

1                                   **LEGISLATIVE BUDGETING FOR COLA FOR**  
2                                   **LOCAL HEALTH AUTHORITIES**

3                                   2003 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Sponsor: Jack A. Seitz**

6 **This act modifies the Budgetary Procedures Act to require the Legislature to consider**  
7 **providing an increase for certain local human services agencies that is consistent with the**  
8 **increase for state employees.**

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 AMENDS:

11                   **63-38-2**, as last amended by Chapter 8, Laws of Utah 2002, Fifth Special Session

12 *Be it enacted by the Legislature of the state of Utah:*

13                   Section 1. Section **63-38-2** is amended to read:

14                   **63-38-2. Governor to submit budget to Legislature -- Contents -- Preparation --**  
15 **Appropriations based on current tax laws and not to exceed estimated revenues.**

16                   (1) (a) The governor shall, within three days after the convening of the Legislature in  
17 the annual general session, submit a budget for the ensuing fiscal year by delivering it to the  
18 presiding officer of each house of the Legislature together with a schedule for all of the  
19 proposed appropriations of the budget, clearly itemized and classified.

20                   (b) The budget message shall include a projection of estimated revenues and  
21 expenditures for the next fiscal year.

22                   (2) At least 34 days before the submission of any budget, the governor shall deliver a  
23 confidential draft copy of his proposed budget recommendations to the Office of the  
24 Legislative Fiscal Analyst.

25                   (3) (a) The budget shall contain a complete plan of proposed expenditures and  
26 estimated revenues for the next fiscal year based upon the current fiscal year state tax laws and  
27 rates.



- 28 (b) The budget may be accompanied by a separate document showing proposed
- 29 expenditures and estimated revenues based on changes in state tax laws or rates.
- 30 (4) The budget shall be accompanied by a statement showing:
- 31 (a) the revenues and expenditures for the last fiscal year;
- 32 (b) the current assets, liabilities, and reserves, surplus or deficit, and the debts and
- 33 funds of the state;
- 34 (c) an estimate of the state's financial condition as of the beginning and the end of the
- 35 period covered by the budget;
- 36 (d) a complete analysis of lease with an option to purchase arrangements entered into
- 37 by state agencies;
- 38 (e) the recommendations for each state agency for new full-time employees for the next
- 39 fiscal year; which recommendation should be provided also to the State Building Board under
- 40 Subsection 63A-5-103(2);
- 41 (f) any explanation the governor may desire to make as to the important features of the
- 42 budget and any suggestion as to methods for the reduction of expenditures or increase of the
- 43 state's revenue; and
- 44 (g) the information detailing certain regulatory fee increases required by Section
- 45 63-38-3.2.
- 46 (5) The budget shall include an itemized estimate of the appropriations for:
- 47 (a) the Legislative Department as certified to the governor by the president of the
- 48 Senate and the speaker of the House;
- 49 (b) the Executive Department;
- 50 (c) the Judicial Department as certified to the governor by the state court administrator;
- 51 (d) payment and discharge of the principal and interest of the indebtedness of the state;
- 52 (e) the salaries payable by the state under the Utah Constitution or under law for the
- 53 lease agreements planned for the next fiscal year;
- 54 (f) other purposes that are set forth in the Utah Constitution or under law; and
- 55 (g) all other appropriations.
- 56 (6) Deficits or anticipated deficits shall be included in the budget.
- 57 (7) (a) (i) For the purpose of preparing and reporting the budget, the governor shall
- 58 require from the proper state officials, including public and higher education officials, all heads

59 of executive and administrative departments and state institutions, bureaus, boards,  
60 commissions, and agencies expending or supervising the expenditure of the state moneys, and  
61 all institutions applying for state moneys and appropriations, itemized estimates of revenues  
62 and expenditures. The entities required by this Subsection (7)(a)(i) to submit itemized  
63 estimates of revenues and expenditures to the governor, shall also report to the Utah  
64 Information Technology Commission created in Title 63D, Chapter 1, Information Technology  
65 Act, before October 30 of each year. The report to the Information Technology Commission  
66 shall include the proposed information technology expenditures and objectives, the proposed  
67 appropriation requests and other sources of revenue necessary to fund the proposed  
68 expenditures and an analysis of:

69 (A) the entity's need for appropriations for information technology;

70 (B) how the entity's development of information technology coordinates with other  
71 state or local government entities;

72 (C) any performance measures used by the entity for implementing information  
73 technology goals; and

74 (D) any efforts to develop public/private partnerships to accomplish information  
75 technology goals.

76 (ii) (A) The governor may also require other information under these guidelines and at  
77 times as the governor may direct.

78 (B) These guidelines may include a requirement for program productivity and  
79 performance measures, where appropriate, with emphasis on outcome indicators.

80 (b) The estimate for the Legislative Department as certified by the presiding officers of  
81 both houses shall be included in the budget without revision by the governor. Before preparing  
82 the estimates for the Legislative Department, the Legislature shall report to the Information  
83 Technology Commission the proposed information technology expenditures and objectives, the  
84 proposed appropriation requests and other sources of revenue necessary to fund the proposed  
85 expenditures, including an analysis of:

86 (i) the Legislature's implementation of information technology goals;

87 (ii) any coordination of information technology with other departments of state and  
88 local government;

89 (iii) any efforts to develop public/private partnerships to accomplish information

90 technology goals; and

91 (iv) any performance measures used by the entity for implementing information  
92 technology goals.

93 (c) The estimate for the Judicial Department, as certified by the state court  
94 administrator, shall also be included in the budget without revision, but the governor may make  
95 separate recommendations on it. Before preparing the estimates for the Judicial Department,  
96 the state court administrator shall report to the Information Technology Commission the  
97 proposed information technology expenditures and objectives, the proposed appropriation  
98 requests and other sources of revenue necessary to fund the proposed expenditures, including  
99 an analysis of:

100 (i) the Judicial Department's information technology goals;

101 (ii) coordination of information technology statewide between all courts;

102 (iii) any efforts to develop public/private partnerships to accomplish information  
103 technology goals; and

104 (iv) any performance measures used by the entity for implementing information  
105 technology goals.

106 (d) Before preparing the estimates for the State Office of Education, the state  
107 superintendent shall report to the Information Technology Commission the proposed  
108 information technology expenditures and objectives, the proposed appropriation requests and  
109 other sources of revenue necessary to fund the proposed expenditures, including an analysis of:

110 (i) the Office of Education's information technology goals;

111 (ii) coordination of information technology statewide between all public schools;

112 (iii) any efforts to develop public/private partnerships to accomplish information  
113 technology goals; and

114 (iv) any performance measures used by the Office of Education for implementing  
115 information technology goals.

116 (e) Before preparing the estimates for the state system of Higher Education, the  
117 commissioner shall report to the Information Technology Commission the proposed  
118 information technology expenditures and objectives, the proposed appropriation requests and  
119 other sources of revenue necessary to fund the proposed expenditures, including an analysis of:

120 (i) Higher Education's information technology goals;

121 (ii) coordination of information technology statewide within the state system of higher  
122 education;

123 (iii) any efforts to develop public/private partnerships to accomplish information  
124 technology goals; and

125 (iv) any performance measures used by the state system of higher education for  
126 implementing information technology goals.

127 (f) The governor may require the attendance at budget meetings of representatives of  
128 public and higher education, state departments and institutions, and other institutions or  
129 individuals applying for state appropriations.

130 (g) The governor may revise all estimates, except those relating to the Legislative  
131 Department, the Judicial Department, and those providing for the payment of principal and  
132 interest to the state debt and for the salaries and expenditures specified by the Utah  
133 Constitution or under the laws of the state.

134 (8) The total appropriations requested for expenditures authorized by the budget may  
135 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing  
136 fiscal year.

137 (9) If any item of the budget as enacted is held invalid upon any ground, the invalidity  
138 does not affect the budget itself or any other item in it.

139 (10) (a) In submitting the budgets for the Departments of Health and Human Services  
140 and the Office of the Attorney General, the governor shall consider a separate recommendation  
141 in his budget for funds to be contracted to:

142 (i) local mental health authorities under Section 62A-15-110;

143 (ii) local substance abuse authorities under Section 62A-15-110;

144 (iii) area agencies under Section 62A-3-104.2;

145 (iv) programs administered directly by and for operation of the Divisions of Substance  
146 Abuse and Mental Health and Aging and Adult Services;

147 (v) local health departments under Title 26A, Chapter 1, Local Health [~~Departments~~]  
148 Department Act; and

149 (vi) counties for the operation of Children's Justice Centers under Section 67-5b-102.

150 (b) In his budget recommendations under Subsections (10)(a)(i), (ii), and (iii), the  
151 governor shall consider an amount sufficient to grant local health departments, local mental

152 health authorities, local substance abuse authorities, and area agencies the same percentage  
153 increase for wages and benefits that he includes in his budget for persons employed by the  
154 state.

155 (c) If the governor does not include in his budget an amount sufficient to grant the  
156 increase described in Subsection (10)(b), he shall include a message to the Legislature  
157 regarding his reason for not including that amount.

158 (11) (a) In submitting the budget for the Division of Services for People with  
159 Disabilities, the Division of Child and Family Services, and the Division of Youth Corrections  
160 within the Department of Human Services, the governor shall consider an amount sufficient to  
161 grant employees of corporations that provide direct services under contract with those  
162 divisions, the same percentage increase for cost-of-living that he includes in his budget for  
163 persons employed by the state.

164 (b) If the governor does not include in his budget an amount sufficient to grant the  
165 increase described in Subsection (11)(a), he shall include a message to the Legislature  
166 regarding his reason for not including that amount.

167 (12) (a) The Families, Agencies, and Communities Together Council may propose to  
168 the governor under Subsection 63-75-4(4)(e) a budget recommendation for collaborative  
169 service delivery systems operated under Section 63-75-6.5.

170 (b) The Legislature may, through a specific program schedule, designate funds  
171 appropriated for collaborative service delivery systems operated under Section 63-75-6.5.

172 (13) The governor shall include in his budget the state's portion of the budget for the  
173 Utah Communications Agency Network established in Title 63C, Chapter 7, Utah  
174 Communications Agency Network Act.

175 (14) In adopting a budget for each fiscal year, the Legislature shall consider an amount  
176 sufficient to grant local health departments, local mental health authorities, local substance  
177 abuse authorities, and area agencies on aging the same percentage increase for wages and  
178 benefits that is included in the budget for persons employed by the state.

**Legislative Review Note**  
as of 12-10-02 2:24 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**

**Interim Committee Note**  
as of 12-12-02 4:45 PM

The Health and Human Services Interim Committee recommended this bill.

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**Fiscal Note**  
**Bill Number HB0041**

**Legislative Budgeting for Cola for Local Health Authorities**

*13-Jan-03*

*5:33 PM*

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**State Impact**

No direct fiscal impact as legislation only directs Legislature "to consider" such COLAs. However, if the Legislature were to grant a COLA to the four entities specified in this legislation, a one percent increase is estimated to cost about \$335,000 (General Fund).

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**Individual and Business Impact**

No direct fiscal impact as legislation only directs Legislature "to consider" such COLAs.

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**Office of the Legislative Fiscal Analyst**