

OFFICE OF THE
LEGISLATIVE FISCAL
ANALYST

JONATHAN C. BALL
DIRECTOR

2009-2010
**APPROPRIATIONS
REPORT**

UTAH STATE LEGISLATURE

2009 GENERAL SESSION

2008 SECOND SPECIAL SESSION
2009 FIRST SPECIAL SESSION

SENATOR LYLE W. HILLYARD
REPRESENTATIVE RON BIGELOW

CO-CHAIRS
EXECUTIVE APPROPRIATIONS COMMITTEE

AUGUST 2009



Foreword

This report is submitted in compliance with Utah Code Annotated 36-12-13(2j), which requires the Legislative Fiscal Analyst “to prepare, after each session of the Legislature, a summary showing the effect of the final legislative program on the financial condition of the state.”

Detailed information on individual state programs is available in the Compendium of Budget Information (COBI) for each appropriations subcommittee. COBIs can be accessed on the internet at le.utah.gov

**2009-2010
APPROPRIATIONS
REPORT**

Utah Legislature

September 2008 Special Session
2009 General Session
May 2009 Special Session

**Senator Lyle W. Hillyard
Representative Ron Bigelow
Co-chairs, Executive Appropriations Committee**

**Office of the Legislative Fiscal Analyst
Jonathan C. Ball
Legislative Fiscal Analyst**

August 2009

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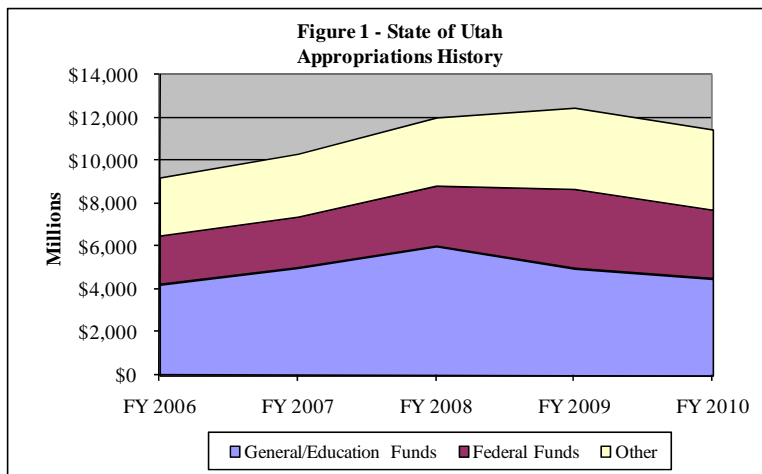
Fiscal Note Manager Stan Eckersley

Executive Summary

Appropriations Overview

Amidst the longest national recession on record, Utah lawmakers faced numerous downward revisions in state revenue estimates between March 2008 and May 2009. Meeting in the 2009 General Session and two Special Sessions, Legislators utilized a combination of fiscal tools to close cumulative budget gaps of \$875 million in FY 2009 and \$957 million in FY 2010. They ultimately balanced the budget with a mix of spending reductions (72%), one-time revenue sources (22%), modest revenue increases (4%) and other various sources (2%). Legislators backfilled \$460 million in FY 2010 cuts for a limited time using flexible federal spending and other one-time sources. In so doing, they preserved the state's rainy day funds (\$419 million, see figure 7) plus an additional \$100 million set-aside for future public education growth.

Increased federal spending in the American Recovery and Reinvestment Act of 2009 (ARRA) significantly impacted Utah's total budget from all sources for FY 2009. If state entities successfully secure competitive ARRA grants, the FY 2009 budget may increase by as much as 3.8% from FY 2008 to FY 2009. Total funds are expected to then decrease by 8.1% from FY 2009 to FY 2010. State spending from the more discretionary General and Education Funds, however, will decrease by 17.3% from FY 2008 to FY 2009 and by another 9.6% from FY 2009 to FY 2010.



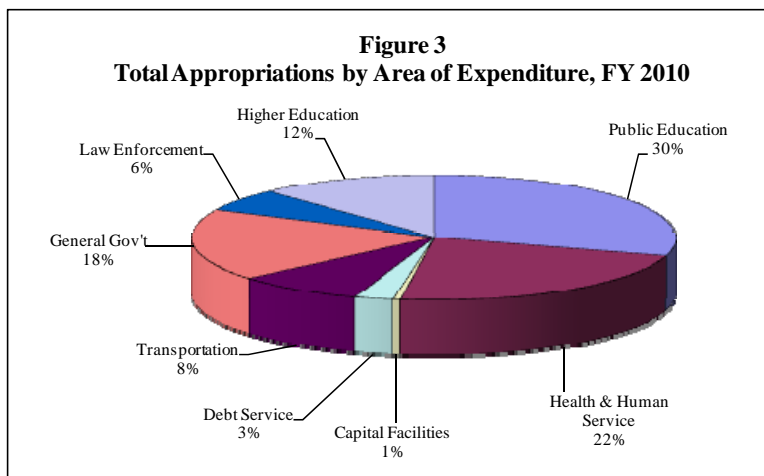
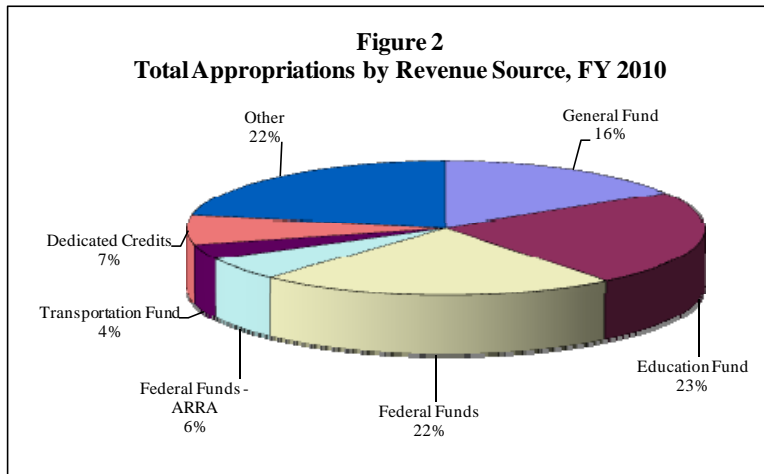
Revenue

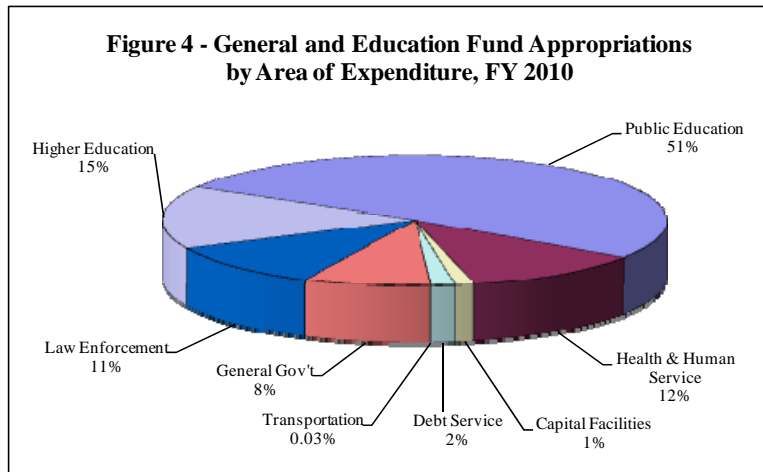
The Legislature appropriates funds from a number of revenue sources. These include the sales tax supported General Fund and the income tax based Education Fund. Other major sources are federal funds, the gas tax driven Transportation Fund, dedicated credits (fee for service revenue), property taxes, and bond proceeds. The Legislature adopted a consensus-based ongoing General and Education Fund revenue estimate for FY 2010 of \$4,364,557,000. This represents a 3.6 percent decrease from its revised FY 2009 revenue target of \$4,529,040,000. One-time revenue sources and changes in revenue from legislation approved during the 2009 General Session adjusted the total FY 2009 revenue target to \$4,948,669,700, and the FY 2010 amount to \$4,399,724,700, a projected decrease of 11.1 percent year-over-year. See Tables 8 and 9 at the end of this chapter for more detail on revenue.

Appropriations

The Legislature approved a total of \$11.5 billion in spending from all sources for FY 2010 – equal to the original FY 2009 appropriations made in the 2008 General Session. Of the total amount, Legislators appropriated \$4.5 billion from the General Fund and Education Fund, an overall decrease of 18.9 percent over the original FY 2009 budget. For the current fiscal year, appropriators enacted \$573 million in supplemental General and Education fund reductions, a 10.3% decrease from original FY 2009 appropriations. However, including all revenue sources, the FY 2009 state budget may be as much as 8.8% higher than what budgeters anticipated in March, 2008.

Figures 2 – 4 graphically display how total funding is divided among its sources and how appropriations were allocated by area of expenditure. A detailed accounting of these figures can be found in Tables 1 – 5 at the end of this chapter.

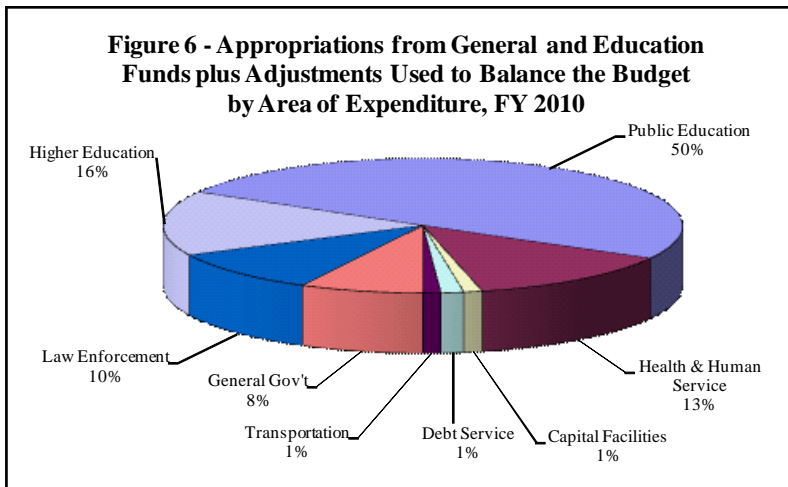
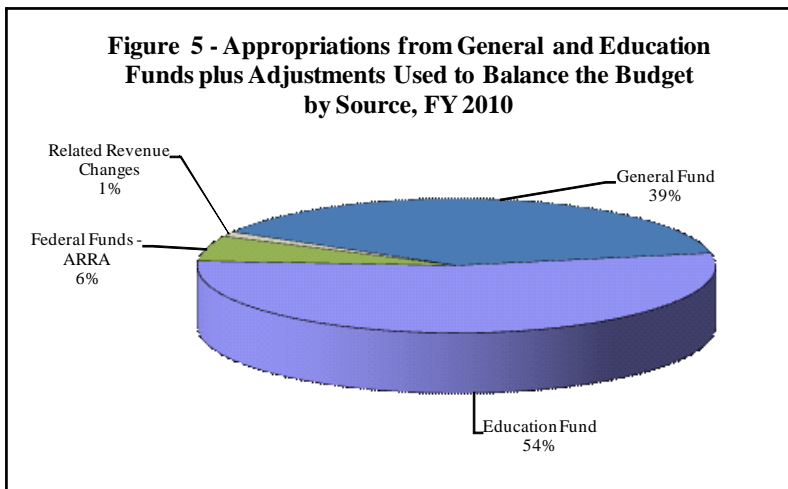




Like most other states, Utah used flexible funds provided in the American Recovery and Reinvestment Act of 2009 (ARRA) in balancing its FY 2009 and FY 2010 budgets. These flexible funds included a favorable change in the Federal Medicaid Assistance Program (FMAP) rate, the State Fiscal Stabilization Program for Education, and the State Fiscal Stabilization Program – General. In Utah’s case, legislators used such funds to backfill, for one year, budget reductions that are built into the FY 2011 base.

Utah Legislators also raised the state’s motor vehicle registration fee, court security fees, and certain commerce and agriculture regulatory fees. These fees do not flow directly to the General or Education fund, but were used in balancing General and Education fund budgets, and can thus be considered General/Education fund proxies.

Including flexible ARRA funds and General/Education fund proxies gives one a better sense of how discretionary budgets are allocated among various programs in FY 2010. Those allocations are represented in the following graphics and detailed in Tables 3 and 5.



Bridging the Gap

As mentioned in the introduction to this chapter, Utah faced a number of projected revenue deficits for fiscal years 2009 and 2010. The first - \$272 million ongoing and \$82 million one-time for FY 2009 – came in September 2008 after FY 2008 closed \$82 million short. The second - \$350 million for FY 2009 and \$450 million for FY 2010 – resulted from regular December 2008 revenue updates. A third – \$171 million for FY 2009 and \$235 million for FY 2010 – was reported by revenue estimators in February 2009. Appropriators closed these shortfalls as follows:

2008 2nd Special Session (September 2008) – FY 2009

Revenue Shortfall	(\$354 m)
GF/EF Budget Reductions.....	\$161 m
Transportation Reduction/Revenue Shift	\$35 m
Rainy Day Fund Interest.....	\$25 m
One-time Balances	\$121 m
Other	<u>\$12 m</u>
Ending Balance.....	\$0 m

2008 2nd Special Session (September 2008) – FY 2010

Revenue Shortfall	(\$272 m)
GF/EF Budget Reductions.....	\$251 m
Rainy Day Fund Interest.....	\$10 m
Other	<u>\$11 m</u>
Ending Balance.....	\$0 m

2009 General Session/1st Special Session – FY 2009

Revenue Shortfall	(\$521 m)
GF/EF Budget Reductions.....	\$241 m
American Recovery & Reinvestment Act*	\$171 m
One-time Balances*	\$80 m
Courts Fees Increase.....	\$2 m
Other Budget Reductions/Revenue Shifts	<u>\$27 m</u>
Ending Balance.....	\$0 m

*Another \$125m in flexible ARRA money plus \$25m from other sources flowed into FY 2010 and was used to backfill cuts on a one-time basis.

2009 General Session/1st Special Session – FY 2010

Revenue Shortfall	(\$685 m)
GF/EF Budget Reductions**	\$625 m
Motor Vehicle and Other Fees Increase	\$59 m
Other Budget Reductions/Revenue Shifts	<u>\$1 m</u>
Ending Balance.....	\$0 m

**\$308m in flexible ARRA money plus \$150m carried forward from FY 2009 was used to backfill cuts on a one-time basis.

The largest of the one-time sources used to balance the budget in all rounds are listed below. Tables 9a – 9c at the end of this chapter contain detail on one-time revenue sources.

Capital Budget Cash Reductions	\$130 m
Disaster Recovery Fund	\$28 m
Water Development Balances	\$24 m
Severance Tax Holding Account.....	\$14 m

Structural Balance

While legislators appropriated nearly \$460 million in one-time revenue for FY 2010, all of those appropriations are identified as one-time. Legislators have built into budgets and notified agencies of an additional 9% reduction on average from FY 2010 to FY 2011. Thus Utah's budget for FY 2010 has a \$10 million structural surplus.

Rating agencies like Standard and Poor's, Moody's, and Fitch rank a state's creditworthiness based in part on the state's abilities to meet its future obligations. Since a structural surplus means that ongoing revenues are greater than ongoing obligations, rating agencies view them positively. Utah has a triple-A rating from each of the three rating agencies, and the FY 2010 structural surplus will help to protect that rating.

Employee Compensation

The Legislature made the following policy determinations with regard to compensation in FY 2010:

- *Health Benefits* – Faced with a nearly 10% increase in health benefit costs, Legislators directed managers of the Public Employees Health Plan (PEHP) to adjust healthcare costs and burdens in **H.J.R. 29 “Legislative Direction to the Public Employees' Benefit and Insurance Program”**. As a result, premium shares will go from 98% employer/2% employee to 95% employer/5% employee. Policymakers further directed PEHP to determine benefit changes that, combined with the shift above, would result in no cost increase for state government from FY 2009 to FY 2010. Employees will experience an increased cost of between \$5 and \$15 per pay period depending upon plan and level of coverage.
- *Legislative Compensation Revisions* – **H.B 410 “Legislator Salary Adjustments”** reduced legislators' salary by 10%. Legislator salaries will be \$117 per day through the end of calendar year 2010.

Tax Changes / Bills Affecting State Revenue and Expenditures

- **H.B. 430, “Economic Development Incentives for Alternative Energy Projects”** provides a refundable tax credit on 100% of tax liability for Alternative Energy Projects. The bill’s \$2.6 million annual price-tag was funded using flexible ARRA money from the State Fiscal Stabilization – General program.
- **S.B. 14, “Financial Incentives for Motion Picture Productions”** provides a refundable tax credit equal to 20% of the production costs of a motion picture, TV series, or made for TV movie. The cost of such incentives - \$7.8 million per year for two years – was covered using ARRA money from the State Fiscal Stabilization – General program.
- **S.B. 23, “Income Taxation of Pass-through Entities and Passthrough Entity Taxpayers”** provides for mandatory withholding of income tax from non-resident taxpayers. The bill also eliminates taxes paid for built-in and other gains. The bill has a one-time revenue increase of \$678,300 in FY 2010 and \$710,000 in FY 2011. After those two years, there will be an ongoing loss of \$2,200,000 annually.
- **S.B. 239, “Transportation Revisions”** increased most motor vehicle registration fees by \$20 per vehicle per year. The changes will generate \$53 million in revenue to be deposited into the Transportation Investment Fund of 2005 (TIF). Legislators used \$39 million of this new revenue to off-set revenue declines in the General and Education funds.

Funding Detail

Tables and figures on the following pages summarize legislative budget action for state government in total.

Table 1a - Appropriations Comparison by Source, FY 2009 - FY 2010

All Funds

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
Sources	FY 2009 Original	FY 2009 Sept SS	FY 2009 Revised Approp	% Diff	FY 2009 GS/May SS	FY 2009 Revised Est	% Diff v. 09 Orig	FY 2010 Appropriated	% Diff v. 09 Orig
General Fund	2,206,425,550	(102,128,200)	2,104,297,350	-2.3%	(141,670,100)	1,962,627,250	-2.5%	1,838,669,250	-15.6%
General Fund, One-time	30,527,400	50,341,900	80,869,300		138,245,300	219,114,600		48,402,900	
Uniform School Fund	2,608,536,286	(78,458,500)	2,530,077,786	-3.4%	(197,458,500)	2,332,619,286	-15.5%	2,178,256,186	-21.1%
Uniform School Fund, One-time	154,267,500	73,151,900	227,419,400		(51,214,800)	176,204,600		184,727,000	
Education Fund	471,607,800	(70,446,300)	401,161,500		(16,794,300)	384,367,200		350,937,400	
Education Fund, One-time	102,153,300	(33,450,000)	68,703,300		(142,962,400)	(74,259,100)		(81,291,800)	
Transportation Fund	464,215,400		464,215,400		3,177,600	467,393,000	0.7%	412,101,500	-11.2%
Transportation Fund, One-time	7,683,600		7,683,600		(3,177,600)	4,506,000	-41.4%		-100.0%
Centennial Highway Fund	133,826,800		133,826,800			133,826,800		137,022,500	2.4%
General Fund Restricted	284,657,800	22,642,700	307,300,500	7.4%	13,440,600	320,741,100	12.7%	294,358,200	3.4%
Uniform School Fund Restricted	28,375,100		28,375,100			28,375,100		21,876,400	-22.9%
Transportation Fund Restricted	50,333,500		50,333,500		5,362,000	55,695,500	10.7%	56,361,000	12.0%
Federal Funds	2,494,325,900	(35,981,500)	2,458,344,400	-1.5%	464,224,600	2,922,569,000	17.2%	2,581,613,900	3.5%
Federal Funds - ARRA					790,034,200	790,034,200		643,952,100	
Dedicated Credits	758,615,500		758,615,500		3,944,000	762,559,500	0.5%	778,788,000	2.7%
Land Grant	1,108,500		1,108,500			1,108,500		1,108,500	0.0%
Federal Mineral Lease	135,107,100		135,107,100		87,965,600	223,072,700	65.1%	115,358,000	-14.6%
Restricted Revenue					21,478,300	21,478,300			
Trust and Agency Funds	1,028,853,874	(35,177,000)	993,676,874	-3.5%	17,977,500	1,011,654,374	-1.7%	1,418,124,470	37.8%
Transfers	364,620,400	1,000,000	365,620,400	0.3%	44,650,300	410,270,700	12.5%	410,520,900	12.6%
Repayments/Reimbursements	42,490,000		42,490,000		(5,940,000)	36,550,000	-14.0%	43,250,000	1.8%
Other Financing Sources					1,065,100	1,065,100		1,080,000	
Pass-through	90,200		90,200		1,713,900	1,804,100	1900.1%	1,804,100	1900.1%
Beginning Balance	352,302,800	49,839,800	402,142,600	12.4%	145,616,600	547,759,200	55.5%	178,773,400	-49.3%
Closing Balance	(236,775,000)	7,182,800	(229,592,200)	-3.1%	(6,256,400)	(235,848,600)	-0.4%	(129,416,100)	-45.3%
Lapsing Balance	114,700		114,700		(10,606,100)	(10,491,400)	-9246.8%	(3,348,700)	-3019.5%
Total	\$11,483,464,010	(\$151,482,400)	\$11,331,981,610	-1.3%	\$1,162,815,400	\$12,494,797,010	8.8%	\$11,483,029,106	0.0%

Table 1b - Appropriations Comparison by Program, FY 2009 - FY 2010
All Funds

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
Programs	FY 2009 Original	FY 2009 Sept SS	FY 2009 Revised Approp	% Diff	FY 2009 GS/May SS	FY 2009 Revised Est	% Diff v. 09 Orig	FY 2010 Appropriated	% Diff v. 09 Orig
Elected Officials	86,406,350	(1,682,900)	84,723,450	-2.0%	24,714,100	109,437,550	26.7%	96,050,950	11.2%
Courts	134,810,400	(3,725,800)	131,084,600	-2.8%	(763,500)	130,321,100	-3.3%	129,263,100	-4.1%
Corrections	411,310,400	(16,281,000)	395,029,400	-4.1%	(3,000,600)	392,028,800	-4.7%	368,676,800	-10.4%
Public Safety	180,479,500	(2,150,000)	178,329,500	-1.2%	27,496,000	205,825,500	14.0%	182,924,200	1.4%
Admin & Tech Services	85,136,500	(685,400)	84,451,100	-0.8%	(13,392,500)	71,058,600	-16.5%	66,152,400	-22.3%
Human Resource Mgt	4,222,600	(114,700)	4,107,900	-2.8%	407,800	4,515,700	6.9%	3,553,600	-15.8%
Debt Service	252,705,300	(6,000,000)	246,705,300	-2.4%	17,564,100	264,269,400	4.6%	297,755,400	17.8%
Capital Facilities	194,577,200	(15,000,000)	179,577,200	-8.4%		179,577,200	-7.7%	55,662,500	-71.4%
Health	1,992,940,600	(35,162,800)	1,957,777,800	-1.8%	64,643,200	2,022,421,000	1.5%	1,982,366,400	-0.5%
Human Services	619,028,100	(11,769,700)	607,258,400	-1.9%	8,713,200	615,971,600	-0.5%	597,728,300	-3.4%
Public Ed - Agencies	550,529,800		550,529,800		91,922,100	642,451,900	16.7%	445,241,100	-19.1%
Public Ed - Minimum School Program	3,120,131,060		3,120,131,060		(78,716,000)	3,041,415,060	-2.5%	2,947,199,956	-5.5%
Public Ed - School Building Program	42,288,900		42,288,900			42,288,900		22,499,700	-46.8%
Higher Education	1,166,245,100	(30,705,300)	1,135,539,800	-2.7%	24,577,600	1,160,117,400	-0.5%	1,281,433,200	9.9%
Higher Ed - UEN	34,133,400	(900,000)	33,233,400	-2.7%	88,700	33,322,100	-2.4%	31,979,200	-6.3%
Higher Ed - Med Ed Council	1,667,800	(28,000)	1,639,800	-1.7%	(355,300)	1,284,500	-23.0%	1,399,900	-16.1%
Higher Ed - UCAT	65,317,100	(2,347,600)	62,969,500	-3.7%	(1,245,200)	61,724,300	-5.5%	57,697,000	-11.7%
Natural Resources Subcom	245,096,000	(2,230,700)	242,865,300	-0.9%	74,719,500	317,584,800	29.6%	232,303,000	-5.2%
Commerce & Workforce Subcom	513,422,500	(11,470,800)	501,951,700	-2.3%	506,685,600	1,008,637,300	96.5%	1,087,684,600	111.8%
Ec Dev & Revenue Subcom	453,595,200	31,704,500	485,299,700	6.5%	80,606,300	565,906,000	24.8%	481,465,800	6.1%
National Guard/Veterans' Affairs	60,219,700	(52,300)	60,167,400	-0.1%	1,656,200	61,823,600	2.7%	39,692,800	-34.1%
Environmental Quality	87,158,400	(572,300)	86,586,100	-0.7%	73,859,800	160,445,900	84.1%	81,655,900	-6.3%
Transportation	1,160,862,300	(41,700,000)	1,119,162,300	-3.7%	263,275,600	1,382,437,900	19.1%	972,315,200	-16.2%
Legislature	21,179,800	(607,600)	20,572,200	-3.0%	(641,300)	19,930,900	-5.9%	20,328,100	-4.0%
Total	\$11,483,464,010	(\$151,482,400)	\$11,331,981,610	-1.3%	\$1,162,815,400	\$12,494,797,010	8.8%	11,483,029,106	0.0%

Note: Column *h* reflects changes shown in columns *c* and *f* combined. Column *j* includes changes made in all sessions and bills for FY 2010. Columns *e*, *h*, and *j* all use column *b* as the base year.

Table 2b - Ongoing and One-time Appropriations by Program, FY 2009 - FY 2010						
General Fund and Education Fund						
<i>a</i>	<i>b</i>	<i>c</i>		<i>d</i>	<i>e</i>	
		FY 2009			FY 2010	
Programs	Ongoing	One-time	Total	Ongoing	One-time	Total
Elected Officials	39,878,950	1,193,400	41,072,350	37,697,950	4,794,700	42,492,650
Courts	104,415,900	4,347,200	108,763,100	107,723,700	55,000	107,778,700
Corrections	333,462,700	(2,595,900)	330,866,800	319,256,900	(1,530,100)	317,726,800
Public Safety	64,330,400	3,662,000	67,992,400	62,843,300		62,843,300
Admin & Tech Services	18,323,600	2,767,400	21,091,000	17,162,300	9,100,600	26,262,900
Human Resource Mgt	3,395,800	207,100	3,602,900	3,073,600	80,000	3,153,600
Debt Service	67,744,000	(18,900,000)	48,844,000	68,764,000		68,764,000
Capital Facilities	55,662,500	118,175,700	173,838,200	55,662,500		55,662,500
Health	353,932,000	(46,589,600)	307,342,400	324,624,200	(50,053,900)	274,570,300
Human Services	275,622,400	(5,834,400)	269,788,000	263,570,300	(10,292,300)	253,278,000
Public Ed - Agencies	79,909,200	108,814,400	188,723,600	75,859,600	2,814,300	78,673,900
Public Ed - Minimum School Progr	2,176,681,686	49,533,100	2,226,214,786	2,031,004,786	180,729,600	2,211,734,386
Public Ed - School Building Progra	26,470,200	15,818,700	42,288,900	22,499,700		22,499,700
Higher Education	682,793,200	1,102,700	683,895,900	640,610,400	(12,513,400)	628,097,000
Higher Ed - UEN	18,683,300	1,990,500	20,673,800	17,408,500	1,540,700	18,949,200
Higher Ed - Med Ed Council	623,000		623,000	581,000	57,500	638,500
Higher Ed - UCAT	50,581,400	1,427,100	52,008,500	46,754,800	(788,600)	45,966,200
Natural Resources Subcom	57,388,100	22,839,900	80,228,000	52,874,800	7,739,700	60,614,500
Commerce & Workforce Subcom	87,021,000	(7,424,900)	79,596,100	86,052,600	3,430,000	89,482,600
Ec Dev & Revenue Subcom	100,256,800	30,170,700	130,427,500	98,341,700	13,505,500	111,847,200
National Guard/Veterans' Affairs	5,972,000	1,185,800	7,157,800	5,721,300	1,240,900	6,962,200
Environmental Quality	12,548,600	738,000	13,286,600	10,919,200		10,919,200
Transportation	45,565,000	37,735,000	83,300,000	1,720,000	(481,800)	1,238,200
Legislature	18,352,000	696,200	19,048,200	17,135,700	2,409,700	19,545,400
Total	<u>\$4,679,613,736</u>	<u>\$321,060,100</u>	<u>\$5,000,673,836</u>	<u>\$4,367,862,836</u>	<u>\$151,838,100</u>	<u>\$4,519,700,936</u>

**Table 3a - Ongoing and One-time Appropriations by Source, FY 2009 - FY 2010
General and Education Funds plus Adjustments Used to Balance the Budget**

<i>a</i>	<i>b</i>			<i>c</i>			<i>d</i>			<i>e</i>			<i>f</i>			<i>g</i>
	FY 2009			FY 2010			FY 2009			FY 2010			FY 2010			
Sources	Ongoing	One-time	Total	Ongoing	One-time	Total	Ongoing	One-time	Total	Ongoing	One-time	Total	Ongoing	One-time	Total	
General Fund	1,962,627,250	219,114,600	2,181,741,850	1,838,669,250	48,402,900	1,887,072,150										
Uniform School Fund	2,332,619,286	176,204,600	2,508,823,886	2,178,256,186	184,727,000	2,362,983,186										
Education Fund	384,367,200	(74,259,100)	310,108,100	350,937,400	(81,291,800)	269,645,600										
Flexible ARRA Funds		296,287,900	296,287,900													
Related Revenue Changes		(34,650,000)	(34,650,000)	56,935,100												
Total	\$4,679,613,736	\$582,698,000	\$5,262,311,736	\$4,424,797,936	\$460,250,900	\$4,885,048,836										

1. Flexible ARRA funds include ARRA FMAP rate changes, the "State Fiscal Stabilization - Education" program, and the portion of the "State Fiscal Stabilization - General" program that supplants state funds in existing state programs.
2. Related Revenue Changes include impacts from H.B. 2005, 2008 2nd Special Session, as well as motor vehicle registration, Courts security, and Agriculture fee changes passed in the 2009 General Session.

Table 3b - Ongoing and One-time Appropriations by Program, FY 2009 - FY 2010
General and Education Funds plus Adjustments Used to Balance the Budget

<i>a</i>	<i>c</i>			<i>f</i>		
	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>
	FY 2009			FY 2010		
Programs	Ongoing	One-time	Total	Ongoing	One-time	Total
Elected Officials	39,878,950	1,193,400	41,072,350	37,697,950	4,794,700	42,492,650
Courts	104,415,900	4,697,200	109,113,100	110,523,700	55,000	110,578,700
Corrections	333,462,700	(1,528,700)	331,934,000	319,256,900	(222,800)	319,034,100
Public Safety	64,330,400	3,662,000	67,992,400	62,843,300		62,843,300
Admin & Tech Services	18,323,600	2,767,400	21,091,000	17,162,300	9,100,600	26,262,900
Human Resource Mgt	3,395,800	207,100	3,602,900	3,073,600	80,000	3,153,600
Debt Service	67,744,000	(18,900,000)	48,844,000	68,764,000		68,764,000
Capital Facilities	55,662,500	118,175,700	173,838,200	55,662,500		55,662,500
Health	353,932,000	19,774,700	373,706,700	324,624,200	46,357,700	370,981,900
Human Services	275,622,400	8,640,200	284,262,600	263,570,300	11,302,800	274,873,100
Public Ed - Agencies	79,909,200	108,814,400	188,723,600	75,859,600	2,814,300	78,673,900
Public Ed - Minimum School Progr	2,176,681,686	235,114,900	2,411,796,586	2,031,004,786	293,523,800	2,324,528,586
Public Ed - School Building Progra	26,470,200	15,818,700	42,288,900	22,499,700		22,499,700
Higher Education	682,793,200	29,902,700	712,695,900	640,610,400	63,291,200	703,901,600
Higher Ed - UEN	18,683,300	1,990,500	20,673,800	17,408,500	1,540,700	18,949,200
Higher Ed - Med Ed Council	623,000		623,000	581,000	57,500	638,500
Higher Ed - UCAT	50,581,400	1,427,100	52,008,500	46,754,800	(788,600)	45,966,200
Natural Resources Subcom	57,388,100	22,839,900	80,228,000	54,009,900	7,739,700	61,749,600
Commerce & Workforce Subcom	87,021,000	(7,424,900)	79,596,100	86,052,600	3,430,000	89,482,600
Ec Dev & Revenue Subcom	100,256,800	30,170,700	130,427,500	98,341,700	14,005,500	112,347,200
National Guard/Veterans' Affairs	5,972,000	1,185,800	7,157,800	5,721,300	1,240,900	6,962,200
Environmental Quality	12,548,600	738,000	13,286,600	10,919,200		10,919,200
Transportation	45,565,000	2,735,000	48,300,000	54,720,000	(481,800)	54,238,200
Legislature	18,352,000	696,200	19,048,200	17,135,700	2,409,700	19,545,400
Total	\$4,679,613,736	\$582,698,000	\$5,262,311,736	\$4,424,797,936	\$460,250,900	\$4,885,048,836

Table 4a
Appropriations Comparison by Source, FY 2009 - FY 2010
General Fund and Education Funds

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
Sources	FY 2009 Original	FY 2009 Sept SS	FY 2009 Revised Approp	% Diff	FY 2009 GS/May SS	FY 2009 Revised Est	% Diff v. 09 Orig	FY 2010 Appropriated	% Diff v. 09 Orig
General Fund	2,206,425,550	(102,128,200)	2,104,297,350	-2.3%	(141,670,100)	1,962,627,250	-2.5%	1,838,669,250	-15.6%
General Fund, One-time	30,527,400	50,341,900	80,869,300		138,245,300	219,114,600		48,402,900	
Uniform School Fund	2,608,536,286	(78,458,500)	2,530,077,786	-3.3%	(197,458,500)	2,332,619,286	-15.5%	2,178,256,186	-21.1%
Uniform School Fund, One-time	154,267,500	73,151,900	227,419,400		(51,214,800)	176,204,600		184,727,000	
Education Fund	471,607,800	(70,446,300)	401,161,500		(16,794,300)	384,367,200		350,937,400	
Education Fund, One-time	102,153,300	(33,450,000)	68,703,300		(142,962,400)	(74,259,100)		(81,291,800)	
Total	\$5,573,517,836	(\$160,989,200)	\$5,412,528,636	-2.9%	(\$411,854,800)	\$5,000,673,836	-10.3%	\$4,519,700,936	-18.9%

Note: Column *h* reflects changes shown in columns *c* and *f* combined. Column *j* includes changes made in all sessions and bills for FY 2010. Columns *e*, *h*, and *j* all use column *b* as the base year.

Table 4b
Appropriations Comparison by Program, FY 2009 - FY 2010
General Fund and Education Funds

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
Programs	FY 2009 Original	FY 2009 Sept SS	FY 2009 Revised Approp	% Diff	FY 2009 GS/May SS	FY 2009 Revised Est	% Diff v. 09 Orig	FY 2010 Appropriated	% Diff v. 09 Orig
Elected Officials	44,950,150	(3,281,200)	41,668,950	-7.3%	(596,600)	41,072,350	-8.6%	42,492,650	-5.5%
Courts	117,358,300	(5,105,400)	112,252,900	-4.4%	(3,489,800)	108,763,100	-7.3%	107,778,700	-8.2%
Corrections	360,620,400	(20,148,700)	340,471,700	-5.6%	(9,604,900)	330,866,800	-8.3%	317,726,800	-11.9%
Public Safety	70,142,400	(2,150,000)	67,992,400	-3.1%		67,992,400	-3.1%	62,843,300	-10.4%
Admin & Tech Services	24,032,300	(1,736,400)	22,295,900	-7.2%	(1,204,900)	21,091,000	-12.2%	26,262,900	9.3%
Human Resource Mgt	3,822,600	(114,700)	3,707,900	-3.0%	(105,000)	3,602,900	-5.7%	3,153,600	-17.5%
Debt Service	54,844,000	(5,000,000)	49,844,000	-9.1%	(1,000,000)	48,844,000	-10.9%	68,764,000	25.4%
Capital Facilities	188,838,200	(15,000,000)	173,838,200	-7.9%		173,838,200	-7.9%	55,662,500	-70.5%
Health	385,538,900	(15,337,600)	370,201,300	-4.0%	(62,858,900)	307,342,400	-20.3%	274,570,300	-28.8%
Human Services	301,030,800	(11,276,000)	289,754,800	-3.7%	(19,966,800)	269,788,000	-10.4%	253,278,000	-15.9%
Public Ed - Agencies	200,717,700	(3,871,500)	196,846,200	-1.9%	(8,122,600)	188,723,600	-6.0%	78,673,900	-60.8%
Public Ed - Minimum School Program	2,466,212,586		2,466,212,586		(239,997,800)	2,226,214,786	-9.7%	2,211,734,386	-10.3%
Public Ed - School Building Program	42,288,900		42,288,900			42,288,900	0.0%	22,499,700	-46.8%
Higher Education	767,645,100	(31,280,100)	736,365,000	-4.1%	(52,469,100)	683,895,900	-10.9%	628,097,000	-18.2%
Higher Ed - UEN	22,481,900	(900,000)	21,581,900	-4.0%	(908,100)	20,673,800	-8.0%	18,949,200	-15.7%
Higher Ed - Med Ed Council	701,500	(28,000)	673,500	-4.0%	(50,500)	623,000	-11.2%	638,500	-9.0%
Higher Ed - UCAT	58,699,800	(2,347,600)	56,352,200	-4.0%	(4,343,700)	52,008,500	-11.4%	45,966,200	-21.7%
Natural Resources Subcom	71,338,900	(2,514,500)	68,824,400	-3.5%	11,403,600	80,228,000	12.5%	60,614,500	-15.0%
Commerce & Workforce Subcom	100,320,800	(15,762,100)	84,558,700	-15.7%	(4,962,600)	79,596,100	-20.7%	89,482,600	-10.8%
Ec Dev & Revenue Subcom	150,628,400	(15,095,500)	135,532,900	-10.0%	(5,105,400)	130,427,500	-13.4%	111,847,200	-25.7%
National Guard/Veterans' Affairs	7,243,300	(52,300)	7,191,000	-0.7%	(33,200)	7,157,800	-1.2%	6,962,200	-3.9%
Environmental Quality	15,056,600	(572,300)	14,484,300	-3.8%	(1,197,700)	13,286,600	-11.8%	10,919,200	-27.5%
Transportation	98,000,000	(8,200,000)	89,800,000	-8.4%	(6,500,000)	83,300,000	-15.0%	1,238,200	-98.7%
Legislature	21,004,300	(1,215,300)	19,789,000	-5.8%	(740,800)	19,048,200	-9.3%	19,545,400	-6.9%
Total	\$5,573,517,836	(\$160,989,200)	\$5,412,528,636	-2.9%	(\$411,854,800)	\$5,000,673,836	-10.3%	\$4,519,700,936	-18.9%

Table 5a
Appropriations Comparison by Source, FY 2009 - FY 2010
General and Education Funds plus Adjustments Used to Balance the Budget

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
Sources	FY 2009 Original	FY 2009 Sept SS	FY 2009 Revised Approp	% Diff	FY 2009 GS/May SS	FY 2009 Revised Est	% Diff v. 09 Orig	FY 2010 Appropriated	% Diff v. 09 Orig
General Fund	2,206,425,550	(102,128,200)	2,104,297,350	-2.3%	(141,670,100)	1,962,627,250	-2.5%	1,838,669,250	-15.6%
General Fund, One-time	30,527,400	50,341,900	80,869,300		138,245,300	219,114,600		48,402,900	
Uniform School Fund	2,608,536,286	(78,458,500)	2,530,077,786	-3.3%	(197,458,500)	2,332,619,286	-15.5%	2,178,256,186	-21.1%
Uniform School Fund, One-time	154,267,500	73,151,900	227,419,400		(51,214,800)	176,204,600		184,727,000	
Education Fund	471,607,800	(70,446,300)	401,161,500		(16,794,300)	384,367,200		350,937,400	
Education Fund, One-time	102,153,300	(33,450,000)	68,703,300		(142,962,400)	(74,259,100)		(81,291,800)	
Flexible ARRA Funds (One-time)					296,287,900	296,287,900		308,412,800	
Related Revenue Changes		(35,000,000)	(35,000,000)		350,000	(34,650,000)		56,935,100	
Total	\$5,573,517,836	(\$195,989,200)	\$5,377,528,636	-3.5%	(\$115,216,900)	\$5,262,311,736	-5.6%	\$4,885,048,836	-12.4%

1. Column *h* reflects changes shown in columns *c* and *f* combined. Column *j* includes changes made in all sessions and bills for FY 2010. Columns *e*, *h*, and *j* all use column *b* as the base year.
2. Flexible ARRA funds include ARRA FMAP rate changes, the "State Fiscal Stabilization - Education" program, and the portion of the "State Fiscal Stabilization - General" program that supplants state funds in existing state programs.
3. Related Revenue Changes include impacts from H.B. 2005, 2008 2nd Special Session, as well as motor vehicle registration, Courts security, and Agriculture fee changes passed in the 2009 General Session.

Table 5b
Appropriations Comparison by Program, FY 2009 - FY 2010
General and Education Funds plus Adjustments Used to Balance the Budget

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>
	FY 2009	FY 2009	FY 2009	%	FY 2009	FY 2009	% Diff	FY 2010	% Diff
Programs	Original	Sept SS	Revised Approp	Diff	GS/May SS	Revised Est	v. 09 Orig	Appropriated	v. 09 Orig
Elected Officials	44,950,150	(3,281,200)	41,668,950	-7.3%	(596,600)	41,072,350	-8.6%	42,492,650	-5.5%
Courts	117,358,300	(5,105,400)	112,252,900	-4.4%	(3,139,800)	109,113,100	-7.0%	110,578,700	-5.8%
Corrections	360,620,400	(20,148,700)	340,471,700	-5.6%	(8,537,700)	331,934,000	-8.0%	319,034,100	-11.5%
Public Safety	70,142,400	(2,150,000)	67,992,400	-3.1%		67,992,400	-3.1%	62,843,300	-10.4%
Admin & Tech Services	24,032,300	(1,736,400)	22,295,900	-7.2%	(1,204,900)	21,091,000	-12.2%	26,262,900	9.3%
Human Resource Mgt	3,822,600	(114,700)	3,707,900	-3.0%	(105,000)	3,602,900	-5.7%	3,153,600	-17.5%
Debt Service	54,844,000	(5,000,000)	49,844,000	-9.1%	(1,000,000)	48,844,000	-10.9%	68,764,000	25.4%
Capital Facilities	188,838,200	(15,000,000)	173,838,200	-7.9%		173,838,200	-7.9%	55,662,500	-70.5%
Health	385,538,900	(15,337,600)	370,201,300	-4.0%	3,505,400	373,706,700	-3.1%	370,981,900	-3.8%
Human Services	301,030,800	(11,276,000)	289,754,800	-3.7%	(5,492,200)	284,262,600	-5.6%	274,873,100	-8.7%
Public Ed - Agencies	200,717,700	(3,871,500)	196,846,200	-1.9%	(8,122,600)	188,723,600	-6.0%	78,673,900	-60.8%
Public Ed - Minimum School Program	2,466,212,586		2,466,212,586		(54,416,000)	2,411,796,586	-2.2%	2,324,528,586	-5.7%
Public Ed - School Building Program	42,288,900		42,288,900			42,288,900	0.0%	22,499,700	-46.8%
Higher Education	767,645,100	(31,280,100)	736,365,000	-4.1%	(23,669,100)	712,695,900	-7.2%	703,901,600	-8.3%
Higher Ed - UEN	22,481,900	(900,000)	21,581,900	-4.0%	(908,100)	20,673,800	-8.0%	18,949,200	-15.7%
Higher Ed - Med Ed Council	701,500	(28,000)	673,500	-4.0%	(50,500)	623,000	-11.2%	638,500	-9.0%
Higher Ed - UCAT	58,699,800	(2,347,600)	56,352,200	-4.0%	(4,343,700)	52,008,500	-11.4%	45,966,200	-21.7%
Natural Resources Subcom	71,338,900	(2,514,500)	68,824,400	-3.5%	11,403,600	80,228,000	12.5%	61,749,600	-13.4%
Commerce & Workforce Subcom	100,320,800	(15,762,100)	84,558,700	-15.7%	(4,962,600)	79,596,100	-20.7%	89,482,600	-10.8%
Ec Dev & Revenue Subcom	150,628,400	(15,095,500)	135,532,900	-10.0%	(5,105,400)	130,427,500	-13.4%	112,347,200	-25.4%
National Guard/Veterans' Affairs	7,243,300	(52,300)	7,191,000	-0.7%	(33,200)	7,157,800	-1.2%	6,962,200	-3.9%
Environmental Quality	15,056,600	(572,300)	14,484,300	-3.8%	(1,197,700)	13,286,600	-11.8%	10,919,200	-27.5%
Transportation	98,000,000	(43,200,000)	54,800,000	-44.1%	(6,500,000)	48,300,000	-50.7%	54,238,200	-44.7%
Legislature	21,004,300	(1,215,300)	19,789,000	-5.8%	(740,800)	19,048,200	-9.3%	19,545,400	-6.9%
Total	\$5,573,517,836	(\$195,989,200)	\$5,377,528,636	-3.5%	(\$115,216,900)	\$5,262,311,736	-5.6%	\$4,885,048,836	-12.4%

Table 6
Appropriations Comparison, FY 2009 - FY 2010
General Fund Only

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
Sources	FY 2009 Original	FY 2009 Supplementals	FY 2009 Revised	FY 2010 Appropriated	% Diff v. 09 Orig
General Fund	2,206,425,550	(243,798,300)	1,962,627,250	1,838,669,250	-15.6%
General Fund, One-time	30,527,400	188,587,200	219,114,600	48,402,900	
Total	\$2,236,952,950	(\$55,211,100)	\$2,181,741,850	\$1,887,072,150	-15.6%
Programs					
Elected Officials	44,950,150	(3,877,800)	41,072,350	42,492,650	-5.5%
Courts	117,358,300	(8,595,200)	108,763,100	107,778,700	-8.2%
Corrections	360,620,400	(29,753,600)	330,866,800	317,726,800	-11.9%
Public Safety	70,142,400	(2,150,000)	67,992,400	62,843,300	-10.4%
Admin & Tech Services	24,032,300	(2,941,300)	21,091,000	26,262,900	9.3%
Human Resource Mgt	3,822,600	(219,700)	3,602,900	3,153,600	-17.5%
Debt Service	37,679,700	(6,000,000)	31,679,700	51,599,700	36.9%
Capital Facilities	126,070,100	(7,500,000)	118,570,100	25,394,400	-79.9%
Health	385,538,900	(78,196,500)	307,342,400	274,570,300	-28.8%
Human Services	301,030,800	(31,242,800)	269,788,000	253,278,000	-15.9%
Public Ed - Agencies	3,765,100	(96,900)	3,668,200	2,577,600	-31.5%
Higher Education	294,041,900	168,252,900	462,294,800	417,750,300	42.1%
Higher Ed - UEN	261,100	(11,000)	250,100	249,600	-4.4%
Higher Ed - Med Ed Council	701,500	(78,500)	623,000	638,500	-9.0%
Higher Ed - UCAT	24,351,200	(2,787,700)	21,563,500	19,952,700	-18.1%
Natural Resources Subcom	71,338,900	8,889,100	80,228,000	60,614,500	-15.0%
Commerce & Workforce Subcom	100,320,800	(20,724,700)	79,596,100	89,482,600	-10.8%
Ec Dev & Revenue Subcom	129,622,600	(19,665,800)	109,956,800	92,041,000	-29.0%
National Guard/Veterans' Affairs	7,243,300	(85,500)	7,157,800	6,962,200	-3.9%
Environmental Quality	15,056,600	(1,770,000)	13,286,600	10,919,200	-27.5%
Transportation	98,000,000	(14,700,000)	83,300,000	1,238,200	-98.7%
Legislature	21,004,300	(1,956,100)	19,048,200	19,545,400	-6.9%
Total	\$2,236,952,950	(\$55,211,100)	\$2,181,741,850	\$1,887,072,150	-15.6%

Table 7
Appropriations Comparison, FY 2009 - FY 2010
Education Funds Only

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
Sources	FY 2009 Original	FY 2009 Supplementals	FY 2009 Revised	FY 2010 Appropriated	Percent Change
Uniform School Fund	2,608,536,286	(275,917,000)	2,332,619,286	2,178,256,186	} -21.1%
Uniform School Fund, One-time	154,267,500	21,937,100	176,204,600	184,727,000	
Education Fund	471,607,800	(87,240,600)	384,367,200	350,937,400	
Education Fund, One-time	102,153,300	(176,412,400)	(74,259,100)	(81,291,800)	
Total	\$3,336,564,886	(\$517,632,900)	\$2,818,931,986	\$2,632,628,786	-21.1%
Programs					
Debt Service	17,164,300		17,164,300	17,164,300	
Capital Facilities	62,768,100	(7,500,000)	55,268,100	30,268,100	-51.8%
Public Ed - Agencies	196,952,600	(11,897,200)	185,055,400	76,096,300	-61.4%
Public Ed - Minimum School Program	2,466,212,586	(239,997,800)	2,226,214,786	2,211,734,386	-10.3%
Public Ed - School Building Program	42,288,900		42,288,900	22,499,700	-46.8%
Higher Education	473,603,200	(252,002,100)	221,601,100	210,346,700	-55.6%
Higher Ed - UEN	22,220,800	(1,797,100)	20,423,700	18,699,600	-15.8%
Higher Ed - UCAT	34,348,600	(3,903,600)	30,445,000	26,013,500	-24.3%
Ec Dev & Revenue Subcom	21,005,800	(535,100)	20,470,700	19,806,200	-5.7%
Total	\$3,336,564,886	(\$517,632,900)	\$2,818,931,986	\$2,632,628,786	-21.1%

Table 8
Revenue Estimates, FY 2009 - FY 2010
In Thousands

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>
	FY 2009	FY 2010	Legislative	FY 2010
	Estimate	Estimate	Changes	Rev. Estimate
General Fund				
Sales and Use Tax	1,547,190	1,472,586	3,870	1,476,456
Cable/Satellite Excise	22,450	23,000		23,000
Liquor Profits	61,750	63,450	250	63,700
Insurance Premiums	81,257	83,227		83,227
Beer, Cigarette, Tobacco	60,472	58,808		58,808
Oil & Gas Severance	71,000	57,138		57,138
Metal Severance	15,321	15,068		15,068
Inheritance	200	16		16
Investment Income	17,000	7,498		7,498
Other Revenue	55,977	50,472	15,950	66,422
Circuit Breaker	(6,450)	(7,200)		(7,200)
Subtotal	\$1,926,167	\$1,824,063	\$20,071	\$1,844,134
Education Fund				
Individual Income Tax	2,323,000	2,260,016		2,260,016
Corporate Franchise Tax	281,250	273,878	(7,271)	266,607
Escheats	6,600	6,600		6,600
Subtotal	\$2,610,850	\$2,540,494	(\$7,271)	\$2,533,223
Total	\$4,537,017	\$4,364,557	\$12,800	\$4,377,357
Transportation Fund				
Motor Fuel Tax	223,476	224,469		224,469
Special Fuel Tax	104,571	106,454		106,454
Other	80,100	80,550		80,550
Total	\$408,147	\$411,473		\$411,473
Federal Mineral Lease				
Royalties	171,850	110,350		110,350
Bonuses	13,950	12,460		12,460
Total	\$185,800	\$122,810		\$122,810

Table 9
Revenue to Appropriations Comparison, FY 2009 - FY 2010
General and Education Funds (In Thousands)

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>
Revenue	FY 2009 Revised	FY 2010 Appropriated	Percent Change
Beginning Balance	202,179	150,175	-25.7%
Ongoing Sources (from Table 8)			
General Fund	1,926,167	1,844,134	-4.3%
Education Fund	2,610,850	2,533,223	-3.0%
Subtotal	\$4,537,017	\$4,377,357	-3.5%
One-time Sources (from Tables 9a, 9b, & 9c)			
2008 2nd Special Session (Sept. 2008)	170,863		
2009 General Session	225,290	33,917	
2009 1st Special Session (May 2009)	15,500	(11,550)	
Subtotal	411,653	22,367	-94.6%
Total	\$5,150,849	\$4,549,899	-11.7%
Appropriations			
Elected Officials*	41,072	42,493	3.5%
Courts	108,763	107,779	-0.9%
Corrections	330,867	317,727	-4.0%
Public Safety	67,992	62,843	-7.6%
Admin & Tech Services*	21,091	26,263	24.5%
Human Resource Mgt	3,603	3,154	-12.5%
Debt Service	48,844	68,764	40.8%
Capital Facilities	173,838	55,663	-68.0%
Health	307,342	274,570	-10.7%
Human Services	269,788	253,278	-6.1%
Public Ed - Agencies	188,724	78,674	-58.3%
Public Ed - Minimum School Program	2,226,215	2,211,734	-0.7%
Public Ed - School Building Program	42,289	22,500	-46.8%
Higher Education	683,896	628,097	-8.2%
Higher Ed - UEN	20,674	18,949	-8.3%
Higher Ed - Med Ed Council*	623	639	2.5%
Higher Ed - UCAT	52,009	45,966	-11.6%
Natural Resources Subcom	80,228	60,615	-24.4%
Commerce & Workforce Subcom	79,596	89,483	12.4%
Ec Dev & Revenue Subcom	130,428	111,847	-14.2%
National Guard/Veterans' Affairs	7,158	6,962	-2.7%
Environmental Quality	13,287	10,919	-17.8%
Transportation	83,300	1,238	-98.5%
Legislature*	19,048	19,545	2.6%
Total	\$5,000,674	\$4,519,701	-9.6%
Unappropriated Balance	\$150,175	\$30,198	

*Anomalies in one-time funding create the appearance of a year-over-year increase. In none of these cases did ongoing budgets increase from FY09 to FY10. See tables 2 & 4.

Table 9a - One-time Revenue Detail
2008 2nd Special Session (Sept. 2008)
General and Education Funds (In Thousands)

Revenue Item	FY 2009 Revised
Cigarette Tax Restricted	8,299
Constitutional Defense Fund	250
DFCM Asbestos Mitigation	1,040
EDTIF Unencumbered Balance	3,268
Gov't Office Bldg Land Sale	500
H.B. 2005 Transp. Finance Amd.	35,000
Mineral Bonus Discretionary Acct	38,000
Nonlapsing Balance - Division of Finance	3,300
Nonlapsing Balance - Homeland Security	7,615
Nonlapsing Balance - Min School Prog	50,000
Nonlapsing Balance - USOE	6,800
Nonlapsing Balance - Workers' Comp	750
Rainy Day Fund Interest	15,041
Sovereign Lands Mgt Rest Acct	1,000
Subtotal	170,863

Table 9b - One-time Revenue Detail
2009 General Session
General and Education Funds (In Thousands)

Revenue Item	FY 2009 Revised	FY 2010 Appropriated
Capital Projects Fund (Buildings)	130,000	
Capital Projects Fund (CPB Balances)		863
Contingency Reserve Fund	2,000	
Disaster Recovery Fund	19,000	7,000
H.B. 106 Controlled Subst DB Amd		(5)
H.B. 144 Medical Language Interpreters		6
H.B. 173 Outdoor Builders & Outfitters		1
H.B. 174 Vocational Rehab Licensing		22
H.B. 378 Circuit Breaker Amendments		62
Internal Service/Enterprise Funds	7,500	
Medicaid Restricted Account	4,000	
Nonlapsing Balance - Min School Prog	21,322	
PEHP Fund Balance		6,000
S.B. 023 Inc Tax of Pass-thru Ent		(32)
S.B. 176 Small Claims Fees	62	
S.B. 184 Court Filing Fees	1,413	
Sales and Use Tax Admin Fund	1,588	
School Energy Eff Loan Prog	1,936	2,500
Severance Tax Holding Account		11,500
Tourism Mktg Performance Fund	6,000	6,000
Uninsured Motorist ID Fund	4,780	
Water Development Funds	30,000	
Other One-time Adjustments	(4,311)	
Subtotal	225,290	33,917

Note: Of the \$30 million in unobligated balances swept from Water Development Funds, legislators returned \$6 million. The \$6 million shows as an appropriation in table 9.

Table 9c - One-time Revenue Detail
2009 1st Special Session (May 2009)
General and Education Funds (In Thousands)

Revenue Item	FY 2009 Revised	FY 2010 Appropriated
Disaster Recovery Fund	2,000	
S.B. 230 Construction Database		(50)
Severance Tax Holding Account	13,500	(11,500)
Subtotal	15,500	(11,550)

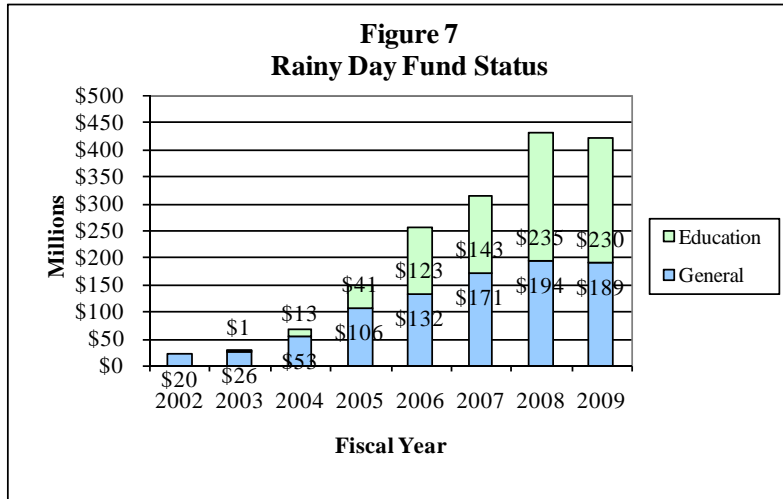


Table 10a - Ten-year Appropriations History
All Funds by Source of Financing

Source of Funding	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Revised	Appropriated
General Fund	1,675,123,700	1,797,565,980	1,794,332,400	1,745,251,100	1,767,809,300	1,910,800,100	1,781,898,100	2,087,626,350	1,962,627,250	1,838,669,250
General Fund, One-time	31,090,400	(5,414,500)	29,599,400	532,700	117,544,000	121,540,000	454,595,540	349,708,320	219,114,600	48,402,900
Uniform School Fund	1,705,205,000	1,782,091,660	1,684,266,694	1,734,161,174	1,815,156,111	1,917,934,675	2,115,252,445	2,413,266,208	2,332,619,286	2,178,256,186
Uniform School Fund, One-time	36,840,000	32,191,400	10,436,000	5,891,000	34,800,900	43,725,000	74,357,300	296,803,500	176,204,600	184,727,000
Education Fund	167,311,800	103,415,500	4,908,000	112,000,000	200,520,900	235,260,900	548,663,800	463,136,000	384,367,200	350,937,400
Education Fund, One-time	82,551,300	3,703,100	1,935,100	(23,200,000)	52,073,500	19,496,600	62,412,200	433,064,400	(74,259,100)	(81,291,800)
Transportation Fund	390,189,100	406,266,600	389,538,000	391,891,100	437,416,000	421,112,200	422,737,800	440,434,900	467,393,000	412,101,500
Transportation Fund, One-time					277,100	126,371,900	1,200,000	2,000,000	4,506,000	
Centennial Highway Fund	63,833,700	106,621,200	103,848,200	117,531,900	145,772,200	126,393,400	127,976,800	127,976,800	133,826,800	137,022,500
Centennial Highway Fund, One-time	3,079,000			1,796,800				3,650,000		
General Fund Restricted	117,209,500	119,497,400	132,317,200	154,215,300	171,101,700	214,281,100	208,042,536	279,266,300	320,741,100	294,358,200
Uniform School Fund Restricted		75,800	78,400	72,000	90,700	14,306,100	15,168,000	27,243,700	28,375,100	21,876,400
Transportation Fund Restricted	30,319,100	28,683,000	27,573,800	29,813,200	30,720,100	37,215,500	41,330,900	41,253,900	55,695,500	56,361,000
Federal Funds	1,646,843,749	1,822,201,828	1,942,099,062	2,174,694,678	2,264,204,145	2,294,817,646	2,386,197,852	2,825,333,000	2,922,569,000	2,581,613,900
Federal Funds - ARRA									790,034,200	643,952,100
Dedicated Credits	578,883,135	957,433,182	774,058,339	614,539,399	730,196,287	654,136,650	702,618,740	886,141,800	762,559,500	778,788,000
Land Grant	857,800	1,148,200	771,000	804,700	1,040,435	1,807,732	1,943,425	1,702,100	1,108,500	1,108,500
Federal Mineral Lease	39,202,600	34,909,500	43,612,900	64,176,600	64,785,719	98,278,950	169,791,153	190,833,600	223,072,700	115,358,000
Restricted Revenue	182,100	2,850,000	9,606,100	2,944,000	273,700	17,603,200	19,200,600	18,760,500	21,478,300	
Trust and Agency Funds	429,809,766	446,988,660	377,644,015	406,862,037	380,298,477	668,947,402	1,049,579,780	938,534,321	1,011,654,374	1,418,124,470
Transfers	257,340,460	278,521,804	310,161,147	312,446,922	314,413,473	350,828,925	362,909,859	382,059,700	410,270,700	410,520,900
Repayments/Reimbursements	33,064,300	7,999,200	12,260,800	15,206,500	11,107,200	11,816,900	11,816,900	15,182,200	36,550,000	43,250,000
Other Financing Sources	1,722,300					233,722	871,096	172,000	1,065,100	1,080,000
Pass-through	31,100		69,500	994,900	1,503,200	1,081,300	1,276,400	3,617,300	1,804,100	1,804,100
Beginning Balance	265,041,772	229,116,356	478,434,969	508,223,541	326,000,043	270,710,688	432,551,849	523,050,100	547,759,200	178,773,400
Closing Balance	(252,167,291)	(460,387,576)	(508,790,542)	(408,377,198)	(348,039,802)	(286,829,794)	(539,535,043)	(552,608,900)	(235,848,600)	(129,416,100)
Lapsing Balance	(52,312,247)	(46,235,373)	(88,457,656)	(56,071,454)	(20,646,900)	(25,473,500)	(98,931,600)	(158,343,000)	(10,491,400)	(3,348,700)
Total	\$7,251,252,144	\$7,649,242,921	\$7,530,302,829	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,353,926,432	\$12,039,865,099	\$12,494,797,010	\$11,483,029,106

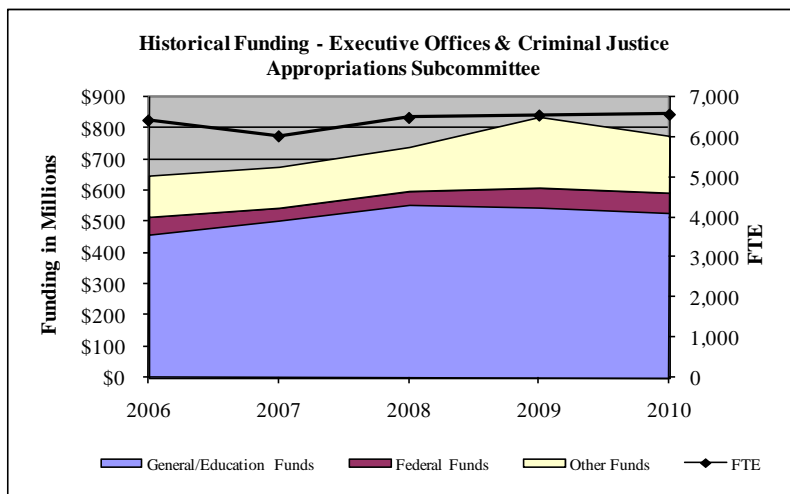
**Table 10b - Ten-year Appropriations History
All Funds by Program**

Program	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Revised	FY 2010 Appropriated
Elected Officials	62,201,900	69,494,500	65,883,200	60,558,300	68,015,400	69,521,400	71,428,600	87,224,450	109,437,550	96,050,950
Courts	98,622,400	100,568,900	97,466,100	101,063,300	106,275,800	111,874,100	118,393,500	128,314,200	130,321,100	129,263,100
Corrections	281,646,700	300,512,500	279,019,900	296,331,300	306,155,200	319,247,200	349,360,100	376,563,900	392,028,800	368,676,800
Public Safety	102,811,500	127,600,000	102,109,200	124,637,100	137,930,600	149,824,400	139,084,500	149,703,800	205,825,500	182,924,200
Admin & Tech Services	30,424,300	29,045,400	22,577,700	23,488,800	38,020,000	57,317,000	82,078,900	181,805,900	71,058,600	66,152,400
Human Resource Mgt	3,233,100	3,316,100	3,067,000	3,185,800	3,172,600	3,225,900	3,393,200	3,707,500	4,515,700	3,553,600
Debt Service	158,886,100	175,188,600	189,020,800	211,960,600	273,677,600	235,436,500	235,010,400	333,175,400	264,269,400	297,755,500
Capital Facilities	288,762,100	184,210,700	187,127,000	44,584,700	151,665,700	104,545,600	213,783,300	332,147,500	179,577,200	55,662,500
Health	1,083,574,085	1,234,312,321	1,343,097,682	1,521,181,416	1,656,093,500	1,802,860,400	1,811,148,600	1,932,703,400	2,022,421,000	1,982,366,400
Human Services	433,139,393	456,418,300	453,129,186	467,411,200	488,939,800	504,522,100	534,177,600	581,119,800	615,971,600	597,728,300
Public Ed - Agencies	319,757,900	351,885,600	382,485,000	403,792,100	442,072,400	481,149,400	494,403,000	510,365,500	710,579,100	517,251,000
Public Ed - Minimum School Program	1,885,580,366	1,992,207,600	1,919,896,161	2,005,276,683	2,124,281,488	2,258,504,277	2,478,041,925	2,972,317,829	3,041,415,060	2,947,199,956
Public Ed - School Building Program	28,358,000	28,358,000	28,358,000	29,288,900	27,288,900	32,288,900	37,288,900	77,288,900	42,288,900	22,499,700
Higher Education	741,840,700	816,853,000	825,704,800	867,040,900	919,547,006	972,348,808	1,029,913,754	1,181,241,800	1,160,117,400	1,281,433,200
Higher Ed - UEN	18,908,600	20,686,900	19,049,400	21,352,200	23,116,100	28,626,900	30,248,100	30,598,300	33,322,100	31,979,200
Higher Ed - Med Ed Council	471,500	470,600	516,100	632,200	697,600	738,700	770,800	1,009,900	1,284,500	1,399,900
Higher Ed - UCAT	33,682,800	47,916,700	43,245,100	45,042,600	48,060,194	55,492,810	61,021,613	63,845,400	61,724,300	57,697,000
Natural Resources Subcom	150,578,600	158,001,000	176,375,400	165,264,800	166,619,200	189,936,600	236,608,800	244,077,100	317,584,800	232,303,000
Commerce & Workforce Subcom	302,791,900	313,708,300	356,939,100	370,080,100	381,785,400	374,734,600	383,694,600	768,223,300	940,510,100	1,015,674,700
Ec Dev & Revenue Subcom	183,903,300	174,973,400	176,396,500	193,681,700	174,955,900	250,681,500	328,367,800	381,109,600	565,906,000	481,465,800
National Guard/Veterans' Affairs	18,316,000	24,508,800	25,122,500	26,924,000	24,792,500	29,229,200	32,982,200	43,135,900	61,823,600	39,692,800
Environmental Quality	68,866,100	72,627,000	64,010,800	73,282,200	69,781,900	74,346,400	78,811,300	79,757,000	160,445,900	81,655,900
Transportation	941,431,200	952,233,900	755,816,100	835,651,700	850,511,600	1,123,780,400	1,586,372,200	1,560,966,000	1,382,437,900	972,315,200
Legislature	13,463,600	14,144,800	13,890,100	14,688,300	14,962,100	16,164,200	17,542,740	19,462,720	19,930,900	20,328,100
Total	\$7,251,252,144	\$7,649,242,921	\$7,530,302,829	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,353,926,432	\$12,039,865,099	\$12,494,797,010	\$11,483,029,106

Executive Offices and Criminal Justice

Subcommittee Overview

The Executive Offices and Criminal Justice Appropriations Subcommittee oversees and approves budgets for eight state agencies and one branch of government—the Judiciary. The agencies include the Governor’s Office, State Auditor, State Treasurer, Attorney General, Department of Public Safety, Department of Corrections, Board of Pardons and Parole, and Division of Juvenile Justice Services. All the agencies and Judiciary combined employ over 6,580 full-time equivalent (FTE) employees. The FY 2010 appropriation from all sources of funding is \$776,915,050. The budget decreased by \$53,167,100 (6.80 percent from the FY 2009 appropriated amount). Over 67.8 percent of the Subcommittee’s \$776.9 million budget comes from the General Fund.



General Subcommittee Issues

Responding to the budget downturn, the Executive Offices and Criminal Justice Appropriations Subcommittee focused on maintaining the public’s safety while making budget reductions in all agencies. In order to maximize the public’s safety and trust, and minimize impacts on services from budget reductions, the

Legislature reduced \$53.2 million for the Executive Offices and Criminal Justice agencies while maintaining essential services. With the exception of one line item, all Subcommittee agencies and the Judiciary have nonlapsing spending authority granted through FY 2009.

The Office of the Governor

The Office of the Governor is divided into three main divisions: the Governor's Office, the Governor's Office of Planning and Budget (GOPB), and the Commission on Criminal and Juvenile Justice (CCJJ). Within the Governor's Office are the programs and budget of the Governor's personal staff as well as statewide oversight and service functions. The Emergency Fund and Character Education line items are also grouped with the Governor's Office programs and activities.

The Governor's Office of Planning and Budget (GOPB) is organized to provide advisory information to the Governor and other executive branch agencies. GOPB develops budgetary, statistical, and economic information and facilitates local and regional planning throughout the state.

The Commission on Criminal and Juvenile Justice (CCJJ) was created by the 1983 Legislature. This Commission is designed to promote philosophical agreement concerning the objectives of the criminal and juvenile justice system in Utah and to provide a mechanism for coordinating the functions of government concerned with criminal and juvenile justice. It also helps coordinating statewide efforts to reduce crime and victimization in Utah.

Legislative Action

Civic Education: During the September 2008 Special Session, the Legislature reduced FY 2009 ongoing funding for Civic Education by \$50,000 and a \$50,000 one-time add-back in FY 2010.

Current Expense: The Legislature reduced \$163,900 of current expense (\$112,000 in GOPB and \$51,900 in the

Governor's Office) in the September 2008 Special Session for FY 2009.

Discretionary Reduction: Lawmakers reduced the FY 2009 appropriation by \$504,000 in the September 2008 Special Session, but approved a one-time add-back of \$304,200. In the General Session, lawmakers reduced \$506,500 but added back \$879,200 in one-time funding for the Office of the Governor for items to be adjusted at the Governor's discretion.

Elections Lawsuit: The Legislature appropriated \$102,000 in FY 2010 of one-time funds to the Lt. Governor's office for the cost of an elections lawsuit.

Lt. Governor: The Legislature increased dedicated credits to the Lt. Governor's office by \$191,700 in FY 2010 relating to increased fees.

Governor's Fiscal Stabilization Fund - American Recovery and Reinvestment Act (ARRA) funds: The Legislature appropriated \$20,000,000 (out of a total \$87,347,000) to the Governor's Office in connection with the Governor's Fiscal Stabilization fund included in ARRA in FY 2009. During the May 2009 Special Session, the Legislature reduced this amount by \$2,500,000.

Metropolitan Planning Organizations: The Legislature appropriated \$140,000 of one-time funds for State and Local Planning in FY 2010.

LeRay McAllister Program: The Legislature moved the LeRay McAllister fund from the Department of Finance to the Governor's Office during the May 2009 Special Session. This shift included \$410,200 of General Funds and a net amount of \$1,739,800 in nonlapsing funds in FY 2010.

CCJJ: The Legislature made adjustments to the FY 2009 budget by reducing DORA reporting requirements, CEASE DUI (Computer Expedited Arrest System to Eliminate Driving Under the Influence); and Judicial Performance Evaluation Commission. In addition, appropriators transferred \$470,000 in FY 2009 and \$480,000 in FY 2010 from the Attorney General's budget to the

CCJJ for Sexual Exploitation of Children Program Grants. As further reductions were necessary to balance the FY 2009 budget, an additional \$126,200 was reduced and offset by a \$63,100 one-time add-back.

Using ARRA funding, lawmakers appropriated \$8,182,800 for Federal Byrne/Justice Assistance Grants for State and Local Public Safety/Crime Fighting Initiatives; \$681,000 for Crime Victim Reparations; and \$1,554,000 for grants to eliminate Violence against Women.

H.B. 220 “State Payment and Reimbursement to County Correctional Facilities” transfers \$55,000 from the Department of Corrections to the Commission for the transfer of the Jail Reimbursement fiscal management function in FY 2010.

H.B. 346 “Campaign and Financial Reporting Requirements Amendments” allocates \$5,000 (one-time) for programming costs associated with this legislation in FY 2010.

Intent Language

The Legislature directed the Governor’s Office of Planning and Budget (GOPB) to report regularly to the Executive Appropriations Committee (EAC) on ongoing appropriations in FY 2010 appropriations acts.

Funding Detail

Governor's Office					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	8,440,900	(379,200)	8,061,700	8,005,800	(55,900)
General Fund, One-time	963,500	(200)	963,300	1,176,200	212,900
Federal Funds	9,827,500	(1,335,200)	8,492,300	8,660,000	167,700
American Recovery and Reinvestment Act		18,391,000	18,391,000	11,308,800	(7,082,200)
Dedicated Credits Revenue	664,500	117,800	782,300	909,200	126,900
GFR - Criminal Forfeiture Restricted Account	500,000		500,000	500,000	
GFR - Law Enforcement Operations	2,370,000		2,370,000	2,370,000	
Crime Victims Reparation Trust	3,722,000		3,722,000	3,727,900	5,900
Transfers		2,800	2,800		(2,800)
Transfers - Other Agencies		150,000	150,000	150,000	
Transfers - Within Agency	150,000	(150,000)			
Beginning Nonlapsing	315,800	5,859,600	6,175,400	4,338,300	(1,837,100)
Closing Nonlapsing	(100,000)		(100,000)	(2,713,500)	(2,613,500)
Total	\$26,854,200	\$22,027,100	\$48,881,300	\$38,432,700	(\$10,448,600)
Line Items					
Governor's Office	5,160,500	2,288,700	7,449,200	4,874,700	(2,574,500)
Lt. Governor's Office	50,000	(5,000)	45,000	50,000	5,000
Emergency Fund				100,000	100,000
Governor's Office of Planning and Budget	4,106,800	18,924,600	23,031,400	3,921,100	(19,110,300)
LeRay McAllister Program				2,150,000	2,150,000
Commission on Criminal and Juvenile Justice	17,536,900	818,800	18,355,700	27,336,900	8,981,200
Total	\$26,854,200	\$22,027,100	\$48,881,300	\$38,432,700	(\$10,448,600)
Budgeted FTE	102.8	0.6	103.4	104.9	1.5

Office of the Attorney General

The Office of the Attorney General is charged by the Utah Constitution with the exclusive responsibility to act as legal advisor to the Governor and all executive branch agencies. The Attorney General must also prosecute or defend, in federal and state courts, all cases where the State of Utah or any of its officers, boards or commissions is a party.

Legislative Action

FY 2009 Reductions – The Legislature reduced funding for the following legislation, programs and fiscal resources to balance the FY 2009 budget:

- S.B. 239, “Office of the Attorney General, Safety Net Initiative” (2008 General Session) reduced by \$146,900;
- S.B. 134, “Mortgage Fraud Act” (2008 General Session) reduced by \$126,000;
- Nonlapsing balance reductions to the Administration and Children’s Justice Centers Programs of \$1,229,800;
- Other Expenses reductions to the Attorney General Main line item amounting to \$1,636,500;

Additionally, lawmakers transferred \$500,000 of Sexual Exploitation of Children Program Grants funding (SECP Grants) to the Commission on Criminal and Juvenile Justice beginning FY 2009.

H.B. 64, “Deterring Illegal Immigration” appropriates \$891,000 of ARRA funding in both FY 2009 and FY 2010 to the Commission on Criminal and Juvenile Justice for pass through to the Attorney General to fund a multi-agency strike force to deter major crimes associated with illegal immigration. The appropriation will fund five investigators, one prosecuting attorney, five vehicles, and other expenses.

Litigation/Settlements: Other funded items include: \$46,100 for the final payment of the David C. Lawsuit; \$90,000 for Interim Due Diligence; and \$400,000 for the Pelt Case forensic accounting function.

FY 2010 Adjustments: The Legislature adjusted funding for the following programs and fiscal resources to balance the FY 2010 budget going forward:

An ongoing reduction of \$431,900 for the Children's Justice Center was offset with one-time funding of \$431,900 to hold the program harmless through FY 2010.

The Attorney General's Main Line Item was reduced by \$1,412,900 with an offsetting one-time add-back of \$2,404,000 to hold the Office harmless through FY 2010 and partially mitigate previous reductions.

Crime Reports Website: A one-time appropriation of \$140,000 for the Attorney General Citizens Communication Protocol Crime Reports Website was approved.

Methamphetamine Detoxification: One-time funds of \$100,000 will provide alternatives for law enforcement officers experiencing significant health problems due to exposure to toxic chemicals from meth production operations in fighting the war on drugs.

Funding Detail

Attorney General					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	30,745,950	(3,335,900)	27,410,050	25,382,850	(1,827,200)
General Fund, One-time	(150,000)	232,800	82,800	3,075,900	2,993,100
Federal Funds	1,589,300	(163,300)	1,426,000	1,385,800	(40,200)
Dedicated Credits Revenue	16,980,000	540,400	17,520,400	17,690,900	170,500
GFR - Domestic Violence	78,300		78,300	78,300	
GFR - Public Safety Support	588,600		588,600	589,600	1,000
GFR - Tobacco Settlement	275,200		275,200	275,300	100
Attorney General Litigation Fund	335,400		335,400	335,300	(100)
Transfers - Commission on Criminal and Juvenile Justice	42,100	161,000	203,100	201,500	(1,600)
Transfers - Federal		358,100	358,100		(358,100)
Transfers - Other Agencies	483,300	(303,300)	180,000	538,100	358,100
Beginning Nonlapsing	545,000	3,168,400	3,713,400	113,000	(3,600,400)
Closing Nonlapsing		(113,100)	(113,100)	(78,000)	35,100
Total	\$51,513,150	\$545,100	\$52,058,250	\$49,788,550	(\$2,269,700)
Line Items					
Attorney General	47,300,050	133,600	47,433,650	45,956,250	(1,477,400)
Contract Attorneys	300,000		300,000		(300,000)
Children's Justice Centers	3,099,400	213,500	3,312,900	2,898,300	(414,600)
Prosecution Council	735,400	198,000	933,400	855,700	(77,700)
Domestic Violence	78,300		78,300	78,300	
Total	\$51,513,150	\$545,100	\$52,058,250	\$49,788,550	(\$2,269,700)
Budgeted FTE	425.5	7.6	433.1	431.6	(1.5)

State Auditor

The purpose of the Office of the Utah State Auditor is to help ensure the financial integrity and accountability of Utah's state and local governments. This is accomplished by providing independent, innovative audits or investigations and by monitoring and advising Utah's elected and appointed officials at all levels of government.

Legislative Action

The Legislature reduced funding to the Auditor by \$257,200 for FY 2009 which was offset by a combined use of one-time and ongoing General Funds and nonlapsing balances. For FY 2010, lawmakers reduced \$233,800 offset by a one-time add-back of \$427,100.

Funding Detail

State Auditor					
	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Sources of Finance					
General Fund	3,895,900	(427,100)	3,468,800	3,234,000	(234,800)
General Fund, One-time		133,000	133,000	427,100	294,100
Dedicated Credits Revenue	1,334,100	2,300	1,336,400	1,335,800	(600)
Beginning Nonlapsing		250,500	250,500		(250,500)
Total	\$5,230,000	(\$41,300)	\$5,188,700	\$4,996,900	(\$191,800)
Line Items					
State Auditor	5,230,000	(41,300)	5,188,700	4,996,900	(191,800)
Total	\$5,230,000	(\$41,300)	\$5,188,700	\$4,996,900	(\$191,800)
Budgeted FTE	45.0	0.0	45.0	45.0	0.0

State Treasurer

The State Treasurer is responsible for the management of all state funds. The office controls the receipt and deposit of state monies, manages the banking relationships for all bank accounts, invests all funds at the highest market rates and provides liquidity for all state disbursements. In addition, the Treasurer coordinates the sale of all debt authorized by the Legislature, operates a local government investment pool for the benefit of all public entities, reconciles bank accounts and manages the Division of Unclaimed Property. The Treasurer also provides staff support for the Money Management Council which oversees the deposit and investment of all public monies.

The State Treasurer manages the investments for the Permanent State School and Institutional Trust Land Funds. The investment income for the public school's portion of the portfolio funds the State Trust Land Program.

The Unclaimed Property Division of the Treasurer is responsible for reuniting lost or abandoned property with its rightful owners. Property types include savings accounts, life insurance policies, payroll checks, safe deposit box contents, stocks and mutual funds, and other types of property. The costs of administering the Unclaimed Property Fund are paid from the trust fund. Any amount not returned to rightful owners is deposited in the Uniform School Fund.

Legislative Action

The Legislature reduced funding to the Treasurer by \$69,600 for FY 2009 which was offset by a combined use of one-time and ongoing General Funds and nonlapsing balances. Appropriators then provided one-time restricted funds of \$61,500 for due diligence work performed during the 2008 Interim. For FY 2010, lawmakers reduced \$63,200 offset by a one-time add-back of \$115,500 and dedicated credits of \$50,000.

Funding Detail

State Treasurer					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	1,011,800	(73,400)	938,400	875,300	(63,100)
General Fund, One-time	(21,100)	35,400	14,300	115,500	101,200
Dedicated Credits Revenue	371,300		371,300	436,400	65,100
Unclaimed Property Trust	1,403,800	61,500	1,465,300	1,405,600	(59,700)
Beginning Nonlapsing	520,000		520,000		(520,000)
Total	\$3,285,800	\$23,500	\$3,309,300	\$2,832,800	(\$476,500)
Line Items					
State Treasurer	2,809,000	500,300	3,309,300	2,832,800	(476,500)
Total	\$2,809,000	\$500,300	\$3,309,300	\$2,832,800	(\$476,500)
Budgeted FTE	27.3	(2.8)	24.5	25.5	1.0

Department of Public Safety

The objectives of the Department of Public Safety (DPS) are to preserve order, reduce the number and severity of accidents, and reduce damage to life, health, property, and finances caused by unlawful activity.

Legislative Action

FY 2009 Reductions – The Legislature reduced or otherwise adjusted funding for the following legislation, programs, and fiscal resources to balance the FY 2009 budget:

- Eliminated \$1,500,000 from a 2008 General Session Building Block for the Utah Highway Patrol;

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- Reduced \$550,000 additional funding from the Utah Highway Patrol with an offsetting one-time add-back of \$400,000;
 - Reduced \$250,000 from Liquor Law Enforcement provided by S.B. 15, “Driving Under the Influence Amendments” (2008 General Session);
 - Reduced \$451,400 from the Highway Safety Program with an offsetting FY 2009 one-time add-back of \$301,400;
 - Reduced \$100,000 from the Communications Dispatch Program;
 - Reduced \$58,200 from the State Bureau of Investigation with an offsetting one-time add-back of \$58,200;
 - Other general program reductions include: \$201,600 from the Commissioner’s Office, \$515,400 from the Aero Bureau, \$30,400 from the Intelligence Center, \$546,000 from the Bureau of Criminal Identification, \$528,000 from Communications Dispatch, \$250,000 from Driver License, and \$40,000 from Highway Safety.

The Legislature utilized \$7,614,900 residual funds from the Disaster Loan Program and excess funds of \$4,780,100 from the Transportation Fund Restricted – Uninsured Motorist Identification Account which had accumulated in recent years.

FY 2009 Adjustments - The Legislature approved the use of \$1,000,000 (Dedicated Credits) for the Bureau of Criminal Identification’s workload increases, \$75,000 (restricted funds) to the State Fire Marshal to operate the Fire Safe Cigarette Program, and \$15,500 from the Commission on Criminal and Juvenile Justice to the Utah Highway Patrol and State Crime Lab for special training and equipment.

FY 2010 Adjustments - The Legislature approved general program reductions for the following: \$1,138,500 for DPS' Main Line Item Programs and Operations; \$629,600 for the State Bureau of Investigation; \$527,400 for the Bureau of Criminal Identification; \$300,000 for Liquor Law Enforcement; and \$408,900 at Driver License, which will eliminate current vacancies.

The Legislature approved FY 2010 funding increases for the Ogden Weber Dispatch Center (\$227,000); vehicle escort services of special transport projects, dispatch services, and certification schools by the Utah Highway Patrol (\$3,129,200). Additional dedicated credits will provide funding for the following items: Bureau of Criminal Identification concealed firearms applications processing (\$1,100,000); State Bureau of Investigation workload increases (\$20,100); State Fire Marshal fire extinguisher servicing company certification workload increases (\$10,300). Additional restricted funds will provide for the following: Driver License statewide call center (\$688,000); State Fire Marshal rural training and on call expenses (\$200,000); State Fire Marshal Fire Safe Cigarette Program (\$75,000); and State Fire Marshal training contract with Utah Valley University (\$25,000).

Bills with Fiscal Impact:

S.B. 12, "DUI Amendments" appropriates \$1,000 in Restricted Funds to Driver License for programming changes.

H.B. 126, "Voter Identification for Elections" appropriates \$3,000 in Restricted Funds to Driver License for programming changes.

Funding Detail

Department of Public Safety					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	71,196,500	(6,886,100)	64,330,400	62,843,300	(1,487,100)
General Fund, One-time	(1,054,100)	4,716,100	3,662,000		(3,662,000)
Transportation Fund	5,495,500		5,495,500	5,495,500	
Federal Funds	50,346,900	1,169,900	51,516,800	52,893,500	1,376,700
Dedicated Credits Revenue	9,179,900	1,472,100	10,652,000	13,885,500	3,233,500
GFR - DNA Specimen	688,100		688,100	688,100	
GFR - E-911 Emergency Services	3,900,000		3,900,000	3,900,000	
GFR - Environmental Quality	200,000		200,000		(200,000)
GFR - Fire Academy Support	5,273,800	75,000	5,348,800	5,565,900	217,100
GFR - Nuclear Oversight	1,793,300		1,793,300	1,793,300	
GFR - Public Safety Support	3,821,300		3,821,300	3,590,000	(231,300)
GFR - Statewide Warrant Ops	644,000		644,000	612,500	(31,500)
TFR - Motorcycle Education	372,300		372,300	324,400	(47,900)
TFR - Dept. of Public Safety Rest. Acct.	26,465,600		26,465,600	27,232,000	766,400
TFR - Uninsured Motorist I.D.	2,360,100		2,360,100	2,360,100	
Transfers - Commission on Criminal and Juvenile Justice	842,500	(800)	841,700	766,300	(75,400)
Transfers - Other Agencies	22,000	47,700	69,700	69,700	
Transfers - Within Agency	75,000	(75,000)		200,000	200,000
Pass-through	40,200	1,713,900	1,754,100	1,754,100	
Beginning Nonlapsing	614,900	23,831,500	24,446,400	743,300	(23,703,100)
Closing Nonlapsing		(743,300)	(743,300)		743,300
Lapsing Balance	(1,798,300)	5,000	(1,793,300)	(1,793,300)	
Total	\$180,479,500	\$25,346,000	\$205,825,500	\$182,924,200	(\$22,901,300)
Line Items					
Public Safety Programs & Operations	95,876,300	16,591,600	112,467,900	95,331,700	(17,136,200)
Emergency Services and Homeland Security	42,856,300	502,400	43,358,700	45,469,100	2,110,400
Peace Officers' Standards and Training	3,871,000	279,800	4,150,800	3,710,200	(440,600)
Liquor Law Enforcement	2,314,400	52,000	2,366,400	1,757,600	(608,800)
Driver License	27,851,900	7,231,400	35,083,300	29,531,200	(5,552,100)
Highway Safety	7,709,600	688,800	8,398,400	7,124,400	(1,274,000)
Total	\$180,479,500	\$25,346,000	\$205,825,500	\$182,924,200	(\$22,901,300)
Budgeted FTE	1,149.0	121.0	1,270.0	1,259.0	(11.0)

DNA Specimen Account

The DNA Specimen Account was created during the 2002 General Session to fund the collection, storage, and analysis of DNA samples taken from convicted offenders of all felonies and Class A Misdemeanors. Beginning in FY 2003, the Legislature funded the account with an annual General Fund appropriation of \$267,500 for distribution among State Criminal Justice agencies.

Legislative Action

The Legislature reduced funding to the account by \$40,100, offset with a one-time add-back of \$20,000 for FY 2009. For FY 2010 going forward, the appropriation to the account will amount to \$227,400.

Funding Detail

DNA Specimen Account					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	267,500	(40,100)	227,400	227,400	
General Fund, One-time		20,000	20,000		(20,000)
Total	\$267,500	(\$20,100)	\$247,400	\$227,400	(\$20,000)
Line Items					
GFR - DNA Specimen Account	267,500	(20,100)	247,400	227,400	(20,000)
Total	\$267,500	(\$20,100)	\$247,400	\$227,400	(\$20,000)

Courts

The Utah State Court System consists of the Supreme Court, the Courts of Appeals, the District Courts, and the Juvenile Courts. The state trial courts (District and Juvenile) are organized into eight Judicial Districts. These courts are primarily funded and operated by the state. Justice Courts are primarily funded and operated by local governments under standards established by the state.

Legislative Action

Current Expense/Travel: In the September 2008 Special Session, the Legislature reduced travel and current expense by \$1,407,500 with a one-time add-back of \$1,236,600 in FY 2009.

Child and Family Protection/Legal Aid: The Legislature reduced \$5,000 of funding for family legal aid with a one-time add-back in FY 2009 in the September 2008 Special Session.

Youth Probation Office: Lawmakers reduced funding for the Orem Youth Probation office by \$54,000 with a one-time add-back of \$54,000 in FY 2009.

Discretionary Reductions: The Legislature reduced \$2,085,100 in the September 2008 Special Session. The Legislature reduced \$8,252,100 with a one-time add-back of \$4,851,600 in FY 2009. For FY 2010, the Legislature made a net increase of \$5,352,500 with a one-time add-back of \$2,575,600 -

these adjustments include **S.B. 176, “Civil Fees in Small Claims Courts Amendments”**, **S.B. 184, “Civil Filing Fees”**, and **H.B. 455 “Court Security Restricted Account”**.

Drug Offender Reform Act (DORA): The Legislature appropriated \$55,000 of one-time funds for the sentencing of drug offenders in FY 2010.

Drug Courts: The Legislature adjusted funding for the Drug Courts by reducing \$159,100 in General Funds and increasing Tobacco Settlement Funds by \$159,100 in FY 2010.

Leases/Administration: The Legislature moved \$2,800,000 from the Contract/Leases line item to the Administration line item (in conjunction with **H.B. 455, “Court Security Restricted Account”**) in FY 2010.

Restricted Funds: The Legislature increased the limit on various restricted funds. Increases include \$300,000 for the Justice Court Technology Fund and \$500,000 for the Non-judicial Assessment Fund for 2009 in the September 2008 Special Session. Additional FY 2009 increases consist of \$525,000 for the Court Trust Interest Account, \$300,000 for the State Court Complex Account, \$125,000 for the Children’s Legal Defense Account, and \$50,000 for the Substance Abuse Prevention Account.

Contracts/Leases: The Legislature reduced one-time funds by \$179,600 in the September 2008 Special Session for FY 2009. The Legislature reduced \$425,000 in ongoing funds for FY 2009.

Guardian ad Litem: Lawmakers reduced \$50,000 in one-time funds in the September 2008 Special session in FY 2009.

Alternative Dispute Resolution Account: Lawmakers increased the limit on this account by \$100,000 for FY 2010.

Online Court Assistance Account: The Legislature increased limits on this restricted account by \$100,000 one-time in FY 2009 and \$76,000 for FY 2010.

The Legislature approved the following bills that will impact the courts through increased workload increases in FY 2010:

H.B. 29 “Sex Offenders’ Contact With Children”	\$25,000
H.B. 136 “Sex Offender Definition Amendment”	\$18,200
H.B. 151 “Motor Vehicle Forfeiture Amendments”	\$3,500
H.B. 290 “Prohibition of Wireless Communication”	\$4,400
S.B. 28 “Prohibited Activities of Gang Offenders”	\$25,000
S.B. 91 “Electronic Communication Harassment Amendment”	\$52,600
S.B. 183 “Violation of Protective Order”	\$12,400

The following bills increase revenue which the Legislature appropriated to the Courts (previously mentioned) with one-time amounts beginning in FY 2009 and with ongoing amounts beginning in FY 2010:

H.B. 455 “Court Security Restricted Account”	\$2,800,000 ongoing \$350,000 one-time
S.B. 176 “Civil Fees in Small Claims Courts Amendments”	\$492,900 ongoing \$61,600 one-time
S.B. 184 “Civil Filing Fees”	\$11,300,000 ongoing \$1,412,500 one-time

Intent Language

The Legislature approved nonlapsing authority for the Courts. The Legislature also provided that the Courts “may terminate” funding for two lease agreements – the Orem Youth Probation office and the Springville Probation office.

The Legislature maintained the salary for a District Judge at \$132,150.

Funding Detail

Judicial Council/State Court Administrator					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	117,575,600	(13,159,700)	104,415,900	107,723,700	3,307,800
General Fund, One-time	(217,300)	4,564,500	4,347,200	55,000	(4,292,200)
Federal Funds	166,600	(3,900)	162,700	166,700	4,000
Dedicated Credits Revenue	1,673,200	81,200	1,754,400	1,673,100	(81,300)
GFR - Alternative Dispute Resolution	317,500		317,500	417,500	100,000
GFR - Children's Legal Defense	685,600	125,000	810,600	810,800	200
GFR - Court Reporter Technology	250,000	(250,000)		250,000	250,000
GFR - Court Security Account	4,756,400	(50,000)	4,706,400	7,556,400	2,850,000
GFR - Court Trust Interest	250,000	525,000	775,000	775,000	
GFR - DNA Specimen	252,800		252,800	252,800	
GFR - Guardian Ad Litem Services	360,900		360,900	360,900	
GFR - Justice Court Tech. Sec. & Training	999,300	700,000	1,699,300	999,300	(700,000)
GFR - Non-Judicial Assessment	945,300	500,000	1,445,300	945,200	(500,100)
GFR - Online Court Assistance	75,000		75,000	251,000	176,000
GFR - State Court Complex	4,400,000	300,000	4,700,000	4,700,000	
GFR - Substance Abuse Prevention	452,400	50,000	502,400	502,400	
GFR - Tobacco Settlement	193,700		193,700	352,800	159,100
GFR - Transcriptions		250,000	250,000		(250,000)
Transfers - Commission on Criminal and Juvenile Justice	575,500	(81,300)	494,200	575,700	81,500
Transfers - Human Services	152,000	(152,000)		152,000	152,000
Transfers - Other Agencies	564,000	313,200	877,200	564,300	(312,900)
Transfers - Youth Corrections	178,500	(178,500)		178,500	178,500
Beginning Nonlapsing	(423,100)	2,107,800	1,684,700		(1,684,700)
Closing Nonlapsing	626,500	(130,600)	495,900		(495,900)
Total	\$134,810,400	(\$4,489,300)	\$130,321,100	\$129,263,100	(\$1,058,000)
Line Items					
Administration	104,903,800	(3,943,300)	100,960,500	102,518,400	1,557,900
Grand Jury	800		800	800	
Contracts and Leases	22,304,400	(743,100)	21,561,300	19,367,700	(2,193,600)
Jury and Witness Fees	1,748,300	141,400	1,889,700	1,534,900	(354,800)
Guardian ad Litem	5,853,100	55,700	5,908,800	5,841,300	(67,500)
Total	\$134,810,400	(\$4,489,300)	\$130,321,100	\$129,263,100	(\$1,058,000)
Budgeted FTE	1,268.2	(46.8)	1,221.4	1,279.6	58.2

Department of Corrections

The Department of Corrections is the adult correctional authority for the State of Utah and has the primary responsibility of community protection. To accomplish this goal, the Department develops and provides programs that seek to identify and control convicted offenders' inappropriate behavior and help convicted individuals learn to function as law-abiding citizens.

Special emphasis has been placed on offender re-entry programs as inmates return to the community. These offender re-entry programs combine the resources and efforts of the Departments of Corrections, Human Services, Workforce Services, Community Development, and private and local government organizations to reduce offender recidivism.

Legislative Action

Institutional Parole Office Closure: The Legislature eliminated all funding for the Institutional Parole Office, totaling \$1,484,400 with a one-time add-back of \$612,400 in FY 2009.

Administrative Services: The Legislature reduced internal administrative services by \$238,700 in FY 2009 in the September 2008 Special Session.

Jail Reimbursement: The Legislature eliminated \$3,852,600 (\$852,600 of this in the September 2008 Special Session) of FY 2009 Jail Reimbursement funding (with a one-time add-back of \$3,000,000). For FY 2010, the Legislature eliminated the remaining \$5,753,300 (with a one-time add-back of \$6,500,000 of one-time funding). In addition, this program was moved from Corrections to the Department of Finance.

Jail Contracting: The Legislature reduced FY 2009 funding in the amount of \$1,801,400 in the September 2008 Special Session with a net \$721,000 one-time add-back. For FY 2010, the Legislature reduced one-time funds of \$2,500,000.

Workforce Services Contract: The Legislature eliminated funding for a contract with the Department of Workforce Services totaling \$414,000 during the September 2008 Special Session.

Treatment Programming: The Legislature reduced \$1,233,000 of funding for treatment programs for offenders in the September 2008 Special Session for FY 2009.

Training: The Legislature reduced officer training by \$79,200 in the September 2008 Special Session.

Inmate Placement: The Legislature reduced \$81,100 of funding for transitional offender services in the September 2008 Special Session for FY 2009.

Prison Operations: The Legislature reduced \$337,800 of funding for operations at the Gunnison prison and \$1,502,700 at

the Draper prison in the September 2008 Special Session for FY 2009.

Current Expense: The Legislature reduced \$568,200 of funding for current expense and \$500,000 for administration costs in the September 2008 Special Session for FY 2009.

Adult Probation and Parole Contract Elimination: The Legislature eliminated funding for a food services contract totaling \$500,000 (with a one-time add-back of \$250,000 in FY 2009).

Pre-funded Operations and Maintenance: The Legislature eliminated pre-funded Operations and Maintenance of \$327,500 for a planned Corrections Facility that was canceled (\$327,500 in one-time funding was added back in FY 2009).

Drug Offender Reform Act Pilot Project (DORA): The Legislature adjusted funding for DORA – reducing \$3,207,100 of funding with a one-time add-back of \$2,806,200 in FY 2009. For FY 2010, the Legislature reduced an additional \$212,400 with \$948,000 in one-time funds.

Upper Rank Corrections Officers: The Legislature reduced funding for 22 upper ranking corrections officers totaling \$1,500,000 (with a one-time add-back of \$1,225,000 in FY 2009).

Diagnostic Center: The Legislature eliminated \$427,400 of funding for the Diagnostic Center which is an assessment center used by the Courts to determine offender risk levels. In addition, this action moved \$750,000 of restricted funds from Corrections to CCJJ for FY 2010.

Transition Center: The Legislature eliminated \$1,241,800 of funding for the transition center which provides life skills and other services for certain offenders for FY 2010.

Private Parole Violator Center: The Legislature reduced \$5,733,000 of one-time funding in FY 2009 in the September 2008 Special Session and the remaining \$1,910,900 during the General Session. Also, an additional \$6,000,000 in one-time funds in FY 2010 was reduced due to delayed site identification.

Medical/Operations: In FY 2009, the Legislature moved \$2,400,000 (one-time) from the Programs and Operations line item to the Medical Services line item.

Nonlapsing Balances: The Legislature reduced nonlapsing balances by an additional \$1,104,200 in FY 2009 during the September Special Session.

Bills with Fiscal Impact:

H.B. 29, “Sex Offenders’ Contact with Children” increases dedicated credits by \$29,000 to the courts.

H.B. 220, “State Payment and Reimbursement to County Correctional Facilities” moves \$55,000 from the Department of Corrections to the Commission on Criminal and Juvenile Justice (CCJJ) for programs being transferred in FY 2010.

H.B. 100, “Department of Corrections - Tracking and Reimbursement of Individual Prisoner Costs” provides \$1,500,000 from the Prison Telephone Surcharge Account for prisoner education costs in FY 2010.

Intent Language

The Legislature approved nonlapsing status for the Department of Corrections and designated the final state daily incarceration rate at \$64.29.

Funding Detail

Utah Department of Corrections					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	262,274,700	(17,627,700)	244,647,000	236,718,900	(7,928,100)
General Fund, One-time	3,681,100	(5,634,600)	(1,953,500)	(5,052,000)	(3,098,500)
Federal Funds	390,000	300,000	690,000	390,000	(300,000)
Dedicated Credits Revenue	26,397,100	86,300	26,483,400	27,412,800	929,400
GFR - DNA Specimen	515,000		515,000	515,000	
GFR - Interstate Cmpt for Adult Offender Sup.	29,000		29,000		
GFR - Prison Telephone Surcharge Account				1,500,000	1,500,000
GFR - Tobacco Settlement	81,700		81,700	81,700	
Crime Victims Reparation Trust	750,000		750,000		(750,000)
Transfers - Commission on Criminal and Juvenile Justice	13,500	50,000	63,500		(63,500)
Transfers - Other Agencies	192,600	14,700	207,300	207,300	
Beginning Nonlapsing	100,000	9,890,700	9,990,700		(9,990,700)
Closing Nonlapsing	(100,000)	50,000	(50,000)	(350,000)	(300,000)
Total	\$294,324,700	(\$12,870,600)	\$281,454,100	\$261,452,700	(\$20,001,400)
Line Items					
Corrections Programs & Operations	216,037,900	(13,506,100)	202,531,800	197,916,800	(4,615,000)
Department Medical Services	20,703,700	2,789,200	23,492,900	20,714,900	(2,778,000)
Utah Correctional Industries	22,000,600		22,000,600	22,645,800	645,200
Jail Contracting	23,976,600	(1,301,100)	22,675,500	20,175,200	(2,500,300)
Jail Reimbursement	11,605,900	(852,600)	10,753,300		(10,753,300)
Total	\$294,324,700	(\$12,870,600)	\$281,454,100	\$261,452,700	(\$20,001,400)
Budgeted FTE	2,543.5	(101.7)	2,441.8	2,426.3	(15.5)

Board of Pardons and Parole

The Utah Board of Pardons and Parole supervises the release of all inmates in Utah correctional facilities. The Board reviews an inmate's performance during incarceration, and determines when, and under what conditions, the inmate will be released after serving the minimum sentence requirements. In addition, the Board reviews violations of release conditions and determines whether an inmate should be returned to prison. The Board of Pardons and Parole plays a critical role in reducing the number of inmates at the State Prison.

Legislative Action

Staff Reduction: The Legislature reduced \$86,900 from the Drug Board for personnel and other reductions, with a one-time restoration of \$86,900 in FY 2009.

Hiring Freeze Savings: The Legislature reduced \$69,500 from one-time turnover savings in FY 2009.

Current Expense: The Legislature reduced \$50,000 (one-time) for current expense in the September Special Session for FY 2009.

Transportation: The Legislature reduced \$70,000 in one-time funds for transportation expenses in the September 2008 Special Session for FY 2009.

Intent Language

The Legislature granted nonlapsing authority to the Board of Pardons and Parole.

Funding Detail

Board of Pardons and Parole					
	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Sources of Finance					
General Fund	3,783,400	(86,900)	3,696,500	3,729,500	33,000
General Fund, One-time	69,500	(102,600)	(33,100)		33,100
Dedicated Credits Revenue	2,200		2,200	2,200	
GFR - Tobacco Settlement	77,400		77,400	77,400	
Beginning Nonlapsing		151,700	151,700		(151,700)
Total	\$3,932,500	(\$37,800)	\$3,894,700	\$3,809,100	(\$85,600)
Line Items					
Board Of Pardons and Parole	3,932,500	(37,800)	3,894,700	3,809,100	(85,600)
Total	\$3,932,500	(\$37,800)	\$3,894,700	\$3,809,100	(\$85,600)
Budgeted FTE	37.3	(1.5)	35.8	36.1	0.3

Division of Juvenile Justice Services

The Division of Juvenile Justice Services (DJJS) is responsible for delinquent youth offenders referred by the State's Juvenile Courts. In addition, the Division operates receiving centers and detention facilities that deal with pre-adjudicated youth. The Division is part of the Department of Human Services.

Legislative Action

Receiving Centers: The Legislature reduced \$419,000 of funding with a one-time add-back of \$627,900 in the September 2008 Special Session for FY 2009. In the General Session, lawmakers reduced FY 2010 funding of \$4,079,200 with a one-

time add-back of \$4,079,200 for urban and rural receiving centers where youth offenders are taken on a short-term basis pre-trial.

State Supervision: The Legislature reduced funding of \$1,177,000 (with a one-time add-back of \$677,000 in FY 2009) in the September 2008 Special Session. The Legislature reduced an additional \$413,700 with a one-time add-back of \$80,000 in FY 2009. The Legislature reduced \$579,000 in FY 2010 for State Supervision which is a sentencing option for the Courts for youth offenders.

Residential Placements: The Legislature reduced funding for residential placements for troubled youth by \$790,600 and corresponding federal funds of \$700,500 in the September 2008 Special Session in FY 2009.

Millcreek Unit Closure: The Legislature reduced funding in FY 2009 by \$627,900 for a unit at Millcreek detention facility in the September 2008 Special Session.

Reflections Program: The Legislature eliminated FY 2009 funding of \$520,000 for the Reflections program for female youth offenders in the September Special Session.

Administrative Reductions: The Legislature reduced \$85,800 from the Division's budget for general administrative cuts in the September 2008 Special Session.

Sex Offender Assessment Contract Elimination: Lawmakers eliminated \$597,100 (with an additional \$501,500 of matching federal funds) of funding for a private provider to assess juvenile sex offenders in FY 2009.

Direct Care Staff Reduction: The Legislature reduced \$131,700 with a one-time add-back of \$79,000 in FY2009. An additional \$184,300 was reduced in FY 2010 for clinical services including mental health and substance abuse for juvenile offenders.

Housing Unit Closure: The Legislature eliminated \$450,000 of funding for a housing unit with a one-time add-back

of \$450,000 in FY 2010 at a long-term lockup facility for juveniles.

Diversion Program: The Legislature eliminated FY 2009 funding of \$404,200, but added back \$242,500 in one-time funds. In FY 2010 the Legislature reduced \$565,800 with a one-time add-back of \$300,000 from the program that diverts youth offenders from residing in a detention facility pre-trial.

Transitional Services: The Legislature reduced \$485,400 with a \$291,200 one-time add-back in FY 2009 for re-entry services for secured youth offenders. An additional \$379,600 was reduced for FY 2010.

Nonlapsing Funds: The Legislature reduced one-time funds of \$625,000 in the September 2008 Special Session in FY 2009.

Hiring Freeze: The Legislature reduced \$306,800 in one-time turnover savings in FY 2010.

Federal Medical Assistance Percentage (FMAP) Rate Change: The Legislature was able to reduce \$102,000 of state funds because of the higher reimbursement rate in Federal Funds in FY 2010.

American Recovery and Reinvestment Act (ARRA) funds: The Legislature replaced \$1,263,600 of General Funds with an equivalent amount of ARRA funds in FY 2009. The Legislature replaced an additional \$1,391,800 of General Funds with ARRA funds in FY 2010.

Intent Language

The Legislature approved nonlapsing authority for the Division of Juvenile Justice Services (DJJS).

Funding Detail

Department of Human Services - Division of Juvenile Justice Services					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	90,544,200	(5,652,400)	84,891,800	78,581,100	(6,310,700)
General Fund, One-time		(629,300)	(629,300)	3,521,900	4,151,200
Federal Funds	2,273,600	(1,202,000)	1,071,600	1,498,200	426,600
American Recovery and Reinvestment Act		1,130,600	1,130,600	1,391,800	261,200
Dedicated Credits Revenue	2,880,300		2,880,300	2,909,900	29,600
Transfers - Child Nutrition	1,008,300		1,008,300	967,900	(40,400)
Transfers - Commission on Criminal and Juvenile Justice	450,500		450,500	414,100	(36,400)
Transfers - Medicaid	15,679,200		15,679,200	13,786,000	(1,893,200)
Transfers - Other Agencies	6,000		6,000		(6,000)
Transfers - Within Agency	(56,400)		(56,400)	116,700	173,100
Total	\$112,785,700	(\$6,353,100)	\$106,432,600	\$103,187,600	(\$3,245,000)
Line Items					
Programs and Operations	112,785,700	(6,353,100)	106,432,600	103,187,600	(3,245,000)
Total	\$112,785,700	(\$6,353,100)	\$106,432,600	\$103,187,600	(\$3,245,000)
Budgeted FTE	1,007.4	(19.6)	987.9	975.9	(12.0)

Funding Detail

Executive Offices & Criminal Justice Appropriations Subcommittee					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	589,778,550	(47,690,600)	542,087,950	527,521,850	(14,566,100)
General Fund, One-time	3,292,700	3,314,000	6,606,700	3,319,600	(3,287,100)
Transportation Fund	5,495,500		5,495,500	5,495,500	
Federal Funds	64,593,900	(1,234,500)	63,359,400	64,994,200	1,634,800
American Recovery and Reinvestment Act		19,521,600	19,521,600	12,700,600	(6,821,000)
Dedicated Credits Revenue	59,462,600	2,320,100	61,782,700	66,255,800	4,473,100
GFR - Alternative Dispute Resolution	317,500		317,500	417,500	100,000
GFR - Children's Legal Defense	685,600	125,000	810,600	810,800	200
GFR - Court Reporter Technology	250,000	(250,000)		250,000	250,000
GFR - Court Security Account	4,756,400	(50,000)	4,706,400	7,556,400	2,850,000
GFR - Court Trust Interest	250,000	525,000	775,000	775,000	
GFR - Criminal Forfeiture Restricted Account	500,000		500,000	500,000	
GFR - Domestic Violence	78,300		78,300	78,300	
GFR - DNA Specimen	1,455,900		1,455,900	1,455,900	
GFR - E-911 Emergency Services	3,900,000		3,900,000	3,900,000	
GFR - Environmental Quality	200,000		200,000		(200,000)
GFR - Fire Academy Support	5,273,800	75,000	5,348,800	5,565,900	217,100
GFR - Guardian Ad Litem Services	360,900		360,900	360,900	
GFR - Interstate Cmpet for Adult Offender Sup.	29,000		29,000	29,000	
GFR - Justice Court Tech, Sec. & Training	999,300	700,000	1,699,300	999,300	(700,000)
GFR - Law Enforcement Operations	2,370,000		2,370,000	2,370,000	
GFR - Non-Judicial Assessment	945,300	500,000	1,445,300	945,200	(500,100)
GFR - Nuclear Oversight	1,793,300		1,793,300	1,793,300	
GFR - Online Court Assistance	75,000		75,000	251,000	176,000
GFR - Prison Telephone Surcharge Account				1,500,000	1,500,000
GFR - Public Safety Support	4,409,900		4,409,900	4,179,600	(230,300)
GFR - State Court Complex	4,400,000	300,000	4,700,000	4,700,000	
GFR - Statewide Warrant Ops	644,000		644,000	612,500	(31,500)
GFR - Substance Abuse Prevention	452,400	50,000	502,400	502,400	
GFR - Tobacco Settlement	628,000		628,000	787,200	159,200
GFR - Transcriptions		250,000	250,000		(250,000)
TFR - Motorcycle Education	372,300		372,300	324,400	(47,900)
TFR - Dept. of Public Safety Rest. Acct.	26,465,600		26,465,600	27,232,000	766,400
TFR - Uninsured Motorist I.D.	2,360,100		2,360,100	2,360,100	
Attorney General Litigation Fund	335,400		335,400	335,300	(100)
Crime Victims Reparation Trust	4,472,000		4,472,000	3,727,900	(744,100)
Unclaimed Property Trust	1,403,800	61,500	1,465,300	1,405,600	(59,700)
Transfers		2,800	2,800		(2,800)
Transfers - Child Nutrition	1,008,300		1,008,300	967,900	(40,400)
Transfers - Commission on Criminal and Juvenile Justice	1,924,100	128,900	2,053,000	1,957,600	(95,400)
Transfers - Federal		358,100	358,100		(358,100)
Transfers - Human Services	152,000	(152,000)		152,000	152,000
Transfers - Medicaid	15,679,200		15,679,200	13,786,000	(1,893,200)
Transfers - Other Agencies	1,267,900	222,300	1,490,200	1,529,400	39,200
Transfers - Within Agency	168,600	(225,000)	(56,400)	316,700	373,100
Transfers - Youth Corrections	178,500	(178,500)		178,500	178,500
Pass-through	40,200	1,713,900	1,754,100	1,754,100	
Beginning Nonlapsing	1,152,600	45,780,200	46,932,800	5,194,600	(41,738,200)
Closing Nonlapsing	426,500	(937,000)	(510,500)	(3,141,500)	(2,631,000)
Lapsing Balance	(1,798,300)	(624,500)	(2,422,800)	(1,793,300)	629,500
Total	\$813,006,650	\$24,606,300	\$837,612,950	\$776,915,050	(\$60,697,900)
Agencies					
Governor's Office	26,854,200	22,027,100	48,881,300	38,432,700	(10,448,600)
State Auditor	5,230,000	(41,300)	5,188,700	4,996,900	(191,800)
State Treasurer	2,809,000	500,300	3,309,300	2,832,800	(476,500)
Attorney General	51,513,150	545,100	52,058,250	49,788,550	(2,269,700)
Corrections	294,324,700	(12,870,600)	281,454,100	261,452,700	(20,001,400)
Board of Pardons and Parole	3,932,500	(37,800)	3,894,700	3,809,100	(85,600)
Juvenile Justice Services	112,785,700	(6,353,100)	106,432,600	103,187,600	(3,245,000)
Courts	134,810,400	(4,489,300)	130,321,100	129,263,100	(1,058,000)
Public Safety	180,479,500	25,346,000	205,825,500	182,924,200	(22,901,300)
Restricted Revenue - EOJC	267,500	(20,100)	247,400	227,400	(20,000)
Total	\$813,006,650	\$24,606,300	\$837,612,950	\$776,915,050	(\$60,697,900)
Budgeted FTE	6,606.0	(43.2)	6,562.8	6,583.9	21.1

Capital Facilities and Government Operations

Subcommittee Overview

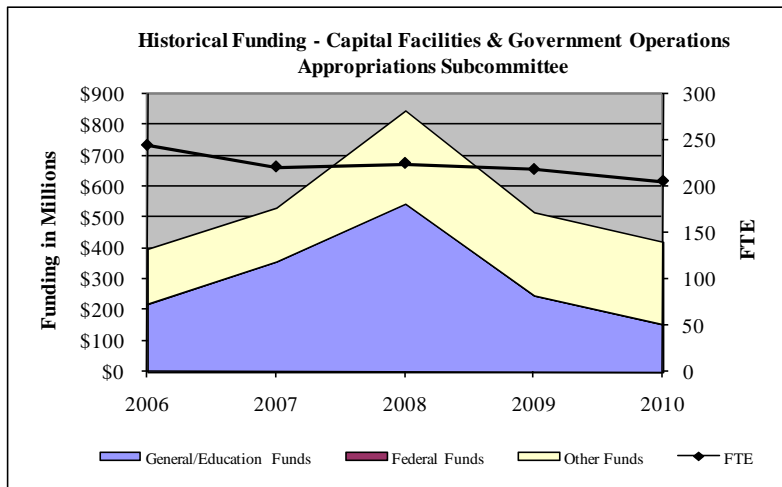
The Capital Facilities and Government Operations (CFGO) Appropriation Subcommittee oversees budgets for seven principal areas of state government:

- Capitol Preservation Board
- Career Service Review Board
- Department of Administrative Services
- Department of Human Resource Management
- Department of Technology Services
- Capital Facilities
- Debt Service

When all oversight areas are totaled, the Legislature appropriated a total of \$519.4 million with \$247.4 million from state funds to the CFGO subcommittee for FY 2009. For FY 2010, the Legislature authorized subcommittee budget levels totaling \$423.1 million with \$153.8 million in state funds. Operating budgets account for only 16.5 percent of the total FY 2010 state funds appropriation to the subcommittee. Of the remaining state fund appropriations, 13.1 percent funds capital facilities and 70.4 percent funds debt service.

The subcommittee also approves budgets for statewide internal service funds operated by the Department of Administrative Services, the Department of Human Resource Management, and the Department of Technology Services. These internal service funds anticipate collecting \$307 million in revenues for services provided in FY 2010.

The Legislature authorized a total of \$115 million in general obligation bonds for new facility capital development projects. A list of each approved capital item is provided later in this chapter. Legislators appropriated \$55.7 million for capital improvements on existing facilities—a decrease of \$27.2 million compared to the original FY 2009 appropriation.



Capitol Preservation Board

The Capitol Preservation Board (CPB) manages all functions associated with Capitol Hill facilities and grounds. This includes the restoration of the Capitol building, the remodel of the East and West buildings, and the day-to-day operations of all buildings on Capitol Hill. The CPB also manages the visitor services program and coordinates exhibits for display in the Capitol building.

The CPB director contracts with the Division of Facilities, Construction and Management (DFCM) for janitorial, maintenance, utilities, and risk management.

Legislative Action

The CPB employs nine FTEs and has a budget of \$4,385,400 for FY 2010. Of the CPB's FY 2010 operating budget, approximately \$3.4 million pays for DFCM contracted services. The Legislature took the following action on the CPB's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$116,200 during the 2008 Special Session

- reduced the FY 2009 budget by \$146,500 during the 2009 General Session
- reduced the FY 2010 budget by \$572,900
- appropriated \$466,400 (one-time) in FY 2010 to offset reductions to DFCM contracted maintenance services
- appropriated \$661,800 of dedicated credits for the Capitol Hill gift store, rental of rooms on Capitol Hill, and other miscellaneous fees

Funding Detail

Capitol Preservation Board					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	3,975,300	(436,400)	3,538,900	3,257,200	(281,700)
General Fund, One-time		173,700	173,700	466,400	292,700
Dedicated Credits Revenue	537,000		537,000	661,800	124,800
Beginning Nonlapsing	66,200	58,700	124,900		(124,900)
Total	\$4,564,300	(\$189,800)	\$4,374,500	\$4,385,400	\$10,900
Line Items					
Capitol Preservation Board	4,564,300	(189,800)	4,374,500	4,385,400	10,900
Total	\$4,564,300	(\$189,800)	\$4,374,500	\$4,385,400	\$10,900
Budgeted FTE	4.50	4.50	9.00	9.00	0.00

Career Service Review Board

The Career Service Review Board (CSRB) manages the state's grievance and appeals process.

Legislative Action

The CSRB employs two FTEs and has a budget of \$227,500 for FY 2010. The Legislature took the following action on the CSRB's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$7,200 during the 2008 Special Session
- reduced the FY 2009 budget by \$2,500 during the 2009 General Session
- reduced the FY 2010 budget by \$5,000

Funding Detail

Career Service Review Board					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	239,700	(12,200)	227,500	227,500	
General Fund, One-time		2,500	2,500		(2,500)
Beginning Nonlapsing		5,000	5,000		(5,000)
Total	\$239,700	(\$4,700)	\$235,000	\$227,500	(\$7,500)
Line Items					
Career Service Review Board	239,700	(4,700)	235,000	227,500	(7,500)
Total	\$239,700	(\$4,700)	\$235,000	\$227,500	(\$7,500)
Budgeted FTE	2.00	0.00	2.00	2.00	0.00

Department of Administrative Services

The Department of Administrative Services (DAS) is divided into two central service components. The first is an appropriated component responsible for coordinating the statewide financial system, administration of rules and archival materials, overseeing construction projects, and managing statewide purchasing. The second component is made up of centralized internal service funds that consolidate common statewide functions such as mail services, fleet operations, facility maintenance, and risk management.

DAS Appropriated Divisions

The appropriated component of DAS consists of six divisions:

- Executive Director's Office (EDO)
- Administrative Rules
- Facilities Construction and Management (DFCM)
- State Archives
- Finance
- Purchasing

Other line items within the DAS appropriated component include the Post Conviction Indigent Defense Fund, Judicial Conduct Commission, and the Finance – Mandated line item. The Finance – Mandated line item allows the Legislature to set aside

funds for specific projects such as economic development zone rebates. The Division of Finance does not manage these programs but controls the funds as mandated by the Legislature.

Executive Director's Office (EDO): The EDO provides the department's management, budget direction, strategic planning, organizational development, and public relations. The EDO also oversees the state's Child Welfare Parental Defense Contract (CWPDC) to assist indigent parents and their defense attorneys. The EDO employs five FTEs and has a budget of \$750,400 for FY 2010.

The Legislature took the following action on the EDO's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$50,000 during the 2008 Special Session;
- reduced the FY 2010 budget by \$131,600;
- appropriated \$38,200 (one-time) in FY 2010 to offset some of the reductions.

Administrative Rules: The Division of Administrative Rules establishes procedures for administrative rule-making. Statutes require the division to register administrative rules, make them available to the public, publish summaries of proposed rules, and compile and codify all effective rules in the Utah Administrative Code. The division employs four FTEs with a budget of \$387,200 for FY 2010.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$12,300 during the 2008 Special Session;
- reduced the FY 2009 budget by \$8,700 during the General Session;
- reduced the FY 2010 budget by \$21,100;
- appropriated \$8,600 (one-time) in FY 2010 to offset some reductions.

Facilities Construction and Management: DFCM is responsible for the construction, remodeling, leasing, equipping, and space allocation of buildings for all state institutions and agencies. The division addresses the state's facilities maintenance

needs by administering capital improvement projects for existing buildings. The division will have approximately 43.75 FTEs and an operating budget of \$5,009,400 for FY 2010. Approximately \$1.9 million of the line item budget comes from capital improvement funds.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$1,098,300 during the 2008 Special Session;
- reduced the FY 2009 budget by \$99,000;
- reduced the FY 2010 budget by \$472,500;
- appropriated \$88,400 one-time in FY 2010 to offset some reductions.

Division of Archives: The Utah State Division of Archives is the depository for the official records of the state and its political subdivisions. It serves state government and the public by managing records created by the legislative, judicial, and executive branches of government. This includes the cataloging of vital records, storage of historical documents, and management of records created by the court system. The division will have approximately 24.0 FTEs and an operating budget of \$2,350,400 for FY 2010.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$78,500 during the 2008 Special Session;
- reduced the FY 2009 budget by \$172,300;
- reduced the FY 2010 budget by \$380,600;
- appropriated \$80,000 one-time in FY 2010 to offset some reductions.

Division of Finance: The Director of the Division of Finance is the state's chief fiscal officer and is responsible for state government's accounting structure. The division produces the Comprehensive Annual Financial Report, ensures compliance with generally accepted accounting principles, issues warrants to vendors, and manages the state payroll. The division will have

approximately 53.0 FTEs and an operating budget of \$10,269,600 for FY 2010.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget

- reduced the FY 2009 budget by \$215,600 during the 2008 Special Session;
- reduced the FY 2009 budget by \$448,100;
- reduced the FY 2010 budget by \$1,033,300;
- appropriated \$70,400 (one-time) in FY 2010 for a term-limited FTE to implement provisions of **S.B. 18 "Utah Transparency Advisory Board Amendments."**

Finance – Mandated: The Mandated line item within the Division of Finance consists of programs that may impact several agencies, or that may pose a conflict of interest to agency management. For these programs, the Legislature directs the Division of Finance to administer payment as intended for each appropriation. The Legislature appropriated the following items to the Finance Mandated line item in FY 2010:

- \$15,750,000 to the Land Exchange Distribution Account to distribute the state's share of mineral revenues from school and institutional trust lands to the counties;
- \$14,040,000 to the Economic Incentive Restricted Account;
- \$6,500,000 to Jail Reimbursement for a new program created by **H.B. 220 "State Payment and Reimbursement to County Correctional Facilities,"** which moves the responsibility to disburse county jail reimbursement funds from Corrections to the Division of Finance.

Additionally, during the General Session the Legislature reduced the LeRay McAllister Critical Land Conservation Fund by \$72,400. During in the May 2009 Special Session, the Legislature transferred responsibility and appropriations for the program from the Division of Finance to a new line item in the Governor's Office (as required by House Bill 291, "Budgetary Procedures Act Revisions").

Post Conviction Indigent Defense Fund: The Post-Conviction Indigent Defense Fund reimburses the legal costs incurred by the defense counsel of those persons convicted of a capital crime and sentenced to death who challenge the conviction. The fund operated on non-lapsing balances from FY 2002 until FY 2009 when the Legislature appropriated \$50,000 to the Fund. The \$50,000 appropriation was reduced to \$35,700 in FY 2010 and the total FY 2010 budget is \$66,700.

Judicial Conduct Commission: The Judicial Conduct Commission is a quasi-independent agency that investigates and resolves complaints against Utah judges. The division will have approximately 1.5 FTEs and an operating budget of \$228,000 for FY 2010.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$7,900 during the 2008 Special Session;
- reduced the FY 2009 budget by \$19,200;
- reduced the FY 2010 budget by \$38,500.

Division of Purchasing and General Services: The Division of Purchasing and General Services provides for the procurement of all supplies and services needed by the state. Local governments may also access the division's contracts. The division will have approximately 20.0 FTEs and an operating budget of \$1,573,500 for FY 2010.

The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$52,500 during the 2008 Special Session;
- reduced the FY 2009 budget by \$138,000;
- reduced the FY 2010 budget by \$256,000;
- appropriated \$80,000 (one-time) in FY 2010 to offset some of the reductions.

Funding Detail

Department of Administrative Services					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	17,006,800	(4,397,900)	12,608,900	11,877,200	(731,700)
General Fund, One-time	200,000	1,956,100	2,156,100	8,485,600	6,329,500
Transportation Fund	450,000		450,000	450,000	
Federal Funds	64,000	13,000	77,000	77,000	
Dedicated Credits Revenue	2,457,000	(235,100)	2,221,900	2,217,300	(4,600)
GFR - Economic Incentive Restricted A	15,480,000		15,480,000	14,040,000	(1,440,000)
GFR - ISF Overhead	1,299,600		1,299,600	1,299,600	
GFR - Land Exchange Distribution Acc	14,400,000		14,400,000	15,750,000	1,350,000
Risk Management ISF	1,000,000		1,000,000		(1,000,000)
State Debt Collection Fund	267,000		267,000		(267,000)
Capital Projects Fund	1,945,200		1,945,200	1,950,500	5,300
Project Reserve Fund	200,000		200,000	200,000	
Contingency Reserve Fund	82,300	1,000,000	1,082,300	82,300	(1,000,000)
Beginning Nonlapsing	2,506,800	215,900	2,722,700	871,400	(1,851,300)
Closing Nonlapsing	(402,000)	(469,400)	(871,400)	(375,700)	495,700
Total	\$56,956,700	(\$1,917,400)	\$55,039,300	\$56,925,200	\$1,885,900
Line Items					
Executive Director	997,300	(13,200)	984,100	750,400	(233,700)
Administrative Rules	410,200	(8,600)	401,600	387,200	(14,400)
DFCM Administration	6,002,100	(577,000)	5,425,100	5,009,400	(415,700)
State Archives	2,812,300	(315,200)	2,497,100	2,350,400	(146,700)
Finance Administration	12,116,100	(786,500)	11,329,600	10,269,600	(1,060,000)
Finance - Mandated	32,362,600	(36,200)	32,326,400	36,290,000	3,963,600
Post Conviction Indigent Defense	124,000	(53,600)	70,400	66,700	(3,700)
Judicial Conduct Commission	264,300	(17,500)	246,800	228,000	(18,800)
Purchasing	1,867,800	(109,600)	1,758,200	1,573,500	(184,700)
Total	\$56,956,700	(\$1,917,400)	\$55,039,300	\$56,925,200	\$1,885,900
Budgeted FTE	171.00	(10.25)	160.75	151.25	(9.50)

DAS Internal Service Funds

In addition to the appropriated divisions, DAS manages other divisions that function as internal service funds (ISF). These divisions provide goods and services based on legislatively approved rates and are mandated to operate in the manner of a private sector enterprise except in regard to profit. As “vendors” to state agencies, ISFs are designed to recover only the costs associated with providing the service. ISF revenue is derived from rates charged to other agencies. The Department of Administrative Services has four ISF divisions:

- Purchasing and General Services
- Fleet Operations
- Risk Management
- Facilities, Construction and Management (DFCM)

In all, the department's ISFs are expected to generate \$162.8 million in revenue, employ 257.5 FTEs, and use \$24.8 million of capital outlay in FY 2010.

Division of Purchasing and General Services: The ISF portion of this division includes a central mail operation, electronic purchasing, and print services. The mail operation offers form, folding, and special mailer services. Electronic purchasing cards allow agencies to order office supplies online. The division privatized the print services function, but continues to manage the contract as well as copiers leased to agencies. Rates remained unchanged for FY 2010. Total authorized revenues for FY 2010 are \$16,403,700 with 52.5 FTEs and capital outlay of \$2,679,700.

Division of Fleet Operations: The Division of Fleet Operations handles the state central motor pool, the state fuel network, and the Surplus Property Program. The Legislature authorized the following:

- A reduction of \$1.8 million in the vehicle lease rate due to extending the lifecycle of vehicles from 90,000 miles to 105,000 miles;
- \$2,115,000 in additional capital outlay authority in FY 2009 and \$1,870,000 in FY 2010 to enable the division to purchase hybrid and compressed natural gas (CNG) vehicles;
- \$500,000 in additional capital outlay authority in FY 2010 to enable the division to upgrade several CNG sites and install additional dispensers to meet increasing demand;
- \$1.5 million in additional capital outlay authority in FY 2010 if the division receives federal stimulus money to expand CNG fuel sites along the Wasatch Front;
- Reduction in retained earnings of \$3 million (\$2.25 million of which was returned to the General Fund).

Total approved revenues for FY 2010 are \$78,311,500 with 38 FTEs and capital outlay of \$21,954,800.

Division of Risk Management: As the state's risk manager, the division provides liability, property and auto physical damage coverage to state agencies, school districts, charter

schools, and higher education. The liability insurance and auto physical damage programs are entirely self-funded and the property insurance program is self-funded up to a \$3.5 million deductible. A private carrier provides coverage beyond the aggregated deductible amount. For FY 2010, the Legislature authorized the following:

- minor changes for some state agencies' liability rates;
- increases in property rates, building replacement values, and new insured buildings of \$1 million statewide;
- change from approval of property insurance premiums to approval of property insurance rates;
- decrease in Workers' Compensation rates of \$1 million;
- reduction in retained earnings of \$6 million (\$4.5 million of which was returned to the General Fund).

In total, the Legislature authorized \$39,612,800 in revenues, 26 FTEs, and capital outlay of \$100,000.

Division of Facilities Construction and Management:

The ISF portion of this division provides building management throughout the state to subscribing agencies. Included in this budget are building expenses such as utilities, janitorial, garbage collection, and security. DFCM also evaluates preventive maintenance programs by conducting building assessments for state-owned buildings and college facilities. The Legislature authorized the following:

- new rates and rate adjustments in FY 2010 for three new programs (St. George Courthouse, Salt Lake Multi-agency building, and new liquor stores) totaling \$585,100;
- rate increases in FY 2010 to twenty buildings due to increased utility and maintenance costs totaling \$744,400;
- intent language allowing more FTEs if additional customers come on line before the next legislative session;
- intent language allowing the addition of a vehicle for maintenance responsibilities for the Utah Navajo Royalties Fund;
- reduction in rates for the maintenance of Capital Hill (see Capital Preservation Board section).

Total approved revenues for FY 2010 are \$28,505,500 with 141 FTEs and capital outlay of \$62,500.

Funding Detail

ISF - Administrative Services					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
Premiums	27,048,600		27,048,600	29,342,800	2,294,200
Interest Income	3,611,700	(1,151,700)	2,460,000	2,423,000	(37,000)
Dedicated Credits - Intragvt Rev	104,092,300	12,543,500	116,635,800	123,220,700	6,584,900
Restricted Revenue	7,732,000	(259,000)	7,473,000	7,847,000	374,000
Total	\$142,484,600	\$11,132,800	\$153,617,400	\$162,833,500	\$9,216,100
Line Items					
ISF - Purchasing & General Services	14,233,000	1,814,700	16,047,700	16,403,700	356,000
ISF - Fleet Operations	63,506,500	9,870,600	73,377,100	78,311,500	4,934,400
ISF - Risk Management	38,392,300	(1,410,700)	36,981,600	39,612,800	2,631,200
ISF - Facilities Management	26,352,800	858,200	27,211,000	28,505,500	1,294,500
Total	\$142,484,600	\$11,132,800	\$153,617,400	\$162,833,500	\$9,216,100
FTE and Other Data					
Budgeted FTE	259.51		259.51	257.49	(2.02)
Authorized Capital Outlay	17,843,800	6,236,900	24,080,700	24,797,000	716,300
Retained Earnings	16,716,900	4,042,500	20,759,400	18,214,000	(2,545,400)
Vehicles	140	(18)	122	122	

Department of Human Resource Management

The Department of Human Resource Management (DHRM) is the central human resource office for the state's workforce. The department is responsible for recruitment, training, classification, and the compensation system. The department has an appropriated component for its administration and an internal service fund component for field operations.

DHRM Appropriated

Legislative Action

DHRM employs 24.5 FTEs and has a budget of \$3,553,600 for FY 2010. The Legislature took the following action on DHRM's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$114,700 during the 2008 Special Session;
- reduced the FY 2009 budget by \$105,000;
- reduced the FY 2010 budget by \$551,100;

- appropriated \$80,000 (one-time) in FY 2010 to offset some of the reductions.

Funding Detail

Department of Human Resource Management					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	3,822,600	(426,800)	3,395,800	3,073,600	(322,200)
General Fund, One-time		207,100	207,100	80,000	(127,100)
Dedicated Credits Revenue	400,000		400,000	400,000	
Beginning Nonlapsing		512,800	512,800		(512,800)
Total	\$4,222,600	\$293,100	\$4,515,700	\$3,553,600	(\$962,100)
Line Items					
Human Resource Management	4,222,600	293,100	4,515,700	3,553,600	(962,100)
Total	\$4,222,600	\$293,100	\$4,515,700	\$3,553,600	(\$962,100)
Budgeted FTE	28.00	(2.00)	26.00	24.50	(1.50)

DHRM Internal Service Fund

The DHRM Internal Service Fund (ISF) consists of two programs:

- Field Services
- Payroll Field Services

Legislative Action

Field Services personnel work for DHRM but are physically located at the agencies they serve. Rates charged to each agency are based on the number of FTEs in the agency. Payroll Field Services are optional for agencies who wish to use them. The Legislature approved a six percent rate decrease in FY 2010 to the Field Services rate and a 35 percent rate decrease in FY 2010 to the Payroll Field Services rate. These rate reductions translate into a decrease of \$876,700 to state agencies. Total approved revenues for FY 2010 are \$11,914,500 with 158 FTEs and \$75,000 of capital outlay.

Funding Detail

ISF - Human Resource Management					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Dedicated Credits - Intragvt Rev	12,903,300	(112,000)	12,791,300	11,914,500	(876,800)
Total	12,903,300	(112,000)	12,791,300	11,914,500	(876,800)
Programs					
Field Services	11,993,200	(95,400)	11,897,800	11,329,000	(568,800)
Payroll Field Services	910,100	(16,600)	893,500	585,500	(308,000)
Total	12,903,300	(112,000)	12,791,300	11,914,500	(876,800)
FTE and Other Data					
Budgeted FTE	164.00	0.00	164.00	158.00	(6.00)
Authorized Capital Outlay				75,000	75,000
Retained Earnings	325,800	(325,800)		53,800	53,800

Department of Technology Services

The Department of Technology Services (DTS) manages information technology (IT) programs and resources statewide. It acts as the Executive Branch's lead agency on IT, working with all other state agencies to ensure efficient and effective investment in and operation of IT. The Legislature created DTS in the 2005 General Session by moving the Office of the Chief Information Officer and the Automated Geographic Reference Center (AGRC) into DTS and providing tools to consolidate all other state government information technology functions into DTS. The department has both an appropriated and an internal service fund component.

DTS Appropriated Divisions

The appropriated component of DTS consists of three divisions:

- Chief Information Officer (CIO)
- Integrated Technology Division (including AGRC)
- Technology Acquisition Projects

Legislative Action

Chief Information Officer: The Executive Director of DTS serves as the State's CIO and provides policy direction and

strategic vision for state information technology endeavors. The CIO employs 4.0 FTEs and has a budget of \$649,000 for FY 2010. The Legislature took the following action on the CIO's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$19,700 during the 2008 Special Session
- reduced the FY 2009 budget by \$57,400
- reduced the FY 2010 budget by \$94,100

Integrated Technology Division: The Division of Integrated Technology coordinates application development and project management for agencies and programs that share common needs. The two main components of the division are the Automated Geographic Reference Center (AGRC), which maintains and operates the State Geographic Information Database; and the Statewide Interoperable Communications program, which maintains the Omnilink system to enable public safety officials to communicate throughout the state. The division employs 15 FTEs and has a budget for FY 2010 of \$3,965,300. The Legislature took the following action on the division's FY 2009 and FY 2010 budget:

- reduced the FY 2009 budget by \$76,600 during the 2008 Special Session
- reduced the FY 2009 budget by \$73,400
- reduced the FY 2010 budget by \$222,700
- appropriated \$148,600 (one-time) in FY 2010 to offset the reductions to the Omnilink maintenance budget

Intent Language

The Legislature authorized the AGRC to purchase one vehicle to enable geospatial data acquisition, but also included language that the vehicle was not to be replaced.

Technology Acquisition Projects Division: The Technology Acquisition Projects division tracks one-time information technology projects developed by DTS for other state agencies. No new projects were funded in FY 2010.

Funding Detail

Department of Technology Services					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	2,210,500	(262,200)	1,948,300	1,800,400	(147,900)
General Fund, One-time	400,000	35,100	435,100	148,600	(286,500)
Federal Funds	815,200	88,000	903,200	865,200	(38,000)
Dedicated Credits Revenue	19,650,100	(12,150,000)	7,500,100	1,500,100	(6,000,000)
GFR - E-911 Emergency Services	300,000		300,000	300,000	
Beginning Nonlapsing		323,100	323,100		(323,100)
Total	\$23,375,800	(\$11,966,000)	\$11,409,800	\$4,614,300	(\$6,795,500)
Line Items					
Chief Information Officer	770,500	(27,100)	743,400	649,000	(94,400)
Integrated Technology	4,455,300	211,100	4,666,400	3,965,300	(701,100)
Technology Acquisition Projects	18,150,000	(12,150,000)	6,000,000		(6,000,000)
Total	\$23,375,800	(\$11,966,000)	\$11,409,800	\$4,614,300	(\$6,795,500)
Budgeted FTE	22.00	(1.00)	21.00	19.00	(2.00)

DTS Internal Service Fund (ISF)

The internal service fund component of the Department of Technology Services is the central service provider for information technology-related activities. The ISF is financed by billing customer agencies for services provided. Services range from microwave wireless communications to desktop support to network security. The ISF provides and accounts for over 80 unique services rates.

In FY 2010, the DTS ISF consolidated the Agency Services program into the Enterprise Technology program. The Agency Services program originally contained the IT personnel that transitioned into DTS from the agencies. As DTS developed a new rate structure to fully account for the cost of IT services and eliminate cross-subsidies, personnel were moved out of Agency Services and transferred to Enterprise Technology where their functions were built into new and existing rates. Only IT directors remained in the Agency Services program in FY 2009. These directors will become part of the Enterprise Technology rates in FY 2010.

Legislative Action

The Legislature approved DTS rate changes that enabled the Department to consolidate and close the Agency Services

program and to offset last year's cost-of-living and benefit adjustments for DTS personnel. These changes were made possible by discretionary budget cuts throughout the ISF, employee reductions through attrition (20 FTEs), and employee reductions in force (10 FTEs). The Legislature further approved a state-wide data center consolidation effective in FY 2011 that will require all state agencies to consolidate servers into one data center. Such a consolidation will free up agency space, lower server administration costs, and reduce utility costs. In total, the data center consolidation is expected to save over \$3 million statewide.

The DTS internal service fund is expected to generate \$132,335,000 in revenue, employ 903 FTEs and use \$11.0 million of capital outlay.

Funding Detail

ISF - Technology Services					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Dedicated Credits - Intragvt Rev	117,032,700	12,019,500	129,052,200	132,335,000	3,282,800
Total	117,032,700	12,019,500	129,052,200	132,335,000	3,282,800
Programs					
Agency Services Division	6,987,700	(165,800)	6,821,900		(6,821,900)
Enterprise Technology Division	110,045,000	12,185,300	122,230,300	132,335,000	10,104,700
Total	117,032,700	12,019,500	129,052,200	132,335,000	3,282,800
FTE and Other Data					
Budgeted FTE	933.00		933.00	903.00	(30.00)
Authorized Capital Outlay	7,961,000		7,961,000	11,000,000	3,039,000
Retained Earnings	4,543,300	(6,062,900)	(1,519,600)	(2,645,300)	(1,125,700)
Vehicles	23	9	32	31	(1)

Capital Budget

The capital budget provides funding to purchase, construct and repair state facilities. Due to revenue shortfalls, the FY 2010 capital budget includes general obligation debt for facilities.

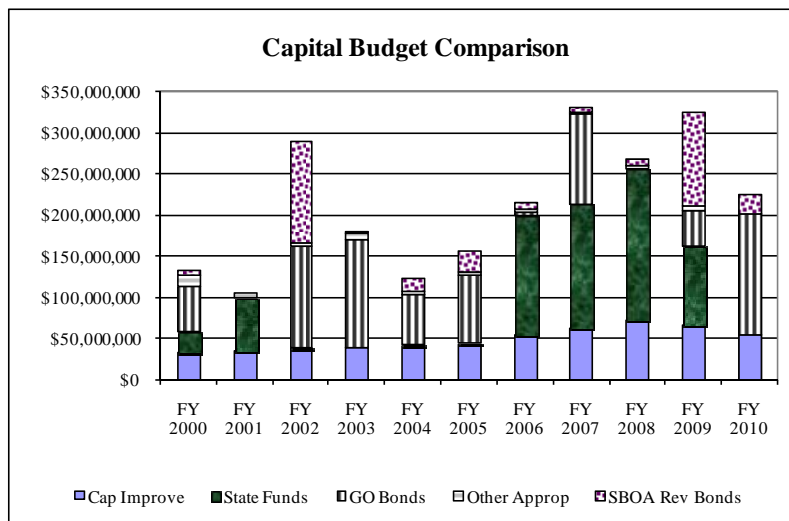
The capital budget is divided into three categories:

- Capital Improvements
- Capital Developments
- Capital Acquisitions

Capital Improvements projects, sometimes known as “alterations, repairs, and improvements” (AR&I), include projects on existing facilities costing less than \$2.5 million, or new facilities costing less than \$500,000.

Capital Developments are projects on existing facilities costing \$2.5 million or more, new facilities costing \$500,000 or more, or purchases of real property where an appropriation is requested to fund the purchase. Most capital acquisitions fall under the definition of capital developments.

State-funded capital projects include all projects financed with general tax revenue (General Fund or Education Fund) or with general obligation bonds. In addition to state-funded projects, the Legislature authorizes capital projects financed with revenue bonds, federal funds, restricted funds, and collections/donations. The following chart shows the historical relationship between state-funds appropriations, general obligation bonds, other funds appropriations, and revenue bonds.



Legislative Action

Capital Improvements - Maintaining existing facilities:

State law requires appropriations for capital improvements at 1.1 percent of the value of state-owned buildings and infrastructure (or 0.9 percent during times of budget deficits) before any new capital developments can be funded. However, the Legislature suspended this minimum requirement during FY 2009 and 2010 only.

During the September Special Session, the Legislature reduced FY 2009 ongoing appropriations for Capital Improvements by \$15 million, to a new total of \$67.8 million, or 0.9 percent of the FY 2009 value of state-owned buildings and infrastructure. During the 2009 General Session the Legislature reduced another \$12.1 million, to a new total of \$55.7 million, or 0.7 percent of the FY 2010 value of state-owned buildings and infrastructure.

H.B. 3, “Capital Improvement Appropriation Modification” exempts the Legislature from the requirement to fund a minimum amount for capital improvements during fiscal years 2009 and 2010.

Capital Developments: Prior to the September Special Session, the Capital Developments budget contained \$30 million

in ongoing appropriations. During September, the Legislature removed the ongoing funding and replaced it with \$30 million in one-time funding. During the 2009 General Session, the Legislature reduced \$130 million in state funds for formerly-approved capital development projects. Of the \$130 million cut, \$78 million will be replaced with bonds and the remaining \$52 million will result in the postponement of a 192-bed prison pod in Gunnison. The Legislature also authorized general obligation bonds of \$115 million for new capital development projects.

H.B. 4, “General Obligation Bonds Authorizations” allows up to \$32,000,000, plus issuance costs, for the replacement of cash funded buildings from previous legislative sessions with bond proceeds. The bill replaces \$18 million cut from a multi-agency office building project in Salt Lake County (approved in the 2008 General Session), and \$14 million cut from the Snow College Library project (approved in the 2007 General Session).

S.B. 5, “Revenue Bond and Capital Facilities Authorizations” authorizes \$23,704,000 in State Building Ownership Authority revenue bonds for a land purchase and warehouse expansion for the Department of Alcoholic Beverage Control; \$140,800,000 in higher education revenue bonds; various higher education and state agency projects using non-state funds; and negotiation of a long-term lease with the Utah Transit Authority for land at the State Fairpark. A list of projects is provided later in this chapter.

S.B. 201, “General Obligation Bond Authorization Amendments” authorizes the issuance of up to \$114,968,000, plus issuance costs, for new capital development projects. A list of projects is provided later in this chapter.

S.J.R. 22, “Resolution Approving Contract for Construction of Utah Science Technology and Research Initiative Centers” authorizes the Division of Facilities Construction and Management to execute contracts for USTAR buildings even though amounts due under these contracts will be greater than the amount appropriated by the Legislature to this point. The 2006 Legislature authorized \$110 million in general obligation bonds and appropriated \$50 million in cash for USTAR

projects. The 2009 Legislature cut \$46 million from cash but chose to wait until the 2010 General Session to replace the cash.

Funding Detail

Capital Budget					
Sources of Finance	2009	2009	2009	2010	Change from 2009 Revised
	Original	Changes	Revised Est	Appropriated	
General Fund	75,070,100	(49,675,700)	25,394,400	25,394,400	
General Fund, One-time	51,000,000	42,175,700	93,175,700		(93,175,700)
Education Fund	37,768,100	(7,500,000)	30,268,100	30,268,100	
Education Fund, One-time	25,000,000		25,000,000		(25,000,000)
Transportation Fund, One-time	4,506,000		4,506,000		(4,506,000)
State Debt Collection Fund	233,000		233,000		(233,000)
Contingency Reserve Fund	1,000,000		1,000,000		(1,000,000)
Total	\$194,577,200	(\$15,000,000)	\$179,577,200	\$55,662,500	(\$123,914,700)
Line Items					
Capital Development	106,706,000		106,706,000		(106,706,000)
Capital Improvements	82,838,200	(15,000,000)	67,838,200	55,662,500	(12,175,700)
Land Banking	5,033,000		5,033,000		(5,033,000)
Total	\$194,577,200	(\$15,000,000)	\$179,577,200	\$55,662,500	(\$123,914,700)

State Funded Capital Projects

The table below shows projects funded in part or in whole by state funds.

State Funded Capital Projects					
Capital Improvements					
	State Funds	G.O. Bonds	Other Funds	Collections/ Donations	Total
Capital Improvements	\$55,662,500				\$55,662,500
Subtotal	\$55,662,500	\$0	\$0	\$0	\$55,662,500
Capital Developments					
	State Funds	G.O. Bonds	Other Funds	Collections/ Donations	Total
USDB School Purchase		\$6,500,000			\$6,500,000
SLCC Digital Design Center		21,305,000		9,362,500	30,667,500
MATC N. Utah Co. Campus		18,800,000			18,800,000
UU Business School Replace		22,900,000		57,100,000	80,000,000
OWATC Health Tech Bldg		21,812,000		700,000	22,512,000
UNG Armories Upgrades		4,000,000			4,000,000
SUU Gibson Science Ctr		13,851,000		5,000,000	18,851,000
DSC Cent Commons Design		3,000,000			3,000,000
UVU Science Bldg Design		2,800,000			2,800,000
Subtotal	\$0	\$114,968,000	\$0	\$72,162,500	\$187,130,500
Adjusted State Funded Buildings					
	State Funds	G.O. Bonds	Other Funds	Collections/ Donations	Total
Salt Lake Gov't Office Bldg	(\$18,000,000)	\$18,000,000			\$0
Snow College Library	(\$14,000,000)	\$14,000,000			\$0
USTAR Buildings	(\$46,000,000)				(\$46,000,000)
UDC Gunnison 192-Bed Pod	(\$2,000,000)				(\$2,000,000)
Subtotal	(\$130,000,000)	\$32,000,000	\$0	\$0	(\$98,000,000)
Total	(\$74,337,500)	\$146,968,000	\$0	\$72,162,500	\$144,793,000

Other Funded Capital Projects

The following table shows projects authorized with funding sources other than state funds.

	Other Funded Projects			Collections/ Donations	Total
	SBOA Bonds	USHE Bonds	Other Funds		
DABC Property Purchase	\$3,800,000				\$3,800,000
DABC Warehouse Expansion	19,904,000				19,904,000
UU South Campus Housing		48,000,000			48,000,000
UU Green Field Infrastructure		44,000,000			44,000,000
UU Neuropsych. Inst. Expansion		45,000,000			45,000,000
USU Vernal Entrepreneurship Ctr		3,800,000			3,800,000
UU Ambulatory Care Complex Design					0
UU School of Business Replacem				64,445,000	64,445,000
UU Kennecott Building				8,689,000	8,689,000
UU Sorenson Arts & Educ Complex				30,737,000	30,737,000
UU Meldrum Civil Engineer Bldg				4,477,500	4,477,500
UU Universe Project				71,000,000	71,000,000
UVU Business Resource Center			750,000	1,900,000	2,650,000
UVU Track & Field Facility			400,000	800,000	1,200,000
UVU Intramural Playing Fields			600,000		600,000
SUU Baseball/Soccer Complex				2,000,000	2,000,000
DNR Interagency Fire Dispatch			3,000,000		3,000,000
DNR Vernal Curation Facility			7,500,000		7,500,000
DNR Seed Warehouse Expansion			650,000		650,000
VA Cemetery Improvements			3,500,000		3,500,000
DFCM Fairpark Land Lease to UTA					0
DWS Sell Buildings					0
Total	\$23,704,000	\$140,800,000	\$16,400,000	\$184,048,500	\$364,952,500

Debt Service

Debt service is made up of interest and principal due on the state's bonded indebtedness. This line item includes debt service on general obligation (G.O.) bonds and revenue bonds. General obligation bonds are backed by the full faith and credit of the state and its ability to levy taxes. Revenue bonds are issued by the State Building Ownership Authority (S.B.O.A.) with the agency occupying the facility making lease payments to the Authority. The state uses long-term debt to finance large capital expenditures including new buildings, major remodeling of facilities, and highway projects.

Outstanding Indebtedness: The State Constitution limits general obligation debt to 1.5 percent of the total fair market value of taxable property in the state. Based on the formula, the state's constitutional debt limit is approximately \$4.2 billion. The current outstanding general obligation debt is \$1.45 billion. Another \$3.4

billion in general obligation bonding has been authorized by the Legislature but not yet issued.

Legislative Action

The Legislature authorized the following general obligation bonds for highways and buildings during the 2009 General Session:

- \$2.207 billion authorization in **S.B. 239, “Transportation Revisions”** for highway construction projects including the rebuild of I-15 in Utah County and a portion of Mountain View Corridor in Salt Lake County;
- \$39.9 million authorization in **H.B. 185, “Transportation Amendments”** for various Salt Lake County highway projects;
- \$32.3 million authorization in **H.B. 4, “General Obligation Bonds Authorizations”** for buildings;
- \$116.1 million authorization in **S.B. 201, “General Obligation Bond Authorization Amendments”** for additional buildings (see Capital section).

The Legislature also authorized the following State Building Ownership Authority revenue bonds in **S.B. 5, “Revenue Bond and Capital Facilities Authorizations”** during the 2009 General Session:

- \$3.8 million for the Department of Alcoholic Beverage Control to acquire property for a warehouse expansion;
- \$19.9 million for the Department of Alcoholic Beverage Control to expand the current warehouse.

General Obligation debt service for state buildings is typically funded with General Fund and Education Fund. G.O. debt service for state highways is typically funded with the Centennial Highway Fund and the Critical Highway Needs Fund. Furthermore, G.O. debt service for Salt Lake County highway projects is paid for through the Transportation Fund Restricted - County of the First Class Highway Fund that collects county (quarter of a quarter) tax funds. The highway projects authorized in **S.B. 239, “Transportation Revisions”** will be funded with the Transportation Investment Fund (TIF).

The Legislature made several adjustments to the funding sources in the debt service line item for FY 2009 and FY 2010 to account for increases or decreases to the debt service for buildings and highways:

- \$3.2 million addition in FY 2010 from the Centennial Highway Fund to account for increased debt service for state highway projects;
- \$0.4 million addition in FY 2009 and \$5.2 million addition in FY 2010 from the County of the First Class Highway Fund to account for increased debt service for county highway projects and the 2009A issuance;
- \$4.8 million addition in FY 2009 and \$31.2 million addition in FY 2010 from the Critical Highway Needs Fund to pay for the projects in the 2009A issuance and additional highway projects expected to be bonded in FY 2010;
- \$1.4 million addition in FY 2009 and \$20.3 million addition in FY 2010 from the Transportation Investment Fund to pay for the highway projects expected to be bonded in FY 2009 and 2010;
- \$5.0 million reduction in FY 2009 made during the Special Session from the General Fund for reductions in debt service due to capital facility bonds paid off;
- \$1.0 million reduction in FY 2010 from the General Fund (\$0.5 million ongoing) for reductions in debt service due to capital facility bonds paid off;
- \$6.4 million ongoing addition in FY 2009 from the General Fund for additional building projects expected to be bonded in FY 2009 (this appropriation was removed one-time in FY 2009 since debt service payments will not be needed until FY 2010);
- \$1.0 million ongoing addition in FY 2010 from the General Fund for additional building projects expected to be bonded in FY 2010

Sound management practices help to maintain Utah's AAA rating from all three major bond rating agencies.

Funding Detail

State Board of Bonding Commissioners - Debt Service					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	44,679,700	5,900,000	50,579,700	51,599,700	1,020,000
General Fund, One-time	(7,000,000)	(11,900,000)	(18,900,000)		18,900,000
Education Fund	17,164,300		17,164,300	17,164,300	
Transportation Investment Fund of 2005				20,300,000	20,300,000
TIF of 2005, One-time		1,400,000	1,400,000		(1,400,000)
Centennial Highway Fund	133,826,800		133,826,800	137,022,500	3,195,700
Dedicated Credits Revenue	29,820,000		29,820,000	21,200,000	(8,620,000)
TFR - County of First Class State Highw	14,100,000	362,000	14,462,000	19,307,500	4,845,500
Critical Highway Needs Fund		4,802,200	4,802,200	31,223,000	26,420,800
Beginning Nonlapsing	19,879,500	18,689,800	38,569,300	7,454,900	(31,114,400)
Closing Nonlapsing	235,000	(7,689,900)	(7,454,900)	(7,516,500)	(61,600)
Total	\$252,705,300	\$11,564,100	\$264,269,400	\$297,755,400	\$33,486,000
Line Items					
Debt Service	252,705,300	11,564,100	264,269,400	297,755,400	33,486,000
Total	\$252,705,300	\$11,564,100	\$264,269,400	\$297,755,400	\$33,486,000

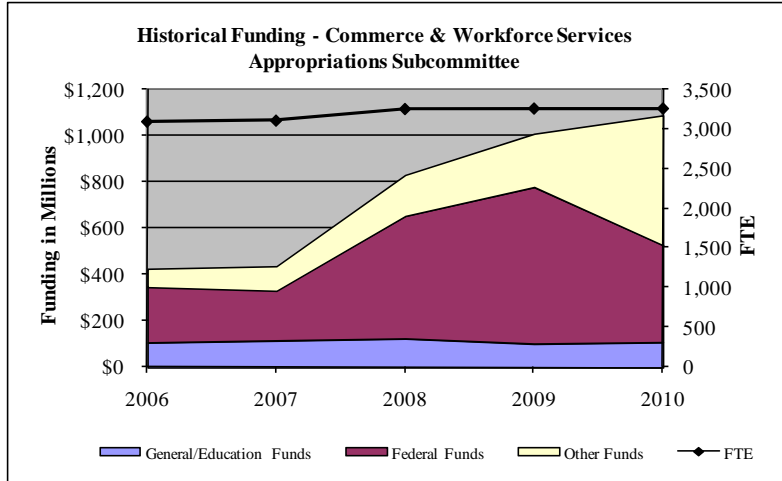
Funding Detail

Capital Facilities & Government Operations Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	147,004,700	(49,311,200)	97,693,500	97,230,000	(463,500)
General Fund, One-time	44,600,000	32,650,200	77,250,200	9,180,600	(68,069,600)
Education Fund	54,932,400	(7,500,000)	47,432,400	47,432,400	
Education Fund, One-time	25,000,000		25,000,000		(25,000,000)
Transportation Fund	450,000		450,000	450,000	
Transportation Fund, One-time	4,506,000		4,506,000		(4,506,000)
Transportation Investment Fund of 2005				20,300,000	20,300,000
TIF of 2005, One-time		1,400,000	1,400,000		(1,400,000)
Centennial Highway Fund	133,826,800		133,826,800	137,022,500	3,195,700
Federal Funds	879,200	101,000	980,200	942,200	(38,000)
Dedicated Credits Revenue	52,864,100	(12,385,100)	40,479,000	25,979,200	(14,499,800)
GFR - E-911 Emergency Services	300,000		300,000	300,000	
GFR - Economic Incentive Restricted A	15,480,000		15,480,000	14,040,000	(1,440,000)
GFR - ISF Overhead	1,299,600		1,299,600	1,299,600	
GFR - Land Exchange Distribution Acc	14,400,000		14,400,000	15,750,000	1,350,000
TFR - County of First Class State Highw	14,100,000	362,000	14,462,000	19,307,500	4,845,500
Critical Highway Needs Fund		4,802,200	4,802,200	31,223,000	26,420,800
Risk Management ISF	1,000,000		1,000,000		(1,000,000)
State Debt Collection Fund	500,000		500,000		(500,000)
Capital Projects Fund	1,945,200		1,945,200	1,950,500	5,300
Project Reserve Fund	200,000		200,000	200,000	
Contingency Reserve Fund	1,082,300	1,000,000	2,082,300	82,300	(2,000,000)
Beginning Nonlapsing	22,452,500	19,805,300	42,257,800	8,326,300	(33,931,500)
Closing Nonlapsing	(181,200)	(8,145,100)	(8,326,300)	(7,892,200)	434,100
Total	\$536,641,600	(\$17,220,700)	\$519,420,900	\$423,123,900	(\$96,297,000)
Agencies					
Capitol Preservation Board	4,564,300	(189,800)	4,374,500	4,385,400	10,900
Administrative Services	56,956,700	(1,917,400)	55,039,300	56,925,200	1,885,900
Human Resource Management	4,222,600	293,100	4,515,700	3,553,600	(962,100)
Career Service Review Board	239,700	(4,700)	235,000	227,500	(7,500)
Technology Services	23,375,800	(11,966,000)	11,409,800	4,614,300	(6,795,500)
Capital Budget	194,577,200	(15,000,000)	179,577,200	55,662,500	(123,914,700)
Debt Service	252,705,300	11,564,100	264,269,400	297,755,400	33,486,000
Total	\$536,641,600	(\$17,220,700)	\$519,420,900	\$423,123,900	(\$96,297,000)
Budgeted FTE	227.50	(8.75)	218.75	205.75	(13.00)

Commerce & Workforce Services

Subcommittee Overview

The Legislature appropriated \$1,087,684,600 for FY 2010 to the following eight state agencies: the Department of Alcoholic Beverage Control, the Department of Commerce, the Department of Financial Institutions, the Insurance Department, the Labor Commission, the Public Service Commission, the Department of Workforce Services, and the Utah State Office of Rehabilitation. The total General and Education Fund appropriation is \$107,711,800.



Department of Alcoholic Beverage Control

The Department of Alcoholic Beverage Control regulates the manufacture, sale, and use of alcoholic beverages by licensing on-premise businesses, manufacturers, wholesalers, warehouses, importers, and liquor representatives.

Utah is one of 18 liquor control states and one of two totally state-run systems. The Department operates 41 state stores and about 100 package agencies which are the exclusive retailers of liquor, wine and heavy beer in the state.

Legislative Action

The Legislature appropriated a total of \$29,554,100 to the Department of Alcoholic Beverage Control. Funding was approved in FY 2010 for bond payments for new stores (\$637,000); additional staff (\$1,140,000); and package agency increases (\$151,600). Legislators provided \$837,000 in supplemental funds in FY 2009 for ne employees in expanded retail facilities.

Funding Detail

Department of Alcoholic Beverage Control					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
Liquor Control Fund	29,491,000	837,000	30,328,000	29,454,100	(873,900)
Beginning Nonlapsing	(1,589,100)		(1,589,100)		1,589,100
Closing Nonlapsing - Highway Safety				100,000	100,000
Total	\$27,901,900	\$837,000	\$28,738,900	\$29,554,100	\$815,200
Line Items					
Alcoholic Beverage Control	27,901,900	837,000	28,738,900	29,554,100	815,200
Total	\$27,901,900	\$837,000	\$28,738,900	\$29,554,100	\$815,200
Budgeted FTE	341.5	35.0	376.5	402.5	26.0

Department of Commerce

The Department of Commerce registers businesses, licenses professionals, conducts consumer protection and education, oversees public utilities, and monitors real estate and securities industries. The department is funded mostly from fee and fine revenue paid to the Commerce Service Fund. Collections above Commerce Service Fund appropriations are transferred to the General Fund.

Legislative Action

The Legislature appropriated \$26,466,200 to the Department of Commerce. The appropriation includes \$195,700 for additional staff for implementation of S.B. 81, “Illegal Immigration”, passed in the 2008 General Session.

The Department of Commerce was authorized to increase fees in order to generate additional revenue of \$3.3 million in FY 2010.

The following bills, passed by the Legislature, have fiscal impact for the Department of Commerce:

- **H.B. 106, “Controlled Substance Database Amendments”** adds \$5,000 (one-time) for database modifications;
- **H.B. 152, “Appraisal Management Company Regulation”** adds \$8,800 to implement the new provisions of the bill;
- **H.B. 173, “Hunting Guides and Outfitters Licensing Act”** adds \$1,300 to implement the new license by the Department;
- **H.B. 174, “Licensing of Vocational Rehabilitation Counselors”** adds \$21,500 to implement this new license;
- **S.B. 52, “New Motor Vehicle Franchise Amendments”** adds \$2,200 to implement the provisions of this bill;
- **S.B. 137, “Physical Therapy Practice Act”** adds \$30,700 to implement new provisions of this bill;

- **S.B. 230, “Construction Payment Amendments”**, passed during the 2009 General Session, was funded with \$50,000 (one-time) during the May 2009 Special Session.

Funding Detail

Department of Commerce					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
General Fund	175,000	(175,000)			
General Fund, One-time	650,000	(650,000)			
Federal Funds	246,200		246,200	246,200	
Dedicated Credits Revenue	1,487,500		1,487,500	1,547,500	60,000
GFR - Commerce Service	18,748,100	(521,000)	18,227,100	17,934,000	(293,100)
GFR - Commerce Service, One-time		322,300	322,300	41,900	(280,400)
GFR - CSF - PURF	5,024,700		5,024,700	5,072,900	48,200
GFR - Factory Built Housing Fees	104,700		104,700	104,700	
GFR - Geologist Ed. & Enf.	10,000		10,000	10,000	
GFR - Nurses Ed & Enf Fund	10,000		10,000	10,000	
GFR - Pawnbroker Operations	129,000		129,000	129,000	
GFR - Utah Housing Opportunity Restricted Account				20,000	20,000
Transfers					
Pass-through	50,000		50,000	50,000	
Beginning Nonlapsing	3,251,700		3,251,700	1,300,000	(1,951,700)
Beginning Fund Balances - CSF	614,000		614,000		(614,000)
Closing Nonlapsing	(1,300,000)		(1,300,000)		1,300,000
Total	\$29,200,900	(\$1,023,700)	\$28,177,200	\$26,466,200	(\$1,711,000)
Line Items					
Commerce General Regulation	27,358,100	(1,023,700)	26,334,400	24,916,100	(1,418,300)
Public Utilities Professional & Technical Services	641,200		641,200	550,000	(91,200)
Committee of Consumer Services Professional and Technical Services	1,201,600		1,201,600	1,000,100	(201,500)
Total	\$29,200,900	(\$1,023,700)	\$28,177,200	\$26,466,200	(\$1,711,000)
Budgeted FTE	261.0	0.0	261.0	261.0	0.0

Department of Financial Institutions

The Department of Financial Institutions regulates state chartered, deposit-taking institutions including banks, credit unions, savings and loans, industrial loan corporations, and non-institutional lenders (traveler’s checks, money order issuers, independent escrow companies, check cashers/payday lenders, and residential first mortgage loan services). Funding for the Department is from the General Fund Restricted – Financial Institutions Account. The account’s revenue comes from fees collected on assets and for examinations performed. These funds are restricted for the regulation of financial institutions. Funds remaining at the end of the year lapse back to the restricted account.

Legislative Action

The Legislature appropriated \$5,912,200 from the General Fund Restricted – Financial Institutions Account. It reduced appropriations by \$340,000 to account for turnover savings.

Funding Detail

Department of Financial Institutions					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
GFR - Financial Institutions	6,592,300		6,592,300	5,912,200	(680,100)
Total	\$6,592,300	\$0	\$6,592,300	\$5,912,200	(\$680,100)
Line Items					
Financial Institutions Administration	6,592,300		6,592,300	5,912,200	(680,100)
Total	\$6,592,300	\$0	\$6,592,300	\$5,912,200	(\$680,100)
Budgeted FTE	54.0	0.0	58.0	54.0	(4.0)

Insurance Department

The Insurance Department regulates the state's insurance industry to protect consumers and the public. It monitors and promotes insurance company solvency and fosters a competitive insurance market. It also oversees the Comprehensive Health Insurance Pool, the Title Insurance Industry, and the bail bond Surety Program.

Legislative Action

For FY 2010, the Legislature appropriated \$46,953,900 for the Insurance Department. During the September 2008 Special Session and 2009 General Session, the Legislature reduced the Comprehensive Insurance Pool, personnel services, and current expenses totaling \$1,714,300.

Funding Detail

Insurance Department					
	2009	2009	2009	2010	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	16,123,500	(1,928,600)	14,194,900	13,623,700	(571,200)
General Fund, One-time	863,800	214,300	1,078,100	230,000	(848,100)
Federal Funds	1,189,400		1,189,400	865,000	(324,400)
Dedicated Credits Revenue	4,875,400		4,875,400	30,293,300	25,417,900
Restricted Revenue	21,478,300		21,478,300		(21,478,300)
GFR - Bail Bond Surety Admin	23,500		23,500	23,500	
Beginning Nonlapsing	33,327,300		33,327,300	34,165,800	838,500
Closing Nonlapsing	(34,165,800)		(34,165,800)	(32,247,400)	1,918,400
Total	\$43,715,400	(\$1,714,300)	\$42,001,100	\$46,953,900	\$4,952,800
Line Items					
Insurance Department Administration	11,567,800	(214,300)	11,353,500	10,066,200	(1,287,300)
Comprehensive Health Insurance Pool	32,033,300	(1,500,000)	30,533,300	36,786,100	6,252,800
Bail Bond Program	23,500		23,500	23,500	
Title Insurance Program	90,800		90,800	78,100	(12,700)
Total	\$43,715,400	(\$1,714,300)	\$42,001,100	\$46,953,900	\$4,952,800
Budgeted FTE	95.0	0.0	99.0	95.0	(4.0)

Labor Commission

The mission of the Labor Commission is to improve work environments through programs aimed at safety, health, fairness, and non-discrimination. It also administers state and federal fair housing programs and administers policies related to workers' compensation for self-insured employers.

Legislative Action

The Legislature appropriated a total of \$64,145,600 to the Labor Commission for FY 2010. During the 2008 September Special Session and the 2009 General Session, reductions were made in personal services, and to the Rocky Mountain Occupational Health and Safety Program by shifting program funds totaling \$150,000 from General Funds to the Uninsured Employers Fund.

The Legislature also included the Employers' Reinsurance Fund and Uninsured Employers' Fund in the regular appropriations process for the first time during the 2009 General Session.

Funding Detail

Labor Commission					
	2009	2009	2009	2010	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	6,824,200	(562,700)	6,261,500	6,001,600	(259,900)
General Fund, One-time	150,000	289,700	439,700		(439,700)
Federal Funds	2,671,000		2,671,000	2,676,300	5,300
Dedicated Credits Revenue	3,533,000		3,533,000	3,533,000	
GFR - Workplace Safety	1,580,300		1,580,300	1,570,400	(9,900)
Trust and Agency Funds	50,092,000		50,092,000		(50,092,000)
Employers' Reinsurance Fund	73,000		73,000	73,000	
Premium Tax Collections				49,250,000	49,250,000
Premium Tax Payments				672,000	672,000
Uninsured Employers' Fund	1,244,100	273,000	1,517,100	1,516,400	(700)
Transfers	(1,317,100)		(1,317,100)	(1,317,100)	
Reimbursement Fund Uninsured Employers				170,000	170,000
Total	\$64,850,500	\$0	\$64,850,500	\$64,145,600	(\$704,900)
Line Items					
Labor Commission	12,557,600		12,557,600	11,852,700	(704,900)
Employers Reinsurance Fund	50,677,000		50,677,000	50,677,000	
Uninsured Employers Fund	1,615,900		1,615,900	1,615,900	
Total	\$64,850,500	\$0	\$64,850,500	\$64,145,600	(\$704,900)
Budgeted FTE	84.0	0.0	88.0	86.0	(2.0)

Public Service Commission

The Public Service Commission regulates public utilities with the goal of having efficient, reliable, reasonably priced services for customers, together with the maintenance of financially healthy utilities. It also oversees the Speech and Hearing Impaired and Universal Telecommunications Service Support Fund programs.

Legislative Action

The Legislature appropriated \$11,857,100 for FY 2010 to the four line items that make up the Public Service Commission.

Funding Detail

Public Service Commission					
	2009	2009	2009	2010	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2009 Revised
Dedicated Credits Revenue	2,125,000		2,125,000	1,755,400	(369,600)
GFR - CSF - PURF	1,901,800		1,901,800	1,930,800	29,000
Universal Public Telecom Service Fund	5,352,000		5,352,000	7,609,500	2,257,500
Beginning Nonlapsing	10,812,500		10,812,500	8,558,800	(2,253,700)
Closing Nonlapsing	(9,394,700)		(9,394,700)	(7,997,400)	1,397,300
Total	\$10,796,600	\$0	\$10,796,600	\$11,857,100	\$1,060,500
Line Items					
Public Service Commission	2,279,400		2,279,400	2,272,000	(7,400)
Research and Analysis	60,000		60,000		(60,000)
Speech and Hearing Impaired	2,364,100		2,364,100	2,200,500	(163,600)
Universal Telecommunications Support Fund	6,093,100		6,093,100	7,384,600	1,291,500
Total	\$10,796,600	\$0	\$10,796,600	\$11,857,100	\$1,060,500
Budgeted FTE	18.0	0.0	18.0	18.0	0.0

Department of Workforce Services

The Department of Workforce Services administers the state's job placement; job training; unemployment insurance; labor market information; welfare functions of the Temporary Assistance to Needy Families (TANF), food stamps, and child care. The Department has thirty-seven one-stop employment centers throughout the state.

Legislative Action

The Legislature appropriated a total of \$830,785,600 to the Department of Workforce Services. During the 2008 September Special Session, the Legislature reduced funding to the Operations Support Current Expense, Legislative and Communications, Child Care Step-Down Program, and use of TANF funds for the Child Care Program by \$23,012,900 and was replaced with a one-time funding amount of \$13,000,000 resulting in a net reduction of \$10,012,900.

During the 2009 General Session, additional funding reductions occurred in Administrative Efficiencies, Elimination of State Programs-Z funds and Working Towards Employment (WTE), Administrative Cost reductions in the General Assistance Program, reduction in Medicaid Eligibility Costs, and additional use of TANF funds for Child Care totaling \$6,949,500 and was replaced with \$98,279,400 of one-time General Funding, Special Administrative Expense, and American Reinvestment and Recovery Act funds for FY 2010. The Legislature restored one-time General Funds for General Assistance, Personnel Reductions, Food Stamps, and Medicaid Eligibility. An on-going General Fund appropriation of \$2 million was authorized for Medicaid Eligibility and Foodstamps.

American Reinvestment and Recovery Act funds were also authorized during the 2009 General Session in the amount of \$92,079,400.

Funding Detail

Department of Workforce Services					
Sources of Finance	2009	2009	2009	2010	Change from
	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	70,720,500	(4,155,900)	66,564,600	66,427,300	(137,300)
General Fund, One-time	(10,948,300)	2,005,600	(8,942,700)	3,200,000	12,142,700
Federal Funds	631,811,900	(2,793,600)	629,018,300	371,259,800	(257,758,500)
American Recovery and Reinvestment Act		29,371,400	29,371,400	92,079,400	62,708,000
Dedicated Credits Revenue	2,141,000		2,141,000	2,131,700	(9,300)
GFR - Special Administrative Expense	13,000,000	2,800,000	15,800,000	3,000,000	(12,800,000)
Trust and Agency Funds	6,000		6,000		(6,000)
Unemployment Compensation Trust				265,000,000	265,000,000
Transfers - Medicaid				11,800	11,800
Transfers - Within Agency	23,454,700		23,454,700	27,675,600	4,220,900
Beginning Nonlapsing	1,940,200		1,940,200		(1,940,200)
Total	\$732,126,000	\$27,227,500	\$759,353,500	\$830,785,600	\$71,432,100
Line Items					
Workforce Services	732,126,000	27,227,500	759,353,500	830,785,600	71,432,100
Total	\$732,126,000	\$27,227,500	\$759,353,500	\$830,785,600	\$71,432,100
Budgeted FTE	1,947.0	0.0	1,947.0	1,947.0	0.0

Utah State Office of Rehabilitation

The Utah State Office of Rehabilitation (USOR), under the direction of the Utah State Board of Education, operates programs designed to assist individuals with disabilities to prepare for and obtain gainful employment and increase their independence. USOR contains an Executive Director's Office and four operating divisions: Rehabilitation Services, Disability Determination Services, Services to the Deaf and Hard-of-Hearing, and Services to the Blind and Visually Impaired.

USOR provides tailored services focusing on the need, interest, ability, and informed choice of individuals. Services are time-limited and designed to increase and maintain levels of independence and community participation. USOR works in concert with other community service and resource providers to offer rehabilitative services throughout the state.

Legislative Action

The Legislature appropriated \$72,009,900 to USOR, including \$265,100 from the General Fund and \$17,849,800 from the Uniform School Fund.

During the September 2008 Special Session, the Legislature reduced funding for case services by \$896,000. During the 2009 General Session, there were additional reductions in the Blind and Visually Impaired program, Executive Director’s Office, Deaf and Hard of Hearing program, Independent Living, and Rehabilitation Services in the amount of \$1,594,900.

Funding Detail

Utah State Office of Rehabilitation					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
General Fund	265,100		265,100	265,100	
Uniform School Fund	21,223,800	(1,594,900)	19,628,900	17,849,800	(1,779,100)
Uniform School Fund, One-time	624,500	939,500	1,564,000	114,300	(1,449,700)
Federal Funds	45,606,200		45,606,200	46,273,900	667,700
American Recovery and Reinvestment Act				6,443,800	6,443,800
Dedicated Credits Revenue	1,043,700		1,043,700	1,043,700	
Transfers	19,300		19,300	19,300	
Beginning Nonlapsing	4,800		4,800	4,800	
Closing Nonlapsing	(4,800)		(4,800)	(4,800)	
Total	\$68,782,600	(\$655,400)	\$68,127,200	\$72,009,900	\$3,882,700
Line Items					
State Office of Rehabilitation	68,782,600	(655,400)	68,127,200	72,009,900	3,882,700
Total	\$68,782,600	(\$655,400)	\$68,127,200	\$72,009,900	\$3,882,700
Budgeted FTE	417.0	0.0	417.0	417.0	0.0

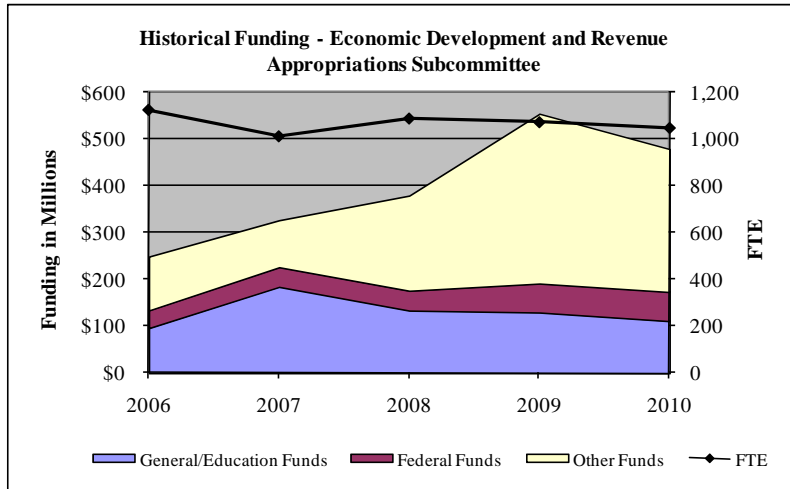
Funding Detail

Commerce & Workforce Services Appropriations Subcommittee					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
General Fund	94,108,300	(6,822,200)	87,286,100	86,317,700	(968,400)
General Fund, One-time	(9,284,500)	1,859,600	(7,424,900)	3,430,000	10,854,900
Uniform School Fund	21,223,800	(1,594,900)	19,628,900	17,849,800	(1,779,100)
Uniform School Fund, One-time	624,500	939,500	1,564,000	114,300	(1,449,700)
Federal Funds	681,524,700	(2,793,600)	678,731,100	421,321,200	(257,409,900)
American Recovery and Reinvestment Act		29,371,400	29,371,400	98,523,200	69,151,800
Dedicated Credits Revenue	15,205,600		15,205,600	40,304,600	25,099,000
Restricted Revenue	21,478,300		21,478,300		(21,478,300)
GFR - Bail Bond Surety Admin	23,500		23,500	23,500	
GFR - Commerce Service	18,748,100	(521,000)	18,227,100	17,934,000	(293,100)
GFR - Commerce Service, One-time		322,300	322,300	41,900	(280,400)
GFR - CSF - PURF	6,926,500		6,926,500	7,003,700	77,200
GFR - Factory Built Housing Fees	104,700		104,700	104,700	
GFR - Financial Institutions	6,592,300		6,592,300	5,912,200	(680,100)
GFR - Geologist Ed. & Enf.	10,000		10,000	10,000	
GFR - Nurses Ed & Enf Fund	10,000		10,000	10,000	
GFR - Pawnbroker Operations	129,000		129,000	129,000	
GFR - Special Administrative Expense	13,000,000	2,800,000	15,800,000	3,000,000	(12,800,000)
GFR - Utah Housing Opportunity Restricted Account				20,000	20,000
GFR - Workplace Safety	1,580,300		1,580,300	1,570,400	(9,900)
Trust and Agency Funds	50,098,000		50,098,000		(50,098,000)
Employers' Reinsurance Fund	73,000		73,000	73,000	
Liquor Control Fund	29,491,000	837,000	30,328,000	29,454,100	(873,900)
Premium Tax Collections				49,250,000	49,250,000
Premium Tax Payments				672,000	672,000
Unemployment Compensation Trust				265,000,000	265,000,000
Uninsured Employers' Fund	1,244,100	273,000	1,517,100	1,516,400	(700)
Universal Public Telecom Service Fund	5,352,000		5,352,000	7,609,500	2,257,500
Transfers	(1,297,800)		(1,297,800)	(1,297,800)	
Transfers - Medicaid				11,800	11,800
Transfers - Within Agency	23,454,700		23,454,700	27,675,600	4,220,900
Pass-through	50,000		50,000	50,000	
Reimbursement Fund Uninsured Employers				170,000	170,000
Beginning Nonlapsing	47,747,400		47,747,400	44,029,400	(3,718,000)
Beginning Fund Balances - CSF	614,000		614,000		(614,000)
Closing Nonlapsing	(44,865,300)		(44,865,300)	(40,249,600)	4,615,700
Closing Nonlapsing - Highway Safety				100,000	100,000
Total	\$983,966,200	\$24,671,100	\$1,008,637,300	\$1,087,684,600	\$79,047,300
Agencies					
Workforce Services	732,126,000	27,227,500	759,353,500	830,785,600	71,432,100
State Board of Education	68,782,600	(655,400)	68,127,200	72,009,900	3,882,700
Alcoholic Beverage Control	27,901,900	837,000	28,738,900	29,554,100	815,200
Labor Commission	64,850,500		64,850,500	64,145,600	(704,900)
Commerce	29,200,900	(1,023,700)	28,177,200	26,466,200	(1,711,000)
Financial Institutions	6,592,300		6,592,300	5,912,200	(680,100)
Insurance	43,715,400	(1,714,300)	42,001,100	46,953,900	4,952,800
Public Service Commission	10,796,600		10,796,600	11,857,100	1,060,500
Total	\$983,966,200	\$24,671,100	\$1,008,637,300	\$1,087,684,600	\$79,047,300
Budgeted FTE	3,217.5	35.0	3,252.5	16.0	3,236.5

Economic Development and Revenue

Subcommittee Overview

The Economic Development and Revenue Subcommittee oversees the budgets of the Department of Community and Culture, the Governor’s Office of Economic Development, the Utah Science Technology and Research (USTAR) initiative, and the Tax Commission.



Legislative Action

The Legislature appropriated \$480,355,800 to Economic Development and Revenue agencies for FY 2010; about a quarter of which (\$111,792,200) is from the General and Education funds.

Department of Community and Culture

The Department’s divisions and offices are: Administration, Indian Affairs, State History and State Historical Society, Arts and Museums, State Library, Housing and Community Development, Community Development Capital, and Zoos.

Department Administration

Department Administration leads the Department and provides public relations, personnel, accounting, research, legal, and data processing services. Administration has 8 FTEs.

Legislative Action

The Legislature reduced ongoing funding for the Department digitization initiative by \$186,700. Funding for 1.5 FTEs and corresponding support costs were reduced by \$129,900.

Division of Indian Affairs

The Division of Indian Affairs promotes intergovernmental coordination between tribal and State government. Funding is provided for 2 FTEs.

Legislative Action

The Legislature reduced funding for 1 FTE and general pass-through support by \$29,000 for the Division of Indian Affairs.

State History and State Historical Society

State History promotes all things related to the State's history except paleontology, which belongs in the Department of Natural Resources. The Historical Society is the Division's fund raising arm and is shown as a separate line item. The sources of funding include General Fund, dedicated credits, and federal funds. The total FTE count is 30.

Legislative Action

The Legislature reduced funding for 2 FTEs and support costs in the Division of State History by \$222,000. Grant funding was also reduced by \$49,000.

Division of Arts and Museums

The Division of Arts and Museums promotes the arts and museum development statewide. Grants are available to hundreds of nonprofit arts and museum organizations. The Community Outreach and Development Program provides technical assistance to organizations and runs several outreach programs. The appropriation provides personal service costs associated with the 20 FTE.

Legislative Action

The Legislature approved a major restructuring of the Office of Museum Services and the Folk Arts Program. As a result, funding was reduced by \$278,000. However, \$85,000 (one-time) was appropriated to transition the programs through FY 2010. Earmarked grants for the Humanities Council and the Southwest Symphony were reduced by \$25,400. General program and grant reductions of \$109,700 for Arts and Museums were authorized.

State Library

The mission of the State Library is to develop, advance, and promote library services and access to information. Funding is provided through the General Fund, dedicated credits, and federal funds. The FTE count is 71.

Legislative Action

The State Library eliminated 2 FTEs totaling \$171,600 to meet budget reduction requirements. Grant funding was reduced by \$105,000 and contracted support services were reduced by \$55,000. Program reductions totaling \$201,200 were also made in the Special and General Sessions.

Housing and Community Development

Community Development is comprised of a number of programs that help local governments develop infrastructure and provide services. Funding is mainly from the Federal government

with additional amounts from the General Fund, dedicated credits, and restricted revenues. The appropriation provides for 72 FTE.

Weatherization helps low income, elderly, and handicapped persons save on energy bills.

Community Assistance administers the federal community development block grant program and staffs the Permanent Community Impact Board, Navajo Revitalization Fund, and the Uintah Basin Revitalization Fund. It also provides support to the Private Activity Bond Board.

Housing Development staffs all of the State's housing programs: Homeless Committee, HOME (a federal program to provide affordable housing), Housing Trust Fund, Critical Needs Housing, and Emergency Shelter.

Community Services administers the federal anti-poverty Community Services Block Grant Program.

The **Homeless Committee** channels General Fund and income tax homeless check-off funds to state and local homeless organizations.

The **Emergency Food Network** helps fund emergency food organizations.

The **Commission on Volunteers** improves communities through service and volunteering.

Special Housing is a federally-funded program that pays for utilities, building renovations, and leased space for special populations.

HEAT is Utah's name for the federal LIHEAP program that provides winter utility assistance to low-income households. It is administered through the Association of Governments and nonprofit agencies.

The **Office of Ethnic Affairs** provides staff resources to various ethnic groups.

The **Office of Faith-Based Initiatives** provides technical resources to community and faith-based organizations trying to navigate the governmental system.

Legislative Action

Funding for the Ethnic Office was reduced by \$46,200 reducing the program by 2 FTEs. The Olene Walker Housing Loan Fund and the Pamela Atkinson Homeless Trust Fund were reduced by \$354,500 and \$105,000 respectively with \$105,000 restored for each one for FY 2010 on a one-time basis. The Earned Income Tax Program was reduced by \$57,000 ongoing but restored on a one-time basis for FY 2010.

General budget reductions for Housing and Community Development were made in FY 2010 totaling \$141,800.

Funding for the Huntsman Cancer Center was reduced on an ongoing basis by \$2,100,000. One-time funding of \$310,000 was restored for FY 2009 and \$1,540,000 for FY 2010. During the May Special Session, one-time General Fund for the Huntsman Cancer Center was replaced with ARRA funds.

Community Development Capital

Community Development Capital mitigates the impacts of non-metallic mineral extraction on local communities. It administers the Permanent Community Impact and Special Service District Funds from Mineral Lease Revenues. These funds are distributed by formula.

Zoos

The state provides pass-through support for the Hogle Zoo and the Willow Park Zoo through this program.

Legislative Action

The Legislature reduced ongoing funding to the Zoos by \$436,800.

Funding Detail

Department of Community and Culture					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	24,923,400	(3,225,900)	21,697,500	20,195,200	(1,502,300)
General Fund, One-time	17,508,500	1,465,700	18,974,200	707,000	(18,267,200)
Federal Funds	42,921,000	14,922,500	57,843,500	54,506,400	(3,337,100)
American Recovery and Reinvestment Act		18,447,000	18,447,000	34,400,000	15,953,000
Dedicated Credits Revenue	5,460,800	(246,100)	5,214,700	4,590,800	(623,900)
Federal Mineral Lease	5,500,000	76,200,000	81,700,000	5,500,000	(76,200,000)
GFR - Homeless Trust	1,350,000		1,350,000	850,000	(500,000)
Permanent Community Impact	70,694,800	(69,500,000)	1,194,800	71,818,500	70,623,700
Repayments	28,000,000	(6,700,000)	21,300,000	28,000,000	6,700,000
Beginning Nonlapsing	259,800	3,415,100	3,674,900		(3,674,900)
Total	\$196,618,300	\$34,778,300	\$231,396,600	\$220,567,900	(\$10,828,700)
Line Items					
Administration	5,089,100	1,291,500	6,380,600	3,325,700	(3,054,900)
Historical Society	362,200	79,900	442,100	227,000	(215,100)
State History	4,117,800	71,900	4,189,700	3,235,100	(954,600)
Arts and Museums	4,599,300	998,600	5,597,900	3,853,300	(1,744,600)
Arts and Museums - Museum Services	1,762,200	(125,200)	1,637,000	324,400	(1,312,600)
State Library	9,390,200	(495,600)	8,894,600	8,439,500	(455,100)
Indian Affairs	294,000	347,600	641,600	252,400	(389,200)
Housing and Community Development	66,504,800	32,861,300	99,366,100	95,786,100	(3,580,000)
Community Development Capital Budget	103,000,000		103,000,000	104,062,500	1,062,500
Zoos	1,498,700	(251,700)	1,247,000	1,061,900	(185,100)
Total	\$196,618,300	\$34,778,300	\$231,396,600	\$220,567,900	(\$10,828,700)
Budgeted FTE	195.0	22.2	217.2	201.7	(15.5)

Governor's Office of Economic Development

The Governor's Office of Economic Development (GOED) facilitates the growth of quality jobs, promotes Utah businesses, and works to encourage economic prosperity in the State. Funding is mainly from the General Fund, with additional funding from federal funds, dedicated credits, transportation funds, and restricted funds. GOED appropriations are split into five line items: Administration, Business Development, Incentives, Sports Authority and the Office of Tourism. There are 62 FTE funded by the appropriation.

Legislative Action

The Legislature eliminated funding for the following programs: Defense Alliance (\$100,000); Business Research Parks (\$143,500); Business Resource Centers (\$125,000); Summer Games (\$50,000); Talent Acquisition Program (\$171,400); Energy Cluster (\$134,200); and Science Camps (\$150,000).

The following reductions in pass-through funding were approved: Manufacturer's Extension Partnership (\$417,000, restored \$250,000 one-time for FY 2010); Small Business

Development Centers (\$181,900); Sports Commission (\$621,300 restored \$270,000 one-time for FY 2010); and Motion Picture Incentive Fund (\$293,700).

General support reductions were made in Administration, Tourism Development, and Business Development totaling \$618,300.

The Legislature identified \$15,000,000 in FY 2010 in foregone revenue as a result of the tax credit program authorized by the Business Development Board. An additional \$4,000,000 is identified to fund Economic Development Tax Increment Rebate commitments made by the GOED Board.

A one-time appropriation of \$7,000,000 was made to the Tourism Marketing Performance Fund. The Legislature also authorized \$15,000,000 in ARRA funding to create a Motion Picture Incentive Tax Credit. Funding will allow for two years of credits. ARRA funding was also used to create a refundable tax credit for renewable energy development. Funding is authorized for the next two fiscal years at \$2,587,500 annually. Additional one-time appropriations were also made for the following:

- \$1,000,000 to the Utah Bid Development Solutions
- \$350,000 for the World Trade Center Utah
- \$605,000 for the Governor's Health Initiative
- \$100,000 for the Center for Education, Business and Arts in Kanab
- \$2,000,000 to create a California economic development initiative
- \$1,000,000 for the Falcon Hill/MIDA project

Funding and statutory authority for the Utah Sports Authority was shifted to the Governor's Office of Economic Development beginning in FY 2010. Funding for the Utah Sports Authority was reduced by \$30,600 with \$13,500 restored for FY 2010 on a one-time basis.

Funding Detail

Governor's Office of Economic Development					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	15,665,300	(2,402,300)	13,263,000	12,809,900	(453,100)
General Fund, One-time	3,805,000	872,700	4,677,700	5,575,000	897,300
Transportation Fund	118,000		118,000	118,000	
Federal Funds	300,000		300,000	300,000	
Dedicated Credits Revenue	254,700	(121,200)	133,500	203,500	70,000
GFR - Industrial Assistance	223,500		223,500	223,500	
GFR - Motion Picture Incentive Fund	4,051,300	(340,000)	3,711,300	2,206,300	(1,505,000)
GFR - Tourism Marketing Performance	11,688,000	(800,000)	10,888,000	7,000,000	(3,888,000)
Beginning Nonlapsing	150,000	7,657,000	7,807,000		250,000
Total	\$36,255,800	\$4,866,200	\$41,122,000	\$28,686,200	(\$12,435,800)
Line Items					
Administration	4,333,700	165,800	4,499,500	3,337,400	(1,162,100)
Office of Tourism	21,888,300	2,913,000	24,801,300	13,539,400	(11,261,900)
Business Development	9,883,800	1,794,900	11,678,700	11,809,400	130,700
Incentive Funds	150,000	(7,500)	142,500		(142,500)
Total	\$36,255,800	\$4,866,200	\$41,122,000	\$28,686,200	(\$12,435,800)
Budgeted FTE	61.0	4.0	65.0	64.5	(0.5)

Utah Science, Technology, and Research

The Utah Science, Technology, and Research (USTAR) initiative has three major components: construction of research buildings at the University of Utah and Utah State University; recruiting and hiring of research teams in fields where Utah has a competitive advantage; and operation of a technology outreach program at five locations throughout Utah. The USTAR research teams are expected to bring new funding to the state through federal and commercial contracts and grants for the development of new technologies. Ultimately, USTAR aims to generate more technology-based start-up firms and higher-paying job opportunities in Utah through the commercialization of these technologies.

Legislative Action

The Legislature appropriated an additional \$24,433,500 in total funding for the expansion of the research teams. The breakdown of the appropriation changes are:

- \$33,000,000 (one-time) from ARRA funding for further recruitment of science and technology researchers;
- \$582,400 decrease due to two vacant administrative positions and other advertising and office expenses;

- \$5,378,500 decrease for nonlapsing balances;
- \$1,500,000 decrease for recruitment of researchers;
- \$930,800 decrease (\$930,800 backfilled in FY 2009) for vacant analyst and intern positions, and consolidation of one technology outreach center;
- \$1,105,600 decrease for further consolidation of technology outreach centers and elimination of vacant analyst and intern positions.

Funding Detail

Utah Science Technology and Research Governing Authority					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	19,411,000	(3,013,200)	16,397,800	15,296,100	(1,101,700)
General Fund, One-time	2,500,000	(4,447,700)	(1,947,700)		1,947,700
American Recovery and Reinvestment Act				33,000,000	33,000,000
Dedicated Credits Revenue		10,000	10,000	10,000	
Beginning Nonlapsing	38,076,700	24,542,600	62,619,300	3,923,500	(58,695,800)
Closing Nonlapsing	(25,192,000)	21,847,000	(3,345,000)	(3,345,000)	
Total	\$34,795,700	\$38,938,700	\$73,734,400	\$48,884,600	(\$24,849,800)
Line Items					
USTAR	22,795,700	3,512,500	26,308,200	48,884,600	22,576,400
USTAR Capital Developments	12,000,000	35,426,200	47,426,200		(47,426,200)
Total	\$34,795,700	\$38,938,700	\$73,734,400	\$48,884,600	(\$24,849,800)
Budgeted FTE	29.0	(3.0)	26.0	23.5	(2.5)

Tax Commission

Collection of revenue for state and local governments and administration of tax and motor vehicle laws are the primary functions of Utah's Tax Commission. In addition to handling the revenue from over 40 taxes, surcharges, and fees, the Commission is responsible for registering automobiles and regulating the automobile dealer industry. The Commission's budget is divided into three line items: Tax Administration, License Plate Production, and Liquor Profit Distribution. Base budget appropriations to the Tax Commission for Fiscal Year 2010 amount to \$83.2 million; of the total appropriations, about 53 percent (\$44.3 million) is from General and Education funds.

Legislative Action

Administration Line Item: The Tax Administration Line Item accounts for about 90 percent of the Commission's total budget and includes 10 programs: Administration, Auditing, Multi-State Compact, Technology Management, Tax Processing,

Seasonal Employees, Tax Payer Services, Property Tax, Motor Vehicles, and Motor Vehicle Enforcement. The Legislature reduced FY 2009 appropriations by \$1,419,100 in S. B. 2001 (2008 Special Session) reflecting the elimination of 16 FTE positions and reductions in travel and other administrative expenses. Further reductions of \$1,733,300 were made in H.B. 3 (2009 General Session) which eliminated 13 additional positions and other current expenses. In S.B. 2, \$602,200 was restored to cover criminal enforcement agent, auditors, out-of-state auditing, programming support, and collection/support.

The Legislature passed **S.B. 23, “Income Taxation of Pass-through Entities and Pass-through Entity Taxpayers”** resulting in the appropriation of \$45,500 from the General Fund and \$34,500 from the Education Fund for enforcement costs.

The Legislature also authorized the Tax Commission to increase the Temporary Permit Fee. This fee covers the \$140,000 budget adjustment to the Motor Vehicle Enforcement Division.

Liquor Profit Distribution Line Item: The Liquor Profit Distribution Line Item accounts for revenue generated by the Beer Excise Tax that is collected by the Tax Commission and remitted to both the General Fund and the Alcoholic Beverage Enforcement and Treatment Restricted Account. Under UCA 59-15-109, the Tax Commission is required to deposit the greater of 40 percent of the Beer Excise Tax collected two years prior or \$4,350,000 to the Alcoholic Beverage Enforcement and Treatment Restricted Account. UCA 32A-1-115(3) further requires the Legislature to annually appropriate an amount equal to at least the amount deposited for distribution to local governments. For FY 2010, the Legislature appropriated a total of \$5,622,600 (40 percent of FY 2008 collections and \$197,000 above the FY 2009 appropriation) to the Liquor Profit Distribution Line Item for distribution to local governments to be used for programs and projects related to prevention, treatment, detection, prosecution, and control of alcohol-related offenses.

License Plate Production Line Item: The License Plate Production line item accounts for the purchase of license plates and tags from the State Prison license plate production operation. The Legislature approved a FY 2010 line item budget of \$3.0

million, which includes a closing nonlapsing balance of \$2.0 million.

Funding Detail

Utah State Tax Commission					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	26,276,900	(2,698,100)	23,578,800	24,452,000	873,200
General Fund, One-time	21,400	(5,185,900)	(5,164,500)		5,164,500
Uniform School Fund	21,005,800	(1,460,100)	19,545,700	19,806,200	260,500
Uniform School Fund, One-time		925,000	925,000		(925,000)
Transportation Fund	5,857,400		5,857,400	5,857,400	
Federal Funds	510,400	69,900	580,300	580,300	
Dedicated Credits Revenue	14,111,900	224,400	14,336,300	14,428,100	91,800
GFR - Alc Bev Ent & Treatment	5,425,600		5,425,600	5,622,600	197,000
GFR - Rural Health Care Facilities				555,000	555,000
GFR - Sales and Use Tax Admin Fees	8,670,900	6,076,800	14,747,700	9,160,200	(5,587,500)
GFR - Tobacco Settlement	76,800	(76,800)		76,800	76,800
TFR - Uninsured Motorist LD.	133,800		133,800	133,800	
Transfers	102,300		102,300	102,300	
Beginning Nonlapsing	7,147,200	7,621,700	14,768,900	5,041,000	(9,727,900)
Closing Nonlapsing	(5,686,100)	645,100	(5,041,000)	(2,134,400)	2,906,600
Total	\$83,654,300	\$6,142,000	\$89,796,300	\$83,681,300	(\$6,115,000)
Line Items					
Tax Administration	75,443,400	5,960,900	81,404,300	74,529,700	(6,874,600)
License Plates Production	2,785,300	181,100	2,966,400	2,974,000	7,600
Rural Health Care Facilities Distribution				555,000	555,000
Liquor Profit Distribution	5,425,600		5,425,600	5,622,600	197,000
Total	\$83,654,300	\$6,142,000	\$89,796,300	\$83,681,300	(\$6,115,000)
Budgeted FTE	786.4	(22.9)	763.5	757.0	(6.5)

Funding Detail

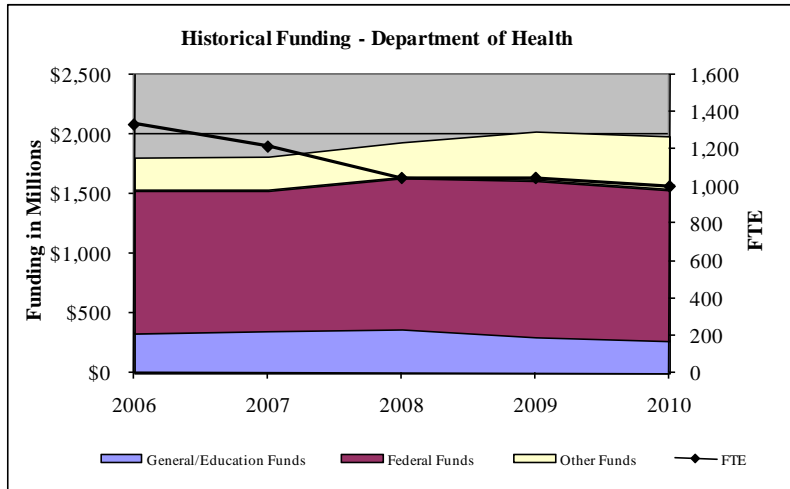
Economic Development and Revenue Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	92,287,700	(11,576,600)	80,711,100	78,535,500	(2,175,600)
General Fund, One-time	37,334,900	(8,089,200)	29,245,700	13,505,500	(15,740,200)
Uniform School Fund	21,005,800	(1,460,100)	19,545,700	19,806,200	260,500
Uniform School Fund, One-time		925,000	925,000		(925,000)
Transportation Fund	5,975,400		5,975,400	5,975,400	
Federal Funds	47,581,400	14,992,400	62,573,800	63,086,700	512,900
American Recovery and Reinvestment Act		28,447,000	28,447,000	67,400,000	38,953,000
Dedicated Credits Revenue	19,837,400	(116,200)	19,721,200	19,272,400	(448,800)
Federal Mineral Lease	63,500,000	87,700,000	151,200,000	63,500,000	(87,700,000)
GFR - Alc Bev Enf & Treatment	5,425,600		5,425,600	5,622,600	197,000
GFR - Homeless Trust	1,350,000		1,350,000	850,000	(500,000)
GFR - Industrial Assistance	223,500		223,500	223,500	
GFR - Mineral Bonus	20,900,000	7,100,000	28,000,000	20,900,000	(7,100,000)
GFR - Motion Picture Incentive Fund	4,051,300	(340,000)	3,711,300	2,206,300	(1,505,000)
GFR - Rural Health Care Facilities				555,000	555,000
GFR - Sales and Use Tax Admin Fees	8,670,900	6,076,800	14,747,700	9,160,200	(5,587,500)
GFR - Tobacco Settlement	76,800	(76,800)		76,800	76,800
GFR - Tourism Marketing Performance	11,688,000	(800,000)	10,888,000	7,000,000	(3,888,000)
TFR - Uninsured Motorist LD.	133,800		133,800	133,800	
Permanent Community Impact	70,694,800	(69,500,000)	1,194,800	71,818,500	70,623,700
Transfers	102,300		102,300	102,300	
Repayments	28,000,000	(6,700,000)	21,300,000	28,000,000	6,700,000
Beginning Nonlapsing	45,633,700	43,236,400	88,870,100	9,214,500	(79,655,600)
Closing Nonlapsing	(30,878,100)	22,492,100	(8,386,000)	(5,479,400)	2,906,600
Total	\$453,595,200	\$112,310,800	\$565,906,000	\$481,465,800	(\$84,440,200)
Agencies					
Tax Commission	83,654,300	6,142,000	89,796,300	83,681,300	(6,115,000)
Community and Culture	196,618,300	34,778,300	231,396,600	220,567,900	(10,828,700)
Economic Development	36,255,800	4,866,200	41,122,000	28,686,200	(12,435,800)
Sports Authority	184,700	5,600	190,300	197,600	7,300
USTAR	34,795,700	38,938,700	73,734,400	48,884,600	(24,849,800)
Restricted Revenue - EDR	102,086,400	27,580,000	129,666,400	99,448,200	(30,218,200)
Total	\$453,595,200	\$112,310,800	\$565,906,000	\$481,465,800	(\$84,440,200)
Budgeted FTE	1,072.4	0.3	1,072.7	1,047.7	(25.0)

**HEALTH AND HUMAN
SERVICES**

Department of Health

Department Overview

The mission of the Utah Department of Health is to protect the public's health through preventing avoidable illness, injury, disability and premature death; assuring access to affordable, quality health care; and promoting healthy lifestyles. Administration of the State's Medicaid Program is a significant portion of the Health Department's efforts and funding.



Legislative Action

The Legislature approved a total FY 2010 spending level for the Department of Health of \$1,982,366,400, with \$274,570,300 from the General Fund. The appropriation represents an average department-wide decrease of 2.0 percent over the FY 2009 revised budget and a 10.5 percent decrease over the FY 2009 revised General Fund level. The approved FTE level for the department is 1,004 for FY 2010.

Changes affecting the entire department include the following:

Use of the Medicaid Restricted Account Fund: The Legislature transferred \$4,000,000 (one-time) from the General

Fund Restricted - Medicaid Restricted Account to the General Fund in FY 2009.

Administrative Reductions: The Legislature reduced budgets by \$239,800 (\$139,200 General Fund) with \$14,300 in one-time restorations for FY 2009. Further reductions of \$255,600 (\$68,900 General Fund) were approved for FY 2010. The reductions will impact travel, mileage reimbursement, incentive awards, and boards and commissions that serve the Department.

Personal Services and Current Expense Reductions: Lawmakers reduced \$1,666,700 in ongoing funding, but restored \$1,333,300 one-time in FY 2009. The Legislature also added back ongoing funding of \$337,700 in FY 2010.

Favorable Federal Match Rate Change: Because of a favorable change in the federal match rate for the Medicaid and Children's Health Insurance Programs, the Legislature was able to reduce state funding by \$5,905,500 with a corresponding increase of Federal Funds.

The appropriation changes and legislative intent language for the divisions, bureaus and offices of the Department are listed within each program through the remainder of this chapter.

Executive Director's Office

The Executive Director's Office includes those functions of the Department of Health that provide overall direction of policy, management, and administrative support to the divisions, bureaus, offices and programs of the Department.

Legislative Action

The Legislature approved funding for FY 2010 in the amount of \$25,902,200, of which \$7,340,600 is from the General Fund. The approved FTE level for this line item is 152. The funding allocations to the programs within the line item are:

Executive Director	\$3,146,200
Program Operations	4,491,000

Medical Examiner	3,079,200
Preparedness Grants	10,390,300
Center for Health Data	4,795,500

Personal Services Reductions: In the September 2008 Special Session, the Legislature reduced Personal Services budgets by \$191,000 for FY 2009. During the 2009 General Session, the Legislature reduced funding for staff positions by \$79,300 in FY 2009 and \$118,100 (\$90,500 General Fund) in FY 2010.

A one-time appropriation of \$50,000 was approved for FY 2009 to be put into the Traumatic Brain Injury Fund, reflecting the intent of H.B. 174 "Traumatic Brain Injury Fund" passed during the 2008 General Session.

Cat and Dog Community Spay and Neuter Program Restricted Account: Because the Department collected more money for this account than previously anticipated, the Legislature approved an increase of \$30,000 in the General Fund Restricted - Cat and Dog Community Spay and Neuter Program Restricted Account for FY 2010. For FY 2009, an increase of \$16,200 was approved.

Drivers' License Money to Medical Examiner's Office: The Legislature approved replacing \$100,000 from the General Fund with \$100,000 from the General Fund Restricted – Department of Public Safety Restricted Account for the Medical Examiner.

Medical Examiner: To cover increasing caseloads, the Legislature approved funding of \$200,000 to hire an additional physician for investigations.

Fund Replacement: During the May 2009 Special Session, the Legislature replaced \$2,000,000 of one-time General Funds in FY 2009 with American Recovery and Reinvestment Act (ARRA) Funds.

Federal Stimulus: During the May 2009 Special Session, the Legislature approved \$1,230,000 from federal stimulus funds for enhanced research and surveillance for autism, rapid evaluation of best practices and costs in health care, and assigning all medical

patients a unique identifier so that medical records from many sources can be linked to the same patient when exchanged between different organizations.

The following bills affecting the Department of Health passed during the 2009 General Session:

H.B. 265 “Postmortem Procedures Amendments” provides \$4,200 (one-time) in FY 2009 for computer programming changes to allow non-funeral director personnel to submit death certificate information.

S.B. 142 “Disposition of a Dead Body” authorizes expenditures of \$87,000 from revenue generated by new permits that are required that deal with the availability of a dead body for postmortem examination.

H.B. 254 “Health Professional Authority – Death Certificates” is expected to generate revenue of \$1,500 from nurse practitioners seeking certification to complete death certificates and disability certifications.

Health Systems Improvement

The Division of Health Systems Improvement assures and improves the quality of the health care system in Utah. This is achieved through examination, analysis, continuity, quality, and cost.

Legislative Action

The approved FY 2010 budget for the Health Systems Improvement line item is \$15,375,300 with \$4,756,300 from the General Fund. Federal Funds and Dedicated Credit Revenue account for over \$10 million of the division’s budget. The approved FTE level for Health Systems Improvement is 136. The funding allocations to the programs within the line item include:

Director’s Office	\$226,600
Emergency Medical Services	4,866,800

Child Care Licensing	2,678,700
Health Facility Licensure, Certification and Resident Assessment	5,868,800
Primary Care and Rural Health	1,734,400

Grant and Director Office Reductions: Lawmakers approved FY 2009 reductions of \$1,269,000 (\$1,134,000 one-time) in the September 2008 Special Session for primary health care services to medically underserved populations.

Community Based Self Sufficiency Program: The Legislature eliminated funding for the Community Based Self Sufficiency Program by \$175,000 (one-time) during the September 2008 Special Session. This funding was originally approved when H.B. 131 “Community Based Self Sufficiency Program” passed in the 2008 General Session.

Child Care Licensing: The Legislature reduced funding for Child Care Licensing by \$151,500 (\$72,500 General Fund) in FY 2009 and \$75,600 (\$36,200 General Fund) in FY 2010 for personnel reductions due to a decreased number of licensed facilities. The number of facilities has decreased 38 percent since FY 2005.

Primary Care Grants: Lawmakers reduced Primary Care Grants by \$409,400 but restored the same amount with one-time funds in FY 2009. For FY 2010, the program was reduced by \$30,600, but backfilled for FY 2010 only with the same amount.

Child Care Facilities Inspections: A new \$25 charge to noncompliant facilities for additional follow up visits will generate \$40,000. Fee revenue will be deposited in the General Fund.

H.B. 142 “Reporting Abuse or Neglect of the Elderly or Disabled” provides \$60,000 Dedicated Credits from individuals who request and pay for background checks of home health care providers.

Health Care Reform: The budget included \$75,000 (one-time) for health care reform efforts. This funding will be given to the Utah Partnership for Value-driven Health Care in Salt Lake City and will be overseen by the Office of Consumer Health

Services within the Governor's Office of Economic Development to carry out some of the provisions of **H.B. 165 "Health Reform - Administrative Simplification."**

Doctor Free Clinic: Lawmakers approved \$50,000 (one-time) for the Doctor Free Clinic in St. George. This clinic provides no cost medical care to low-income clients.

Technical Adjustment: To comply with H.B. 281 "Grants to Rural Hospitals – Oversight Responsibilities" passed in the 2008 General Session, the budget includes a reduction of \$277,500 in the Rural Health Care Facilities Fund. The legislation gave expenditure authority to the Tax Commission for this fund.

Emergency Medical Services: Legislators reduced the funding for grants to urban EMS agencies by \$800,000. This reduction will also discontinue Cardiopulmonary Resuscitation (CPR) training for all 10th grade students.

Workforce Financial Assistance Program

This program was established during the 2002 Legislative Session by consolidating three separate loan/scholarship programs with the goal of increasing the number of health care professionals in underserved areas in the State. The loan repayment grants and scholarships are granted in return for providing professional medical services for an obligated period of time.

Legislative Action

Workforce Financial Assistance: Lawmakers eliminated the ongoing state funding for the Workforce Financial Assistance Program in FY 2010. The only monies available are the nonlapsing funds as set forth by statute.

Epidemiology and Laboratory Services

The Division of Epidemiology and Laboratory Services provides core public health systems of surveillance and detection in areas of public and environmental health programs and the Utah Public Health Laboratory.

Legislative Action

For FY 2010, the approved appropriation is \$21,102,400, of which \$5,543,200 is from the General Fund. Federal Funds and Dedicated Credit Revenue account for over \$13 million of this budget. The division FTE level for FY 2010 is 126. The funding allocations to the programs within the line item are:

Director's Office	\$167,800
Chemical & Environmental Services	1,991,300
Forensic Toxicology	1,164,300
Laboratory Improvement	1,087,100
Microbiology	4,802,000
Communicable Disease Control	9,322,800
Epidemiology	2,567,100

Communicable Disease Services: The FY 2009 budget was reduced in the September 2008 Special Session by \$50,000, which will impact expenditures for tuberculosis testing and sexually transmitted disease outreach.

The FY 2009 budget reflects a decrease of \$170,000 (one-time) due to action taken during the September 2008 Special Session. This eliminates funding provided by S.B. 209, "Methamphetamine Decontamination Standards and Funding" passed in the 2008 General Session to establish standards for methamphetamine decontamination of property and a public outreach campaign.

Laboratory Response Times: Lawmakers approved a reduction of \$108,300 in FY 2009, with a partial one-time restoration of \$60,000. This reduction may impact response times for major health events and test results.

Construction Delay of State Laboratory: Funding in the amount of \$369,800 was appropriated in FY 2008 for operations and maintenance of the new State laboratory. In keeping with legislative policy, one-time reductions occur until the facility is finished and the funds are needed. With the completion date delayed until late November 2009, the Legislature removed \$92,400 (one-time) in FY 2009 (September 2008 Special Session) and \$123,300 (one-time) in FY 2010 (General Session).

Federal Stimulus: During the May 2009 Special Session, the Legislature approved \$134,400 from federal stimulus funds to test the accuracy of the linkage between controlled substance studies and the Medical Examiner's records.

Community and Family Health Services

The Division of Community and Family Health Services assures that women, infants, children and their families have access to comprehensive coordinated, affordable, community-based quality health care. These services are available to all citizens of the State according to their ability to pay, but primary clients are women, infants and children who have special health care needs and are low income. The Division coordinates efforts, identifies needs, prioritizes programs and develops resources to reduce illness, disability, and death from adverse pregnancy outcomes, chronic diseases, disabling conditions, injury and violence, and vaccine-preventable infections.

Legislative Action

The FY 2010 budget for this division is \$121,975,700, with a General Fund allocation of \$13,280,100. Significant funding comes from Federal Funds, Dedicated Credit Revenue and restricted funds (Cigarette Tax and Tobacco Settlement). For FY 2010, this division will include 268 FTE. The funding allocations to the programs within the line item are:

Director's Office	\$3,620,700
Health Promotion	19,925,300
Maternal and Child Health	64,430,100
Children with Special Health Care Needs	33,999,600

Personal Services and Contract Reductions: Action taken in the September 2008 Special Session reduced the FY 2009 budget by \$758,300. This will impact tobacco cessation services and the neonatal follow-up program at the Utah Valley Regional Medical Center, and eliminate seven FTE positions.

FY 2009 Transfer of Restricted Cigarette Tax Funds: Lawmakers transferred \$8,299,200 (one-time) from the General Fund Restricted - Cigarette Tax Restricted Account to the General Fund during the September 2008 Special Session.

Health Promotion Program Reductions in FY 2009: The FY 2009 budget included reductions of \$522,800 (\$495,400 General Fund) with \$458,200 restored (one-time), impacting the Baby Watch/Early Intervention program, the Utah Birth Defect Network, the Autism Registry, translation services, the Baby Your Baby hotline, and Pregnancy Riskline phone services.

Newborn Screening: The Legislature eliminated General Funds of \$51,100 for the Newborn Screening Program, but approved the use of Dedicated Credits to cover expenses in the program.

Cervical Cancer Outreach: The FY 2010 budget eliminates public and provider education outreach efforts for cervical cancer due to the reduction of \$23,000 in FY 2009 and \$2,000 in FY 2010.

Baby Your Baby: The Legislature reduced the Baby Your Baby budget by \$30,000 in FY 2009, with \$10,000 added back for FY 2010, which will result in a reduction in media advertising for the program.

H.B. 302 “Distribution of Tobacco Settlement Amendments”: Lawmakers reduced funding from the General Fund Restricted - Tobacco Settlement Account for FY 2009 and FY 2010 by \$152,900. The reduced funding will impact the Baby Your Baby hotline and support staff for the Health Promotion Bureau.

Federal Stimulus: The budget includes \$8,099,100 from federal stimulus funds for expanded eligibility in the Baby Watch/Early Intervention Program, additional vaccines for underinsured children, and an upgraded voucher system for the Women, Infant, and Children program (\$3,011,200 was approved during the May 2009 Special Session).

Health Promotion Program Reductions: The Legislature included \$50,900 (\$34,900 General Fund) of reductions in the Baby Your Baby phone hotline, services provided through contracts, and the Physical Activity, Nutrition, and Obesity program.

Children with Special Health Care Needs (CSHCN): The CSHCN's budget is reduced by \$1,000,000 (backfilled one-time in FY 2010). Starting in FY 2011, approximately 1,000 clients will not receive services. Additionally, more clients will need to travel further to receive services. The Provo CSHCN clinic has closed and the Ogden CSHCN clinic will close. Between the two, 750 children are served. Estimates are that the reductions at the remaining clinics will reduce the number of children served by 600.

Illegal Immigration: S.B. 81, "Illegal Immigration" passed during the 2008 General Session, provides \$22,600 for the Department of Health to verify the legal presence for applicants of all public benefits.

Health Care Financing

The Division of Health Care Financing is the administrative agency for Utah's Medicaid Program which administers State and federal funding and contracting with providers. The primary programs administered by the Division are Medicaid, the Primary Care Network (PCN) and Utah's Premium Partnership for Health Insurance Program (UPP).

Legislative Action

For FY 2010, the Legislature approved a budget level of \$115,664,200 with \$4,605,000 coming from the General Fund.

Federal Funds provide over \$62 million of the Division's budget. The FTE count for Health Care Financing is 232. The funding allocations to the programs within the line item are:

Director's Office	\$979,300
Financial Services	9,560,000
Contracted Health Plans	3,547,700
Medicaid Operations	3,949,400
Eligibility Policy	8,209,200
Coverage and Reimbursement	4,516,500
Contracts	80,376,100
Program Integrity	2,395,100
Long-Term Care	2,130,900

Administrative Reductions: Total FY 2009 reductions implemented in the September 2008 Special Session were \$738,000 (\$500,000 one-time). The General Fund reductions were \$369,000 (\$250,000 one-time). The reductions affect contracts for consulting, 0.5 FTE clerical position, reassignment of staff to an area that receives a higher federal match rate, and the Medicaid Management Information System redesign.

Administrative Reductions in FY 2009: The budget was reduced by \$338,000 (\$169,000 General Fund) for FY 2009. The reductions include contracts for third-party analyses and research contracts used to make coverage policy decisions.

Intent Language

The Legislature approved intent language directing reports and studies in the Medicaid program regarding: changing outpatient hospital reimbursement to a fee-for-service system, proposals to help clients understand the cost of medical care, and expanding consumer-driven health care.

Intent language also gives nonlapsing authority (up to \$450,000 in FY 2009) for a study to redesign the Medicaid Management Information System.

Medicaid Mandatory Services

Medicaid Mandatory Services are those services the federal government requires to be provided to populations eligible for Medicaid. This also includes services provided to optional eligibility groups that Utah has elected to cover.

Legislative Action

For FY 2010, the Legislature approved a budget level of \$810,761,100 with \$162,371,100 coming from the General Fund. The FTE count for Medicaid Mandatory Services is 78. The funding allocations to the programs within the line item are:

Inpatient Hospital	\$215,429,400
Nursing Home	144,328,600
Contracted Health Plans	209,436,700
Physician Services	72,158,000
Outpatient Hospital	89,830,300
Other Mandatory Services	79,578,100

Provider Rate Reductions: During the September 2008 Special Session, the Legislature reduced the budget by \$15,559,200 (\$6,027,400 General Fund) with \$1,505,900 restored (one-time) in FY 2009. The reductions include: rolling back provider rates to June 30, 2008 levels; lowering administrative reimbursement from 9 percent to 8 percent for contracted health plans; changing the methodology to reimburse higher cost inpatient bills at a lower rate; and reflecting savings from the “New Choices” program.

Medicaid Restricted Account: During the September 2008 Special Session, the Legislature replaced \$3,828,400 (one-time General Fund) with \$3,828,400 from the General Fund Restricted - Medicaid Restricted Account.

Provider Rate Reductions (FY 2009): The Legislature reduced rates by \$8,961,800, but replaced \$7,169,500 with one-time funds. The reductions will impact payments for Medicaid services made to hospitals, physicians, and non-physicians.

Provider Rate Reductions (FY 2010): Lawmakers approved reductions of \$16,920,400, but restored \$13,541,000 (one-time). The one-time funding includes \$13,003,500 from the General Fund and \$537,500 from the General Fund Restricted - Medicaid Restricted Account (\$6,457,000 of the one-time funding was approved during the May 2009 Special Session). These reductions will affect Medicaid payments to hospitals, physicians, and non-physicians.

Federal Stimulus Funds: The Legislature approved the use of \$64,364,300 in FY 2009 (\$68,823,900 during the General Session and a reduction of \$4,459,600 during the May 2009 Special Session) and \$96,411,600 in FY 2010 (\$94,242,400 during the General Session and \$2,169,200 during the May 2009 Special Session) from American Recovery and Reinvestment Act (ARRA) Funds. The funding replaces one-time state funding in the Medicaid program in the amount of \$68,823,900 in FY 2009 and \$94,242,400 in FY 2010.

Medicaid Inflation and Caseload/Utilization Increases: The budget provides one-time funding in the amount of \$14,472,000 (\$11,509,500 from the General Fund and \$2,962,500 from the General Fund Restricted - Medicaid Restricted Account) in FY 2009 and \$14,600,000 in FY 2010 for anticipated caseload growth (\$3,100,000 of the FY 2009 caseload funding was approved during the May 2009 Special Session). Medicaid caseloads grew by 19.0 percent from June 2008 through June 2009. The Legislature also appropriated \$7,736,400 (one-time) for inflationary rate increases.

Nursing Home Assessment: Lawmakers approved a \$2,524,100 increase in the General Fund Restricted - Nursing Care Facilities Restricted Account to replace reductions in the General Fund for nursing home provider rates. The appropriation is funded by an increase in the assessment paid by nursing facilities.

Medicaid Cost Containment: The higher federal match rate provides Federal Funds of \$2,400,000, offsetting a \$2,400,000 General Fund reduction, obtained through changing to a prospective, capitated administrative payment system for

contracted health plans. The Legislature also approved \$9,500,000 (one-time) General Fund for start-up costs.

HMO Administrative Reduction: The Legislature reduced \$643,600 (\$1,321,800 General Fund offset by \$1,000,000 one-time General Fund Restricted - Medicaid Restricted Account) by lowering the administrative reimbursement rate for contracted health plans.

Medicaid Restricted Account: The budget replaces \$3,000,000 (one-time) from the General Fund with \$3,000,000 from the General Fund Restricted - Medicaid Restricted Account.

Medicaid Optional Services

Medicaid Optional Services represents that portion of services that Utah has elected to provide to specific low-income populations who are eligible for Medicaid. Even though listed as “optional”, many of these services must be provided to specific categories of recipients, such as children and pregnant women.

Legislative Action

For FY 2010, the Legislature approved a budget level of \$792,826,300 with \$73,853,600 coming from the General Fund. Federal Funds provide over \$496 million. There are no FTE’s in Medicaid Optional Services. The funding allocations to the programs within the line item are:

Pharmacy	\$152,099,400
Home and Community	
Based Waiver Services	141,401,700
Capitated Mental Health Services	155,126,400
Buy-In/Buy-Out	33,015,800
Intermediate Care Facilities	
for the Mentally Retarded	33,668,500
Vision Care	1,858,400
Dental Services	33,912,800
Other Optional Services	241,743,300

Special Session Action: During the September 2008 Special Session, reductions of \$12,588,700 (\$5,270,400 General Fund) with one-time restorations of \$1,357,400 were approved. The reductions include: (1) eliminating occupational therapy, physical therapy, speech and hearing services, vision care, and chiropractic services, (2) increasing the supervision of the drug reimbursement price controls, (3) limiting maximum payments as a secondary insurer, (4) funding for Primary Care Network inpatient physician reimbursements, and (5) eliminating the program to transfer some clients in Intermediate Care Facilities for the Mentally Retarded into community settings.

Drug Reimbursement: Lawmakers approved a reduction in the reimbursement rate for pharmacies saving \$556,000. An additional \$1,129,000 reduction was approved for FY 2010, but restored (one-time) for FY 2010. Reimbursements will be further reduced in FY 2011.

S.B. 87 “Preferred Drug List Revisions”: This Legislation requires a prior authorization process for physicians wanting clients to use a drug that is not on the Preferred Drug List. With this change, the Legislature reduced this budget by \$930,200 (\$622,900 General Fund), but restored \$500,000 (one-time) for FY 2009. In FY 2010, savings are expected to be \$4,661,700 (\$974,300 General Fund).

Restoration of Therapy Services: The Legislature provided \$266,100 (\$76,000 one-time General Fund Restricted - Medicaid Restricted Account) to restore occupation and physical therapy in FY 2010. These services were eliminated during the September 2008 Special Session.

The following table demonstrates the provider rate changes in the Medicaid program since FY 2006, by specific medical service.

Historical Percentage Changes for Medicaid Provider Reimbursement					
Provider Rate Changes	Approp. FY 2006	Approp. FY 2007	Approp. FY 2008	Approp. FY 2009	Approp. FY 2010
Nursing Homes	1.0%	2.0%	8.1%	0.0%	1.7%
Inpatient Hospital	1.5%	2.0%	4.8%	-2.9%	-11.1%
Ambulatory Surgical	3.7%	2.0%	2.5%	3.3%	4.9%
Dental Services	4.8%	2.0%	27.5%	-0.5%	-25.7%
Federally Qualified Health Centers	4.2%	4.3%	4.2%	2.0%	4.9%
Home Health	0.0%	0.0%	4.2%	-0.5%	-0.1%
Outpatient Hospital	1.5%	2.0%	2.5%	3.3%	4.9%
Pharmacy	11.5%	10.5%	10.4%	3.6%	3.7%
Physical Therapy	0.0%	0.0%	4.2%	2.0%	-6.0%
Physician Services	4.8%	2.0%	8.5%	1.9%	-0.3%
Rural Health	4.2%	4.3%	4.2%	2.0%	4.9%
Crossovers	4.2%	4.3%	4.2%	2.0%	4.9%
Health Maintenance Organizations	3.0%	2.0%	2.5%	0.0%	-6.0%
Buy-out Insurance	4.2%	4.3%	4.2%	2.0%	4.9%
Medicare Buy-in	10.8%	12.0%	5.6%	2.5%	4.9%
Other Providers	0.0%	0.0%	4.2%	2.0%	-6.0%

Children's Health Insurance Program

The Children's Health Insurance Program (CHIP) provides health insurance coverage for uninsured children up to the age of nineteen, living in families with incomes less than 200 percent of the Federal Poverty Level, which is a monthly income of \$3,675 or less for a family of 4.

Legislative Action

The total budget the Legislature approved for CHIP for FY 2010 is \$76,449,500. Of this amount, \$510,700 is from the General Fund and \$14,097,000 is from General Fund Restricted – Tobacco Settlement Account. The matching Federal Funds are estimated at \$58,866,700. The approved FTE level for this line item is 13. This funding can serve approximately 41,000 children monthly.

Media Outreach: The appropriation reflects a reduction of \$150,000 (\$30,000 General Fund) in FY 2009 which will impact the media coverage and outreach for the program.

H.B. 302 "Distribution of Tobacco Settlement Amendments": The budget reduces the General Fund by \$152,900 (one-time) in both FY 2009 and FY 2010, but replaces it

with funding from the General Fund Restricted - Tobacco Settlement Account.

Fee Changes: The Legislature approved a \$15 increase in quarterly premiums for the highest income group and a new \$15 late fee for quarterly premiums that are not paid on-time. These changes will result in an additional \$410,000 (\$82,000 General Fund).

Tobacco Settlement Funding Adjustments: The budget reflects a General Fund reduction of \$3,756,000, offset by a \$3,756,000 increase in General Fund Restricted – Tobacco Settlement Account.

Local Health Departments

The State provides block grants to the 12 local health departments (LHDs) as funding for the state-mandated services they provide. This funding is distributed among the LHDs according to a formula.

Legislative Action

The Legislature approved a FY 2010 funding level of \$2,309,700 General Fund for this block grant to the State's 12 local health departments. Each local health department serves between one and six counties.

Standards Compliance Funding: For both FY 2009 and FY 2010, lawmakers reduced funding by \$187,300, and replaced it with one-time funding.

Funding Detail

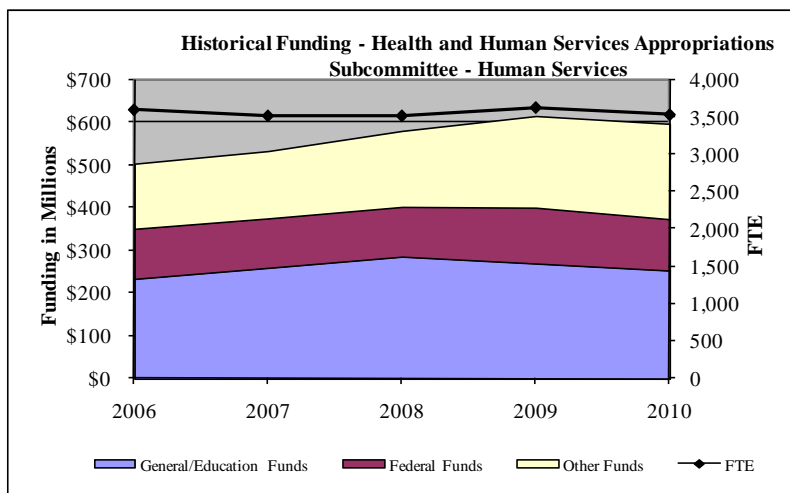
Department of Health					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	385,546,900	(32,169,900)	353,377,000	324,624,200	(28,752,800)
General Fund, One-time	(563,000)	(46,076,600)	(46,639,600)	(50,053,900)	(3,414,300)
Federal Funds	1,310,736,800	367,600	1,311,104,400	1,265,510,800	(45,593,600)
American Recovery and Reinvestment Act		66,364,300	66,364,300	105,875,100	39,510,800
Dedicated Credits Revenue	108,871,500	10,127,000	118,998,500	119,785,500	787,000
GFR - Cat & Dog Spay & Neuter	50,000	16,200	66,200	80,000	13,800
GFR - Cigarette Tax Rest	3,131,700		3,131,700	3,131,700	
GFR - Kurt Oscarson Trans	100,000		100,000	100,000	
GFR - Medicaid Restricted	2,000,000	6,790,900	8,790,900	4,613,500	(2,349,000)
GFR - Nursing Care Facilities Account	15,716,200		15,716,200	18,240,300	695,700
GFR - State Lab Drug Testing Account	418,000		418,000	418,800	800
GFR - Tobacco Settlement	16,768,000		16,768,000	20,373,600	3,605,600
TFR - Dept. of Public Safety Rest. Acct.				100,000	100,000
Organ Donation Contribution Fund	113,000		113,000	113,000	
Transfers		56,003,700	56,003,700	56,133,700	130,000
Transfers - Environmental Quality	32,500	(32,500)		200	200
Transfers - Governor's Office Administration		190,500	190,500		(190,500)
Transfers - Human Services	65,595,500	(7,737,900)	57,857,600	57,741,500	(116,100)
Transfers - Intergovernmental	34,489,600	(34,528,600)	(39,000)	(273,300)	(234,300)
Transfers - Medicaid	2,243,400	(82,500)	2,160,900	2,010,800	(150,100)
Transfers - Other Agencies	9,208,900	(1,767,700)	7,441,200	7,233,600	(207,600)
Transfers - Public Safety	347,400	38,200	385,600	380,200	(5,400)
Transfers - State Office of Education		100,000	100,000		(100,000)
Transfers - Within Agency	33,196,300	8,549,800	41,746,100	42,333,500	587,400
Transfers - Workforce Services	1,271,400	2,075,500	3,346,900	2,883,800	(463,100)
Rural Health Care Facilities Fund	277,500		277,500		(277,500)
Beginning Nonlapsing	3,499,100	3,043,500	6,542,600	2,578,700	(3,963,900)
Closing Nonlapsing	(2,728,100)	499,400	(2,228,700)	(1,568,900)	659,800
Lapsing Balance	2,063,000	(2,340,500)	(277,500)		277,500
Total	\$1,992,385,600	\$29,430,400	\$2,021,816,000	\$1,982,366,400	(\$39,449,600)
Line Items					
Executive Director's Operations	28,468,400	(1,715,800)	26,752,600	25,902,200	(850,400)
Health Systems Improvement	19,164,400	(1,420,100)	17,744,300	15,375,300	(2,369,000)
Workforce Financial Assistance	425,900	403,700	829,600		(829,600)
Epidemiology & Lab Services	20,840,500	1,622,700	22,463,200	21,102,400	(1,360,800)
Community and Family Health Services	108,455,800	10,798,300	119,254,100	121,975,700	2,721,600
Health Care Financing	95,623,300	21,888,800	117,512,100	115,664,200	(1,847,900)
Medicaid Mandatory Services	820,268,500	(18,673,800)	801,594,700	810,761,100	9,166,400
Medicaid Optional Services	820,619,900	16,120,400	836,740,300	792,826,300	(43,914,000)
Children's Health Insurance Program	76,021,900	406,200	76,428,100	76,449,500	21,400
Local Health Departments	2,497,000		2,497,000	2,309,700	(187,300)
Total	\$1,992,385,600	\$29,430,400	\$2,021,816,000	\$1,982,366,400	(\$39,449,600)
Budgeted FTE	1,049.5	0.0	1,049.5	1,004.0	(45.5)

Department of Human Services

Department Overview

The Department of Human Services functions under the authority of Title 62A of the Utah Code. In addition to the Executive Director Operations, there are separate line items for six divisions within the department, including the divisions of Substance Abuse and Mental Health, Services for People with Disabilities, Office of Recovery Services, Child and Family Services, Aging and Adult Services, and Juvenile Justice Services.

The Division of Juvenile Justice Services (DJJS) is not included in this chapter of the report. Its budget is included with the Executive Offices and Criminal Justice Appropriations Subcommittee. The total full time equivalent (FTE) count for the Department of Human Services without DJJS is 3,536.



Legislative Action

The total appropriation for FY 2010 is \$597,728,300 with \$263,570,300 from the General Fund, offset by a one-time General Fund reduction of \$10,292,300. The total appropriation represents a decrease of \$18,243,300 or 3.0 percent when compared to the revised FY 2009 budget. The General Fund decreased by \$12,052,100 or 4.4 percent from the revised FY 2009 budget. The General Fund decreased by \$36,217,100 or 12.1 percent, from the

original FY 2009 appropriated budget, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

The Department's revised FY 2009 budget totals \$615,971,600 (\$275,622,400 General Fund), reflecting \$24,165,000 in FY 2009 supplemental reductions from the General Fund due to actions taken in both the September 2008 Special Session and the 2009 General Session.

General Departmental Issues

Salary and Benefit Adjustments: The Legislature reduced ongoing funding for department employees by \$6,222,500 with a net one-time FY 2010 add back of \$2,250,000. This reduction will mostly affect the divisions of Executive Director Operations, Services for People with Disabilities, the Office of Recovery Services, and Aging and Adult Services.

Local Provider and Private Contract Provider

Payment Rates: The Legislature reduced ongoing General Fund associated with local providers of mental health, substance abuse, aging services, and private contract providers for the divisions of Child and Family Services and Services for People with Disabilities by \$10,160,400 with a one-time add back for FY 2010 of \$5,160,400.

Medicaid Match Rate Change: The projected Federal Medical Assistance Percentage (FMAP) rate for FY 2010 is 71.438 percent which represents an increase of 0.4975 percent from the FY 2009 FMAP rate. This change in the FMAP rate will result in the Department of Human Services receiving more federal funds for programmatic costs of approximately \$1,377,000. Because of the additional federal funds, the Legislature was able to reduce \$1,377,000 from the General Fund.

TANF Transfers to SSBG: As in previous sessions, the FY 2010 appropriation includes \$5,307,000 in transfers from the Temporary Assistance for Needy Families (TANF) fund to the Social Services Block Grant (SSBG). These funds will be used in the Division of Child and Family Services.

Travel: The Legislature eliminated funding for out-of-state travel and reduced funding for in-state travel by 20 percent.

Boards and Commissions: The Legislature reduced state funding for boards and commissions, and through **H. B. 306, “Health and Human Services-related Commission, Committee, and Council Amendments”**, eliminated the following boards: Board of Child and Family Services, Board of Services for People with Disabilities, Board of Public Guardian Services, Board of Substance Abuse and Mental Health, and the Human Services Licensing Board. This legislation also transferred those board powers and responsibilities to their respective divisions or offices.

Executive Director Operations

The Executive Director Operations (EDO) budget includes the Department Director's Office and various services and offices that serve other divisions in the department such as Fiscal Operations, Legal Affairs, Service Review, and Licensing. EDO also includes programs that are independent of the divisions, such as the Utah Developmental Disabilities Council. The total full time equivalent (FTE) count for EDO is 104.

Legislative Action

For FY 2010, the Legislature appropriated a total budget of \$16,109,900 (\$8,570,800 General Fund). This is a decrease of \$1,750,700 (\$1,190,300 General Fund) over the FY 2009 revised appropriation. This is also a General Fund decrease of \$2,280,700 from the original FY 2009 appropriation, reflecting budget actions taken in both the September 2008 Special Session as well as the 2009 General Session.

During the September 2008 Special Session, the Legislature reduced the ongoing base budget of this division by \$1,110,700 (\$867,300 General Fund) through the elimination of the Foster Care Citizen Review Board (\$678,800), the elimination of all state funding supporting the Utah Developmental Disabilities Council (\$108,000), the elimination of the disabilities ombudsman (\$96,300) and the disabilities provider quick check (\$8,800) functions, and other miscellaneous reductions (\$218,800).

The Legislature also reduced this budget by \$2,050,000 General Fund (one time); \$2,000,000 of this being a reduction of the Drug Offender Reform Act (DORA) Pilot Program.

The Legislature reduced the FY 2009 budget by \$194,600 (\$217,800 General Fund) reflecting reductions in salary and benefits, travel, defunding department boards and commissions, and other miscellaneous and technical adjustments.

The ongoing base budget for FY 2010 was reduced by \$1,302,300 (\$1,274,300 General Fund) reflecting reductions in salary and benefits, travel, an employee assistance program, defunding all department boards and commissions, and other miscellaneous and technical adjustments. The Legislature also made one-time adjustments of \$186,500 reflecting a delay in the anticipated occupancy of a new state administrative office building and a small one-time add back.

Intent Language

The Legislature adopted intent language for the department to eliminate the use of its data processing internal service fund (ISF) by transferring the associated assets from that ISF to the EDO line item.

Division of Substance Abuse and Mental Health

The Division of Substance Abuse and Mental Health (DSAMH) is the state's public mental health and substance abuse authority. The division also has general supervision of the Utah State Hospital in Provo and administers the Drug Offender Reform Act (DORA) and the Drug Courts and Drug Board programs. The DSAMH has 828 full-time equivalent (FTE) employees with 799 FTE employed at the Utah State Hospital.

Legislative Action

For FY 2010, the Legislature appropriated a total budget of \$130,107,000 (\$80,669,100 General Fund). This is a decrease of \$9,200,700 (\$4,665,600 General Fund) compared to the FY 2009 revised appropriation. This is also a General Fund decrease of \$13,525,800 from the original FY 2009 appropriation, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

Mental Health

During the September 2008 Special Session, the Legislature reduced the ongoing base budget of this division by \$181,500 for efficiencies achieved at the Utah State Hospital along with \$34,000 in other administrative reductions.

The Legislature reduced the FY 2009 budget by \$191,700 (\$199,600 General Fund) affecting employee salary and benefits and a grant to the Children's Center.

The ongoing base budget for FY 2010 for mental health programs was reduced by \$3,077,800 to reflect reductions in employee salary and benefits (\$230,900), local mental health provider rates (\$910,500), autism contract rates (\$75,500), state pass-through funding to mental health authorities for mental health services provided at a local level (\$1,750,000), and several other adjustments (\$110,900). Additionally, the Legislature made ongoing reductions of \$2,775,300 while replacing the same amount of one-time funds to pass-through to local mental health authorities, local mental health provider rates and autism contracts, and a grant to the Children's Center.

The Utah State Hospital (USH) budget was reduced in FY 2009 by \$948,300 and in FY 2010 by \$1,416,300 to reflect enhanced Medicaid matching funds with a one-time equivalent reduction of state General Fund.

Substance Abuse

During the September 2008 Special Session, the Legislature decreased the ongoing base budget for substance abuse programs by \$2,934,700 (\$2,605,900 General Fund) through reductions of state prison substance abuse treatment funding, the DORA program, substance abuse prevention, and local substance abuse treatment as well as the elimination of funding associated with S.B. 211, "Alcohol Beverage Control Amendments" (2008 Session). The Legislature also reduced one-time Beginning Nonlapsing funds for the Drug Court program.

The Legislature cut back the FY 2009 budget by \$1,975,400 for reductions in the DORA treatment and the Drug Board programs. Technical adjustments of \$1,657,400 were made to replace Liquor Control Fund with General Fund and in transferring Beginning Nonlapsing funds from the EDO line item. Additionally, the Legislature appropriated \$700,000 one-time General Fund for DORA treatment.

The ongoing base budget for FY 2010 for substance abuse programs was lowered by \$4,991,000 for reductions in local substance abuse provider rates and the elimination of most of the ongoing funding for DORA. The Legislature funded \$2,009,400 one-time with the intent to return the DORA program to a pilot status. The necessary statutory changes were made in **S.B. 202, "Drug Offender Reform Act Amendments"**, to ensure this pilot status. Additionally, the Legislature approved an ongoing reduction of \$882,900, but replaced the same amount with one-time funds for FY 2010, for local substance abuse provider rates and for substance abuse prevention and treatment programs. This will mean that these reductions will go into effect at the beginning of FY 2011.

Technical adjustments of \$2,136,200 resulted in replacing Liquor Control Fund with General Fund, in replacing General Fund in Drug Court with tobacco settlement funds, and in transferring a small amount of funds from the Mental Health Therapist Grant line item.

Bills with Fiscal Impact

The Legislature passed **H.B. 302, "Distribution of Tobacco Settlement Monies Amendments"**, to coordinate

statutory provisions regarding the Drug Board program with budgetary actions taken by the Health and Human Services Appropriations Subcommittee. This action reduced Drug Board funding authorized in UCA 51-9-201(4)(d) from \$350,900 to \$175,500. In later action, the Legislature re-appropriated the difference of \$175,400 for FY 2010 to the Drug Board program under the provision found in UCA 51-9-201(4)(f) which allows the use of “any remaining [tobacco settlement] funds as directed by the Legislature through appropriation”.

Mental Health Therapist Grant

The Mental Health Therapist Grant and Scholarship program was established in 1994 to increase the number of mental health therapists practicing in underserved rural areas of the state through a scholarship or grant program.

Legislative Action

The funding for this program (\$28,000) was eliminated in the September Special Session and the program was statutorily repealed through passage of **S.B. 129, “Mental Health Therapist Grant and Scholarship Act Repeal”**, during the 2009 General Session.

Division of Services for People with Disabilities

The Division of Services for People with Disabilities (DSPD) is responsible for providing residential, day services, family support services, and attendant care for people with severe mental retardation and other related conditions, including brain injury and physical disabilities. The services provided range from limited family support to a full array of 24-hour services both in the community and at the Utah State Developmental Center. Community services are provided under contract with private providers. DSPD has 916 full-time equivalent (FTE) employees with 671 FTE employed at the Utah State Developmental Center.

Legislative Action

For FY 2010, the Legislature appropriated \$201,382,100 (\$50,908,100 General Fund). The FY 2010 appropriation is a decrease of \$2,820,700 (\$4,954,100 General Fund) from the FY 2009 revised appropriation. There is also a General Fund decrease of \$9,126,400 from the original FY 2009 appropriation, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

During the September Special Session, the Legislature decreased this division's budget by \$5,131,400 (\$2,101,400 General Fund) through reductions in funding intended to bring individuals into services from the waiting list (\$1,000,000), funding associated with individuals who had left services through attrition (\$2,000,000), non-waiver services not yet provided (\$600,000), consolidation of maintenance positions between the Utah State Developmental Center (USDC) and the Utah State Hospital (\$330,000), USDC efficiencies in staffing and services (\$1,000,000), and other various adjustments (\$201,400).

The Legislature reduced the FY 2009 budget by \$186,700 (\$64,500 General Fund) for employee salary and benefits.

The base budget for FY 2010 for the Division of Services for People with Disabilities was trimmed by \$4,670,100 to reflect reductions in employee salary and benefits (\$2,857,000 with one-time add back funding of \$1,545,000), contract provider rates (\$1,531,400), non-Medicaid eligible services (\$265,700), and other various adjustments (\$16,000). Additionally, the Legislature made an ongoing reduction of \$1,545,000, but offset the reduction with one-time funds for FY 2010 for contract provider rates. This means that this rate reduction will go into effect at the beginning of FY 2011.

The budget for the Division of Services for People with Disabilities was adjusted in FY 2009 by \$10,914,000 and FY 2010 by \$16,281,400 to reflect enhanced Medicaid matching funds with a one-time equivalent reduction of state General Fund.

Intent Language

The Legislature authorized DSPD to use FY 2010 Beginning Nonlapsing funds to offer emergency services, services for individuals who turn 18 years old and leave state custody from the divisions of Child and Family Services and Juvenile Justice Services, and services for individuals that are court ordered into DSPD services.

Office of Recovery Services

The Office of Recovery Services (ORS) collects funds owed to the state in the Human Services and Medical Assistance areas. ORS also collects child support payments from non-custodial parents on behalf of custodial parents. If the custodial parent is receiving public assistance, the child support payments are used to reimburse the state and federal governments for assistance given to the custodial parent. If the state has custody of the child, the non-custodial parents are still required to pay child support to the state. Federal law also requires the office to provide child support collection services to families not receiving public assistance. The Department of Health contracts with ORS to provide insurance identification and third party collection services for medical assistance programs such as Medicaid. ORS has approximately 500 full time equivalent (FTE) employees.

Legislative Action

For FY 2010, the Legislature appropriated \$58,813,600 (\$14,034,200 General Fund). This represents an overall increase of \$2,757,800 (\$942,000 General Fund decrease) over the revised FY 2009 appropriations. There is also a General Fund decrease of \$1,895,500 from the original FY 2009 appropriation, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

During the September 2008 Special Session, the Legislature reduced the ongoing base budget of this division by \$206,600 (\$156,600 General Fund) for administrative reductions and for efficiencies gained through updating imaging processes in its mailroom.

The Legislature reduced the FY 2009 budget by \$133,600 (\$49,200 General Fund) for employee salary and benefits.

The ongoing base for FY 2010 for the Office of Recovery Services was lowered by \$2,010,900 (\$1,745,600 General Fund) to reflect a reduction in employee salary and benefits as well as other related expenses.

The Office of Recovery Services budget was increased in FY 2009 by \$1,820,500 and in FY 2010 by \$9,000,000 to reflect federal stimulus funding anticipated for federal matching of child support collection incentive funds. During the May 2009 Special Session, the General Fund was reduced (one time) in FY 2010 by \$919,500 together with a reduction in the associated federal matching funds of \$1,839,000.

Division of Child and Family Services

The Division of Child and Family Services (DCFS) is the child, youth, and family services authority of the state. Its primary purpose is to provide child welfare services. By statute, DCFS is to provide child abuse prevention services, child protective services, shelter care, foster care, residential care, adoption assistance, health care for children in state custody, family preservation, protective supervision, and domestic violence preventive services. DCFS is a state-administered agency with headquarters in Salt Lake City and five regional administrative centers. DCFS has 1,140 full time equivalent (FTE) employees.

Legislative Action

For FY 2010, the total appropriated budget for DCFS is \$168,574,700 (\$97,520,600 General Fund). This represents a decrease of \$5,669,800 (\$90,300 General Fund) below the revised FY 2009 appropriation. There is also a General Fund decrease of \$6,400,100 from the original FY 2009 appropriation, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

During the September Special Session, the Legislature reduced this division's budget by \$2,772,600 (\$2,388,100 General Fund) as a result of eliminating child abuse investigations performed when the perpetrator lives outside of the home (\$521,800), refocusing efforts with regard to family preservation services (\$1,047,800), consolidating contract and monitoring functions (\$400,400), and for other administrative reductions (\$802,600). The Legislature also reduced this budget \$578,500 one time to realize a savings by a delay in computer replacements.

The Legislature reduced the FY 2009 budget by \$308,300 for salary and benefits and employee automobile mileage reimbursement rates with a one-time \$20,000 FY 2009 add back.

The FY 2010 base budget for the Division of Child and Family Services was reduced by \$1,833,200 to reflect a decrease in contract provider rates and a reduction in automobile mileage reimbursement rates. Additionally, the Legislature made an ongoing reduction of \$1,960,700 for contract provider rates with a full FY 2010 one-time offset. This will mean that this rate reduction will go into effect at the beginning of FY 2011.

The Division of Child and Family Services budget was adjusted in FY 2009 by \$2,371,400 and in FY 2010 by \$3,537,500 to reflect enhanced Medicaid matching funds with a one-time equivalent reduction of state General Fund. The DCFS budget was increased in both FY 2009 (\$729,300) and FY 2010 (\$972,400) to reflect federal stimulus enhanced matching funds for foster care and adoption assistance.

Bills with Fiscal Impact

The Legislature passed **H.B. 198, "Marriage License Fee Amendments"**, which requires county clerks to collect an additional \$10 for a marriage license fee, if the applicant chooses to pay it, and to transmit amounts collected to the State Division of Finance for distribution to the Division of Child and Family Services for use in the operation of shelters for victims of domestic violence. As a result, \$250,000 was added to the DCFS budget for this statutory change.

Intent Language

The Legislature approved the use of non-lapsing funds, limited to the Adoption Assistance and Out-of-Home Care programs.

Division of Aging and Adult Services

The Division of Aging and Adult Services (DAAS) coordinates all state activities related to the federal Older Americans Act of 1965 (later amended in the year 2000). DAAS contracts for services, oversees state and federal programs, and advocates for the elderly. The programs are administered by the state's twelve local Area Agencies on Aging (AAA) under the direction of DAAS. Programs funded through the Older Americans Act are distributed to AAAs through an approved funding formula. The division is also responsible, through its Adult Protective Services (APS) program, for the protection of abused, neglected, and exploited adults and elderly. DAAS has 48 full time equivalent (FTE) employees.

Legislative Action

For FY 2010, the Legislature appropriated a total budget of \$22,741,000 (\$11,867,500 General Fund). Compared to the FY 2009 revised budget, the FY 2010 appropriation decreased by \$1,559,200 (\$181,800 General Fund). There is also a General Fund decrease of \$2,988,600 from the original FY 2009 appropriation, reflecting budget actions taken in the September 2008 Special Session, the 2009 General Session, and the May 2009 Special Session.

During the September 2008 Special Session, the Legislature reduced the ongoing base budget of this division by \$141,700 for three Adult Protective Services staff positions, for senior center maintenance, and for administrative reductions. The Legislature also reduced this budget \$100,000 (one-time) for an Aging Caregiver program and a 211 information pilot program.

The FY 2009 budget for the Division of Aging and Adult Services was pared back by \$151,300 (\$75,000 General Fund) to reflect a reduction in employee salary and benefits and to reduce the Long-term Care Ombudsman program.

The ongoing FY 2010 base budget was reduced by \$1,837,000 (\$1,833,400 General Fund) to reflect reductions in employee salary and benefits (with a one-time \$50,000 General Fund offset), Adult Protective Services, local aging provider rates, the Long-term Care Ombudsman program, funding sent through to assist local area agencies on aging, the Meals on Wheels program, the elimination of a nursing home pilot program, and senior center meals. Additionally, the Legislature made ongoing reductions of \$985,200, but offset the reduction by appropriating the same amount of one-time funds for FY 2010. The ongoing reductions will affect the capping of enrollment for the Nursing Home Alternatives program, local aging provider rate increases, and funding sent through to assist local area agencies on aging. The full reductions will go into effect at the beginning of FY 2011.

The Division of Aging and Adult Services budget was adjusted in FY 2009 by \$240,900 and in FY 2010 by \$359,900 to reflect enhanced Medicaid matching funds with a one-time equivalent reduction of state General Fund. The DAAS budget was increased in both FY 2009 (\$191,000) and FY 2010 (\$572,000) to reflect federal stimulus funding anticipated for elderly nutrition (senior center meals and meals on wheels). This budget was also increased in FY 2009 by \$35,300 and for FY 2010 by \$123,500 to reflect federal stimulus funding anticipated for the Senior Community Service Employment Program.

Internal Service Funds

The Department of Human Services currently operates one internal service fund (ISF) that provides shared services to the department's divisions and offices. This General Services ISF collects funds from the divisions for building maintenance and rent for the department's main office in Salt Lake City. Total funding for this ISF comes from intergovernmental revenue and is not a part of the Department of Human Services nor the Health and Human Services Appropriations Subcommittee funding shown in the tables and graphs in this report.

The FY 2010 Appropriations Act authorizes collections of \$1,435,000 for the General Services ISF, with operating expenses

estimated at \$1,479,100, creating an expected operating loss of \$44,100. Accumulated retained earnings are expected to be \$60,700 by the end of FY 2010. The Legislature also approved a staffing level of 1 FTE.

During the 2009 General Session, the Legislature also elected to eliminate a second ISF operated by the department. The eliminated Data Processing ISF had been an account used to distribute the cost for programming services. The Legislature adopted intent language eliminating the use of the data processing internal service fund and transferring the associated assets to the Executive Director Operations line item.

Funding Detail

Department of Human Services					
	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Sources of Finance					
General Fund	299,787,400	(24,165,000)	275,622,400	263,570,300	(12,052,100)
General Fund, One-time	1,243,400	(7,077,800)	(5,834,400)	(10,292,300)	(4,457,900)
Federal Funds	125,892,000	5,575,900	131,467,900	121,016,900	(10,451,000)
American Recovery and Reinvestment Act		17,250,700	17,250,700	32,263,000	15,012,300
Dedicated Credits Revenue	10,052,900	1,826,300	11,879,200	11,860,000	(19,200)
GFR - Children's Trust	400,000		400,000	400,000	
GFR - Domestic Violence	840,700		840,700	840,700	
GFR - Intoxicated Driver Rehab	1,500,000		1,500,000	1,500,000	
GFR - Tobacco Settlement	1,647,200		1,647,200	2,166,300	519,100
GFR - Trust for People with Disabilities	100,000		100,000	100,000	
Liquor Control Fund	1,589,100	(1,589,100)			
DHS DP ISF		120,000	120,000		(120,000)
Transfers - Commission on Criminal and Juvenile Justice	166,000	(73,000)	93,000	93,000	
Transfers - H - Medical Assistance	167,102,400	3,748,500	170,850,900	172,516,000	1,665,100
Transfers - Other Agencies	3,086,200	(2,343,000)	743,200	694,400	(48,800)
Beginning Nonlapsing	5,620,800	4,670,000	10,290,800	1,000,000	(9,290,800)
Closing Nonlapsing		(1,000,000)	(1,000,000)		1,000,000
Total	\$619,028,100	(\$3,056,500)	\$615,971,600	\$597,728,300	(\$18,243,300)
Line Items					
Executive Director Operations	20,888,700	(3,028,100)	17,860,600	16,109,900	(1,750,700)
Substance Abuse & Mental Health	139,681,700	(374,000)	139,307,700	130,107,000	(9,200,700)
Mental Health Therapist Grant	28,000	(28,000)			
Svcs for People w/Disabilities	209,432,000	(5,229,200)	204,202,800	201,382,100	(2,820,700)
Office of Recovery Services	54,577,000	1,478,800	56,055,800	58,813,600	2,757,800
Child and Family Services	170,044,800	4,199,700	174,244,500	168,574,700	(5,669,800)
Aging and Adult Services	24,375,900	(75,700)	24,300,200	22,741,000	(1,559,200)
Total	\$619,028,100	(\$3,056,500)	\$615,971,600	\$597,728,300	(\$18,243,300)
Budgeted FTE	3,651.8	(23.5)	3,628.3	3,535.9	(92.4)

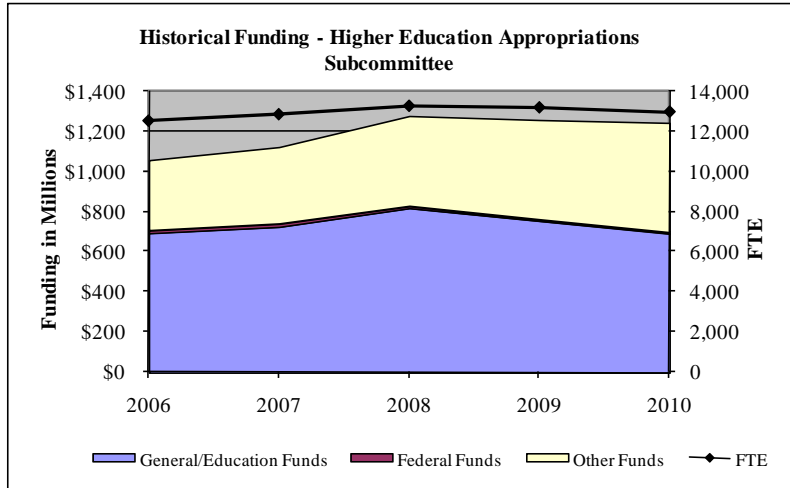
Higher Education

Subcommittee Overview

The original FY 2009 appropriated budget for the Utah System of Higher Education, the Utah Education Network, and the Medical Education Council was \$1,267,363,400, with 67 percent (\$849,528,300) being funded from state tax funds (General Fund, Education Fund, and Uniform School Fund). Due to deteriorating economic conditions, this level of ongoing state funding was reduced in the September 2008 Special Session by \$33,980,900 and further reduced in the 2009 General Session by \$59,227,900. To offset these ongoing reductions, the Legislature approved \$30,488,300 in one-time state funds. Besides these reductions, the Higher Education FY 2009 budget reflects \$52,918,800 in other funding sources, mostly additional tuition revenue and nonlapsing balances. Supplemental appropriations for FY 2009 include a reduction of \$231,800 for pre-funded Operations and Maintenance (O&M) monies for new facilities and replacing one-time state funds with American Recovery and Reinvestment Act (ARRA) funds in the amount of \$28,800,000. The final FY 2009 budget is expected to be \$1,256,448,300.

With lower revenue forecasts for FY 2010, the Legislature approved a FY 2010 base for Higher Education that was \$51,153,400 below the FY 2009 level. After taking out the one-time FY 2009 appropriations (\$33,320,300), the Legislature approved ongoing increases in the amount of \$2,810,900 and one-time increases of \$66,350,800 for a total of \$1,242,017,900. During the May 2009 Special Session, the Legislature authorized additional expenditures from the American Recovery and Reinvestment Act in the amount of \$130,491,400 (should additional funds become available), which increases the FY 2010 total appropriation to \$1,372,509,300. This represents an 8.3 percent increase when compared to the original FY 2009 appropriation, but a decrease of 16.6 percent comparing ongoing state tax funds from FY 2009 to FY 2010. Ongoing state funding from the General Fund, Income Tax, and Uniform School Fund is \$705,354,700 and one-time state funding is (\$11,703,800). The total state funding of \$693,650,900 represents 56 percent of the total funding. General Fund Restricted Accounts total \$8,733,300 with the remaining balance of \$670,125,100 consisting of federal

revenue, dedicated credits, transfers, mineral lease, land grant management funds, and nonlapsing balances.



The following table shows the changes in appropriations that were made to the FY 2009 and FY 2010 budgets during the 2009 General Session and two Special Sessions. The table shows ongoing, one-time, ARRA, and other sources of funding.

	Ongoing	One-time	One-time	Other	Total
	State Tax Funds	State Tax Funds	ARRA		
Total FY 2009 Original Base	845,889,700	3,638,600	0	417,835,100	1,267,363,400
FY 2009 Supp. Approp. (SB 2001 - Sept. 2008 Spec. Sess.)	(33,980,900)	(574,800)	0	574,800	(33,980,900)
FY 2009 Supp. Approp. (HB 3 - 2009 Gen. Sess.)	(59,227,900)	30,488,300	0	(400,000)	(29,139,600)
FY 2009 Supp. Approp. (SB 3 - 2009 Gen. Sess.)	0	(29,031,800)	28,800,000	0	(231,800)
FY 2009 Revisions	0	0	0	52,437,200	52,437,200
FY 2009 Total Appropriation	752,680,900	4,520,300	28,800,000	470,447,100	1,256,448,300
% of Original FY 2009 Base	89.0%				
Additional changes to get to FY 2010 Beginning Base	(50,753,400)	0	(28,800,000)	481,600	(79,071,800)
FY 2010 Add'l. Approp. (included in SB 2 - 2009 Gen. Sess.)	3,427,200	(1,348,200)	65,424,000	483,700	67,986,700
FY 2010 Supp. Approp. (SB 3 - 2009 Gen. Sess.)	0	(10,355,600)	12,380,600	(1,000,000)	1,025,000
SB 15 Workers' Comp. Premium Assessment	0	0	0	150,000	150,000
FY 2010 Approp. Adjust. (HB 1003 - May 2009 Spec. Sess.)	0	0	130,491,400	0	130,491,400
FY 2010 Total Appropriation	705,354,700	(11,703,800)	208,296,000	470,562,400	1,372,509,300
% of Original FY 2009 Base	83.4%				

Utah System of Higher Education

The Utah System of Higher Education (USHE) is comprised of two research universities, three metropolitan/regional universities, one state college, three community colleges and the Utah College of Applied Technology (UCAT).

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$1,231,562,200 by \$33,052,900 during the September 2008 Special Session and by an additional \$27,781,000 during the 2009 General Session.

The Legislature approved an ongoing beginning FY 2010 base of \$1,141,072,700, which is \$49,439,200 below the FY 2009 ongoing level. To this budget, lawmakers approved increases in the amount of \$67,566,100, resulting in \$1,208,638,800. During the May 2009 Special Session, the Legislature authorized additional expenditures from the American Recovery and Reinvestment Act in the amount of \$130,491,400 (should additional funds become available), which increases the FY 2010 total appropriation to \$1,339,130,200. The appropriation comes from the General Fund, Income Tax Revenue, Uniform School Fund, dedicated credits (tuition and fees), federal funds, Mineral Lease Account, transfers, Land Grant Management, four Restricted Funds, and nonlapsing balances. State funds account for \$674,063,200 or 55.8 percent of the budget appropriated for the System of Higher Education.

The new funding for the Utah System of Higher Education for FY 2010 includes:

- **Internal Service Fund Adjustments:** Increases in the Internal Service Fund rates for the Division of Facilities and Construction Management and Risk Management property and liability coverage (except at the University of Utah) were partially offset by a decrease in the rates for Fleet Management and a decrease in the cost of liability coverage at the University of Utah. The net change resulted in an increase in the appropriation of \$812,100.

- **Operation and Maintenance of New Facilities:** The USHE received appropriations of \$2,480,000 for the operation and maintenance (O & M) of five new state-funded facilities, including: the School of Business replacement at the University of Utah (\$1,055,100); the Gibson Science Center at Southern Utah University (\$324,400); the Digital Design/Communication Technology Center at Salt Lake Community College (\$141,400); the North Utah County Campus Building at Mountainland Applied Technology College (\$513,800); and the Health Technology Building at Ogden/Weber Applied Technology College (\$445,300). In 2005, the Legislature adopted a policy for state-funded buildings where the O & M funding is approved when the building is approved, and then offset with one-time reductions until the building comes on line. Under this policy, the Legislature approved one-time reductions in the appropriated levels in the amount of \$3,925,900, which includes the above-mentioned new facilities and the Museum of Natural History at the University of Utah (\$1,125,000); the Library at Snow College (\$301,500) and the Vernal Building at the Uintah Basin Applied Technology College (\$19,400).
- **Financial Aid:** For FY 2010, the Utah System of Higher Education received \$635,000 (\$500,000 one-time) for the Regents' Scholarship and the Utah Centennial Opportunity Program for Education (UCOPE).
- **Snow College Nursing Program:** Funding in the amount of \$129,700 (\$11,400 one-time) was transferred from the Governor's Office of Economic Development to Snow College for its Nursing Program.
- **Range Creek:** Lawmakers approved the transfer of \$118,100 from the Department of Natural Resources to the University of Utah for expenses at Range Creek.
- **One-time funding for FY 2010:** In an effort to lessen the impact of the ongoing budget cuts in FY 2010, the Legislature approved \$65,892,100 in one-time funding for

the Utah System of Higher Education. This funding will provide additional time in which the institutions can make plans how to best implement the ongoing reductions.

- **American Recovery and Reinvestment Act funding:** Midway through the 2009 General Session, the federal government approved a stimulus package that provided the states with one-time funding to assist them during the current economic downturn. Most of the funding was designated for specific purposes, but some of it was available for purposes outlined by the governor. The Legislature utilized \$65,424,000 of the available funding for Higher Education, but reduced a similar amount of one-time state funding. During the May 2009 Special Session, the Legislature authorized an additional \$130,491,400 of ARRA funds, should those funds become available.
- **One-time Funded Projects** include:
 - \$25,000 for the Leavitt Center at Southern Utah University
 - \$2,250,000 for the Engineering Initiative (\$250,000 from Board of Regents' nonlapsing balances and \$2 million from American Recovery and Reinvestment Act funds)

Tuition: Following the conclusion of the 2009 General Session, the State Board of Regents met and approved a one percent first-tier tuition rate increase for academic year 2009-2010. In addition to the first-tier tuition, the Regents approved second-tier tuition ranging from 3.0 to 8.5 percent. The tuition increases for academic year 2009-2010 will generate approximately \$23.7 million. The following table shows the tuition percent increases.

USHE Tuition Increases for 2009-2010			
	<u>1st Tier</u>	<u>2nd Tier</u>	<u>Total</u>
University of Utah	1.0%	8.5%	9.5%
Utah State University	1.0%	4.5%	5.5%
Weber State University	1.0%	5.5%	6.5%
Southern Utah University	1.0%	5.5%	6.5%
Utah Valley University	1.0%	7.7%	8.7%
Snow College	1.0%	8.5%	9.5%
Dixie State College	1.0%	7.1%	8.1%
College of Eastern Utah	1.0%	8.0%	9.0%
Salt Lake Community College	1.0%	3.0%	4.0%

The following bills affecting Higher Education were passed during the 2009 General Session:

H.B. 15, “Career and Technical Education Amendments” modified the governance of CTE and split the Salt Lake/Tooele Applied Technology College and moved the portion associated with Salt Lake County to the Skills Center at Salt Lake Community College (\$2,388,300) and the Tooele portion to a newly created Tooele Applied Technology College (\$1,253,100).

H.B. 100, “Department of Corrections – Tracking and Reimbursement of Individual Prisoner Costs” moves the restricted funding for prisoner education (\$1,000,000) from the State Board of Regents to the Department of Corrections. The state funds appropriated to the State Board of Regents for this program (\$481,100) will be transferred to the restricted account for the purpose of prisoner education.

S.B. 15, “Workers’ Compensation Premium Assessment and Related Funding” provides \$150,000 from a restricted fund to the Rocky Mountain Center for Occupational and Environmental Health at the University of Utah.

S.B. 2003, “Higher Education Budget Authority” (2008 Special Session) and **H.B. 432, “Higher Education Budget Authority Amendments”** (2009 General Session) both give USHE institutional presidents authorization to adjust spending

across line items as a method of handling FY 2009 and FY 2010 budget reductions.

Funding Detail

Utah System of Higher Education					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	393,611,900	(11,321,600)	382,290,300	369,385,700	(12,904,600)
General Fund, One-time	(75,218,800)	176,786,800	101,568,000	68,317,300	(33,250,700)
Uniform School Fund	19,016,700		19,016,700	19,065,600	48,900
Uniform School Fund, One-time	740,100		740,100		(740,100)
Education Fund	411,357,700	(79,290,100)	332,067,600	298,913,900	(33,153,700)
Education Fund, One-time	76,837,300	(176,615,600)	(99,778,300)	(81,619,300)	18,159,000
Federal Funds	4,205,400		4,205,400	4,205,400	
American Recovery and Reinvestment Act		28,800,000	28,800,000	208,296,000	179,496,000
Dedicated Credits Revenue	387,539,800	18,367,000	405,906,800	406,140,500	233,700
Dedicated Credits - Land Grant	1,108,500		1,108,500	1,108,500	
Federal Mineral Lease	1,745,800		1,745,800	1,745,800	
GFR - Cigarette Tax Rest	4,284,500		4,284,500	4,284,500	
GFR - Land Exchange Distribution Account	298,800		298,800	298,800	
GFR - Prison Telephone Surcharge Account	1,000,000		1,000,000		(1,000,000)
GFR - Tobacco Settlement	4,000,000		4,000,000	4,000,000	
GFR - Workplace Safety				150,000	150,000
Transfers - Commission on Criminal and Juvenile Ju	34,500		34,500	34,500	
Beginning Nonlapsing	1,000,000	49,039,300	50,039,300	50,289,300	250,000
Closing Nonlapsing		(15,486,300)	(15,486,300)	(15,486,300)	
Total	\$1,231,562,200	(\$9,720,500)	\$1,221,841,700	\$1,339,130,200	\$117,288,500
Agencies					
University of Utah	408,419,200	(1,286,200)	407,133,000	482,743,500	75,610,500
Utah State University	238,700,300	(3,840,600)	234,859,700	251,733,100	16,873,400
Weber State University	115,467,400	(1,039,600)	114,427,800	114,080,700	(347,100)
Southern Utah University	53,907,100	663,500	54,570,600	63,733,400	9,162,800
Utah Valley University	123,455,900	1,105,300	124,561,200	137,690,900	13,129,700
Snow College	27,531,500	(335,400)	27,196,100	29,121,800	1,925,700
Dixie State College	33,872,400	232,400	34,104,800	34,401,800	297,000
College of Eastern Utah	21,233,300	359,500	21,592,800	20,756,900	(835,900)
Salt Lake Community College	110,623,200	(1,495,800)	109,127,400	116,588,000	7,460,600
State Board of Regents	33,034,800	(490,800)	32,544,000	30,583,100	(1,960,900)
Utah College of Applied Technology	65,317,100	(3,592,800)	61,724,300	57,697,000	(4,027,300)
Total	\$1,231,562,200	(\$9,720,500)	\$1,221,841,700	\$1,339,130,200	\$117,288,500
Budgeted FTE	13,812.1	(704.1)	13,107.9	12,902.2	(205.7)

Utah Medical Education Program

The Utah Medical Education Program (UMEP), administered by the Medical Education Council (MEC), was created to determine the types and numbers of health care professionals needed to provide appropriate levels of health care in the future. In addition, the MEC seeks public and private funding for clinical training and determines the method of reimbursement for the entities that sponsor clinical training. The MEC is identifying ways to maximize revenue sources and stabilize funding for clinical training programs.

Legislative Action

The appropriated budget for UMEP for FY 2010 is \$638,500 (\$57,500 one-time) in General Funds, \$424,500 in dedicated credits, and \$336,900 in nonlapsing balances for a total of \$1,399,900. The Legislature decreased funding for the UMEP by \$28,000 in the 2008 Special Session and by an additional \$50,500 in the 2009 General Session. The FY 2010 budget reflects an additional reduction of \$42,100, but is offset with one-time funding of \$57,500, leaving a net positive appropriation of \$15,400 and ISF (DAS and DTS) rate changes of \$100.

Funding Detail

Utah Medical Education Program					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	701,500	(78,500)	623,000	581,000	(42,000)
General Fund, One-time				57,500	57,500
Dedicated Credits Revenue	674,300	(392,900)	281,400	424,500	143,100
Beginning Nonlapsing	292,000	425,000	717,000	336,900	(380,100)
Closing Nonlapsing		(336,900)	(336,900)		336,900
Total	\$1,667,800	(\$383,300)	\$1,284,500	\$1,399,900	\$115,400
Line Items					
Medical Education Council	1,667,800	(383,300)	1,284,500	1,399,900	115,400
Total	\$1,667,800	(\$383,300)	\$1,284,500	\$1,399,900	\$115,400
Budgeted FTE	7.0	0.0	7.0	6.0	(1.0)

Utah Education Network

The Utah Education Network (UEN) delivers distance learning educational services statewide to Utah's institutions of public and higher education. It operates public television station KUEN-9; provides closed-circuit, two-way video services; and connects state institutions to each other and the Internet. Its mission is to "provide the citizens of Utah access to the highest quality, most effective instructional experiences, administrative support services, library services, student services, and teacher resources regardless of location or time."

Legislative Action

The total budget for Utah Education Network from FY 2009 revised to FY 2010 reflects a decrease in funding of \$1,342,900. This decrease is largely due to changes made by the Legislature to the FY 2009 appropriated and the FY 2010 base budget. Along with the appropriations reduction, UEN also received one-time funding in the amount of \$2,251,200 in both FY 2009 and FY 2010 to help mitigate some of the effects of the ongoing reductions. UEN's total budget for FY 2010 is \$31,979,200, of which \$18,949,200 comes from state tax funds. The net change in the UEN appropriation of state funds from the FY 2009 revised to the FY 2010 appropriated budget is -9.1 percent.

Changes to the Utah Education Network budget for FY 2009 include the following:

- **2008 2nd Special Session:** During the 2008 Special Session, the UEN ongoing budget was reduced by \$900,000 from the original appropriation by the Legislature during the 2008 General Session.
- **2009 General Session:** For FY 2009, the Legislature reduced the ongoing budget for Utah Education Network by \$1,618,600 in state funds and accompanying loss of matching federal E-rate funds of \$400,000. The Legislature included one-time back-fill of \$710,500 to help offset some of the reductions during FY 2009. For

FY 2010, the Legislature reduced the ongoing budget of UEN by \$1,272,100 with a one-time back-fill of \$1,540,700.

Funding Detail

Utah Education Network					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	261,100	(18,400)	242,700	219,500	(23,200)
General Fund, One-time		7,400	7,400	30,100	22,700
Uniform School Fund	15,623,100	(2,049,700)	13,573,400	12,597,900	(975,500)
Uniform School Fund, One-time	964,000	499,900	1,463,900	1,183,100	(280,800)
Education Fund	5,317,700	(450,500)	4,867,200	4,591,100	(276,100)
Education Fund, One-time	316,000	203,200	519,200	327,500	(191,700)
Federal Funds	2,524,400	(674,400)	1,850,000	1,450,000	(400,000)
Dedicated Credits Revenue	8,894,100	605,900	9,500,000	10,500,000	1,000,000
Transfers	33,000	(33,000)			
Other Financing Sources		1,065,100	1,065,100	1,080,000	14,900
Beginning Nonlapsing	200,000	139,400	339,400		(339,400)
Closing Nonlapsing		(106,200)	(106,200)		106,200
Total	\$34,133,400	(\$811,300)	\$33,322,100	\$31,979,200	(\$1,342,900)
Line Items					
Utah Education Network	34,133,400	(811,300)	33,322,100	31,979,200	(1,342,900)
Total	\$34,133,400	(\$811,300)	\$33,322,100	\$31,979,200	(\$1,342,900)
Budgeted FTE	111.8	(3.8)	108.0	104.5	(3.5)

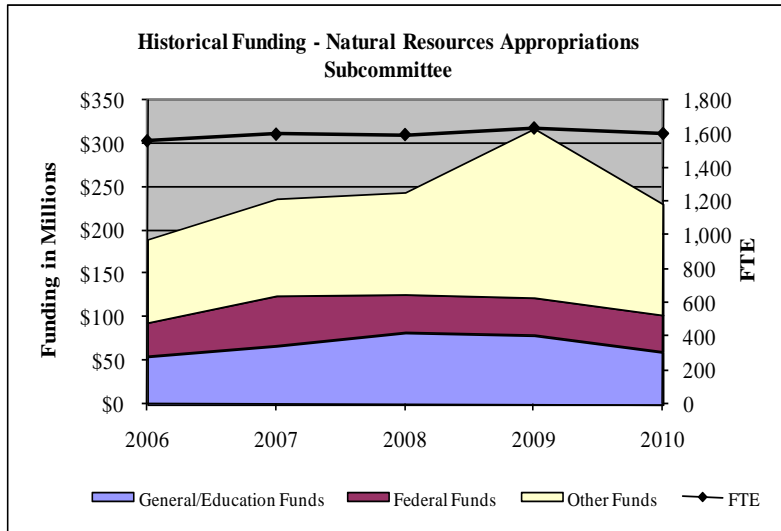
Funding Detail

Higher Education Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	394,574,500	(11,418,500)	383,156,000	370,186,200	(12,969,800)
General Fund, One-time	(75,218,800)	176,794,200	101,575,400	68,404,900	(33,170,500)
Uniform School Fund	34,639,800	(2,049,700)	32,590,100	31,663,500	(926,600)
Uniform School Fund, One-time	1,704,100	499,900	2,204,000	1,183,100	(1,020,900)
Education Fund	416,675,400	(79,740,600)	336,934,800	303,505,000	(33,429,800)
Education Fund, One-time	77,153,300	(176,412,400)	(99,259,100)	(81,291,800)	17,967,300
Federal Funds	6,729,800	(674,400)	6,055,400	5,655,400	(400,000)
American Recovery and Reinvestment Act		28,800,000	28,800,000	208,296,000	179,496,000
Dedicated Credits Revenue	397,108,200	18,580,000	415,688,200	417,065,000	1,376,800
Dedicated Credits - Land Grant	1,108,500		1,108,500	1,108,500	
Federal Mineral Lease	1,745,800		1,745,800	1,745,800	
GFR - Cigarette Tax Rest	4,284,500		4,284,500	4,284,500	
GFR - Land Exchange Distribution Account	298,800		298,800	298,800	
GFR - Prison Telephone Surcharge Account	1,000,000		1,000,000		(1,000,000)
GFR - Tobacco Settlement	4,000,000		4,000,000	4,000,000	
GFR - Workplace Safety				150,000	150,000
Transfers	33,000	(33,000)			
Transfers - Commission on Criminal and Juvenile Justice	34,500		34,500	34,500	
Other Financing Sources		1,065,100	1,065,100	1,080,000	14,900
Beginning Nonlapsing	1,492,000	49,603,700	51,095,700	50,626,200	(469,500)
Closing Nonlapsing		(15,929,400)	(15,929,400)	(15,486,300)	443,100
Total	\$1,267,363,400	(\$10,915,100)	\$1,256,448,300	\$1,372,509,300	\$116,061,000
Agencies					
University of Utah	408,419,200	(1,286,200)	407,133,000	482,743,500	75,610,500
Utah State University	238,700,300	(3,840,600)	234,859,700	251,733,100	16,873,400
Weber State University	115,467,400	(1,039,600)	114,427,800	114,080,700	(347,100)
Southern Utah University	53,907,100	663,500	54,570,600	63,733,400	9,162,800
Utah Valley University	123,455,900	1,105,300	124,561,200	137,690,900	13,129,700
Snow College	27,531,500	(335,400)	27,196,100	29,121,800	1,925,700
Dixie State College	33,872,400	232,400	34,104,800	34,401,800	297,000
College of Eastern Utah	21,233,300	359,500	21,592,800	20,756,900	(835,900)
Salt Lake Community College	110,623,200	(1,495,800)	109,127,400	116,588,000	7,460,600
State Board of Regents	33,034,800	(490,800)	32,544,000	30,583,100	(1,960,900)
Utah College of Applied Technology	65,317,100	(3,592,800)	61,724,300	57,697,000	(4,027,300)
Utah Education Network	34,133,400	(811,300)	33,322,100	31,979,200	(1,342,900)
Medical Education Council	1,667,800	(383,300)	1,284,500	1,399,900	115,400
Total	\$1,267,363,400	(\$10,915,100)	\$1,256,448,300	\$1,372,509,300	\$116,061,000
Budgeted FTE	13,930.8	(707.9)	13,222.9	13,012.7	(210.2)

Natural Resources

Subcommittee Overview

The Natural Resources Appropriations Subcommittee (NRAS) reviews and approves the budgets for the Department of Natural Resources, the Department of Agriculture and Food, the School and Institutional Trust Lands Administration, and the Public Lands Policy Coordinating Office. The full-time equivalent (FTE) count for FY 2010 for these agencies is 1,607.



Legislative Action

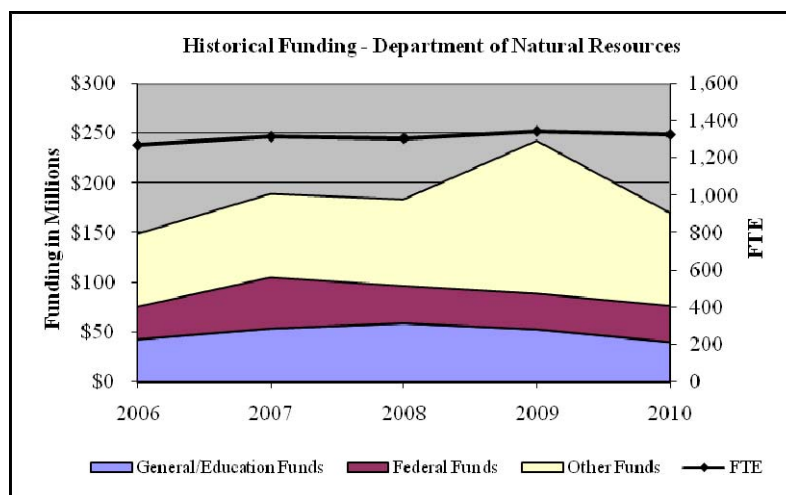
For FY 2009, the Legislature reduced the ongoing General Fund of the Subcommittee by \$7.5 million but provided a one-time increase of \$16.4 million. Funding from other sources was also increased by \$63.6 million (with \$41 million coming from the federal American Recovery and Reinvestment Act). This brought the total FY 2009 budget to \$317,584,800. The total FY 2010 budget is \$232,303,000 - a decrease of 27 percent from the FY 2009 revised appropriations.

Department of Natural Resources

The Department of Natural Resources (DNR) is comprised of DNR Administration and the following seven Divisions:

- Forestry, Fire, and State Lands
- Oil, Gas, and Mining
- Parks and Recreation
- Utah Geological Survey
- Water Resources
- Water Rights
- Wildlife Resources

The total appropriation for DNR for FY 2010 was \$170,052,000, with \$39,937,900 from the General Fund.



DNR Administration

DNR Administration includes the Executive Director office, Law Enforcement oversight, Species Protection, the Warehouse Internal Service Fund, building maintenance, Watershed, and pass-through funding for the Bear Lake Regional Commission.

Legislative Action

The FY 2010 appropriation to the four line items in the DNR Administration is \$9,833,800, with \$6,284,300 from the General Fund.

The Legislature authorized the transfer of \$220,400 for DTS services to the DNR Administration from the following line items: (\$10,700) from the Division of Forestry, Fire, and State Lands; (\$68,500) from the Division of Parks and Recreation; (\$125,100) from the Division of Wildlife Resources; (\$16,100) from the Division of Water Resources.

During the September 2008 Special Session, the Legislature reduced the FY 2009 ongoing Watershed program's budget by \$170,700, but replaced one-time funds of \$50,000. During the 2009 General Session, the FY 2009 budget was further reduced by \$282,100 and backfilled with one-time appropriation of \$182,100. The FY 2010 budget was reduced by \$104,600, but was offset by a one-time appropriation of \$104,600.

The Legislature reduced the funding for Building Operations by \$30,000 during the 2008 Special Session.

Forestry, Fire, and State Lands

The Division of Forestry, Fire, and State Lands manages the sovereign lands of the state. The Division carries out the state's commitment to fighting fires and also assists individuals and organizations in the use of scientific forestry practices.

Legislative Action

The total FY 2010 appropriation for the Division of Forestry, Fire and State Lands is \$15,529,300, with \$2,440,900 from the General Fund.

Wildland Fire Suppression: To cover the fire suppression cost exceeding the available funds in the Fire Suppression Program, the Legislature appropriated supplemental funding of \$4,000,000.

Budget Reductions: The FY 2009 budget was reduced by \$447,300, eliminating the Lone Peak Nursery program; but \$350,000 was approved as one-time backfill. In addition, an appropriation of \$1 million (one-time) from restricted funds was made to the General Fund. During the 2009 General Session, the Legislature reduced the Division's FY 2009 budget by an additional \$345,600 but provided a one-time appropriation of \$16,500 as a backfill. The Legislature also provided an ongoing appropriation of \$246,900 from the restricted fund to offset the reductions.

Oil, Gas, and Mining

The Division of Oil, Gas, and Mining regulates exploration for, and development of, Utah's oil, gas, coal, and other mineral resources. When exploration and developmental activities are completed, the Division ensures that oil and gas wells are properly abandoned and mining sites are satisfactorily reclaimed.

Legislative Action

The FY 2010 appropriation to the Division of Oil, Gas, and Mining is \$12,127,800 of which \$1,480,100 is from the General Fund.

During the 2008 Special Session, the FY 2009 budget was reduced by \$52,500. It was further reduced during the 2009 General Session by \$216,500 with a one-time appropriation of \$3,600 to offset the reduction.

Wildlife Resources

The Division of Wildlife Resources (DWR) is the wildlife authority for the state under the policymaking authority of the Wildlife Board. DWR manages all fish and wildlife species, regulates hunting, fishing and trapping, and conducts non-consumptive activities.

Legislative Action

The total appropriation for the Division of Wildlife Resources' seven line items for FY 2010 is \$72,423,600, of which \$6,890,500 is from the General Fund.

The Legislature reduced the FY 2009 budget of the Division of Wildlife Resources by \$244,300 during the 2008 Special Session and by \$200,300 in the General Session. A one-time appropriation of \$153,000 was approved to offset some of the effects of the FY 2009 reductions. For FY 2010 budget was reduced by \$923,300, including the elimination of the payment to the School and Institutional Trust Land Administration (SITLA) for public access to trust lands.

Parks and Recreation

The responsibility for the management and development of the state's parks system is entrusted to the Division of Parks and Recreation under the Parks Board. Utah's state parks are a combination of heritage, scenic, and recreation parks. The Division is also responsible for the statewide boating safety and statewide off-highway vehicle programs.

Legislative Action

The total appropriation to the Division of Parks and Recreation's two line items for FY 2010 is \$33,614,800, of which \$10,511,400 coming from the General Fund.

During the 2008 Special Session, the Legislature reduced the FY 2009 budget of the Division of Parks and Recreation by \$426,300 (of which \$60,000 one time). During the 2009 General Session, the FY 2009 budget was further reduced by \$903,300 with an offsetting one-time appropriation of \$268,600. In addition, the Legislature appropriated \$607,500 from the GFR - State Park Fees account to offset the reductions. The Legislature reduced the FY 2010 budget by \$554,100.

The Legislature also transferred \$1.5 million of OHV restricted funds (one-time) from Parks' Operation line item to its

Capital line item. It appropriated \$402,500 (one-time) from the GFR - State Park Fees account to the Parks' Capital line item for capital improvements.

Utah Geological Survey

The Utah Geological Survey (UGS) generates, interprets, preserves, and distributes geological information. The survey cooperates with local, state, and federal agencies; universities; industry; and private groups to promote economic development and public safety. The UGS emphasizes making timely geological information available.

Legislative Action

The FY 2010 appropriation for the UGS is \$8,177,500, with \$2,665,800 from the General Fund.

For FY 2009, the Legislature appropriated \$41 million from the American Recovery and Reinvestment Act funds to the State Energy Program.

The Legislature reduced the UGS FY 2009 budget by \$93,600 during the 2008 Special Session and by an additional \$126,300 during the General Session, with a one-time restoration of \$55,400. The FY 2010 budget was reduced by \$238,000.

The Legislature appropriated \$1,936,400 (one time) in FY 2009 and \$2,500,000 (one time) in FY 2010 from the Energy Efficiency Loan Fund to the Uniform School Fund.

Water Resources

The Division of Water Resources provides comprehensive water planning, protects Utah's rights to interstate waters, and manages Utah's water development programs. In addition, the Division promotes the orderly and timely planning, conservation, development, utilization, and protection of Utah's water resources.

Legislative Action

The total FY 2010 appropriation for the Division of Water Resources is \$9,413,300, of which \$2,652,300 is from the General Fund.

The Legislature reduced the FY 2009 budget of the Division of Water Resources by \$91,400 in the 2008 Special Session and by an additional \$1,360,200 in the General Session (with an offsetting one-time appropriation of \$763,600). The FY 2010 appropriation was reduced by \$526,800.

The Legislature reduced the Division's water loan funds by \$18,576,000 (one time) for FY 2009 and restored \$6,500,000 (one time) for FY 2010.

Water Rights

The Division of Water Rights is the office of record for water rights in the State of Utah. The Division acts as a quasi-judicial body that submits its rulings to the courts for final action. The Division also oversees dam safety, stream alteration permits, and well drilling.

Legislative Action

The total appropriation for FY 2010 for the Division of Water Rights is \$8,931,900, of which \$7,012,600 is from the General Fund.

The Legislature approved a reduction of \$95,200 to the FY 2009 budget during the September 2008 Special Session and an additional \$7,700 in the General Session, which was partially offset by a one-time appropriation of \$3,600. The FY 2010 appropriation was reduced by \$737,700 with a backfill of \$369,000 in one-time funding. In addition, the Legislature approved fees for the Stream Alteration Program and appropriated \$368,700 from Dedicated Credits.

Intent Language

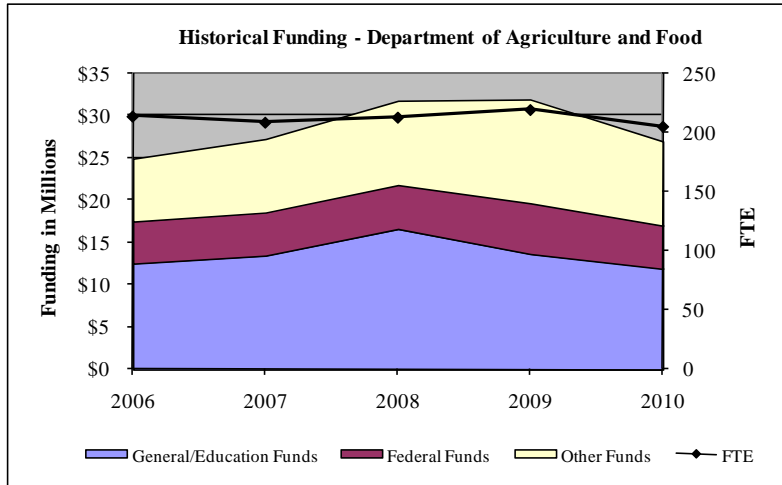
The Legislature wants the Department to study water rights issues and report its findings to the Natural Resources, Agriculture, and Environment Interim Committee.

Funding Detail

Department of Natural Resources					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund	47,721,000	(5,046,300)	42,674,700	39,464,300	(3,210,400)
General Fund, One-time	4,250,000	5,790,000	10,040,000	473,600	(9,566,400)
Federal Funds	41,929,200	(5,488,600)	36,440,600	36,948,500	507,900
American Recovery and Reinvestment Act		41,000,000	41,000,000		(41,000,000)
Dedicated Credits Revenue	12,071,200	595,600	12,666,800	13,267,500	600,700
Federal Mineral Lease	4,181,600	(45,100)	4,136,500	2,656,800	(1,479,700)
GFR - Boating	4,374,300		4,374,300	4,370,700	(3,600)
GFR - Land Exchange Distribution Account	1,648,800		1,648,800	1,648,800	
GFR - Off-highway Vehicle	5,382,400	(102,400)	5,280,000	3,779,400	(1,500,600)
GFR - Oil & Gas Conservation Account	3,508,500		3,508,500	3,516,700	8,200
GFR - Sovereign Land Mgt	4,101,300	246,900	4,348,200	4,528,700	180,500
GFR - Species Protection	1,199,400		1,199,400	599,500	(599,900)
GFR - State Fish Hatch Maint	1,205,000		1,205,000	1,205,000	
GFR - State Park Fees	11,215,900	1,010,100	12,226,000	11,558,400	(667,600)
GFR - Wildlife Habitat	2,400,000		2,400,000	2,400,000	
GFR - Wildlife Resources	28,852,800		28,852,800	28,787,700	(65,100)
GFR - Wolf Depredation & Mgt		32,000	32,000		(32,000)
DNR DP ISF		7,700	7,700		(7,700)
Water Resources C&D	6,608,100		6,608,100	6,611,000	2,900
Water Res Construction	150,000		150,000	150,000	
Transfers	999,500	8,054,600	9,054,100	9,061,600	7,500
Beginning Nonlapsing	750,000	16,522,300	17,272,300	2,000,000	(15,272,300)
Closing Nonlapsing	(200,000)	(1,800,000)	(2,000,000)	(1,577,400)	422,600
Lapsing Balance	(150,000)	(684,500)	(834,500)	(1,398,800)	(564,300)
Total	\$182,199,000	\$60,092,300	\$242,291,300	\$170,052,000	(\$72,239,300)
Line Items					
Administration	3,012,300	211,000	3,223,300	3,105,100	(118,200)
Species Protection	5,649,400		5,649,400	3,049,500	(2,599,900)
Building Operations	1,660,700	(30,000)	1,630,700	1,630,700	
Watershed	2,505,900	278,400	2,784,300	2,048,500	(735,800)
Forestry, Fire and State Lands	18,319,200	7,899,300	26,218,500	15,529,300	(10,689,200)
Oil, Gas and Mining	12,482,100	297,600	12,779,700	12,127,800	(651,900)
Wildlife Resources	50,753,300	536,000	51,289,300	50,274,900	(1,014,400)
Predator Control	59,600		59,600	59,600	
License Reimbursement	74,800		74,800	74,800	
Contributed Research	361,700	469,700	831,400	831,400	
Cooperative Agreements	5,486,100	13,182,300	18,668,400	18,677,900	9,500
Range Creek	168,100	(50,000)	118,100		(118,100)
Wildlife Resources Capital	11,755,000	(9,033,000)	2,722,000	2,505,000	(217,000)
Parks & Recreation	34,899,600	(2,381,800)	32,517,800	31,242,100	(1,275,700)
Parks & Recreation Capital	4,379,200	8,379,000	12,758,200	2,372,700	(10,385,500)
Utah Geological Survey	10,192,000	40,790,400	50,982,400	8,177,500	(42,804,900)
Water Resources	6,169,800	(94,100)	6,075,700	5,613,300	(462,400)
Water Resources Revolving Construction Fund	4,339,100		4,339,100	3,800,000	(539,100)
Water Resources Conservation and Development Fund	1,043,200	(592,500)	450,700		(450,700)
Water Rights	8,887,900	230,000	9,117,900	8,931,900	(186,000)
Total	\$182,199,000	\$60,092,300	\$242,291,300	\$170,052,000	(\$72,239,300)
Budgeted FTE	1,343.0	2.6	1,345.6	1,327.7	(18.0)

Department of Agriculture and Food

The Department of Agriculture and Food (DAF) is responsible for the administration of Utah’s agricultural laws, which mandate a wide variety of activities including inspection, regulation, information, rulemaking, loan issuance, marketing and development, pest and disease control, improving the economic position of agriculture, and consumer protection. Though not a part of DAF, the Utah State Fair Corporation has been included as a line item in DAF’s budget since FY 2003.



Legislative Action

For FY 2010, the Legislature appropriated \$28,890,000, of which \$11,996,900 is from the General Fund.

General Administration: During the September 2008 Special Session, the Legislature reduced the FY 2009 budget of the Department’s General Administration line item by \$875,600, of which \$482,300 was one time. During the 2009 General Session, the Legislature further reduced the General Administration’s budget by \$931,100 and provided a one-time appropriation of \$919,800 as a backfill. The Legislature approved fee increases and appropriated \$475,000 from Dedicated Credits. The FY 2010 budget was reduced by \$930,400. In addition, the Legislature

approved fee increases and appropriated \$766,400 from Dedicated Credits.

Rangeland Improvement Fund: During the 2008 Special Session, the Legislature reduced the FY 2009 funding of the Rangeland Improvement special revenue restricted account by \$86,700 and provided an appropriation of \$10,000 one-time backfill. During the 2009 General Session the FY 2009 funding was further reduced by \$567,000 and offset by a one-time appropriation of \$567,000. The FY 2010 funding was reduced by \$104,600 and offset by a one-time appropriation of \$104,600.

Utah State Fair: In the 2009 General Session the Legislature reduced the FY 2009 budget of the State Fair by \$55,600 and provided a one-time appropriation of \$27,800. The FY 2010 budget was reduced by \$63,500 while a one-time appropriation of \$63,500 was provided to offset the cut.

ARDL Funding: The Legislature appropriated \$200,000 for FY 2009 from the ARDL restricted account to the General Fund and provided a one-time appropriation of General Fund to the ARDL account. For FY 2010 the Legislature appropriated \$200,000 General Fund to the ARDL account.

Predatory Animal Control: For FY 2009 the Legislature reduced the funding for this line item by \$37,800 and provided a one-time appropriation of \$37,600.

Resource Conservation: The Legislature reduced the Resource Conservation line item's budget for FY 2010 by \$98,000 and appropriated a one-time offset of \$98,000.

Invasive Species Fund: The Legislature appropriated \$500,000 one time to the Invasive Species Mitigation special revenue fund.

Rural Rehab Fund: For FY 2009, the Legislature appropriated \$8.5 million (one time) to the Rural Rehab Loan fund and, through intent language, required that at least \$6,375,000 be used to make loans to dairy farms.

To implement the provisions of **H.B 391, "Budgetary Procedures Act Revisions"** (passed in the 2009 General Session), during the May 2009 Special Session the Legislature closed out the Rangeland Improvement and Invasive Species Mitigation special revenue funds and established the Rangeland Improvement line item and the Invasive Species Mitigation line item in the Department of Agriculture and Food's budget. The Legislature also appropriated \$1,346,300 to the Rangeland Improvement line item and \$500,000 to the Invasive Species Mitigation line item.

Intent Language

The Legislature approved intent language requiring the Department of Agriculture and Food to make rules to ensure that meat, egg, milk and dairy product advertisement and labels and claims are not false or misleading.

Funding Detail

Department of Agriculture and Food					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	14,459,900	(1,417,800)	13,042,100	11,835,400	(1,206,700)
General Fund, One-time	180,000	502,900	682,900	161,500	(521,400)
Federal Funds	4,920,400	1,102,600	6,023,000	5,103,000	(920,000)
Dedicated Credits Revenue	5,711,900	399,800	6,111,700	6,687,200	575,500
GFR - Horse Racing	50,000		50,000	50,000	
GFR - Invasive Species Mitigation				500,000	500,000
GFR - Livestock Brand	935,700		935,700	929,200	(6,500)
GFR - Rangeland Improvement				1,346,300	1,346,300
GFR - Wildlife Damage Prev	608,700		608,700	603,100	(5,600)
Agri Resource Development	812,000	200	812,200	812,000	(200)
Utah Rural Rehab Loan	62,800	200	63,000	63,000	
Transfers	676,100		676,100	678,600	2,500
Beginning Nonlapsing	569,200	2,534,600	3,103,800	132,000	(2,971,800)
Closing Nonlapsing	(724,700)	589,000	(135,700)	(11,300)	124,400
Total	\$28,262,000	\$3,711,500	\$31,973,500	\$28,890,000	(\$3,083,500)
Line Items					
Administration	20,743,800	3,145,100	23,888,900	19,169,800	(4,719,100)
Building Operations	305,000		305,000	305,000	
Utah State Fair Corporation	3,907,300	412,200	4,319,500	4,303,900	(15,600)
Predatory Animal Control	1,381,500	154,000	1,535,500	1,333,100	(202,400)
Resource Conservation	1,610,500		1,610,500	1,618,000	7,500
Loans	313,900	200	314,100	313,900	(200)
Invasive Species Mitigation				500,000	500,000
Rangeland Improvement				1,346,300	1,346,300
Total	\$28,262,000	\$3,711,500	\$31,973,500	\$28,890,000	(\$3,083,500)
Budgeted FTE	226.5	(6.9)	219.6	205.1	(14.5)

School and Institutional Trust Lands Administration

The School and Institutional Trust Lands Administration (SITLA), a quasi-governmental state agency, is established to manage lands that Congress granted to the State of Utah for the support of common schools and other beneficiary institutions under the Utah Enabling Act. Management in this sense refers to maximizing revenue from the lands. All of the funding for SITLA's operations is provided through the Land Grant Management Fund, which consists of revenues derived from trust lands. Unexpended appropriations are distributed back to the beneficiaries or the Permanent School Fund.

Legislative Action

For FY 2010, the Legislature appropriated \$20,960,900 from the Land Grant Management Fund to SITLA.

RS 2477 Resource Specialist: The Legislature provided a one-time appropriation of \$46,400 for SITLA to continue to help with the RS 2477 process.

Coal Study: A one-time appropriation of \$200,000 was approved for a study to assess the feasibility for future mining opportunities on a trust lands coal tract.

Mine Safety Evaluation: A one-time appropriation of \$50,000 was provided for SITLA to hire professional and technical services to evaluate potential hazards on mines located on trust lands.

Federal Land Tenure: The Legislature approved a one-time appropriation of \$200,000 to resolve issues with the federal government dealing with oil and gas drilling in Utah.

Capital Development: The Legislature appropriated \$2,245,000 (one time) for capital development.

Reductions: The Legislature reduced SITLA's base budget by \$200,000 because funding, originally appropriated in FY

2005 for land exchanges, is no longer needed for that purpose. The Legislature also eliminated the funding for SITLA bonuses by reducing the base budget by \$269,700.

Funding Detail

School and Institutional Trust Lands Administration					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
Land Grant Mgt Fund	26,471,900		26,471,900	20,960,900	(5,511,000)
Total	\$26,471,900	\$0	\$26,471,900	\$20,960,900	(\$5,511,000)
Line Items					
School & Inst Trust Lands	9,971,900		9,971,900	9,915,900	(56,000)
SITLA Capital	16,500,000		16,500,000	11,045,000	(5,455,000)
Total	\$26,471,900	\$0	\$26,471,900	\$20,960,900	(\$5,511,000)
Budgeted FTE	69.0	(2.3)	66.8	66.8	0.0

Public Lands Office

Created in 2005, the Public Lands office is charged with partnering with state agencies and political subdivisions in an effort to: prepare coordinated public lands policies, develop consistent reviews and responses to public lands policies, develop management plans that relate to public lands policies, and develop and maintain a statewide land use plan.

Legislative Action

For FY 2010, the Legislature appropriated \$2,703,800 to the Public Lands Office, with \$333,400 from the General Fund.

During the 2008 Special Session, the Legislature reduced the FY 2009 budget of the Public Lands Office by \$555,600 (of which \$210,000 was one-time) and appropriated \$283,800 from the restricted fund to offset the reductions. During the General Session the FY 2009 budget of the office was further reduced by an additional \$57,400.

Funding Detail

Public Lands Policy Coordinating Office					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	728,000	(403,000)	325,000	333,400	8,400
General Fund, One-time		40,000	40,000		(40,000)
GFR - Constitutional Defense	2,085,100	283,800	2,368,900	2,370,400	1,500
Beginning Nonlapsing		690,900	690,900		(690,900)
Total	\$2,813,100	\$611,700	\$3,424,800	\$2,703,800	(\$721,000)
Line Items					
Office of Public Lands	2,813,100	611,700	3,424,800	2,703,800	(721,000)
Total	\$2,813,100	\$611,700	\$3,424,800	\$2,703,800	(\$721,000)
Budgeted FTE	8.0	(1.0)	7.0	7.0	

Funding Detail

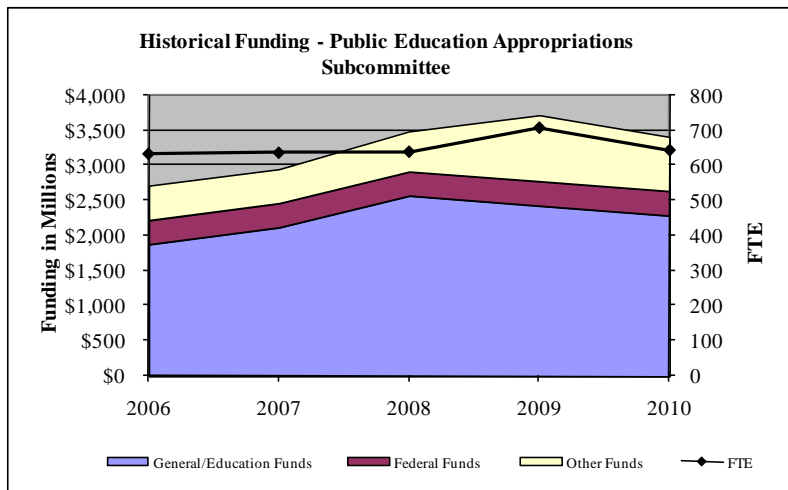
Natural Resources Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from
	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	64,908,900	(7,520,800)	57,388,100	52,874,800	(4,513,300)
General Fund, One-time	6,430,000	16,409,900	22,839,900	7,739,700	(15,100,200)
Federal Funds	46,849,600	(4,386,000)	42,463,600	42,051,500	(412,100)
American Recovery and Reinvestment Act		41,000,000	41,000,000		(41,000,000)
Dedicated Credits Revenue	17,783,100	995,400	18,778,500	19,954,700	1,176,200
Federal Mineral Lease	4,181,600	(45,100)	4,136,500	2,656,800	(1,479,700)
GFR - Boating	4,374,300		4,374,300	4,370,700	(3,600)
GFR - Constitutional Defense	2,085,100	283,800	2,368,900	2,370,400	1,500
GFR - Horse Racing	50,000		50,000	50,000	
GFR - Invasive Species Mitigation				500,000	500,000
GFR - Land Exchange Distribution Account	2,998,800	(1,350,000)	1,648,800	2,998,800	1,350,000
GFR - Livestock Brand	935,700		935,700	929,200	(6,500)
GFR - Off-highway Vehicle	5,382,400	(102,400)	5,280,000	3,779,400	(1,500,600)
GFR - Oil & Gas Conservation Account	3,508,500		3,508,500	3,516,700	8,200
GFR - Rangeland Improvement				1,346,300	1,346,300
GFR - Sovereign Land Mgt	4,101,300	246,900	4,348,200	4,528,700	180,500
GFR - Species Protection	1,199,400		1,199,400	599,500	(599,900)
GFR - State Fish Hatch Maint	1,205,000		1,205,000	1,205,000	
GFR - State Park Fees	11,215,900	1,010,100	12,226,000	11,558,400	(667,600)
GFR - Wildlife Damage Prev	608,700		608,700	603,100	(5,600)
GFR - Wildlife Habitat	2,400,000		2,400,000	2,400,000	
GFR - Wildlife Resources	28,852,800		28,852,800	28,787,700	(65,100)
GFR - Wolf Depredation & Mgt		32,000	32,000		(32,000)
Agri Resource Development	812,000	200	812,200	812,000	(200)
Land Grant Mgt Fund	26,471,900		26,471,900	20,960,900	(5,511,000)
DNR DP ISF		7,700	7,700		(7,700)
Utah Rural Rehab Loan	62,800	200	63,000	63,000	
Water Resources C&D	6,608,100		6,608,100	6,611,000	2,900
Water Res Construction	150,000		150,000	150,000	
Transfers	1,675,600	8,054,600	9,730,200	9,740,200	10,000
Beginning Nonlapsing	1,319,200	19,747,800	21,067,000	2,132,000	(18,935,000)
Closing Nonlapsing	(924,700)	(1,211,000)	(2,135,700)	(1,588,700)	547,000
Lapsing Balance	(150,000)	(684,500)	(834,500)	(1,398,800)	(564,300)
Total	\$245,096,000	\$72,488,800	\$317,584,800	\$232,303,000	(\$85,281,800)
Agencies					
Natural Resources	182,199,000	60,092,300	242,291,300	170,052,000	(72,239,300)
Public Lands Office	2,813,100	611,700	3,424,800	2,703,800	(721,000)
Agriculture	28,262,000	3,711,500	31,973,500	28,890,000	(3,083,500)
School & Institutional Trust Lands	26,471,900		26,471,900	20,960,900	(5,511,000)
Restricted Revenue - NRAS	5,350,000	8,073,300	13,423,300	9,696,300	(3,727,000)
Total	\$245,096,000	\$72,488,800	\$317,584,800	\$232,303,000	(\$85,281,800)
Budgeted FTE	1,646.5	(7.5)	1,639.0	1,606.5	(32.5)

Public Education

Subcommittee Overview

Public education represents the largest budget appropriated by the Legislature. During the 2009 General Session, the Legislature appropriated more than \$3.4 billion to support Utah's public schools for FY 2010, an 8.3 percent decrease over the FY 2009 revised budget. In total, appropriations supporting public education represent approximately 51 percent of the total appropriations made from State revenue sources in FY 2010.

The Public Education Appropriations Subcommittee oversees the Minimum School Program and School Building Program. These programs provide funding directly to the 41 school districts and over 70 charter schools operating in the state. In addition, the subcommittee oversees the budgets for state agencies that administer and support the public education system. These agencies include: the Utah State Office of Education, Educator Licensing, Utah Schools for the Deaf and Blind, State Charter School Board, Child Nutrition Programs, Fine Arts Outreach Programs, Science Outreach Programs, and Education Contracts.



The State Board of Education is constitutionally charged with the general control and supervision of the public school system. The Board, along with its appointed Superintendent, oversees the administration of the education system and services provided through the school districts and charter schools.

Currently, the state's school districts and charter schools enroll 551,013 students. Projections indicate that in FY 2010 (2009-2010 school year) an additional 13,494 students may enroll in Utah's public schools. This increased enrollment would bring the statewide enrollment total to approximately 564,507 students, an increase of 2.4 percent over FY 2009.

Minimum School Program

The Minimum School Program (MSP) is the largest budget appropriated by the Legislature each year and supports the operations of all public schools in Utah. Four sub-programs collectively comprise the MSP: the Basic School Program, the Related to Basic School Program, the Board and Voted Leeway Programs, and One-time Programs.

Programs in the MSP provide funding to school districts and charter schools to support educational services in all grades. In addition to general operations, funding programs supplement higher costs associated with Special Education, Career and Technology Education, Rural Schools, Professional Staff, Administration Costs, transportation, and Class Size Reduction.

As an equalization program, the MSP adjusts state revenues allocated to school districts through the Basic School Program to partially balance differences in local property tax revenues between otherwise unequal school districts. The creation of the MSP established a mechanism for the state and local school districts to share in the cost of educating Utah's school children. Charter schools fully participate in the equalized revenue distribution formula.

Legislative Action

The Legislature appropriated a budget of \$2,947,199,956 to the Minimum School Program for FY 2010. This appropriation is a 5.5 percent decrease over the FY 2009 original appropriation made during the 2008 General Session. The total budget includes \$2,211,734,386 (\$180,729,600 one-time) from the Uniform School Fund, \$20,000,000 from the Uniform School Fund Restricted – Interested and Dividends Account (supports the School LAND Trust Program), \$602,671,370 in local property tax revenue, and \$112,794,200 in one-time federal education stimulus funding provided by the American Recovery & Reinvestment Act.

FY 2009 Supplemental Adjustments: Legislators decreased the ongoing Uniform School Funds supporting the MSP during the 2008 Special Session and the 2009 General Session. In FY 2009, most of the reductions to the MSP were implemented generally without specific programmatic designation. This strategy was designed to provide school districts and charter schools with flexibility in the current fiscal year to implement budget reductions based on their unique circumstances.

- **2008 Special Session:** Legislators reduced ongoing Uniform School Funds by (\$73,160,800) in FY 2009. This reduction was completely back-filled with one-time Uniform School Funds.
- **2009 General Session: S.B. 4, “Current School Year Supplemental Minimum School Program Budget Adjustments”** reduced ongoing Uniform School Funds by an additional (\$188,850,100). This reduction was partially back-filled with \$135,999,100 in one-time Uniform School Funds.

To implement the ongoing reduction, the Legislature reduced the Local Discretionary Block Grant by (\$9,092,000) and created a new categorical program called “Ongoing Locally Determined Reduction” with a negative appropriation of (\$179,758,100).

Language included in S.B. 4 directs the State Board of Education to distribute the Ongoing Locally Determined Reduction

to school districts and charter schools based on their relative share of MSP funds. The one-time funds provided for back-fill in FY 2009 off-set the Ongoing Locally Determined Reduction.

In addition, Legislators reduced two one-time programs. The Beverly Taylor Sorenson Elementary Arts Learning Program was reduced by (\$5,865,000) and the \$20 million for One-time Performance-Based Compensation provided in S.B. 281 (2008 General Session) was eliminated.

American Recovery & Reinvestment Act: House Bill 2, “Minimum School Program Budget Amendments” reduced the one-time Uniform School Funds supporting the MSP by (\$91,200,000) and replaced this reduction with federal education stimulus monies.

May 2009 Special Session: During the Special Session, the Legislature made further FY 2009 adjustments through **H.B. 1003 “Appropriations Adjustments Related to Federal Funds”**. This bill reduced the one-time Uniform School Funds supporting the MSP by (\$94,381,800) and replaced the reduction with federal education stimulus monies. This action brings the total FY 2009 appropriation from the American Recovery & Reinvestment Act to \$185,581,800 for the MSP.

H.B. 1003 also reduced the FY 2010 one-time federal education stimulus monies appropriated to the Minimum School Program by (\$94,381,800) and replaced this reduction with one-time Uniform School Funds. This action brings the total FY 2010 appropriation from the American Recovery & Reinvestment Act to \$112,794,200 for the MSP.

Funding Detail - Total Minimum School Program

The table on pages 220 and 221 shows the total Minimum School Program budget appropriated by the Legislature in FY 2010, along with a comparison to the FY 2009 revised appropriation. Changes to the total Minimum School Program are detailed in the following budget sections.

Basic School Program

Formulas within the Basic School Program equalize local property tax revenues generated by school districts through the Basic Levy with state Uniform School Funds. State funds supporting a school district's Basic School Program equal the difference between the proceeds of the district's Basic Levy and the cost of the Basic School Program. The total cost of a district's Basic School Program is determined by the total number of Weighted Pupil Units (WPU) allocated to the district. Although charter schools cannot assess property taxes, they participate in the equalized Basic School Program and receive state revenues commensurate to their qualifying Weighted Pupil Units.

Weighted Pupil Unit

The basis for the distribution of State revenues to school districts and charter schools is the Weighted Pupil Unit (WPU). The WPU represents one pupil in average daily membership (ADM). School districts and charter schools generate WPUs based on statutory guidelines governing MSP programs. Most of the time, schools generate WPUs based on the total number of students that qualify for certain educational services or programs. For example, students enrolled in Kindergarten generate 0.55 of a WPU, where students enrolled in Special Education may generate more than one WPU.

In FY 2010, the Legislature appropriated funding to support a total of 731,519 WPUs. This total represents an increase of 17,464 WPUs over FY 2009, or approximately 2.4 percent.

Value of the Weighted Pupil Unit

Each year, the Legislature establishes a value for each WPU. Funding levels for each Basic School Program is determined by the number of WPUs in the program multiplied by the value of the WPU. When the Legislature increases the value of the WPU, it increases the overall value of the Basic School Program. In FY 2010, the Legislature established the value of the WPU at \$2,577; the same value as in FY 2009.

Basic Property Tax Levy

School districts must impose the Basic Levy in order to participate in the Minimum School Program. The Legislature estimates the Basic Rate required of all school districts in statute each year. During the 2009 General Session, the Legislature estimated the Basic Tax Rate at 0.001303 for FY 2010. For the current fiscal year (FY 2009) the Basic Tax Rate is 0.001250.

Legislative Action

The following represent the changes approved by the Legislature during the 2009 General Session for the FY 2010 budget. Supplemental adjustments made to the FY 2009 budget are discussed on page 191.

Weighted Pupil Unit (WPU) Value: The Legislature did not increase the value of the WPU in FY 2010; it remains at \$2,577.

Enrollment Growth: Legislators appropriated a total of \$50.2 million from the Uniform School Fund to support the anticipated 13,500 new students expected to enroll in Utah's public schools in fall 2009. Revenues appropriated to support enrollment growth include increases to each Basic School Program to provide \$2,577 (WPU Value) for each of the new 17,464 WPUs in FY 2010, for a total of just over \$45 million. The total state cost of enrollment growth for the Basic School Program was offset with an additional \$13.2 million in local property tax revenues.

Legislators made enrollment growth funding adjustments to certain Related to Basic School Programs on a more limited basis in FY 2010 than in prior years. A total of \$18.5 million was appropriated to support student-growth cost increases for the Charter School Local Replacement Program (\$8.3 million), Charter School Administrative Costs (\$778,400), and the Voted & Board Leeway Programs (\$9.4 million). Please refer to these programs, in the Related to Basic School Programs section, for additional information.

Foreign Exchange Students: Statute provides for a reimbursement to school districts and charter schools of one WPU for each foreign exchange student enrolled during the previous school year, up to a total of 328 WPUs state-wide. In FY 2010, the Grades 1-12 Program includes a total of 212 WPUs to support these reimbursements. The enrollment of foreign exchange students in FY 2009 did not exceed the 212 WPUs currently allocated for the reimbursements, so no additional WPUs were provided in FY 2010. In future years, additional WPUs may be required in as the number of enrolled foreign exchange students approaches the enrollment cap set in statute.

Administrative Cost Formula: Legislators altered the distribution formula for the Administrative Cost Program to target program funding to school districts enrolling fewer than 5,000 students. School districts with more than 5,000 students will no longer receive administrative cost support.

Career & Technology Education – District Set-Aside: Legislators reduced the appropriation for the CTE District Set-Aside program by (\$2,878,509) (Uniform School Fund) and eliminated the Program's 1,117 WPUs in FY 2010. Funding had been used to start new CTE programs, purchase equipment, and provide for program administration.

Related to Basic School Program

Related to Basic School Programs include several categorical programs often referred to as 'below-the-line' or 'non-Weighted Pupil Unit (WPU) driven' programs. These programs supplement the Basic School Program offered in the school districts and charter schools.

Unlike the Basic School Program, the Related to Basic Programs do not increase each year based on the total number or value of the Weighted Pupil Unit. The Legislature determines program funding levels, as well as additional categorical programs, through the appropriations process each year. Programs most often increased with the value of the WPU include: Social Security and Retirement, To and From School Pupil Transportation, Interventions for Student Success Block Grant, Quality Teaching

Block Grant, Youth at Risk Programs, Adult Education, Concurrent Enrollment, and Accelerated Learning Programs. However, in FY 2010 none of these programs received enrollment growth related increases.

School districts and charter schools receive state revenues allocated to each program on a formula basis. The formulas governing the distribution of program funding are detailed in statute or rules established by the State Board of Education. The Compendium of Budget Information provides a summary of each distribution formula by program.

Legislative Action

The following represent the changes approved by the Legislature during the 2009 General Session for the FY 2010 budget. Supplemental adjustments made to the FY 2009 budget are discussed on page 191.

The Legislature reduced the ongoing Uniform School Funds supporting the MSP by an additional (\$145,676,900) in FY 2010, for a total ongoing appropriation of \$2,031,004,786. To offset this reduction, and other reductions made in previous bills, the Legislature provided \$180,729,600 in one-time Uniform School Funds and \$112,794,200 in one-time federal American Recovery & Reinvestment Act monies. The total ongoing state-fund reduction to the MSP totals (\$407.6) million from the FY 2009 original appropriation, or 16.7 percent. Considering the \$293.5 million in one-time off-sets, the net FY 2010 MSP budget is 5.5 percent lower than the original FY 2009 appropriation made during the 2008 General Session.

The Public Education Appropriations Subcommittee elected to make specific reductions to MSP programs in FY 2010 instead of the more flexible approach taken in FY 2009. The subcommittee identified programs for both funding elimination and reduction to cover the total ongoing state-fund reduction identified above. Legislators tried to target reductions to programs that provided general operational support to school districts, while preserving the value of the WPU and targeted funding for educator

salary adjustments or specific student populations. The following sub-sections detail these reductions.

Social Security & Retirement: Legislators reduced the Uniform School Funds supporting the program by (\$336.5) million, leaving \$13.4 million in the program. School districts and charter schools receive programmatic funding based on their total number of WPUs, which ensures a more equitable distribution of the reduction among schools. School districts and charter schools are still required to fund employee Social Security & Retirement costs without the state supplement, and may need to reorganize operating budgets to cover these expenses.

To and From School Pupil Transportation: The Legislature eliminated the school bus depreciation allowance under the transportation finance formula for school districts, for a total savings of (\$8.8) million.

Block Grant Programs: Legislative action eliminated funding for two block grants, the Local Discretionary Block Grant (\$21.8) million and the Quality Teaching Block Grant (\$77.6) million. The Interventions for Student Success Block Grant was reduced by (\$3.8) million, leaving \$15 million in the program.

Funding for Targeted Populations: Legislators reduced funding for programs which support specific student populations by approximately 10 percent. This resulted in a savings of approximately (\$6.5) million. Programs reduced include: Highly Impacted Schools, Youth At-Risk Programs, Adult Education, Accelerated Learning Programs, Concurrent Enrollment, High-Ability Student Initiative, and English Language Learners.

Legislative action also reduced programs that support targeted school employee groups by 10 percent, saving approximately \$1.9 million. Programs reduced include: the Public Education Job Enhancement, Matching Funds for School Nurses, Extended-Year for Special Educators, USTAR Centers (Year-Round Math & Science), and the Teacher Salary Supplement for math/science educators.

Library Books & Electronic Resources: Funding to support the purchase of library books and other electronic learning materials was reduced by (\$1,000,000).

School LAND Trust Program: Projections of Interest & Dividend funding off of the permanent state school fund are expected to decrease by (\$6,499,500) in FY 2010, for a total of \$20,000,000 supporting the program.

Voted & Board Leeways: Legislators provided \$9,474,204 in Uniform School Funds to fund programmatic cost increases due to the increased number of WPUs in the Basic School Program. The state guarantee per WPU for the Voted and Board Leeway programs remains at \$25.25 per WPU in FY 2010. Legislators delayed an increase in the guarantee rate required by statute for one year. The total cost of the state guarantee totals just over \$38 million.

Charter Schools: State funding for two charter school specific programs was increased to adjust for the additional 7,784 new charter school students anticipated in fall 2009.

- **Local Replacement Funding:** Legislators appropriated \$8,330,800 in Uniform School Funds to provide the state's cost of the local replacement formula, bringing the total appropriation to \$45.2 million. The maximum local replacement rate remains at \$1,427 per student in FY 2010, with school districts participating in a portion of the total cost (25 percent of the statutory rate).
- **School Level Administration:** The Legislature provided \$778,400 in Uniform School Funds to assist charter schools with data reporting and other administrative expenses. Statute provides that charter schools receive \$100 per enrolled student.

One-Time Funding: The majority of one-time funding appropriated to the Minimum School Program provides an off-set to the ongoing reductions detailed above. Legislators provided a total of \$293,523,800 in one-time funds, with \$180,729,600 coming from the Uniform School Fund.

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- **Teacher Supplies & Materials:** Legislators provided \$10 million in one-time Uniform School Funds to reimburse educators for out-of-pocket expenditures on instructional supplies and materials.
 - **Critical Language & Dual Immersion Programs:** One-time Uniform School Funding of \$480,000 will continue to support the expansion of the Critical Languages pilot program established in S.B. 41 “International Education Initiative – Critical Languages Program” (2008 General Session). Additionally, \$270,000 in one-time Uniform School Funds will continue the Dual Immersion Program created in S.B. 41.
 - **Federal Stimulus Off-set to Social Security & Retirement Reduction:** A total of \$282,773,800 will provide a one-time off-set to the ongoing reduction made to the Social Security & Retirement program detailed above. Of the appropriated amount, \$112,794,200 comes from the federal stimulus monies designated for public education and \$169,979,600 comes from one-time Uniform School Funds.

The following table shows the number of Public Education teachers and other staff, by district (FY 2008 data).

Public Education - School District & Charter School Employees							
Comparison by School District and Charter Schools with Instructional and Support Staff Break-Outs FY 2008							
School Districts & Charter Schools	Instructional Staff			Support Staff			Total FTEs
	Classroom Teachers	Supervisors, Coordinators & Aides	Counselors, Librarians & Lib. Support	District Admin.	School Admin.	Other Support	
Alpine	2,339	790	140	118	333	882	4,602
Beaver	73	35	5	4	9	27	153
Box Elder	497	139	32	13	54	266	1,001
Cache	620	316	39	23	64	297	1,359
Carbon	188	93	13	19	27	85	425
Daggett	13	6	0	3	2	9	33
Davis	2,898	1,063	187	157	342	1,140	5,787
Duchesne	220	87	16	12	33	98	466
Emery	126	41	7	8	21	57	260
Garfield	64	31	7	6	13	27	148
Grand	87	46	4	6	14	45	202
Granite	3,192	880	122	147	471	1,299	6,111
Iron	415	239	28	19	54	158	913
Jordan	3,314	1,090	118	69	551	1,366	6,508
Juab	96	38	11	5	13	38	201
Kane	71	30	7	6	12	35	161
Logan	300	162	16	7	19	78	582
Millard	160	70	4	5	10	35	284
Morgan	102	27	6	40	150	515	840
Murray	292	111	22	7	15	48	495
Nebo	1,119	453	64	3	8	37	1,684
North Sanpete	127	69	5	14	28	90	333
North Summit	58	21	4	3	5	12	103
Ogden	547	172	42	3	4	12	780
Park City	235	72	20	13	35	107	482
Piute	26	10	2	13	25	97	173
Provo	594	298	34	8	36	69	1,039
Rich	33	7	1	4	10	37	92
Salt Lake	1,133	576	86	3	3	7	1,808
San Juan	191	68	15	15	72	239	600
Sevier	226	86	13	12	38	152	527
South Sanpete	164	110	13	17	31	91	426
South Summit	75	24	5	34	167	340	645
Tintic	23	6	1	3	6	15	54
Tooele	607	195	38	37	152	494	1,523
Uintah	271	99	20	95	181	444	1,110
Wasatch	231	89	17	45	80	164	626
Washington	1,170	279	95	28	85	188	1,845
Wayne	36	12	3	18	33	99	201
Weber	1,332	378	101	17	36	108	1,972
Charters	1,068	443	53	95	169	128	1,956
State Total:	24,333	8,761	1,416	1,154	3,411	9,435	48,510

Source: Utah State Office of Education, Superintendent's Annual Report, 2008.
Note: Actual counts may vary. Some slight differences occur in total counts due to rounding from those originally reported by the USOE.
Prepared by: Office of the Legislative Fiscal Analyst (04/09BL).

School Building Program

The School Building Program contains two primary programs: the Capital Outlay Foundation Program and the Enrollment Growth Program. These programs assist school districts in constructing or renovating school facilities and paying debt service obligations.

Legislative Action

The Legislature appropriated a total budget of \$22,499,700 in Uniform School Funds to the School Building Programs in or FY 2010. Most of the appropriated funding supports the Foundation Program at \$19,568,800 and the remaining \$2,930,900 supports the Enrollment Growth Program.

During the 2008 Special Session, the Legislature reduced the ongoing FY 2009 Uniform School Funds supporting the Foundation Program by (\$818,700). A further reduction of (\$3,970,500) in ongoing Uniform School Funds was made during the 2009 General Session. The ongoing appropriation for the Enrollment Growth Program was not reduced.

Funding Detail

State Board of Education: School Building Programs					
	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Sources of Finance					
Uniform School Fund	27,288,900	(818,700)	26,470,200	22,499,700	(3,970,500)
Uniform School Fund, One-time	15,000,000	818,700	15,818,700		(15,818,700)
Total	\$42,288,900	\$0	\$42,288,900	\$22,499,700	(\$19,789,200)
Programs					
Capital Outlay Foundation Program	31,858,000		31,858,000	19,568,800	(12,289,200)
Capital Outlay Enrollment Growth Program	10,430,900		10,430,900	2,930,900	(7,500,000)
Total	\$42,288,900	\$0	\$42,288,900	\$22,499,700	(\$19,789,200)

Public Education Agencies

The education agencies supplement the basic educational program provided to students through the Minimum School Program. Under the direction of the State Board of Education and State Superintendent, these agencies provide educational services and support to the state's school districts, charter schools, disabled population, students in state custody, and the public. Education Agencies include: the Utah State Office of Education (USOE), Utah Schools for the Deaf and the Blind (USDB), Child Nutrition Programs (CNP), State Charter School Board (SCSB), Fine Arts and Science Outreach Programs, and Education Contracts. Combined, these agencies provide the support framework for the state's public education system.

Legislative Action

Appropriations to the public education agencies total \$445,241,100 for FY 2010. This amount includes \$58,132,200 from the Uniform School Fund and \$2,312,500 from the General Fund. Due to the economic revenue shortfall, the Legislature reduced the total FY 2010 appropriated budget for the education agencies by (\$13,453,800) from the FY 2009 appropriation, representing a 3.0 percent decrease. State funds appropriated to the education agencies decreased by 14.2 percent.

Funding Detail

State Board of Education: Education Agencies					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	2,500,000	(187,500)	2,312,500	2,312,500	
General Fund, One-time	1,000,000	90,600	1,090,600		(1,090,600)
Uniform School Fund	64,789,400	(7,086,700)	57,702,700	55,432,200	(2,270,500)
Uniform School Fund, One-time	5,343,400	816,400	6,159,800	2,700,000	(3,459,800)
Federal Funds	339,528,200	6,255,800	345,784,000	345,787,600	3,600
American Recovery and Reinvestment Act		86,924,200	86,924,200		(86,924,200)
Dedicated Credits Revenue	29,037,400	684,100	29,721,500	29,722,000	500
Federal Mineral Lease	845,900		845,900	846,400	500
GFR - Land Exchange Distribution Account	302,400		302,400	302,400	
GFR - Substance Abuse Prevention	494,500		494,500	494,500	
USFR - Interest and Dividends Account	409,700		409,700	409,700	
USFR - Professional Practices	1,465,900		1,465,900	1,466,700	800
Transfers	4,064,800	1,681,800	5,746,600	5,341,900	(404,700)
Transfers - Interagency	748,200	(748,200)			
Beginning Nonlapsing	22,681,700	2,742,800	25,424,500	14,885,600	(10,538,900)
Closing Nonlapsing	(22,681,700)	7,705,400	(14,976,300)	(14,303,800)	672,500
Lapsing Balance		(6,956,600)	(6,956,600)	(156,600)	6,800,000
Total	\$450,529,800	\$91,922,100	\$542,451,900	\$445,241,100	(\$97,210,800)
Line Items					
State Office of Education	273,532,000	84,321,700	357,853,700	256,168,800	(101,684,900)
USOE - Initiative Programs				8,259,500	8,259,500
State Charter School Board	6,423,500	(599,700)	5,823,800	5,690,800	(133,000)
Educator Licensing	1,465,900	(156,600)	1,309,300	1,310,100	800
Parent Choice in Education Act					
Child Nutrition	129,228,300	7,587,400	136,815,700	136,072,200	(743,500)
Fine Arts Outreach	3,189,600	(123,600)	3,066,000	2,786,800	(279,200)
Educational Contracts	3,854,800	(154,200)	3,700,600	3,178,300	(522,300)
Utah Schools for the Deaf and the Blind	30,135,300	1,247,800	31,383,100	29,454,200	(1,928,900)
Science Outreach	2,089,400	(81,000)	2,008,400	1,709,400	(299,000)
USDB - Institutional Council	611,000	(119,700)	491,300	611,000	119,700
Total	\$450,529,800	\$91,922,100	\$542,451,900	\$445,241,100	(\$97,210,800)
Budgeted FTE	677.2	30.8	708.0	645.5	(62.5)

Utah State Office of Education

As the largest of the public education agencies, the Utah State Office of Education (USOE) functions as support staff to the State Board of Education and the State Superintendent. The USOE provides information and direction relating to public education policy, procedures, as well as the development and implementation of education programs, development of core curricula standards, and student assessment procedures. USOE staff provides statewide service, support, and direction to local school districts and charter schools on education issues.

The USOE budget provides operating revenue for the State Board of Education and the three USOE operating divisions, namely, Student Achievement and School Success; Data and Business Services; and Law, Legislation and Educational Services. However, beginning in FY 2010, the USOE will shift operations to four divisions including the following: Student Achievement and

School Success; Data, Assessment, and Accountability; Business Services; and Law, Legislation, and Educational Services. In addition, the State Board of Education operates an internal service fund—the Superintendent’s Indirect Cost Pool—to provide services for other sections in the USOE, districts and charter schools.

Legislative Action

The Legislature appropriated \$256,168,800 to USOE for FY 2010. Of the total USOE appropriation in FY 2010, approximately 13.4 percent provides for the operation of the State Office. The remaining 86.6 percent, or \$221,832,800, is passed through to local school districts and charter schools.

A part of the USOE budget was separated into a new line item during the 2009 General Session. This line item is called “Utah State Office of Education – Contracts and Grants” and contains funding specific to legislative initiatives. Creation of this new line item is designed for improved tracking of funds set aside for these programs.

Board of Education – Operations: The Legislature authorized an increase of 3.7 percent for Internal Service Fund costs for the State Board of Education. Reductions were not taken in this area of the State Office of Education.

Student Achievement: The Student Achievement division of the USOE had some of the most significant changes during the 2009 General Session. With approval of the new USOE line item, funds for legislative initiatives that were part of the Student Achievement budget were moved to the new line item. Below are detailed effects of changes to FY 2009 and FY 2010 made by the Legislature.

During the 2008 Special Session, the Legislature approved ongoing reductions of (\$279,800) back-filled with one-time monies of the same amount. With this one-time funding, the effects from the ongoing reduction will not fully be realized until FY 2010.

FY 2009 funding for Student Achievement at USOE was reduced by (\$2,421,700) ongoing with a one-time add-back of \$1,083,000. For FY 2010, reductions made by the Legislature to this part of the USOE budget will continue as a reduction to the ongoing base, including a reduction of (\$2,013,000) to the ongoing base.

Some significant legislative actions to note in the Student Achievement division include: the transfer of \$3,822,700 Uniform School Funds to a new USOE line item – Initiative Programs; staff reduction in Assessment, CTE, Curriculum, Educational Technology, and Information Technology of (\$630,900); reduction of (\$503,000) for development of the Utah Basic Skills Competency Test (UBSCT); and reduction of (\$167,100) for Professional Development in Highly Qualified Teacher Programs.

Data and Business Services: The budget for the Data and Business Services division at USOE was reduced by the Legislature from the original FY 2009 appropriation of \$8,894,500 to \$8,249,500. The majority of programs transferred to the new USOE line item—Initiative Programs—were taken from Data and Business Services. The FY 2010 appropriated amount for this USOE division is \$1,133,300, including both reductions and transfers to the new line item.

During the 2008 2nd Special Session, the Legislature reduced the budget in Data & Business Services by (\$444,900), with the same amount of one-time funding from nonlapsing balances being back-filled.

Legislators also approved an ongoing reduction of (\$100,100) to the FY 2009 revised base with a one-time add-back of \$46,600. The net reduction to Data and Business Services resulting from this action was (\$53,500).

Lawmakers approved a reduction to the FY 2010 ongoing base for USOE in the Data and Business Services for (\$100,000).

The Data and Business Services section was reduced by (\$100,000), affecting operational costs and support staff positions.

Law, Legislation, and Educational Services: In both the 2008 Special Session and 2009 General Session, legislators made changes to the USOE budget in Law, Legislation and Educational Services (LLES) division.

During the Special Session, legislators approved an ongoing budget reduction of (\$42,600) with one-time funding approved to cover the amount during FY 2009.

Legislators made reductions to both General Fund and Uniform School Funds of (\$187,500) and (\$85,000), respectively. These reductions were accompanied by one-time back-fill monies—\$90,600 in General Fund and \$39,700 in Uniform School Funds.

For the FY 2010 base budget, lawmakers reduced the ongoing appropriation by (\$77,500) for the USOE in LLES.

Significant legislative actions in the Law, Legislation, and Educational Services division include: transfer of \$2,312,500 in General Fund monies to the new USOE line item – Initiative Programs and support staff reduction for the associate superintendent of (\$77,500).

Funding Detail

State Board of Education: State Office of Education					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
General Fund	2,500,000	(187,500)	2,312,500		(2,312,500)
General Fund, One-time	1,000,000	90,600	1,090,600		(1,090,600)
Uniform School Fund	30,396,700	(3,374,100)	27,022,600	21,089,300	(5,933,300)
Uniform School Fund, One-time	4,563,400	(1,025,700)	3,537,700		(3,537,700)
Federal Funds	226,191,100		226,191,100	226,194,700	3,600
American Recovery and Reinvestment Act		86,203,000	86,203,000		(86,203,000)
Dedicated Credits Revenue	6,079,300	73,200	6,152,500	6,152,900	400
Federal Mineral Lease	845,900		845,900	846,400	500
GFR - Land Exchange Distribution Account	302,400		302,400	302,400	
GFR - Substance Abuse Prevention	494,500		494,500	494,500	
USFR - Interest and Dividends Account	409,700		409,700	409,700	
Transfers	800	678,100	678,900	678,900	
Transfers - Interagency	748,200	(748,200)			
Beginning Nonlapsing	21,960,500	(356,200)	21,604,300	12,192,000	(9,412,300)
Closing Nonlapsing	(21,960,500)	9,768,500	(12,192,000)	(12,192,000)	
Lapsing Balance		(6,800,000)	(6,800,000)		6,800,000
Total	\$273,532,000	\$84,321,700	\$357,853,700	\$256,168,800	(\$101,684,900)
Programs					
Board of Education - Operations	2,017,400	22,900	2,040,300	2,115,000	74,700
Student Achievement	248,894,900	93,231,500	342,126,400	244,060,600	(98,065,800)
Data and Business Services	8,894,500	(7,615,000)	1,279,500	1,133,300	(146,200)
Law, Legislation and Educational Services	13,725,200	(1,317,700)	12,407,500	8,859,900	(3,547,600)
Total	\$273,532,000	\$84,321,700	\$357,853,700	\$256,168,800	(\$101,684,900)
Budgeted FTE	226.3	9.7	236.0	223.0	(13.0)

State Board of Education: Educator Licensing					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
USFR - Professional Practices	1,465,900		1,465,900	1,466,700	800
Lapsing Balance		(156,600)	(156,600)	(156,600)	
Total	\$1,465,900	(\$156,600)	\$1,309,300	\$1,310,100	\$800
Programs					
Educator Licensing	1,465,900	(156,600)	1,309,300	1,310,100	800
Total	\$1,465,900	(\$156,600)	\$1,309,300	\$1,310,100	\$800
Budgeted FTE	11.2	0.8	12.0	12.0	0.0

Utah State Office of Education – Contracts and Grants

The Legislature created a new line item at the State Office of Education called, “Utah State Office of Education – Contracts and Grants”. The intent of the Legislature in establishing this new line item grew out of discussions about reductions at the USOE and tracking legislative initiative programs. After some consideration, lawmakers saw the need to track the operational funds of the State Office separate from programs created out of legislation.

Monies for legislative programs originally in the different divisions of USOE were transferred to the new line item and included programs such as Head Start State Supplement, Carson Smith Special Needs Scholarship Program, Up Start Early Childhood Education Program, Sound Beginnings and others. The total appropriation within this line item for FY 2010 is \$8,259,500.

Funding Detail

State Board of Education: USOE - Initiative Programs					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
General Fund				2,312,500	2,312,500
Uniform School Fund				3,247,000	3,247,000
Uniform School Fund, One-time				2,700,000	2,700,000
Total	\$0	\$0	\$0	\$8,259,500	\$8,259,500
Programs					
Contracts and Grants				8,259,500	8,259,500
Total	\$0	\$0	\$0	\$8,259,500	\$8,259,500

State Charter School Board

The Legislature created the State Charter School Board during the 2004 General Session. The board authorizes, supports, and promotes the establishment of charter schools and advises the State Board of Education on charter school issues. Prior to the 2005 General Session, the State Charter School Board was part of the Utah State Office of Education line item.

Currently, the state has over 70 charter schools. Projections indicate that in Fall 2009, approximately 35,153 students will enroll in charter schools, nearly a 30 percent increase over Fall 2008 projections.

Legislative Action

During the 2009 General Session, the Legislature appropriated \$5,690,800 to the State Charter School Board, including \$585,200 ongoing from the Uniform School Fund and \$5,105,600 in Federal Funds. In total, ongoing reductions for the State Charter School Board, from the original FY 2009 appropriation, were (\$134,400) or, 18.7 percent. No reductions to FTEs were made for the State Charter School Board.

A three percent reduction (\$21,300) was made to the ongoing base for the State Charter School Board during the 2008 Special Session. This reduction was back-filled with one-time monies as with other areas of public education. Additionally, lawmakers approved an ongoing reduction for the State Charter School Board of (\$51,700) accompanied by a one-time add-back of \$50,400.

The appropriation for the State Charter School Board for FY 2010 is \$5,690,800—including \$585,200 in Uniform School Funds and \$5,105,600 Federal Funds. This appropriation includes FY 2010 base reductions of (\$41,800) and (\$9,700) in Operational Savings and Reclassification of an FTE position.

Funding Detail

State Board of Education: State Charter School Board					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
Uniform School Fund	709,600	(73,000)	636,600	585,200	(51,400)
Uniform School Fund, One-time	10,000	(498,200)	(488,200)		488,200
Federal Funds	5,703,900	(598,400)	5,105,500	5,105,600	100
Beginning Nonlapsing	121,200	448,700	569,900		(569,900)
Closing Nonlapsing	(121,200)	121,200			
Total	\$6,423,500	(\$599,700)	\$5,823,800	\$5,690,800	(\$133,000)
Programs					
State Charter School Board	6,423,500	(599,700)	5,823,800	5,690,800	(133,000)
Total	\$6,423,500	(\$599,700)	\$5,823,800	\$5,690,800	(\$133,000)
Budgeted FTE	6.5	(0.5)	6.0	6.0	0.0

Utah Schools for the Deaf and the Blind

The Utah Schools for the Deaf and the Blind (USDB) provide educational services to hearing and/or visually impaired children from birth to age 21. The two main divisions of USDB are Instruction and Support Services. Instructional Services provides educational programs for the deaf, blind, and deaf-blind children of Utah, including residential, daytime, and extension programs in a number of locations across the State. Support Services provides services related to administration, educational support, residential care, transportation and other operational services.

Legislative Action

Legislators appropriated \$29,454,200 to USDB for FY 2010. This appropriation represents a total decrease of (\$681,100) from the original FY 2009 appropriation approved during the 2008 General Session.

During the 2008 Special Session, legislators approved a 3 percent reduction (\$731,500) for USDB which was back-filled with one-time monies. The USDB budget was further reduced in H.B. 3 by (\$1,773,700) ongoing with a back-fill amount of \$857,300. This totaled a net reduction of (\$916,400) for FY 2009. Reductions will affect administration, travel, staff in both instructional and support services (approximately 20.0 FTE), and some service contracts.

For FY 2010, the Legislature appropriated \$28,874,200 for the Schools for the Deaf and the Blind. This budget appropriation includes all ongoing FY 2009 reductions and an additional (\$203,000) ongoing reduction. It does not include the \$580,000 included in H.B. 2 as mentioned below. The appropriation reflects the elimination of the extended-year program and a reconfiguration of travel plans for USDB student pick up.

Teacher Salary Adjustments: The Legislature funded an increase in salaries for USDB teachers of \$580,000 for FY 2010. This increase was included in **H. B. 2, "Minimum School Program Budget Amendments"**. Under Utah Code 53A-25-111,

USDB instructors are given a compensation adjustment equal to the average of that given to school district teachers the previous year.

School Building for USDB: In S.B. 201, “General Obligation Bond Authorization Amendments”, the Legislature approved funding for the purchase and renovation of a school building in the Salt Lake City area for USDB. Appropriators authorized \$6.5 million in one-time funding for this purchase. The building will house students who were at the former Jean Massieu School (JMS) and the Connor Street facility.

Utah State Instructional Materials Access Center (USIMAC): The Legislature approved ongoing funding of \$490,000 for the USIMAC. This appropriation will provide the means for USDB to maintain Utah’s authorized center for educational materials as discussed under the federal Individuals with Disabilities Act (IDEA) reauthorization in 2004.

Funding Detail

State Board of Education: Utah Schools for the Deaf and the Blind					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
Uniform School Fund	24,381,200	(2,505,200)	21,876,000	22,711,300	835,300
Uniform School Fund, One-time	770,000	1,588,800	2,358,800		(2,358,800)
Federal Funds	184,700	(18,300)	166,400	165,700	(700)
Dedicated Credits Revenue	735,400	610,900	1,346,300	1,346,300	
Transfers	4,064,000	1,003,700	5,067,700	4,663,000	(404,700)
Beginning Nonlapsing		1,960,000	1,960,000	2,079,700	119,700
Closing Nonlapsing		(1,392,100)	(1,392,100)	(1,511,800)	(119,700)
Total	\$30,135,300	\$1,247,800	\$31,383,100	\$29,454,200	(\$1,928,900)
Programs					
Instructional Services	17,809,300	799,800	18,609,100	18,227,800	(381,300)
Support Services	12,326,000	448,000	12,774,000	11,226,400	(1,547,600)
Total	\$30,135,300	\$1,247,800	\$31,383,100	\$29,454,200	(\$1,928,900)
Budgeted FTE	400.2	20.8	421.0	371.5	(49.5)

USDB - Institutional Council

As an advisory panel to the State Board of Education, the USDB Institutional Council “makes recommendations to and advises the superintendent of schools, the state superintendent of public instruction, and the [State] board with respect to the continued employment of the superintendent of schools, staff positions, policy, budget, operations and other duties as assigned by the board”.

Legislative Action

Legislators appropriated \$611,000 for FY 2010 to USDB – Institutional Council. The Institutional Council only receives the interest and dividends generated off of the investment of the permanent fund created for the Schools for the Deaf and the Blind in Section 12 of the Utah Enabling Act, commonly referred to as “Trust Lands” revenue. The appropriation represents an estimate of expected revenue. For the past few years, this appropriation has been fairly level, though consistent with the needs of the Institutional Council and USDB.

Funding Detail

State Board of Education: USDB - Institutional Council					
	2009	2009	2009	2010	Change from
Sources of Finance	Original	Changes	Revised Est	Appropriated	2009 Revised
Dedicated Credits Revenue	611,000		611,000	611,000	
Beginning Nonlapsing	600,000	672,400	1,272,400	600,000	(672,400)
Closing Nonlapsing	(600,000)	(792,100)	(1,392,100)	(600,000)	792,100
Total	\$611,000	(\$119,700)	\$491,300	\$611,000	\$119,700
Programs					
Institutional Council	611,000	(119,700)	491,300	611,000	119,700
Total	\$611,000	(\$119,700)	\$491,300	\$611,000	\$119,700
Budgeted FTE	7.0	(1.0)	6.0	6.0	0.0

Child Nutrition Programs

The Child Nutrition Programs offer high quality, nutritionally well-balanced meals and promote nutritional awareness among students. Qualifying students in public and non-profit private schools may receive low-cost or free meals through the program.

Child Nutrition Programs are federal assistance programs including: National School Lunch, National School Breakfast, the Special Milk Program, Summer Food Service Program, and several Food Distribution Programs. The state contribution to the nutrition programs represents about 16 percent of the overall funding, most of which is generated through the liquor tax.

Legislative Action

For FY 2010, the Legislature appropriated \$136,072,200 to the Child Nutrition Programs, including \$138,800 from the Uniform School Fund and \$21,611,800 in Dedicated Credits generated from liquor tax. This appropriation represents a total decrease of (\$743,500) from FY 2009 revised. The Legislature implemented ongoing reductions in FY 2009 of (\$4,900) made during the 2008 Special Session, which was back-filled with one-time monies and another ongoing reduction of (\$12,200) (back-filled with one-time funds of \$5,900) in the 2009 General Session. State funds reductions were made to a portion of administration for food distribution programs and a reduced amount for match on The Emergency Food Assistance Program (TEFAP), which was also for administrative costs. During the 2009 Special Session, legislators approved a supplemental appropriation of \$721,200 in ARRA funds. These ARRA funds were appropriated and designated in the legislation for replacement of outdated school lunch equipment.

Funding Detail

State Board of Education: Child Nutrition Programs					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Uniform School Fund	168,100	(17,100)	151,000	138,800	(12,200)
Uniform School Fund, One-time		6,900	6,900		(6,900)
Federal Funds	107,448,500	6,872,500	114,321,000	114,321,600	600
American Recovery and Reinvestment Act		721,200	721,200		(721,200)
Dedicated Credits Revenue	21,611,700		21,611,700	21,611,800	100
Beginning Nonlapsing		3,900	3,900		(3,900)
Total	\$129,228,300	\$7,587,400	\$136,815,700	\$136,072,200	(\$743,500)
Programs					
Child Nutrition	129,228,300	7,587,400	136,815,700	136,072,200	(743,500)
Total	\$129,228,300	\$7,587,400	\$136,815,700	\$136,072,200	(\$743,500)
Budgeted FTE	26.0	1.0	27.0	27.0	0.0

Fine Arts and Science Outreach Programs

The Fine Arts and Science Outreach Programs enable Utah's professional art and science organizations to provide their expertise and resources in the teaching of the state's fine art and science curricula. The programs ensure that each of the 40 school districts have the opportunity to receive services in a balanced and comprehensive manner over a three-year time frame.

Legislative Action

For FY 2010, the Legislature appropriated \$2,786,800 in Uniform School Funds to the Fine Arts Outreach Program; this appropriation is (\$402,800) (12.6 percent) less than the original FY 2009 appropriation made during the 2008 General Session. Legislators appropriated \$1,709,400 in Uniform School Funds to the Science Outreach Program – (\$380,000) (18.1 percent) less than the original FY 2009 appropriation. The percent reduction for the Science Outreach Program is larger due to the elimination of the RFP programs in both areas.

Request-for-Proposal (RFP) Programs: Legislators eliminated ongoing Uniform School Funds supporting the RFP programs in both the Fine Arts Outreach and Science Outreach programs. This program provided annual grants to regional professional organizations to provide educational outreach services in the public schools. This reduction includes (\$70,000) from the Fine Arts Outreach RFP Program and (\$180,000) from the Science Outreach RFP Program.

Professional Outreach Program in the Schools (POPS) and Informal Science Education Enhancement (iSEE): The appropriations to the professional organizations that provide educational outreach services in the public schools were affected during both the 2008 Special Session and the 2009 General Session. Legislators reduced ongoing Uniform School Funds by (\$295,300), (\$189,300 for the Fine Arts Outreach Program and \$106,000 for the Science Outreach Program) during the Special Session. These ongoing reductions were completely back-filled with one-time funding in FY 2009. Further ongoing reductions resulted in a total decrease of (\$237,500), (\$143,500 for the Fine Arts Outreach Program and \$94,000 for the Science Outreach Program).

The total ongoing reduction for the arts program, is (\$332,800), or 10.6 percent from the original FY 2009 appropriation made during the 2008 General Session. The total ongoing reduction for the science program is (\$200,000), or 10.5 percent from the original FY 2008 appropriation.

Funding Detail - Fine Arts

State Board of Education: Fine Arts Outreach					
	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Sources of Finance					
Uniform School Fund	3,189,600	(430,600)	2,759,000	2,786,800	27,800
Uniform School Fund, One-time		307,000	307,000		(307,000)
Total	\$3,189,600	(\$123,600)	\$3,066,000	\$2,786,800	(\$279,200)
Programs					
Professional Outreach Programs	3,065,100	(121,500)	2,943,600	2,738,100	(205,500)
Requests for Proposals	70,000		70,000		(70,000)
Subsidy Program	54,500	(2,100)	52,400	48,700	(3,700)
Total	\$3,189,600	(\$123,600)	\$3,066,000	\$2,786,800	(\$279,200)

Funding Detail - Science Outreach

State Board of Education: Science Outreach					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Uniform School Fund	2,089,400	(282,000)	1,807,400	1,695,500	(111,900)
Uniform School Fund, One-time		187,100	187,100		(187,100)
Beginning Nonlapsing		14,000	14,000	13,900	(100)
Closing Nonlapsing		(100)	(100)		100
Total	\$2,089,400	(\$81,000)	\$2,008,400	\$1,709,400	(\$299,000)
Programs					
Informal Science Education Enhancement	1,479,400	(81,000)	1,398,400	1,292,300	(106,100)
Requests for Proposals	180,000		180,000		(180,000)
Science Enhancement	430,000		430,000	417,100	(12,900)
Total	\$2,089,400	(\$81,000)	\$2,008,400	\$1,709,400	(\$299,000)

Education Contracts

The Utah State Board of Education takes responsibility for the education of students in the custody of the state and acts as the “school board” governing their education. The Youth Center provides services to students at the State Hospital in Provo, and Corrections Institutions provide services to inmates in the state’s correctional facilities.

The State Board contracts with various school districts to provide educational services at the Youth Center, State Prisons and some county jails. The Provo school district receives contract funds for the State Hospital, and the Jordan, South Sanpete, and Iron school districts receive contract funding for correctional facilities in those areas.

Legislative Action

For FY 2010, the Legislature appropriated \$3,178,300 from the Uniform School Fund to Education Contracts. This amount is the new base funding level following ongoing reductions for FY 2009 and 2010. These base reductions in the Education Contracts line item were for correctional facilities. No reductions were made to funding for the Youth Center.

Legislators approved an ongoing reduction of (\$115,600) to corrections institutions’ contracts within Education Contracts. This reduction was filled with an equal amount of one-time monies for FY 2009. During the 2009 General Session, lawmakers approved additional reductions for the Education Contracts in the

amount of (\$289,100) with a one-time add-back of \$134,900. For FY 2010, legislators approved a base budget of \$3,178,300 from the Uniform School Fund, including \$1,153,200 for the Youth Center and \$2,025,100 for Corrections Institutions. Also included in this base was an additional reduction of (\$271,800).

Funding Detail

State Board of Education: Educational Contracts					
Sources of Finance	2009 Original	2009 Changes	2009 Revised Est	2010 Appropriated	Change from 2009 Revised
Uniform School Fund	3,854,800	(404,700)	3,450,100	3,178,300	(271,800)
Uniform School Fund, One-time		250,500	250,500		(250,500)
Total	\$3,854,800	(\$154,200)	\$3,700,600	\$3,178,300	(\$522,300)
Programs					
Youth Center	1,153,200		1,153,200	1,153,200	
Corrections Institutions	2,701,600	(154,200)	2,547,400	2,025,100	(522,300)
Total	\$3,854,800	(\$154,200)	\$3,700,600	\$3,178,300	(\$522,300)

State Office of Education - Indirect Cost Pool

Previously, the State Office of Education operated two internal service funds (ISFs), but with consolidation of some state services the Indirect Cost Pool is now the only operating ISF for the public education agencies. The Indirect Cost Pool (ICP) includes accounting, budgeting, purchasing, and government liaison functions of the State Office of Education. This ICP does not receive Uniform School Funds, but rather takes a portion of all federal and state funds that support personal services to fund its operations.

Legislative Action

The Legislature approved reimbursement rates for the ICP at 12.0 percent of personal service costs supported by restricted funds and 16.0 percent for unrestricted.

Funding Detail - USOE Indirect Cost Pool

ISF - USOE Indirect Cost Pool					
Sources of Finance	2009	2009	2009	2010	Change from 2009 Revised
	Original	Changes	Revised	Appropriated	
Dedicated Credits - Intragvt Rev	4,255,400	508,000	4,763,400	4,196,300	(567,100)
Total	\$4,255,400	\$508,000	\$4,763,400	\$4,196,300	(\$567,100)
Programs					
ISF - Superintendent Indirect Cost Pool	4,945,700	88,000	5,033,700	4,886,600	(147,100)
Total	\$4,945,700	\$88,000	\$5,033,700	\$4,886,600	(\$147,100)
Profit/(loss)	(\$690,300)	\$420,000	(\$270,300)	(\$690,300)	(\$420,000)
FTE and Other Data					
Budgeted FTE	46.00	0.00	46.00	46.00	0.00
Retained Earnings	(1,242,400)	60,500	(1,181,900)	(1,932,700)	(750,800)
Vehicles	1	0	1	1	

Funding Detail

Public Education Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from 2009 Revised
	Original	Changes	Revised Est	Appropriated	
General Fund	2,500,000	(187,500)	2,312,500	2,312,500	
General Fund, One-time	1,000,000	90,600	1,090,600		(1,090,600)
Uniform School Fund	2,530,770,886	(269,916,300)	2,260,854,586	2,108,936,686	(151,917,900)
Uniform School Fund, One-time	152,163,400	19,348,200	171,511,600	183,429,600	11,918,000
Federal Funds	339,528,200	6,255,800	345,784,000	345,787,600	3,600
American Recovery and Reinvestment Act		272,506,000	272,506,000	112,794,200	(159,711,800)
Dedicated Credits Revenue	29,037,400	684,100	29,721,500	29,722,000	500
Federal Mineral Lease	845,900		845,900	846,400	500
GFR - Land Exchange Distribution Account	302,400		302,400	302,400	
GFR - Substance Abuse Prevention	494,500		494,500	494,500	
USFR - Interest and Dividends Account	26,909,200		26,909,200	20,409,700	(6,499,500)
USFR - Professional Practices	1,465,900		1,465,900	1,466,700	800
Local Revenue	592,118,974		592,118,974	602,671,370	10,552,396
Transfers	4,064,800	1,681,800	5,746,600	5,341,900	(404,700)
Transfers - Interagency	748,200	(748,200)			
Beginning Nonlapsing	89,841,500	(17,257,200)	72,584,300	51,045,400	(21,538,900)
Closing Nonlapsing	(58,841,500)	7,705,400	(51,136,100)	(50,463,600)	672,500
Total	\$3,712,949,760	\$13,206,100	\$3,726,155,860	\$3,414,940,756	(\$311,215,104)
Agencies					
State Board of Education	450,529,800	91,922,100	542,451,900	445,241,100	(97,210,800)
Minimum School Program	6,000,000		6,000,000		(6,000,000)
MSP - Basic School Program	1,840,119,735		1,840,119,735	1,885,124,463	45,004,728
MSP - Related to Basic Programs	837,278,121	(52,851,000)	804,427,121	685,354,703	(119,072,418)
MSP - Voted and Board Leways	359,913,204		359,913,204	366,720,790	6,807,586
MSP - One-time Initiatives	56,820,000	(25,865,000)	30,955,000	10,000,000	(20,955,000)
School Building Programs	42,288,900		42,288,900	22,499,700	(19,789,200)
Restricted Revenue - PED	100,000,000		100,000,000		(100,000,000)
Total	\$3,712,949,760	\$13,206,100	\$3,726,155,860	\$3,414,940,756	(\$311,215,104)
Budgeted FTE	677.2	30.8	708.0	645.5	(62.5)

Minimum School Program - 2009 General Session & 1st Special Session Appropriated Budget					
Fiscal Year 2009 Revised & Fiscal Year 2010 Appropriated					
A	B	C	D	E	F
Revenue Detail					
Fiscal Year 2009 REVISED			Fiscal Year 2010 Appropriated		
Revenue Sources	Changes	Total Revenue	Changes	Total Revenue	Difference
I. State Revenue					
A. Uniform School Fund	(\$262,010,900)	\$2,176,681,686	(\$145,676,900)	\$2,031,004,786	(145,676,900)
B. Uniform School Fund One-time	112,094,900	49,533,100	180,729,600	180,729,600	131,196,500
C. USFR - Interest and Dividends (Trust Lands)		26,499,500	(6,499,500)	20,000,000	(6,499,500)
II. Federal Revenue - American Recovery & Reinvestment Act	91,200,000	185,581,800	112,794,200	112,794,200	(72,787,600)
III. Balances - Beginning Non-Lapsing Balances	7,092,400	49,252,200		38,252,200	(11,000,000)
A. Closing Non-Lapsing Balances	(27,092,400)	(38,252,200)		(38,252,200)	0
Subtotal State Revenue:	(\$78,716,000)	\$2,449,296,086	\$141,347,400	\$2,344,528,586	(104,767,500)
II. Local Revenue					
A. Basic Levy		\$260,731,750	\$13,219,014	\$273,950,764	13,219,014
B. Voted Leeway		252,090,709	(\$1,622,487)	\$250,468,222	(1,622,487)
C. Board Leeway		64,296,515	(\$1,044,131)	\$63,252,384	(1,044,131)
D. Board Leeway - Reading Levy		15,000,000		\$15,000,000	0
Subtotal Local Revenue:	\$0	\$592,118,974	\$10,552,396	\$602,671,370	10,552,396
Total Revenue:	(\$78,716,000)	\$3,041,415,060	\$151,899,796	\$2,947,199,956	(94,215,104)
Categories of Expenditure					
Basic School Program - WPU Driven Programs (Above-the-Line)					
WPU Value:		\$2,577	WPU Value:		\$2,577
Basic Rate:		0.001250	Basic Rate:		0.001303
Sources of Revenue (Also in Total Revenue Above)					
I. State Revenue - Uniform School Fund		\$1,579,387,985		\$1,611,173,699	\$31,785,714
II. Local Revenue - Basic Levy		260,731,750		273,950,764	13,219,014
Total Basic School Program Revenue:		\$1,840,119,735		\$1,885,124,463	\$45,004,728
Programs of Expenditure					
	Total WPUs	Funding	Total WPUs	Funding	Difference
I. Basic School Program					
A. Regular Basic School Program					
1. Kindergarten	25,294	65,182,638	26,552	68,424,504	3,241,866
2. Grades 1-12	488,263	1,258,253,751	501,093	1,291,316,661	33,062,910
3. Professional Staff	45,133	116,307,741	46,033	118,627,041	2,319,300
4. Administrative Costs	1,620	4,174,740	1,620	4,174,740	0
5. Necessarily Existent Small Schools	7,649	19,711,473	7,649	19,711,473	0
Subtotal Regular Program:	567,959	\$1,463,630,343	582,947	\$1,502,254,419	\$38,624,076
B. Restricted Basic School Program					
1. Special Education - Add-on WPUs	60,454	155,789,958	62,099	160,029,123	4,239,165
2. Special Education - Pre-school	8,569	22,082,313	8,779	22,623,483	541,170
3. Special Education - Self-Contained WPUs	13,416	34,573,032	13,827	35,632,179	1,059,147
4. Special Education - Extended Year Program	376	968,952	385	992,145	23,193
5. Special Education - State Programs	1,666	4,293,282	1,707	4,398,939	105,657
Subtotal Special Education:	84,481	\$217,707,537	86,797	\$223,675,869	\$5,968,332
6. Career & Technology Education - District Add-on	26,205	67,530,285	26,642	68,656,434	1,126,149
7. Career & Technology Education - District Set-Aside	1,117	2,878,509	0	0	(2,878,509)
Subtotal Career and Technology Education:	27,322	\$70,408,794	26,642	\$68,656,434	(\$1,752,360)
8. Class Size Reduction	34,293	88,373,061	35,133	90,537,741	2,164,680
Subtotal Restricted Program:	146,096	\$376,489,392	148,572	\$382,870,044	\$6,380,652
Total Expenditures Basic School Program:	714,055	\$1,840,119,735	731,519	\$1,885,124,463	\$45,004,728

T H E L I N E

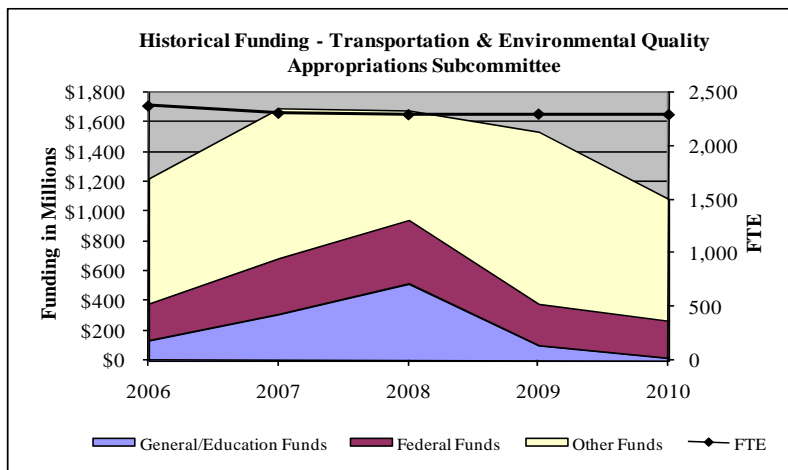
T H E L I N E					
Related to Basic School Program - Non-WPU Driven Programs (Below-the-Line)					
Sources of Revenue (Also in Total Revenue Above)		Total Revenue		Total Revenue	Difference
I. State Revenue - Uniform School Fund		\$568,767,721		\$381,830,903	(\$186,936,818)
a. Uniform School Fund, One-Time		23,578,100		170,729,600	147,151,500
b. USF Restricted Interest & Dividends		26,499,500		20,000,000	(6,499,500)
II. Federal Revenue - American Recovery & Reinvestment Act		185,581,800		112,794,200	(72,787,600)
Total Related to Basic School Program Revenue:		\$804,427,121		\$685,354,703	(\$119,072,418)
Programs of Expenditure		Changes	Funding	Changes	Funding
II. Related to Basic Program					
A. Related to Basic Program					
1. Social Security and Retirement		349,906,049		(336,498,218)	13,407,831
2. To and From School - Pupil Transportation		74,446,865		(8,800,000)	65,646,865
3. Guarantee Transportation Levy		500,000			500,000
4. One-time USF & Federal Stimulus to SS & Ret.	135,999,100	135,999,100	146,774,700	282,773,800	146,774,700
5. Locally Determined Reduction	(179,758,100)	(179,758,100)		0	179,758,100
Subtotal Related to Basic Programs:	(\$43,759,000)	\$381,093,914		\$362,328,496	(\$18,765,418)
B. Block Grant Programs					
1. Local Discretionary	(9,092,000)	12,728,748	(12,728,748)	0	(12,728,748)
2. Interventions for Student Success		18,844,111	(3,844,111)	15,000,000	(3,844,111)
3. Quality Teaching & Technology Block Grant		77,615,641	(77,615,641)	0	(77,615,641)
Subtotal Block Grants:	(\$9,092,000)	\$109,188,500		\$15,000,000	(\$94,188,500)
C. Special Populations					
1. Highly Impacted Schools		5,123,207	(512,300)	4,610,907	(512,300)
2. Youth At-Risk Programs Total		31,411,241	(3,141,100)	28,270,141	(3,141,100)
3. Adult Education		10,266,146	(1,000,000)	9,266,146	(1,000,000)
4. Accelerated Learning Programs Total		4,295,581	(729,500)	3,566,081	(729,500)
5. Concurrent Enrollment		9,672,586	(967,300)	8,705,286	(967,300)
6. High-Ability Student Initiative		500,000	(5,000)	495,000	(5,000)
7. English Language Learner Family Literacy Centers		2,000,000	(200,000)	1,800,000	(200,000)
Subtotal Special Populations:		\$63,268,761		\$56,713,561	(\$6,555,200)
D. Other Programs					
1. Electronic High School		2,000,000		2,000,000	0
2. School LAND Trust Program		26,499,500	(6,499,500)	20,000,000	(6,499,500)
3. Charter Schools					
a. Local Replacement Funding		36,957,646	8,330,800	45,288,446	8,330,800
b. Administrative Costs		2,898,600	778,400	3,677,000	778,400
4. K-3 Reading Improvement Program		15,000,000	0	15,000,000	0
5. Public Education Job Enhancement		2,430,000	(243,000)	2,187,000	(243,000)
6. Educator Salary Adjustments		148,260,200		148,260,200	0
7. Teacher Salary Supplement Restricted Account		4,300,000	(600,000)	3,700,000	(600,000)
8. Library Books & Electronic Resources		1,500,000	(1,000,000)	500,000	(1,000,000)
9. Matching Fund for School Nurses		1,000,000	(100,000)	900,000	(100,000)
10. Critical Languages & Dual Immersion		230,000		230,000	0
a. One-Time Funding - FY 2010			750,000	750,000	750,000
11. Extended Year for Special Educators		2,900,000	(290,000)	2,610,000	(290,000)
12. Year-Round Math & Science (USTAR Centers)		6,900,000	(690,000)	6,210,000	(690,000)
Subtotal Other Programs:		\$250,875,946		\$251,312,646	\$436,700
Total Expenditures Related to Basic Program:	(\$52,851,000)	\$804,427,121		\$685,354,703	(\$119,072,418)
Voted & Board Leeways					
Sources of Revenue (Also in Total Revenue Above)		Total Revenue	Changes	Total Revenue	Difference
I. State Revenue - Uniform School Fund		\$28,525,980	9,474,204	\$38,000,184	\$9,474,204
II. Local Revenue					
A. Voted Leeway		\$252,090,709	(1,622,487)	\$250,468,222	(1,622,487)
B. Board Leeway		64,296,515	(1,044,131)	63,252,384	(1,044,131)
C. Board Leeway - Reading Improvement Program		15,000,000		15,000,000	0
Total Voted & Board Leeway Revenue:		\$359,913,204		\$366,720,790	\$6,807,586
Programs of Expenditure		Changes	Funding	Changes	Funding
III. Voted and Board Leeway Programs					
A. Voted Leeway		273,337,346	5,058,804	278,396,150	5,058,804
B. Board Leeway		71,575,858	1,748,782	73,324,640	1,748,782
C. Board Leeway - Reading Improvement Program		15,000,000		15,000,000	0
Total Expenditures Voted & Board Leeway Programs:		\$359,913,204		\$366,720,790	\$6,807,586
One-Time Programs					
Sources of Revenue (Also in Total Revenue Above)		Total Revenue		Total Revenue	Difference
I. State Revenue - Uniform School Fund, One-time		\$25,955,000		\$10,000,000	(\$15,955,000)
II. Balances - Beginning Non-Lapsing Balances		5,000,000		0	(5,000,000)
Total One-Time Revenue:		\$30,955,000		\$10,000,000	(\$20,955,000)
Programs of Expenditure		Changes	Funding	Changes	Funding
IV. One-Time Appropriations					
A. Teacher Supplies and Materials		10,000,000		10,000,000	0
B. Pupil Transportation		3,000,000			(3,000,000)
C. Arts Enhanced Learning Program (4 Year Funding)	(5,865,000)	9,955,000			(9,955,000)
D. English Language Learner Family Literacy Centers		3,000,000			(3,000,000)
E. S.B. 281 (2008 GS) - Signing Bonuses	(20,000,000)	5,000,000			(5,000,000)
Total Expenditures One-Time Programs:	(\$25,865,000)	\$30,955,000		\$10,000,000	(\$20,955,000)
Non-Lapsing Balance Transfers to Uniform School Fund:		\$6,000,000		\$0	(\$6,000,000)
Minimum School Program Total:	(\$78,716,000)	\$3,041,415,060		\$2,947,199,956	(\$94,215,104)

Transportation, Environmental Quality, and National Guard

Subcommittee Overview

The original FY 2009 appropriated budget for the Department of Transportation, Department of Environmental Quality, Utah National Guard, and Department of Veterans' Affairs was \$1,308,240,400, with 9.2 percent (\$120,299,900) being funded from the General Fund. Due to deteriorating economic conditions, this level of ongoing state funding was reduced in the September 2008 Special Session by \$38,476,600 and further reduced in the 2009 General Session by \$8,237,100. To offset these ongoing reductions, the Legislature approved \$30,158,200 in one-time funding. Supplemental appropriations for FY 2009 include an increase of \$32,569,400 from the nonlapsing Transportation Investment Fund of 2005 and \$286,773,200 from American Recovery and Reinvestment Act funds. The final FY 2009 budget is expected to be \$1,604,707,400.

The Legislature provided funding of \$1,093,663,900 to the Department of Transportation, Department of Environmental Quality, the Utah National Guard, and the Department of Veterans' Affairs for FY 2010. Major sources of funding for these agencies include the General Fund, the Transportation Fund, and federal funds. The following chart shows funding trends and sources of funding for the agencies under the purview of the Transportation and Environmental Quality Subcommittee.



Department of Transportation

State highways in Utah are constructed and maintained, for the most part, with highway user revenues. Principal revenue sources are motor fuel taxes, motor vehicle registration fees, and special transportation permit revenues. These funds are deposited into the State's Transportation Fund. Other sources of revenue for the Department of Transportation include federal grants from the Federal Highway Trust Fund, bonding, sales tax revenue, and General Fund appropriations. Revenue estimates adopted by the Legislature for FY 2010 for the Transportation Fund total \$411,473,000 plus an additional \$197,303,500 in federal funds.

The Legislature appropriated \$909,064,000 for the Department of Transportation in FY 2010. This includes \$119,912,900 to fund the FY 2010 portion of the Centennial Highway Program. State Internal Service Fund rate changes decreased the Department's operating budget by \$263,300 from the Transportation Fund.

Support Services

The Support Services Division is comprised of the following programs: Administration, Data Processing, Human Resource Management, Procurement, Building and Grounds, Loss Management, Motor Carrier/Ports of Entry, Comptroller's Office, Internal Auditor, and Community Relations.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$28,743,700 by \$503,300 during the September 2008 Special Session.

The Legislature approved a FY 2010 budget of \$27,939,000 for Support Services which is a decrease of \$804,700 from the FY 2009 appropriation. The decreased appropriation was due largely to the reduction during the September 2008 Special Session and an additional reduction of \$217,600 to correspond with reduced estimated Transportation Fund revenues.

Engineering Services

The Engineering Services Division includes the following programs: Program Development, Preconstruction Administration, Structures, Research, Materials Lab, Research, Engineering Services, Right of Way, Civil Rights, and Contract Management.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$30,612,300 by \$450,300 during the September 2008 Special Session.

The FY 2010 budget approved for the Engineering Services Division is \$29,650,200 which is a decrease of \$962,100 from the FY 2009 appropriation. The decreased appropriation was due largely to the reduction during the September 2008 Special Session and an additional reduction of \$433,800 to correspond with reduced estimated Transportation Fund revenues.

The Department reported its efforts to find efficiencies and cost reductions in all areas of the transportation budgets. The Transportation, Environmental Quality, and National Guard Appropriations Subcommittee encouraged the Department of Transportation to continue its efforts to increase efficiencies and effectiveness. The subcommittee will follow up with its request by requiring a report on the Department's progress sometime during the interim or the 2010 General Session.

Construction

The Construction Management Line item includes the Rehabilitation/Preservation, Federal Construction-New, Transportation Investment Fund, and State Construction-New. Other Construction Programs include the Critical Needs Highway and Centennial Highway Program.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$324,913,600 by \$3,750,000 during the September 2008 Special Session and by an additional \$12,580,000 during the 2009 General

Session. Supplemental appropriations for FY 2009 include an increase of \$32,569,400 from the nonlapsing Transportation Investment Fund of 2005 and one-time funding from the American Recovery and Reinvestment Act funds in the amount of \$213,545,200. The final FY 2009 Construction Management budget is expected to be \$585,613,200.

The Legislature approved a total FY 2010 budget for the Construction Management line item of \$261,658,800.

Legislative action during the 2007 General Session enacted H.B. 314, "Transportation Funding Revisions" which created the Critical Highway Needs Fund and requires the Division of Finance to deposit \$90,000,000 of sales and use tax revenue into the Critical Highway Needs Fund (Enactment of HB 2005 "Transportation Finance Amendments" during the September 2008 Special Session decreased the transfer to \$55,000,000 for FY 2009 only). H.B. 314 further requires the Department of Transportation to establish a list of highway projects to be built with those funds or through bonding as authorized in the bill. S.B. 283 "Transportation Funding Amendments" enacted during the 2008 General Session increased the amount of bonds authorized in the Critical Needs Highway Program by \$200 million to \$1.2 billion.

H.B. 359, "Tax Changes" passed in the 2008 General Session directs that an additional .05 percent generated by the sales tax be shared equally between the Critical Highway Needs Program and the Transportation Investment Fund of 2005 Program. The estimated revenue for FY 2010 is expected to be \$20,000,000. These funds are anticipated to be used to address choke points and other highway needs throughout the State.

S.B. 239, "Transportation Revisions" increases vehicle registration fees by \$20 and deposits the revenue into the Transportation Investment Fund of 2005. The bill also authorizes \$2.2 billion of additional bonding for highway projects. The anticipated projects to be funded from the bond proceeds include the reconstruction of I-15 between American Fork and the interchange for US 6 in Spanish Fork (\$1.725 billion), the Mountain View Corridor from Redwood Road to 90th South (\$500 million), and the Southern Corridor in Washington County (\$50 million).

Title 72-2-118(7)(b) requires that the Transportation Commission certify to the Division of Finance the funds deposited into the Centennial High Fund Restricted Account that are not required to pay principal, interest, or construction costs of CHF projects be transferred to the Transportation Investment Fund of 2005. This residual funding and other ongoing funding sources are anticipated to create sufficient cash flow to complete approved construction capacity projects and service indebtedness created by the authorized bonds.

Intent Language

The Legislature approved intent language directing how funding should be spent for construction and authorized the Department to adjust the field crews to accommodate the Federal Construction Program.

Centennial Highway Fund

The Centennial Highway Fund was created by action of the Legislature during the 1996 General Session to segregate the increased highway construction funding from the regular ongoing funding revenues. The FY 2010 commitment to the Centennial Highway Fund is \$119,912,900. The following are some of the key funding sources:

Title 59-12-103(9)(a) requires that 8.33 percent of the General Sales Tax revenue be transferred to the Centennial Highway Fund Restricted Account. That transfer is estimated to be \$150,400,000 in FY 2010. This revenue source replaced the previous on-going General Fund commitment to the Centennial Highway Program. In addition, Title 59-103(7)(a) requires 1/64 percent of taxable transactions from sales tax be deposited to the restricted account as well. That transfer is estimated to be \$6,200,000 in FY 2010.

Fuel Tax Revenues are estimated to generate \$70,977,000 in FY 2010.

Vehicle Registration Fees are expected to increase by \$23,354,000 in FY 2010 and are deposited into the Centennial Highway Fund Restricted Account.

Revenue Transfers of \$6,000,000 from the Department of Transportation, \$6,300 from Beginning Balances, and Closing Balances of \$1,900 will also be available to the Centennial Highway Program for FY 2010. Debt service on previous bond issues is estimated to be \$137,022,500 for FY 2010.

Region Management

The Utah Department of Transportation consists of a central office, four regional offices, and three district maintenance offices. The four regional offices are located in Ogden, Salt Lake, Orem, and Richfield. The three district maintenance offices are located in Richfield, Price, and Cedar City.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$27,000,500 by \$644,300 during the September 2008 Special Session.

The FY 2010 budget approved for the Region Management Division is \$26,120,800 which is a decrease of \$879,700 from the FY 2009 appropriation. The decreased appropriation was due largely to the reduction during the September 2008 Special Session and FTE assignment changes within the divisional budgets.

Equipment Management

The Equipment Management program of the Department of Transportation is organized into two primary programs, Equipment Purchases, and Statewide Repair Shops.

The FY 2010 budget approved for the Equipment Management Division is \$14,252,500 which is a decrease of \$6,124,900 from the FY 2009 appropriation. The decreased appropriation was due largely to one time funding of \$2,977,600, the reduction of \$100,000 to the FY 2009 budget, and an additional reduction of \$3,236,800 to correspond with reduced estimated

Transportation Fund revenue. Internal Service Fund expenditures for rented vehicles were also reduced by \$216,800.

Operations and Maintenance Management

One of the most important functions of the Department of Transportation is maintenance of State highways. This is the second largest outlay of total highway funds. During FY 2010, the Maintenance Division will be engaged in maintaining approximately 16,300 lane miles of hard surface roadway. Good maintenance is important to the safety and convenience of the public and protects the investment of the citizens of Utah and their highway network.

Legislative Action

The Legislature adjusted the FY 2009 appropriated budget of \$136,574,200 by \$34,900 during the September 2008 Special Session.

The FY 2010 budget approved for the Operations and Maintenance Management Division is \$134,944,700 which is a decrease of \$1,664,400 from the FY 2009 appropriation. The decreased appropriation was due largely to the adjustment during the September 2008 Special Session, an additional reduction of \$1,034,600 to correspond with reduced estimated Transportation Fund revenue and FTE assignment changes within the divisional budgets.

Intent Language

The Legislature approved intent language directing how funding should be spent for construction and authorized the Department to adjust the field crews to accommodate the Federal Construction Program.

Sidewalk Construction

The Legislature reduced the FY 2009 nonlapsing balances for Sidewalk Construction by \$1,500,000 during the September

2008 Special Session. The Legislature approved a FY 2010 budget of \$500,000 for the Sidewalk Construction Program.

Intent Language

Legislative intent language restricts the use of the funds appropriated in this line item. Additional intent encourages local participation in the construction of pedestrian devices.

Mineral Lease/Payment in Lieu

The Legislature approved FY 2010 expenditures for the Mineral Lease/Payment in Lieu programs of \$46,609,000.

Intent Language

Legislative intent language requires that the Federal Mineral funds be used in areas that have been heavily impacted by energy development and private industries in this industry be encouraged to participate in highway construction.

B & C Road Fund

Local governments receive 30 percent of the Transportation Fund collections as provided in UCA 72-2-107 through distribution of the B & C Road Fund.

The Legislature approved \$119,865,900 for distribution to local governments through the B & C Road Account for FY 2010. This is only an estimate since the actual disbursement will depend on the total free revenues collected in the Transportation Fund in FY 2010.

Aeronautics

The Division of Aeronautics is responsible for all issues involving aviation within the Department of Transportation.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$28,535,300 by \$250,000 during the September 2008 Special Session.

The Legislature approved a total FY 2010 budget of \$27,286,800 for the Aeronautics Division which is a decrease of \$1,000,000 from the estimated FY 2009 level. This decrease is due to a reduction of funding for local airport projects.

Funding Detail

Department of Transportation					
Sources of Finance	2009 Estimated	2009 Supplemental	2009 Revised	2010 Appropriated	Change from 2009 Revised
General Fund	32,300,000	(2,610,000)	29,690,000	1,720,000	(27,970,000)
General Fund, One-time	2,500,000	1,110,000	3,610,000	(733,000)	(4,343,000)
Transportation Fund	455,472,100		455,472,100	400,180,600	(55,291,500)
Transportation Investment Fund of 2005	60,365,800		60,365,800	63,000,000	2,634,200
TIF of 2005, One-time		32,569,400	32,569,400		(32,569,400)
Centennial Highway Fund Restricted Account	230,398,200		230,398,200	179,954,000	(50,444,200)
Federal Funds	197,280,700		197,280,700	197,303,500	22,800
American Recovery and Reinvestment Act		213,545,200	213,545,200		(213,545,200)
Dedicated Credits Revenue	20,267,200		20,267,200	18,696,800	(1,570,400)
Federal Mineral Lease	65,144,500		65,144,500	46,609,000	(18,535,500)
TFR - Aeronautics Fund	6,901,700		6,901,700	6,903,200	1,500
Critical Highway Needs Fund	60,365,800		60,365,800	100,000,000	39,634,200
Debt Service	(136,598,700)		(136,598,700)	(137,022,500)	(423,800)
Designated Sales Tax	24,700,000		24,700,000	26,124,600	1,424,600
Transfers - Within Agency	6,000,000		6,000,000	6,000,000	
State Facility Energy Efficiency Fund		1,500,000	1,500,000		(1,500,000)
Beginning Nonlapsing	153,135,000		153,135,000	329,700	(152,805,300)
Closing Nonlapsing	(96,909,000)		(96,909,000)	(1,900)	96,907,100
Total	\$1,081,323,300	\$246,114,600	\$1,327,437,900	\$909,064,000	(\$418,373,900)
Line Items					
Support Services	30,867,700	48,200	30,915,900	27,939,000	(2,976,900)
Engineering Services	32,251,200	186,800	32,438,000	29,650,200	(2,787,800)
Operations/Maintenance Management	136,545,700	63,400	136,609,100	134,944,700	(1,664,400)
Construction Management	339,498,600	246,114,600	585,613,200	261,658,800	(323,954,400)
Region Management	26,556,200	(198,400)	26,357,800	26,120,800	(237,000)
Equipment Management	20,783,700	(100,000)	20,683,700	14,252,500	(6,431,200)
Aeronautics	28,285,300		28,285,300	27,286,800	(998,500)
B and C Roads	137,993,400		137,993,400	119,865,900	(18,127,500)
Safe Sidewalk Construction	2,323,400		2,323,400	823,400	(1,500,000)
Mineral Lease	65,144,500		65,144,500	46,609,000	(18,535,500)
Centennial Highway Program	200,707,800		200,707,800	119,912,900	(80,794,900)
Critical Highway Needs	60,365,800		60,365,800	100,000,000	39,634,200
Total	\$1,081,323,300	\$246,114,600	\$1,327,437,900	\$909,064,000	(\$418,373,900)
Budgeted FTE	1,764.5	0.0	1,764.5	1,764.5	0.0

Department of Environmental Quality

The responsibility of the Department of Environmental Quality is to safeguard public health and quality of life by protecting and improving environmental quality while considering the benefits to public health, the impacts on economic development, property, wildlife, tourism, business, agriculture, forests, and other interests.

The original FY 2009 appropriated budget for the Department of Environmental Quality was \$87,158,400, with 17 percent (\$15,056,600) being funded from General Fund. Due to deteriorating economic conditions, this level of ongoing state funding was reduced in the September 2008 Special Session by \$572,300 and further reduced in the 2009 General Session by \$1,185,700. Supplemental appropriations for FY 2009 include one-time American Recovery and Reinvestment Act funds in the amount of \$71,728,000. The final Department of Environmental Quality FY 2009 budget is expected to be \$160,445,900.

With lower revenue forecasts for FY 2010, the Legislature approved a FY 2010 base for the Department of Environmental Quality of \$81,655,900. The base General Fund reduction of \$3,387,400 represents a 23.7 percent reduction. The Legislature approved ongoing increases in departmental fees that will be collected as dedicated credits to offset \$275,000 of the reductions. Ongoing state funding from the General Fund is \$10,919,200.

Executive Director's Office

The Executive Director's Office provides administrative direction to the entire department. The office has the responsibility of implementing state and federal environmental laws and regulations, coordinating department programs with local health departments, and providing fiscal oversight for the department.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$6,052,600 by \$161,400 during the September 2008 Special Session and by an additional \$285,200 during the 2009 General

Session. The final FY 2009 Executive Director's Office is expected to be \$5,669,400.

The FY 2010 budget approved for the Executive Director's Office is \$4,811,600 which is a decrease of \$857,800 from the FY 2009 appropriation. The decreased appropriation was due largely to the reduction during the September 2008 Special Session and an additional reduction of \$659,500 during the 2009 General Session.

Air Quality

The mission of the Air Quality Program is to protect the public health, property, and vegetation in Utah from the affects of air pollution.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$11,373,900 by \$119,000 during the September 2008 Special Session and by an additional \$111,500 during the 2009 General Session.

The FY 2010 budget approved for Air Quality is \$11,155,300. In addition to the reduction during the September 2008 Special Session, an additional reduction of \$203,800 was taken during the 2009 General Session.

Response and Remediation

The mission of the Division of Environmental Response and Remediation is to protect the health and environment of the citizens of Utah from exposure to hazardous substances.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$7,669,500 by \$127,800 during the September 2008 Special Session and by an additional \$111,500 during the 2009 General Session. Supplemental appropriations for FY 2009 include one-time funding from the American Recovery and Reinvestment Act

funds in the amount of \$30,900,000. The final FY 2009 Response and Remediation budget is expected to be \$38,476,900.

The Legislature approved a total FY 2010 budget for Response and Remediation of \$7,419,500. In addition to the reduction during the September 2008 Special Session, an additional reduction of \$134,800 during was taken during the 2009 General Session.

Radiation Control

Radiation Control has the responsibility of assuring the citizens of the state the lowest exposure to any form of radiation.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$3,593,100 by \$9,500 during the September 2008 Special Session and by an additional \$111,500 during the 2009 General Session.

The FY 2010 budget approved for Radiation Control is \$3,478,100. In addition to the reduction during the September 2008 Special Session, an additional reduction of \$111,500 was taken during the 2009 General Session.

Water Quality

Water Quality protects the public health and ensures the beneficial use of water by maintaining and enhancing the chemical, physical, and biological integrity of Utah's waters.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$11,620,000 by \$43,000 during the September 2008 Special Session and by an additional \$96,000 during the 2009 General Session. Supplemental appropriations for FY 2009 include one-time funding from the American Recovery and Reinvestment Act funds in the amount of \$208,000.

The Legislature approved a total FY 2010 budget for Water Quality of \$10,104,000. In addition to the reduction during the September 2008 Special Session, an additional reduction of \$111,500 was taken during the 2009 General Session.

In addition, \$18,159,200 was approved for the Water Quality Loan Program for FY 2010. Supplemental appropriations to the Water Quality Loan Program for FY 2009 include one-time funding from the American Recovery and Reinvestment Act funds in the amount of \$20,969,000.

Drinking Water

The mission of the Drinking Water Division is to see that public water systems in Utah provide safe and adequate drinking water to all residents and visitors.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$4,951,100 by \$111,600 during the September 2008 Special Session and by an additional \$274,800 during the 2009 General Session.

The Legislature approved a total FY 2010 budget for Water Quality of \$4,157,200. In addition to the reduction during the September 2008 Special Session, an additional reduction of \$235,000 was taken during the 2009 General Session.

In addition, \$14,297,500 was approved for the Drinking Water Loan Program for FY 2010. Supplemental appropriations to the Water Quality Loan Program for FY 2009 include one-time funding from the American Recovery and Reinvestment Act funds in the amount of \$19,651,000.

Solid and Hazardous Waste

The Division of Solid and Hazardous Waste protects the public health and environment by ensuring proper management of solid and hazardous wastes within the State of Utah.

Legislative Action

The Legislature reduced the FY 2009 appropriated budget of \$8,142,800 by \$111,500 during the during the 2009 General Session.

The FY 2010 budget approved for Solid and Hazardous Waste is \$8,073,500.

Funding Detail

Department of Environmental Quality					
	2009	2009	2009	2010	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	13,734,300	(1,185,700)	12,548,600	10,919,200	(1,629,400)
General Fund, One-time	750,000	(12,000)	738,000		(738,000)
Federal Funds	30,024,500	83,700	30,108,200	27,602,600	(2,505,600)
American Recovery and Reinvestment Act		71,728,000	71,728,000		(71,728,000)
Dedicated Credits Revenue	9,696,900	(37,800)	9,659,100	9,500,200	(158,900)
GFR - Environmental Quality	6,515,300		6,515,300	6,508,400	(6,900)
GFR - Petroleum Storage Tank	50,000		50,000		(50,000)
GFR - Underground Wastewater System	76,000		76,000	76,000	
GFR - Used Oil Administration	744,300		744,300	744,600	300
GFR - Voluntary Cleanup	622,000		622,000	622,000	
WDSF - Drinking Water	164,700		164,700	138,700	(26,000)
WDSF - Drinking Water Origination Fee		51,200	51,200	77,500	26,300
WDSF - Water Quality	1,031,400		1,031,400		(1,031,400)
WDSF - Utah Wastewater Loan Program				976,500	976,500
WDSF - Water Quality Origination Fee		37,800	37,800	91,900	54,100
ET - Petroleum Storage Tank	1,306,800		1,306,800	1,306,900	100
ET - Waste Tire Recycling	129,800		129,800	129,900	100
Clean Fuel Vehicle Loan	109,400		109,400	109,500	100
Designated Sales Tax	7,175,000		7,175,000	7,175,000	
Petroleum Storage Tank Account				50,000	50,000
Petroleum Storage Tank Loan	160,400		160,400	160,500	100
Transfers - Within Agency	936,900		936,900	171,600	(765,300)
Repayments	15,250,000		15,250,000	15,250,000	
Beginning Nonlapsing	1,347,900		1,347,900	44,900	(1,303,000)
Closing Nonlapsing	(44,900)		(44,900)		44,900
Total	\$89,780,700	\$70,665,200	\$160,445,900	\$81,655,900	(\$78,790,000)
Line Items					
Environmental Quality	57,324,000	30,045,200	87,369,200	49,199,200	(38,170,000)
Water Security Dev Acct - Water Pollution	18,159,200	20,969,000	39,128,200	18,159,200	(20,969,000)
Water Security Dev Acct - Drinking Water	14,297,500	19,651,000	33,948,500	14,297,500	(19,651,000)
Total	\$89,780,700	\$70,665,200	\$160,445,900	\$81,655,900	(\$78,790,000)
Budgeted FTE	403.0	(10.0)	393.0	386.0	(7.0)

National Guard

The primary purposes of the Utah National Guard are to provide military forces to assist with national military actions to quell civil disturbances, and to provide public assistance during natural disasters. The Utah Army and Air National Guard serve both state and federal governments by providing organized, trained, and equipped air and ground units to perform state missions, as directed by the Governor, while supporting the mobilization programs of the federal government.

Legislative Action

The original FY 2009 appropriated budget for the Utah National Guard was \$59,006,700 with \$6,204,100 being funded from the General Fund. Due to deteriorating economic conditions, this level of ongoing state funding was reduced in the September 2008 Special Session by \$168,700 and further reduced in the 2009 General Session by \$240,400. To offset these ongoing reductions, the Legislature approved \$583,000 in one-time funding. Supplemental appropriations for FY 2009 include one-time American Recovery and Reinvestment Act funds in the amount of \$1,500,000. The final FY 2009 budget is expected to be \$60,453,700.

The Legislature approved a FY 2010 base for the Utah National Guard in the amount of \$38,264,500. This represents a General Fund net decrease of \$177,200 and a \$21,219,000 reduction of Federal Funds. The FY 2010 appropriation includes one-time American Recovery and Reinvestment Act funds in the amount of \$6,100,000.

State Internal Service Fund rate changes decreased the National Guard budget by \$7,100.

The Legislature approved an appropriation of \$275,000 to fund the opening of the new readiness center in North Salt Lake. This facility is expected to be completed in October 2009.

Funding Detail

Utah National Guard					
Sources of Finance	2009	2009	2009	2010	Change from
	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	5,435,400	(240,400)	5,195,000	4,862,200	(332,800)
General Fund, One-time	743,100	207,200	950,300	858,500	(91,800)
Federal Funds	52,660,300		52,660,300	26,341,300	(26,319,000)
American Recovery and Reinvestment Act		1,500,000	1,500,000	6,100,000	4,600,000
Dedicated Credits Revenue	30,000		30,000	30,000	
Transfers	112,300		112,300	72,500	(39,800)
Beginning Nonlapsing	5,800		5,800		(5,800)
Total	\$58,986,900	\$1,466,800	\$60,453,700	\$38,264,500	(\$22,189,200)
Line Items					
Utah National Guard	58,986,900	1,466,800	60,453,700	38,264,500	(22,189,200)
Total	\$58,986,900	\$1,466,800	\$60,453,700	\$38,264,500	(\$22,189,200)
Budgeted FTE	132.0	0.0	132.0	132.5	0.5

Veterans' Affairs

The Utah Department of Veterans' Affairs is the agency responsible for Utah's 160,000 veterans. The primary mission of the agency is to assist former and present members of the United States Armed Forces, both active and reserve, and their families, in preparing claims for and securing compensation, health services, education and other federal and state veterans' benefits for service connected conditions.

Legislative Action

The original FY 2009 appropriated budget for the Department of Veterans' Affairs was \$1,213,000 with \$1,039,200 being funded from General Fund. Due to deteriorating economic conditions, this level of ongoing state funding was reduced in the September 2008 Special Session by \$35,600 and further reduced in the 2009 General Session by \$76,000. To offset these ongoing reductions, the Legislature approved \$84,900 in one-time funding.

The Legislature approved a FY 2010 base for the Department of Veterans' Affairs in the amount of \$1,428,300. This represents a General Fund net increase of \$229,000.

State Internal Service Fund rate changes increased the Veterans' Affairs budget by \$1,900.

The appropriation included the following new items:

Northern Utah Veterans' Nursing Home: The Legislature approved \$365,000 to fund the opening of the new nursing home Northern Utah. This facility is expected to be completed in November 2009. The funding includes \$135,000 to fund an administrator and \$230,000 (one-time) for current expenses.

Current Expense increase: A one-time appropriation of \$100,000 was granted to the Department of Veterans' Affairs to provide outreach and assistance services for veterans throughout the state.

Funding Detail

Department of Veterans' Affairs					
Sources of Finance	2009	2009	2009	2010	Change from
	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	853,000	(76,000)	777,000	859,100	82,100
General Fund, One-time	159,500	76,000	235,500	382,400	146,900
Dedicated Credits Revenue	173,800		173,800	186,800	13,000
Beginning Nonlapsing	183,600		183,600		(183,600)
Total	\$1,369,900	\$0	\$1,369,900	\$1,428,300	\$58,400
Line Items					
Veterans' Affairs	1,369,900		1,369,900	1,428,300	58,400
Total	\$1,369,900	\$0	\$1,369,900	\$1,428,300	\$58,400
Budgeted FTE	11.0	(0.5)	10.5	11.5	

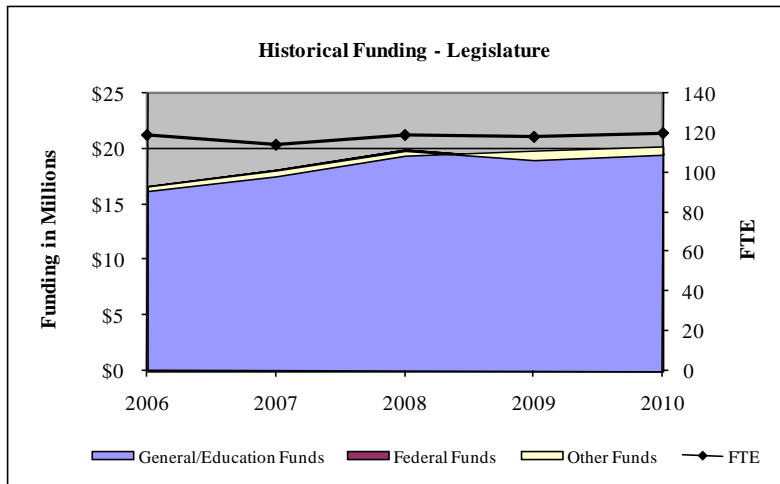
Funding Detail

Transportation & Environmental Quality Appropriations Subcommittee					
Sources of Finance	2009	2009	2009	2010	Change from
	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	72,322,700	(8,237,100)	64,085,600	18,360,500	(45,725,100)
General Fund, One-time	39,152,600	506,200	39,658,800	759,100	(38,899,700)
Transportation Fund	455,472,100		455,472,100	400,180,600	(55,291,500)
Transportation Investment Fund of 2005	60,365,800		60,365,800	116,000,000	55,634,200
TIF of 2005, One-time		32,569,400	32,569,400		(32,569,400)
Centennial Highway Fund Restricted Account	230,398,200		230,398,200	179,954,000	(50,444,200)
Federal Funds	279,965,500	83,700	280,049,200	251,247,400	(28,801,800)
American Recovery and Reinvestment Act		286,773,200	286,773,200	6,100,000	(280,673,200)
Dedicated Credits Revenue	30,167,900	(37,800)	30,130,100	28,413,800	(1,716,300)
Federal Mineral Lease	65,144,500		65,144,500	46,609,000	(18,535,500)
GFR - Environmental Quality	6,515,300		6,515,300	6,508,400	(6,900)
GFR - Petroleum Storage Tank	50,000		50,000		(50,000)
GFR - Underground Wastewater System	76,000		76,000	76,000	
GFR - Used Oil Administration	744,300		744,300	744,600	300
GFR - Voluntary Cleanup	622,000		622,000	622,000	
WDSF - Drinking Water	164,700		164,700	138,700	(26,000)
WDSF - Drinking Water Origination Fee		51,200	51,200	77,500	26,300
WDSF - Water Quality	1,031,400		1,031,400		(1,031,400)
WDSF - Utah Wastewater Loan Program				976,500	976,500
WDSF - Water Quality Origination Fee		37,800	37,800	91,900	54,100
Litigation Fund for Highway Projects		5,000,000	5,000,000		(5,000,000)
TRF - Aeronautics Fund	6,901,700		6,901,700	6,903,200	1,500
ET - Petroleum Storage Tank	1,306,800		1,306,800	1,306,900	100
ET - Waste Tire Recycling	129,800		129,800	129,900	100
Clean Fuel Vehicle Loan	109,400		109,400	109,500	100
Critical Highway Needs Fund	60,365,800		60,365,800	100,000,000	39,634,200
Debt Service	(136,598,700)		(136,598,700)	(137,022,500)	(423,800)
Designated Sales Tax	31,875,000		31,875,000	43,299,600	11,424,600
Petroleum Storage Tank Account				50,000	50,000
Petroleum Storage Tank Loan	160,400		160,400	160,500	100
Transfers	112,300		112,300	72,500	(39,800)
Transfers - Within Agency	6,936,900		6,936,900	6,171,600	(765,300)
State Facility Energy Efficiency Fund		1,500,000	1,500,000		(1,500,000)
Repayments	15,250,000		15,250,000	15,250,000	
Beginning Nonlapsing	154,672,300		154,672,300	374,600	(154,297,700)
Closing Nonlapsing	(96,953,900)		(96,953,900)	(1,900)	96,952,000
Total	\$1,286,460,800	\$318,246,600	\$1,604,707,400	\$1,093,663,900	(\$511,043,500)
Agencies					
National Guard	58,986,900	1,466,800	60,453,700	38,264,500	(22,189,200)
Veterans' Affairs	1,369,900		1,369,900	1,438,300	58,400
Environmental Quality	89,780,700	70,665,200	160,445,900	81,655,900	(78,790,000)
Transportation	1,081,323,300	246,114,600	1,327,437,900	909,064,000	(418,373,900)
Restricted Revenue - TEQ	55,000,000		55,000,000	63,251,200	8,251,200
Total	\$1,286,460,800	\$318,246,600	\$1,604,707,400	\$1,093,663,900	(\$511,043,500)
Budgeted FTE	2,310.5	(10.5)	2,300.0	2,294.5	(5.5)

Legislature

Legislature Overview

The Legislature represents the people of the State of Utah and sets Utah's statewide policy by passing laws and appropriating money for the operation of state government. It consists of 104 elected officials – 75 members of the House of Representatives and 29 Senators. The budget for the Legislature includes professional, policy, and support staff of about 120 full-time equivalent employees, including nonpartisan staff in the offices of the Legislative Auditor General, Legislative Fiscal Analyst, and Legislative Research and General Counsel.



Legislative Action

Appropriators provided \$20,328,100 for the Legislature and its staff agencies for fiscal year 2010. This represents a decrease of \$851,700, or 4.0 percent, compared to the original FY 2009 appropriations from the 2008 General Session.

Included in the FY 2010 appropriation is \$17,135,700 from ongoing General Funds, a decrease of 6.6 percent from the FY 2009 revised appropriations, and a decrease of 16.8 percent from the FY 2009 original appropriations.

The FY 2010 appropriation includes \$2,409,700 from one-time General Funds, which, when combined with ongoing General Funds, nets the overall FY 2010 General Fund reduction to 5.1 percent compared to the original FY 2009 appropriation.

Legislators approved the following increases:

- \$140,000 from one-time General Funds for a privatization study of the State Hospital.
- \$25,000 from one-time General Funds for research on a legal settlement.
- \$19,500 from ongoing General Funds to pay for statewide internal service fund rate increases.

Funding Detail

Legislature					
	2009	2009	2009	2010	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2009 Revised
General Fund	19,786,500	(1,434,500)	18,352,000	17,135,700	(1,216,300)
General Fund, One-time	2,500	693,700	696,200	2,409,700	1,713,500
Dedicated Credits Revenue	175,000		175,000	175,000	
Beginning Nonlapsing	5,084,400		5,084,400	4,251,700	(832,700)
Closing Nonlapsing	(4,376,700)		(4,376,700)	(3,644,000)	732,700
Total	\$20,671,700	(\$740,800)	\$19,930,900	\$20,328,100	\$397,200
Line Items					
Senate	2,048,900	(73,800)	1,975,100	2,023,100	48,000
House of Representatives	3,841,500	(138,700)	3,702,800	3,804,100	101,300
Legislative Auditor General	3,354,700	(122,100)	3,232,600	3,471,700	239,100
Legislative Fiscal Analyst	2,774,500	(96,600)	2,677,900	2,809,100	131,200
Legislative Printing	726,000	(20,700)	705,300	693,100	(12,200)
Legislative Research and General Counsel	7,821,100	(284,900)	7,536,200	7,428,300	(107,900)
Tax Review Commission	50,000	(1,900)	48,100	47,000	(1,100)
Constitutional Revision Commission	55,000	(2,100)	52,900	51,700	(1,200)
Total	\$20,671,700	(\$740,800)	\$19,930,900	\$20,328,100	\$397,200
Budgeted FTE	121.0	(3.0)	118.0	120.0	2.0

Glossary

Glossary of Terms

Administrative Rules - the detailed procedures established by Departments to implement statute and programs.

Allocation - The division of an appropriation into parts which are designated for expenditure by specific units or for specific purposes.

American Recovery and Reinvestment Act (ARRA) – the federal stimulus program providing money to states for education, jobs creation, infrastructure, weatherization, and other area to help move the country out of the economic crisis of 2008.

Appropriation - A legislative authorization to make expenditures and incur obligations.

Backfill – the use of one-time funds (state or federal) to replace reductions in ongoing programmatic funding for one year.

Bill - A proposed law or statute presented to the Legislature for their consideration.

Bill of Bills (Supplemental Appropriations Act II) - A bill which contains funding for legislation that has fiscal impact and funding for other legislative action. It covers two fiscal years.

Bond - A certificate of indebtedness issued by a government entity as evidence of money borrowed. It is a written promise to pay a specified sum at a specified date or dates together with specific periodic interest at a specified rate. The primary bonds used by the State are General Obligation Bonds, Lease Revenue Bonds, and Revenue Bonds.

Budget - Estimates of proposed expenditures and expected revenues for a fiscal year.

Building Blocks - Funding increases or decreases to existing programs.

Calendar Year - The year beginning 1 January and ending 31 December.

Capital Outlay - Expenditures which result in the acquisition or replacement of fixed assets other than computers and related hardware.

Current Expense - An expenditure category which includes general operational expenses of the programs including: consultants, contracts, building maintenance, small office supplies, etc.

Data Processing (DP) - An expenditure category which includes costs incurred to operate information technology systems, such as LAN connections, software under \$5,000, and supplies.

Data Processing Capital (DP Capital) - An expenditure category which includes funding for computer hardware, support equipment, systems, and software over \$5,000.

Debt (General Obligation) - Debt issued backed by the full faith and credit of the state. In Utah's case, G. O. Debt is secured by property tax and paid from general tax revenue.

Debt (Revenue) - A bond that does not carry the "full faith and credit" of the State but rather pledges a revenue or lease stream to pay for debt service.

Debt Limit (Constitutional) - Caps total general obligation debt at 1.5 percent of total fair market value of taxable property.

Debt Limit (Statutory) - UCA 63-38c-402 limits general obligation debt to 45 percent of the allowable spending limit from the General Fund, Uniform School Fund and Transportation Fund, less debt service. The limit may be exceeded with a two-thirds vote of the Legislature.

Debt Service - The money required to pay the current outstanding principle and interest payments on existing obligations according to the terms of the obligations.

Dedicated Credits Revenue - Money that is paid to an agency by other agencies or the public for services or goods. These funds are usually dedicated to paying for expenses of the agency.

Education Fund - The funding source for public and higher education. The Education Fund receives all revenues from taxes on intangible property or from income tax.

Encumbrance - An obligation in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a portion of an appropriation is reserved.

Enterprise Fund - Fund established by a governmental unit which operates like a business. Used by governmental units that cover most or all of their operating costs through user charges.

Expenditures - Expense categories for personnel, goods and services needed by the State programs. These include: personal services, travel, current expense, DP processing, DP capital, capital outlay, pass-through, and other.

Federal Funds - Money made available to the State by an Act of the Federal Congress. The Governor is authorized to accept, on behalf of the state, any federal assistance funds for programs that are consistent with the needs and goals of the state and its citizens and that are not prohibited by law. Generally, money comes to the State from the federal government with specific requirements. In many cases, the state must provide a match in State funds.

Fiscal Note - The estimate by the Legislative Fiscal Analyst of the amount of present or future revenue and/or expenditures that will be affected by the passage of a given bill.

Fiscal Year (FY) - An accounting period of 12 months at the end of which the organization ascertains its financial conditions. The State fiscal year (FY) runs from July 1 through June 30. The federal fiscal year (FFY) is from Oct. 1 through Sept. 30.

Fee - A fixed charge for a good or service. This is often recorded as Dedicated Credit Revenue.

Fixed Assets - Long-term assets which will normally last in excess of one year, such as land, buildings, machinery, furniture, etc.

FTE - is the abbreviation for “**Full Time Equivalent**” position or employee. It is a method of standardizing the personnel count. One person working a full 40 hour week for one year is equal to 1 FTE. Two people working part-time 20 hour weeks are equal to 1 FTE. Any combination of hours that would be the equivalent of a full-time, 40-hour a week employee.

Full Faith and Credit - A pledge of the general taxing power of the government for the payment of a debt obligation.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts.

General Fund (GF) - A major revenue source for the State. These funds can be spent at the discretion of the Legislature, as the Constitution allows. The primary source of this revenue is the sales tax, although there are several other taxes and fees that contribute to the General Fund.

General Obligation Bonds (G.O.) - G.O. debt is secured by the full faith and credit of the State and its ability to tax its citizens and is limited both by the Constitution and statute. G.O. debt is the least expensive tool available to the state for long term borrowing and is usually issued for six-year terms.

Grant - A contribution by one entity to another without expectation of repayment. This is usually made in support of some specified function or goal.

Income Tax - A major source of revenue for the Uniform School Fund and a potential source of revenue for Higher Education.

Indirect Charges - Also called Overhead Shared Expenses, which cannot be exactly identified to a specific product or service that are often allocated rather than computed.

Initiative - A procedure by which citizens can propose a law and ensure its submission to the electorate.

Intent Language - A statement, added to appropriations bills to explain or put conditions on the use of line item appropriations. These statements are part of an Appropriations Act, but expire at the end of the fiscal year. Intent language cannot replace or supersede current statutes.

Interim - The period between regular sessions of the Legislature.

Internal Service Fund - A fund established by a governmental unit to provide goods and services, primarily to other governmental agencies which will be financed through user charges.

Lapse - The automatic termination of an appropriation and the return of the unexpended funds to the base fund.

Lapsing Funds - Money that is left over at the end of the year reverts (or lapses) back to the base fund, unless otherwise designated.

Lease Revenue Bonds - The State Building Ownership Authority, issues lease revenue bonds as the official owner of state facilities. Debt service (usually paid over 20 years) is funded through rents collected from user agencies and carries an interest rate slightly higher than general obligation debt.

Legislative Oversight - The responsibility of the Legislature to review operations of executive and judicial agencies.

Line Item - Each appropriated sum is identified by an item number in an appropriations bill. Each line item appropriation may have several programs. Once the appropriation becomes law, funds can be moved from program to program within the line item, but, cannot be moved from one line item to another.

Nonlapsing Funds - The Legislature can authorize an agency to keep unused funds at the end of a fiscal year. This can be done in statute or through intent language. Otherwise, unexpended funds are returned to their account of origin.

Obligations - Amounts which a governmental unit may be legally required to pay out of its resources.

One-time vs. Ongoing Funding - Both revenue and expenditures may be one-time (short, distinct period of time) or ongoing (lasting from year to year).

Operating Expenses - Those costs which are necessary to the operations of an agency and its program(s).

Operations and Maintenance (O&M) - Expenses to clean and maintain facilities on a regular basis.

Pass-Through - An expenditure category where funds that are collected by a program or agency and “passed-through” to another group for services or expenditure.

Per Diem - Literally, per day, daily expense money rendered legislators and State personnel.

Personal Services - An expenditure category which includes all personnel costs, including salary and benefits.

Referendum - A method by which a measure, adopted by the Legislature, may be submitted to a popular vote of the electorate.

Regulation - A rule or order of an agency promulgated under the authority of a statute.

Restricted Funds (GFR, USFR, Transportation Fund Restricted) - These accounts restrict revenue for specific purposes or programs.

Retained Earnings - The accumulated earnings of an Internal Service Fund (ISF) or Enterprise Fund (EF) which have been retained in the fund which are not reserved for any specific purpose.

Revenue - The yield of taxes and other sources of income that the state collects.

Revenue Bonds - Revenue bonds are funded through a dedicated source other than a lease payment. Revenue debt service comes primarily from sales revenue such as at State Liquor stores or from auxiliary functions (such as student housing) at institutions of higher education.

Rule - The precise method or procedure of action to govern as determined by each house or both houses.

Shared Revenue - Revenue levied by one governmental unit and distributed to one or more other governmental units.

Short-Term Debt - Debt of less than one year.

Statute - A written law enacted by a duly organized and constituted legislative body and approved by the Governor.

Supplemental Appropriation - The adjustment of funds allocated over/under the original appropriation. Generally, an increase in current year appropriations above the original legislative appropriation.

Surety Bond - A written commitment to pay damages for losses caused by the parties named due to non-performance or default.

Tax - A compulsory charge or contribution levied by the government on persons or organizations for financial support.

Transfers - Movement of money from one governmental unit account to another governmental unit account. (Usually reflects the exchange of funds between line items.)

Transportation Fund - The funding is primarily from the gas tax. This revenue is constitutionally restricted to road and highway related issues.

Travel, In-State and Out-of-State - An expenditure category which includes funding for program travel and supportive services, e.g. airline tickets, rental cars, hotels, meals, etc.

Uniform School Fund (USF) – The source of revenue for purposes of public education. Funds for the Uniform School Fund are appropriated from the Education Fund.

Veto - An official action of the governor to nullify legislative action. The legislature may override the action by a constitutional 2/3 vote of each house if still in Session or if called back into veto override session.

Glossary of Federal Budget Terms

Appropriation - An appropriation is an act of Congress that generally provides legal authority for federal agencies to incur obligations and spend money for specific purposes, usually through the enactment of 13 separate appropriation bills.

Authorization - An authorization is an act of Congress that establishes or continues a federal program or agency, and sets forth the guidelines to which it must adhere.

Balanced Budget - A balanced budget occurs when total revenues equal total outlays for a fiscal year.

Budget Authority (BA) - Budget authority is what the law authorizes, or allows, the federal government to obligate funds for programs, projects, or activities. Budget Authority is usually provided by an appropriation, but may be provided by other means.

Budget Enforcement Act (BEA) of 1990 - The BEA is the law that was designed to limit discretionary spending while ensuring that any new entitlement program or tax cuts did not make the deficit worse. It set annual limits on total discretionary spending and created "pay-as-you-go" rules for any changes in entitlements and taxes. (See "pay-as-you-go.")

Budget Resolution - The budget resolution is the annual framework within which Congress makes its decisions about spending and taxes. This framework includes targets for total spending, total revenues, and the deficit or surplus, as well as allocations, within the spending target, for discretionary and mandatory spending.

"Cap" - A budget "cap" is a legal limit on total annual discretionary spending. A program "cap" usually limits the availability of an entitlement.

Deficit - The deficit is the difference produced when spending exceeds revenues in a fiscal year.

Deficit Reduction Omnibus Reconciliation Act of 2005 - This act trims about \$40 billion out of the federal budget over the next five years mainly through cuts to Medicaid, Medicare, and student loan subsidies, among other programs.

Discretionary Spending - Discretionary spending refers to outlays controllable through the congressional appropriations process. Examples include money for such activities as all federal agencies, Congress, the White House, highway construction, defense and foreign aid. Approximately one-third of all federal spending is discretionary.

Entitlement - An entitlement is a program that legally obligates the federal government to make payments to any person, institution, or government which meets the legal criteria for eligibility unless and until Congress changes the law. Examples include Social Security, Medicare, Medicaid, unemployment benefits, food stamps, and federal pensions.

Excise Taxes - Excise taxes are placed on the sale of various products, including alcohol, tobacco, transportation fuels, and telephone service.

Federal Debt - The gross federal debt is divided into two categories: debt held by the public, and debt the government owes itself. An additional Federal Debt term is **Debt subject to legal limit**, which is roughly the same as gross federal debt, is the maximum amount of federal securities that may be legally outstanding at any time. When the limit is reached, the President and Congress must enact a law to increase it.

Debt Held by the Public - Debt held by the public is the total of all federal deficits, minus surpluses, over the years. This is the cumulative amount of money the federal government has borrowed from the public, through the sale of notes and bonds of varying sizes and time periods. This includes debt held by the Federal Reserve

Debt the Government Owes Itself - Debt the government owes itself is the total of all trust fund surpluses over the years, like the Social Security surpluses, that the law says must be invested in federal securities.

Fiscal Year - The fiscal year is the federal government's accounting period. It begins October 1 and ends on September 30.

Gross Domestic Product (GDP) - GDP is the standard measurement of the size of the economy. It is the total production of goods and services within the United States.

Mandatory Spending - Mandatory spending is authorized by permanent law. Examples of mandatory spending are Social Security, Medicaid, Medicare, and interest paid to holders of federal debt. Congress can change the law to change the level of spending on mandatory programs. Mandatory spending accounts for two-thirds of all federal spending.

"Off-Budget" - Congress defines some programs as "off-budget", and their accounting is separate from the budget totals. Social Security and the Postal Service are "off-budget."

Outlays - Outlays are the amount of money the government actually spends in a given fiscal year. It is a synonym for spending or expenditure.

"Pay-As-You-Go" (PAYGO) - Set forth by the BEA, "pay-as-you-go" refers to requirements that new spending proposals on entitlements or tax cuts must be offset by cuts in other entitlements or by other tax increases, to ensure that their enactment does not cause the deficit to rise. (See Budget Enforcement Act.)

Reconciliation - The process by which tax laws and spending programs are legislatively amended to meet outlay and revenue targets set in the congressional budget resolution.

Rescission - The legislative cancellation of previously-appropriated budget authority. A rescission bill is an appropriation bill and must be passed by Congress and signed by the President.

Revenue - Revenue is money collected by the federal government.

Sequester - The cancellation of spending authority or to constrain spending to preset budget caps. Appropriations exceeding the caps will trigger a sequester that will cut all budget authority not exempted or partially protected by the amount of the excess. A tax cut or entitlement expansion that are not offset under PAYGO rules will also trigger a sequester of nonexempt entitlement programs.

Social Insurance Payroll Taxes - This tax category includes Social Security taxes, Medicare taxes, unemployment insurance taxes, and federal employee retirement payments.

Special Funds - Special funds are government accounts, as set forth by law as special funds, for revenues and spending designated for specific purposes. Special fund balances are generally held without investment.

Surplus - A surplus is the amount by which annual revenues exceed outlays.

Trust Funds - Trust funds are government accounts, set forth by law as trust funds, for revenues and spending designated for specific purposes. Trust fund balances are generally inserted in special U.S. Treasury securities.

Unified Budget - The unified budget is the presentation of the federal budget in which revenues from all sources and outlays to all activities are consolidated.