

OFFICE OF THE STATE AUDITOR

News Release For Immediate Release June 10, 2024

Office of the State Auditor Releases Form for Reporting Alleged Violations of HB 261 – Equal Opportunity Initiatives

Salt Lake City, UTAH –

In the 2024 General Session, the Utah Legislature passed House Bill 261, Equal Opportunity Initiatives. This legislation will become effective on July 1. At that time, the Office of the State Auditor (Office) will be required to "report compliance" with Utah Code Sections 67-2-107, 108, and 109 (Statute) by "establishing a process to receive and audit each alleged violation." To that end, the Office has released a new hotline form for the public to report alleged violations. Since the Statute takes effect on July 1, the Office will begin accepting submissions on that date.

The Statute constrains "governmental employers," defined at Section 67-27-107. It does not constrain private individuals or entities. Further, institutions of higher education and local education agencies are not considered "governmental employers" under this portion of Statute.

Below is a summary of the Statute:

- First, Section 67-27-107 prohibits a governmental employer from requiring an individual to submit a prohibited submission before the governmental employer takes action with respect to employment or admissions and aid. A "prohibited submission" is a submission that articulates an individual's views on programs that promote differential treatment based on personal identity characteristics. A "prohibited submission" includes a statement about critical race theory, implicit bias, or racial privilege. Section 67-27-107 also prohibits a governmental employer from granting preferential consideration to an individual who submits a prohibited submission, "with or without solicitation from the governmental employer."
- Next, Section 67-27-108 prohibits a governmental employer from requiring current or prospective employees to attend trainings that promote prohibited discriminatory practices. "Prohibited discriminatory practice" encompasses policies, procedures, or initiatives that promote differential treatment based on an individual's personal identity characteristics. The definition also encompasses policies, procedures, or initiatives that

assert that an individual's personal identity characteristics determine his or her moral character or that certain personal identity characteristics are inherently superior or inferior to others. This term is defined at Section 53B-1-118, which also becomes effective on July 1.

• Finally, Section 67-27-109 prohibits a governmental employer from engaging in a prohibited discriminatory practice.

State Auditor John Dougall said:

Diversity, Equity, and Inclusion (DEI) initiatives claim to create more inclusive, equitable environments in workplaces and educational institutions. Whatever their good intentions, many DEI initiatives become tools of virtue signaling and can stifle diversity while promoting discrimination. DEI statements can essentially become ideological litmus tests, stifling diversity, equity, and inclusion. They can discourage certain applicants from considering possible employment and could impose excessive and improper speech control. That's one reason why I've collaborated with state officials nationwide to challenge ESG and DEI initiatives that can impair government operations, distort financial markets, and hinder investments.

Starting July 1, the Office will be responsible for auditing alleged violations of the Statute, but we do not have the power to amend it. Those concerned with the Statute's substance should reach out to their state legislative representatives. We also do not audit educational institutions. Complaints regarding those institutions should be directed to either the Utah State Board of Education, for K-12 institutions, or the Utah Board of Higher Education, for colleges, universities, and affiliated organizations.

The new form can be found at <u>https://hotlineform.utah.gov/equal_opportunity</u>. We welcome feedback *on the form* via email at StateAuditor@utah.gov.

About the Office of the State Auditor

The Office of the State Auditor provides Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.

Specific activities of the Office include performing financial audits, conducting Federal funds compliance audits, providing local government oversight, conducting agency and program performance audits, performing fraud and compliance audits, and operating the State Auditor Hotline for citizens to report suspected financial issues or improprieties. These capabilities strengthen Utah State Government and help taxpayers have confidence in the integrity of Utah's government agencies.

The Office also provides interactive graphical tools to help taxpayers and policymakers gain greater insight into governmental financial activities. These tools include the Transparent Utah

Public Finance website (<u>transparent.utah.gov</u>) as well as the award-winning Project KIDS public education analysis dashboards (<u>auditor.utah.gov/kids</u>).

The State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every four years. The role of the State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see <u>auditor.utah.gov</u>.

Contact:

Mandy Teerlink Public Information Officer Office of the State Auditor 425-330-1339 mteerlink@utah.gov