

1 **LEGISLATIVE AUDITOR GENERAL AMENDMENTS**
2 2024 GENERAL SESSION
3 STATE OF UTAH
4 **Chief Sponsor: Melissa G. Ballard**
5 Senate Sponsor: Wayne A. Harper

6
7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to legislative oversight of government entities.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▸ requires a copy of a report to be provided to the Office of the Legislative Auditor
- 13 General;
- 14 ▸ amends the requirements for an agency to conduct a self-assessment as part of the
- 15 legislative budget review process; and
- 16 ▸ makes technical and conforming changes.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **63J-1-903**, as last amended by Laws of Utah 2023, Chapters 24, 409

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

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

26 **63J-1-903 . Performance measure and funding item reporting.**

- 27 (1) The Governor's Office of Planning and Budget and the Office of the Legislative Fiscal
- 28 Analyst may develop an information system to collect, track, and publish agency
- 29 performance measures.
- 30 (2) Each executive department agency shall:
 - 31 (a) in consultation with the Governor's Office of Planning and Budget and the Office of

- 29 the Legislative Fiscal Analyst, develop performance measures to include in an
30 appropriations act for each fiscal year; and
- 31 (b) on or before August 15 of each calendar year, provide to the Governor's Office of
32 Planning and Budget and the Office of the Legislative Fiscal Analyst:
- 33 (i) any recommendations for legislative changes for the next fiscal year to the
34 agency's previously adopted performance measures or targets; and
- 35 (ii) a report of the final status of the agency's performance measures included in the
36 appropriations act for the fiscal year ending the previous June 30.
- 37 (3) Each judicial department agency shall:
- 38 (a) develop performance measures to include in an appropriations act for each fiscal
39 year; and
- 40 (b) annually submit to the Office of the Legislative Fiscal Analyst a report that contains:
- 41 (i) any recommendations for legislative changes for the next fiscal year to the
42 agency's previously adopted performance measures; and
- 43 (ii) the final status of the agency's performance measures included in the
44 appropriations act for the fiscal year ending the previous June 30.
- 45 (4) Within 21 days after the day on which the Legislature adjourns a legislative session sine
46 die, the Governor's Office of Planning and Budget and the Office of the Legislative
47 Fiscal Analyst shall:
- 48 (a) create a list of funding items passed during the legislative session;
- 49 (b) from the list described in Subsection (4)(a), identify in a sublist each funding item
50 that increases state funding by \$500,000 or more from state funds; and
- 51 (c) provide the lists described in this subsection to each executive department agency
52 and the Office of the Legislative Auditor General.
- 53 (5) Each executive department agency shall provide to the Governor's Office of Planning
54 and Budget and the Office of the Legislative Fiscal Analyst:
- 55 (a) for each funding item on the list described in Subsection (4)(b), within 60 days after
56 the day on which the Legislature adjourns a legislative session sine die:
- 57 (i) one or more proposed performance measures; and
- 58 (ii) a target for each performance measure described in Subsection (5)(a)(i); and
- 59 (b) for each funding item on the list described in Subsection (4)(a), on or before August
60 15 of each year after the close of the fiscal year in which the funding item was first
61 funded, a report that includes:
- 62 (i) the status of each performance measure relative to the measure's target as

- 63 described in Subsection (5)(a), if applicable;
- 64 (ii) the actual amount the agency spent, if any, on the funding item; and
- 65 (iii) (A) the month and year in which the agency implemented the program or
- 66 project associated with the funding item; or
- 67 (B) if the program or project associated with the funding item is not fully
- 68 implemented, the month and year in which the agency anticipates fully
- 69 implementing the program or project associated with the funding item.
- 70 (6) (a) After an executive department agency provides proposed performance measures
- 71 in accordance with Subsection (5)(a), the Governor's Office of Planning and Budget
- 72 and the Office of the Legislative Fiscal Analyst shall review the proposed
- 73 performance measures and, if necessary, coordinate with the executive department
- 74 agency to modify and finalize the performance measures.
- 75 (b) The Governor's Office of Planning and Budget, the Office of the Legislative Fiscal
- 76 Analyst, and the executive department agency shall finalize each proposed
- 77 performance measure before July 1.
- 78 (7) The Governor's Office of Planning and Budget and the Office of the Legislative Fiscal
- 79 Analyst may jointly request that an executive department agency provide the report
- 80 required under Subsection (5)(b) in a different fiscal year than the fiscal year in which
- 81 the funding item was first funded or in multiple fiscal years.
- 82 (8) The Governor's Office of Planning and Budget shall:
- 83 (a) review at least 20% of the performance measures described in Subsection (2)
- 84 annually; and
- 85 (b) ensure that the Governor's Office of Planning and Budget reviews each performance
- 86 measure described in Subsection (2) at least once every five years.
- 87 (9) The Office of the Legislative Fiscal Analyst shall review the performance measures
- 88 described in Subsection (2) on a schedule that aligns with the appropriations
- 89 subcommittee's applicable accountable budget process described in legislative rule.
- 90 (10) (a) The Office of the Legislative Fiscal Analyst shall report the relevant
- 91 performance measure information described in this section to the Executive
- 92 Appropriations Committee and the appropriations subcommittees, as appropriate.
- 93 (b) The Governor's Office of Planning and Budget shall report the relevant performance
- 94 measure information described in this section to the governor.
- 95 (11) Each executive department agency, when the agency's budget is subject to a legislative
- 96 appropriations subcommittee's accountable budget process, shall:

- 97 (a) conduct a thorough evaluation of the agency's performance measures, internal budget
98 process, [~~and budget controls; and~~] budget controls, organization, and adherence to
99 best practices through the self-assessment tools developed by the Office of the
100 Legislative Auditor General; and
101 (b) submit the results of the evaluation to the legislative appropriations subcommittee
102 and the Office of the Legislative Auditor General.

103 Section 2. **Effective date.**

104 This bill takes effect on May 1, 2024.