

Fiscal Highlights

Higher Education Appropriations Subcommittee Meets - Spencer C. Pratt

The Higher Education Appropriations Subcommittee met on October 20, 2016 at the Capitol.

Several bills that had been introduced during the 2016 General Session that would impact higher education were discussed. Sen. Ipson presented S.B. 188, Higher Education Capital Development Funding Proposal (Urquhart) for committee discussion. This bill would change the way capital facilities for higher education campuses would be approved and funded. Rep. Coleman discussed three bills, H.B. 262; H.B. 337; and H.B. 365, all of which have to do with various rights for students on higher education campuses.

Sen. Millner reminded the subcommittee of the process established in S.B. 103, Strategic Workforce Investments, where partnerships between USHE, UCAT and public education would propose programs with stackable credentials and specific student entry and exit points to address workforce needs in their regions. A group of legislators and business people narrowed the original 11 proposals down to five that best met the intent of the legislation. Those five proposals were presented to the subcommittee by the Governor's Office of Economic Development. The subcommittee approved the five proposals and voted to forward the recommendation to the Executive Appropriations Committee for funding. (Ongoing funding of \$1.5 million was approved with the passage of S.B. 103, but was not allocated, pending the submission of proposals.) The recommendation should be presented to the Executive Appropriations Committee in its December 2016 meeting.

Commissioner Buhler gave the subcommittee an update on the \$5 million (one-time) Performance Based Funding that was approved during the 2016 General Session. He provided the subcommittee with information showing how the funding was allocated and the purposes for which each of the eight institutions would be using the funding. Because the funding is one-time, most of the projects at the institutions are for one-time development costs of programs and IT projects that will facilitate more student retention and completion.

The analysts introduced the higher education portion of the Fiscal Note and Budget Item Follow-up Report that was presented to the Executive Appropriations Committee in its July 2016 meeting. The items reported on included newly-funded items approved during either the 2014 or 2015 general sessions for both the Utah System of Higher Education and the Utah College of Applied Technology. The report included 11 budget items affecting both the USHE and UCAT and two fiscal note bills affecting the USHE. One purpose of the report is to let institutions and campuses know that there are legislative expectations for accountability when funding is approved.

The analysts also presented information regarding the FY 2016 budget to the subcommittee. Last year, about this same time, the FY 2016 budget was an expectation of the fiscal year. Now that the fiscal year is over, and the institutions and campuses have submitted their actual expenditures, the two views can be compared. Revenue and expenditures were presented for each line item included within the purview of the Higher Education Appropriations Subcommittee.

Following up on information requests from the subcommittee's earlier interim meeting, the analyst presented a breakdown of FY 2017 budgeted tuition revenue between resident and nonresident students for each line item with a tuition component. The analyst also presented information showing how much the higher education budget is of the total state budget, both looking at total funds and at state tax funds (General Fund and Education Fund).