

1 **BUDGET REPORTING REQUIREMENTS**

2 2023 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Melissa G. Ballard**

5 Senate Sponsor: Evan J. Vickers

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7 **LONG TITLE**

8 **General Description:**

9 This bill addresses state agency budget reporting requirements.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ requires a state agency to submit a report to a legislative appropriations  
13 subcommittee that describes the agency's plan to expend the agency's nonlapsing  
14 appropriation balance;

15 ▶ when a state agency is subject to an accountable budget process, requires the agency  
16 to evaluate the agency's internal budget processes and controls and report the results  
17 to a legislative appropriations subcommittee; and

18 ▶ makes technical and conforming changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **63J-1-602**, as last amended by Laws of Utah 2018, Chapter 469

26 **63J-1-903**, as enacted by Laws of Utah 2021, Chapter 421



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

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

30 **63J-1-602. Nonlapsing appropriations.**

31 (1) The appropriations from a fund or account and appropriations to a program that are  
32 listed in Section [63J-1-602.1](#) or [63J-1-602.2](#) are nonlapsing.

33 (2) No appropriation from a fund or account or appropriation to a program may be  
34 treated as nonlapsing unless:

35 (a) it is listed in Section [63J-1-602.1](#) or [63J-1-602.2](#);

36 (b) it is designated in a condition of appropriation in the appropriations bill; or

37 (c) nonlapsing authority is granted under Section [63J-1-603](#).

38 (3) Each legislative appropriations subcommittee shall review the accounts and funds  
39 that have been granted nonlapsing authority under the provisions of this section or Section  
40 [63J-1-603](#).

41 (4) On or before October 1 of each calendar year, an agency shall submit to the  
42 legislative appropriations subcommittee with jurisdiction over the agency's budget a report that  
43 describes the agency's plan to expend any nonlapsing appropriations, including:

44 (a) if applicable, the results of the prior year's planned use of the agency's nonlapsing  
45 appropriations; and

46 (b) if the agency plans to save all or a portion of the agency's nonlapsing appropriations  
47 over multiple years to pay for an anticipated expense:

48 (i) the estimated cost of the expense; and

49 (ii) the number of years until the agency will accumulate the amount required to pay for  
50 the expense.

51 Section 2. Section **63J-1-903** is amended to read:

52 **63J-1-903. Performance reporting and budget evaluation.**

53 (1) The Governor's Office of Planning and Budget and the Office of the Legislative  
54 Fiscal Analyst may develop an information system to collect, track, and publish agency  
55 performance measures.

56 (2) Each executive department agency shall:

57 (a) in consultation with the Governor's Office of Planning and Budget and the Office of  
58 the Legislative Fiscal Analyst, develop performance measures to include in an appropriations

59 act for each fiscal year; and

60 (b) on or before October 1 of each calendar year, provide to the Governor's Office of  
61 Planning and Budget and the Office of the Legislative Fiscal Analyst:

62 (i) any recommendations for legislative changes for the next fiscal year to the agency's  
63 previously adopted performance measures; and

64 (ii) a report of the final status of the agency's performance measures included in the  
65 appropriations act for the fiscal year ending the previous June 30.

66 (3) Each judicial department agency shall:

67 (a) develop performance measures to include in an appropriations act for each fiscal  
68 year; and

69 (b) annually submit to the Office of the Legislative Fiscal Analyst a report that  
70 contains:

71 (i) any recommendations for legislative changes for the next fiscal year to the agency's  
72 previously adopted performance measures; and

73 (ii) the final status of the agency's performance measures included in the appropriations  
74 act for the fiscal year ending the previous June 30.

75 (4) For each funding item, the executive department agency shall provide to the  
76 Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst:

77 (a) within 60 days after the day on which the Legislature adjourns a legislative session  
78 sine die:

79 (i) one or more proposed performance measures developed in consultation with the  
80 Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst; and

81 (ii) a target for each performance measure described in Subsection (4)(a)(i); and

82 (b) on or before August 15 of each year after the close of the fiscal year in which the  
83 funding item was first funded, a report that includes:

84 (i) the status of each performance measure relative to the measure's target as described  
85 in Subsection (4)(a);

86 (ii) the actual amount the agency spent, if any, on the funding item; and

87 (iii) (A) the month and year in which the agency implemented the program or project  
88 associated with the funding item; or

89 (B) if the program or project associated with the funding item is not fully implemented,

90 the month and year in which the agency anticipates fully implementing the program or project  
91 associated with the funding item.

92 (5) The Office of the Legislative Fiscal Analyst shall report the relevant performance  
93 measure information described in this section to the Executive Appropriations Committee and  
94 the appropriations subcommittees, as appropriate.

95 (6) Each executive department agency, when the agency's budget is subject to a  
96 legislative appropriations subcommittee's accountable budget process, shall:

97 (a) conduct a thorough evaluation of the agency's performance measures, internal  
98 budget process, and budget controls; and

99 (b) submit the results of the evaluation to the legislative appropriations subcommittee.