

**Senator Todd D. Weiler** proposes the following substitute bill:

**RETIREMENT SYSTEM TRANSPARENCY REQUIREMENTS**

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Lincoln Fillmore**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends provisions related to the public disclosure of information by employers participating in the Utah Retirement System.

**Highlighted Provisions:**

This bill:

- defines terms; and
- requires certain employers that participate in the Utah Retirement System to disclose the employer's retirement contribution information through the Utah Public Finance Website or the employer's own website.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a coordination clause.

**Utah Code Sections Affected:**

AMENDS:

**63A-1-201**, as renumbered and amended by Laws of Utah 2019, Chapter 370

**63A-1-202**, as last amended by Laws of Utah 2019, Chapter 214 and renumbered and amended by Laws of Utah 2019, Chapter 370



26 **Utah Code Sections Affected by Coordination Clause:**

27 **67-3-12**, Utah Code Annotated 1953



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

30 Section 1. Section **63A-1-201** is amended to read:

31 **63A-1-201. Definitions.**

32 As used in this part:

33 (1) "Board" means the Utah Transparency Advisory Board created under Section

34 [63A-1-203](#).

35 (2) "Department" means the Department of Administrative Services.

36 (3) (a) "Independent entity," except as provided in Subsection (3)(c), means the same  
37 as that term is defined in Section [63E-1-102](#).

38 (b) "Independent entity" includes an entity that is part of an independent entity  
39 described in this Subsection (3), if the entity is considered a component unit of the independent  
40 entity under the governmental accounting standards issued by the Governmental Accounting  
41 Standards Board.

42 (c) "Independent entity" does not include the Utah State Retirement Office created in  
43 Section [49-11-201](#).

44 (4) "Participating local entity" means each of the following local entities:

45 (a) a county;

46 (b) a municipality;

47 (c) a local district under Title 17B, Limited Purpose Local Government Entities - Local  
48 Districts;

49 (d) a special service district under Title 17D, Chapter 1, Special Service District Act;

50 (e) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;

51 (f) a school district;

52 (g) a charter school;

53 (h) except for a taxed interlocal entity as defined in Section [11-13-602](#);

54 (i) an interlocal entity as defined in Section [11-13-103](#);

55 (ii) a joint or cooperative undertaking as defined in Section [11-13-103](#); and

56 (iii) any project, program, or undertaking entered into by interlocal agreement in

57 accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

58 (i) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that is  
59 part of an entity described in Subsections (4)(a) through (h), if the entity is considered a  
60 component unit of the entity described in Subsections (4)(a) through (h) under the  
61 governmental accounting standards issued by the Governmental Accounting Standards Board;  
62 and

63 (j) a conservation district under Title 17D, Chapter 3, Conservation District Act.

64 (5) (a) "Participating state entity" means the state of Utah, including [its] the state's  
65 executive, legislative, and judicial branches, [its] departments, divisions, agencies, boards,  
66 commissions, councils, committees, and institutions.

67 (b) "Participating state entity" includes an entity that is part of an entity described in  
68 Subsection (5)(a), if the entity is considered a component unit of the entity described in  
69 Subsection (5)(a) under the governmental accounting standards issued by the Governmental  
70 Accounting Standards Board.

71 (6) "Public financial information" means records that are required to be made available  
72 on the Utah Public Finance Website, a participating local entity's website, or an independent  
73 entity's website as required by this part, and as the term "public financial information" is  
74 defined by rule [under] in accordance with Section 63A-1-204.

75 (7) (a) "URS-participating employer" means an entity that:

76 (i) is a participating entity, as that term is defined in Section 49-11-102; and

77 (ii) is not required to report public financial information under this part as:

78 (A) an independent entity;

79 (B) a participating local entity; or

80 (C) a participating state entity.

81 (b) "URS-participating employer" does not include the Utah State Retirement Office  
82 created in Section 49-11-201.

83 Section 2. Section 63A-1-202 is amended to read:

84 **63A-1-202. Utah Public Finance Website -- Establishment and administration --**

85 **Records disclosure -- Exceptions.**

86 (1) There is created the Utah Public Finance Website to be administered by the state  
87 auditor.

- 88 (2) The Utah Public Finance Website shall:
- 89 (a) permit Utah taxpayers to:
- 90 (i) view, understand, and track the use of taxpayer dollars by making public financial
- 91 information available on the Internet for participating state entities, independent entities, ~~and~~
- 92 participating local entities, and URS-participating employers, using the Utah Public Finance
- 93 Website; and
- 94 (ii) link to websites administered by participating local entities ~~[or]~~, independent
- 95 entities, or URS-participating employers that do not use the Utah Public Finance Website for
- 96 the purpose of providing ~~[participating local entities' or independent entities']~~ public financial
- 97 information as required by this part and by rule ~~[under]~~ in accordance with Section [63A-1-204](#);
- 98 (b) allow a person ~~[who]~~ that has Internet access to use the website without paying a
- 99 fee;
- 100 (c) allow the public to search public financial information on the Utah Public Finance
- 101 Website using criteria established by the board;
- 102 (d) provide access to financial reports, financial audits, budgets, or other financial
- 103 documents that are used to allocate, appropriate, spend, and account for government funds, as
- 104 may be established by rule ~~[under]~~ in accordance with Section [63A-1-204](#);
- 105 (e) have a unique and simplified website address;
- 106 (f) be directly accessible via a link from the main page of the official state website;
- 107 (g) include other links, features, or functionality that will assist the public in obtaining
- 108 and reviewing public financial information, as may be established by rule under Section
- 109 [63A-1-204](#); and
- 110 (h) include a link to school report cards published on the State Board of Education's
- 111 website under Section [53E-5-211](#).
- 112 (3) (a) The state auditor shall:
- 113 (i) establish and maintain the website, including the provision of equipment, resources,
- 114 and personnel as necessary;
- 115 (ii) maintain an archive of all information posted to the website;
- 116 (iii) coordinate and process the receipt and posting of public financial information from
- 117 participating state entities; and
- 118 (iv) coordinate and regulate the posting of public financial information by participating

119 local entities and independent entities.

120 (b) The department shall provide staff support for the advisory committee.

121 (4) (a) A participating state entity and each independent entity shall permit the public  
122 to view the entity's public financial information via the website, beginning with information  
123 that is generated not later than the fiscal year that begins July 1, 2008, except that public  
124 financial information for an:

125 (i) institution of higher education shall be provided beginning with information  
126 generated for the fiscal year beginning July 1, 2009; and

127 (ii) independent entity shall be provided beginning with information generated for the  
128 entity's fiscal year beginning in 2014.

129 (b) [~~No later than May 15, 2009, the~~] The website shall:

130 (i) be operational; and

131 (ii) permit public access to participating state entities' public financial information,  
132 except as provided in Subsections (4)(c) and (d).

133 (c) An institution of higher education that is a participating state entity shall submit the  
134 entity's public financial information at a time allowing for inclusion on the website no later  
135 than May 15, 2010.

136 (d) No later than the first full quarter after July 1, 2014, an independent entity shall  
137 submit the entity's public financial information for inclusion on the Utah Public Finance  
138 Website or via a link to its own website on the Utah Public Finance Website.

139 (5) (a) The Utah Educational Savings Plan, created in Section [53B-8a-103](#), shall  
140 provide the following financial information to the state auditor for posting on the Utah Public  
141 Finance Website:

142 (i) administrative fund expense transactions from its general ledger accounting system;  
143 and

144 (ii) employee compensation information.

145 (b) The plan is not required to submit other financial information to the state auditor,  
146 including:

147 (i) revenue transactions;

148 (ii) account owner transactions; and

149 (iii) fiduciary or commercial information, as defined in Section [53B-12-102](#).

150 (6) (a) The following independent entities shall each provide administrative expense  
151 transactions from [its] the independent entity's general ledger accounting system and employee  
152 compensation information to the state auditor for posting on the Utah Public Finance Website  
153 or via a link to a website administered by the independent entity:

- 154 (i) the Utah Housing Corporation, created in Section [63H-8-201](#); and
- 155 (ii) the School and Institutional Trust Lands Administration, created in Section  
156 [53C-1-201](#).

157 (b) The Utah Capital Investment Corporation, an independent entity created in Section  
158 [63N-6-301](#), shall provide the following information to the division for posting on the Utah  
159 Public Finance Website or via a link to a website administered by the independent entity for  
160 each fiscal year ending on or after June 30, 2015:

- 161 (i) aggregate compensation information for full-time and part-time employees,  
162 including benefit information;
- 163 (ii) aggregate business travel expenses;
- 164 (iii) aggregate expenses related to the Utah Capital Investment Corporation's allocation  
165 manager; and
- 166 (iv) aggregate administrative, operating, and finance costs.

167 (c) For purposes of this part, an independent entity described in Subsection (6)(a) or (b)  
168 is not required to submit to the state auditor, or provide a link to, other financial information,  
169 including:

- 170 (i) revenue transactions of a fund or account created in its enabling statute;
- 171 (ii) fiduciary or commercial information related to any subject if the disclosure of the  
172 information:
  - 173 (A) would conflict with fiduciary obligations; or
  - 174 (B) is prohibited by insider trading provisions;
  - 175 (iii) information of a commercial nature, including information related to:
    - 176 (A) account owners, borrowers, and dependents;
    - 177 (B) demographic data;
    - 178 (C) contracts and related payments;
    - 179 (D) negotiations;
    - 180 (E) proposals or bids;

- 181 (F) investments;
- 182 (G) the investment and management of funds;
- 183 (H) fees and charges;
- 184 (I) plan and program design;
- 185 (J) investment options and underlying investments offered to account owners;
- 186 (K) marketing and outreach efforts;
- 187 (L) lending criteria;
- 188 (M) the structure and terms of bonding; and
- 189 (N) financial plans or strategies; and
- 190 (iv) information protected from public disclosure by federal law.
- 191 (7) (a) As used in this Subsection (7):
- 192 (i) "Local education agency" means a school district or a charter school.
- 193 (ii) "New school building project" means:
- 194 (A) the construction of a school or school facility that did not previously exist in a local
- 195 education agency; or
- 196 (B) the lease or purchase of an existing building, by a local education agency, to be
- 197 used as a school or school facility.
- 198 (iii) "School facility" means a facility, including a pool, theater, stadium, or
- 199 maintenance building, that is built, leased, acquired, or remodeled by a local education agency
- 200 regardless of whether the facility is open to the public.
- 201 (iv) "Significant school remodel" means a construction project undertaken by a local
- 202 education agency with a project cost equal to or greater than \$2,000,000, including:
- 203 (A) the upgrading, changing, alteration, refurbishment, modification, or complete
- 204 substitution of an existing school or school facility in a local education agency; or
- 205 (B) the addition of a school facility.
- 206 (b) For each new school building project or significant school remodel, the local
- 207 education agency shall:
- 208 (i) prepare an annual school plant capital outlay report; and
- 209 (ii) submit the report:
- 210 (A) to the state auditor for publication on the Utah Public Finance Website; and
- 211 (B) in a format, including any raw data or electronic formatting, prescribed by

212 applicable policy established by the state auditor.

213 (c) The local education agency shall include in the capital outlay report described in  
214 Subsection (7)(b)(i) the following information as applicable to each new school building  
215 project or significant school remodel:

216 (i) the name and location of the new school building project or significant school  
217 remodel;

218 (ii) construction and design costs, including:

219 (A) the purchase price or lease terms of any real property acquired or leased for the  
220 project or remodel;

221 (B) facility construction;

222 (C) facility and landscape design;

223 (D) applicable impact fees; and

224 (E) furnishings and equipment;

225 (iii) the gross square footage of the project or remodel;

226 (iv) the year construction was completed; and

227 (v) the final student capacity of the new school building project or, for a significant  
228 school remodel, the increase or decrease in student capacity created by the remodel.

229 (d) (i) For a cost, fee, or other expense required to be reported under Subsection (7)(c),  
230 the local education agency shall report the actual cost, fee, or other expense.

231 (ii) The state auditor may require that a local education agency provide further itemized  
232 data on information listed in Subsection (7)(c).

233 (e) (i) No later than May 15, 2015, a local education agency shall provide the state  
234 auditor a school plant capital outlay report for each new school building project and significant  
235 school remodel completed on or after July 1, 2004, and before May 13, 2014.

236 (ii) For a new school building project or significant school remodel completed after  
237 May 13, 2014, the local education agency shall provide the school plant capital outlay report  
238 described in this Subsection (7) to the state auditor annually by a date designated by the state  
239 auditor.

240 (8) A URS-participating employer shall report, for each fiscal year ending on or after  
241 June 30, 2021, the annual dollar amount in contributions made by the URS-participating  
242 employer on behalf of each employee who is a member as defined in Section [49-11-102](#):



243 (a) to the state auditor for posting on the Utah Public Finance Website; or  
 244 (b) (i) through the URS-participating employer's own website; and  
 245 (ii) via a link to the website described in Subsection (8)(b)(i), submitted to the state  
 246 auditor for posting on the Utah Public Finance Website.

247 ~~[(8)]~~ (9) ~~[A person]~~ An individual who negligently discloses a record that is classified  
 248 as private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and  
 249 Management Act, is not criminally or civilly liable for an improper disclosure of the record if  
 250 the record is disclosed solely as a result of the preparation or publication of the Utah Public  
 251 Finance Website.

252 Section 3. **Coordinating S.B. 115 with H.B. 27 -- Substantive amendments.**

253 If this S.B. 115 and H.B. 27, Public Information Website Modifications, both pass and  
 254 become law, it is the intent of the Legislature that the Office of Legislative Research and  
 255 General Counsel shall prepare the Utah Code database for publication as follows:

256 (1) Subsection 67-3-12(1)(g) is amended to read:

257 "(g) "Qualifying entity" means:

258 (i) an independent entity;

259 (ii) a participating local entity;

260 (iii) a participating state entity;

261 (iv) a local education agency;

262 (v) a state institution of higher education as defined in Section [53B-3-102](#);

263 (vi) the Utah Educational Savings Plan created in Section [58B-8a-103](#);

264 (vii) the Utah Housing Corporation created in Section [63H-8-201](#);

265 (viii) the School and Institutional Trust Lands Administration created in Section  
 266 [53C-1-201](#);

267 (ix) the Utah Capital Investment Corporation created in Section [63N-6-301](#); or

268 (x) a URS-participating employer.";

269 (2) the following language is inserted as a new Subsection 67-3-12(1)(h):

270 "(h) (i) "URS-participating employer" means an entity that:

271 (A) is a participating entity, as that term is defined in Section [49-11-102](#); and

272 (B) is not required to report public financial information under this section as a  
 273 qualifying entity described in Subsections (1)(g)(i) through (ix).

274 (ii) "URS-participating employer" does not include the Utah State Retirement Office  
275 created in Section [49-11-201](#).";

276 (3) Subsection 67-3-12(3)(a) is amended to read:

277 "(a) permit Utah taxpayers to:

278 (i) view, understand, and track the use of taxpayer dollars by making public financial  
279 information available on the Internet for participating state entities, independent entities, [~~and~~  
280 participating local entities, and URS-participating employers using the [~~Utah Public Finance~~  
281 Website] website; and

282 (ii) link to websites administered by participating local entities [~~or~~], independent  
283 entities, or URS-participating employers that do not use the [~~Utah Public Finance Website~~  
284 website for the purpose of providing [~~participating local entities' or independent entities'~~  
285 public financial information as required by this [~~part~~] section and by rule made under [~~Section~~  
286 [63A-1-204](#)] Subsection (8);"; and

287 (4) the following language is inserted as a new Subsection 67-3-12(9):

288 "(9) The rules made under Subsection (8) shall require a URS-participating employer to  
289 report, for each fiscal year ending on or after June 30, 2021, the annual dollar amount in  
290 contributions made by the URS-participating employer on behalf of each employee who is a  
291 member as defined in Section [49-11-102](#):

292 (a) to the state auditor for posting on the public finance website; or

293 (b) (i) through the URS-participating employer's own website; and

294 (ii) via a link to the website described in Subsection (9)(b)(i), submitted to the state  
295 auditor for posting on the public finance website."