

BUDGETARY PROCEDURES MODIFICATIONS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Robert M. Spendlove

Senate Sponsor: Don L. Ipson

LONG TITLE

General Description:

This bill amends and repeals provisions governing budgetary procedures and requirements.

Highlighted Provisions:

This bill:

- ▶ directs that Medicaid funds are nonlapsing for the 2021-22 fiscal year;
- ▶ repeals provisions relating to the funding of the Department of Human Services programs; and

- ▶ repeals language exempting an agency with an overexpended line item for the fiscal year beginning July 1, 2019, and ending June 30, 2020, from presenting a report to the Board of Examiners in certain circumstances.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-18-402.5, as enacted by Laws of Utah 2020, Third Special Session, Chapter 3

62A-1-111, as last amended by Laws of Utah 2021, Chapters 22 and 262

63J-1-206, as last amended by Laws of Utah 2021, Chapters 22 and 344



28 REPEALS:

29 **62A-1-111.6**, as enacted by Laws of Utah 2021, Chapter 22

30 **63J-1-217.5**, as enacted by Laws of Utah 2020, Third Special Session, Chapter 3

31

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

33 Section 1. Section **26-18-402.5** is amended to read:

34 **26-18-402.5. Nonlapsing Medicaid funds.**

35 (1) Notwithstanding Subsection **26-18-402(3)**, for fiscal years 2019-20 [~~and~~], 2020-21,
36 and 2021-22, the funds described in Subsections **26-18-402(3)(a)** and **26-18-402(2)(a)(ii)** are
37 nonlapsing.

38 (2) This section supersedes any conflicting provisions of Utah law.

39 Section 2. Section **62A-1-111** is amended to read:

40 **62A-1-111. Department authority.**

41 The department may, in addition to all other authority and responsibility granted to the
42 department by law:

43 (1) adopt rules, not inconsistent with law, as the department may consider necessary or
44 desirable for providing social services to the people of this state;

45 (2) establish and manage client trust accounts in the department's institutions and
46 community programs, at the request of the client or the client's legal guardian or representative,
47 or in accordance with federal law;

48 (3) purchase, as authorized or required by law, services that the department is
49 responsible to provide for legally eligible persons;

50 (4) conduct adjudicative proceedings for clients and providers in accordance with the
51 procedures of Title 63G, Chapter 4, Administrative Procedures Act;

52 (5) establish eligibility standards for its programs, not inconsistent with state or federal
53 law or regulations;

54 (6) take necessary steps, including legal action, to recover money or the monetary value
55 of services provided to a recipient who was not eligible;

56 (7) set and collect fees for the department's services;

57 (8) license agencies, facilities, and programs, except as otherwise allowed, prohibited,
58 or limited by law;

59 (9) acquire, manage, and dispose of any real or personal property needed or owned by
60 the department, not inconsistent with state law;

61 (10) receive gifts, grants, devises, and donations; gifts, grants, devises, donations, or
62 the proceeds thereof, may be credited to the program designated by the donor, and may be used
63 for the purposes requested by the donor, as long as the request conforms to state and federal
64 policy; all donated funds shall be considered private, nonlapsing funds and may be invested
65 under guidelines established by the state treasurer;

66 (11) accept and employ volunteer labor or services; the department is authorized to
67 reimburse volunteers for necessary expenses, when the department considers that
68 reimbursement to be appropriate;

69 (12) carry out the responsibility assigned in the workforce services plan by the State
70 Workforce Development Board;

71 (13) carry out the responsibility assigned by Section 35A-8-602 with respect to
72 coordination of services for the homeless;

73 (14) carry out the responsibility assigned by Section 62A-5a-105 with respect to
74 coordination of services for students with a disability;

75 (15) provide training and educational opportunities for the department's staff;

76 (16) collect child support payments and any other money due to the department;

77 (17) apply the provisions of Title 78B, Chapter 12, Utah Child Support Act, to parents
78 whose child lives out of the home in a department licensed or certified setting;

79 (18) establish policy and procedures, within appropriations authorized by the
80 Legislature, in cases where the Division of Child and Family Services or the Division of
81 Juvenile Justice Services is given custody of a minor by the juvenile court under Title 80, Utah
82 Juvenile Code, or the department is ordered to prepare an attainment plan for a minor found not
83 competent to proceed under Section 80-6-403; any policy and procedures shall include:

84 (a) designation of interagency teams for each juvenile court district in the state;

85 (b) delineation of assessment criteria and procedures;

86 (c) minimum requirements, and timeframes, for the development and implementation
87 of a collaborative service plan for each minor placed in department custody; and

88 (d) provisions for submittal of the plan and periodic progress reports to the court;

89 (19) carry out the responsibilities assigned to the department by statute;

90 (20) examine and audit the expenditures of any public funds provided to local
91 substance abuse authorities, local mental health authorities, local area agencies on aging, and
92 any person, agency, or organization that contracts with or receives funds from those authorities
93 or agencies. Those local authorities, area agencies, and any person or entity that contracts with
94 or receives funds from those authorities or area agencies, shall provide the department with any
95 information the department considers necessary. The department is further authorized to issue
96 directives resulting from any examination or audit to local authorities, area agencies, and
97 persons or entities that contract with or receive funds from those authorities with regard to any
98 public funds. If the department determines that it is necessary to withhold funds from a local
99 mental health authority or local substance abuse authority based on failure to comply with state
100 or federal law, policy, or contract provisions, it may take steps necessary to ensure continuity of
101 services. For purposes of this Subsection (20) "public funds" means the same as that term is
102 defined in Section [62A-15-102](#);

103 (21) pursuant to Subsection [62A-2-106\(1\)\(d\)](#), accredit one or more agencies and
104 persons to provide intercountry adoption services;

105 (22) within appropriations authorized by the Legislature, promote and develop a
106 system of care and stabilization services:

107 (a) in compliance with Title 63G, Chapter 6a, Utah Procurement Code; and

108 (b) that encompasses the department, department contractors, and the divisions,
109 offices, or institutions within the department, to:

110 (i) navigate services, funding resources, and relationships to the benefit of the children
111 and families whom the department serves;

112 (ii) centralize department operations, including procurement and contracting;

113 (iii) develop policies that govern business operations and that facilitate a system of care
114 approach to service delivery;

115 (iv) allocate resources that may be used for the children and families served by the
116 department or the divisions, offices, or institutions within the department, subject to the
117 restrictions in Section [63J-1-206](#);

118 (v) create performance-based measures for the provision of services; and

119 (vi) centralize other business operations, including data matching and sharing among
120 the department's divisions, offices, and institutions; and

121 (23) ensure that any training or certification required of a public official or public
122 employee, as those terms are defined in Section 63G-22-102, complies with Title 63G, Chapter
123 22, State Training and Certification Requirements, if the training or certification is required:

124 (a) under this title;

125 (b) by the department; or

126 (c) by an agency or division within the department~~[-and].~~

127 ~~[(24) reallocate unexpended funds as provided in Section 62A-1-111.6.]~~

128 Section 3. Section 63J-1-206 is amended to read:

129 **63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures --**
130 **Transfer of funds -- Exclusion.**

131 (1) (a) Except as provided in Subsections (1)(b) and (2)(e), or where expressly
132 exempted in the appropriating act:

133 (i) all money appropriated by the Legislature is appropriated upon the terms and
134 conditions set forth in this chapter; and

135 (ii) any department, agency, or institution that accepts money appropriated by the
136 Legislature does so subject to the requirements of this chapter.

137 (b) This section does not apply to:

138 (i) the Legislature and its committees; and

139 (ii) the Investigation Account of the Water Resources Construction Fund, which is
140 governed by Section 73-10-8.

141 (2) (a) Each item of appropriation is to be expended subject to any schedule of
142 programs and any restriction attached to the item of appropriation, as designated by the
143 Legislature.

144 (b) Each schedule of programs or restriction attached to an appropriation item:

145 (i) is a restriction or limitation upon the expenditure of the respective appropriation
146 made;

147 (ii) does not itself appropriate any money; and

148 (iii) is not itself an item of appropriation.

149 (c) (i) An appropriation or any surplus of any appropriation may not be diverted from
150 any department, agency, institution, division, or line item to any other department, agency,
151 institution, division, or line item.

152 (ii) If the money appropriated to an agency to pay lease payments under the program
153 established in Section 63A-5b-703 exceeds the amount required for the agency's lease
154 payments to the Division of Facilities Construction and Management, the agency may:

155 (A) transfer money from the lease payments line item to other line items within the
156 agency; and

157 (B) retain and use the excess money for other purposes.

158 ~~[(iii) The executive director of the Department of Human Services may transfer~~
159 ~~unrestricted General Fund money appropriated to the department between line items within the~~
160 ~~department in accordance with Section 62A-1-111.6.]~~

161 (d) The money appropriated subject to a schedule of programs or restriction may be
162 used only for the purposes authorized.

163 (e) In order for a department, agency, or institution to transfer money appropriated to it
164 from one program to another program, the department, agency, or institution shall revise its
165 budget execution plan as provided in Section 63J-1-209.

166 (f) (i) The procedures for transferring money between programs within a line item as
167 provided by Subsection (2)(e) do not apply to money appropriated to the State Board of
168 Education for the Minimum School Program or capital outlay programs created in Title 53F,
169 Chapter 3, State Funding -- Capital Outlay Programs.

170 (ii) The state superintendent may transfer money appropriated for the programs
171 specified in Subsection (2)(f)(i) only as provided by Section 53F-2-205.

172 (3) Notwithstanding Subsection (2)(c)(i):

173 (a) the state superintendent may transfer money appropriated for the Minimum School
174 Program between line items in accordance with Section 53F-2-205; and

175 (b) the Department of Government Operations may transfer money appropriated for the
176 purpose of paying the costs of paid employee postpartum recovery leave under Section
177 63A-17-511 to another department, agency, institution, or division.

178 Section 4. **Repealer.**

179 This bill repeals:

180 Section 62A-1-111.6, **Reallocating unexpended money to designated priority**
181 **programs -- Reporting -- Limitation.**

182 Section 63J-1-217.5, **Reporting requirements for overexpenditure of budget by**

183 agency for fiscal year 2020.