

**Senator Kirk A. Cullimore** proposes the following substitute bill:

**UTAH FITS ALL SCHOLARSHIP PROGRAM AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Candice B. Pierucci**

Senate Sponsor: Kirk A. Cullimore

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**LONG TITLE**

**General Description:**

This bill amends provisions regarding the Utah Fits All Scholarship Program.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ clarifies that a student may not receive education services funded through the Utah Fits All Scholarship Program and the Statewide Online Education Program;
- ▶ provides for the inclusion of children of military service members;
- ▶ allows a foster parent who has initiated a process to adopt the foster child to apply for a scholarship account;
- ▶ clarifies the use of scholarship funds to pay expenses to a qualifying provider instead of an individual, including that parents are not eligible service providers;
- ▶ allows the Utah State Tax Commission to provide certain income information to the program manager in certain circumstances;
- ▶ amends a provision regarding an appeal process, shifting the requirement from the State Board of Education to the program manager with the involvement of parents;
- ▶ amends provisions regarding local education agency participation by removing dual enrollment proration and establishing local education agency eligibility to serve



- 26 home-based scholarship students;
- 27       ▶ moves a requirement to analyze cost effectiveness from the State Board of
- 28 Education to the state auditor; and
- 29       ▶ makes technical and conforming changes.

30 **Money Appropriated in this Bill:**

31       None

32 **Other Special Clauses:**

33       None

34 **Utah Code Sections Affected:**

35 AMENDS:

- 36       **53F-4-501**, as last amended by Laws of Utah 2023, Chapters 226, 368
- 37       **53F-6-401**, as enacted by Laws of Utah 2023, Chapter 1
- 38       **53F-6-402**, as enacted by Laws of Utah 2023, Chapter 1
- 39       **53F-6-404**, as enacted by Laws of Utah 2023, Chapter 1
- 40       **53F-6-405**, as enacted by Laws of Utah 2023, Chapter 1
- 41       **53F-6-408**, as enacted by Laws of Utah 2023, Chapter 1
- 42       **53F-6-409**, as enacted by Laws of Utah 2023, Chapter 1
- 43       **53F-6-412**, as enacted by Laws of Utah 2023, Chapter 1
- 44       **59-1-403**, as last amended by Laws of Utah 2023, Chapters 21, 52, 86, 259, and 329
- 45       **67-3-1**, as last amended by Laws of Utah 2023, Chapters 16, 330, 353, and 480

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

48       Section 1. Section **53F-4-501** is amended to read:

49       **53F-4-501. Definitions.**

50       As used in this part:

- 51       (1) "Authorized online course provider" means the entities listed in Subsection
- 52 **53F-4-504(1)**.
- 53       (2) (a) "Certified online course provider" means a provider that the state board
- 54 approves to offer courses through the Statewide Online Education Program.
- 55       (b) "Certified online course provider" does not include an entity described in
- 56 Subsections **53F-4-504(1)(a)** through (c).

57 (3) "Credit" means credit for a high school course, or the equivalent for a middle  
58 school course, as determined by the state board.

59 (4) (a) "Eligible student" means a student:

60 [~~(a)~~] (i) who intends to take a course for middle school or high school credit; and

61 [~~(b)~~] (ii) [~~(i)~~] (A) who is enrolled in an LEA in Utah; or

62 [~~(ii)~~] (B) [~~(A)~~] who attends a private school or home school[;] and

63 [~~(B)~~] whose custodial parent is a resident of Utah.

64 (b) "Eligible student" does not include a scholarship student as defined in Section

65 [53F-6-401](#).

66 (5) "High school" means grade 9, 10, 11, or 12.

67 (6) "Middle school" means, only for purposes of student eligibility to participate in the  
68 Statewide Online Education Program, grade 6, 7, or 8.

69 (7) "Online course" means a course of instruction offered by the Statewide Online  
70 Education Program through the use of digital technology, regardless of whether the student  
71 participates in the course at home, at school, at another location, or any combination of these.

72 (8) "Plan for college and career readiness" means the same as that term is defined in  
73 Section [53E-2-304](#).

74 (9) "Primary LEA of enrollment" means the LEA in which an eligible student is  
75 enrolled for courses other than online courses offered through the Statewide Online Education  
76 Program.

77 (10) "Released-time" means a period of time during the regular school day a student is  
78 excused from school at the request of the student's parent pursuant to rules of the state board.

79 Section 2. Section **53F-6-401** is amended to read:

80 **53F-6-401. Definitions.**

81 As used in this part:

82 (1) "Eligible student" means a student:

83 (a) who is eligible to participate in public school, in kindergarten, or grades 1 through  
84 12;

85 (b) who is a resident of the state, including a child of a military service member, as that  
86 term is defined in Section [53B-8-102](#);

87 (c) who, during the school year for which the student is applying for a scholarship

88 account:

89 (i) does not receive a scholarship under:

90 (A) the Carson Smith Scholarship Program established in Section 53F-4-302; or

91 (B) the Special Needs Opportunity Scholarship Program established in Section

92 53E-7-402; and

93 (ii) ~~[except for a student who is enrolled part-time in accordance with Section~~

94 ~~53G-6-702;]~~ is not enrolled in ~~[an LEA]~~, upon receiving the scholarship[;]:

95 (A) an LEA; or

96 (B) the Statewide Online Education Program to participate in a course with funding

97 provided under Title 53F, Chapter 4, Part 5, Statewide Online Education Program, which does

98 not include participation in a course by an entity as described in Section 53F-6-409(7);

99 (d) whose eligibility is not suspended or disqualified under Section 53F-6-401; and

100 ~~[(e)]~~ (i) who completes, to maintain eligibility, the portfolio requirement described in  
101 Subsection 53F-6-402(3)(d).

102 (2) "Federal poverty level" means the United States poverty level as defined by the  
103 most recently revised poverty income guidelines published by the United States Department of  
104 Health and Human Services in the Federal Register.

105 (3) (a) "Home-based scholarship student" means a student who:

106 (i) is eligible to participate in public school, in kindergarten or grades 1 through 12;

107 (ii) is excused from enrollment in an LEA in accordance with Section 53G-6-204 to  
108 attend a home school; and

109 (iii) receives a benefit of scholarship funds.

110 (b) "Home-based scholarship student" does not mean a home school student who does  
111 not receive a scholarship under the program.

112 (4) "Parent" means:

113 (a) the same as that term is defined in Section 53E-1-102; and

114 (b) a foster parent who has initiated a process to adopt the foster child.

115 (5) "Program manager" means an organization that:

116 (a) is qualified as tax exempt under Section 501(c)(3), Internal Revenue Code;

117 (b) is not affiliated with any international organization;

118 (c) does not harvest data for the purpose of reproducing or distributing the data to other

119 entities;

120 (d) has no involvement in guiding or directing any curriculum or curriculum standards;

121 (e) does not manage or otherwise administer a scholarship under:

122 (i) the Carson Smith Scholarship Program established in Section 53F-4-302; or

123 (ii) the Special Needs Opportunity Scholarship Program established in Section  
124 53E-7-402; and

125 (f) an agreement with the state board recognizes as a program manager, in accordance  
126 with this part.

127 ~~[(5)]~~ (6) (a) "Program manager employee" means an individual working for the  
128 program manager in a position in which the individual's salary, wages, pay, or compensation,  
129 including as a contractor, is paid from scholarship funds.

130 (b) "Program manager employee" does not include:

131 (i) an individual who volunteers for the program manager or for a qualifying provider;

132 (ii) an individual who works for a qualifying provider; or

133 (iii) a qualifying provider.

134 ~~[(6)]~~ (7) "Program manager officer" means:

135 (a) a member of the board of a program manager; or

136 (b) the chief administrative officer of a program manager.

137 ~~[(7)]~~ (8) (a) "Qualifying provider" means one of the following entities ~~[that is not a~~  
138 ~~public school and is autonomous and not an agent of the state, in accordance with Section~~  
139 ~~53F-6-406]~~:

140 ~~[(a)]~~ (i) an eligible school that the program manager approves in accordance with  
141 Section 53F-6-408; or

142 ~~[(b)]~~ (ii) an eligible service provider that the program manager approves in accordance  
143 with Section 53F-6-409.

144 (b) "Qualifying provider" does not include:

145 (i) a parent of a home-based scholarship student or a home school student solely in  
146 relation to the parent's child; or

147 (ii) any other individual that does not meet the requirements described in Subsection  
148 (8)(a).

149 ~~[(8)]~~ (9) "Relative" means a father, mother, husband, wife, son, daughter, sister,

150 brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,  
151 sister-in-law, son-in-law, or daughter-in-law.

152 ~~[(9)]~~ (10) "Scholarship account" means the account to which a program manager  
153 allocates funds for the payment of approved scholarship expenses in accordance with this part.

154 ~~[(10)]~~ (11) "Scholarship expense" means an expense described in Section [53F-6-402](#)  
155 that a parent or scholarship student incurs in the education of the scholarship student for a  
156 service or goods that a qualifying provider provides, including:

- 157 (a) tuition and fees of a qualifying provider;
- 158 (b) fees and instructional materials at a technical college;
- 159 (c) tutoring services;
- 160 (d) fees for after-school or summer education programs;
- 161 (e) textbooks, curricula, or other instructional materials, including any supplemental  
162 materials or associated online instruction that a curriculum or a qualifying provider  
163 recommends;
- 164 (f) educational software and applications;
- 165 (g) supplies or other equipment related to a scholarship student's educational needs;
- 166 (h) computer hardware or other technological devices that are intended primarily for a  
167 scholarship student's educational needs;
- 168 (i) fees for the following examinations, or for a preparation course for the following  
169 examinations, that the program manager approves:
  - 170 (i) a national norm-referenced or standardized assessment described in Section  
171 [53F-6-410](#), an advanced placement examination, or another similar assessment;
  - 172 (ii) a state-recognized industry certification examination; and
  - 173 (iii) an examination related to college or university admission;
- 174 (j) educational services for students with disabilities from a licensed or accredited  
175 practitioner or provider, including occupational, behavioral, physical, audiology, or  
176 speech-language therapies;
- 177 (k) contracted services that the program manager approves and that an LEA provides,  
178 including individual classes, after-school tutoring services, transportation, or fees or costs  
179 associated with participation in extracurricular activities;
- 180 (l) ride fees or fares for a fee-for-service transportation provider to transport the

181 scholarship student to and from a qualifying provider, not to exceed \$750 in a given school  
182 year;

183 (m) expenses related to extracurricular activities, field trips, educational supplements,  
184 and other educational experiences; or

185 (n) any other expense for a good or service that:

186 (i) a parent or scholarship student incurs in the education of the scholarship student;

187 and

188 (ii) the program manager approves, in accordance with Subsection (4)(d).

189 ~~[(11)]~~ (12) "Scholarship funds" means:

190 (a) funds that the Legislature appropriates for the program; and

191 (b) interest that scholarship funds accrue.

192 ~~[(12)]~~ (13) (a) "Scholarship student" means an eligible student, including a home-based  
193 scholarship student, for whom the program manager establishes and maintains a scholarship  
194 account in accordance with this part.

195 (b) "Scholarship student" does not include a home school student who does not receive  
196 a scholarship award under the program.

197 ~~[(13)]~~ (14) "Utah Fits All Scholarship Program" or "program" means the scholarship  
198 program established in Section 53F-6-402.

199 Section 3. Section 53F-6-402 is amended to read:

200 **53F-6-402. Utah Fits All Scholarship Program -- Scholarship account application**  
201 **-- Scholarship expenses -- Program information.**

202 (1) There is established the Utah Fits All Scholarship Program under which, beginning  
203 March 1, 2024, a parent may apply to a program manager on behalf of the parent's student to  
204 establish and maintain a scholarship account to cover the cost of a scholarship expense.

205 (2) (a) The program manager shall establish and maintain, in accordance with this part,  
206 scholarship accounts for eligible students.

207 (b) The program manager shall:

208 (i) determine that a student meets the requirements to be an eligible student; and

209 (ii) subject to Subsection (2)(c), each year the student is an eligible student, maintain a  
210 scholarship account for the scholarship student to pay for the cost of one or more scholarship  
211 expenses that the student or student's parent incurs in the student's education.

212 (c) [~~Except as provided in Subsection (2)(d), each~~] Each year, subject to this part and  
213 legislative appropriations, a scholarship student is eligible for no more than:

214 (i) for the 2024-2025 school year, \$8,000; and

215 (ii) for each school year following the 2024-2025 school year, the maximum allowed  
216 amount under this Subsection (2)(c) in the previous year plus a percentage increase that is  
217 equal to the five-year rolling average inflationary factor described in Section 53F-2-405.

218 [~~(d) If a scholarship student enrolls in an LEA part-time in accordance with Section  
219 53G-6-702, the program manager shall prorate the amount of the award described in  
220 Subsection (2)(c) in proportion to the extent of the scholarship student's partial enrollment in  
221 the LEA.~~]

222 (3) (a) A program manager shall establish a scholarship account on behalf of an  
223 eligible student who submits a timely application, unless the number of applications exceeds  
224 available scholarship funds for the school year.

225 (b) If the number of applications exceeds the available scholarship funds for a school  
226 year, the program manager shall select students on a random basis, except as provided in  
227 Subsection (6).

228 (c) An eligible student or a public education student shall submit an application for an  
229 initial scholarship or renewal for each school year that the student intends to receive  
230 scholarship funds.

231 (d) (i) To maintain eligibility, a scholarship student or the scholarship student's parent  
232 shall annually complete and deliver to the program manager a portfolio describing the  
233 scholarship student's educational opportunities and achievements under the program for the  
234 given year.

235 (ii) The program manager may not disclose the content of a given scholarship student's  
236 portfolio except to the scholarship student's parent.

237 (4) (a) An application for a scholarship account shall contain an acknowledgment by  
238 the student's parent that the qualifying provider selected by the parent for the student's  
239 enrollment or engagement is capable of providing education services for the student.

240 (b) A scholarship account application form shall contain the following statement:  
241 "I acknowledge that:

242 [~~(1)~~] 1: A qualifying provider may not provide the same level of disability services that

243 are provided in a public school;

244 ~~[(2)]~~ 2: I will assume full financial responsibility for the education of my scholarship  
245 recipient if I agree to this scholarship account;

246 ~~[(3)]~~ 3: Agreeing to establish this scholarship account has the same effect as a parental  
247 refusal to consent to services as described in 34 C.F.R. Sec. 300.300, issued under the  
248 Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.; and

249 ~~[(4)]~~ 4: My child may return to a public school at any time."

250 (c) Upon agreeing to establish a scholarship account, the parent assumes full financial  
251 responsibility for the education of the scholarship student, including the balance of any expense  
252 incurred at a qualifying provider or for goods that are not paid for by the scholarship student's  
253 scholarship account.

254 (d) Agreeing to establish a scholarship account has the same effect as a parental refusal  
255 to consent to services as described in 34 C.F.R. Sec. 300.300, issued under the Individuals with  
256 Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.

257 (e) The creation of the program or establishment of a scholarship account on behalf of  
258 a student does not:

259 (i) imply that a public school did not provide a free and appropriate public education  
260 for a student; or

261 (ii) constitute a waiver or admission by the state.

262 (5) A program manager may not charge a scholarship account application fee.

263 (6) (a) A program manager shall give an enrollment preference based on the following  
264 order of preference:

265 ~~[(a)]~~ (i) to an eligible student who used a scholarship account in the previous school  
266 year;

267 ~~[(b)]~~ (ii) to an eligible student:

268 ~~[(i)]~~ (A) who did not use a scholarship account in the previous school year; and

269 ~~[(ii)]~~ (B) with a family income at or below 200% of the federal poverty level;

270 ~~[(c)]~~ (iii) to an eligible student who is a sibling of an eligible student who:

271 ~~[(i)]~~ (A) uses a scholarship account at the time the sibling applies for a scholarship  
272 account; or

273 ~~[(ii)]~~ (B) used a scholarship account in the school year immediately preceding the

274 school year for which the sibling is applying for a scholarship account; and

275 ~~[(iv)]~~ (iv) to an eligible student:

276 ~~[(i)]~~ (A) who did not use a scholarship account in the previous school year; and

277 ~~[(ii)]~~ (B) with a family income between 200% and 555% of the federal poverty level.

278 (b) The State Tax Commission may, upon request, provide state individual income tax  
279 information to the program manager for income verification purposes regarding a given  
280 individual if:

281 (i) the individual voluntarily provides the individual's social security number to the  
282 program manager; and

283 (ii) consents in writing to the sharing of state individual income tax information solely  
284 for income verification purposes.

285 (c) In addition to the tax information described in Subsection (6)(b), the program  
286 manager shall accept the following for income verification:

287 (i) a federal form W-2;

288 (ii) a wage statement from an employer; and

289 (iii) other methods or documents that the program manager identifies.

290 (7) (a) Subject to Subsections (7)(b) through (e), a parent may use a scholarship  
291 account to pay for a scholarship expense from a qualifying provider that a parent or scholarship  
292 student incurs in the education of the scholarship student.

293 (b) A scholarship student or the scholarship student's parent may not use a scholarship  
294 account for an expense that the student or parent does not incur in the education of the  
295 scholarship student, including:

296 (i) a rehabilitation program that is not primarily designed for an educational purpose;

297 or

298 (ii) a travel expense other than a transportation expense described in Section

299 [53F-6-401](#).

300 (c) The program manager may not:

301 (i) approve a scholarship expense for a service that a qualifying provider provides  
302 unless the program manager determines that the scholarship student or the scholarship student's  
303 parent incurred the expense in the education of the scholarship student; or

304 (ii) reimburse ~~[a scholarship]~~ an expense for a service or good that a provider that is

305 not a qualifying provider provides unless:

306 (A) the parent or scholarship student submits a receipt that shows the cost and type of  
307 service or good and the name of provider; [~~and~~]

308 (B) the expense would have qualified as a scholarship expense if a qualifying provider  
309 provided the good or service;

310 (C) the provider of the good or service is not the parent of the student who is a  
311 home-based scholarship student solely in relation to the parent's child; and

312 [~~(B)~~] (D) the program manager determines that the parent or scholarship student  
313 incurred the expense in the education of the scholarship student.

314 (d) The parent of a scholarship student may not receive scholarship funds as payment  
315 for the parent's time spent educating the parent's child.

316 (e) Except for cases in which a scholarship student or the scholarship student's parent is  
317 convicted of fraud in relation to scholarship funds, if a qualifying provider, scholarship student,  
318 or scholarship student's parent repays an expenditure from a scholarship account for an expense  
319 that is not approved under this Subsection (7), the program manager shall credit the repaid  
320 amount back to the scholarship account balance within 30 days after the day on which the  
321 program manager receives the repayment.

322 (8) Notwithstanding any other provision of law, funds that the program manager  
323 disburses under this part to a scholarship account on behalf of a scholarship student do not  
324 constitute state taxable income to the parent of the scholarship student.

325 (9) The program manager shall prepare and disseminate information on the program to  
326 a parent applying for a scholarship account on behalf of a student, including the information  
327 that the program manager provides in accordance with Section 53F-6-405.

328 (10) On or before September 1, 2023, and as frequently as necessary to maintain the  
329 information, the state board shall provide information on the state board's website, including:

330 (a) scholarship account information;

331 (b) information on the program manager, including the program manager's contact  
332 information; and

333 (c) an overview of the program.

334 Section 4. Section 53F-6-404 is amended to read:

335 **53F-6-404. State board procurement and review of program manager -- Failure**

336 to comply.

337 (1) (a) In accordance with Title 63G, Chapter 6a, Utah Procurement Code, the state  
338 board shall issue a request for proposals, on or before June 15, 2023, and enter an agreement  
339 with no more than one organization that qualifies as tax exempt under Section 501(c)(3),  
340 Internal Revenue Code, for the state board to recognize as the program manager, on or before  
341 September 1, 2023.

342 (b) An organization that responds to a request for proposals described in Subsection  
343 (1)(a) shall submit the following information in the organization's response:

344 (i) a copy of the organization's incorporation documents;

345 (ii) a copy of the organization's Internal Revenue Service determination letter  
346 qualifying the organization as being tax exempt under Section 501(c)(3), Internal Revenue  
347 Code;

348 (iii) a description of the methodology the organization will use to verify a student's  
349 eligibility under this part;

350 (iv) a description of the organization's proposed scholarship account application  
351 process; and

352 (v) an affidavit or other evidence that the organization:

353 (A) is not affiliated with any international organization;

354 (B) does not harvest data for the purpose of reproducing or distributing the data to  
355 another entity; and

356 (C) has no involvement in guiding or directing any curriculum standards.

357 (c) The state board shall ensure that the agreement described in Subsection (1)(a):

358 (i) ensures the efficiency and success of the program; and

359 (ii) does not impose any requirements on the program manager that:

360 (A) are not essential to the basic administration of the program; or

361 (B) create restrictions, directions, or mandates regarding instructional content or  
362 curriculum.

363 (2) The state board may regulate and take enforcement action as necessary against a  
364 program manager in accordance with the provisions of the state board's agreement with the  
365 program manager.

366 (3) (a) If the state board determines that a program manager has violated a provision of

367 this part or a provision of the state board's agreement with the program manager, the state  
368 board shall send written notice to the program manager explaining the violation and the  
369 remedial action required to correct the violation.

370 (b) A program manager that receives a notice described in Subsection (3)(a) shall, no  
371 later than 60 days after the day on which the program manager receives the notice, correct the  
372 violation and report the correction to the state board.

373 (c) (i) If a program manager that receives a notice described in Subsection (3)(a) fails  
374 to correct a violation in the time period described in Subsection (3)(b), the state board may bar  
375 the program manager from further participation in the program.

376 (ii) A program manager may appeal a decision of the state board under Subsection  
377 (3)(c)(i) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

378 (d) A program manager may not accept state funds while the program manager:

379 (i) is barred from participating in the program under Subsection (3)(c)(i); or

380 (ii) has an appeal pending under Subsection (3)(c)(ii).

381 (e) A program manager that has an appeal pending under Subsection (3)(c)(ii) may  
382 continue to administer scholarship accounts during the pending appeal.

383 (4) The state board shall establish a process for a program manager to report the  
384 information the program manager is required to report to the state board under Section  
385 [53F-6-405](#).

386 (5) The state board shall make rules in accordance with Title 63G, Chapter 3, Utah  
387 Administrative Rulemaking Act, and include provisions in the state board's agreement with the  
388 scholarship organization for:

389 (a) subject to Subsection (6), the administration of scholarship accounts and  
390 disbursement of scholarship funds if a program manager is barred from participating in the  
391 program under Subsection (3)(c)(i); and

392 (b) audit and report requirements as described in Section [53F-6-405](#).

393 (6) (a) The state board shall include in the rules and provisions described in Subsection  
394 (5)(a) measures to ensure that the establishment and maintenance of scholarship accounts and  
395 enrollment in the program are not disrupted if the program manager is barred from participating  
396 in the program.

397 (b) The state board may, if the program manager is barred from participating in the

398 program, issue a new request for proposals and enter into a new agreement with an alternative  
399 program manager in accordance with this section.

400 (7) (a) On or before January 1, 2024, the ~~[state board]~~ program manager shall:

401 (i) ~~[make rules, in accordance with Title 63G, Chapter 3, Utah Administrative~~  
402 ~~Rulemaking Act, to]~~ establish a process for a scholarship student or a scholarship student's  
403 parent to appeal any administrative decision of the program manager ~~[for state board resolution~~  
404 ~~within 30 days after the day of the appeal]~~, including ~~[-(A)]~~ scholarship expense denials ~~[-and~~  
405 ~~(B)]~~ and determinations regarding enrollment eligibility or suspension or disqualification under  
406 Section 53F-6-405; ~~[and]~~

407 (ii) ensure that the body that determines the outcome of internal appeals:

408 (A) includes parents of scholarship students; and

409 (B) makes a determination within 30 days after the day of the appeal;

410 ~~[(ii)]~~ (iii) make information available regarding the internal appeals process on the  
411 ~~[state board's]~~ program manager's website and on the scholarship application.

412 (b) If the ~~[state board]~~ program manager stays or reverses an administrative decision of  
413 the program manager on internal appeal, the program manager may not withhold scholarship  
414 funds or application approval for the scholarship student on account of the appealed  
415 administrative decision unless as the ~~[state board]~~ resolution of the internal appeal expressly  
416 allows.

417 (8) The state board may not include a provision in any rule that creates or implies a  
418 restriction, direction, or mandate regarding instructional content or curriculum.

419 (9) No later than 10 business days after July 1 of each year, the state board shall  
420 disperse to the program manager an amount equal to the funds appropriated for the Utah Fits  
421 All Scholarship Program for the given fiscal year.

422 Section 5. Section **53F-6-405** is amended to read:

423 **53F-6-405. Program manager duties -- Audit -- Prohibitions.**

424 (1) The program manager shall administer the program, including:

425 (a) maintaining an application website that includes information on enrollment,  
426 relevant application dates, and dates for notification of acceptance;

427 (b) reviewing applications from and determining if a person is:

428 (i) an eligible school under Section 53F-6-408; or

- 429 (ii) an eligible service provider under Section 53F-6-409;
- 430 (c) establishing an application process, including application dates opening before  
431 March 1, 2024, in accordance with Section 53F-6-402;
- 432 (d) reviewing and granting or denying applications for a scholarship account;
- 433 (e) providing an online portal for the parent of a scholarship student to access the  
434 scholarship student's account to facilitate payments to a qualifying provider from the online  
435 portal;
- 436 (f) ensuring that scholarship funds in a scholarship account are readily available to a  
437 scholarship student;
- 438 (g) requiring a parent to notify the program manager if the parent's scholarship student  
439 is no longer enrolled in or engaging a service:
- 440 (i) for which the scholarship student receives scholarship funds; and
- 441 (ii) that is provided to the scholarship student for an entire school year;
- 442 (h) obtaining reimbursement of scholarship funds from a qualifying provider that  
443 provides the services in which a scholarship student is no longer enrolled or with which the  
444 scholarship student is no longer engaged;
- 445 (i) expending all revenue from interest on scholarship funds or investments on  
446 scholarship expenses;
- 447 (j) each time the program manager makes an administrative decision that is adverse to  
448 a scholarship student or the scholarship student's parent, informing the scholarship student and  
449 the scholarship student's parent of the opportunity and process to appeal an administrative  
450 decision of the program manager [~~to the state board~~] in accordance with the process described  
451 in Section 53F-6-404;
- 452 (k) maintaining a protected internal waitlist of all eligible students who have applied to  
453 the program and are not yet scholarship students, including any student who removed the  
454 student's application from the waitlist; and
- 455 (l) providing aggregate data regarding the number of scholarship students and the  
456 number of eligible students on the waitlist described in Subsection (1)(k).
- 457 (2) The program manager shall:
- 458 (a) contract with one or more private entities to develop and implement a commercially  
459 viable, cost-effective, and parent-friendly system to:

- 460 (i) establish scholarship accounts;
- 461 (ii) maximize payment flexibility by allowing:
- 462 (A) for payment of services to qualifying providers using scholarship funds by
- 463 electronic or online funds transfer from the online portal; and
- 464 (B) pre-approval of a reimbursement to a parent for a good that is a scholarship
- 465 expense; and
- 466 (iii) allow scholarship students and scholarship student's parents to publicly rate,
- 467 review, and share information about qualifying providers; [~~and~~]
- 468 (b) except for a reimbursement authorized under this part, ensuring the use of
- 469 scholarship funds from the online portal directly to a qualifying provider to pay for scholarship
- 470 expenses without the availability of withdrawal or other direct access to scholarship funds by
- 471 an individual; and
- 472 [~~(b)~~] (c) ensure that the system complies with industry standards for data privacy and
- 473 cybersecurity, including ensuring compliance with the Family Educational Rights and Privacy
- 474 Act, 34 C.F.R. Part 99.
- 475 (3) In advance of the program manager accepting applications in accordance with
- 476 Section 53F-6-402 and as regularly as information develops, the program manager shall
- 477 provide information regarding the program by publishing a program handbook online for
- 478 scholarship applicants, scholarship students, parents, service providers seeking to become
- 479 qualifying providers, and qualifying providers, that includes information regarding:
- 480 (a) the policies and processes of the program;
- 481 (b) approved scholarship expenses and qualifying providers;
- 482 (c) the responsibilities of parents regarding the program and scholarship funds;
- 483 (d) the duties of the program manager;
- 484 (e) the opportunity and process to appeal an administrative decision of the program
- 485 manager [~~to the state board~~] in accordance with the process described in Section 53F-6-404;
- 486 and
- 487 (f) the role of any private financial management firms or other private organizations
- 488 with which the program manager may contract to administer any aspect of the program.
- 489 (4) To ensure the fiscal security and compliance of the program, the program manager
- 490 shall:

491 (a) prohibit a program manager employee or program manager officer from handling,  
492 managing, or processing scholarship funds, if, based on a criminal background check that the  
493 state board conducts in accordance with Section 53F-6-407, the state board identifies the  
494 program manager employee or program manager officer as posing a risk to the appropriate use  
495 of scholarship funds;

496 (b) establish procedures to ensure a fair process to:

497 (i) suspend scholarship student's eligibility for the program in the event of the  
498 scholarship student's or scholarship student's parent's:

499 (A) intentional or substantial misuse of scholarship funds; or

500 (B) violation of this part or the terms of the program; and

501 (ii) if the program manager obtains evidence of fraudulent use of scholarship funds,  
502 refer the case to the attorney general for collection or criminal investigation;

503 (iii) ensure that a scholarship student whose eligibility is suspended or disqualified  
504 under this Subsection (4)(b) or Subsection (4)(c) based on the actions of the student's parent  
505 regains eligibility if the student is placed with a different parent or otherwise no longer resides  
506 with the parent related to the suspension or disqualification;

507 (c) notify the state board, scholarship student, and scholarship student's parent in  
508 writing:

509 (i) of the suspension described in Subsection (4)(b)(i);

510 (ii) that no further transactions, disbursements, or reimbursements are allowed;

511 (iii) that the scholarship student or scholarship student's parent may take corrective  
512 action within 10 business days of the day on which the program manager provides the  
513 notification; and

514 (iv) that without taking the corrective action within the time period described in  
515 Subsection (4)(c)(iii), the program manager may disqualify the student's eligibility.

516 (5) (a) A program manager may not:

517 (i) disburse scholarship funds to a qualifying provider or allow a qualifying provider to  
518 use scholarship funds if:

519 (A) the program manager determines that the qualifying provider intentionally or  
520 substantially misrepresented information on overpayment;

521 (B) the qualifying provider fails to refund an overpayment in a timely manner; or

- 522 (C) the qualifying provider routinely fails to provide scholarship students with  
523 promised educational services; or
- 524 (ii) reimburse with scholarship funds an individual for the purchase of a good or  
525 service if the program manager determines that:
- 526 (A) the scholarship student or the scholarship student's parent requesting  
527 reimbursement intentionally or substantially misrepresented the cost or educational purpose of  
528 the good or service; or
- 529 (B) the relevant scholarship student was not the exclusive user of the good or service.
- 530 (b) A program manager shall notify a scholarship student if the program manager:
- 531 (i) stops disbursement of the scholarship student's scholarship funds to a qualifying  
532 provider under Subsection (5)(a)(i); or
- 533 (ii) refuses reimbursement under Subsection (5)(a)(ii).
- 534 (6) (a) At any time, a scholarship student may change the qualifying provider to which  
535 the scholarship student's scholarship account makes distributions.
- 536 (b) If, during the school year, a scholarship student changes the student's enrollment in  
537 or engagement with a qualifying provider to another qualifying provider, the program manager  
538 may prorate scholarship funds between the qualifying providers based on the time the  
539 scholarship student received the goods or services or was enrolled.
- 540 (7) A program manager may not subvert the enrollment preferences required under  
541 Section [53F-6-402](#) or other provisions of this part to establish a scholarship account on behalf  
542 of a relative of a program manager officer.
- 543 (8) The program manager shall:
- 544 (a) contract for annual and random audits on scholarship accounts conducted:
- 545 (i) by a certified public accountant who is independent from:
- 546 (A) the program manager;
- 547 (B) the state board; and
- 548 (C) the program manager's accounts and records pertaining to scholarship funds; and
- 549 (ii) in accordance with generally accepted auditing standards;
- 550 (b) demonstrate the program manager's financial accountability by annually submitting  
551 to the state board the following:
- 552 (i) a financial information report that a certified public accountant prepares and that

553 includes the total number and total dollar amount of scholarship funds disbursed during the  
554 previous calendar year; and

555 (ii) no later than 180 days after the last day of the program manager's fiscal year, the  
556 results of the audits described in Subsection (8)(a), including the program manager's financial  
557 statements in a format that meets generally accepted accounting principles.

558 (9) (a) The state board:

559 (i) shall review a report described in this section; and

560 (ii) may request that the program manager revise or supplement the report if the report  
561 does not fully comply with this section.

562 (b) The program manager shall provide to the state board a revised report or a  
563 supplement to the report no later than 45 days after the day on which the state board makes a  
564 request described in Subsection (9)(a).

565 Section 6. Section **53F-6-408** is amended to read:

566 **53F-6-408. Eligible schools.**

567 (1) To be eligible to receive scholarship funds on behalf of a scholarship student as an  
568 eligible school, a private school with 150 or more enrolled students shall:

569 (a) (i) contract with an independent licensed certified public accountant to conduct an  
570 agreed upon procedures engagement as the state board adopts, or obtain an audit and report  
571 that:

572 (A) a licensed independent certified public accountant conducts in accordance with  
573 generally accepted auditing standards;

574 (B) presents the financial statements in accordance with generally accepted accounting  
575 principles; and

576 (C) audits financial statements from within the 12 months immediately preceding the  
577 audit; and

578 (ii) submit the audit report or report of the agreed upon procedure to the program  
579 manager when the private school applies to receive scholarship funds;

580 (b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d;

581 (c) provide a written disclosure to the parent of each prospective scholarship student,  
582 before the student is enrolled, of:

583 (i) the education services that the school will provide to the scholarship student,

584 including the cost of the provided services;

585 (ii) tuition costs;

586 (iii) additional fees the school will require a parent to pay during the school year; and

587 (iv) the skill or grade level of the curriculum in which the prospective scholarship  
588 student will participate; and

589 (d) require the following individuals to submit to a nationwide, fingerprint-based  
590 criminal background check and ongoing monitoring, in accordance with Section [53G-11-402](#),  
591 as a condition for employment or appointment, as authorized by the Adam Walsh Child  
592 Protection and Safety Act of 2006, Pub. L. No. 109-248:

593 (i) an employee who does not hold:

594 (A) a current Utah educator license issued by the state board under Title 53E, Chapter  
595 6, Education Professional Licensure; or

596 (B) if the private school is not physically located in Utah, a current educator license in  
597 the state where the private school is physically located; and

598 (ii) a contract employee.

599 (2) A private school described in Subsection (1) is not eligible to receive scholarship  
600 funds if:

601 (a) the private school requires a scholarship student to sign a contract waiving the  
602 scholarship student's right to transfer to another qualifying provider during the school year;

603 (b) the audit report described in Subsection (1)(a) contains a going concern explanatory  
604 paragraph; or

605 (c) the report of the agreed upon procedures described in Subsection (1)(a) shows that  
606 the private school does not have adequate working capital to maintain operations for the first  
607 full year.

608 (3) To be eligible to receive scholarship funds on behalf of a scholarship student as an  
609 eligible school, a private school with fewer than 150 enrolled students shall:

610 (a) provide to the program manager:

611 (i) a federal employer identification number;

612 (ii) the provider's address and contact information;

613 (iii) a description of each program or service the provider proposes to offer a  
614 scholarship student; and

- 615 (iv) any other information as required by the program manager; and
- 616 (b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d.
- 617 (4) A private school described in Subsection (3) is not eligible to receive scholarship
- 618 funds if the private school requires a scholarship student to sign a contract waiving the
- 619 student's rights to transfer to another qualifying provider during the school year.
- 620 (5) To be eligible to receive scholarship funds on behalf of a scholarship student as an
- 621 eligible school, an LEA shall:
  - 622 (a) provide to the program manager:
    - 623 (i) a federal employer identification number;
    - 624 (ii) the LEA's address and contact information; and
    - 625 (iii) the amount to be charged under the program for, in correlation with LEA's course
    - 626 and activity fee schedules, and a description of [each] a class, program, or service the LEA
    - 627 [proposes to offer to scholarship students; and] provides to a home-based scholarship student;
    - 628 ~~[(iv) any other information as required by the program manager;]~~
  - 629 (b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and
  - 630 (c) ~~[enter into an agreement with the program manager regarding]~~ ensure the provision
  - 631 of services to a scholarship student through which:
    - 632 (i) the scholarship student does not enroll in the LEA; and
    - 633 (ii) in accordance with Subsection 53F-2-302(2), the LEA does not receive WPU
    - 634 funding related to the student's participation with the LEA~~[-and]~~.
    - 635 ~~[(iii) the LEA and program manager ensure that a scholarship student does not~~
    - 636 ~~participate in a course or program at the LEA except in accordance with the agreement~~
    - 637 ~~described in this Subsection (5)(c) under the program.]~~
  - 638 (6) An LEA described in Subsection (5) is not eligible to receive scholarship funds if:
    - 639 (a) the LEA requires a public education system scholarship student to sign a contract
    - 640 waiving the student's rights to ~~[transfer to]~~ engage with another qualifying provider for a
    - 641 scholarship expense during the school year; or
    - 642 (b) the LEA refuses to offer services that do not require LEA enrollment to scholarship
    - 643 students under the program.
  - 644 (7) Residential treatment facilities licensed by the state are not eligible to receive
  - 645 scholarship funds.

646 (8) A private school or LEA intending to receive scholarship funds shall:  
647 (a) (i) for a private school, submit an application to the program manager; [~~and~~] or  
648 (ii) for an LEA, submit a notice to the program manager containing the information  
649 described in Subsection (5)(a); and  
650 (b) agree to not refund, rebate, or share scholarship funds with scholarship students or  
651 scholarship student's parents in any manner except remittances or refunds to a scholarship  
652 account in accordance with this part and procedures that the program manager establishes.  
653 (9) The program manager shall:  
654 (a) if the private school or LEA meets the eligibility requirements of this section,  
655 recognize the private school or LEA as an eligible school and, for a private school, approve the  
656 application; and  
657 (b) make available to the public a list of eligible schools approved under this section.  
658 (10) A private school approved under this section that changes ownership shall:  
659 (a) cease operation as an eligible school until:  
660 (i) the school submits a new application to the program manager; and  
661 (ii) the program manager approves the new application; and  
662 (b) demonstrate that the private school continues to meet the eligibility requirements of  
663 this section.  
664 Section 7. Section **53F-6-409** is amended to read:  
665 **53F-6-409. Eligible service providers.**  
666 (1) To be an eligible service provider, a private program or service:  
667 (a) shall provide to the program manager:  
668 (i) a federal employer identification number;  
669 (ii) the provider's address and contact information;  
670 (iii) a description of each program or service the provider proposes to offer directly to a  
671 scholarship student; and  
672 (iv) subject to Subsection (2), any other information as required by the program  
673 manager;  
674 (b) shall comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and  
675 (c) may not act as a consultant, clearing house, or intermediary that connects a  
676 scholarship student with or otherwise facilitates the student's engagement with a program or

677 service that another entity provides.

678 (2) The program manager shall adopt policies that maximize the number of eligible  
679 service providers, including accepting new providers throughout the school year, while  
680 ensuring education programs or services provided through the program meet student needs and  
681 otherwise comply with this part.

682 (3) A private program or service intending to receive scholarship funds shall:

683 (a) submit an application to the program manager; and

684 (b) agree to not refund, rebate, or share scholarship funds with scholarship students or  
685 scholarship students' parents in any manner except remittances or refunds to a scholarship  
686 account in accordance with this part and procedures that the program manager establishes.

687 (4) The program manager shall:

688 (a) if the private program or service meets the eligibility requirements of this section,  
689 recognize the private program or service as an eligible service provider and approve a private  
690 program or service's application to receive scholarship funds on behalf of a scholarship student;  
691 and

692 (b) make available to the public a list of eligible service providers approved under this  
693 section.

694 (5) A private program or service approved under this section that changes ownership  
695 shall:

696 (a) cease operation as an eligible service provider until:

697 (i) the program or service submits a new application to the program manager; and

698 (ii) the program manager approves the new application; and

699 (b) demonstrate that the private program or service continues to meet the eligibility  
700 requirements of this section.

701 (6) The following are not eligible service providers:

702 (a) a parent of a home-based scholarship student or a home school student solely in  
703 relation to the parent's child; or

704 (b) any other individual that does not meet the requirements described in this section.

705 (7) Nothing prohibits an entity that provides education services under the Statewide  
706 Online Education Program described in Title 53F, Chapter 4, Part 5, Statewide Online  
707 Education Program, from operating as an eligible service provider under this part to provide

708 education services to scholarship students.

709 Section 8. Section **53F-6-412** is amended to read:

710 **53F-6-412. Reports.**

711 Beginning in 2025 and in accordance with Section **68-3-14** and the Family Educational  
712 Rights and Privacy Act, 20 U.S.C. Sec. 1232g[~~-(f)~~], the program manager shall submit a report  
713 on the program to the Education Interim Committee no later than September 1 of each year that  
714 includes:

715 ~~[(a)]~~ (1) the total amount of tuition and fees qualifying providers charged for the  
716 current year and previous two years;

717 ~~[(b)]~~ (2) the total amount of goods paid for with scholarship funds in the previous year  
718 and a general characterization of the types of goods;

719 ~~[(c)]~~ (3) administrative costs of the program;

720 ~~[(d)]~~ (4) the number of scholarship students from each county and the aggregate  
721 number of eligible students on the waitlist described in Section **53F-6-405**;

722 ~~[(e)]~~ (5) the percentage of first-time scholarship students who were enrolled in a public  
723 school during the previous school year or who entered kindergarten or a higher grade for the  
724 first time in Utah;

725 ~~[(f)]~~ (6) the program manager's strategy and outreach efforts to reach eligible students  
726 whose family income is at or below 200% of the federal poverty level and related obstacles to  
727 enrollments;

728 ~~[(g)]~~ (7) in the report that the program manager submits in 2025, information on steps  
729 the program manager has taken and processes the program manager has adopted to implement  
730 the program; and

731 ~~[(h)]~~ (8) any other information regarding the program and the program's  
732 implementation that the committee requests[~~; and~~].

733 ~~[(2) the state board shall submit a report on the cost-effectiveness of the program to the  
734 Education Interim Committee no later than September 1 of each year.]~~

735 Section 9. Section **59-1-403** is amended to read:

736 **59-1-403. Confidentiality -- Exceptions -- Penalty -- Application to property tax.**

737 (1) As used in this section:

738 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:

- 739 (i) the commission administers under:
- 740 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax Act;
- 741 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
- 742 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 743 (D) Section 19-6-805;
- 744 (E) Section 63H-1-205; or
- 745 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges;
- 746 and
- 747 (ii) with respect to which the commission distributes the revenue collected from the
- 748 tax, fee, or charge to a qualifying jurisdiction.
- 749 (b) "Qualifying jurisdiction" means:
- 750 (i) a county, city, town, or metro township;
- 751 (ii) the military installation development authority created in Section 63H-1-201; or
- 752 (iii) the Utah Inland Port Authority created in Section 11-58-201.
- 753 (2) (a) Any of the following may not divulge or make known in any manner any
- 754 information gained by that person from any return filed with the commission:
- 755 (i) a tax commissioner;
- 756 (ii) an agent, clerk, or other officer or employee of the commission; or
- 757 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or
- 758 town.
- 759 (b) An official charged with the custody of a return filed with the commission is not
- 760 required to produce the return or evidence of anything contained in the return in any action or
- 761 proceeding in any court, except:
- 762 (i) in accordance with judicial order;
- 763 (ii) on behalf of the commission in any action or proceeding under:
- 764 (A) this title; or
- 765 (B) other law under which persons are required to file returns with the commission;
- 766 (iii) on behalf of the commission in any action or proceeding to which the commission
- 767 is a party; or
- 768 (iv) on behalf of any party to any action or proceeding under this title if the report or
- 769 facts shown by the return are directly involved in the action or proceeding.

770 (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may  
771 admit in evidence, any portion of a return or of the facts shown by the return, as are specifically  
772 pertinent to the action or proceeding.

773 (3) This section does not prohibit:

774 (a) a person or that person's duly authorized representative from receiving a copy of  
775 any return or report filed in connection with that person's own tax;

776 (b) the publication of statistics as long as the statistics are classified to prevent the  
777 identification of particular reports or returns; and

778 (c) the inspection by the attorney general or other legal representative of the state of the  
779 report or return of any taxpayer:

780 (i) who brings action to set aside or review a tax based on the report or return;

781 (ii) against whom an action or proceeding is contemplated or has been instituted under  
782 this title; or

783 (iii) against whom the state has an unsatisfied money judgment.

784 (4) (a) Notwithstanding Subsection (2) and for purposes of administration, the  
785 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative  
786 Rulemaking Act, provide for a reciprocal exchange of information with:

787 (i) the United States Internal Revenue Service; or

788 (ii) the revenue service of any other state.

789 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and  
790 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,  
791 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and  
792 other written statements with the federal government, any other state, any of the political  
793 subdivisions of another state, or any political subdivision of this state, except as limited by  
794 Sections [59-12-209](#) and [59-12-210](#), if the political subdivision, other state, or the federal  
795 government grant substantially similar privileges to this state.

796 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and  
797 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,  
798 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the  
799 identity and other information of taxpayers who have failed to file tax returns or to pay any tax  
800 due.

801 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the  
802 Division of Environmental Response and Remediation, as defined in Section 19-6-402, as  
803 requested by the director of the Division of Environmental Response and Remediation, any  
804 records, returns, or other information filed with the commission under Chapter 13, Motor and  
805 Special Fuel Tax Act, or Section 19-6-410.5 regarding the environmental assurance program  
806 participation fee.

807 (e) Notwithstanding Subsection (2), at the request of any person the commission shall  
808 provide that person sales and purchase volume data reported to the commission on a report,  
809 return, or other information filed with the commission under:

810 (i) Chapter 13, Part 2, Motor Fuel; or

811 (ii) Chapter 13, Part 4, Aviation Fuel.

812 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer,  
813 as defined in Section 59-22-202, the commission shall report to the manufacturer:

814 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
815 manufacturer and reported to the commission for the previous calendar year under Section  
816 59-14-407; and

817 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
818 manufacturer for which a tax refund was granted during the previous calendar year under  
819 Section 59-14-401 and reported to the commission under Subsection 59-14-401(1)(a)(v).

820 (g) Notwithstanding Subsection (2), the commission shall notify manufacturers,  
821 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is prohibited  
822 from selling cigarettes to consumers within the state under Subsection 59-14-210(2).

823 (h) Notwithstanding Subsection (2), the commission may:

824 (i) provide to the Division of Consumer Protection within the Department of  
825 Commerce and the attorney general data:

826 (A) reported to the commission under Section 59-14-212; or

827 (B) related to a violation under Section 59-14-211; and

828 (ii) upon request, provide to any person data reported to the commission under  
829 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).

830 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee  
831 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's Office of

832 Planning and Budget, provide to the committee or office the total amount of revenues collected  
833 by the commission under Chapter 24, Radioactive Waste Facility Tax Act, for the time period  
834 specified by the committee or office.

835 (j) Notwithstanding Subsection (2), the commission shall make the directory required  
836 by Section [59-14-603](#) available for public inspection.

837 (k) Notwithstanding Subsection (2), the commission may share information with  
838 federal, state, or local agencies as provided in Subsection [59-14-606](#)(3).

839 (l) (i) Notwithstanding Subsection (2), the commission shall provide the Office of  
840 Recovery Services within the Department of Health and Human Services any relevant  
841 information obtained from a return filed under Chapter 10, Individual Income Tax Act,  
842 regarding a taxpayer who has become obligated to the Office of Recovery Services.

843 (ii) The information described in Subsection (4)(l)(i) may be provided by the Office of  
844 Recovery Services to any other state's child support collection agency involved in enforcing  
845 that support obligation.

846 (m) (i) Notwithstanding Subsection (2), upon request from the state court  
847 administrator, the commission shall provide to the state court administrator, the name, address,  
848 telephone number, county of residence, and social security number on resident returns filed  
849 under Chapter 10, Individual Income Tax Act.

850 (ii) The state court administrator may use the information described in Subsection  
851 (4)(m)(i) only as a source list for the master jury list described in Section [78B-1-106](#).

852 (n) (i) As used in this Subsection (4)(n):

853 (A) "GO Utah office" means the Governor's Office of Economic Opportunity created in  
854 Section [63N-1a-301](#).

855 (B) "Income tax information" means information gained by the commission that is  
856 required to be attached to or included in a return filed with the commission under Chapter 7,  
857 Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.

858 (C) "Other tax information" means information gained by the commission that is  
859 required to be attached to or included in a return filed with the commission except for a return  
860 filed under Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual  
861 Income Tax Act.

862 (D) "Tax information" means income tax information or other tax information.

863 (ii) (A) Notwithstanding Subsection (2) and except as provided in Subsection  
864 (4)(n)(ii)(B) or (C), the commission shall at the request of the GO Utah office provide to the  
865 GO Utah office all income tax information.

866 (B) For purposes of a request for income tax information made under Subsection  
867 (4)(n)(ii)(A), the GO Utah office may not request and the commission may not provide to the  
868 GO Utah office a person's address, name, social security number, or taxpayer identification  
869 number.

870 (C) In providing income tax information to the GO Utah office, the commission shall  
871 in all instances protect the privacy of a person as required by Subsection (4)(n)(ii)(B).

872 (iii) (A) Notwithstanding Subsection (2) and except as provided in Subsection  
873 (4)(n)(iii)(B), the commission shall at the request of the GO Utah office provide to the GO  
874 Utah office other tax information.

875 (B) Before providing other tax information to the GO Utah office, the commission  
876 shall redact or remove any name, address, social security number, or taxpayer identification  
877 number.

878 (iv) The GO Utah office may provide tax information received from the commission in  
879 accordance with this Subsection (4)(n) only:

880 (A) as a fiscal estimate, fiscal note information, or statistical information; and

881 (B) if the tax information is classified to prevent the identification of a particular  
882 return.

883 (v) (A) A person may not request tax information from the GO Utah office under Title  
884 63G, Chapter 2, Government Records Access and Management Act, or this section, if the GO  
885 Utah office received the tax information from the commission in accordance with this  
886 Subsection (4)(n).

887 (B) The GO Utah office may not provide to a person that requests tax information in  
888 accordance with Subsection (4)(n)(v)(A) any tax information other than the tax information the  
889 GO Utah office provides in accordance with Subsection (4)(n)(iv).

890 (o) Notwithstanding Subsection (2), the commission may provide to the governing  
891 board of the agreement or a taxing official of another state, the District of Columbia, the United  
892 States, or a territory of the United States:

893 (i) the following relating to an agreement sales and use tax:

- 894 (A) information contained in a return filed with the commission;
- 895 (B) information contained in a report filed with the commission;
- 896 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or
- 897 (D) a document filed with the commission; or
- 898 (ii) a report of an audit or investigation made with respect to an agreement sales and  
899 use tax.
- 900 (p) Notwithstanding Subsection (2), the commission may provide information  
901 concerning a taxpayer's state income tax return or state income tax withholding information to  
902 the Driver License Division if the Driver License Division:
  - 903 (i) requests the information; and
  - 904 (ii) provides the commission with a signed release form from the taxpayer allowing the  
905 Driver License Division access to the information.
- 906 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah  
907 Communications Authority, or a division of the Utah Communications Authority, the  
908 information requested by the authority under Sections [63H-7a-302](#), [63H-7a-402](#), and  
909 [63H-7a-502](#).
- 910 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah  
911 Educational Savings Plan information related to a resident or nonresident individual's  
912 contribution to a Utah Educational Savings Plan account as designated on the resident or  
913 nonresident's individual income tax return as provided under Section [59-10-1313](#).
- 914 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under  
915 Sections [26B-3-106](#) and [26B-3-903](#), the commission shall provide an eligibility worker with  
916 the Department of Health and Human Services or its designee with the adjusted gross income  
917 of an individual if:
  - 918 (i) an eligibility worker with the Department of Health and Human Services or its  
919 designee requests the information from the commission; and
  - 920 (ii) the eligibility worker has complied with the identity verification and consent  
921 provisions of Sections [26B-3-106](#) and [26B-3-903](#).
- 922 (t) Notwithstanding Subsection (2), the commission may provide to a county, as  
923 determined by the commission, information declared on an individual income tax return in  
924 accordance with Section [59-10-103.1](#) that relates to eligibility to claim a residential exemption

925 authorized under Section 59-2-103.

926 (u) Notwithstanding Subsection (2), the commission shall provide a report regarding  
927 any access line provider that is over 90 days delinquent in payment to the commission of  
928 amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid Wireless  
929 Telecommunications Service Charges, to the board of the Utah Communications Authority  
930 created in Section 63H-7a-201.

931 (v) Notwithstanding Subsection (2), the commission shall provide the Department of  
932 Environmental Quality a report on the amount of tax paid by a radioactive waste facility for the  
933 previous calendar year under Section 59-24-103.5.

934 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the  
935 Department of Workforce Services any information received under Chapter 10, Part 4,  
936 Withholding of Tax, that is relevant to the duties of the Department of Workforce Services.

937 (x) Notwithstanding Subsection (2), the commission may provide the Public Service  
938 Commission or the Division of Public Utilities information related to a seller that collects and  
939 remits to the commission a charge described in Subsection 69-2-405(2), including the seller's  
940 identity and the number of charges described in Subsection 69-2-405(2) that the seller collects.

941 (y) (i) Notwithstanding Subsection (2), the commission shall provide to each qualifying  
942 jurisdiction the collection data necessary to verify the revenue collected by the commission for  
943 a distributed tax, fee, or charge collected within the qualifying jurisdiction.

944 (ii) In addition to the information provided under Subsection (4)(y)(i), the commission  
945 shall provide a qualifying jurisdiction with copies of returns and other information relating to a  
946 distributed tax, fee, or charge collected within the qualifying jurisdiction.

947 (iii) (A) To obtain the information described in Subsection (4)(y)(ii), the chief  
948 executive officer or the chief executive officer's designee of the qualifying jurisdiction shall  
949 submit a written request to the commission that states the specific information sought and how  
950 the qualifying jurisdiction intends to use the information.

951 (B) The information described in Subsection (4)(y)(ii) is available only in official  
952 matters of the qualifying jurisdiction.

953 (iv) Information that a qualifying jurisdiction receives in response to a request under  
954 this subsection is:

955 (A) classified as a private record under Title 63G, Chapter 2, Government Records

956 Access and Management Act; and

957 (B) subject to the confidentiality requirements of this section.

958 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic  
959 Beverage Services Commission, upon request, with taxpayer status information related to state  
960 tax obligations necessary to comply with the requirements described in Section 32B-1-203.

961 (aa) Notwithstanding Subsection (2), the commission shall inform the Department of  
962 Workforce Services, as soon as practicable, whether an individual claimed and is entitled to  
963 claim a federal earned income tax credit for the year requested by the Department of Workforce  
964 Services if:

965 (i) the Department of Workforce Services requests this information; and

966 (ii) the commission has received the information release described in Section  
967 35A-9-604.

968 (bb) (i) As used in this Subsection (4)(bb), "unclaimed property administrator" means  
969 the administrator or the administrator's agent, as those terms are defined in Section 67-4a-102.

970 (ii) (A) Notwithstanding Subsection (2), upon request from the unclaimed property  
971 administrator and to the extent allowed under federal law, the commission shall provide the  
972 unclaimed property administrator the name, address, telephone number, county of residence,  
973 and social security number or federal employer identification number on any return filed under  
974 Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.

975 (B) The unclaimed property administrator may use the information described in  
976 Subsection (4)(aa)(ii)(A) only for the purpose of returning unclaimed property to the property's  
977 owner in accordance with Title 67, Chapter 4a, Revised Uniform Unclaimed Property Act.

978 (iii) The unclaimed property administrator is subject to the confidentiality provisions of  
979 this section with respect to any information the unclaimed property administrator receives  
980 under this Subsection (4)(aa).

981 (cc) Notwithstanding Subsection (2), the commission may, upon request, disclose a  
982 taxpayer's state individual income tax information to a program manager of the Utah Fits All  
983 Scholarship Program under Section 53F-6-402 if:

984 (i) the taxpayer consents in writing to the disclosure;

985 (ii) the taxpayer's written consent includes the taxpayer's name, social security number,  
986 and any other information the commission requests that is necessary to verify the identity of the

987 taxpayer; and

988 (iii) the program manager provides the taxpayer's written consent to the commission.

989 (5) (a) Each report and return shall be preserved for at least three years.

990 (b) After the three-year period provided in Subsection (5)(a) the commission may  
991 destroy a report or return.

992 (6) (a) Any individual who violates this section is guilty of a class A misdemeanor.

993 (b) If the individual described in Subsection (6)(a) is an officer or employee of the  
994 state, the individual shall be dismissed from office and be disqualified from holding public  
995 office in this state for a period of five years thereafter.

996 (c) Notwithstanding Subsection (6)(a) or (b), the GO Utah office, when requesting  
997 information in accordance with Subsection (4)(n)(iii), or an individual who requests  
998 information in accordance with Subsection (4)(n)(v):

999 (i) is not guilty of a class A misdemeanor; and

1000 (ii) is not subject to:

1001 (A) dismissal from office in accordance with Subsection (6)(b); or

1002 (B) disqualification from holding public office in accordance with Subsection (6)(b).

1003 (d) Notwithstanding Subsection (6)(a) or (b), for a disclosure of information to the  
1004 Office of the Legislative Auditor General in accordance with Title 36, Chapter 12, Legislative  
1005 Organization, an individual described in Subsection (2):

1006 (i) is not guilty of a class A misdemeanor; and

1007 (ii) is not subject to:

1008 (A) dismissal from office in accordance with Subsection (6)(b); or

1009 (B) disqualification from holding public office in accordance with Subsection (6)(b).

1010 (7) Except as provided in Section [59-1-404](#), this part does not apply to the property tax.  
1011 Section 10. Section **67-3-1** is amended to read:

1012 **67-3-1. Functions and duties.**

1013 (1) (a) The state auditor is the auditor of public accounts and is independent of any  
1014 executive or administrative officers of the state.

1015 (b) The state auditor is not limited in the selection of personnel or in the determination  
1016 of the reasonable and necessary expenses of the state auditor's office.

1017 (2) The state auditor shall examine and certify annually in respect to each fiscal year,

- 1018 financial statements showing:
- 1019 (a) the condition of the state's finances;
  - 1020 (b) the revenues received or accrued;
  - 1021 (c) expenditures paid or accrued;
  - 1022 (d) the amount of unexpended or unencumbered balances of the appropriations to the
  - 1023 agencies, departments, divisions, commissions, and institutions; and
  - 1024 (e) the cash balances of the funds in the custody of the state treasurer.
- 1025 (3) (a) The state auditor shall:
- 1026 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of
  - 1027 any department of state government or any independent agency or public corporation as the law
  - 1028 requires, as the auditor determines is necessary, or upon request of the governor or the
  - 1029 Legislature;
  - 1030 (ii) perform the audits in accordance with generally accepted auditing standards and
  - 1031 other auditing procedures as promulgated by recognized authoritative bodies; and
  - 1032 (iii) as the auditor determines is necessary, conduct the audits to determine:
  - 1033 (A) honesty and integrity in fiscal affairs;
  - 1034 (B) accuracy and reliability of financial statements;
  - 1035 (C) effectiveness and adequacy of financial controls; and
  - 1036 (D) compliance with the law.
  - 1037 (b) If any state entity receives federal funding, the state auditor shall ensure that the
  - 1038 audit is performed in accordance with federal audit requirements.
  - 1039 (c) (i) The costs of the federal compliance portion of the audit may be paid from an
  - 1040 appropriation to the state auditor from the General Fund.
  - 1041 (ii) If an appropriation is not provided, or if the federal government does not
  - 1042 specifically provide for payment of audit costs, the costs of the federal compliance portions of
  - 1043 the audit shall be allocated on the basis of the percentage that each state entity's federal funding
  - 1044 bears to the total federal funds received by the state.
  - 1045 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit
  - 1046 funds passed through the state to local governments and to reflect any reduction in audit time
  - 1047 obtained through the use of internal auditors working under the direction of the state auditor.
  - 1048 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to

1049 financial audits, and as the auditor determines is necessary, conduct performance and special  
1050 purpose audits, examinations, and reviews of any entity that receives public funds, including a  
1051 determination of any or all of the following:

- 1052 (i) the honesty and integrity of all the entity's fiscal affairs;
- 1053 (ii) whether the entity's administrators have faithfully complied with legislative intent;
- 1054 (iii) whether the entity's operations have been conducted in an efficient, effective, and  
1055 cost-efficient manner;
- 1056 (iv) whether the entity's programs have been effective in accomplishing the intended  
1057 objectives; and
- 1058 (v) whether the entity's management, control, and information systems are adequate,  
1059 effective, and secure.

1060 (b) The auditor may not conduct performance and special purpose audits,  
1061 examinations, and reviews of any entity that receives public funds if the entity:

- 1062 (i) has an elected auditor; and
- 1063 (ii) has, within the entity's last budget year, had the entity's financial statements or  
1064 performance formally reviewed by another outside auditor.

1065 (5) The state auditor:

1066 (a) shall administer any oath or affirmation necessary to the performance of the duties  
1067 of the auditor's office; and

1068 (b) may:

- 1069 (i) subpoena witnesses and documents, whether electronic or otherwise; and
- 1070 (ii) examine into any matter that the auditor considers necessary.

1071 (6) The state auditor may require all persons who have had the disposition or  
1072 management of any property of this state or its political subdivisions to submit statements  
1073 regarding the property at the time and in the form that the auditor requires.

1074 (7) The state auditor shall:

1075 (a) except where otherwise provided by law, institute suits in Salt Lake County in  
1076 relation to the assessment, collection, and payment of revenues against:

1077 (i) persons who by any means have become entrusted with public money or property  
1078 and have failed to pay over or deliver the money or property; and

1079 (ii) all debtors of the state;

- 1080 (b) collect and pay into the state treasury all fees received by the state auditor;
- 1081 (c) perform the duties of a member of all boards of which the state auditor is a member
- 1082 by the constitution or laws of the state, and any other duties that are prescribed by the
- 1083 constitution and by law;
- 1084 (d) stop the payment of the salary of any state official or state employee who:
- 1085 (i) refuses to settle accounts or provide required statements about the custody and
- 1086 disposition of public funds or other state property;
- 1087 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling
- 1088 board or department head with respect to the manner of keeping prescribed accounts or funds;
- 1089 or
- 1090 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the
- 1091 official's or employee's attention;
- 1092 (e) establish accounting systems, methods, and forms for public accounts in all taxing
- 1093 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;
- 1094 (f) superintend the contractual auditing of all state accounts;
- 1095 (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of
- 1096 property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that
- 1097 officials and employees in those taxing units comply with state laws and procedures in the
- 1098 budgeting, expenditures, and financial reporting of public funds;
- 1099 (h) subject to Subsection (9), withhold the disbursement of tax money from any county,
- 1100 if necessary, to ensure that officials and employees in the county comply with Section
- 1101 [59-2-303.1](#); and
- 1102 (i) withhold state allocated funds or the disbursement of property taxes from a local
- 1103 government entity or a limited purpose entity, as those terms are defined in Section [67-1a-15](#) if
- 1104 the state auditor finds the withholding necessary to ensure that the entity registers and
- 1105 maintains the entity's registration with the lieutenant governor, in accordance with Section
- 1106 [67-1a-15](#).
- 1107 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds
- 1108 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal
- 1109 written notice of noncompliance from the auditor and has been given 60 days to make the
- 1110 specified corrections.

1111 (b) If, after receiving notice under Subsection (8)(a), a state or independent local  
1112 fee-assessing unit that exclusively assesses fees has not made corrections to comply with state  
1113 laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the  
1114 state auditor:

1115 (i) shall provide a recommended timeline for corrective actions;

1116 (ii) may prohibit the state or local fee-assessing unit from accessing money held by the  
1117 state; and

1118 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an  
1119 account of a financial institution by filing an action in district court requesting an order of the  
1120 court to prohibit a financial institution from providing the fee-assessing unit access to an  
1121 account.

1122 (c) The state auditor shall remove a limitation on accessing funds under Subsection  
1123 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and  
1124 financial reporting of public funds.

1125 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with  
1126 state law, the state auditor:

1127 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to  
1128 comply;

1129 (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the  
1130 state; and

1131 (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an  
1132 account of a financial institution by:

1133 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that  
1134 the institution prohibit access to the account; or

1135 (B) filing an action in district court requesting an order of the court to prohibit a  
1136 financial institution from providing the taxing or fee-assessing unit access to an account.

1137 (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state  
1138 law, the state auditor shall eliminate a limitation on accessing funds described in Subsection  
1139 (8)(d).

1140 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has  
1141 received formal written notice of noncompliance from the auditor and has been given 60 days

1142 to make the specified corrections.

1143 (10) (a) The state auditor may not withhold funds under Subsection (7)(i) until the state  
1144 auditor receives a notice of non-registration, as that term is defined in Section 67-1a-15.

1145 (b) If the state auditor receives a notice of non-registration, the state auditor may  
1146 prohibit the local government entity or limited purpose entity, as those terms are defined in  
1147 Section 67-1a-15, from accessing:

1148 (i) money held by the state; and

1149 (ii) money held in an account of a financial institution by:

1150 (A) contacting the entity's financial institution and requesting that the institution  
1151 prohibit access to the account; or

1152 (B) filing an action in district court requesting an order of the court to prohibit a  
1153 financial institution from providing the entity access to an account.

1154 (c) The state auditor shall remove the prohibition on accessing funds described in  
1155 Subsection (10)(b) if the state auditor received a notice of registration, as that term is defined in  
1156 Section 67-1a-15, from the lieutenant governor.

1157 (11) Notwithstanding Subsection (7)(g), (7)(h), (7)(i), (8)(b), (8)(d), or (10)(b), the  
1158 state auditor:

1159 (a) shall authorize a disbursement by a local government entity or limited purpose  
1160 entity, as those terms are defined in Section 67-1a-15, or a state or local taxing or fee-assessing  
1161 unit if the disbursement is necessary to:

1162 (i) avoid a major disruption in the operations of the local government entity, limited  
1163 purpose entity, or state or local taxing or fee-assessing unit; or

1164 (ii) meet debt service obligations; and

1165 (b) may authorize a disbursement by a local government entity, limited purpose entity,  
1166 or state or local taxing or fee-assessing unit as the state auditor determines is appropriate.

1167 (12) (a) The state auditor may seek relief under the Utah Rules of Civil Procedure to  
1168 take temporary custody of public funds if an action is necessary to protect public funds from  
1169 being improperly diverted from their intended public purpose.

1170 (b) If the state auditor seeks relief under Subsection (12)(a):

1171 (i) the state auditor is not required to exhaust the procedures in Subsection (7) or (8);

1172 and

1173 (ii) the state treasurer may hold the public funds in accordance with Section 67-4-1 if a  
1174 court orders the public funds to be protected from improper diversion from their public  
1175 purpose.

1176 (13) The state auditor shall:

1177 (a) establish audit guidelines and procedures for audits of local mental health and  
1178 substance abuse authorities and their contract providers, conducted pursuant to Title 17,  
1179 Chapter 43, Part 2, Local Substance Abuse Authorities, Title 17, Chapter 43, Part 3, Local  
1180 Mental Health Authorities, Title 26B, Chapter 5, Health Care - Substance Use and Mental  
1181 Health, and Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal  
1182 Organizations, and Other Local Entities Act; and

1183 (b) ensure that those guidelines and procedures provide assurances to the state that:

1184 (i) state and federal funds appropriated to local mental health authorities are used for  
1185 mental health purposes;

1186 (ii) a private provider under an annual or otherwise ongoing contract to provide  
1187 comprehensive mental health programs or services for a local mental health authority is in  
1188 compliance with state and local contract requirements and state and federal law;

1189 (iii) state and federal funds appropriated to local substance abuse authorities are used  
1190 for substance abuse programs and services; and

1191 (iv) a private provider under an annual or otherwise ongoing contract to provide  
1192 comprehensive substance abuse programs or services for a local substance abuse authority is in  
1193 compliance with state and local contract requirements, and state and federal law.

1194 (14) (a) The state auditor may, in accordance with the auditor's responsibilities for  
1195 political subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from  
1196 Political Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or  
1197 investigations of any political subdivision that are necessary to determine honesty and integrity  
1198 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of  
1199 financial controls and compliance with the law.

1200 (b) If the state auditor receives notice under Subsection 11-41-104(7) from the  
1201 Governor's Office of Economic Opportunity on or after July 1, 2024, the state auditor may  
1202 initiate an audit or investigation of the public entity subject to the notice to determine  
1203 compliance with Section 11-41-103.

1204 (15) (a) The state auditor may not audit work that the state auditor performed before  
1205 becoming state auditor.

1206 (b) If the state auditor has previously been a responsible official in state government  
1207 whose work has not yet been audited, the Legislature shall:

1208 (i) designate how that work shall be audited; and

1209 (ii) provide additional funding for those audits, if necessary.

1210 (16) The state auditor shall:

1211 (a) with the assistance, advice, and recommendations of an advisory committee  
1212 appointed by the state auditor from among special district boards of trustees, officers, and  
1213 employees and special service district boards, officers, and employees:

1214 (i) prepare a Uniform Accounting Manual for Special Districts that:

1215 (A) prescribes a uniform system of accounting and uniform budgeting and reporting  
1216 procedures for special districts under Title 17B, Limited Purpose Local Government Entities -  
1217 Special Districts, and special service districts under Title 17D, Chapter 1, Special Service  
1218 District Act;

1219 (B) conforms with generally accepted accounting principles; and

1220 (C) prescribes reasonable exceptions and modifications for smaller districts to the  
1221 uniform system of accounting, budgeting, and reporting;

1222 (ii) maintain the manual under this Subsection (16)(a) so that the manual continues to  
1223 reflect generally accepted accounting principles;

1224 (iii) conduct a continuing review and modification of procedures in order to improve  
1225 them;

1226 (iv) prepare and supply each district with suitable budget and reporting forms; and

1227 (v) (A) prepare instructional materials, conduct training programs, and render other  
1228 services considered necessary to assist special districts and special service districts in  
1229 implementing the uniform accounting, budgeting, and reporting procedures; and

1230 (B) ensure that any training described in Subsection (16)(a)(v)(A) complies with Title  
1231 63G, Chapter 22, State Training and Certification Requirements; and

1232 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices  
1233 and experiences of specific special districts and special service districts selected by the state  
1234 auditor and make the information available to all districts.

1235 (17) (a) The following records in the custody or control of the state auditor are  
1236 protected records under Title 63G, Chapter 2, Government Records Access and Management  
1237 Act:

1238 (i) records that would disclose information relating to allegations of personal  
1239 misconduct, gross mismanagement, or illegal activity of a past or present governmental  
1240 employee if the information or allegation cannot be corroborated by the state auditor through  
1241 other documents or evidence, and the records relating to the allegation are not relied upon by  
1242 the state auditor in preparing a final audit report;

1243 (ii) records and audit workpapers to the extent the workpapers would disclose the  
1244 identity of an individual who during the course of an audit, communicated the existence of any  
1245 waste of public funds, property, or manpower, or a violation or suspected violation of a law,  
1246 rule, or regulation adopted under the laws of this state, a political subdivision of the state, or  
1247 any recognized entity of the United States, if the information was disclosed on the condition  
1248 that the identity of the individual be protected;

1249 (iii) before an audit is completed and the final audit report is released, records or drafts  
1250 circulated to an individual who is not an employee or head of a governmental entity for the  
1251 individual's response or information;

1252 (iv) records that would disclose an outline or part of any audit survey plans or audit  
1253 program; and

1254 (v) requests for audits, if disclosure would risk circumvention of an audit.

1255 (b) The provisions of Subsections (17)(a)(i), (ii), and (iii) do not prohibit the disclosure  
1256 of records or information that relate to a violation of the law by a governmental entity or  
1257 employee to a government prosecutor or peace officer.

1258 (c) The provisions of this Subsection (17) do not limit the authority otherwise given to  
1259 the state auditor to classify a document as public, private, controlled, or protected under Title  
1260 63G, Chapter 2, Government Records Access and Management Act.

1261 (d) (i) As used in this Subsection (17)(d), "record dispute" means a dispute between the  
1262 state auditor and the subject of an audit performed by the state auditor as to whether the state  
1263 auditor may release a record, as defined in Section 63G-2-103, to the public that the state  
1264 auditor gained access to in the course of the state auditor's audit but which the subject of the  
1265 audit claims is not subject to disclosure under Title 63G, Chapter 2, Government Records

1266 Access and Management Act.

1267 (ii) The state auditor may submit a record dispute to the State Records Committee,  
1268 created in Section 63G-2-501, for a determination of whether the state auditor may, in  
1269 conjunction with the state auditor's release of an audit report, release to the public the record  
1270 that is the subject of the record dispute.

1271 (iii) The state auditor or the subject of the audit may seek judicial review of a State  
1272 Records Committee determination under Subsection (17)(d)(ii), as provided in Section  
1273 63G-2-404.

1274 (18) If the state auditor conducts an audit of an entity that the state auditor has  
1275 previously audited and finds that the entity has not implemented a recommendation made by  
1276 the state auditor in a previous audit, the state auditor shall notify the Legislative Management  
1277 Committee through the Legislative Management Committee's audit subcommittee that the  
1278 entity has not implemented that recommendation.

1279 (19) The state auditor shall, with the advice and consent of the Senate, appoint the state  
1280 privacy officer described in Section 67-3-13.

1281 (20) Except as provided in Subsection (21), the state auditor shall report, or ensure that  
1282 another government entity reports, on the financial, operational, and performance metrics for  
1283 the state system of higher education and the state system of public education, including metrics  
1284 in relation to students, programs, and schools within those systems.

1285 (21) (a) Notwithstanding Subsection (20), the state auditor shall conduct regular audits  
1286 of:

1287 (i) the scholarship granting organization for the Special Needs Opportunity Scholarship  
1288 Program, created in Section 53E-7-402;

1289 (ii) the State Board of Education for the Carson Smith Scholarship Program, created in  
1290 Section 53F-4-302; and

1291 (iii) the scholarship program manager for the Utah Fits All Scholarship Program,  
1292 created in Section 53F-6-402, including an analysis of the cost effectiveness of the program,  
1293 taking into consideration the amount of the scholarship and the amount of state and local funds  
1294 dedicated on a per-student basis within the traditional public education system.

1295 (b) Nothing in this subsection limits or impairs the authority of the State Board of  
1296 Education to administer the programs described in Subsection (21)(a).

1297 (22) The state auditor shall, based on the information posted by the Office of  
1298 Legislative Research and General Counsel under Subsection 36-12-12.1(2), for each policy,  
1299 track and post the following information on the state auditor's website:

- 1300 (a) the information posted under Subsections 36-12-12.1(2)(a) through (e);
- 1301 (b) an indication regarding whether the policy is timely adopted, adopted late, or not  
1302 adopted;
- 1303 (c) an indication regarding whether the policy complies with the requirements  
1304 established by law for the policy; and
- 1305 (d) a link to the policy.

1306 (23) (a) A legislator may request that the state auditor conduct an inquiry to determine  
1307 whether a government entity, government official, or government employee has complied with  
1308 a legal obligation directly imposed, by statute, on the government entity, government official,  
1309 or government employee.

1310 (b) The state auditor may, upon receiving a request under Subsection (23)(a), conduct  
1311 the inquiry requested.

1312 (c) If the state auditor conducts the inquiry described in Subsection (23)(b), the state  
1313 auditor shall post the results of the inquiry on the state auditor's website.

1314 (d) The state auditor may limit the inquiry described in this Subsection (23) to a simple  
1315 determination, without conducting an audit, regarding whether the obligation was fulfilled.

1316 Section 11. **Effective date.**

1317 This bill takes effect on May 1, 2024.