

1                   **CONCURRENT RESOLUTION CALLING ON LOCAL**  
2                   **GOVERNMENTS TO TREAT ABOVE-TREND REVENUE**  
3                   **GROWTH AS ONE-TIME REVENUE**

4                                   2022 GENERAL SESSION

5                                   STATE OF UTAH

6                                   **Chief Sponsor: Lincoln Fillmore**

7                                   House Sponsor: Andrew Stoddard

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9                   **LONG TITLE**

10                   **General Description:**

11                   This resolution encourages counties, cities, towns, and metro townships to consider  
12                   treating above-trend revenue growth as one-time revenue instead of ongoing revenue.

13                   **Highlighted Provisions:**

14                   This resolution:

15                   ▶ recognizes the volatility of tax revenue and federal funds received by state and local  
16                   governments;

17                   ▶ recognizes the benefits of treating above-trend revenue growth as one-time revenue;  
18                   and

19                   ▶ encourages counties, cities, towns, and metro townships to treat above-trend  
20                   revenue growth as one-time revenue instead of ongoing revenue.

21                   **Special Clauses:**

22                   None

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24                   *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

25                   WHEREAS, the business cycle creates fluctuations in state and local government  
26                   revenues;

27                   WHEREAS, tax revenue volatility can increase suddenly and unexpectedly, as seen



28 during the Great Recession and the COVID-19 pandemic, increasing the difficulty of revenue  
29 forecasting;

30 WHEREAS, the Great Recession and the COVID-19 pandemic demonstrate that the  
31 amount of federal funds received by state and local governments can also fluctuate significantly  
32 and unexpectedly;

33 WHEREAS, state and local government tax and budget policies can contribute to or  
34 mitigate revenue volatility and its effects;

35 WHEREAS, treating unexpected, or above-trend, revenue growth as one-time money  
36 can help protect against the negative effects of revenue volatility;

37 WHEREAS, treating above-trend revenue growth as one-time money can reduce the  
38 need for difficult and often inefficient budget choices when revenue declines, including  
39 reductions in government services or increased taxes;

40 WHEREAS, treating above-trend revenue growth as one-time money can protect  
41 against unsustainable growth in government budgets when revenue increases; and

42 WHEREAS, the Legislature considers treating above-trend revenue growth as one-time  
43 money instead of ongoing money for all major tax types and for federal funds when setting the  
44 state's budget:

45 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the  
46 Governor concurring therein, encourage counties, cities, towns, and metro townships in the  
47 state to also consider treating above-trend growth in sales and use tax revenue and in federal  
48 funds as one-time money instead of ongoing money when setting a budget.