

Representative Melissa G. Ballard proposes the following substitute bill:

PERFORMANCE REPORTING REQUIREMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melissa G. Ballard

Senate Sponsor: Don L. Ipson

LONG TITLE

General Description:

This bill modifies provisions related to performance reporting requirements.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ modifies the process by which the Office of the Legislative Fiscal Analyst manages the performance of an entity that receives state funds;
- ▶ establishes a process by which the Office of the Legislative Fiscal Analyst and the Office of the Legislative Auditor General evaluate and monitor targeted production processes;
- ▶ clarifies that the judicial department and the legislative department are not subject to certain performance reporting requirements; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



26 AMENDS:

27 **36-12-13**, as last amended by Laws of Utah 2018, Chapter 248

28 **36-12-15**, as last amended by Laws of Utah 2020, Chapter 356

29 **63I-1-263**, as last amended by Laws of Utah 2020, Chapters 82, 152, 154, 199, 230,
30 303, 322, 336, 354, 360, 375, 405 and last amended by Coordination Clause, Laws
31 of Utah 2020, Chapter 360

32 **63J-1-201**, as last amended by Laws of Utah 2020, Chapter 152

33 **63J-1-602.2**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

34 ENACTS:

35 **36-33-101**, Utah Code Annotated 1953

36 **36-33-102**, Utah Code Annotated 1953

37 **36-33-201**, Utah Code Annotated 1953

38 **36-33-202**, Utah Code Annotated 1953

39 **63J-1-221**, Utah Code Annotated 1953

40 REPEALS:

41 **36-24-101**, as last amended by Laws of Utah 2011, Chapter 342



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

44 Section 1. Section **36-12-13** is amended to read:

45 **36-12-13. Office of the Legislative Fiscal Analyst established -- Powers, functions,**
46 **and duties -- Qualifications.**

47 (1) There is established an Office of the Legislative Fiscal Analyst as a permanent staff
48 office for the Legislature.

49 (2) The powers, functions, and duties of the Office of the Legislative Fiscal Analyst
50 under the supervision of the fiscal analyst are:

51 (a) (i) to estimate general revenue collections, including comparisons of:

52 (A) current estimates for each major tax type to long-term trends for that tax type;

53 (B) current estimates for federal fund receipts to long-term federal fund trends; and

54 (C) current estimates for tax collections and federal fund receipts to long-term trends
55 deflated for the inflationary effects of debt monetization; and

56 (ii) to report the analysis required under Subsection (2)(a)(i) to the Legislature's

57 Executive Appropriations Committee before each annual general session of the Legislature;
58 (b) to analyze in detail the state budget before the convening of each legislative session
59 and make recommendations to the Legislature on each item or program appearing in the
60 budget, including:

61 (i) funding for and performance of programs, acquisitions, and services currently
62 undertaken by state government to determine whether each department, agency, institution, or
63 program should:

64 (A) continue at its current level of expenditure;
65 (B) continue at a different level of expenditure; or
66 (C) be terminated; and

67 (ii) increases or decreases to spending authority and other resource allocations for the
68 current and future fiscal years;

69 (c) to prepare on all proposed bills fiscal estimates that reflect:

70 (i) potential state government revenue impacts;
71 (ii) anticipated state government expenditure changes;
72 (iii) anticipated expenditure changes for county, municipal, local district, or special
73 service district governments; and

74 (iv) anticipated direct expenditure by Utah residents and businesses, including the unit
75 cost, number of units, and total cost to all impacted residents and businesses;

76 (d) to indicate whether each proposed bill will impact the regulatory burden for Utah
77 residents or businesses, and if so:

78 (i) whether the impact increases or decreases the regulatory burden; and
79 (ii) whether the change in burden is high, medium, or low;

80 (e) beginning in 2017 and repeating every three years after 2017, to prepare the
81 following cycle of analyses of long-term fiscal sustainability:

82 (i) in year one, the joint revenue volatility report required under Section [63J-1-205](#);
83 (ii) in year two, a long-term budget for programs appropriated from major funds and
84 tax types; and

85 (iii) in year three, a budget stress test comparing estimated future revenue to and
86 expenditure from major funds and tax types under various potential economic conditions;

87 (f) to report instances in which the administration may be failing to carry out the

88 expressed intent of the Legislature;

89 (g) to propose and analyze statutory changes for more effective operational economies
90 or more effective administration;

91 (h) to prepare, before each annual general session of the Legislature, a summary
92 showing the current status of the following as compared to the past nine fiscal years:

93 (i) debt;

94 (ii) long-term liabilities;

95 (iii) contingent liabilities;

96 (iv) General Fund borrowing;

97 (v) reserves;

98 (vi) fund and nonlapsing balances; and

99 (vii) cash funded capital investments;

100 (i) to make recommendations for addressing the items described in Subsection (2)(h) in
101 the upcoming annual general session of the Legislature;

102 (j) to prepare, after each session of the Legislature, a summary showing the effect of
103 the final legislative program on the financial condition of the state;

104 (k) to conduct organizational and management improvement studies in accordance
105 with Chapter 33, Government Performance Management and Optimization;

106 (l) to prepare and deliver upon request of any interim committee or the Legislative
107 Management Committee, reports on the finances of the state and on anticipated or proposed
108 requests for appropriations;

109 (m) to recommend areas for research studies by the executive department or the interim
110 committees;

111 (n) to appoint and develop a professional staff within budget limitations;

112 (o) to prepare and submit the annual budget request for the office;

113 (p) to develop a taxpayer receipt:

114 (i) available to taxpayers through a website; and

115 (ii) that allows a taxpayer to view on the website an estimate of how the taxpayer's tax
116 dollars are expended for government purposes; and

117 (q) to publish or provide other information on taxation and government expenditures
118 that may be accessed by the public.

119 (3) The legislative fiscal analyst shall have a master's degree in public administration,
120 political science, economics, accounting, or the equivalent in academic or practical experience.

121 (4) In carrying out the duties provided for in this section, the legislative fiscal analyst
122 may obtain access to all records, documents, and reports necessary to the scope of the
123 legislative fiscal analyst's duties according to the procedures contained in Title 36, Chapter 14,
124 Legislative Subpoena Powers.

125 Section 2. Section **36-12-15** is amended to read:

126 **36-12-15. Office of the Legislative Auditor General established -- Qualifications --**
127 **Powers, functions, and duties.**

128 (1) There is created an Office of the Legislative Auditor General as a permanent staff
129 office for the Legislature.

130 (2) The legislative auditor general shall be a licensed certified public accountant or
131 certified internal auditor with at least five years of experience in the auditing or public
132 accounting profession, or the equivalent, prior to appointment.

133 (3) The legislative auditor general shall appoint and develop a professional staff within
134 budget limitations.

135 (4) (a) The Office of the Legislative Auditor General shall exercise the constitutional
136 authority provided in Article VI, Sec. 33, Utah Constitution.

137 (b) Under the direction of the legislative auditor general, the office shall:

138 (i) conduct comprehensive and special purpose audits, examinations, and reviews of
139 any entity that receives public funds;

140 (ii) prepare and submit a written report on each audit, examination, or review to the
141 Legislative Management Committee, the audit subcommittee, and to all members of the
142 Legislature within 75 days after the audit or examination is completed; and

143 [~~(iii) as provided in Section 36-24-101;~~]

144 [~~(A) monitor all new programs and agencies created during each Annual General
145 Session or Special Session of the Legislature;~~]

146 [~~(B) provide each new program and agency created with a list of best practices in
147 setting up their program or agency, including;~~]

148 [~~(F) policies;~~]

149 [~~(H) performance measures; and]~~

150 ~~[(H) data collection;]~~
151 ~~[(C) send each new program and agency:]~~
152 ~~[(F) within one year after its creation, a survey instrument requesting a self evaluation~~
153 ~~that includes policies, performance measures, and data collection; and]~~
154 ~~[(H) within two years after its creation, a survey instrument requesting a self evaluation~~
155 ~~that includes policies, performance measures, and data collection; and]~~
156 ~~[(D) (I) using the new program or agency's response to the self evaluation survey~~
157 ~~instruments, recommend to the legislative audit subcommittee that the office conduct an audit~~
158 ~~of those new programs and agencies created on which questions have arisen as a result of the~~
159 ~~response to the survey instrument and provide a limited scope audit report on those new~~
160 ~~programs or agencies on which it receives direction to audit to the legislative interim~~
161 ~~committee and to the legislative appropriations subcommittee with oversight responsibility for~~
162 ~~that program or agency on or before the November interim meeting; and]~~
163 ~~[(H) include within this limited scope audit report a recommendation as to whether the~~
164 ~~program or agency is fulfilling its statutory guidelines and directives.]~~
165 (iii) in accordance with Chapter 33, Government Performance Management and
166 Optimization, monitor targeted production processes.
167 (5) The audit, examination, or review of any entity that receives public funds may
168 include a determination of any or all of the following:
169 (a) the honesty and integrity of all ~~[its]~~ the entity's fiscal affairs;
170 (b) the accuracy and reliability of ~~[its]~~ the entity's financial statements and reports;
171 (c) whether or not ~~[its]~~ the entity's financial controls are adequate and effective to
172 properly record and safeguard its acquisition, custody, use, and accounting of public funds;
173 (d) whether or not ~~[its]~~ the entity's administrators have faithfully adhered to legislative
174 intent;
175 (e) whether or not ~~[its]~~ the entity's operations have been conducted in an efficient,
176 effective, and cost efficient manner;
177 (f) whether or not ~~[its]~~ the entity's programs have been effective in accomplishing
178 intended objectives; and
179 (g) whether or not ~~[its]~~ the entity's management control and information systems are
180 adequate and effective.

181 (6) The Office of the Legislative Auditor General:

182 (a) (i) shall, notwithstanding any other provision of law, have access to all records,
183 documents, and reports of any entity that receives public funds that are necessary to the scope
184 of the duties of the legislative auditor general or the office; and

185 (ii) may issue a subpoena to obtain access as provided in Subsection (6)(a)(i) using the
186 procedures contained in Title 36, Chapter 14, Legislative Subpoena Powers;

187 (b) establish policies, procedures, methods, and standards of audit work for the office
188 and staff;

189 (c) prepare and submit each audit report without interference from any source relative
190 to the content of the report, the conclusions reached in the report, or the manner of disclosing
191 the results of the legislative auditor general's findings; and

192 (d) prepare and submit the annual budget request for the office.

193 (7) To preserve the professional integrity and independence of the office:

194 (a) no legislator or public official may urge the appointment of any person to the office;
195 and

196 (b) the legislative auditor general may not be appointed to serve on any board,
197 authority, commission, or other agency of the state during the legislative auditor general's term
198 as legislative auditor general.

199 (8) The following records in the custody or control of the legislative auditor general
200 shall be protected records under Title 63G, Chapter 2, Government Records Access and
201 Management Act:

202 (a) Records that would disclose information relating to allegations of personal
203 misconduct, gross mismanagement, or illegal activity of a past or present governmental
204 employee if the information or allegation cannot be corroborated by the legislative auditor
205 general through other documents or evidence, and the records relating to the allegation are not
206 relied upon by the legislative auditor general in preparing a final audit report.

207 (b) Records and audit workpapers to the extent they would disclose the identity of a
208 person who during the course of a legislative audit, communicated the existence of any waste
209 of public funds, property, or manpower, or a violation or suspected violation of a law, rule, or
210 regulation adopted under the laws of this state, a political subdivision of the state, or any
211 recognized entity of the United States, if the information was disclosed on the condition that

212 the identity of the person be protected.

213 (c) Prior to the time that an audit is completed and the final audit report is released,
214 records or drafts circulated to a person who is not an employee or head of a governmental
215 entity for their response or information.

216 (d) Records that would disclose an outline or part of any audit survey plans or audit
217 program.

218 (e) Requests for audits, if disclosure would risk circumvention of an audit.

219 (f) The provisions of Subsections (8)(a), (b), and (c) do not prohibit the disclosure of
220 records or information that relate to a violation of the law by a governmental entity or
221 employee to a government prosecutor or peace officer.

222 (g) The provisions of this section do not limit the authority otherwise given to the
223 legislative auditor general to classify a document as public, private, controlled, or protected
224 under Title 63G, Chapter 2, Government Records Access and Management Act.

225 (9) The legislative auditor general shall:

226 (a) be available to the Legislature and to [its] the Legislature's committees for
227 consultation on matters relevant to areas of the legislative auditor general's professional
228 competence;

229 (b) conduct special audits as requested by the Legislative Management Committee;

230 (c) report immediately in writing to the Legislative Management Committee through its
231 audit subcommittee any apparent violation of penal statutes disclosed by the audit of a state
232 agency and furnish to the Legislative Management Committee all information relative to the
233 apparent violation;

234 (d) report immediately in writing to the Legislative Management Committee through
235 its audit subcommittee any apparent instances of malfeasance or nonfeasance by a state officer
236 or employee disclosed by the audit of a state agency; and

237 (e) make any recommendations to the Legislative Management Committee through its
238 audit subcommittee with respect to the alteration or improvement of the accounting system
239 used by any entity that receives public funds.

240 (10) If the legislative auditor general conducts an audit of a state agency that has
241 previously been audited and finds that the state agency has not implemented a recommendation
242 made by the legislative auditor general in a previous audit, the legislative auditor general shall,

243 upon release of the audit:

244 (a) report immediately in writing to the Legislative Management Committee through its
245 audit subcommittee that the state agency has not implemented that recommendation; and

246 (b) shall report, as soon as possible, that the state agency has not implemented that
247 recommendation to a meeting of an appropriate legislative committee designated by the audit
248 subcommittee of the Legislative Management Committee.

249 (11) (a) Prior to each annual general session, the legislative auditor general shall
250 prepare a summary of the audits conducted and of actions taken based upon them during the
251 preceding year.

252 (b) This report shall also set forth any items and recommendations that are important
253 for consideration in the forthcoming session, together with a brief statement or rationale for
254 each item or recommendation.

255 (c) The legislative auditor general shall deliver the report to the Legislature and to the
256 appropriate committees of the Legislature.

257 (12) (a) No person or entity may:

258 (i) interfere with a legislative audit, examination, or review of any entity conducted by
259 the office; or

260 (ii) interfere with the office relative to the content of the report, the conclusions
261 reached in the report, or the manner of disclosing the results and findings of the office.

262 (b) Any person or entity that violates the provisions of this Subsection (12) is guilty of
263 a class B misdemeanor.

264 (13) (a) Beginning July 1, 2020, the Office of the Legislative Auditor General may
265 require any current employee, or any applicant for employment, to submit to a
266 fingerprint-based local, regional, and criminal history background check as an ongoing
267 condition of employment.

268 (b) An employee or applicant for employment shall provide a completed fingerprint
269 card to the office upon request. The office shall require that an individual required to submit to
270 a background check under this subsection also provide a signed waiver on a form provided by
271 the office that meets the requirements of Subsection 53-10-108(4).

272 (c) For a noncriminal justice background search and registration in accordance with
273 Subsection 53-10-108(13), the office shall submit to the Bureau of Criminal Identification:

274 (i) the employee's or applicant's personal identifying information and fingerprints for a
275 criminal history search of applicable local, regional, and national databases; and

276 (ii) a request for all information received as a result of the local, regional, and
277 nationwide background check.

278 Section 3. Section 36-33-101 is enacted to read:

279 **CHAPTER 33. GOVERNMENT PERFORMANCE MANAGEMENT**
280 **AND OPTIMIZATION**

281 **Part 1. General Provisions**

282 **36-33-101. Title.**

283 This chapter is known as "Government Performance Management and Optimization."

284 Section 4. Section 36-33-102 is enacted to read:

285 **36-33-102. Definitions.**

286 As used in this chapter:

287 (1) "Appropriated entity" means any entity that receives state funds.

288 (2) "Performance measure reports" means:

289 (a) the statement described in Subsection 63J-1-201(4)(b)(v); and

290 (b) the information described in Subsection 63J-1-221(2).

291 (3) "Product or service" means an appropriated entity's final output or outcome.

292 (4) "Production process" means a set of functions and procedures by which an
293 appropriated entity creates a product or service.

294 (5) "Targeted production process" means a production process identified for
295 optimization under this chapter.

296 Section 5. Section 36-33-201 is enacted to read:

297 **Part 2. Performance Management and Optimization Process**

298 **36-33-201. Government performance management.**

299 (1) The Office of the Legislative Fiscal Analyst shall receive and review performance
300 measure reports.

301 (2) In consultation with the Governor's Office of Management and Budget, the Office
302 of the Legislative Fiscal Analyst shall:

303 (a) for each executive department appropriated entity, develop program objectives,
304 effectiveness measures, and program size indicators for inclusion in an appropriations act for

305 the current fiscal year; and

306 (b) consider whether to recommend any legislative changes for a future fiscal year to
307 an executive department appropriated entity's previously adopted program objectives,
308 effectiveness measures, or program size indicators.

309 (3) The Office of the Legislative Fiscal Analyst shall report the relevant information
310 contained in the performance measure reports to the appropriations subcommittees, as
311 appropriate.

312 (4) Each judicial department appropriated entity and each legislative department
313 appropriated entity shall annually report to the Legislature:

314 (a) the appropriated entity's program objectives, effectiveness measures, and program
315 size indicators for inclusion in an appropriations act for the current fiscal year; and

316 (b) the final status of each appropriated entity's adopted program objectives,
317 effectiveness measures, and program size indicators.

318 Section 6. Section **36-33-202** is enacted to read:

319 **36-33-202. Government optimization process.**

320 (1) To optimize state government, beginning on May 1, 2022, the Office of the
321 Legislative Fiscal Analyst and the Office of the Legislative Auditor General shall establish a
322 process to evaluate the state's production processes.

323 (2) The Office of the Legislative Fiscal Analyst and the Office of the Legislative
324 Auditor General shall submit a plan to the Legislative Management Committee that:

325 (a) prioritizes the production processes that the Office of the Legislative Fiscal Analyst
326 and the Office of the Legislative Auditor General will target for optimization; and

327 (b) establishes a schedule by which the Office of the Legislative Fiscal Analyst and the
328 Office of the Legislative Auditor General will conduct each targeted production process's
329 optimization evaluation.

330 (3) (a) When conducting an optimization evaluation under this section, the Office of
331 the Legislative Fiscal Analyst shall work with the appropriated entity that administers the
332 targeted production process to identify:

333 (i) any operational inefficiencies in the targeted production process and ways to
334 eliminate the inefficiencies; and

335 (ii) incentives for the targeted production process's optimization.

336 (b) The Office of the Legislative Fiscal Analyst shall report to the Office of the
337 Legislative Auditor General the results of each optimization evaluation.

338 (4) (a) For each targeted production process that the Office of the Legislative Fiscal
339 Analyst evaluates, the Office of the Legislative Auditor General shall conduct a risk assessment
340 to determine the extent to which the appropriated entity has optimized the targeted production
341 process in accordance with the optimization evaluation.

342 (b) Based on the evaluation described in Subsection (4)(a), the Office of the Legislative
343 Auditor General may recommend to the Audit Subcommittee created in Section [36-12-8](#) that
344 the Office of the Legislative Auditor General conduct an in-depth review of the targeted
345 production process.

346 (c) The Office of the Legislative Auditor General shall provide a copy of any in-depth
347 review described in Subsection (4)(b) to the legislative interim committee and the legislative
348 appropriations subcommittee with oversight responsibility for the targeted production process.

349 (5) (a) Upon receipt of an in-depth review described in Subsection (4), a legislative
350 interim committee shall:

351 (i) review the targeted production process that is the subject of the in-depth review; and

352 (ii) if appropriate, recommend to the Legislature any legislation to optimize the
353 targeted production process.

354 (b) Upon receipt of an in-depth review described in Subsection (4), a legislative
355 appropriations subcommittee shall:

356 (i) review the targeted production process that is the subject of the in-depth review; and

357 (ii) determine whether the appropriated entity that administers the targeted production
358 process is appropriately using the state funds.

359 (6) As part of the optimization process described in this section, the Office of the
360 Legislative Fiscal Analyst or the Office of the Legislative Auditor General may recommend or
361 provide training to an appropriated entity that administers a targeted production process.

362 (7) Before December 31 of each calendar year, the Office of the Legislative Fiscal
363 Analyst and the Office of the Legislative Auditor General shall report to the Legislative
364 Management Committee regarding the legislative optimization process described in this
365 section, including any recommendations for improving the process.

366 Section 7. Section **63I-1-263** is amended to read:

367 **63I-1-263. Repeal dates, Titles 63A to 63N.**

368 (1) In relation to the Utah Transparency Advisory Board, on January 1, 2025:

369 (a) Subsection 63A-1-201(1) is repealed;

370 (b) Subsection 63A-1-202(2)(c), the language "using criteria established by the board"
371 is repealed;

372 (c) Section 63A-1-203 is repealed;

373 (d) Subsections 63A-1-204(1) and (2), the language "After consultation with the board,
374 and" is repealed; and

375 (e) Subsection 63A-1-204(1)(b), the language "using the standards provided in
376 Subsection 63A-1-203(3)(c)" is repealed.

377 (2) Subsection 63A-5b-405(5), relating to prioritizing and allocating capital
378 improvement funding, is repealed July 1, 2024.

379 (3) Section 63A-5b-1003, State Facility Energy Efficiency Fund, is repealed July 1,
380 2023.

381 (4) Sections 63A-9-301 and 63A-9-302, related to the Motor Vehicle Review
382 Committee, are repealed July 1, 2023.

383 (5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
384 1, 2028.

385 (6) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1,
386 2025.

387 (7) Title 63C, Chapter 12, Snake Valley Aquifer Advisory Council, is repealed July 1,
388 2024.

389 (8) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is
390 repealed July 1, 2021.

391 (9) Title 63C, Chapter 18, Behavioral Health Crisis Response Commission, is repealed
392 July 1, 2023.

393 (10) Title 63C, Chapter 21, Outdoor Adventure Commission, is repealed July 1, 2025.

394 (11) Title 63F, Chapter 2, Data Security Management Council, is repealed July 1,
395 2025.

396 (12) Section 63G-6a-805, which creates the Purchasing from Persons with Disabilities
397 Advisory Board, is repealed July 1, 2026.

398 (13) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,
399 2025.

400 (14) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
401 2024.

402 (15) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.

403 (16) Subsection 63J-1-602.1(14), Nurse Home Visiting Restricted Account is repealed
404 July 1, 2026.

405 (17) (a) Subsection 63J-1-602.1(58), relating to the Utah Statewide Radio System
406 Restricted Account, is repealed July 1, 2022.

407 (b) When repealing Subsection 63J-1-602.1(58), the Office of Legislative Research and
408 General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make
409 necessary changes to subsection numbering and cross references.

410 (18) Subsection 63J-1-602.2[~~(4)~~](5), referring to dedicated credits to the Utah Marriage
411 Commission, is repealed July 1, 2023.

412 (19) Subsection 63J-1-602.2[~~(5)~~](6), referring to the Trip Reduction Program, is
413 repealed July 1, 2022.

414 (20) Subsection 63J-1-602.2[~~(25)~~](24), related to the Utah Seismic Safety
415 Commission, is repealed January 1, 2025.

416 (21) Title 63J, Chapter 4, Part 5, Resource Development Coordinating Committee, is
417 repealed July 1, 2027.

418 (22) Subsection 63J-4-608(3), which creates the Federal Land Application Advisory
419 Committee, is repealed on July 1, 2021.

420 (23) In relation to the Utah Substance Use and Mental Health Advisory Council, on
421 January 1, 2023:

422 (a) Sections 63M-7-301, 63M-7-302, 63M-7-303, 63M-7-304, and 63M-7-306 are
423 repealed;

424 (b) Section 63M-7-305, the language that states "council" is replaced with
425 "commission";

426 (c) Subsection 63M-7-305(1) is repealed and replaced with:

427 "(1) "Commission" means the Commission on Criminal and Juvenile Justice."; and

428 (d) Subsection 63M-7-305(2) is repealed and replaced with:

- 429 "(2) The commission shall:
- 430 (a) provide ongoing oversight of the implementation, functions, and evaluation of the
- 431 Drug-Related Offenses Reform Act; and
- 432 (b) coordinate the implementation of Section 77-18-1.1 and related provisions in
- 433 Subsections 77-18-1(5)(b)(iii) and (iv).".
- 434 (24) The Crime Victim Reparations and Assistance Board, created in Section
- 435 63M-7-504, is repealed July 1, 2027.
- 436 (25) Title 63M, Chapter 7, Part 6, Utah Council on Victims of Crime, is repealed July
- 437 1, 2022.
- 438 (26) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2021.
- 439 (27) Subsection 63N-1-301(4)(c), related to the Talent Ready Utah Board, is repealed
- 440 January 1, 2023.
- 441 (28) Title 63N, Chapter 1, Part 5, Governor's Economic Development Coordinating
- 442 Council, is repealed July 1, 2024.
- 443 (29) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.
- 444 (30) Section 63N-2-512 is repealed July 1, 2021.
- 445 (31) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed
- 446 January 1, 2021.
- 447 (b) Section 59-9-107 regarding tax credits against premium taxes is repealed for
- 448 calendar years beginning on or after January 1, 2021.
- 449 (c) Notwithstanding Subsection (31)(b), an entity may carry forward a tax credit in
- 450 accordance with Section 59-9-107 if:
- 451 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December
- 452 31, 2020; and
- 453 (ii) the qualified equity investment that is the basis of the tax credit is certified under
- 454 Section 63N-2-603 on or before December 31, 2023.
- 455 (32) Subsections 63N-3-109(2)(e) and 63N-3-109(2)(f)(i) are repealed July 1, 2023.
- 456 (33) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed
- 457 July 1, 2023.
- 458 (34) Title 63N, Chapter 7, Part 1, Board of Tourism Development, is repealed July 1,
- 459 2025.

460 (35) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program,
461 is repealed January 1, 2023.

462 (36) Title 63N, Chapter 12, Part 5, Talent Ready Utah Center, is repealed January 1,
463 2023.

464 Section 8. Section **63J-1-201** is amended to read:

465 **63J-1-201. Governor's proposed budget to Legislature -- Contents -- Preparation**
466 **-- Appropriations based on current tax laws and not to exceed estimated revenues.**

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

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

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

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

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

479 (b) The proposed budget shall include:

480 (i) a projection of:

481 (A) estimated revenues by major tax type;

482 (B) 15-year trends for each major tax type;

483 (C) estimated receipts of federal funds;

484 (D) 15-year trends for federal fund receipts; and

485 (E) appropriations for the next fiscal year;

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

488 (iii) changes to debt service;

489 (iv) a plan of proposed changes to appropriations and estimated revenues for the next
490 fiscal year that is based upon the current fiscal year state tax laws and rates and considers

491 projected changes in federal grants or assistance programs included in the budget;

492 (v) an itemized estimate of the proposed changes to appropriations for:

493 (A) the [~~Legislative Department~~] legislative department as certified to the governor by

494 the president of the Senate and the speaker of the House;

495 (B) the [~~Executive Department~~] executive department;

496 (C) the [~~Judicial Department~~] judicial department as certified to the governor by the

497 state court administrator;

498 (D) changes to salaries payable by the state under the Utah Constitution or under law

499 for lease agreements planned for the next fiscal year; and

500 (E) all other changes to ongoing or one-time appropriations, including dedicated

501 credits, restricted funds, nonlapsing balances, grants, and federal funds;

502 (vi) for each line item, the average annual dollar amount of staff funding associated

503 with all positions that were vacant during the last fiscal year;

504 (vii) deficits or anticipated deficits;

505 (viii) the recommendations for each state agency for new full-time employees for the

506 next fiscal year, which shall also be provided to the director of the Division of Facilities

507 Construction and Management as required by Subsection [63A-5b-501\(3\)](#);

508 (ix) a written description and itemized report submitted by a state agency to the

509 Governor's Office of Management and Budget under Section [63J-1-220](#), including:

510 (A) a written description and an itemized report provided at least annually detailing the

511 expenditure of the state money, or the intended expenditure of any state money that has not

512 been spent; and

513 (B) a final written itemized report when all the state money is spent;

514 (x) any explanation that the governor may desire to make as to the important features

515 of the budget and any suggestion as to methods for the reduction of expenditures or increase of

516 the state's revenue; and

517 (xi) information detailing certain fee increases as required by Section [63J-1-504](#).

518 (3) (a) [~~For~~] Except as provided in Subsection (3)(b), for the purpose of preparing and

519 reporting the proposed budget, the governor:

520 [~~(a) The governor~~]

521 (i) shall require the proper state officials, including all public and higher education

522 officials, all heads of executive and administrative departments and state institutions, bureaus,
523 boards, commissions, and agencies expending or supervising the expenditure of the state
524 money, and all institutions applying for state money and appropriations, to provide itemized
525 estimates of changes in revenues and appropriations[-];

526 ~~[(b) The governor]~~

527 (ii) may require the persons and entities subject to Subsection (3)(a)(i) to provide other
528 information under these guidelines and at times as the governor may direct, which may include
529 a requirement for program productivity and performance measures, where appropriate, with
530 emphasis on outcome indicators[-]; and

531 ~~[(c) The governor]~~

532 (iii) may require representatives of public and higher education, state departments and
533 institutions, and other institutions or individuals applying for state appropriations to attend
534 budget meetings.

535 (b) Subsections (3)(a)(ii) and (iii) do not apply to the judicial department or the
536 legislative department.

537 (4) (a) The Governor's Office of Management and Budget shall provide to the Office of
538 the Legislative Fiscal Analyst, as soon as practicable, but no later than 30 days before the ~~[date]~~
539 day on which the Legislature convenes in the annual general session, data, analysis, or requests
540 used in preparing the governor's budget recommendations, notwithstanding the restrictions
541 imposed on such recommendations by available revenue.

542 (b) The information under Subsection (4)(a) shall include:

543 (i) actual revenues and expenditures for the fiscal year ending the previous June 30;

544 (ii) estimated or authorized revenues and expenditures for the current fiscal year;

545 (iii) requested revenues and expenditures for the next fiscal year;

546 (iv) detailed explanations of any differences between the amounts appropriated by the
547 Legislature in the current fiscal year and the amounts reported under Subsections (4)(b)(ii) and
548 (iii);

549 (v) a statement of:

550 (A) each executive department's agency and program objectives, effectiveness
551 measures, and program size indicators; and

552 (B) the final status of the executive department's program objectives, effectiveness

553 measures, and program size indicators included in the appropriations act for the fiscal year
554 ending the previous June 30; and

555 ~~[(C) the current status of the program objectives, effectiveness measures, and program~~
556 ~~size indicators included in the appropriations act for the current fiscal year; and]~~

557 (vi) other budgetary information required by the Legislature in statute.

558 (c) The budget information under Subsection (4)(a) shall cover:

559 (i) all items of appropriation, funds, and accounts included in appropriations acts for
560 the current and previous fiscal years; and

561 (ii) any new appropriation, fund, or account items requested for the next fiscal year.

562 (d) The information provided under Subsection (4)(a) may be provided as a shared
563 record under Section [63G-2-206](#) as considered necessary by the Governor's Office of
564 Management and Budget.

565 (5) (a) In submitting the budget for the Department of Public Safety, the governor shall
566 include a separate recommendation in the governor's budget for maintaining a sufficient
567 number of alcohol-related law enforcement officers to maintain the enforcement ratio equal to
568 or below the number specified in Subsection [32B-1-201\(2\)](#).

569 (b) If the governor does not include in the governor's budget an amount sufficient to
570 maintain the number of alcohol-related law enforcement officers described in Subsection
571 (5)(a), the governor shall include a message to the Legislature regarding the governor's reason
572 for not including that amount.

573 (6) (a) The governor may revise all estimates, except those relating to the [~~Legislative~~
574 ~~Department, the Judicial Department~~] legislative department, the judicial department, and those
575 providing for the payment of principal and interest to the state debt and for the salaries and
576 expenditures specified by the Utah Constitution or under the laws of the state.

577 (b) The estimate for the [~~Judicial Department~~] judicial department, as certified by the
578 state court administrator, shall also be included in the budget without revision, but the governor
579 may make separate recommendations on the estimate.

580 (7) The total appropriations requested for expenditures authorized by the budget may
581 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing
582 fiscal year.

583 (8) If any item of the budget as enacted is held invalid upon any ground, the invalidity

584 does not affect the budget itself or any other item in [it] the budget.

585 Section 9. Section **63J-1-221** is enacted to read:

586 **63J-1-221. Performance reporting for funding items.**

587 (1) As used in this section:

588 (a) "Appropriated entity" means the same as that term is defined in Section [36-33-102](#).

589 (b) "Funding item" means an increase of \$10,000 or more to an appropriated entity's
590 state funding that results from action during a legislative session.

591 (2) For each funding item, the Governor's Office of Management and Budget shall
592 provide the Office of the Legislative Fiscal Analyst:

593 (a) within 45 days after the day on which the Legislature adjourns a legislative session
594 sine die, one or more proposed performance measures developed in consultation with the
595 Office of the Legislative Fiscal Analyst;

596 (b) on or before September 1 of each calendar year after the close of the fiscal year in
597 which the funding item was first funded, a report that includes:

598 (i) the results of each performance measure described in Subsection (2)(a);

599 (ii) the actual amount the appropriated entity spent, if any, on the funding item; and

600 (iii) if the funding item is not fully implemented, the month and year in which the
601 appropriated entity anticipates fully implementing the funding item.

602 Section 10. Section **63J-1-602.2** is amended to read:

603 **63J-1-602.2. List of nonlapsing appropriations to programs.**

604 Appropriations made to the following programs are nonlapsing:

605 (1) The Legislature and the Legislature's committees.

606 (2) The State Board of Education, including all appropriations to agencies, line items,
607 and programs under the jurisdiction of the State Board of Education, in accordance with
608 Section [53F-9-103](#).

609 (3) The Percent-for-Art Program created in Section [9-6-404](#).

610 (4) The LeRay McAllister Critical Land Conservation Program created in Section
611 [11-38-301](#).

612 (5) Dedicated credits accrued to the Utah Marriage Commission as provided under
613 Subsection [17-16-21](#)(2)(d)(ii).

614 (6) The Trip Reduction Program created in Section [19-2a-104](#).

- 615 (7) The Division of Wildlife Resources for the appraisal and purchase of lands under
616 the Pelican Management Act, as provided in Section 23-21a-6.
- 617 (8) The emergency medical services grant program in Section 26-8a-207.
- 618 (9) The primary care grant program created in Section 26-10b-102.
- 619 (10) Sanctions collected as dedicated credits from Medicaid provider under Subsection
620 26-18-3(7).
- 621 (11) The Utah Health Care Workforce Financial Assistance Program created in Section
622 26-46-102.
- 623 (12) The Rural Physician Loan Repayment Program created in Section 26-46a-103.
- 624 (13) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.
- 625 (14) Funds that the Department of Alcoholic Beverage Control retains in accordance
626 with Subsection 32B-2-301(8)(a) or (b).
- 627 (15) The General Assistance program administered by the Department of Workforce
628 Services, as provided in Section 35A-3-401.
- 629 [~~(16) A new program or agency that is designated as nonlapsing under Section~~
630 ~~36-24-101.~~]
- 631 [~~(17)~~] (16) The Utah National Guard, created in Title 39, Militia and Armories.
- 632 [~~(18)~~] (17) The State Tax Commission under Section 41-1a-1201 for the:
- 633 (a) purchase and distribution of license plates and decals; and
- 634 (b) administration and enforcement of motor vehicle registration requirements.
- 635 [~~(19)~~] (18) The Search and Rescue Financial Assistance Program, as provided in
636 Section 53-2a-1102.
- 637 [~~(20)~~] (19) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 638 [~~(21)~~] (20) The Utah Board of Higher Education for teacher preparation programs, as
639 provided in Section 53B-6-104.
- 640 [~~(22)~~] (21) The Medical Education Program administered by the Medical Education
641 Council, as provided in Section 53B-24-202.
- 642 [~~(23)~~] (22) The Division of Services for People with Disabilities, as provided in
643 Section 62A-5-102.
- 644 [~~(24)~~] (23) The Division of Fleet Operations for the purpose of upgrading underground
645 storage tanks under Section 63A-9-401.

646 [~~(25)~~] (24) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).

647 [~~(26)~~] (25) Appropriations to the Department of Technology Services for technology
648 innovation as provided under Section [63F-4-202](#).

649 [~~(27)~~] (26) The Office of Administrative Rules for publishing, as provided in Section
650 [63G-3-402](#).

651 [~~(28)~~] (27) The Governor's Office of Economic Development to fund the Enterprise
652 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

653 [~~(29)~~] (28) Appropriations to fund the Governor's Office of Economic Development's
654 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
655 Employment Expansion Program.

656 [~~(30)~~] (29) Appropriations to fund programs for the Jordan River Recreation Area as
657 described in Section [65A-2-8](#).

658 [~~(31)~~] (30) The Department of Human Resource Management user training program, as
659 provided in Section [67-19-6](#).

660 [~~(32)~~] (31) A public safety answering point's emergency telecommunications service
661 fund, as provided in Section [69-2-301](#).

662 [~~(33)~~] (32) The Traffic Noise Abatement Program created in Section [72-6-112](#).

663 [~~(34)~~] (33) The Judicial Council for compensation for special prosecutors, as provided
664 in Section [77-10a-19](#).

665 [~~(35)~~] (34) A state rehabilitative employment program, as provided in Section
666 [78A-6-210](#).

667 [~~(36)~~] (35) The Utah Geological Survey, as provided in Section [79-3-401](#).

668 [~~(37)~~] (36) The Bonneville Shoreline Trail Program created under Section [79-5-503](#).

669 [~~(38)~~] (37) Adoption document access as provided in Sections [78B-6-141](#), [78B-6-144](#),
670 and [78B-6-144.5](#).

671 [~~(39)~~] (38) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
672 Defense Commission.

673 [~~(40)~~] (39) The program established by the Division of Facilities Construction and
674 Management under Section [63A-5b-703](#) under which state agencies receive an appropriation
675 and pay lease payments for the use and occupancy of buildings owned by the Division of
676 Facilities Construction and Management.

677 Section 11. **Repealer.**

678 This bill repeals:

679 Section **36-24-101**, **Review of new programs and agencies.**