

BUDGET REPORTING REQUIREMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melissa G. Ballard

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill addresses state agency budget reporting requirements.

Highlighted Provisions:

This bill:

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

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

- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56 (2) Each executive department agency shall:

57 (a) in consultation with the Governor's Office of Planning and Budget and the Office of

58 the Legislative Fiscal Analyst, develop performance measures to include in an appropriations
59 act for each fiscal year; and

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

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

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

66 (3) Each judicial department agency shall:

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

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

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

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

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

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

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

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

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

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

- 86 (ii) the actual amount the agency spent, if any, on the funding item; and
- 87 (iii) (A) the month and year in which the agency implemented the program or project
- 88 associated with the funding item; or
- 89 (B) if the program or project associated with the funding item is not fully implemented,
- 90 the month and year in which the agency anticipates fully implementing the program or project
- 91 associated with the funding item.
- 92 (5) The Office of the Legislative Fiscal Analyst shall report the relevant performance
- 93 measure information described in this section to the Executive Appropriations Committee and
- 94 the appropriations subcommittees, as appropriate.
- 95 (6) Each executive department agency, when the agency's budget is subject to a
- 96 legislative appropriations subcommittee's accountable budget process, shall:
- 97 (a) conduct a thorough evaluation of the agency's performance measures, internal
- 98 budget process, and budget controls; and
- 99 (b) submit the results of the evaluation to the legislative appropriations subcommittee.