

**Representative Candice B. Pierucci** proposes the following substitute bill:

**UTAH FITS ALL SCHOLARSHIP PROGRAM AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Candice B. Pierucci**

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

**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ 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 home-based scholarship students;
- ▶ moves a requirement to analyze cost effectiveness from the State Board of



26 Education to the state auditor; and  
27       ▶ makes technical and conforming changes.

28 **Money Appropriated in this Bill:**

29       None

30 **Other Special Clauses:**

31       None

32 **Utah Code Sections Affected:**

33 AMENDS:

- 34       **53F-6-401**, as enacted by Laws of Utah 2023, Chapter 1
- 35       **53F-6-402**, as enacted by Laws of Utah 2023, Chapter 1
- 36       **53F-6-404**, as enacted by Laws of Utah 2023, Chapter 1
- 37       **53F-6-405**, as enacted by Laws of Utah 2023, Chapter 1
- 38       **53F-6-408**, as enacted by Laws of Utah 2023, Chapter 1
- 39       **53F-6-409**, as enacted by Laws of Utah 2023, Chapter 1
- 40       **53F-6-412**, as enacted by Laws of Utah 2023, Chapter 1
- 41       **59-1-403**, as last amended by Laws of Utah 2023, Chapters 21, 52, 86, 259, and 329
- 42       **67-3-1**, as last amended by Laws of Utah 2023, Chapters 16, 330, 353, and 480



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

45       Section 1. Section **53F-6-401** is amended to read:

46       **53F-6-401. Definitions.**

47       As used in this part:

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

49       (a) who is eligible to participate in public school, in kindergarten, or grades 1 through  
50       12;

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

53       (c) who, during the school year for which the student is applying for a scholarship  
54       account:

55       (i) does not receive a scholarship under:

56       (A) the Carson Smith Scholarship Program established in Section [53F-4-302](#); or

57 (B) the Special Needs Opportunity Scholarship Program established in Section  
58 [53E-7-402](#); and

59 (ii) [~~except for a student who is enrolled part-time in accordance with Section~~  
60 ~~[53G-6-702](#);~~] is not enrolled in an LEA upon receiving the scholarship;

61 (d) whose eligibility is not suspended or disqualified under Section [53F-6-401](#); and

62 (e) who completes, to maintain eligibility, the portfolio requirement described in  
63 Subsection [53F-6-402](#)(3)(d).

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

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

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

69 (ii) is excused from enrollment in an LEA in accordance with Section [53G-6-204](#) to  
70 attend a home school; and

71 (iii) receives a benefit of scholarship funds.

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

74 (4) "Parent" means:

75 (a) the same as that term is defined in Section [53E-1-102](#); and

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

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

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

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

80 (c) does not harvest data for the purpose of reproducing or distributing the data to other  
81 entities;

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

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

84 (i) the Carson Smith Scholarship Program established in Section [53F-4-302](#); or

85 (ii) the Special Needs Opportunity Scholarship Program established in Section  
86 [53E-7-402](#); and

87 (f) an agreement with the state board recognizes as a program manager, in accordance

88 with this part.

89 ~~[(5)]~~ (6) (a) "Program manager employee" means an individual working for the  
90 program manager in a position in which the individual's salary, wages, pay, or compensation,  
91 including as a contractor, is paid from scholarship funds.

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

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

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

95 (iii) a qualifying provider.

96 ~~[(6)]~~ (7) "Program manager officer" means:

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

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

99 ~~[(7)]~~ (8) (a) "Qualifying provider" means one of the following entities ~~[that is not a~~  
100 ~~public school and is autonomous and not an agent of the state, in accordance with Section~~  
101 ~~53F-6-406]~~:

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

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

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

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

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

111 ~~[(8)]~~ (9) "Relative" means a father, mother, husband, wife, son, daughter, sister,  
112 brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,  
113 sister-in-law, son-in-law, or daughter-in-law.

114 ~~[(9)]~~ (10) "Scholarship account" means the account to which a program manager  
115 allocates funds for the payment of approved scholarship expenses in accordance with this part.

116 ~~[(10)]~~ (11) "Scholarship expense" means an expense described in Section 53F-6-402  
117 that a parent or scholarship student incurs in the education of the scholarship student for a  
118 service or goods that a qualifying provider provides, including:

- 119 (a) tuition and fees of a qualifying provider;
- 120 (b) fees and instructional materials at a technical college;
- 121 (c) tutoring services;
- 122 (d) fees for after-school or summer education programs;
- 123 (e) textbooks, curricula, or other instructional materials, including any supplemental  
124 materials or associated online instruction that a curriculum or a qualifying provider  
125 recommends;
- 126 (f) educational software and applications;
- 127 (g) supplies or other equipment related to a scholarship student's educational needs;
- 128 (h) computer hardware or other technological devices that are intended primarily for a  
129 scholarship student's educational needs;
- 130 (i) fees for the following examinations, or for a preparation course for the following  
131 examinations, that the program manager approves:
  - 132 (i) a national norm-referenced or standardized assessment described in Section  
133 [53F-6-410](#), an advanced placement examination, or another similar assessment;
  - 134 (ii) a state-recognized industry certification examination; and
  - 135 (iii) an examination related to college or university admission;
- 136 (j) educational services for students with disabilities from a licensed or accredited  
137 practitioner or provider, including occupational, behavioral, physical, audiology, or  
138 speech-language therapies;
- 139 (k) contracted services that the program manager approves and that an LEA provides,  
140 including individual classes, after-school tutoring services, transportation, or fees or costs  
141 associated with participation in extracurricular activities;
- 142 (l) ride fees or fares for a fee-for-service transportation provider to transport the  
143 scholarship student to and from a qualifying provider, not to exceed \$750 in a given school  
144 year;
- 145 (m) expenses related to extracurricular activities, field trips, educational supplements,  
146 and other educational experiences; or
- 147 (n) any other expense for a good or service that:
  - 148 (i) a parent or scholarship student incurs in the education of the scholarship student;
  - 149 and

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

151 [~~(11)~~] (12) "Scholarship funds" means:

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

153 (b) interest that scholarship funds accrue.

154 [~~(12)~~] (13) (a) "Scholarship student" means an eligible student, including a home-based  
155 scholarship student, for whom the program manager establishes and maintains a scholarship  
156 account in accordance with this part.

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

159 [~~(13)~~] (14) "Utah Fits All Scholarship Program" or "program" means the scholarship  
160 program established in Section 53F-6-402.

161 Section 2. Section 53F-6-402 is amended to read:

162 **53F-6-402. Utah Fits All Scholarship Program -- Scholarship account application**  
163 **-- Scholarship expenses -- Program information.**

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

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

169 (b) The program manager shall:

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

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

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

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

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

180 [~~(d) If a scholarship student enrolls in an LEA part-time in accordance with Section~~

181 ~~53G-6-702, the program manager shall prorate the amount of the award described in~~  
182 ~~Subsection (2)(c) in proportion to the extent of the scholarship student's partial enrollment in~~  
183 ~~the LEA.]~~

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

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

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

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

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

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

202 (b) A scholarship account application form shall contain the following statement:

203 "I acknowledge that:

204 ~~[(1)]~~ 1: A qualifying provider may not provide the same level of disability services that  
205 are provided in a public school;

206 ~~[(2)]~~ 2: I will assume full financial responsibility for the education of my scholarship  
207 recipient if I agree to this scholarship account;

208 ~~[(3)]~~ 3: Agreeing to establish this scholarship account has the same effect as a parental  
209 refusal to consent to services as described in 34 C.F.R. Sec. 300.300, issued under the  
210 Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.; and

211 ~~[(4)]~~ 4: My child may return to a public school at any time."

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

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

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

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

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

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

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

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

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

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

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

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

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

235 ~~[(ii)]~~ (B) used a scholarship account in the school year immediately preceding the  
236 school year for which the sibling is applying for a scholarship account; and

237 ~~[(d)]~~ (iv) to an eligible student:

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

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

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



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

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

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

249 (i) a federal form W-2;

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

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

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

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

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

259 or

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

261 [53F-6-401](#).

262 (c) The program manager may not:

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

266 (ii) reimburse ~~a scholarship~~ an expense for a service or good that a provider that is  
267 not a qualifying provider provides unless:

268 (A) the parent or scholarship student submits a receipt that shows the cost and type of  
269 service or good and the name of provider; ~~and~~

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

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

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

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

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

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

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

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

292           (a) scholarship account information;

293           (b) information on the program manager, including the program manager's contact  
294 information; and

295           (c) an overview of the program.

296           Section 3. Section 53F-6-404 is amended to read:

297           **53F-6-404. State board procurement and review of program manager -- Failure**  
298 **to comply.**

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

304           (b) An organization that responds to a request for proposals described in Subsection

305 (1)(a) shall submit the following information in the organization's response:

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

307 (ii) a copy of the organization's Internal Revenue Service determination letter

308 qualifying the organization as being tax exempt under Section 501(c)(3), Internal Revenue  
309 Code;

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

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

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

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

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

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

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

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

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

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

323 (B) create restrictions, directions, or mandates regarding instructional content or  
324 curriculum.

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

328 (3) (a) If the state board determines that a program manager has violated a provision of  
329 this part or a provision of the state board's agreement with the program manager, the state  
330 board shall send written notice to the program manager explaining the violation and the  
331 remedial action required to correct the violation.

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

335 (c) (i) If a program manager that receives a notice described in Subsection (3)(a) fails

336 to correct a violation in the time period described in Subsection (3)(b), the state board may bar  
337 the program manager from further participation in the program.

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

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

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

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

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

345 (4) The state board shall establish a process for a program manager to report the  
346 information the program manager is required to report to the state board under Section  
347 [53F-6-405](#).

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

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

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

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

359 (b) The state board may, if the program manager is barred from participating in the  
360 program, issue a new request for proposals and enter into a new agreement with an alternative  
361 program manager in accordance with this section.

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

363 (i) ~~[make rules, in accordance with Title 63G, Chapter 3, Utah Administrative~~  
364 ~~Rulemaking Act, to]~~ establish a process for a scholarship student or a scholarship student's  
365 parent to appeal any administrative decision of the program manager ~~[for state board resolution~~  
366 ~~within 30 days after the day of the appeal]~~, including[:]

367           ~~[(A)]~~ scholarship expense denials~~[:]~~ and  
 368           ~~[(B)]~~ determinations regarding enrollment eligibility or suspension or disqualification  
 369 under Section [53F-6-405](#); ~~[and]~~

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

371           (A) includes parents of scholarship students; and

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

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

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

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

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

385           Section 4. Section **53F-6-405** is amended to read:

386           **53F-6-405. Program manager duties -- Audit -- Prohibitions.**

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

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

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

391           (i) an eligible school under Section [53F-6-408](#); or

392           (ii) an eligible service provider under Section [53F-6-409](#);

393           (c) establishing an application process, including application dates opening before  
 394 March 1, 2024, in accordance with Section [53F-6-402](#);

395           (d) reviewing and granting or denying applications for a scholarship account;

396           (e) providing an online portal for the parent of a scholarship student to access the  
 397 scholarship student's account to facilitate payments to a qualifying provider from the online

398 portal;

399 (f) ensuring that scholarship funds in a scholarship account are readily available to a  
400 scholarship student;

401 (g) requiring a parent to notify the program manager if the parent's scholarship student  
402 is no longer enrolled in or engaging a service:

403 (i) for which the scholarship student receives scholarship funds; and

404 (ii) that is provided to the scholarship student for an entire school year;

405 (h) obtaining reimbursement of scholarship funds from a qualifying provider that  
406 provides the services in which a scholarship student is no longer enrolled or with which the  
407 scholarship student is no longer engaged;

408 (i) expending all revenue from interest on scholarship funds or investments on  
409 scholarship expenses;

410 (j) each time the program manager makes an administrative decision that is adverse to  
411 a scholarship student or the scholarship student's parent, informing the scholarship student and  
412 the scholarship student's parent of the opportunity and process to appeal an administrative  
413 decision of the program manager [~~to the state board~~] in accordance with the process described  
414 in Section 53F-6-404;

415 (k) maintaining a protected internal waitlist of all eligible students who have applied to  
416 the program and are not yet scholarship students, including any student who removed the  
417 student's application from the waitlist; and

418 (l) providing aggregate data regarding the number of scholarship students and the  
419 number of eligible students on the waitlist described in Subsection (1)(k).

420 (2) The program manager shall:

421 (a) contract with one or more private entities to develop and implement a commercially  
422 viable, cost-effective, and parent-friendly system to:

423 (i) establish scholarship accounts;

424 (ii) maximize payment flexibility by allowing:

425 (A) for payment of services to qualifying providers using scholarship funds by  
426 electronic or online funds transfer from the online portal; and

427 (B) pre-approval of a reimbursement to a parent for a good that is a scholarship  
428 expense; and

429 (iii) allow scholarship students and scholarship student's parents to publicly rate,  
430 review, and share information about qualifying providers; [~~and~~]

431 (b) except for a reimbursement authorized under this part, ensuring the use of  
432 scholarship funds from the online portal directly to a qualifying provider to pay for scholarship  
433 expenses without the availability of withdrawal or other direct access to scholarship funds by  
434 an individual; and

435 [~~(b)~~] (c) ensure that the system complies with industry standards for data privacy and  
436 cybersecurity, including ensuring compliance with the Family Educational Rights and Privacy  
437 Act, 34 C.F.R. Part 99.

438 (3) In advance of the program manager accepting applications in accordance with  
439 Section 53F-6-402 and as regularly as information develops, the program manager shall  
440 provide information regarding the program by publishing a program handbook online for  
441 scholarship applicants, scholarship students, parents, service providers seeking to become  
442 qualifying providers, and qualifying providers, that includes information regarding:

443 (a) the policies and processes of the program;

444 (b) approved scholarship expenses and qualifying providers;

445 (c) the responsibilities of parents regarding the program and scholarship funds;

446 (d) the duties of the program manager;

447 (e) the opportunity and process to appeal an administrative decision of the program  
448 manager [~~to the state board~~] in accordance with the process described in Section 53F-6-404;  
449 and

450 (f) the role of any private financial management firms or other private organizations  
451 with which the program manager may contract to administer any aspect of the program.

452 (4) To ensure the fiscal security and compliance of the program, the program manager  
453 shall:

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

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

460 (i) suspend scholarship student's eligibility for the program in the event of the  
461 scholarship student's or scholarship student's parent's:  
462 (A) intentional or substantial misuse of scholarship funds; or  
463 (B) violation of this part or the terms of the program; and  
464 (ii) if the program manager obtains evidence of fraudulent use of scholarship funds,  
465 refer the case to the attorney general for collection or criminal investigation;  
466 (iii) ensure that a scholarship student whose eligibility is suspended or disqualified  
467 under this Subsection (4)(b) or Subsection (4)(c) based on the actions of the student's parent  
468 regains eligibility if the student is placed with a different parent or otherwise no longer resides  
469 with the parent related to the suspension or disqualification;  
470 (c) notify the state board, scholarship student, and scholarship student's parent in  
471 writing:  
472 (i) of the suspension described in Subsection (4)(b)(i);  
473 (ii) that no further transactions, disbursements, or reimbursements are allowed;  
474 (iii) that the scholarship student or scholarship student's parent may take corrective  
475 action within 10 business days of the day on which the program manager provides the  
476 notification; and  
477 (iv) that without taking the corrective action within the time period described in  
478 Subsection (4)(c)(iii), the program manager may disqualify the student's eligibility.  
479 (5) (a) A program manager may not:  
480 (i) disburse scholarship funds to a qualifying provider or allow a qualifying provider to  
481 use scholarship funds if:  
482 (A) the program manager determines that the qualifying provider intentionally or  
483 substantially misrepresented information on overpayment;  
484 (B) the qualifying provider fails to refund an overpayment in a timely manner; or  
485 (C) the qualifying provider routinely fails to provide scholarship students with  
486 promised educational services; or  
487 (ii) reimburse with scholarship funds an individual for the purchase of a good or  
488 service if the program manager determines that:  
489 (A) the scholarship student or the scholarship student's parent requesting  
490 reimbursement intentionally or substantially misrepresented the cost or educational purpose of



491 the good or service; or

492 (B) the relevant scholarship student was not the exclusive user of the good or service.

493 (b) A program manager shall notify a scholarship student if the program manager:

494 (i) stops disbursement of the scholarship student's scholarship funds to a qualifying

495 provider under Subsection (5)(a)(i); or

496 (ii) refuses reimbursement under Subsection (5)(a)(ii).

497 (6) (a) At any time, a scholarship student may change the qualifying provider to which  
498 the scholarship student's scholarship account makes distributions.

499 (b) If, during the school year, a scholarship student changes the student's enrollment in  
500 or engagement with a qualifying provider to another qualifying provider, the program manager  
501 may prorate scholarship funds between the qualifying providers based on the time the  
502 scholarship student received the goods or services or was enrolled.

503 (7) A program manager may not subvert the enrollment preferences required under  
504 Section [53F-6-402](#) or other provisions of this part to establish a scholarship account on behalf  
505 of a relative of a program manager officer.

506 (8) The program manager shall:

507 (a) contract for annual and random audits on scholarship accounts conducted:

508 (i) by a certified public accountant who is independent from:

509 (A) the program manager;

510 (B) the state board; and

511 (C) the program manager's accounts and records pertaining to scholarship funds; and

512 (ii) in accordance with generally accepted auditing standards;

513 (b) demonstrate the program manager's financial accountability by annually submitting  
514 to the state board the following:

515 (i) a financial information report that a certified public accountant prepares and that  
516 includes the total number and total dollar amount of scholarship funds disbursed during the  
517 previous calendar year; and

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

521 (9) (a) The state board:

522 (i) shall review a report described in this section; and  
523 (ii) may request that the program manager revise or supplement the report if the report  
524 does not fully comply with this section.

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

528 Section 5. Section **53F-6-408** is amended to read:

529 **53F-6-408. Eligible schools.**

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

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

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

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

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

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

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

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

546 (i) the education services that the school will provide to the scholarship student,  
547 including the cost of the provided services;

548 (ii) tuition costs;

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

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

552 (d) require the following individuals to submit to a nationwide, fingerprint-based

553 criminal background check and ongoing monitoring, in accordance with Section 53G-11-402,  
554 as a condition for employment or appointment, as authorized by the Adam Walsh Child  
555 Protection and Safety Act of 2006, Pub. L. No. 109-248:

556 (i) an employee who does not hold:

557 (A) a current Utah educator license issued by the state board under Title 53E, Chapter  
558 6, Education Professional Licensure; or

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

561 (ii) a contract employee.

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

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

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

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

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

573 (a) provide to the program manager:

574 (i) a federal employer identification number;

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

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

578 (iv) any other information as required by the program manager; and

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

580 (4) A private school described in Subsection (3) is not eligible to receive scholarship  
581 funds if the private school requires a scholarship student to sign a contract waiving the  
582 student's rights to transfer to another qualifying provider during the school year.

583 (5) To be eligible to receive scholarship funds on behalf of a scholarship student as an

584 eligible school, an LEA shall:

585 (a) provide to the program manager:

586 (i) a federal employer identification number;

587 (ii) the LEA's address and contact information; and

588 (iii) the amount to be charged under the program for, in correlation with LEA's course

589 and activity fee schedules, and a description of [each] a class, program, or service the LEA

590 [proposes to offer to scholarship students; and] provides to a home-based scholarship student;

591 [(iv) any other information as required by the program manager;]

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

593 (c) ~~[enter into an agreement with the program manager regarding]~~ ensure the provision

594 of services to a scholarship student through which:

595 (i) the scholarship student does not enroll in the LEA; and

596 (ii) in accordance with Subsection 53F-2-302(2), the LEA does not receive WPU  
597 funding related to the student's participation with the LEA ~~[, and].~~

598 ~~[(iii) the LEA and program manager ensure that a scholarship student does not~~

599 ~~participate in a course or program at the LEA except in accordance with the agreement~~

600 ~~described in this Subsection (5)(c) under the program.]~~

601 (6) An LEA described in Subsection (5) is not eligible to receive scholarship funds if:

602 (a) the LEA requires a public education system scholarship student to sign a contract

603 waiving the student's rights to ~~[transfer to]~~ engage with another qualifying provider for a

604 scholarship expense during the school year; or

605 (b) the LEA refuses to offer services that do not require LEA enrollment to scholarship

606 students under the program.

607 (7) Residential treatment facilities licensed by the state are not eligible to receive

608 scholarship funds.

609 (8) A private school or LEA intending to receive scholarship funds shall:

610 (a) (i) for a private school, submit an application to the program manager; ~~[and]~~ or

611 (ii) for an LEA, submit a notice to the program manager containing the information

612 described in Subsection (5)(a); and

613 (b) agree to not refund, rebate, or share scholarship funds with scholarship students or

614 scholarship student's parents in any manner except remittances or refunds to a scholarship

615 account in accordance with this part and procedures that the program manager establishes.

616 (9) The program manager shall:

617 (a) if the private school or LEA meets the eligibility requirements of this section,  
618 recognize the private school or LEA as an eligible school and, for a private school, approve the  
619 application; and

620 (b) make available to the public a list of eligible schools approved under this section.

621 (10) A private school approved under this section that changes ownership shall:

622 (a) cease operation as an eligible school until:

623 (i) the school submits a new application to the program manager; and

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

625 (b) demonstrate that the private school continues to meet the eligibility requirements of  
626 this section.

627 Section 6. Section **53F-6-409** is amended to read:

628 **53F-6-409. Eligible service providers.**

629 (1) To be an eligible service provider, a private program or service:

630 (a) shall provide to the program manager:

631 (i) a federal employer identification number;

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

633 (iii) a description of each program or service the provider proposes to offer directly to a  
634 scholarship student; and

635 (iv) subject to Subsection (2), any other information as required by the program  
636 manager;

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

638 (c) may not act as a consultant, clearing house, or intermediary that connects a  
639 scholarship student with or otherwise facilitates the student's engagement with a program or  
640 service that another entity provides.

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

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

- 646 (a) submit an application to the program manager; and
- 647 (b) agree to not refund, rebate, or share scholarship funds with scholarship students or
- 648 scholarship students' parents in any manner except remittances or refunds to a scholarship
- 649 account in accordance with this part and procedures that the program manager establishes.
- 650 (4) The program manager shall:
- 651 (a) if the private program or service meets the eligibility requirements of this section,
- 652 recognize the private program or service as an eligible service provider and approve a private
- 653 program or service's application to receive scholarship funds on behalf of a scholarship student;
- 654 and
- 655 (b) make available to the public a list of eligible service providers approved under this
- 656 section.
- 657 (5) A private program or service approved under this section that changes ownership
- 658 shall:
- 659 (a) cease operation as an eligible service provider until:
- 660 (i) the program or service 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 program or service continues to meet the eligibility
- 663 requirements of this section.
- 664 (6) The following are not eligible service providers:
- 665 (a) a parent of a home-based scholarship student or a home school student solely in
- 666 relation to the parent's child; or
- 667 (b) any other individual that does not meet the requirements described in this section.
- 668 Section 7. Section **53F-6-412** is amended to read:
- 669 **53F-6-412. Reports.**
- 670 Beginning in 2025 and in accordance with Section **68-3-14** and the Family Educational
- 671 Rights and Privacy Act, 20 U.S.C. Sec. 1232g[~~+~~],
- 672 [~~(1)~~] the program manager shall submit a report on the program to the Education
- 673 Interim Committee no later than September 1 of each year that includes:
- 674 [~~(a)~~] (1) the total amount of tuition and fees qualifying providers charged for the
- 675 current year and previous two years;
- 676 [~~(b)~~] (2) the total amount of goods paid for with scholarship funds in the previous year

677 and a general characterization of the types of goods;

678 ~~[(e)]~~ (3) administrative costs of the program;

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

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

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

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

690 ~~[(h)]~~ (8) any other information regarding the program and the program's  
691 implementation that the committee requests~~[-and]~~.

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

694 Section 8. Section 59-1-403 is amended to read:

695 **59-1-403. Confidentiality -- Exceptions -- Penalty -- Application to property tax.**

696 (1) As used in this section:

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

698 (i) the commission administers under:

699 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax Act;

700 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

701 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

702 (D) Section 19-6-805;

703 (E) Section 63H-1-205; or

704 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges;

705 and

706 (ii) with respect to which the commission distributes the revenue collected from the  
707 tax, fee, or charge to a qualifying jurisdiction.

708 (b) "Qualifying jurisdiction" means:  
709 (i) a county, city, town, or metro township;  
710 (ii) the military installation development authority created in Section 63H-1-201; or  
711 (iii) the Utah Inland Port Authority created in Section 11-58-201.

712 (2) (a) Any of the following may not divulge or make known in any manner any  
713 information gained by that person from any return filed with the commission:  
714 (i) a tax commissioner;  
715 (ii) an agent, clerk, or other officer or employee of the commission; or  
716 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or  
717 town.

718 (b) An official charged with the custody of a return filed with the commission is not  
719 required to produce the return or evidence of anything contained in the return in any action or  
720 proceeding in any court, except:  
721 (i) in accordance with judicial order;  
722 (ii) on behalf of the commission in any action or proceeding under:  
723 (A) this title; or  
724 (B) other law under which persons are required to file returns with the commission;  
725 (iii) on behalf of the commission in any action or proceeding to which the commission  
726 is a party; or  
727 (iv) on behalf of any party to any action or proceeding under this title if the report or  
728 facts shown by the return are directly involved in the action or proceeding.

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

732 (3) This section does not prohibit:  
733 (a) a person or that person's duly authorized representative from receiving a copy of  
734 any return or report filed in connection with that person's own tax;  
735 (b) the publication of statistics as long as the statistics are classified to prevent the  
736 identification of particular reports or returns; and  
737 (c) the inspection by the attorney general or other legal representative of the state of the  
738 report or return of any taxpayer:



- 739 (i) who brings action to set aside or review a tax based on the report or return;
- 740 (ii) against whom an action or proceeding is contemplated or has been instituted under
- 741 this title; or
- 742 (iii) against whom the state has an unsatisfied money judgment.

743 (4) (a) Notwithstanding Subsection (2) and for purposes of administration, the

744 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative

745 Rulemaking Act, provide for a reciprocal exchange of information with:

- 746 (i) the United States Internal Revenue Service; or
- 747 (ii) the revenue service of any other state.

748 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and

749 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,

750 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and

751 other written statements with the federal government, any other state, any of the political

752 subdivisions of another state, or any political subdivision of this state, except as limited by

753 Sections [59-12-209](#) and [59-12-210](#), if the political subdivision, other state, or the federal

754 government grant substantially similar privileges to this state.

755 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and

756 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,

757 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the

758 identity and other information of taxpayers who have failed to file tax returns or to pay any tax

759 due.

760 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the

761 Division of Environmental Response and Remediation, as defined in Section [19-6-402](#), as

762 requested by the director of the Division of Environmental Response and Remediation, any

763 records, returns, or other information filed with the commission under Chapter 13, Motor and

764 Special Fuel Tax Act, or Section [19-6-410.5](#) regarding the environmental assurance program

765 participation fee.

766 (e) Notwithstanding Subsection (2), at the request of any person the commission shall

767 provide that person sales and purchase volume data reported to the commission on a report,

768 return, or other information filed with the commission under:

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

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

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

773 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
774 manufacturer and reported to the commission for the previous calendar year under Section  
775 59-14-407; and

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

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

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

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

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

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

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

789 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee  
790 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's Office of  
791 Planning and Budget, provide to the committee or office the total amount of revenues collected  
792 by the commission under Chapter 24, Radioactive Waste Facility Tax Act, for the time period  
793 specified by the committee or office.

794 (j) Notwithstanding Subsection (2), the commission shall make the directory required  
795 by Section 59-14-603 available for public inspection.

796 (k) Notwithstanding Subsection (2), the commission may share information with  
797 federal, state, or local agencies as provided in Subsection 59-14-606(3).

798 (l) (i) Notwithstanding Subsection (2), the commission shall provide the Office of  
799 Recovery Services within the Department of Health and Human Services any relevant  
800 information obtained from a return filed under Chapter 10, Individual Income Tax Act,

801 regarding a taxpayer who has become obligated to the Office of Recovery Services.

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

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

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

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

812 (A) "GO Utah office" means the Governor's Office of Economic Opportunity created in  
813 Section 63N-1a-301.

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

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

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

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

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

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

831 (iii) (A) Notwithstanding Subsection (2) and except as provided in Subsection

832 (4)(n)(iii)(B), the commission shall at the request of the GO Utah office provide to the GO  
833 Utah office other tax information.

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

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

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

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

842 (v) (A) A person may not request tax information from the GO Utah office under Title  
843 63G, Chapter 2, Government Records Access and Management Act, or this section, if the GO  
844 Utah office received the tax information from the commission in accordance with this  
845 Subsection (4)(n).

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

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

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

853 (A) information contained in a return filed with the commission;

854 (B) information contained in a report filed with the commission;

855 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or

856 (D) a document filed with the commission; or

857 (ii) a report of an audit or investigation made with respect to an agreement sales and  
858 use tax.

859 (p) Notwithstanding Subsection (2), the commission may provide information  
860 concerning a taxpayer's state income tax return or state income tax withholding information to  
861 the Driver License Division if the Driver License Division:

862 (i) requests the information; and

863 (ii) provides the commission with a signed release form from the taxpayer allowing the  
864 Driver License Division access to the information.

865 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah  
866 Communications Authority, or a division of the Utah Communications Authority, the  
867 information requested by the authority under Sections 63H-7a-302, 63H-7a-402, and  
868 63H-7a-502.

869 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah  
870 Educational Savings Plan information related to a resident or nonresident individual's  
871 contribution to a Utah Educational Savings Plan account as designated on the resident or  
872 nonresident's individual income tax return as provided under Section 59-10-1313.

873 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under  
874 Sections 26B-3-106 and 26B-3-903, the commission shall provide an eligibility worker with  
875 the Department of Health and Human Services or its designee with the adjusted gross income  
876 of an individual if:

877 (i) an eligibility worker with the Department of Health and Human Services or its  
878 designee requests the information from the commission; and

879 (ii) the eligibility worker has complied with the identity verification and consent  
880 provisions of Sections 26B-3-106 and 26B-3-903.

881 (t) Notwithstanding Subsection (2), the commission may provide to a county, as  
882 determined by the commission, information declared on an individual income tax return in  
883 accordance with Section 59-10-103.1 that relates to eligibility to claim a residential exemption  
884 authorized under Section 59-2-103.

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

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

893 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the

894 Department of Workforce Services any information received under Chapter 10, Part 4,  
895 Withholding of Tax, that is relevant to the duties of the Department of Workforce Services.

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

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

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

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

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

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

914 (A) classified as a private record under Title 63G, Chapter 2, Government Records  
915 Access and Management Act; and

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

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

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

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

925 (ii) the commission has received the information release described in Section  
926 [35A-9-604](#).

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

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

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

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

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

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

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

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

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

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

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

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

955 (c) Notwithstanding Subsection (6)(a) or (b), the GO Utah office, when requesting

956 information in accordance with Subsection (4)(n)(iii), or an individual who requests  
957 information in accordance with Subsection (4)(n)(v):

- 958 (i) is not guilty of a class A misdemeanor; and
- 959 (ii) is not subject to:
  - 960 (A) dismissal from office in accordance with Subsection (6)(b); or
  - 961 (B) disqualification from holding public office in accordance with Subsection (6)(b).
- 962 (d) Notwithstanding Subsection (6)(a) or (b), for a disclosure of information to the  
963 Office of the Legislative Auditor General in accordance with Title 36, Chapter 12, Legislative  
964 Organization, an individual described in Subsection (2):
  - 965 (i) is not guilty of a class A misdemeanor; and
  - 966 (ii) is not subject to:
    - 967 (A) dismissal from office in accordance with Subsection (6)(b); or
    - 968 (B) disqualification from holding public office in accordance with Subsection (6)(b).
  - 969 (7) Except as provided in Section [59-1-404](#), this part does not apply to the property tax.  
970 Section 9. Section **67-3-1** is amended to read:  
971 **67-3-1. Functions and duties.**
    - 972 (1) (a) The state auditor is the auditor of public accounts and is independent of any  
973 executive or administrative officers of the state.
    - 974 (b) The state auditor is not limited in the selection of personnel or in the determination  
975 of the reasonable and necessary expenses of the state auditor's office.
    - 976 (2) The state auditor shall examine and certify annually in respect to each fiscal year,  
977 financial statements showing:
      - 978 (a) the condition of the state's finances;
      - 979 (b) the revenues received or accrued;
      - 980 (c) expenditures paid or accrued;
      - 981 (d) the amount of unexpended or unencumbered balances of the appropriations to the  
982 agencies, departments, divisions, commissions, and institutions; and
      - 983 (e) the cash balances of the funds in the custody of the state treasurer.
    - 984 (3) (a) The state auditor shall:
      - 985 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of  
986 any department of state government or any independent agency or public corporation as the law



987 requires, as the auditor determines is necessary, or upon request of the governor or the  
988 Legislature;

989 (ii) perform the audits in accordance with generally accepted auditing standards and  
990 other auditing procedures as promulgated by recognized authoritative bodies; and

991 (iii) as the auditor determines is necessary, conduct the audits to determine:

992 (A) honesty and integrity in fiscal affairs;

993 (B) accuracy and reliability of financial statements;

994 (C) effectiveness and adequacy of financial controls; and

995 (D) compliance with the law.

996 (b) If any state entity receives federal funding, the state auditor shall ensure that the  
997 audit is performed in accordance with federal audit requirements.

998 (c) (i) The costs of the federal compliance portion of the audit may be paid from an  
999 appropriation to the state auditor from the General Fund.

1000 (ii) If an appropriation is not provided, or if the federal government does not  
1001 specifically provide for payment of audit costs, the costs of the federal compliance portions of  
1002 the audit shall be allocated on the basis of the percentage that each state entity's federal funding  
1003 bears to the total federal funds received by the state.

1004 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit  
1005 funds passed through the state to local governments and to reflect any reduction in audit time  
1006 obtained through the use of internal auditors working under the direction of the state auditor.

1007 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to  
1008 financial audits, and as the auditor determines is necessary, conduct performance and special  
1009 purpose audits, examinations, and reviews of any entity that receives public funds, including a  
1010 determination of any or all of the following:

1011 (i) the honesty and integrity of all the entity's fiscal affairs;

1012 (ii) whether the entity's administrators have faithfully complied with legislative intent;

1013 (iii) whether the entity's operations have been conducted in an efficient, effective, and  
1014 cost-efficient manner;

1015 (iv) whether the entity's programs have been effective in accomplishing the intended  
1016 objectives; and

1017 (v) whether the entity's management, control, and information systems are adequate,

1018 effective, and secure.

1019 (b) The auditor may not conduct performance and special purpose audits,  
1020 examinations, and reviews of any entity that receives public funds if the entity:

1021 (i) has an elected auditor; and

1022 (ii) has, within the entity's last budget year, had the entity's financial statements or  
1023 performance formally reviewed by another outside auditor.

1024 (5) The state auditor:

1025 (a) shall administer any oath or affirmation necessary to the performance of the duties  
1026 of the auditor's office; and

1027 (b) may:

1028 (i) subpoena witnesses and documents, whether electronic or otherwise; and

1029 (ii) examine into any matter that the auditor considers necessary.

1030 (6) The state auditor may require all persons who have had the disposition or  
1031 management of any property of this state or its political subdivisions to submit statements  
1032 regarding the property at the time and in the form that the auditor requires.

1033 (7) The state auditor shall:

1034 (a) except where otherwise provided by law, institute suits in Salt Lake County in  
1035 relation to the assessment, collection, and payment of revenues against:

1036 (i) persons who by any means have become entrusted with public money or property  
1037 and have failed to pay over or deliver the money or property; and

1038 (ii) all debtors of the state;

1039 (b) collect and pay into the state treasury all fees received by the state auditor;

1040 (c) perform the duties of a member of all boards of which the state auditor is a member  
1041 by the constitution or laws of the state, and any other duties that are prescribed by the  
1042 constitution and by law;

1043 (d) stop the payment of the salary of any state official or state employee who:

1044 (i) refuses to settle accounts or provide required statements about the custody and  
1045 disposition of public funds or other state property;

1046 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling  
1047 board or department head with respect to the manner of keeping prescribed accounts or funds;

1048 or

1049 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the  
1050 official's or employee's attention;

1051 (e) establish accounting systems, methods, and forms for public accounts in all taxing  
1052 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;

1053 (f) superintend the contractual auditing of all state accounts;

1054 (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of  
1055 property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that  
1056 officials and employees in those taxing units comply with state laws and procedures in the  
1057 budgeting, expenditures, and financial reporting of public funds;

1058 (h) subject to Subsection (9), withhold the disbursement of tax money from any county,  
1059 if necessary, to ensure that officials and employees in the county comply with Section  
1060 [59-2-303.1](#); and

1061 (i) withhold state allocated funds or the disbursement of property taxes from a local  
1062 government entity or a limited purpose entity, as those terms are defined in Section [67-1a-15](#) if  
1063 the state auditor finds the withholding necessary to ensure that the entity registers and  
1064 maintains the entity's registration with the lieutenant governor, in accordance with Section  
1065 [67-1a-15](#).

1066 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds  
1067 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal  
1068 written notice of noncompliance from the auditor and has been given 60 days to make the  
1069 specified corrections.

1070 (b) If, after receiving notice under Subsection (8)(a), a state or independent local  
1071 fee-assessing unit that exclusively assesses fees has not made corrections to comply with state  
1072 laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the  
1073 state auditor:

1074 (i) shall provide a recommended timeline for corrective actions;

1075 (ii) may prohibit the state or local fee-assessing unit from accessing money held by the  
1076 state; and

1077 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an  
1078 account of a financial institution by filing an action in district court requesting an order of the  
1079 court to prohibit a financial institution from providing the fee-assessing unit access to an

1080 account.

1081 (c) The state auditor shall remove a limitation on accessing funds under Subsection  
1082 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and  
1083 financial reporting of public funds.

1084 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with  
1085 state law, the state auditor:

1086 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to  
1087 comply;

1088 (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the  
1089 state; and

1090 (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an  
1091 account of a financial institution by:

1092 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that  
1093 the institution prohibit access to the account; or

1094 (B) filing an action in district court requesting an order of the court to prohibit a  
1095 financial institution from providing the taxing or fee-assessing unit access to an account.

1096 (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state  
1097 law, the state auditor shall eliminate a limitation on accessing funds described in Subsection  
1098 (8)(d).

1099 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has  
1100 received formal written notice of noncompliance from the auditor and has been given 60 days  
1101 to make the specified corrections.

1102 (10) (a) The state auditor may not withhold funds under Subsection (7)(i) until the state  
1103 auditor receives a notice of non-registration, as that term is defined in Section [67-1a-15](#).

1104 (b) If the state auditor receives a notice of non-registration, the state auditor may  
1105 prohibit the local government entity or limited purpose entity, as those terms are defined in  
1106 Section [67-1a-15](#), from accessing:

1107 (i) money held by the state; and

1108 (ii) money held in an account of a financial institution by:

1109 (A) contacting the entity's financial institution and requesting that the institution  
1110 prohibit access to the account; or

1111 (B) filing an action in district court requesting an order of the court to prohibit a  
1112 financial institution from providing the entity access to an account.

1113 (c) The state auditor shall remove the prohibition on accessing funds described in  
1114 Subsection (10)(b) if the state auditor received a notice of registration, as that term is defined in  
1115 Section 67-1a-15, from the lieutenant governor.

1116 (11) Notwithstanding Subsection (7)(g), (7)(h), (7)(i), (8)(b), (8)(d), or (10)(b), the  
1117 state auditor:

1118 (a) shall authorize a disbursement by a local government entity or limited purpose  
1119 entity, as those terms are defined in Section 67-1a-15, or a state or local taxing or fee-assessing  
1120 unit if the disbursement is necessary to:

1121 (i) avoid a major disruption in the operations of the local government entity, limited  
1122 purpose entity, or state or local taxing or fee-assessing unit; or

1123 (ii) meet debt service obligations; and

1124 (b) may authorize a disbursement by a local government entity, limited purpose entity,  
1125 or state or local taxing or fee-assessing unit as the state auditor determines is appropriate.

1126 (12) (a) The state auditor may seek relief under the Utah Rules of Civil Procedure to  
1127 take temporary custody of public funds if an action is necessary to protect public funds from  
1128 being improperly diverted from their intended public purpose.

1129 (b) If the state auditor seeks relief under Subsection (12)(a):

1130 (i) the state auditor is not required to exhaust the procedures in Subsection (7) or (8);  
1131 and

1132 (ii) the state treasurer may hold the public funds in accordance with Section 67-4-1 if a  
1133 court orders the public funds to be protected from improper diversion from their public  
1134 purpose.

1135 (13) The state auditor shall:

1136 (a) establish audit guidelines and procedures for audits of local mental health and  
1137 substance abuse authorities and their contract providers, conducted pursuant to Title 17,  
1138 Chapter 43, Part 2, Local Substance Abuse Authorities, Title 17, Chapter 43, Part 3, Local  
1139 Mental Health Authorities, Title 26B, Chapter 5, Health Care - Substance Use and Mental  
1140 Health, and Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal  
1141 Organizations, and Other Local Entities Act; and

1142 (b) ensure that those guidelines and procedures provide assurances to the state that:

1143 (i) state and federal funds appropriated to local mental health authorities are used for  
1144 mental health purposes;

1145 (ii) a private provider under an annual or otherwise ongoing contract to provide  
1146 comprehensive mental health programs or services for a local mental health authority is in  
1147 compliance with state and local contract requirements and state and federal law;

1148 (iii) state and federal funds appropriated to local substance abuse authorities are used  
1149 for substance abuse programs and services; and

1150 (iv) a private provider under an annual or otherwise ongoing contract to provide  
1151 comprehensive substance abuse programs or services for a local substance abuse authority is in  
1152 compliance with state and local contract requirements, and state and federal law.

1153 (14) (a) The state auditor may, in accordance with the auditor's responsibilities for  
1154 political subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from  
1155 Political Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or  
1156 investigations of any political subdivision that are necessary to determine honesty and integrity  
1157 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of  
1158 financial controls and compliance with the law.

1159 (b) If the state auditor receives notice under Subsection 11-41-104(7) from the  
1160 Governor's Office of Economic Opportunity on or after July 1, 2024, the state auditor may  
1161 initiate an audit or investigation of the public entity subject to the notice to determine  
1162 compliance with Section 11-41-103.

1163 (15) (a) The state auditor may not audit work that the state auditor performed before  
1164 becoming state auditor.

1165 (b) If the state auditor has previously been a responsible official in state government  
1166 whose work has not yet been audited, the Legislature shall:

1167 (i) designate how that work shall be audited; and

1168 (ii) provide additional funding for those audits, if necessary.

1169 (16) The state auditor shall:

1170 (a) with the assistance, advice, and recommendations of an advisory committee  
1171 appointed by the state auditor from among special district boards of trustees, officers, and  
1172 employees and special service district boards, officers, and employees:

- 1173 (i) prepare a Uniform Accounting Manual for Special Districts that:
- 1174 (A) prescribes a uniform system of accounting and uniform budgeting and reporting
- 1175 procedures for special districts under Title 17B, Limited Purpose Local Government Entities -
- 1176 Special Districts, and special service districts under Title 17D, Chapter 1, Special Service
- 1177 District Act;
- 1178 (B) conforms with generally accepted accounting principles; and
- 1179 (C) prescribes reasonable exceptions and modifications for smaller districts to the
- 1180 uniform system of accounting, budgeting, and reporting;
- 1181 (ii) maintain the manual under this Subsection (16)(a) so that the manual continues to
- 1182 reflect generally accepted accounting principles;
- 1183 (iii) conduct a continuing review and modification of procedures in order to improve
- 1184 them;
- 1185 (iv) prepare and supply each district with suitable budget and reporting forms; and
- 1186 (v) (A) prepare instructional materials, conduct training programs, and render other
- 1187 services considered necessary to assist special districts and special service districts in
- 1188 implementing the uniform accounting, budgeting, and reporting procedures; and
- 1189 (B) ensure that any training described in Subsection (16)(a)(v)(A) complies with Title
- 1190 63G, Chapter 22, State Training and Certification Requirements; and
- 1191 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices
- 1192 and experiences of specific special districts and special service districts selected by the state
- 1193 auditor and make the information available to all districts.
- 1194 (17) (a) The following records in the custody or control of the state auditor are
- 1195 protected records under Title 63G, Chapter 2, Government Records Access and Management
- 1196 Act:
- 1197 (i) records that would disclose information relating to allegations of personal
- 1198 misconduct, gross mismanagement, or illegal activity of a past or present governmental
- 1199 employee if the information or allegation cannot be corroborated by the state auditor through
- 1200 other documents or evidence, and the records relating to the allegation are not relied upon by
- 1201 the state auditor in preparing a final audit report;
- 1202 (ii) records and audit workpapers to the extent the workpapers would disclose the
- 1203 identity of an individual who during the course of an audit, communicated the existence of any

1204 waste of public funds, property, or manpower, or a violation or suspected violation of a law,  
1205 rule, or regulation adopted under the laws of this state, a political subdivision of the state, or  
1206 any recognized entity of the United States, if the information was disclosed on the condition  
1207 that the identity of the individual be protected;

1208 (iii) before an audit is completed and the final audit report is released, records or drafts  
1209 circulated to an individual who is not an employee or head of a governmental entity for the  
1210 individual's response or information;

1211 (iv) records that would disclose an outline or part of any audit survey plans or audit  
1212 program; and

1213 (v) requests for audits, if disclosure would risk circumvention of an audit.

1214 (b) The provisions of Subsections (17)(a)(i), (ii), and (iii) do not prohibit the disclosure  
1215 of records or information that relate to a violation of the law by a governmental entity or  
1216 employee to a government prosecutor or peace officer.

1217 (c) The provisions of this Subsection (17) do not limit the authority otherwise given to  
1218 the state auditor to classify a document as public, private, controlled, or protected under Title  
1219 63G, Chapter 2, Government Records Access and Management Act.

1220 (d) (i) As used in this Subsection (17)(d), "record dispute" means a dispute between the  
1221 state auditor and the subject of an audit performed by the state auditor as to whether the state  
1222 auditor may release a record, as defined in Section 63G-2-103, to the public that the state  
1223 auditor gained access to in the course of the state auditor's audit but which the subject of the  
1224 audit claims is not subject to disclosure under Title 63G, Chapter 2, Government Records  
1225 Access and Management Act.

1226 (ii) The state auditor may submit a record dispute to the State Records Committee,  
1227 created in Section 63G-2-501, for a determination of whether the state auditor may, in  
1228 conjunction with the state auditor's release of an audit report, release to the public the record  
1229 that is the subject of the record dispute.

1230 (iii) The state auditor or the subject of the audit may seek judicial review of a State  
1231 Records Committee determination under Subsection (17)(d)(ii), as provided in Section  
1232 63G-2-404.

1233 (18) If the state auditor conducts an audit of an entity that the state auditor has  
1234 previously audited and finds that the entity has not implemented a recommendation made by



1235 the state auditor in a previous audit, the state auditor shall notify the Legislative Management  
1236 Committee through the Legislative Management Committee's audit subcommittee that the  
1237 entity has not implemented that recommendation.

1238 (19) The state auditor shall, with the advice and consent of the Senate, appoint the state  
1239 privacy officer described in Section [67-3-13](#).

1240 (20) Except as provided in Subsection (21), the state auditor shall report, or ensure that  
1241 another government entity reports, on the financial, operational, and performance metrics for  
1242 the state system of higher education and the state system of public education, including metrics  
1243 in relation to students, programs, and schools within those systems.

1244 (21) (a) Notwithstanding Subsection (20), the state auditor shall conduct regular audits  
1245 of:

1246 (i) the scholarship granting organization for the Special Needs Opportunity Scholarship  
1247 Program, created in Section [53E-7-402](#);

1248 (ii) the State Board of Education for the Carson Smith Scholarship Program, created in  
1249 Section [53F-4-302](#); and

1250 (iii) the scholarship program manager for the Utah Fits All Scholarship Program,  
1251 created in Section [53F-6-402](#), including an analysis of the cost effectiveness of the program,  
1252 taking into consideration the amount of the scholarship and the amount of state and local funds  
1253 dedicated on a per-student basis within the traditional public education system.

1254 (b) Nothing in this subsection limits or impairs the authority of the State Board of  
1255 Education to administer the programs described in Subsection (21)(a).

1256 (22) The state auditor shall, based on the information posted by the Office of  
1257 Legislative Research and General Counsel under Subsection [36-12-12.1\(2\)](#), for each policy,  
1258 track and post the following information on the state auditor's website:

1259 (a) the information posted under Subsections [36-12-12.1\(2\)\(a\)](#) through (e);

1260 (b) an indication regarding whether the policy is timely adopted, adopted late, or not  
1261 adopted;

1262 (c) an indication regarding whether the policy complies with the requirements  
1263 established by law for the policy; and

1264 (d) a link to the policy.

1265 (23) (a) A legislator may request that the state auditor conduct an inquiry to determine

1266 whether a government entity, government official, or government employee has complied with  
1267 a legal obligation directly imposed, by statute, on the government entity, government official,  
1268 or government employee.

1269 (b) The state auditor may, upon receiving a request under Subsection (23)(a), conduct  
1270 the inquiry requested.

1271 (c) If the state auditor conducts the inquiry described in Subsection (23)(b), the state  
1272 auditor shall post the results of the inquiry on the state auditor's website.

1273 (d) The state auditor may limit the inquiry described in this Subsection (23) to a simple  
1274 determination, without conducting an audit, regarding whether the obligation was fulfilled.

1275 Section 10. **Effective date.**

1276 This bill takes effect on May 1, 2024.