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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 730

BY WAYS AND MEANS COMMITTEE

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2	RELATING TO STATE BUDGETS; AMENDING SECTION 67-1917, IDAHO CODE, TO REVISE
3	PROVISIONS REGARDING REPORTS BY PARTICIPATING STATE AGENCIES; AMENDING
4	SECTION 67-3502, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE FORMAT
5	AND PREPARATION OF ANNUAL BUDGET REQUESTS; AND DECLARING AN EMERGENCY
5	AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-1917, Idaho Code, be, and the same is hereby amended to read as follows:

- 67-1917. REPORTS BY PARTICIPATING STATE AGENCIES. (1) Any state agency that receives federal funds, anticipates receipt of federal funds or administers a program supported by federal funds shall provide reports on the use of federal funds as part of each agency's annual budget request to the division of financial management. The postsecondary educational institutions shall be provided an exception to these requirements and shall submit an audited schedule of expenditures of federal awards for the preceding fiscal year to the office of the state board of education, which shall consolidate such information and submit a report to the division of financial management and the legislative services office. The reports required of all other agencies shall:
 - (a) Delineate the federal funds received for the preceding three (3) fiscal years tied out to the audited schedule of expenditures of federal awards for the years in which such schedules are available;
 - (b) Delineate the federal funds to be utilized by the state agency for the current and upcoming fiscal year. The report shall include federal funds appropriated by the legislature, federal funds continuously appropriated and any programs supported by federal funds, the loss of which may impact the continuity or delivery of services;
 - (c) Identify the date, if known, on which federal funds are set to expire and if the federal funds are capped or open-ended;
 - (d) Identify any obligations, agreements, joint exercise of powers agreements, maintenance of effort agreements, or memoranda of understanding that may be impacted by federal or state decisions regarding federal receipts, including any state matching requirements and the state matching amount incurred or anticipated for the reported years; and
 - (e) Calculate the percentage that constitutes federal funds to the total appropriation for the state agency for the fiscal year.
- (2) If an agency receives notice of a reduction in federal funding from a specific federal grant of $\frac{\text{fifty percent }(50\%)}{\text{ten percent }(10\%)}$ or more from the previous year's funding, it shall develop a plan to either reduce or eliminate the services provided through the grant or to continue the ser-

vices without a shift to state resources. The plan shall be included in the report required under subsection (1) of this section.

- (3) As used in this section, "federal funds" means any financial assistance made by the United States government, or any agency thereof, whether a contract, grant subsidy, augmentation, reimbursement or in any other form.
- SECTION 2. That Section 67-3502, Idaho Code, be, and the same is hereby amended to read as follows:
- 67-3502. FORMAT AND PREPARATION OF ANNUAL BUDGET REQUESTS. (1) In the preparation of a state budget, the administrator of the division of financial management shall, not later than the fifteenth day of July, have available for all departments, offices and institutions of the state government forms necessary to prepare budget requests. Such forms, whether in electronic or written format, shall be developed by the administrator of the division and the legislative services office to provide the following information:
 - (a) For the preceding fiscal year, each of the entities listed in this section shall report all moneys available to them regardless of source, including legislative appropriations, and their expenditures by fund and account category of all sums received from all sources, segregated as provided for on the forms.
 - (b) For the current fiscal year, each of the entities listed in this section shall report their estimates of all moneys available to them regardless of source, including legislative appropriations, and their estimated expenditures by fund and account category of all sums received from all sources, segregated as provided for on the forms, including a statement of the purposes for which anticipated moneys are expected to be expended.
 - (c) An estimate of appropriations needed for the succeeding fiscal year, showing each primary program or major objective as a separate item of the request and itemized by account category.
 - (d) A report concerning the condition and management of programs, program performance, and progress toward accomplishing program objectives.
 - (e) A report that discloses any known future reductions or eliminations of \underline{on} federal moneys reported to the division of financial management or the legislative services office under section 67-1910 $\underline{67-1917}$, Idaho Code, and the agency's plan for operating if there is a reduction of ten percent (10%) or more in the federal moneys that the state agency receives.
- (2) The completed forms shall, not later than the first day of September, except with special permission and agreement of the administrator of the division of financial management and the director of the legislative services office, be filed in the office of the administrator of the division of financial management and the legislative services office. The legislative and judicial departments and the department of administration's division of public works shall, as early as practicable and in any event no later than the fifteenth day of November, prepare and file in the office of the governor and the legislative services office upon the forms described in this section a report of all of the information required in this section.

- The judicial department shall include in its filing the budget request of the judicial council as submitted by the judicial council.
- 3 SECTION 3. An emergency existing therefor, which emergency is hereby 4 declared to exist, this act shall be in full force and effect on and after 5 July 1, 2024.