

GOVERNOR'S OFFICE

EXECUTIVE OFFICES & CRIMINAL JUSTICE APPROPRIATIONS SUBCOMMITTEE
STAFF: STEVEN ALLRED

BUDGET BRIEF

SUMMARY

The Governor's Office encompasses the programs and budget of the Governor's personal staff and statewide oversight and service functions relative to planning and budget. The Governor is the Commander-in-Chief of the State's military forces. He transacts executive business on behalf of the state. With respect to the Legislature, the Governor calls special sessions, acts upon passed legislation, fills vacancies, and annually submits a budget. The Governor also appoints state agency leadership positions and judges. He is the designated communicator between the state and the government of any other state and of the United States. The Governor also serves on the Board of Examiners.

The Office of the Governor is divided into six line items. They are:

1. The Governor's Office
2. The Lieutenant Governor's Office (Character Education)
3. The Governor's Emergency Fund
4. The Governor's Office of Planning and Budget (GOPB)
5. The LeRay McAllister Program
6. The Commission on Criminal and Juvenile Justice (CCJJ) The Governor's Office

The Analyst will present a separate budget brief for each line item except the Character Education item, which no longer has a budget after its \$50,000 base was eliminated during the 2009 General Session.

The Governor's Office line item is comprised of six programs:

1. Administration – coordinates and develops policy and issues that are of concern to the Governor. The Governor's stated priorities are economic development, education, energy, and infrastructure. The budget of \$2.3 million is almost entirely from the General Fund.

Figure 1: Governor's Office - Budget History

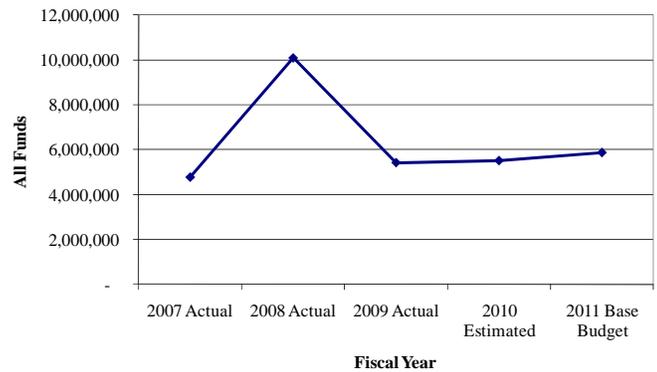


Figure 2: Governor's Office - FTE History

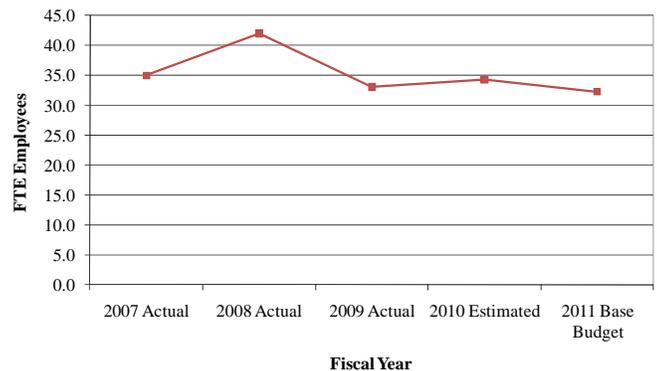
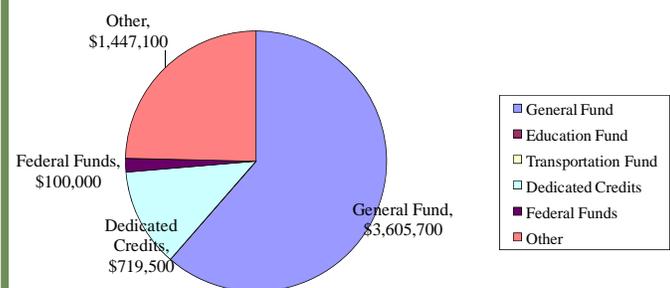


Figure 3: Governor's Office - FY 2011 Funding Mix



2. Governor's Residence – funds maintenance and upkeep of the Kearns Mansion. The budget is \$370,900, all General Fund.
3. Washington Funding – provides funding to facilitate intergovernmental relations between Utah and its federal partners. The funding is used to communicate Utah's needs with federal executive and legislative branches in Washington D.C. The main purpose is to reduce unfunded mandates and federal preemption on the state. The annual budget has been \$100,000, all from the General Fund.
4. Lt. Governor's Office –funds the Lt. Governor's operations, which include oversight of homeland security, rural affairs, transportation, and water issues. He serves as Utah's secretary of state, whereby he oversees the Elections Office, financial disclosures, lobbying, Notary Public, and document authentication. Approximately half of the \$1.6 million budget is General Fund, while the other half comes from dedicated credits and federal funds.
5. Literacy Projects – provides funds for literacy initiatives. This program had a General Fund budget of \$51,900 until it was reallocated to other programs within the line item.
6. Governor's Energy Advisor – funds the Energy Advisor and staff, who work with various state agencies, stakeholders, and the Legislature to institute energy-related policies. The FY 2010 budget is \$401,600, all from the General Fund.

ISSUES AND RECOMMENDATIONS

Changes to the Voter Information Pamphlet

Prior to the 2008 General Session, municipal judges' retention was voted only by voters in the municipality. However, Senate Bill 72 (2008) changed statute to require municipal judges to stand for a countywide election. In effect, this means they are now considered county judges and the Lt. Governor's Office must post their information in the Voter Information Pamphlet (VIP). In the 2009 General Session, the Legislature passed Senate Bill 170, to require all municipal judges (not just those whose normally scheduled retention vote was due) to be on the 2010 ballot.

The change will require approximately 110 more judges to be in the 2010 VIP. Each judge requires approximately half of one page, for a total of about 30 additional pages (front and back). The 2008 VIP cost a total of \$378,588.93 to print and distribute. It contained 92 pages, for a total of \$4,115 per page. If costs remain equal in 2010, the addition of 30 pages would add \$123,500 in costs.

At least two things remain uncertain. First, it isn't clear how much of the \$378,588.93 was fixed costs and how much was variable costs. It seems reasonable that some of the printing costs are fixed, and therefore printing 30 more pages wouldn't be as expensive as the total average cost per page of the 2008 VIP. However, detailed accounting data on the 2008 VIP is not available. Second, it isn't clear whether costs in 2010 will remain the same as 2008.

The Analyst recommends the Legislature consider one of the following options:

1. Appropriate \$123,500 in one-time General Funds to the Lt. Governor's Office in FY 2011 (most of the VIP costs will be paid in October 2010).
2. Appropriate a smaller amount and ask the Lt. Governor's Office to use nonlapsing balances for the difference. The office carried forward \$315,000 from FY 2009 to FY 2010, but it is unknown how much they will be able to carry forward into FY 2011. Printing a partial VIP is not a legal option, so any funds not provided by the Legislature will have to come from the office's existing budget.
3. Ask the Lt. Governor's Office to print fewer copies and make more copies available on-line. This would save money but has the potential to reduce access and overall dissemination of information to the electorate.

4. Amend statute to reduce the amount of judicial information in the VIP. Currently the only discretion is in the length of the biographical statement, and the Lt. Governor's Office has already recommended (though they can't require) a maximum of 130 words to ensure they can fit two judges per page. This option would have the same drawbacks as #3.
5. Consider new ways of publishing judicial information. Voters in one county don't need to see every judge in every county of the state. Perhaps some kind of flexible printing or making the judicial information an insert would be possible. This may be an option to explore in the long term.

Intent Language

The Analyst recommends the following intent language to make the Governor's Office FY 2010 unexpended appropriations nonlapsing at the end of FY 2010:

Under section 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for the Governor's Office in Item 1 of Chapter 396 Laws of Utah 2009 not lapse at the close of Fiscal Year 2010.

Fees

The following fees are charged by the Governor's Office. The Analyst does not recommend any changes.

Description	Old Fee	New Fee	Change	Quantity	Rev Chg
Notary Commission Filing Fee	45.00	45.00	0	0	0.00
Duplicate Notary Commission Fee	15.00	15.00	0	0	0.00
Domestic Notary Certification Fee	15.00	15.00	0	0	0.00
Apostil Fee	15.00	15.00	0	0	0.00
International Notary Certification Fee	15.00	15.00	0	0	0.00
International Public Document Certification Fee	15.00	15.00	0	0	0.00
Authentication Fee within 2 hours if presented before 3:00 p.m.	50.00	50.00	0	0	0.00
Authentication Fee end of next business day	25.00	25.00	0	0	0.00
International Postage	10.00	10.00	0	0	0.00
Copy of Lobbyist List	10.00	10.00	0	0	0.00
Copy of Election Results	35.00	35.00	0	0	0.00
Photocopies (per page)	.10	.10	0	0	0.00
Custom Voter Registration Report (per hour)	90.00	90.00	0	0	0.00
Copy of Complete Voter Registration Data	1,050.00	1,050.00	0	0	0.00

LEGISLATIVE ACTION

The Executive Appropriations Committee adopted FY 2011 General and Education Fund revenue estimates that are 98% of the original FY 2010 ongoing appropriations. The FY 2011 base budget bills (S.B. 1 and H.B. 1) reduce appropriations for all line items and programs proportionately to match revenues. However, the Executive Appropriations Committee allocated 95% of original FY 2010 ongoing appropriations to each subcommittee and directed the subcommittees to compile a list of options equal to a 5% ongoing cut. The Executive Appropriations Committee will use these options to make final adjustments to the FY 2011 budget. The Analyst recommends the following alternative for budget changes in the Governor's Office line item to help accomplish the subcommittee's 5% target:

- Reduce Personnel and/or current expenses at the Governor's discretion: \$184,200. The Governor's Office line item has a base budget of approximately 50% personnel services and 22% current expenses. Until the Governor decides how to implement the reductions, the impact on services is unknown.

BUDGET DETAIL TABLE

Governor's Office						
Sources of Finance	FY 2009	FY 2010		FY 2010		FY 2011*
	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	3,713,200	3,679,300	0	3,679,300	(73,600)	3,605,700
General Fund, One-time	377,700	579,700	0	579,700	(579,700)	0
Federal Funds	33,700	100,000	0	100,000	0	100,000
Dedicated Credits Revenue	446,600	730,700	13,600	744,300	(24,800)	719,500
Transfers	9,700	0	19,000	19,000	(19,000)	0
Transfers - Governor's Office Administ	28,800	0	0	0	0	0
Beginning Nonlapsing	2,651,700	0	1,839,600	1,839,600	(392,500)	1,447,100
Closing Nonlapsing	(1,839,600)	(215,000)	(1,232,100)	(1,447,100)	1,447,100	0
Total	\$5,421,800	\$4,874,700	\$640,100	\$5,514,800	\$357,500	\$5,872,300
Programs						
Administration	2,364,700	2,349,400	142,300	2,491,700	387,900	2,879,600
Governor's Energy Advisor	644,000	401,600	509,400	911,000	(282,900)	628,100
Governor's Residence	344,000	370,900	0	370,900	(24,500)	346,400
Literacy Projects	59,900	51,900	25,400	77,300	(77,300)	0
Lt. Governor's Office	1,973,200	1,600,900	(37,000)	1,563,900	356,300	1,920,200
Washington Funding	36,000	100,000	0	100,000	(2,000)	98,000
Total	\$5,421,800	\$4,874,700	\$640,100	\$5,514,800	\$357,500	\$5,872,300
Categories of Expenditure						
Personnel Services	3,296,200	3,366,200	(237,300)	3,128,900	(241,600)	2,887,300
In-state Travel	49,400	20,800	28,000	48,800	(5,700)	43,100
Out-of-state Travel	157,300	195,700	41,700	237,400	(16,500)	220,900
Current Expense	1,272,500	677,200	437,800	1,115,000	195,400	1,310,400
DP Current Expense	498,600	397,800	93,900	491,700	(5,900)	485,800
DP Capital Outlay	84,900	0	0	0	0	0
Other Charges/Pass Thru	62,900	217,000	276,000	493,000	431,800	924,800
Total	\$5,421,800	\$4,874,700	\$640,100	\$5,514,800	\$357,500	\$5,872,300
Other Data						
Budgeted FTE	33.1	32.9	1.4	34.3	(2.0)	32.3
Vehicles	4.0	3.0	0	3.0	0	3.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

SUMMARY OF RECOMMENDATIONS

The Analyst recommends the Legislature:

1. Adopt the base budget shown in the budget detail table.
2. Approve the intent language on page 3.
3. Approve the fees on page 3.
4. Consider options for funding increased costs of the Voter Information Pamphlet.
5. Consider how to prioritize the 5% General Fund budget reduction item on page 4.