" means:**

31 **(a) §→ [a zero based] an accountable process ←§ budget; or**

32 **(b) for a line item or program that was not the subject of §→ [a zero based] an accountable**  
 33a **process ←§ budget analysis**  
 33 **during the immediately preceding interim, a simple base budget.**

34 **[(1)] §→ [(2)] (4) ←§ "Chair" means:**

35 **(a) the chair of an appropriations subcommittee or the Executive Appropriations**  
 36 **Committee; or**

37 **(b) a member of a joint appropriations subcommittee or the Executive Appropriations**  
 38 **Committee member who is authorized to act as chair under JR3-2-303.**

39 **[(2)] §→ [(3)] (5) ←§ "Committee" means a joint appropriations subcommittee or the**  
 39a **Executive**  
 40 **Appropriations Committee.**

41 **[(3)] §→ [(4)] (6) ←§ "Majority vote" means a majority of a quorum as provided in**  
 41a **JR3-2-404.**

42 **[(4)] §→ [(5)] (7) ←§ "Original motion" means a non-privileged motion that is accepted by**  
 42a **the chair**  
 43 **when no other motion is pending.**

44 **[(5)] §→ [(6)] (8) ←§ "Pending motion" refers to a motion starting when a chair accepts a**  
 44a **motion**  
 45 **and ending when the motion is withdrawn or when the chair calls for a vote on the motion.**

46 **[(6)] §→ [(7)] (9) ←§ (a) "Privileged motion" means a procedural motion to adjourn, set a**  
 46a **time to**  
 47 **adjourn, recess, end debate, extend debate, or limit debate.**

48 **(b) "Privileged motions" are not substitute motions.**

49 **[(7)] §→ [(8)] (10) ←§ "Proposed budget item" means any item under consideration by an**  
 50 **appropriations committee for inclusion in an appropriations bill. ☺**

51    ⊕     ~~§~~ → [(9)] (11) ← ~~§~~ (a) "Simple base budget" means amounts appropriated by the Legislature  
51a for each  
52 line item for the current fiscal year that:  
53         (i) are not designated as one-time in an appropriation, regardless of whether the  
54 appropriation is covered by ongoing or one-time revenue sources; and  
55         (ii) were not vetoed by the governor, unless the Legislature overrode the veto.  
56         (b) "Simple base budget" includes:  
57         (i) any changes to those amounts approved by the Executive Appropriations  
58 Committee; and

59 (ii) amounts appropriated for debt service.

60 ~~[(8)]~~ ~~§→~~ ~~[(10)]~~ (12) ~~←§~~ "Substitute motion" means a non-privileged motion that is made  
60a when a  
61 non-privileged motion is pending.

62 ~~[(9)]~~ ~~§→~~ ~~[(11)]~~ 13 ~~←§~~ "Under consideration" means the time starting when a chair opens a  
63 discussion on a subject or an appropriations request that is listed on a committee agenda and  
64 ending when the committee disposes of the subject or request, moves on to another item on the  
65 agenda, or adjourns.

66 ~~§→~~ ~~[(12)]~~ ~~"Zero based budget" means a budget that is created by starting from zero and~~  
67 ~~adding line items and programs recommended through a zero based budget analysis.~~

68 ~~———— [(13)] "Zero based budget analysis" means a review of a line item or program in a simple~~  
69 ~~base budget to determine whether or the extent to which to recommend the line item or~~  
70 ~~program be included in a budget for the upcoming fiscal year.] ←§~~

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

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

73 ~~[(1) As used in this rule:]~~

74 ~~[(a) "Base budget" means amounts appropriated by the Legislature for each item of~~  
75 ~~appropriation for the current fiscal year that:]~~

76 ~~[(i) are not designated as one-time in an appropriation, regardless of whether the~~  
77 ~~appropriation is covered by ongoing or one-time revenue sources; and]~~

78 ~~[(ii) were not vetoed by the governor, unless the Legislature overrode the veto.]~~

79 ~~[(b) "Base budget" includes:]~~

80 ~~[(i) any changes to those amounts approved by the Executive Appropriations~~  
81 ~~Committee; and]~~

82 ~~[(ii) amounts appropriated for debt service.]~~

83 ~~[(2)]~~ (1) (a) The Executive Appropriations Committee shall meet no later than the third  
84 Wednesday in December to:

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

87 (ii) consider treating above-trend revenue growth as one-time revenue for major tax  
88 types and for federal funds;

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

121 base budget is not changed;

122 (ii) if the next fiscal year ongoing revenue estimates set under Subsection [~~(2)~~] (1)(a)(i)  
 123 are less than the current fiscal year ongoing appropriations, the new fiscal year base budget is  
 124 reduced by the same percentage that projected next fiscal year ongoing revenue estimates are  
 125 lower than the total of current fiscal year ongoing appropriations;

126 (iii) in making a reduction under Subsection [~~(2)~~] (1)(b)(ii), appropriated debt service  
 127 shall not be reduced, and other ongoing appropriations shall be reduced, in an amount  
 128 sufficient to make the total ongoing appropriations, including the unadjusted debt service,  
 129 equal to the percentage calculated under Subsection [~~(2)~~] (1)(b)(ii); and

130 (iv) the new fiscal year base budget shall include an appropriation to the Department of  
 131 Health for Medicaid accountable care organizations in the amount required by Section  
 132 [26-18-405.5](#).

133 (c) The chairs of each joint appropriations subcommittee are invited to attend this  
 134 meeting.

135 [~~(3)~~] (2) All proposed budget items shall be submitted to one of the subcommittees  
 136 named in [JR3-2-302](#) for consideration and recommendation.

137 [~~(4)~~] (3) (a) After receiving and reviewing subcommittee reports, the Executive  
 138 Appropriations Committee may refer the report back to a joint appropriations subcommittee  
 139 with any guidelines the Executive Appropriations Committee considers necessary to assist the  
 140 subcommittee in producing a balanced budget.

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

143 [~~(5)~~] (4) (a) After receiving the reports, the Executive Appropriations Committee  
 144 chairs will report them to the Executive Appropriations Committee.

145 (b) The Executive Appropriations Committee shall:

146 (i) make any further adjustments necessary to balance the budget; and

147 (ii) complete all decisions necessary to draft the final appropriations bills no later than  
 148 the 39th day of the annual general session.

149 Section 3. **JR3-2-501** is amended to read:

150 **JR3-2-501. Meetings -- \$→ [Zero based] Accountable process ←\$ budget creation --**

150a **Appropriation reviews.**

151 (1) (a) During the interim, the Executive Appropriations Committee shall meet at least

152 every other month on the day before interim meetings.

153 (b) The appropriations subcommittee chairs may attend these meetings and provide  
154 input regarding their budget.

155 (2) Appropriation subcommittees shall meet at least once during the interim and may  
156 also hold additional meetings if authorized by the Legislative Management Committee.

157 (3) (a) Each interim, each appropriations subcommittee shall create ~~§~~→ ~~[a zero-based]~~ **an**  
157a **accountable process** ←~~§~~  
158 budget for approximately 20% of the budgets that fall within the appropriation subcommittee's  
159 responsibilities.

160 (b) Each appropriations subcommittee shall ensure that each of the budgets for which  
161 the appropriations subcommittee has responsibility is the subject of ~~§~~→ ~~[a zero-based budget~~  
162 ~~analysis]~~ **an accountable budget process** ←~~§~~ at least once every five years.

163 [~~3~~] (4) (a) The Executive Appropriations Committee may, based on a legislator's or  
164 citizen's complaint, review any appropriation, whether in an appropriations bill or otherwise, to  
165 ensure that the entity to which the funds were appropriated complies with any legislative intent  
166 expressed in the legislation appropriating the funds.

167 (b) If the Executive Appropriations Committee finds that an entity has not complied  
168 with any legislative intent concerning an appropriation expressed in the legislation  
169 appropriating the fund, the committee may make a recommendation concerning the  
170 appropriation to the entity receiving the funds and the Legislative Management Committee.

171 Section 4. **JR4-2-406** is amended to read:

172 **JR4-2-406. Funding mix for state employee compensation adjustments and**  
173 **internal service fund rate impacts.**

174 (1) The legislative fiscal analyst shall prepare a budget for state employee  
175 compensation adjustments and internal service fund rate impacts that minimizes costs to the  
176 unrestricted General Fund, Education Fund, and Uniform School Fund, by:

177 (a) using a mix of funding sources that is proportionate to that of the base budget, as  
178 defined [~~under Joint Rule 3-2-402~~] in JR3-2-101, at the appropriation unit level for the same  
179 budget year;

180 (b) including sources other than the unrestricted General Fund, Education Fund, and  
181 Uniform School Fund, regardless of the availability of additional revenue;

182 (c) adjusting the funding mix when the full or partial use of one or more sources is