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JOINT RESOLUTION URGING FISCAL RESPONSIBILITY

2020 THIRD SPECIAL SESSION

STATE OF UTAH

Chief Sponsor: Jefferson Moss

Senate Sponsor: Don L. Ipson

LONG TITLE

General Description:

This resolution urges state and local government entities to exercise fiscal responsibility with the remainder of their 2020 budgets and to plan to continue to limit spending in the fiscal year beginning on July 1, 2020, and ending on June 30, 2021.

Highlighted Provisions:

This resolution:

- recognizes that Utah's economy has changed since the Legislature finalized the 2021 state budget;
- acknowledges the economic uncertainty created by the COVID-19 emergency; and
- urges state and local government entities, including state agencies, state boards, and state and local educational institutions to:
  - limit spending for the remainder of the fiscal year ending on June 30, 2020; and
  - plan for smaller budgets for the fiscal year beginning July 1, 2020, and ending on June 30, 2021.

Special Clauses:

None

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

WHEREAS, in its January 17, 2020 Economic Report to the Governor, the Kem C. Gardner Policy Institute stated that the state's decade-long economic expansion became the longest one on record and that the consensus predicted healthy growth for the Utah economy in 2020;
WHEREAS, legislative budgetary decisions for state and local government entities and educational institutions were made based on the forecast of healthy economic growth for Utah;

WHEREAS, on January 31, 2020, the United States Department of Health and Human Services Secretary Alex Azar declared a public health emergency due to the COVID-19 outbreak, beginning on January 27, 2020;

WHEREAS, the Centers for Disease Control and Prevention has advised that the person-to-person spread of COVID-19 will continue to occur globally and within the United States;

WHEREAS, on March 6, 2020, Governor Herbert issued an executive order declaring a state of emergency due to the COVID-19 outbreak;

WHEREAS, to combat the spread of COVID-19, Utah counties have declared local public health emergencies;

WHEREAS, on March 24, 2020, Governor Herbert released the "Utah Leads Together" plan, that anticipates an 8 to 12-week period of job losses and a 14-week period of job stabilization before the state can potentially return to stability and job growth;

WHEREAS, on March 27, 2020, Governor Herbert issued the Governor's Coronavirus Directive for Utah to "Stay Safe, Stay Home" that limits the size of gatherings, asks people to leave the house only for essential errands or for exercise, closes businesses such as gyms, dine-in restaurants, and bars, restricts other nonessential businesses, encourages telecommunication, and allows essential businesses to remain in operation;

WHEREAS, during the week ending on April 4, 2020, Utah residents filed 33,076 initial unemployment claims, and during the week ending on March 28, 2020, Utah residents filed 28,532 initial unemployment claims;

WHEREAS, the volume of unemployment claims for the week ending April 4, 2020, was more than six times higher than the volume of unemployment claims during the week during the Great Recession that had the highest number of unemployment claims;

WHEREAS, during an epidemic of a novel virus, public health experts are unable to predict when protective measures such as social distancing may be retracted;
WHEREAS, Utah has consistently ranked high nationally for fiscal responsibility;
WHEREAS, Utah has a history of acting quickly and decisively in the face of economic
uncertainty; and
WHEREAS, the Legislature is committed to take actions towards economic recovery:
NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah
urges state agencies; state and local government entities; state boards, including the State
Board of Education and the Board of Regents; institutions of higher education, and technical
colleges; and local education agencies to:
   •  limit expenditures to essential costs during the remainder of the fiscal year that
ends on June 30, 2020;
   •  avoid unnecessary spending during the remainder of the fiscal year that ends on
June 30, 2020;
   •  refrain from committing to new or expanded expenditures for the fiscal year
beginning on July 1, 2020, and ending on June 30, 2021, notwithstanding
current budgets;
   •  begin planning for a budget for the fiscal year that begins on July 1, 2020, and
ends on June 30, 2021, that may be equal to or less than the previous year's
budget; and
   •  assume fixed state funding levels included in the 2020 General Session base
budget bills, which provided funding for public education enrollment growth,
when making initial budget and spending allocations for the fiscal year
beginning on July 1, 2020, and ending on June 30, 2021.
BE IT FURTHER RESOLVED that the Legislature will make all possible effort to add
to the base budget amounts for the fiscal year beginning on July 1, 2020, and ending on June
30, 2021, in the future, particularly for public education inflation, as revenue allows.