



MINUTES

LEGISLATIVE AUDIT SUBCOMMITTEE

Tuesday, October 14, 2025 | 4:15 p.m. | 210 Senate Building

Members Present:

President J. Stuart Adams, Co-chair
Speaker Mike Schultz, Co-chair
Sen. Kirk A. Cullimore
Sen. Luz Escamilla
Rep. Angela Romero

Rep. Casey Snider

Staff Present:

Brian J. Dean, Deputy Auditor General
Donna Hernandez, Office Manager
Darin R. Underwood, Deputy Auditor General
Kade R. Minchey, Auditor General

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Speaker Schultz called the meeting to order at 4:24 PM

MOTION: Speaker Schultz made a motion to approve the minutes of the September 25, 2025 meeting. The motion passed with a vote of 6 - 0 - 0.

Yeas - 6

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz
Rep. C. Snider

Nays - 0Absent - 0

2. Audit Report Presentations

Mr. Brian Dean, Deputy Auditor General, introduced A Systemic Performance Audit of the Department of Alcoholic Beverage Services (Report #2025-18).

[A Systemic Performance Audit of the Department of Alcoholic Beverage Services: Improving Management, Inventory Controls, Risk Assessment, and Business Efficiency \(Report 2025-18\)](#)

Mr. Dean and Mr. Rusty Facer, Audit Supervisor, presented the findings of the audit.

Mr. Facer responded to a question from President Adams on the efficiency of inventory accounting data reported.

Mr. Facer responded to a question from Speaker Schultz regarding the accuracy of the figures previously reported by the Department of Alcoholic Beverages (DABS) and the intent of the reporting,

Mr. Dean responded to a question from Speaker Schultz regarding the intent of reporting inaccurately.

Mr. Dean to a question from Representative Romero regarding the reporting of monetary loss.

President Adams commented on the culture of mismanagement within DABS.

Mr. Dean responded to a question from Senator Escamilla on the accountability of inventory discrepancies.

Ms. Ericka Evans, Executive Director, Department of Alcoholic Beverage Services, responded to the findings of the audit.

Mr. Stephen Handy, Commission Chair, Alcoholic Beverage Services Commission responded to the findings of the audit.

Ms. Evans responded to a question from President Adams regarding a monopoly on alcohol sales in Utah.

Mr. Handy responded to a question from Representative Romero regarding the mission of DABS and the internal operations risk.

Mr. Handy responded to a question from Senator Escamilla regarding the structure of DABS oversight.

MOTION: Speaker Schultz moved to refer A Systemic Performance Audit of the Department of Alcoholic Beverage Services (Report #2025-18) to the Economic and Community Development Appropriations Subcommittee as the Lead Committee and to the Business and Labor Interim Committee as the Review Committee. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0

Absent - 1

Rep. C. Snider

3. Audit Report Presentations

Ms. Leah Blevins, Audit Manager, introduced A Performance Audit of Local Authorities' Property Tax (Report 2025-21).

[A Performance Audit of local Authorities' Property Tax: And the Shifting Tax Burden \(Report 2025-21\)](#)

Ms. Blevins and Ms. Lindsay Jaynes, Performance Audit Supervisor, presented the findings of the audit.

Ms. Blevins responded to a question from Speaker Schultz regarding the dollar amount of the tax increase on an average house.

Ms. Jaynes responded to a question from Speaker Schultz regarding the shift on tax burden from commercial properties to residential properties.

Ms. Blevins responded to a question from Speaker Schultz regarding the process of centrally assessed taxes.

Ms. Blevins responded to a question from President Adams regarding the current trend in the volume of commercial properties, specifically office spaces, and how that has changed over time.

Ms. Jennifer Hansen, Director of Property Tax and Mr. Josh Nielsen, Director of Property and Minerals Tax, Utah Tax Commission, responded to the findings of the audit.

Mr. Nielsen responded to questions from Speaker Schultz regarding the shift in tax burden from commercial properties to residential properties and the current status of centrally assessed properties.

Mr. Nielsen responded to a follow-up question from Speaker Schultz regarding the shift in tax burden in 2022 to residential tax.

Mr. Nielsen responded to a question from President Adams regarding inflation creep relating to the shift in taxes from commercial to residential.

Ms. Brandy Grace, CEO of the Utah Association of Counties and Mr. Curtis Koche, Director of the Multicounty Appraisal Trust, Utah Association of Counties, responded to the findings of the audit.

MOTION: Speaker Schultz moved to refer A Performance Audit of Local Authorities' Property Tax (report #2025-21) to the Revenue and Tax Interim Committee as the Lead Committee and to the Business and Labor Interim Committee as the Review Committee. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0

Absent - 1

Rep. C. Snider

4. Audit Report Presentations

Ms. Leah Blevins, Audit Manager, introduced a Performance Audit of Utah's Behavioral Health System (Report 2025-17).

[A Performance Audit of the Funding of Utah's Behavioral Health System: A Case for Maximizing the Impact of Public Investment \(Report 2025-17\)](#)

Ms. Blevins and Ms. Madison Hoover, Performance Audit Supervisor, presented the findings of the audit.

Ms. Blevins responded to a question from President Adams regarding coordination and documentation of funding sources for behavioral health.

Ms. Blevins and Ms. Hoover continued with the presentation.

President Adams thanked Ms. Sophia DiCaro, Executive Director, Governor's Office of Planning & Budget for being here today, noting her interest in the findings of this audit.

Ms. Blevins and Ms. Hoover responded to a question from Senator Escamilla regarding one of the recommendations regarding central control for behavioral health funding.

Senator Escamilla commented on the number of agencies receiving funds and the importance of implementing a process to measure effectiveness of how the funds are being used.

President Adams commented on the effort being made to document funding and how to be efficient with the funding.

Ms. DiCaro responded to the findings of the audit.

President Adams commented on the efforts being made to coordinate and document the funding of behavioral health.

MOTION: Speaker Schultz moved to refer A Performance Audit of the Funding of Utah's Behavioral Health System (Report #2025-17) to the Health and Human Services Interim Committee as the Lead Committee and to the Social Services Appropriations Subcommittee as the Review Committee. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0Absent - 1

Rep. C. Snider

5. Audit Report Presentations

Ms. Blevins introduced A Review of School Library Books (Report 2025-28)

[A Review of School Library Books: Questionable Content Shows the Need for More Robust Oversight \(Report 2025-28\)](#)

Ms. Blevins and Ms. Morgan Hagey, Lead Performance Auditor, presented the findings of the audit.

President Adams apologized to the audit staff for having to read through the books they did for this review.

Ms. Blevins responded to a question from Speaker Schultz regarding the number of inappropriate books that may be found in school libraries.

Ms. Hagey responded to a question from Speaker Schultz regarding the decisions being made to purchase books for the school libraries.

Ms. Blevins responded to a question from President Adams regarding processes to rate the books being included in school libraries.

Speaker Schultz commented on the findings of this report, the previous audit and the opposition from the Utah Education Association (UEA), the Utah School Boards Association, and the Utah Schools Superintendents Association to allow content in schools that included; statutorily defined sexual conduct, - domestic violence, - nudity, - swear words.

Speaker Schultz commented on the irony that this type of content can remain in school libraries, but specific examples could not be discussed by adults during a public meeting due to the inappropriate content.

President Adams commented on misinformation that that the public has access to regarding the intent of the legislature and the content of materials found in school libraries.

Representative Romero commented on the value of the material and her concern that individuals might not have the chance to relate to characters that have been through the same life experiences they have if these types of books are removed. Representative Romero then voiced concern about taking away freedoms of individuals by removing these materials.

Ms. Hagey responded to a question from Senator Escamilla regarding whether the books were found in middle schools or high schools.

Senator Escamilla commented on the diversity of the Legislature and the current process of reviewing books for inclusion in school libraries.

Ms. Molly Hart, State Superintendent of Public Instruction, Utah State Board of Education, responded to the findings of the audit.

Ms. Hart was unable to speak on behalf of the UEA, the Utah School Boards Association and the Utah School Superintendents School Board Association to respond to questions from Speaker Schultz regarding why the UEA, the Utah School Boards Association and the Utah School Superintendents School Board Association feel it is appropriate

to allow content in our schools that include; - swear words, - domestic violence, sexual conduct, fighting violence, and nudity.

Ms. Blevins responded to a question from Speaker Schultz regarding whether the books read for this review violate Utah Statute.

Ms. Hart responded to a question from Speaker Schultz regarding the process of book selection according to current Utah Legislation.

Representative Romero clarified that the UEA, the Schoolboard Association and the Superintendents School Board Association were not present in the Legislative Audit Subcommittee and that no-one else can respond to Speaker Schultz's questions on the content of materials in school. Representative Romero had concerns about the books chosen for this particular report.

Ms. Hart responded to a question from Representative Romero on the process to regulate which books can be in a school library particularly those that have been in the libraries for a long period of time.

Ms. Hart responded to a question from Senator Escamilla regarding how war would be described in a civil history AP high school class.

Ms. Hart responded to a question from Senator Escamilla regarding violence in books that are part of the core curriculum.

President Adams commented on books that may include controversial topics but also hold literary value. He stressed the importance of defining these bodies of work and being more specific on what is and is not acceptable content.

Senator Cullimore commented on existing statute that included a literacy value test. He suggested that the Legislature should determine if that test is being appropriately tied to all books in a school library.

Speaker Schultz commented on the appropriateness of the content found in the books in this report and stated that they do not belong in public schools.

MOTION: Speaker Schultz moved to refer A Review of School Library Books (Report #2025-28) to the Education Interim Committee as the Lead Committee and to the Public Education Appropriations Subcommittee as the Review Committee. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0

Absent - 1

Rep. C. Snider

6. Prioritization of Audits

MOTION: Speaker Schultz moved to prioritize the following audits and grant flexibility to the Auditor General to begin them as staff expertise and resources become available: - A performance audit of the Effectiveness of Public Education Reading Programs - A performance audit of the Division of Facilities Construction and Management. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0

Absent - 1

Rep. C. Snider



MOTION: Speaker Schultz moved to adjourn at 6:28 PM. The motion passed with a vote of 5 - 0 - 1.

Yeas - 5

Sen. J. Adams
Sen. K. Cullimore
Sen. L. Escamilla
Rep. A. Romero
Rep. M. Schultz

Nays - 0

Absent - 1

Rep. C. Snider