

**Representative Melissa G. Ballard** proposes the following substitute bill:

**LEGISLATIVE AUDITOR GENERAL AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Melissa G. Ballard**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ amends the requirements for an agency to conduct a self-assessment as part of the legislative budget review process; and
- ▶ make technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

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

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

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

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



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

29 (2) Each executive department agency shall:

30 (a) in consultation with the Governor's Office of Planning and Budget and the Office of  
31 the Legislative Fiscal Analyst, develop performance measures to include in an appropriations  
32 act for each fiscal year; and

33 (b) on or before August 15 of each calendar year, provide to the Governor's Office of  
34 Planning and Budget and the Office of the Legislative Fiscal Analyst:

35 (i) any recommendations for legislative changes for the next fiscal year to the agency's  
36 previously adopted performance measures or targets; and

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

39 (3) Each judicial department agency shall:

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

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

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

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

48 (4) Within 21 days after the day on which the Legislature adjourns a legislative session  
49 sine die, the Governor's Office of Planning and Budget and the Office of the Legislative Fiscal  
50 Analyst shall:

51 (a) create a list of funding items passed during the legislative session;

52 (b) from the list described in Subsection (4)(a), identify in a sublist each funding item  
53 that increases state funding by \$500,000 or more from state funds; and

54 (c) provide the lists described in this subsection to each executive department agency  
55 and the Office of the Legislative Auditor General.

56 (5) Each executive department agency shall provide to the Governor's Office of

57 Planning and Budget and the Office of the Legislative Fiscal Analyst:

58 (a) for each funding item on the list described in Subsection (4)(b), within 60 days after  
59 the day on which the Legislature adjourns a legislative session sine die:

60 (i) one or more proposed performance measures; and

61 (ii) a target for each performance measure described in Subsection (5)(a)(i); and

62 (b) for each funding item on the list described in Subsection (4)(a), on or before August  
63 15 of each year after the close of the fiscal year in which the funding item was first funded, a  
64 report that includes:

65 (i) the status of each performance measure relative to the measure's target as described  
66 in Subsection (5)(a), if applicable;

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

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

70 (B) if the program or project associated with the funding item is not fully implemented,  
71 the month and year in which the agency anticipates fully implementing the program or project  
72 associated with the funding item.

73 (6) (a) After an executive department agency provides proposed performance measures  
74 in accordance with Subsection (5)(a), the Governor's Office of Planning and Budget and the  
75 Office of the Legislative Fiscal Analyst shall review the proposed performance measures and,  
76 if necessary, coordinate with the executive department agency to modify and finalize the  
77 performance measures.

78 (b) The Governor's Office of Planning and Budget, the Office of the Legislative Fiscal  
79 Analyst, and the executive department agency shall finalize each proposed performance  
80 measure before July 1.

81 (7) The Governor's Office of Planning and Budget and the Office of the Legislative  
82 Fiscal Analyst may jointly request that an executive department agency provide the report  
83 required under Subsection (5)(b) in a different fiscal year than the fiscal year in which the  
84 funding item was first funded or in multiple fiscal years.

85 (8) The Governor's Office of Planning and Budget shall:

86 (a) review at least 20% of the performance measures described in Subsection (2)  
87 annually; and

88 (b) ensure that the Governor's Office of Planning and Budget reviews each  
89 performance measure described in Subsection (2) at least once every five years.

90 (9) The Office of the Legislative Fiscal Analyst shall review the performance measures  
91 described in Subsection (2) on a schedule that aligns with the appropriations subcommittee's  
92 applicable accountable budget process described in legislative rule.

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

96 (b) The Governor's Office of Planning and Budget shall report the relevant  
97 performance measure information described in this section to the governor.

98 (11) Each executive department agency, when the agency's budget is subject to a  
99 legislative appropriations subcommittee's accountable budget process, shall:

100 (a) conduct a thorough evaluation of the agency's performance measures, internal  
101 budget process, ~~[and budget controls; and]~~ budget controls, organizational culture, and  
102 adherence to best practices through the self-assessment tools developed by the Office of the  
103 Legislative Auditor General; and

104 (b) submit the results of the evaluation to the legislative appropriations subcommittee  
105 and the Office of the Legislative Auditor General.

106 Section 2. **Effective date.**

107 This bill takes effect on May 1, 2024.