

OFFICE OF THE  
**LEGISLATIVE FISCAL  
ANALYST**

**JONATHAN C. BALL**  
DIRECTOR

**2008-2009  
APPROPRIATIONS  
REPORT**

**UTAH STATE LEGISLATURE  
2008 GENERAL SESSION**

**SENATOR LYLE W. HILLYARD  
REPRESENTATIVE RON BIGELOW  
CO-CHAIRS**

**EXECUTIVE APPROPRIATIONS COMMITTEE**

**APRIL 2008**



## **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 <http://legislature.utah.gov/asp/lfa/lfareports.asp>

**2008-2009  
APPROPRIATIONS  
REPORT**

**Utah Legislature**

2008 General Session

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

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

**April 2008**

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# Executive Summary





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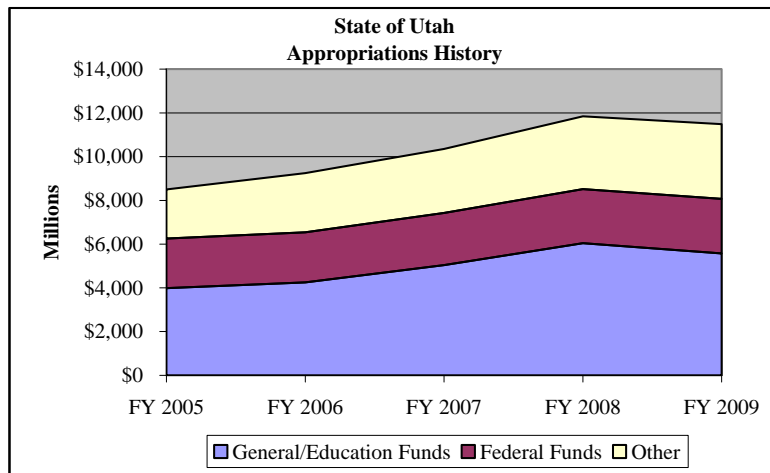
## Appropriations Overview

Sound budgeting principles and conservative revenue estimating allowed Utah's legislature to allocate \$776 million in available General and Education Fund resources during the 2008 General Session. Even at a time when the state's revenue growth was slowing, legislators were able to increase ongoing state fund appropriations by \$322 million (6.5 percent) and authorize \$435 million for additional one-time initiatives. Lawmakers continued their practice of protecting against revenue fluctuations by: tying one-time revenue to one-time spending – ending the budget cycle with a \$12 million structural surplus; depositing year-end surpluses in rainy day funds – resulting in a 7 percent cash reserve; anticipating future needs – setting-aside \$100 million in current revenue for future public education needs; and approaching future revenue growth with caution – estimating revenue growth of less than 1 percent from FY 2008 to FY 2009 and leaving a portion of that unappropriated.

Legislators increased funding for Public Education by nearly \$440 million – 58 percent of available revenue. They raised spending on Higher Education by \$28.5 million (3.5 percent) plus \$1 million in FY 2008 supplementals. Appropriators provided funding increases in excess of \$28 million for Health and Human Services (4.3 percent).

Lawmakers appropriated \$129.2 million in one-time cash funding for buildings. This is in addition to \$30 million in ongoing appropriations in the Capital Program base budget. Paying cash for capital projects helped the Legislature avoid incurring additional general obligation debt for buildings.

Finally legislators deposited \$60.5 million into the state's rainy day funds. This brings the state's reserves to 6.9 percent of FY 2008 appropriations and 7.4 percent of FY 2009 funding levels. The General Rainy Day Fund will total \$187 million and the Education Rainy Day Fund will total \$227 million at the end of FY 2008.



### Structural Balance

Utah's budget for FY 2009 has a \$12 million structural surplus. From a bond rating agency's point of view, that is a positive thing.

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 AAA rating from each of the three rating agencies, and the FY 2009 structural surplus will help to protect that rating.

### Revenue

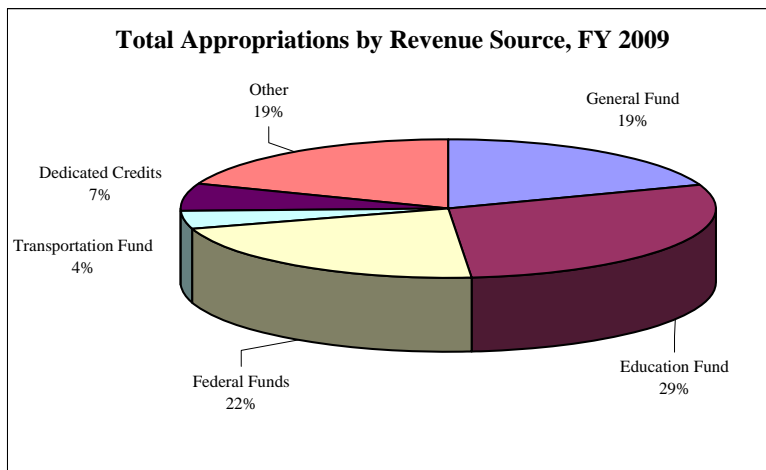
The Legislature appropriates funds from a number of revenue sources. These include: the General Fund (GF) – which is supported primarily by sales taxes – and the Education Fund – which consists largely of income tax. Other major sources are federal funds, the gas-tax based Transportation Fund, dedicated credits (fee for service revenue), property taxes, and bond proceeds. The Legislature adopted a consensus-based \$5,313,633,000 as its ongoing General and Education Fund revenue estimate for FY 2009. This represents a 0.4 percent increase from its revised FY 2008 revenue target of

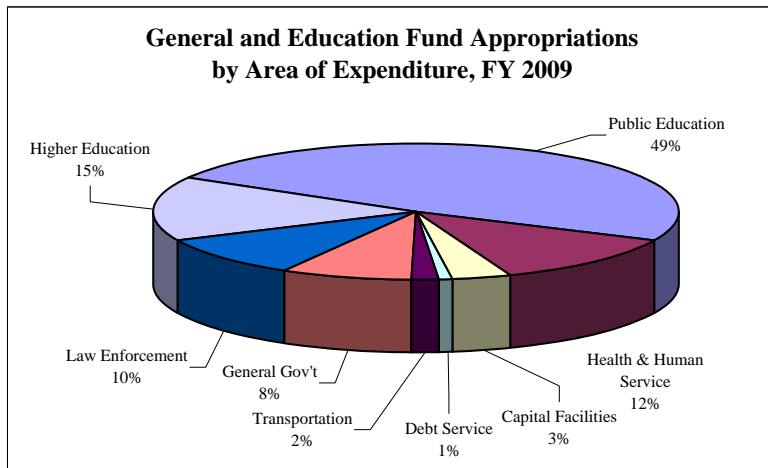
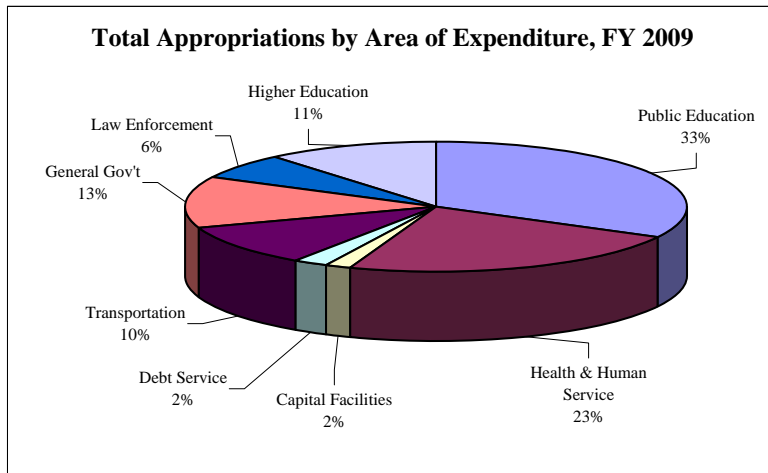
\$5,293,887,000. Changes in revenue from legislation approved during the 2008 General Session adjusted the FY 2008 revenue estimate to \$5,285,100,000 and the FY 2009 amount to \$5,321,997,500, a projected increase of 0.7 percent year-over-year.

## Appropriations

The Legislature approved a total of \$11.5 billion in spending from all sources for FY 2009 – equal to the original FY 2008 appropriation. Of the total amount, Legislators appropriated \$5.6 billion from State Funds (the General Fund and Education Fund), an overall decrease of 5.5 percent over the original FY 2008 budget. For the current fiscal year, appropriators provided \$200 million in supplemental appropriations during the 2008 General Session (\$148 million from General and Education Funds). Factoring in changes approved in the 2008 General Session, the year-over-year decrease in authorized budgets from FY 2008 to FY 2009 is 3.1 percent from all sources and 7.8 percent from the General and Education Funds.

The following charts graphically display how total funding is divided among its sources and how appropriations were allocated by area of expenditure.





## Employee Compensation

The Legislature provided the following compensation package for State and Higher Education employees in FY 2009:

- Cost of Living Adjustments** - Legislators authorized funding for a three percent cost-of-living adjustment (COLA) for state employees, judges, and elected officials. The Legislature authorized another two percent COLA for these employees contingent upon changes in health benefit plans. Higher education employees not eligible for the

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health benefit changes received funding for a two percent COLA, plus discretionary salary increases equal to the cost of a one percent COLA, plus a 9.9 percent increase in their health benefit premiums. The Legislature allowed Snow College, Dixie State College, and the College of Eastern Utah to choose between the package offered to state employees and that offered to other higher education institutions.

- *Executive Compensation Revisions* – S.B. 5 adjusted salaries for the Governor and other constitutional officers, and changed the salary of the State Auditor from a fixed amount to 95 percent of the Governor’s salary.
- *Health Benefits* - the Legislature adjusted contributions to state employee medical benefits plans, removing subsidies to one plan by increasing required contributions from employees on that plan. This action allowed Legislators to appropriate funds for COLAs that otherwise would have been spent on higher health benefit premiums.
- *Other Adjustments* – H.B. 4 adjusted funding for judges’ retirement plan rate increases and all state employees’ Workers’ Compensation rate decreases. Local contract service providers received funding for a 3 percent contract increase. For the first time, the contractor increase was based on 100 percent of the contract value, rather than on the portion representing salaries.

The Legislature appropriated funds to provide teachers in the public education system with an ongoing salary increase of \$1,700 per year each. Further state funding for the compensation of teachers and other public education employees was part of a 2.5 percent ongoing increase in the weighted pupil unit (WPU) and another one percent one-time discretionary increase in the WPU. These funds will be allocated to school districts which will then negotiate final compensation packages with education employees.

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## Economic Indicators and Revenue Issues

The following factors had significant influence on revenue estimates made in the 2008 General Session:

- Strong net migration continues with net migration in 2007 coming in at approximately 44,000. Robust positive net migration is expected to continue through the coming years.
- Total residential construction valuation for 2007 dropped by approximately 20 percent compared to 2006 numbers; however, large construction projects anticipated to begin within the next three years bode well for the Utah construction industry.
- Strong employment growth continues and is expected to lead to increased sales and income tax revenues, albeit at a lower rate.
- Individual income tax revenues, sales tax revenues, and corporate franchise tax revenues all continue to grow at historical growth rates when adjusted for tax rate changes.

## Tax Changes / Bills Affecting State Revenue and Expenditures

- **H.B. 359, “Tax Changes”** provides income tax credits for certain health insurance premiums, capital gains, and solar projects. The bill also cleans up the Omnibus Tax Bill from last year and closes a loophole related to real estate investment trusts. The bill earmarks an additional .05 percent in sales tax for critical needs highway projects and chokepoints.
- **S.B. 185, “Economic Incentive Revisions”** converted the current Economic Development tax rebate program to a tax credit program in order to account for incentives by the revenue source to which related tax benefits accrue.

- **H.B. 206, “Tax Amendments”** reinstates Streamlined Sales Tax legislation. Revenue generated as a result is anticipated at \$2,000,000 annually.
- **H.B. 410, “Restricted Account Amendments”** requires that the interest from certain restricted accounts accrue to the General Fund. The fiscal impact of this change is a \$1,660,000 increase to the General Fund.
- **S.B. 48, “Equalization of School Capital Outlay Funding”** changes the allocation formula for the Capital Outlay Foundation Program. The bill allocates \$15,000,000 one-time for distribution to the Capital Outlay Foundation Program and the Capital Outlay Growth Program.
- **H.B. 165, “Sales & Use Tax Exemptions Relating to Aircraft”** provides an exemption from sales tax on parts, equipment, and service for aircraft. Revenue loss is expected at \$100,000 annually.
- **S.B. 237, “Commercial Airline Taxation Amendments”** allows for a sales tax exemption for certain purchases made on behalf of airports. Revenue loss is expected at \$1,000,000 in FY 2009 and \$4,000,000 annually beginning in FY 2011.

### **Tobacco Funding**

FY 2009 marks the tenth year the State received funds from a Master Settlement Agreement (MSA) with tobacco manufacturers. Legislation in 2000 established the Permanent Trust Fund and the General Fund Restricted - Tobacco Settlement Account, into which MSA payments are deposited. Settlement Agreement payments are made to the State in April of each year.

#### **Permanent Trust Fund**

Through FY 2008, deposits into the Permanent Trust Fund total \$78.6 million. The Legislature used \$44.4 million in FY 2003 to address budget shortfalls. In FY 2005, approximately \$8



million that would have gone into the Trust Fund at the end of the year was deposited in the Budget Reserve Account. In FY 2008, the Trust will receive 40 percent of the annual MSA payments (assuming the full payment is received). The estimated balance of the Trust Fund at the end of FY 2008 will be \$49.5 million.

### **General Fund Restricted – Tobacco Settlement Account**

Payments to the GFR- Tobacco Settlement Account have totaled more than \$183.4 million since its inception. Starting in FY 2008, the restricted account receives 60 percent (\$25.2 million) of the Master Settlement Agreement funding allocation. The GFR- Tobacco Settlement Account funds the following programs:

- The State share of the SCHIP (\$12.3 million)
- Anti-Tobacco and other public health programs carried out at the Department of Health (\$6.4 million)
- Drug Courts and Drug Boards (\$2 million)
- University of Utah Health Sciences (\$4 million)
- Attorney General's Office (\$275,200)

The balance of the restricted fund at the end of FY 2008 is estimated at \$1.3 million.

In FY 2004, a surplus of \$9.8 million in this account was transferred to the General Fund to help alleviate the budget shortfalls.

This allocation amount may be adversely affected by current litigation with the tobacco manufacturers. The FY 2008 distribution is approximately 935,515 greater than the original estimate because of the strategic payment that started in FY 2008.

### **Funding Detail**

The following tables present legislative budget action on a state-wide basis.

Table 1 compares the FY 2009 Appropriated levels to the FY 2008 Revised levels with funding from all sources. The FY 2008 Estimated column includes original appropriations made

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during the 2007 General Session, as well as any changes in federal funds, dedicated credits, and other sources of funds estimated by agencies. The FY 2008 Revised and the FY 2009 Appropriated columns reflect the effect of regular appropriations, supplemental appropriations, and other legislative actions taken during the 2008 General Session.

Table 2 compares General Fund, Uniform School Fund, and Education Fund appropriations for FY 2009 to the estimated FY 2008 budget. The table indicates one-time and ongoing expenditures for each fiscal year.

Table 3 shows the allocation of State Funds (General Fund and Education Fund) in a format similar to that of Table 1.

Tables 4 and 5 break down the allocation of General Fund and Education Fund resources, respectively, from Table 3.

Table 6 includes revenue projections for the General Fund, Education Fund, Transportation Fund, and Mineral lease Account.

Table 7 shows compares estimated revenue for the General and Education Funds to appropriations from those funds.

Figure 1 shows historical balances in the Rainy Day funds.

Table 8 shows a ten-year historical view of appropriations.

**Table 1a - Appropriations Comparison by Source, FY 2008 - FY 2009**  
All Funds

Sources	FY 2008 Estimated	FY 2008 Supplemental	FY 2008 Revised	Percent Change	FY 2009 Appropriated	Percent Change
General Fund	2,087,726,350		2,087,726,350		2,206,425,550	-8.22%
General Fund, One-time	274,236,220	75,372,100	349,608,320	3.19%	30,527,400	
Uniform School Fund	2,413,266,208		2,413,266,208		2,608,536,286	-7.48%
Uniform School Fund, One-time	226,538,200	70,265,300	296,803,500	2.06%	154,267,500	
Education Fund	463,136,000		463,136,000		471,607,800	
Education Fund, One-time	430,655,900	2,408,500	433,064,400		102,153,300	7.54%
Transportation Fund	431,650,000		431,650,000		464,215,400	-23.16%
Transportation Fund, One-time	2,000,000	8,000,000	10,000,000	400.00%	7,683,600	4.57%
Centennial Highway Fund	127,976,800		127,976,800		133,826,800	-100.00%
Centennial Highway Fund, One-time		3,650,000	3,650,000			
General Fund Restricted	231,415,500	32,219,800	263,635,300	13.92%	284,657,800	7.97%
Uniform School Fund Restricted	21,081,900	4,525,600	25,607,500	21.47%	28,375,100	10.81%
Transportation Fund Restricted	40,032,800	150,000	40,182,800	0.37%	50,333,500	25.26%
Federal Funds	2,473,094,900	95,400	2,473,190,300	0.00%	2,494,325,900	0.85%
Dedicated Credits	714,716,600	1,169,600	715,886,200	0.16%	758,615,500	5.97%
Land Grant	1,108,500		1,108,500		1,108,500	0.00%
Federal Mineral Lease	225,865,700		225,865,700		135,107,100	-40.18%
Restricted Revenue	20,020,700		20,020,700			-100.00%
Trust and Agency Funds	874,118,421	2,027,600	876,146,021	0.23%	1,028,853,874	17.43%
Transfers	359,776,200		359,776,200		364,620,400	1.35%
Repayments/Reimbursements	33,937,000		33,937,000		42,490,000	25.20%
Other Financing Sources	133,500		133,500			-100.00%
Pass-through	90,200		90,200		90,200	0.00%
Beginning Balance	441,314,400		441,314,400		327,302,800	-25.83%
Closing Balance	(246,892,300)		(246,892,300)		(211,775,000)	-14.22%
Lapsing Balance	(2,533,100)		(2,533,100)		114,700	-104.53%
<b>Total</b>	<b>\$11,644,466,599</b>	<b>\$199,883,900</b>	<b>\$11,844,350,499</b>	<b>1.72%</b>	<b>\$11,483,464,010</b>	<b>-3.05%</b>

**Table 1b - Appropriations Comparison by Program, FY 2008 - FY 2009**  
All Funds

Programs	FY 2008 Estimated	FY 2008 Supplemental	FY 2008 Revised	Percent Change	FY 2009 Appropriated	Percent Change
Legislature	20,246,520		20,246,520		21,179,800	4.61%
Elected Officials	94,115,350	2,402,200	96,517,550	2.55%	86,406,350	-10.48%
Courts	130,944,000	310,000	131,254,000	0.24%	134,810,400	2.71%
Corrections	384,191,800	1,188,500	385,380,300	0.31%	411,310,400	6.73%
Public Safety	207,794,800	818,500	208,613,300	0.39%	180,479,500	-13.49%
Admin & Tech Services	118,329,500	81,174,400	199,503,900	68.60%	85,136,500	-57.33%
Human Resource Mgt	4,403,600	50,000	4,453,600	1.14%	4,222,600	-5.19%
Debt Service	237,329,100	3,650,000	240,979,100	1.54%	252,705,300	4.87%
Capital Facilities	273,547,500	58,600,000	332,147,500	21.42%	194,577,200	-41.42%
Health	1,950,635,700	562,300	1,951,198,000	0.03%	1,992,940,600	2.14%
Human Services	593,591,200	250,000	593,841,200	0.04%	619,028,100	4.24%
Public Ed - Agencies	512,691,300	(11,006,000)	501,685,300	-2.15%	614,600,200	22.51%
Public Ed - Minimum School Program	2,945,165,229	27,152,600	2,972,317,829	0.92%	3,115,831,060	4.83%
Public Ed - School Building Program	77,288,900		77,288,900		42,288,900	-45.28%
Higher Education	1,134,750,100	808,100	1,135,558,200	0.07%	1,166,245,100	2.70%
Higher Ed - UEN	34,603,500		34,603,500		34,133,400	-1.36%
Higher Ed - Med Ed Council	1,108,100		1,108,100		1,667,800	50.51%
Higher Ed - UCAT	65,289,500	500,000	65,789,500	0.77%	65,317,100	-0.72%
Natural Resources Subcom	243,851,000	17,623,700	261,474,700	7.23%	245,096,000	-6.26%
Commerce & Workforce Subcom	445,100,500	(183,700)	444,916,800	-0.04%	453,652,100	1.96%
Ec Dev & Revenue Subcom	459,706,600	7,983,300	467,689,900	1.74%	453,595,200	-3.01%
National Guard/Veterans' Affairs	45,705,300		45,705,300		60,219,700	31.76%
Environmental Quality	88,240,800	0	88,240,800		87,158,400	-1.23%
Transportation	1,575,836,700	8,000,000	1,583,836,700	0.51%	1,160,862,300	-26.71%
<b>Total</b>	<b>\$11,644,466,599</b>	<b>\$199,883,900</b>	<b>\$11,844,350,499</b>	<b>1.72%</b>	<b>11,483,464,010</b>	<b>-3.05%</b>

**Table 2a - Ongoing and One-time Appropriations by Source, FY 2008 - FY 2009**  
**General Fund and Education Fund Appropriations by Source**

Sources	FY 2008			FY 2009		
	Ongoing	One-time	Total	Ongoing	One-time	Total
General Fund	2,087,726,350	349,608,320	2,437,334,670	2,206,425,550	30,527,400	2,236,952,950
Uniform School Fund	2,413,266,208	296,803,500	2,710,069,708	2,608,536,286	154,267,500	2,762,803,786
Education Fund	463,136,000	433,064,400	896,200,400	471,607,800	102,153,300	573,761,100
<b>Total</b>	<b>\$4,964,128,558</b>	<b>\$1,079,476,220</b>	<b>\$6,043,604,778</b>	<b>\$5,286,569,636</b>	<b>\$286,948,200</b>	<b>\$5,573,517,836</b>

**Table 2b - Ongoing and One-time Appropriations by Program, FY 2008 - FY 2009**  
**General Fund and Education Fund**

Programs	FY 2008			FY 2009		
	Ongoing	One-time	Total	Ongoing	One-time	Total
Legislature	19,071,900	842,220	19,914,120	20,596,700	407,600	21,004,300
Elected Officials	41,073,850	8,625,500	49,699,350	44,136,650	813,500	44,950,150
Courts	112,398,400	745,300	113,143,700	117,575,600	(217,300)	117,358,300
Corrections	325,569,600	4,722,700	330,292,300	356,869,800	3,750,600	360,620,400
Public Safety	64,138,000	100,000	64,238,000	71,196,500	(1,054,100)	70,142,400
Admin & Tech Services	21,819,100	125,570,900	147,390,000	23,432,300	600,000	24,032,300
Human Resource Mgt	3,317,300	50,000	3,367,300	3,822,600		3,822,600
Debt Service	68,844,000		68,844,000	61,844,000	(7,000,000)	54,844,000
Capital Facilities	103,059,900	223,854,600	326,914,500	112,838,200	76,000,000	188,838,200
Health	367,375,600	5,292,500	372,668,100	386,101,900	(563,000)	385,538,900
Human Services	284,493,300	1,330,100	285,823,400	299,787,400	1,243,400	301,030,800
Public Ed - Agencies	91,622,000	(4,954,000)	86,668,000	93,974,300	106,743,400	200,717,700
Public Ed - Minimum School Program	2,252,516,608	186,127,000	2,438,643,608	2,434,392,586	31,820,000	2,466,212,586
Public Ed - School Building Program	27,288,900	50,000,000	77,288,900	27,288,900	15,000,000	42,288,900
Higher Education	732,421,200	11,306,400	743,727,600	766,958,600	686,500	767,645,100
Higher Ed - UEN	19,981,700	1,345,000	21,326,700	21,201,900	1,280,000	22,481,900
Higher Ed - Med Ed Council	453,000		453,000	701,500		701,500
Higher Ed - UCAT	54,367,800	1,145,100	55,512,900	57,027,700	1,672,100	58,699,800
Natural Resources Subcom	61,333,400	21,935,100	83,268,500	64,908,900	6,430,000	71,338,900
Commerce & Workforce Subcom	95,538,900	5,433,000	100,971,900	97,820,800	2,500,000	100,320,800
Ec Dev & Revenue Subcom	109,677,200	24,714,800	134,392,000	113,293,500	37,334,900	150,628,400
National Guard/Veterans' Affairs	6,098,200	800,000	6,898,200	6,492,700	750,600	7,243,300
Environmental Quality	11,668,700	1,000,000	12,668,700	14,306,600	750,000	15,056,600
Transportation	90,000,000	409,490,000	499,490,000	90,000,000	8,000,000	98,000,000
<b>Total</b>	<b>\$4,964,128,558</b>	<b>\$1,079,476,220</b>	<b>\$6,043,604,778</b>	<b>\$5,286,569,636</b>	<b>\$286,948,200</b>	<b>\$5,573,517,836</b>

**Table 3**  
**Appropriations Comparison, FY 2008 - FY 2009**  
**General Fund and Education Fund**

Sources	FY 2008 Estimated	FY 2008 Supplemental	FY 2008 Revised	FY 2009 Appropriated	Percent Change
General Fund	2,087,726,350		2,087,726,350	2,206,425,550	-8.22%
General Fund, One-time	274,236,220	75,372,100	349,608,320	30,527,400	
Uniform School Fund	2,413,266,208		2,413,266,208	2,608,536,286	-7.48%
Uniform School Fund, One-time	226,538,200	70,265,300	296,803,500	154,267,500	
Education Fund	463,136,000		463,136,000	471,607,800	
Education Fund, One-time	430,655,900	2,408,500	433,064,400	102,153,300	
<b>Total</b>	<b>\$5,895,558,878</b>	<b>\$148,045,900</b>	<b>\$6,043,604,778</b>	<b>\$5,573,517,836</b>	<b>-7.78%</b>
<b>Programs</b>					
Legislature	19,914,120		19,914,120	21,004,300	5.47%
Elected Officials	47,297,150	2,402,200	49,699,350	44,950,150	-9.56%
Courts	112,833,700	310,000	113,143,700	117,358,300	3.72%
Corrections	330,292,300		330,292,300	360,620,400	9.18%
Public Safety	64,238,000		64,238,000	70,142,400	9.19%
Admin & Tech Services	86,921,900	60,468,100	147,390,000	24,032,300	-83.69%
Human Resource Mgt	3,317,300	50,000	3,367,300	3,822,600	13.52%
Debt Service	68,844,000		68,844,000	54,844,000	-20.34%
Capital Facilities	268,314,500	58,600,000	326,914,500	188,838,200	-42.24%
Health	372,212,800	455,300	372,668,100	385,538,900	3.45%
Human Services	285,668,800	154,600	285,823,400	301,030,800	5.32%
Public Ed - Agencies	98,068,000	(11,400,000)	86,668,000	200,717,700	131.59%
Public Ed - Minimum School Prog	2,416,016,608	22,627,000	2,438,643,608	2,466,212,586	1.13%
Public Ed - School Building Prog	77,288,900		77,288,900	42,288,900	-45.28%
Higher Education	743,244,100	483,500	743,727,600	767,645,100	3.22%
Higher Ed - UEN	21,326,700		21,326,700	22,481,900	5.42%
Higher Ed - Med Ed Council	453,000		453,000	701,500	54.86%
Higher Ed - UCAT	55,012,900	500,000	55,512,900	58,699,800	5.74%
Natural Resources Subcom	73,300,400	9,968,100	83,268,500	71,338,900	-14.33%
Commerce & Workforce Subcom	101,078,900	(107,000)	100,971,900	100,320,800	-0.64%
Ec Dev & Revenue Subcom	130,857,900	3,534,100	134,392,000	150,628,400	12.08%
National Guard/Veterans' Affairs	6,898,200		6,898,200	7,243,300	5.00%
Environmental Quality	12,668,700		12,668,700	15,056,600	18.85%
Transportation	499,490,000		499,490,000	98,000,000	-80.38%
<b>Total</b>	<b>\$5,895,558,878</b>	<b>\$148,045,900</b>	<b>\$6,043,604,778</b>	<b>\$5,573,517,836</b>	<b>-7.78%</b>

**Table 4**  
**Appropriations Comparison, FY 2008 - FY 2009**  
**General Fund Only**

Sources	FY 2008 Estimated	FY 2008 Supplemental	FY 2008 Revised	FY 2009 Appropriated	Percent Change
General Fund	2,087,726,350		2,087,726,350	2,206,425,550	-8.22%
General Fund, One-time	274,236,220	75,372,100	349,608,320	30,527,400	
<b>Total</b>	<b>\$2,361,962,570</b>	<b>\$75,372,100</b>	<b>\$2,437,334,670</b>	<b>\$2,236,952,950</b>	<b>-8.22%</b>
<b>Programs</b>					
Legislature	19,914,120		19,914,120	21,004,300	5.47%
Elected Officials	47,297,150	2,402,200	49,699,350	44,950,150	-9.56%
Courts	112,833,700	310,000	113,143,700	117,358,300	3.72%
Corrections	330,292,300		330,292,300	360,620,400	9.18%
Public Safety	64,238,000		64,238,000	70,142,400	9.19%
Admin & Tech Services	46,921,900	16,231,300	63,153,200	24,032,300	-61.95%
Human Resource Mgt	3,317,300	50,000	3,367,300	3,822,600	13.52%
Debt Service	51,679,700		51,679,700	37,679,700	-27.09%
Capital Facilities	158,994,500	57,000,000	215,994,500	126,070,100	-41.63%
Health	372,212,800	455,300	372,668,100	385,538,900	3.45%
Human Services	285,668,800	154,600	285,823,400	301,030,800	5.32%
Public Ed - Agencies	15,065,100	(12,400,000)	2,665,100	3,765,100	41.27%
Higher Education	49,638,700		49,638,700	294,041,900	492.36%
Higher Ed - UEN	261,100		261,100	261,100	0.00%
Higher Ed - Med Ed Council	453,000		453,000	701,500	54.86%
Higher Ed - UCAT	9,240,700		9,240,700	24,351,200	163.52%
Natural Resources Subcom	68,300,400	9,968,100	78,268,500	71,338,900	-8.85%
Commerce & Workforce Subcom	101,078,900	(107,000)	100,971,900	100,320,800	-0.64%
Ec Dev & Revenue Subcom	105,497,500	1,307,600	106,805,100	129,622,600	21.36%
National Guard/Veterans' Affairs	6,898,200		6,898,200	7,243,300	5.00%
Environmental Quality	12,668,700		12,668,700	15,056,600	18.85%
Transportation	499,490,000		499,490,000	98,000,000	-80.38%
<b>Total</b>	<b>\$2,361,962,570</b>	<b>\$75,372,100</b>	<b>\$2,437,334,670</b>	<b>\$2,236,952,950</b>	<b>-8.22%</b>



**Table 5**  
**Appropriations Comparison, FY 2008 - FY 2009**  
**Education Fund Only**

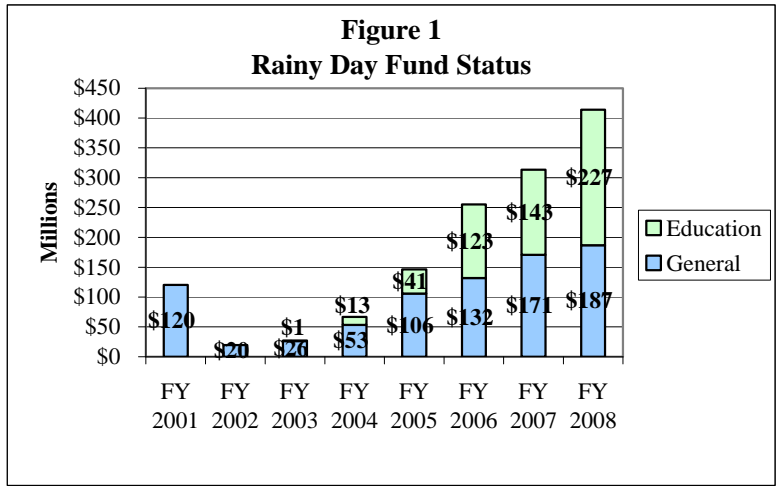
Sources	FY 2008 Estimated	FY 2008 Supplemental	FY 2008 Revised	FY 2009 Appropriated	Percent Change
Uniform School Fund	2,413,266,208		2,413,266,208	2,608,536,286	-7.48%
Uniform School Fund, One-time	226,538,200	70,265,300	296,803,500	154,267,500	
Education Fund	463,136,000		463,136,000	471,607,800	
Education Fund, One-time	430,655,900	2,408,500	433,064,400	102,153,300	
<b>Total</b>	<b>\$3,533,596,308</b>	<b>\$72,673,800</b>	<b>\$3,606,270,108</b>	<b>\$3,336,564,886</b>	<b>-7.48%</b>
<b>Programs</b>					
Admin & Tech Services	40,000,000	44,236,800	84,236,800		-100.00%
Debt Service	17,164,300		17,164,300	17,164,300	0.00%
Capital Facilities	109,320,000	1,600,000	110,920,000	62,768,100	-43.41%
Public Ed - Agencies	83,002,900	1,000,000	84,002,900	196,952,600	134.46%
Public Ed - Minimum School Program	2,416,016,608	22,627,000	2,438,643,608	2,466,212,586	1.13%
Public Ed - School Building Program	77,288,900		77,288,900	42,288,900	-45.28%
Higher Education	693,605,400	483,500	694,088,900	473,603,200	-31.77%
Higher Ed - UEN	21,065,600		21,065,600	22,220,800	5.48%
Higher Ed - UCAT	45,772,200	500,000	46,272,200	34,348,600	-25.77%
Natural Resources Subcom	5,000,000		5,000,000		-100.00%
Ec Dev & Revenue Subcom	25,360,400	2,226,500	27,586,900	21,005,800	-23.86%
<b>Total</b>	<b>\$3,533,596,308</b>	<b>\$72,673,800</b>	<b>\$3,606,270,108</b>	<b>\$3,336,564,886</b>	<b>-7.48%</b>

**Table 6**  
**Revenue Estimates, FY 2008 - FY 2009**  
**In Thousands**

<b>General Fund</b>	<b>FY 2008 Estimate</b>	<b>FY 2009 Estimate</b>	<b>Legislative Changes</b>	<b>FY 2009 Rev. Estimate</b>
Sales and Use Tax	1,795,374	1,821,179	2,002	1,823,181
Cable/Satellite Excise	19,955	18,592		18,592
Liquor Profits	57,218	60,430	(471)	59,959
Insurance Premiums	76,762	79,808	5	79,813
Beer, Cigarette, Tobacco	66,855	69,719		69,719
Oil & Gas Severance	53,496	59,609		59,609
Metal Severance	26,612	25,697		25,697
Inheritance	75	50		50
Investment Income	55,938	29,390	3,000	32,390
Other Revenue	48,541	48,587	(112)	48,475
Circuit Breaker	(6,209)	(6,223)		(6,223)
<b>Subtotal</b>	<b>\$2,194,617</b>	<b>\$2,206,838</b>	<b>\$4,424</b>	<b>\$2,211,262</b>
<b>Education Fund</b>				
Individual Income Tax	2,708,899	2,768,780	(21,750)	2,747,030
Corporate Franchise Tax	376,311	329,629	5,900	335,529
Escheats	8,160	8,386		8,386
<b>Subtotal</b>	<b>\$3,093,370</b>	<b>\$3,106,795</b>	<b>(\$15,850)</b>	<b>\$3,090,945</b>
<b>Total</b>	<b>\$5,287,987</b>	<b>\$5,313,633</b>	<b>(\$11,426)</b>	<b>\$5,302,207</b>
<b>Permanent School Fund</b>				
<b>Transportation Fund</b>				
Motor Fuel Tax	265,853	273,735		273,735
Special Fuel Tax	121,288	127,923		127,923
Other	80,066	70,241		70,241
<b>Total</b>	<b>\$467,207</b>	<b>\$471,899</b>		<b>\$471,899</b>
<b>Federal Mineral Lease</b>				
Royalties	123,880	142,062		142,062
Bonuses	14,735	13,851		13,851
<b>Total</b>	<b>\$138,615</b>	<b>\$155,912</b>		<b>\$155,912</b>

**Table 7**  
**Revenue to Appropriations Comparison, FY 2008 - FY 2009**  
**General and Education Funds (In Thousands)**

<b>Revenue</b>	<b>FY 2008 Revised</b>	<b>FY 2009 Appropriated</b>	<b>Percent Change</b>
Beginning Balance	1,029,011	270,506	-73.71%
General Fund	2,194,617	2,211,262	0.76%
Education Fund	3,093,370	3,090,945	-0.08%
<b>Subtotal</b>	<b>\$5,287,987</b>	<b>\$5,302,207</b>	<b>0.27%</b>
<b>One-time Sources</b>			
Industrial Assistance Set-aside	1,513	9,000	494.84%
Tourism Marketing Earmark	(4,400)	(15,480)	251.82%
HB359 Tax Changes		20,350	
MSP Nonlapsing Balances		6,000	
Other		(80)	
<b>Total</b>	<b>\$6,314,111</b>	<b>\$5,592,504</b>	<b>-11.43%</b>
<b>Appropriations</b>			
Legislature	19,914	21,004	5.47%
Elected Officials	49,699	44,950	-9.56%
Courts	113,144	117,358	3.72%
Corrections	330,292	360,620	9.18%
Public Safety	64,238	70,142	9.19%
Admin & Tech Services	147,390	24,032	-83.69%
Human Resource Mgt	3,367	3,823	13.52%
Debt Service	68,844	54,844	-20.34%
Capital Facilities	326,915	188,838	-42.24%
Health	372,668	385,539	3.45%
Human Services	285,823	301,031	5.32%
Public Ed - Agencies	86,668	200,718	131.59%
Public Ed - Minimum School Program	2,438,644	2,466,213	1.13%
Public Ed - School Building Program	77,289	42,289	-45.28%
Higher Education	743,728	767,645	3.22%
Higher Ed - UEN	21,327	22,482	5.42%
Higher Ed - Med Ed Council	453	702	54.86%
Higher Ed - UCAT	55,513	58,700	5.74%
Natural Resources Subcom	83,269	71,339	-14.33%
Commerce & Workforce Subcom	100,972	100,321	-0.64%
Ec Dev & Revenue Subcom	134,392	150,628	12.08%
National Guard/Veterans' Affairs	6,898	7,243	5.00%
Environmental Quality	12,669	15,057	18.85%
Transportation	499,490	98,000	-80.38%
<b>Total</b>	<b>\$6,043,605</b>	<b>\$5,573,518</b>	<b>-7.78%</b>
Reserved	\$270,506	\$4,000	
Unappropriated Balance		\$14,986	



**Table 8a Ten-year Appropriations History  
All Funds by Source of Financing**

Source of Funding	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Revised	FY 2009 Appropriated
General Fund	1,581,968,850	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	2,087,726,350	2,206,425,550
General Fund, One-time	5,419,400	31,090,400	(5,414,500)	29,599,400	532,700	117,544,000	121,540,000	454,595,540	349,698,320	30,527,400
Uniform School Fund	1,615,236,630	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	2,490,536,286
Uniform School Fund, One-time	9,449,000	36,840,000	32,191,400	10,436,000	5,891,000	34,800,900	43,725,000	74,357,300	296,803,500	154,267,500
Education Fund	152,075,600	167,311,800	103,415,500	4,908,000	112,000,000	200,520,900	235,260,900	548,663,800	463,136,000	471,607,800
Education Fund, One-time	1,000,241	82,551,300	3,703,100	1,935,100	(23,200,000)	52,073,500	19,496,600	62,412,200	433,064,400	102,153,300
Transportation Fund	357,399,700	390,189,100	406,266,600	389,538,000	391,891,100	437,416,000	421,112,200	422,737,800	431,650,000	464,215,400
Transportation Fund, One-time							126,371,900	1,200,000	10,000,000	7,683,600
Centennial Highway Fund	62,532,700	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
Centennial Highway Fund, One-time		3,079,000	1,796,800		1,796,800				3,650,000	0
General Fund Restricted	98,392,300	117,209,500	119,497,400	132,317,200	154,215,300	171,101,700	214,281,100	208,042,536	263,635,300	284,657,800
Uniform School Fund Restricted			75,800	78,400	72,000	90,700	14,306,100	15,168,000	25,607,500	28,375,100
Transportation Fund Restricted	24,724,400	30,319,100	28,683,000	27,573,800	29,813,200	30,720,100	37,215,500	41,330,900	40,182,800	50,333,500
Federal Funds	1,543,234,039	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	2,473,190,300	2,494,325,900
Dedicated Credits	466,997,890	578,883,135	957,433,182	774,058,339	614,539,399	730,196,287	654,136,650	702,618,740	715,886,200	758,615,500
Land Grant	490,377	857,800	1,148,200	771,000	804,700	1,040,435	1,807,732	1,943,425	1,108,500	1,108,500
Federal Mineral Lease	33,365,229	39,202,600	34,909,500	43,612,900	64,176,600	64,785,719	98,278,950	170,055,653	223,865,700	135,107,100
Restricted Revenue	57,500	182,100	2,850,000	9,606,100	2,944,000	273,700	17,603,200	19,200,600	20,020,700	0
Trust and Agency Funds	338,853,729	429,809,766	446,988,660	377,644,015	406,862,037	380,298,477	668,947,402	1,049,579,780	876,146,021	1,028,853,874
Transfers	218,537,519	257,340,460	278,521,804	310,161,147	312,446,922	314,413,473	350,828,925	362,909,859	359,776,200	364,620,400
Repayments/Reimbursements	31,062,600	33,064,300	7,999,200	12,260,800	15,206,500	11,107,200	11,816,900	11,816,900	35,937,000	42,490,000
Other Financing Sources	25,400	1,722,300					233,722	871,096	133,500	0
Pass-through		31,100		69,500	994,900	1,503,200	1,081,300	1,276,400	90,200	90,200
Beginning Balance	463,622,469	265,041,772	229,116,356	478,434,969	508,223,541	326,000,043	270,710,688	432,551,849	441,314,400	327,302,800
Closing Balance	(297,780,751)	(232,167,291)	(460,387,576)	(508,790,542)	(408,377,198)	(348,039,802)	(286,829,794)	(539,535,043)	(246,892,300)	(211,775,000)
Lapsing Balance	(15,900,469)	(52,312,247)	(46,235,373)	(88,457,656)	(56,071,454)	(20,646,900)	(25,473,500)	(98,931,600)	(2,533,100)	114,700
<b>Total</b>	<b>\$6,690,814,353</b>	<b>\$7,251,252,144</b>	<b>\$7,649,242,921</b>	<b>\$7,530,302,829</b>	<b>\$7,906,400,899</b>	<b>\$8,498,418,488</b>	<b>\$9,246,397,295</b>	<b>\$10,354,190,932</b>	<b>\$11,844,350,499</b>	<b>\$11,483,464,010</b>

**Table 8b - Ten-year Appropriations History**  
**All Funds by Program**

Program	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Revised	Appropriated
Legislature	12,905,600	13,463,600	14,144,800	13,890,100	14,688,300	14,962,100	16,164,200	17,542,740	20,246,520	21,179,800
Elected Officials	64,329,700	62,201,900	69,494,500	65,883,200	60,558,300	68,015,400	69,521,400	71,428,600	96,517,550	86,406,350
Courts	94,179,850	98,622,400	100,568,900	97,466,100	101,063,300	106,275,800	111,874,100	118,393,500	131,254,000	134,810,400
Corrections	277,891,600	281,646,700	300,512,500	279,019,900	296,331,300	306,155,200	319,247,200	349,360,100	385,380,300	411,310,400
Public Safety	91,142,300	102,811,500	127,600,000	102,109,200	124,657,100	137,930,600	149,824,400	139,084,500	208,613,300	180,479,500
Admin & Tech Services	28,447,000	30,424,500	29,045,400	22,577,700	23,488,800	38,020,000	57,317,000	82,078,900	199,503,900	85,136,500
Human Resource Mgt	3,283,000	3,233,100	3,316,100	3,067,000	3,185,800	3,172,600	3,225,900	3,393,200	4,453,600	4,222,600
Debt Service	158,273,800	158,886,100	175,188,600	189,020,800	211,960,600	273,677,600	235,436,500	235,010,400	240,979,100	252,705,300
Capital Facilities	115,192,900	288,762,100	184,210,700	187,127,000	44,584,700	151,665,700	104,545,600	213,783,300	332,147,500	194,577,200
Health	985,996,346	1,083,574,085	1,234,312,321	1,343,097,682	1,521,181,416	1,656,093,500	1,802,869,400	1,811,148,600	1,951,198,000	1,992,940,600
Human Services	425,205,985	433,139,393	456,418,300	433,129,186	467,411,200	488,939,800	504,522,100	534,177,600	593,841,200	619,028,100
Public Ed - Agencies	301,884,600	319,757,900	351,885,600	382,485,000	403,792,100	442,072,400	481,149,400	494,403,000	501,685,300	614,600,200
Public Ed - Minimum School Program	1,766,240,612	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	3,115,831,060
Public Ed - School Building Program	29,358,000	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
Higher Education	698,621,387	741,840,700	816,853,000	825,704,800	867,040,900	919,547,006	972,348,808	1,029,913,754	1,135,558,200	1,166,245,100
Higher Ed - UEN	14,786,524	18,908,600	20,686,900	19,049,400	21,352,200	23,116,100	28,626,900	30,248,100	34,603,500	34,133,400
Higher Ed - Med Ed Council	497,586	471,500	470,600	516,100	632,200	697,800	738,700	770,800	1,108,100	1,667,800
Higher Ed - UCAT	35,330,263	33,682,800	47,916,700	43,245,100	45,042,600	48,060,194	55,492,810	61,021,613	65,789,500	65,317,100
Natural Resources Subcom	154,250,400	150,578,600	158,001,000	176,375,400	165,264,800	166,619,200	189,936,600	236,873,300	261,474,700	245,096,000
Commerce & Workforce Subcom	300,759,900	302,791,900	313,708,300	356,939,100	370,080,100	381,785,400	374,734,600	383,694,600	444,916,800	453,652,100
Ec Dev & Revenue Subcom	151,066,500	183,903,300	174,973,400	176,396,500	193,681,700	174,955,900	250,681,500	328,367,800	467,689,900	453,595,200
National Guard/Veterans' Affairs	16,279,000	18,316,000	24,508,800	25,122,500	26,924,000	24,792,500	29,229,200	32,982,200	45,705,300	60,219,700
Environmental Quality	64,377,000	68,866,100	72,627,000	64,010,800	73,282,200	69,781,900	74,346,400	78,811,300	88,240,800	87,158,400
Transportation	900,514,500	941,431,200	952,233,900	755,816,100	835,651,700	850,511,900	1,123,780,400	1,586,372,200	1,583,836,700	1,160,862,300
<b>Total</b>	<b>\$6,690,814,353</b>	<b>\$7,251,252,144</b>	<b>\$7,649,242,921</b>	<b>\$7,530,302,829</b>	<b>\$7,906,400,899</b>	<b>\$8,498,418,488</b>	<b>\$9,246,397,295</b>	<b>\$10,354,190,932</b>	<b>\$11,844,350,499</b>	<b>\$11,483,464,010</b>



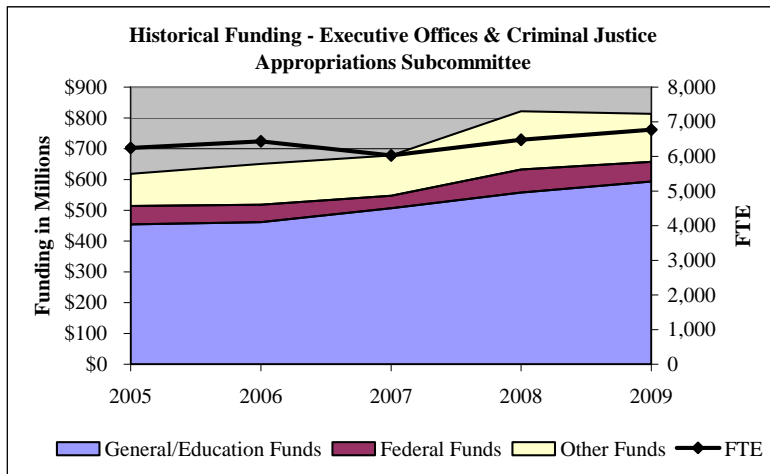
# Executive Offices and Criminal Justice





## 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 6,770 full-time equivalent (FTE) employees. The FY 2009 appropriation from all sources of funding is \$813,006,650. The Subcommittee budget increased by \$51,963,900 or 6.8 percent from the FY 2008 appropriated amount. Over 72.9 percent of the Subcommittee’s \$813.0 million budget comes from the General Fund. Over 97.8 percent of the budget is devoted to law enforcement activities.



## General Subcommittee Issues

The 2008 Executive Offices and Criminal Justice Appropriations Subcommittee focused on maintaining the public’s safety. In order to maintain the public’s safety and trust, the Legislature appropriated an additional \$51.9 million for the Executive Offices and Criminal Justice agencies.

The Subcommittee made no changes with major line items in the Department of Public Safety, Department of Corrections, Division of Juvenile Justice Services, and the Courts budgets. All Subcommittee agencies and the Judiciary have non-lapsing spending authority granted through FY 2008.

## **Executive Offices**

Four separate budgets comprise the Executive Offices portion of the Subcommittee's work. These include the Office of the Governor, Office of the Attorney General, State Auditor, and State Treasurer.

### **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 and 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 economical 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.

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## Legislative Action

The FY 2009 General Fund appropriation for the Office of the Governor is \$9,404,400. This is an increase of \$887,100 over the FY 2009 base appropriation.

**Energy Advisor Employees:** \$300,000 was appropriated to replace previously provided one-time revenue for three Energy Advisor employees.

**Constitutional Amendments:** \$73,500 (one-time) was provided for costs associated with proposed Constitutional Amendments.

**Statewide Special Election:** Lawmakers approved \$2,000,000 (one-time FY 2008) for costs of the statewide special election on Referendum Number 1.

**Wasatch Front Regional Council and Mountainland Association of Governments (MAG):** A one-time appropriation of \$140,000 was made for local government planning.

**H.B. 29, “Election Law, Financial Reporting”** required \$57,000 for one FTE to manage reports and to account for annual information technology costs.

**H.B. 75 “Inventory and Review of Commercial Activities”** required \$55,000 for a research analyst for the Governor’s Office of Planning and Budget.

**DUI Booking System Expansion:** The Commission on Criminal and Juvenile Justice received a one-time \$750,000 appropriation to expand the Driving Under the Influence Network system among law enforcement agencies throughout the state.

**S.B.105, “Judicial Performance Evaluation Commission”** provides \$349,000 to create the Judicial Performance Evaluation Commission and fund its operation as prescribed in the legislation.

## Funding Detail

Office of the Governor					
Sources of Finance	2008	2008	2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	8,517,300		8,517,300	8,440,900	(76,400)
General Fund, One-time	5,523,300	1,600,000	7,123,300	963,500	(6,159,800)
Federal Funds	9,492,400		9,492,400	9,827,500	335,100
Dedicated Credits Revenue	666,400		666,400	664,500	(1,900)
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	3,579,200		3,579,200	3,722,000	142,800
Oil Overchg - Exxon	771,500	(771,500)			
Oil Overchg - Stripper Well	436,500	771,500	1,208,000		(1,208,000)
Transfers - Within Agency	150,000		150,000	150,000	
Beginning Nonlapsing	3,816,400		3,816,400	315,800	(3,500,600)
Closing Nonlapsing	(254,400)		(254,400)	(100,000)	154,400
<b>Total</b>	<b>\$35,568,600</b>	<b>\$1,600,000</b>	<b>\$37,168,600</b>	<b>\$26,854,200</b>	<b>(\$10,314,400)</b>
<b>Line Items</b>					
Governor's Office	10,230,100	2,000,000	12,230,100	5,160,500	(7,069,600)
Lt. Governor's Office	50,000		50,000	50,000	
Emergency Fund					
Governor's Office of Planning and Budget	5,574,700		5,574,700	4,106,800	(1,467,900)
Commission on Criminal and Juvenile Justice	19,713,800	(400,000)	19,313,800	17,536,900	(1,776,900)
<b>Total</b>	<b>\$35,568,600</b>	<b>\$1,600,000</b>	<b>\$37,168,600</b>	<b>\$26,854,200</b>	<b>(\$10,314,400)</b>
<b>Budgeted FTE</b>	<b>104.8</b>	<b>0.0</b>	<b>104.8</b>	<b>102.8</b>	<b>(2.0)</b>

## 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

The FY 2009 General Fund appropriation for the Office of the Attorney General is \$30,595,950. This is an increase of \$1,228,200 over the FY 2008 revised estimate.

**Litigation/Settlements:** The Legislature appropriated \$162,200 as a FY 2008 supplemental for the final payment to the plaintiff's attorneys in the settlement of the David C. et al. versus Michael Leavitt et al. child welfare system litigation.

**Methamphetamine Detoxification:** The Legislature provided \$240,000 as a FY 2008 supplemental for the healthcare

of ailing law enforcement personnel who have been exposed to toxic methamphetamine ingredients.

**Agency Billing Issues:** The Legislature appropriated \$369,400 as a FY 2008 supplemental and \$369,000 in FY 2009 to various state agencies that utilize the Attorney General's legal services for attorneys' salary increases.

**Internet Crimes Against Children:** The Legislature funded \$70,500 for a paralegal staff for the prosecution of internet crimes against children.

**Crime Reports Website:** The Legislature provided \$150,000 (one-time) for the development of a crime reports website.

**Funding Shift from the Commission on Criminal and Juvenile Justice (CCJJ):** The Legislature shifted \$400,000 as a FY 2008 supplemental and \$1,000,000 thereafter from the Commission on Criminal and Juvenile Justice to the Attorney General for grants to prevent the sexual exploitation of children.

The following bills were approved by lawmakers during the 2008 General Session that have fiscal impact to the Office of the Attorney General:

**S.B. 19, "Enhanced Public Safety Retirement Systems COLA Option"** appropriates \$36,900 (\$28,200 from the General Fund) for an increase in the retirement rate contribution for department employees.

**S.B. 81, "Illegal Immigration"** appropriates \$300,000 (\$62,000 one-time) for investigation and verification activities. This appropriation is effective in FY 2010.

**S.B. 134, "Mortgage Fraud Act"** appropriates \$126,000 for criminal prosecution of mortgage fraud.

**S.B. 239, "Office of the Attorney General, Safety Net Initiative"** appropriates \$306,900 for services to men, women, and children who may be subject to crimes including domestic violence, sexual abuse, or maltreatment.

## Funding Detail

Office of the Attorney General					
Sources of Finance	2008	2008	2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	27,865,550		27,865,550	30,745,950	2,880,400
General Fund, One-time	700,000	802,200	1,502,200	(150,000)	(1,652,200)
Federal Funds	1,698,100		1,698,100	1,589,300	(108,800)
Dedicated Credits Revenue	16,270,200		16,270,200	16,980,000	709,800
GFR - Domestic Violence	78,300		78,300	78,300	
GFR - Public Safety Support	569,000		569,000	588,600	19,600
GFR - Tobacco Settlement	275,200		275,200	275,200	
Attorney General Litigation Fund	321,700		321,700	335,400	13,700
Transfers - Commission on Criminal and Juve	145,900		145,900	42,100	(103,800)
Transfers - Fed Pass-thru	65,800		65,800		(65,800)
Transfers - Federal	337,100		337,100		(337,100)
Transfers - Other Agencies	80,400		80,400	483,300	402,900
Beginning Nonlapsing	2,381,300		2,381,300	545,000	(1,836,300)
Closing Nonlapsing	(545,100)		(545,100)		545,100
<b>Total</b>	<b>\$50,243,450</b>	<b>\$802,200</b>	<b>\$51,045,650</b>	<b>\$51,513,150</b>	<b>\$467,500</b>
<b>Line Items</b>					
Attorney General	45,436,150	640,000	46,076,150	47,300,050	1,223,900
Contract Attorneys	758,900	162,200	921,100	300,000	(621,100)
Children's Justice Centers	3,172,400		3,172,400	3,099,400	(73,000)
Prosecution Council	797,700		797,700	735,400	(62,300)
Domestic Violence	78,300		78,300	78,300	
<b>Total</b>	<b>\$50,243,450</b>	<b>\$802,200</b>	<b>\$51,045,650</b>	<b>\$51,513,150</b>	<b>\$467,500</b>
<b>Budgeted FTE</b>	<b>419.3</b>	<b>0.0</b>	<b>419.3</b>	<b>425.5</b>	<b>6.3</b>

## 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 State Auditor's appropriated General Fund budget for FY 2009 is \$3,895,900. This is an increase of \$215,800 over the FY 2008 revised estimate.

### Funding Detail

State Auditor					
	2008	2008	2008	2009	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	3,680,100		3,680,100	3,895,900	215,800
Dedicated Credits Revenue	1,259,100		1,259,100	1,334,100	75,000
Beginning Nonlapsing	197,200		197,200		(197,200)
<b>Total</b>	<u>\$5,136,400</u>	<u>\$0</u>	<u>\$5,136,400</u>	<u>\$5,230,000</u>	<u>\$93,600</u>
<b>Line Items</b>					
State Auditor	5,136,400		5,136,400	5,230,000	93,600
<b>Total</b>	<u>\$5,136,400</u>	<u>\$0</u>	<u>\$5,136,400</u>	<u>\$5,230,000</u>	<u>\$93,600</u>
<b>Budgeted FTE</b>	47.0	0.0	47.0	47.0	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 State Treasurer's appropriated General Fund budget for FY 2009 is \$1,053,900. This is an increase of \$43,000 over the FY 2008 revised estimate.

## Funding Detail

State Treasurer					
Sources of Finance	2008	2008	2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	1,010,900		1,010,900	1,053,900	43,000
Dedicated Credits Revenue	323,600		323,600	351,300	27,700
Unclaimed Property Trust	1,365,700		1,365,700	1,403,800	38,100
Beginning Nonlapsing	466,700		466,700		(466,700)
<b>Total</b>	<b>\$3,166,900</b>	<b>\$0</b>	<b>\$3,166,900</b>	<b>\$2,809,000</b>	<b>(\$357,900)</b>
<b>Line Items</b>					
State Treasurer	3,166,900		3,166,900	2,809,000	(357,900)
<b>Total</b>	<b>\$3,166,900</b>	<b>\$0</b>	<b>\$3,166,900</b>	<b>\$2,809,000</b>	<b>(\$357,900)</b>
<b>Budgeted FTE</b>	27.3	0.0	27.3	27.3	0.0

## 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

The Department of Public Safety's appropriated General Fund budget for FY 2009 is \$70,142,400. This is an increase of \$5,904,400 over the FY 2008 revised estimate. New funding was provided for the following items:

**Additional Utah Highway Patrol Troopers:** The Legislature provided \$1,500,000 to hire up to 15 troopers over the next two years.

**Weber Consolidated Dispatch Center:** The Legislature appropriated \$100,000 for state costs at the Weber Consolidated Dispatch Center.

**Utah Highway Patrol Body Armor:** The Legislature funded \$175,000 (one-time) to replace aging body armor.

**Utah Highway Patrol High School Adoption:** The Legislature provided \$50,000 (one-time) to partner with high schools promoting law-abiding life values.

The following bills were approved by lawmakers during the 2008 General Session:

**H.B. 72, “Motorcycle License and Endorsement Amendments”** appropriates \$4,000 (one-time restricted funds) for system programming changes at the Driver License Division.

**S.B. 15, “Driving Under the Influence Amendments”** appropriates \$660,000 to both the Utah Highway Patrol and to the Liquor Law Enforcement Program. The Legislature also appropriated \$7,500 of one-time restricted funds to the Driver License Division to implement provisions of the bill. The bill is estimated to increase annual state revenues by \$1,788,000 beginning FY 2009.

**S.B. 19, “Enhanced Public Safety Retirement Systems COLA Option”** appropriates \$606,900 (\$561,700 General Fund) for an increase in the retirement rate contribution for Department employees.

**S.B. 81, “Illegal Immigration”** appropriates \$1,279,600 (\$239,700 one-time) beginning FY 2010 to notify all driver license holders and require in-person renewals for one complete renewal cycle (five years). Restricted revenue from new licenses is estimated at \$15,200 beginning FY 2010.

The Legislature appropriated restricted funds for the following programs and operations within the Department:

**State Fire Marshal Lease:** \$13,300 beginning in FY 2008 for lease increases in Salt Lake County and Richfield.

**State Fire Marshal Command Training Center:** \$500,000 (FY 2008 supplemental) for the Command Training Center for state of the art training using interactive, real-time simulation of response to multi-agency scenarios involving fire.

**State Fire Marshall Training:** \$300,000 for skills training for small voluntary fire departments in rural areas.

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**Peace Officers' Standards and Training Computer**

**Lab:** \$135,200 (FY 2008 supplemental) to further automate and standardize law enforcement training.

**Peace Officers' Standards and Training Training**

**Automation:** \$175,000 (one-time) for the creation of an online application and student records system.

**Utah Highway Patrol Grant Award:** \$20,000 (FY 2008 supplemental) for surveillance equipment for the Special Emergency Response Team (SERT).

**Driver License Motorcycle Education Program**

**Funding:** \$150,000 beginning in FY 2008 for expanded training of motorcycle safety education.

**Driver License Lease Increases:** \$211,500 for increases at the Heber, Cedar City, Dixie (Hurricane), South Valley (Salt Lake County), and Fair Park (Salt Lake County) offices.

**H.B. 15, "Driver License Privilege Suspension for Failure to Pay Child Support"** passed during the 2007 General Session was funded with \$64,700 (\$21,200 one-time) for costs associated with driver license suspensions and reinstatements due to failure to pay legally required/court ordered child support. The bill is estimated to generate additional state revenues of \$148,800 annually.

**Drivers License FTE:** The Legislature approved \$130,000 to convert 10 temporary positions to full-time.

**Drivers License South Valley Facility Staffing:** Law makers approved an appropriation of \$645,200 for the operational and personnel costs to staff the South Valley Facility.

**Drivers License St. George Express Office:** \$337,700 for operating and personnel costs of the new St. George Express Office.

**Driver License Uninsured Motorist:** The Legislature provided \$500,000 for increased demand and usage of uninsured motorist information.

## Funding Detail

<b>Department of Public Safety</b>					
<b>Sources of Finance</b>	<b>2008</b>		<b>2008</b>	<b>2009</b>	<b>Change from 2008 Revised</b>
	<b>Estimated</b>	<b>Supplemental</b>	<b>Revised</b>	<b>Appropriated</b>	
General Fund	64,138,000		64,138,000	71,196,500	7,058,500
General Fund, One-time	100,000		100,000	(1,054,100)	(1,154,100)
Transportation Fund	5,495,500		5,495,500	5,495,500	
Federal Funds	61,415,800		61,415,800	50,346,900	(11,068,900)
Dedicated Credits Revenue	8,833,700		8,833,700	9,179,900	346,200
GFR - DNA Specimen	688,200		688,200	688,100	(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	4,885,200	513,300	5,398,500	5,273,800	(124,700)
GFR - Nuclear Oversight	1,793,300		1,793,300	1,793,300	
GFR - Public Safety Support	3,540,900	135,200	3,676,100	3,821,300	145,200
GFR - State Law Enforcement Forfeiture Acc	20,000	20,000	40,000		(40,000)
GFR - Statewide Warrant Ops	531,000		531,000	644,000	113,000
TFR - Motorcycle Education	219,900	150,000	369,900	372,300	2,400
TFR - Dept. of Public Safety Rest. Acct.	24,479,800		24,479,800	26,465,600	1,985,800
TFR - Uninsured Motorist I.D.	1,860,100		1,860,100	2,360,100	500,000
Transfers - Commission on Criminal and Juve	289,000		289,000	842,500	553,500
Transfers - Other Agencies	772,000		772,000	22,000	(750,000)
Transfers - Within Agency				75,000	75,000
Pass-through	40,200		40,200	40,200	
Beginning Nonlapsing	27,202,000		27,202,000	614,900	(26,587,100)
Closing Nonlapsing	(615,200)		(615,200)		615,200
Lapsing Balance	(1,994,600)		(1,994,600)	(1,798,300)	196,300
<b>Total</b>	<b>\$207,794,800</b>	<b>\$818,500</b>	<b>\$208,613,300</b>	<b>\$180,479,500</b>	<b>(\$28,133,800)</b>
<b>Line Items</b>					
Public Safety Programs & Operations	101,793,800	533,300	102,327,100	95,876,300	(6,450,800)
Emergency Services and Homeland Security	62,110,900		62,110,900	42,856,300	(19,254,600)
Peace Officers' Standards and Training	3,784,600	135,200	3,919,800	3,871,000	(48,800)
Liquor Law Enforcement	1,912,700		1,912,700	2,314,400	401,700
Driver License	30,412,400	150,000	30,562,400	27,851,900	(2,710,500)
Highway Safety	7,780,400		7,780,400	7,709,600	(70,800)
<b>Total</b>	<b>\$207,794,800</b>	<b>\$818,500</b>	<b>\$208,613,300</b>	<b>\$180,479,500</b>	<b>(\$28,133,800)</b>
<b>Budgeted FTE</b>	<b>1,149.0</b>	<b>0.0</b>	<b>1,149.0</b>	<b>1,149.0</b>	<b>0.0</b>

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## Courts

The Utah State Court System consists of the Supreme Court, the Court 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

**Guardian ad Litem Staffing Increase:** The Legislature funded \$273,700 (\$13,200 one-time) for the hiring of 2 attorneys, 2 support staff positions, and other related expenses in the Office of the Guardian ad Litem.

**Court Lease Increase Obligation:** The Legislature appropriated \$623,900 for increased lease expenses.

**Juror, Witness, Interpreter Fund Deficit Payment:** The Legislature appropriated \$310,000 (one-time) to fund a deficit in the Juror, Witness, Interpreter Fund incurred in FY 2006 and FY 2007.

**Drug Courts:** The Legislature funded \$130,000 (one-time) to address needs in the Drug Courts.

**Child and Family Protection/Legal Aid:** The Legislature appropriated \$100,000 for legal services provided to indigent families.

**Fourth District Commissioner:** The Legislature funded \$200,000 for a Court Commissioner in the 4th district to address judicial workload increases.

The following bills passed during the 2008 General Session and add the noted funding to the Courts for anticipated workload/caseload increases:

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<b>S.B. 15, “Driving Under the Influence Amendments”</b>	\$210,000
<b>S.B. 16, “Exoneration and Innocence Assistance”</b>	\$5,500
<b>S.B. 94, “Burglary of a Railroad Car”</b>	\$22,400
<b>S.B. 186, “Custody and Parent-time for Non-Parents”</b>	\$12,800
<b>S.B. 134, “Mortgage Fraud Act”</b>	\$24,000
<b>H.B.19, “Assault on a Peace Officer Penalty Amendments”</b>	\$7,400
<b>H.B. 140, “Child Restraint Device Amendments”</b>	\$12,000

**S.B. 72, “Justice Court Amendments”** provides \$36,800 for State Court restructuring related to the Justice Courts.

**Security & Technology Account and Non-Judicial Account:** The Legislature increased restricted fund spending for the Court’s Non-Judicial Assessment Account by \$194,300. The Legislature also increased restricted fund spending for the Justice Court Technology, Security & Training account by \$100,000.

### **Intent Language**

The Legislature intends that the Courts may expend part of the Administration line-item base budget appropriation of \$100,202,300 to enter into a lease-purchase agreement for data processing hardware.

Under provisions of Section 67-8-2, Utah Code Annotated, salaries equal to \$129,650 per year are approved for District Court Judges for the fiscal year beginning July 1, 2008 and ending June 30, 2009. Other judicial salaries shall be calculated in accordance with the formula set forth in Section 67-8-2 and rounded to the nearest \$50.

Under provisions of Section 67-8-2, Utah Code Annotated, District Court Judge salaries set in Item 13 of this act are hereby adjusted upward by \$2,500 from \$129,650 per year to \$132,150 for the fiscal year beginning July 1, 2008 and ending June 30, 2009. Other judicial salaries shall be calculated in accordance with the formula set forth in Section 67-8-2 and rounded to the nearest \$50.

If funding is provided in the 2008 General Session, it is the intent of the Legislature that the Guardian ad Litem purchase two additional vehicles.

## Funding Detail

Judicial Council/State Court Administrator					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	112,398,400		112,398,400	117,575,600	5,177,200
General Fund, One-time	435,300	310,000	745,300	(217,300)	(962,600)
Federal Funds	123,000		123,000	166,600	43,600
Dedicated Credits Revenue	1,537,100		1,537,100	1,673,200	136,100
GFR - Alternative Dispute Resolution	310,700		310,700	317,500	6,800
GFR - Children's Legal Defense	667,500		667,500	685,600	18,100
GFR - Court Reporter Technology				250,000	250,000
GFR - Court Security Account	4,756,400		4,756,400	4,756,400	
GFR - Court Trust Interest	250,000		250,000	250,000	
GFR - DNA Specimen	244,200		244,200	252,800	8,600
GFR - Guardian Ad Litem Services	355,300		355,300	360,900	5,600
GFR - Justice Court Tech, Sec.& Training	899,300		899,300	999,300	100,000
GFR - Non-Judicial Assessment	721,700		721,700	945,300	223,600
GFR - Online Court Assistance	74,400		74,400	75,000	600
GFR - State Court Complex	4,700,000		4,700,000	4,400,000	(300,000)
GFR - Substance Abuse Prevention	447,700		447,700	452,400	4,700
GFR - Tobacco Settlement	193,700		193,700	193,700	
GFR - Transcriptions	250,000		250,000		(250,000)
Transfers - Commission on Criminal and Juve	565,600		565,600	575,500	9,900
Transfers - Human Services	152,000		152,000	152,000	
Transfers - Other Agencies	720,500		720,500	564,000	(156,500)
Transfers - Youth Corrections				178,500	178,500
Beginning Nonlapsing	1,018,100		1,018,100	(423,100)	(1,441,200)
Closing Nonlapsing	423,100		423,100	626,500	203,400
Lapsing Balance	(300,000)		(300,000)		300,000
<b>Total</b>	<b>\$130,944,000</b>	<b>\$310,000</b>	<b>\$131,254,000</b>	<b>\$134,810,400</b>	<b>\$3,556,400</b>
<b>Line Items</b>					
Administration	101,974,600		101,974,600	104,903,800	2,929,200
Grand Jury	800		800	800	
Contracts and Leases	21,728,500		21,728,500	22,304,400	575,900
Jury and Witness Fees	1,788,300	310,000	2,098,300	1,748,300	(350,000)
Guardian ad Litem	5,451,800		5,451,800	5,853,100	401,300
<b>Total</b>	<b>\$130,944,000</b>	<b>\$310,000</b>	<b>\$131,254,000</b>	<b>\$134,810,400</b>	<b>\$3,556,400</b>
<b>Budgeted FTE</b>	<b>1,248.0</b>	<b>0.0</b>	<b>1,248.0</b>	<b>1,268.2</b>	<b>20.2</b>



## 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 reentry programs as inmates return to the community. These offender reentry 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

The Legislature appropriated \$294,324,700 to the Department of Corrections for FY 2009. Of this amount, \$262,274,700 is from the General Fund. This appropriation represents an increase of \$27,966,800 or 12 percent over the FY 2008 revised estimate. Most of the General Fund increase in the Department of Corrections can be attributed to Legislative compensation increases and funding the operation of two facilities for FY 2009. The following items were approved for funding by the Legislature:

**Correctional Officer Recruitment and Retention:** The Legislature appropriated \$3,000,000 to increase correctional officers' salaries.

**Privatized 300-bed Parole Violator Center:** The Legislature appropriated \$7,643,100 for a privatized facility that will provide treatment and programming to parole violators.

**Gunnison 192-bed Full-year Funding:** The Legislature appropriated \$7,327,500 for staffing, support, and O & M for the new 192-bed facility at the Central Utah Correctional Facility.

**Jail Programs:** The Legislature funded \$4,000,000 (one-time) for both Jail Contracting and Jail Reimbursement (\$2 million

for each) for prison population growth and growth among those who are admitted into county jails as a condition of probation.

**Data Processing Reallocation:** The Legislature moved \$368,300 from the inactive Data Processing Internal Service Fund to the Programs and Operations line item within the Department for data processing equipment.

**S.B. 19, “Enhanced Public Safety Retirement Systems Cola Option”** funds \$2,240,700 for an increased cost of living adjustment for Corrections officer retirees.

**H.B. 109 “Sex Offender Law Amendments”** appropriates \$200,000 (one-time) for sex offender assessment screenings.

**H.B. 492 “Sex Offender Notification and Registration”** increases the amount of dedicated credits to the Department by \$171,000 for costs associated with the compliance of new sex offender registry regulations.

The Legislature approved the following bills that will impact the Department through increased incarcerations:

<b>S.B. 15 “Driving Under the Influence Amendments”</b>	\$264,000
<b>S.B. 297 “Animal Torture and Cruelty Amendments”</b>	\$16,000
<b>H.B. 19 “Assault on a Peace Officer Penalty Amendments”</b>	\$51,400
<b>H.B. 102 “Child Abuse Homicide Amendments”</b>	\$51,400

### **Intent Language**

The Legislature intends that the state daily incarceration rate shall be \$64.29 for FY 2009.

If funding is provided in the 2008 General Session, the Legislature intends that Correctional Officer Retention funds are limited to correctional officers.

The Legislature intends that if the Department of Corrections is able to reallocate resources internally to fund additional Adult Probation and Parole agents, for every two agents hired, the Legislature grants authority to purchase one vehicle with Department funds.

The Legislature intends that the Department of Corrections spend up to \$3,000,000 in non-lapsing balances for jail contracting in addition to the \$2,000,000 appropriated.

## Funding Detail

Utah Department of Corrections					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	234,307,900		234,307,900	262,274,700	27,966,800
General Fund, One-time	4,727,200		4,727,200	3,681,100	(1,046,100)
Federal Funds	390,000		390,000	390,000	
Dedicated Credits Revenue	21,109,400		21,109,400	26,397,100	5,287,700
GFR - DNA Specimen	515,000		515,000	515,000	
GFR - Interstate Cmpct for Adult Offender Su	29,000		29,000	29,000	
GFR - Tobacco Settlement	81,700		81,700	81,700	
Crime Victims Reparation Trust	750,000		750,000	750,000	
Transfers - Commission on Criminal and Juve	188,500		188,500	13,500	(175,000)
Transfers - Other Agencies	172,900		172,900	192,600	19,700
UDC Data Processing ISF		368,300	368,300		(368,300)
Beginning Nonlapsing	8,458,300		8,458,300	100,000	(8,358,300)
Closing Nonlapsing	(100,000)		(100,000)	(100,000)	
<b>Total</b>	<b>\$270,629,900</b>	<b>\$368,300</b>	<b>\$270,998,200</b>	<b>\$294,324,700</b>	<b>\$23,326,500</b>
<b>Line Items</b>					
Corrections Programs & Operations	192,739,200	368,300	193,107,500	216,037,900	22,930,400
Department Medical Services	21,483,700		21,483,700	20,703,700	(780,000)
Utah Correctional Industries	17,712,700		17,712,700	22,000,600	4,287,900
Jail Contracting	27,088,400		27,088,400	23,976,600	(3,111,800)
Jail Reimbursement	11,605,900		11,605,900	11,605,900	
<b>Total</b>	<b>\$270,629,900</b>	<b>\$368,300</b>	<b>\$270,998,200</b>	<b>\$294,324,700</b>	<b>\$23,326,500</b>
<b>Budgeted FTE</b>	2,427.0	0.0	2,427.0	2,684.4	257.4

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## Board of Pardons

The Board of Pardons supervises the release of all inmates in State of 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 to decide whether an inmate should be sent back to prison. The Board of Pardons and Parole has played a significant role in reducing the number of inmates at the State Prison.

### Legislative Action

The Board of Pardons' appropriated budget is \$3,932,500, representing an eight percent increase from the FY 2008 revised estimate.

**Hearing Officer and Office Specialist:** The Legislature appropriated \$171,000 for increased hearings and caseload growth.

**Transportation:** The Legislature approved \$70,000 (one-time) for additional travel costs as a result of increased hearings.

**H.B.102, "Child Abuse Homicide Amendments"** funded \$1,000, the projected cost of enactment of this bill for increased incarceration and workload costs.

**S.B. 19, "Enhanced Public Safety Retirement Systems Cola Option"** funded \$34,700 for an increased cost of living adjustment for certain Board retirees.

## Funding Detail

Board of Pardons and Parole					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	3,489,100		3,489,100	3,783,400	294,300
General Fund, One-time	(4,500)		(4,500)	69,500	74,000
Dedicated Credits Revenue	2,200		2,200	2,200	
GFR - Tobacco Settlement	77,400		77,400	77,400	
Transfers - Commission on Criminal and Juve	34,300		34,300		(34,300)
Beginning Nonlapsing	60,600		60,600		(60,600)
<b>Total</b>	<b>\$3,659,100</b>	<b>\$0</b>	<b>\$3,659,100</b>	<b>\$3,932,500</b>	<b>\$273,400</b>
<b>Line Items</b>					
Board Of Pardons and Parole	3,659,100		3,659,100	3,932,500	273,400
<b>Total</b>	<b>\$3,659,100</b>	<b>\$0</b>	<b>\$3,659,100</b>	<b>\$3,932,500</b>	<b>\$273,400</b>
<b>Budgeted FTE</b>	38.0	0.0	38.0	41.8	3.8

## 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

The Legislature appropriated \$112,785,700 to the Division of Juvenile Justice Services for FY 2009. Of this amount, \$90,544,200 is from the General Fund. The DJJS budget increased \$3,039,100 or three percent from FY 2008 revised figures. This net increase is partially due to the three percent increase of the total operating budgets of private providers totaling \$1,343,600.

**Federal Medical Assistance Percentage (FMAP) Rate Change:** The Legislature appropriated \$73,200 of General Funds to the Division of Juvenile Justice Services due to changes in the FMAP rate in order to maintain services at current levels.

## Funding Detail

Department of Human Services - Division of Juvenile Justice Services					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	87,505,100		87,505,100	90,544,200	3,039,100
Federal Funds	2,215,500		2,215,500	2,273,600	58,100
Dedicated Credits Revenue	2,865,300		2,865,300	2,880,300	15,000
GFR - Youth Corrections Victims		820,200	820,200		(820,200)
Transfers - Child Nutrition	1,008,300		1,008,300	1,008,300	
Transfers - Commission on Criminal and Juve	487,100		487,100	450,500	(36,600)
Transfers - Medicaid	15,322,300		15,322,300	15,679,200	356,900
Transfers - Other Agencies	9,000		9,000	6,000	(3,000)
Transfers - Within Agency	5,500		5,500	(56,400)	(61,900)
Beginning Nonlapsing	217,200		217,200		(217,200)
<b>Total</b>	<b>\$109,635,300</b>	<b>\$820,200</b>	<b>\$110,455,500</b>	<b>\$112,785,700</b>	<b>\$2,330,200</b>
<b>Line Items</b>					
Programs and Operations	109,635,300	820,200	110,455,500	112,785,700	2,330,200
<b>Total</b>	<b>\$109,635,300</b>	<b>\$820,200</b>	<b>\$110,455,500</b>	<b>\$112,785,700</b>	<b>\$2,330,200</b>
<b>Budgeted FTE</b>	1,021.0	0.0	1,021.0	1,025.1	4.1

## Funding Detail

Executive Offices & Criminal Justice Appropriations Subcommittee					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	543,179,850		543,179,850	589,778,550	46,598,700
General Fund, One-time	11,481,300	2,712,200	14,193,500	3,292,700	(10,900,800)
Transportation Fund	5,495,500		5,495,500	5,495,500	
Federal Funds	75,334,800		75,334,800	64,593,900	(10,740,900)
Dedicated Credits Revenue	52,867,000		52,867,000	59,462,600	6,595,600
GFR - Alternative Dispute Resolution	310,700		310,700	317,500	6,800
GFR - Children's Legal Defense	667,500		667,500	685,600	18,100
GFR - Court Reporter Technology				250,000	250,000
GFR - Court Security Account	4,756,400		4,756,400	4,756,400	
GFR - Court Trust Interest	250,000		250,000	250,000	
GFR - Criminal Forfeiture Restricted Account	500,000		500,000	500,000	
GFR - Domestic Violence	78,300		78,300	78,300	
GFR - DNA Specimen	1,447,400		1,447,400	1,455,900	8,500
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	4,885,200	513,300	5,398,500	5,273,800	(124,700)
GFR - Guardian Ad Litem Services	355,300		355,300	360,900	5,600
GFR - Interstate Cmpct for Adult Offender Su	29,000		29,000	29,000	
GFR - Justice Court Tech, Sec.& Training	899,300		899,300	999,300	100,000
GFR - Law Enforcement Operations	2,370,000		2,370,000	2,370,000	
GFR - Non-Judicial Assessment	721,700		721,700	945,300	223,600
GFR - Nuclear Oversight	1,793,300		1,793,300	1,793,300	
GFR - Online Court Assistance	74,400		74,400	75,000	600
GFR - Public Safety Support	4,109,900	135,200	4,245,100	4,409,900	164,800
GFR - State Court Complex	4,700,000		4,700,000	4,400,000	(300,000)
GFR - State Law Enforcement Forfeiture Acc	20,000	20,000	40,000		(40,000)
GFR - Statewide Warrant Ops	531,000		531,000	644,000	113,000
GFR - Substance Abuse Prevention	447,700		447,700	452,400	4,700
GFR - Tobacco Settlement	628,000		628,000	628,000	
GFR - Transcriptions	250,000		250,000		(250,000)
GFR - Youth Corrections Victims		820,200	820,200		(820,200)
TFR - Motorcycle Education	219,900	150,000	369,900	372,300	2,400
TFR - Dept. of Public Safety Rest. Acct.	24,479,800		24,479,800	26,465,600	1,985,800
TFR - Uninsured Motorist I.D.	1,860,100		1,860,100	2,360,100	500,000
Attorney General Litigation Fund	321,700		321,700	335,400	13,700
Crime Victims Reparation Trust	4,329,200		4,329,200	4,472,000	142,800
Oil Overchg - Exxon	771,500	(771,500)			
Oil Overchg - Stripper Well	436,500	771,500	1,208,000		(1,208,000)
Unclaimed Property Trust	1,365,700		1,365,700	1,403,800	38,100
Transfers - Child Nutrition	1,008,300		1,008,300	1,008,300	
Transfers - Commission on Criminal and Juve	1,710,400		1,710,400	1,924,100	213,700
Transfers - Fed Pass-thru	65,800		65,800		(65,800)
Transfers - Federal	337,100		337,100		(337,100)
Transfers - Human Services	152,000		152,000	152,000	
Transfers - Medicaid	15,322,300		15,322,300	15,679,200	356,900
Transfers - Other Agencies	1,754,800		1,754,800	1,267,900	(486,900)
Transfers - Within Agency	155,500		155,500	168,600	13,100
Transfers - Youth Corrections				178,500	178,500
UDC Data Processing ISF		368,300	368,300		(368,300)
Pass-through	40,200		40,200	40,200	
Beginning Nonlapsing	43,817,800		43,817,800	1,152,600	(42,665,200)
Closing Nonlapsing	(1,091,600)		(1,091,600)	426,500	1,518,100
Lapsing Balance	(2,294,600)		(2,294,600)	(1,798,300)	496,300
<b>Total</b>	<b>\$817,045,950</b>	<b>\$4,719,200</b>	<b>\$821,765,150</b>	<b>\$813,006,650</b>	<b>(\$8,758,500)</b>
<b>Agencies</b>					
Governor's Office	35,568,600	1,600,000	37,168,600	26,854,200	(10,314,400)
State Auditor	5,136,400		5,136,400	5,230,000	93,600
State Treasurer	3,166,900		3,166,900	2,809,000	(357,900)
Attorney General	50,243,450	802,200	51,045,650	51,513,150	467,500
Corrections	270,629,900	368,300	270,998,200	294,324,700	23,326,500
Board of Pardons and Parole	3,659,100		3,659,100	3,932,500	273,400
Juvenile Justice Services	109,635,300	820,200	110,455,500	112,785,700	2,330,200
Courts	130,944,000	310,000	131,254,000	134,810,400	3,556,400
Public Safety	207,794,800	818,500	208,613,300	180,479,500	(28,133,800)
Restricted Revenue - EOCJ	267,500		267,500	267,500	
<b>Total</b>	<b>\$817,045,950</b>	<b>\$4,719,200</b>	<b>\$821,765,150</b>	<b>\$813,006,650</b>	<b>(\$8,758,500)</b>
<b>Budgeted FTE</b>	<b>6,481.3</b>	<b>0.0</b>	<b>6,481.3</b>	<b>6,771.0</b>	<b>289.8</b>

# Capital Facilities and Government Operations





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## Subcommittee Overview

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

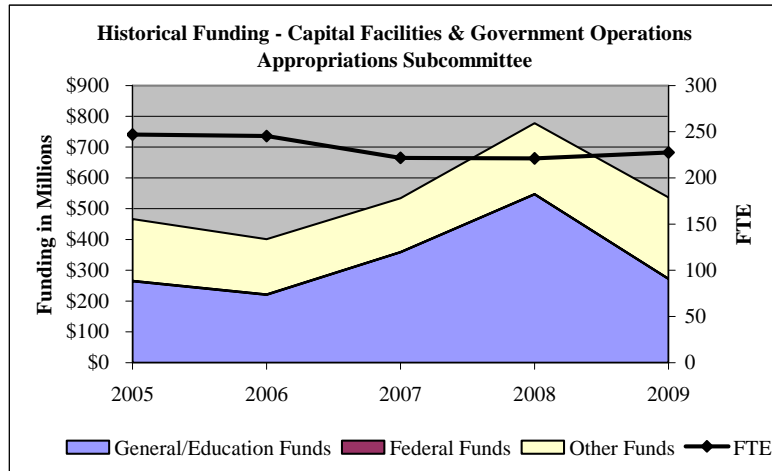
- Capitol Preservation Board
- Career Service Review Board
- Department of Administrative Services
- Department of Human Resource Management
- Department of Technology Services
- Capital Facilities
- Debt Service

When all oversight areas are totaled, the FY 2008 budget for the CFGO subcommittee increased by \$143.5 million (\$60.5 million to rainy day funds) to a total of \$777.1 million with \$546.5 million from state funds. For FY 2009, the Legislature authorized subcommittee budget levels totaling \$536.6 million with \$271.5 million in state funds. Operating budgets account for only ten percent of the total FY 2009 state funds appropriation to the subcommittee. Of the remaining state fund appropriations, approximately 70 percent goes to capital facilities and 20 percent to 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. Revenues in the amount of \$272 million are anticipated to be collected for services provided in FY 2009.

The Legislature authorized a total of \$202.3 million (including \$30 million ongoing) from state funds and general obligation bonds for new capital development projects, and another \$5.4 million for capital acquisitions. A list of each approved capital item is provided later in this chapter. Legislators appropriated \$82.8 million for capital improvements on existing facilities—an increase of \$9.8 million over the FY 2008 appropriation.

The subcommittee reallocated a total of \$3,275,000 from existing base budgets to fund the LeRay McAllister Fund (\$2,000,000), Land Banking (\$1,233,000), and two additional vehicles (\$42,000) for the Division of Facilities Construction and Management. Reallocations came from operating budgets (\$2,275,200) and the Capital Budget (\$1,000,000).



## 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.

### Legislative Action

The Legislature appropriated \$5.5 million for the remodel of the East and West buildings on Capitol Hill. These buildings temporarily housed elected officials and their staffs during the restoration of the State Capitol and will now be remodeled into permanent offices for legislators and legislative staff. The

following table summarizes the historical appropriations for the Capitol Hill Project.

<b>Capitol Preservation Board Project Appropriations Summary</b>		
<u>Session</u>	<u>Purpose</u>	<u>Amount</u>
1995	Remodel/Seismic Study	\$75,000
2000	Strategic Planning	2,086,500
2002	House & Senate Buildings	40,991,600
2002	Senate Bldg Parking Structure	8,000,000
2007	Peace Officers Memorial	500,000
2008	House & Senate Bldgs Remodel	5,500,000
	Subtotal Non-Capitol Bldg	<u>\$57,153,100</u>
2002	Restoration Design/Mgt Fees	\$17,970,000
2003	Capitol Restoration	10,000,000
2004	Capitol Restoration	50,000,000
2005	Capitol Restoration	50,000,000
2006	Capitol Restoration	50,000,000
2006	Wireless Communications	590,000
2007	Capitol Restoration/Parking	50,000,000
2007	Wireless Communications	742,200
	Subtotal Capitol Building	<u>\$229,302,200</u>
	Grand Total	<u>\$286,455,300</u>

Other state fund appropriation increases to the Capitol Preservation Board include:

- \$80,000 for a Capitol Curator who will manage and maintain the historical objects in the Capitol building
- \$85,000 for dining services on Capitol Hill
- \$40,600 for the statewide compensation package and internal service fund adjustments

The Capitol Preservation Board's budget also includes \$119,000 of dedicated credits for the Capitol Hill gift store.

The CPB director contracts with the Department of Administrative Services (DAS) for janitorial, maintenance, utilities, and risk management. Of the CPB's \$4.6 million FY 2009 operating budget, over \$3.6 million pays for DAS contracted services.

### Funding Detail

Capital Preservation Board					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	3,781,700		3,781,700	3,975,300	193,600
General Fund, One-time	1,190,000		1,190,000		(1,190,000)
Dedicated Credits Revenue	371,100		371,100	537,000	165,900
Beginning Nonlapsing	196,400		196,400	66,200	(130,200)
Closing Nonlapsing	(66,200)		(66,200)	(14,200)	52,000
<b>Total</b>	<u>\$5,473,000</u>	<u>\$0</u>	<u>\$5,473,000</u>	<u>\$4,564,300</u>	<u>(\$908,700)</u>
<b>Line Items</b>					
Capitol Preservation Board	<u>5,473,000</u>		<u>5,473,000</u>	<u>4,564,300</u>	<u>(908,700)</u>
<b>Total</b>	<u>\$5,473,000</u>	<u>\$0</u>	<u>\$5,473,000</u>	<u>\$4,564,300</u>	<u>(\$908,700)</u>
<b>Budgeted FTE</b>	4.0	0.0	4.0	4.5	0.5

## Career Service Review Board

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

### Legislative Action

The Legislature appropriated \$5,000 to the Career Service Review Board (CSRB) for increased training opportunities for the Administrator of the CSRB and the contracted hearing officers used by the CSRB to resolve employee grievances. The CSRB also received \$6,500 for the statewide compensation package and internal service fund adjustments.

### Funding Detail

Career Service Review Board					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	228,200		228,200	239,700	11,500
Beginning Nonlapsing	5,000		5,000		(5,000)
<b>Total</b>	<b>\$233,200</b>	<b>\$0</b>	<b>\$233,200</b>	<b>\$239,700</b>	<b>\$6,500</b>
<b>Line Items</b>					
Career Service Review Board	233,200		233,200	239,700	6,500
<b>Total</b>	<b>\$233,200</b>	<b>\$0</b>	<b>\$233,200</b>	<b>\$239,700</b>	<b>\$6,500</b>
<b>Budgeted FTE</b>	2.0	0.0	2.0	2.0	0.0

## 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 reduce costs by consolidating common 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 the LeRay McAllister Critical Land Conservation Fund and development zone rebates. The Division of Finance does not manage these programs but controls the funds as mandated by the Legislature.

### Legislative Action

The Legislature appropriated \$646,700 to the Department of Administrative Services for the statewide compensation package and internal service fund adjustments. Of that appropriation, \$487,300 are state funds.

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**Executive Director's Office:** 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) with an FY 2009 budget of \$150,000 to assist indigent parents and their defense attorneys. The Legislature did not adjust the EDO's budget beyond statewide compensation and internal service fund changes. The EDO employs five FTEs and has a budget of \$997,300 for FY 2009 (including the CWPDC).

**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 Legislature appropriated \$15,000 to finalize a replacement of the eRules system that allows electronic filing of administrative rules. The ongoing funding will allow the division to support an open source software product that will greatly improve the accessibility of the system to state agencies. The division employs four FTEs with a budget of \$410,200 for FY 2009.

**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. Legislative budget increases include:

- \$370,000 to allow the State Building Energy Efficiency Program to continue operating with three employees as the program's non-state funding wanes in FY 2009. This program oversees energy efficiency projects in existing state buildings and incorporates energy efficiency designs in new building construction.
- \$242,000 (\$42,000 one-time) for two new FTE and two vehicles for the division to alleviate workload growth
- \$75,000 (onetime) for capital acquisition



In addition, the Legislature passed **H.B. 198, “State Agency Energy Efficiency”** which creates a revolving loan fund of \$3.7 million to finance energy efficiency measures administered by the State Building Board and the division. The division will have 47 FTEs and an operating budget of \$6,002,100 for FY 2009. Approximately \$1.9 million of the line item budget comes from capital improvement funds.

**Division of Archives:** The Utah State 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 historic documents and the management of records created by the court system. The Legislature appropriated \$76,400 for an FTE to maintain and operate the state public notice website created during the 2007 General Session. The division will employ 29 FTEs in five programs with an FY 2009 budget of \$2,812,300.

**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. Legislative budget adjustments included:

- \$86,700 for an additional accountant to aid in workload growth in the financial reporting program
- \$125,000 (one-time) to develop the Utah Public Finance Website as required by **S.B. 38 “Transparency in Government Finance”**
- \$775,000 reduction of non-lapsing balances in three programs to fund other Subcommittee priorities

The division's FY 2009 budget of \$12,116,100 funds six programs with a combined FTE count of 61.

**Finance – Mandated:** The Legislature appropriated the following items:

- \$2,000,000 to the LeRay McAllister Critical Land Conservation Fund for the protection of open space
- \$11,281,300 in FY 2009 and \$15,641,300 in FY 2008 to the Land Exchange Distribution Account to distribute the state's share of mineral revenues from school and institutional trust lands to the counties
- \$13,952,000 in FY 2009 and \$4,400,000 in FY 2008 to the Economic Incentive Restricted Account

**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. It has operated on non-lapsing balances since FY 2002. For FY 2009, the Legislature appropriated \$50,000 to the Fund as required by **S.B. 277 “Post-conviction Remedies Act Revisions”** which increased the reimbursement rate to criminal defense attorneys from the Fund. The FY 2009 budget is \$124,000.

**Judicial Conduct Commission:** The Judicial Conduct Commission is a quasi-independent agency that investigates and resolves complaints against Utah judges. The Legislature did not adjust the commission’s budget beyond statewide compensation and internal service fund changes. The FY 2009 budget is \$264,300 with two FTEs.

**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 Legislature appropriated \$72,000 for an additional FTE as required by **H.B. 75 “Inventory and Review of Commercial Activities.”** The division’s total FY 2009 budget is \$1,867,800 with 23 FTEs.

## Funding Detail

Department of Administrative Services					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	15,649,400		15,649,400	17,006,800	1,357,400
General Fund, One-time	3,800,000		3,800,000	200,000	(3,600,000)
Transportation Fund	450,000		450,000	450,000	
Federal Funds	85,400		85,400	64,000	(21,400)
Dedicated Credits Revenue	2,341,500		2,341,500	2,457,000	115,500
GFR - Economic Incentive Restrict	1,528,000	4,400,000	5,928,000	15,480,000	9,552,000
GFR - ISF Overhead	1,299,600		1,299,600	1,299,600	
GFR - Land Exchange Distribution /	3,118,700	15,641,300	18,760,000	14,400,000	(4,360,000)
Risk Management ISF				1,000,000	1,000,000
State Debt Collection Fund				267,000	267,000
Capital Project Fund	1,876,000		1,876,000	1,945,200	69,200
Project Reserve Fund	200,000		200,000	200,000	
Contingency Reserve Fund	82,300		82,300	82,300	
Beginning Nonlapsing	4,901,500		4,901,500	2,506,800	(2,394,700)
Beginning Nonlapsing - Retirement	101,500		101,500		(101,500)
Closing Nonlapsing	(2,506,800)		(2,506,800)	(402,000)	2,104,800
Lapsing Balance	(178,500)		(178,500)		178,500
<b>Total</b>	<b>\$32,748,600</b>	<b>\$20,041,300</b>	<b>\$52,789,900</b>	<b>\$56,956,700</b>	<b>\$4,166,800</b>
<b>Line Items</b>					
Executive Director	868,400		868,400	997,300	128,900
Administrative Rules	504,600		504,600	410,200	(94,400)
DFCM Administration	6,592,700		6,592,700	6,002,100	(590,600)
State Archives	2,837,400		2,837,400	2,812,300	(25,100)
Finance Administration	12,758,900		12,758,900	12,116,100	(642,800)
Finance - Mandated	7,129,300	20,041,300	27,170,600	32,362,600	5,192,000
Post Conviction Indigent Defense	74,000		74,000	124,000	50,000
Judicial Conduct Commission	254,700		254,700	264,300	9,600
Purchasing	1,728,600		1,728,600	1,867,800	139,200
<b>Total</b>	<b>\$32,748,600</b>	<b>\$20,041,300</b>	<b>\$52,789,900</b>	<b>\$56,956,700</b>	<b>\$4,166,800</b>
<b>Budgeted FTE</b>	166.0	0.0	166.0	171.0	5.0

## 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 \$142.5 million in revenue, employ 259.5 FTE, and use \$17.8 million of capital outlay.

**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 recently privatized the print services function but continues to manage the contract as well as copiers leased to agencies. The Legislature approved an increase of two FTEs and a cargo van for central mailing to keep up with customer demand. Fees remained unchanged for FY 2009. Total authorized revenues for FY 2009 are \$14,233,000 with 54.5 FTEs and capital outlay of \$1,088,300.

**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 in the vehicle lease rate due to increased salvage values on certain sedans, trucks and SUVs
- A new rate for seasonal use vehicles which will reduce agency costs
- A new electronic waste recycling fee in State Surplus
- \$1.3 million in additional capital outlay authority in FY 2008 to enable the division to purchase hybrid vehicles
- \$2,400 additional revenue as required by **H.B. 103, "Use of State Alternative Fuel Network"** which opens certain compressed natural gas fuel sites to the public.

Total approved revenues for FY 2009 are \$63,506,500, with 38 FTEs and capital outlay of \$14,494,000.

**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 2009, the Legislature authorized the following:

- Minor changes for a few state agency liability rates; no change in property rates
- \$2 million transfer from the liability program to the property program and the owner controlled insurance program
- \$1 million reallocation from retained earnings for other Subcommittee priorities
- One additional FTE to handle liability issues related to charter schools insured by the state

In total, the Legislature authorized \$38,392,300 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 for four new buildings (St. George Courthouse, Unified Lab, St. George Tax Commission, and DPS Drivers' License) totaling \$1,302,500 in new revenue for FY 2009
- 3 FTE with vehicles to maintain the buildings mentioned above
- Rate adjustments to twelve other buildings based on increased utility and maintenance costs
- Intent language allowing more FTEs if additional customers come on line before the next legislative session

Total approved revenues for FY 2009 are \$26,352,800 with 141 FTEs and capital outlay of \$56,200.

## Funding Detail

ISF - Department of Administrative Services					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
Premiums	27,291,600		27,291,600	27,048,600	(243,000)
Interest Income	3,503,600		3,503,600	3,611,700	108,100
Dedicated Credits - Intragvt Rev	103,008,400		103,008,400	104,092,300	1,083,900
Sale of Fixed Assets	557,800		557,800		(557,800)
Restricted Revenue	7,364,000		7,364,000	7,732,000	368,000
<b>Total</b>	<b>\$141,725,400</b>	<b>\$0</b>	<b>\$141,725,400</b>	<b>\$142,484,600</b>	<b>\$759,200</b>
<b>Line Items</b>					
ISF - Purchasing & General Services	14,222,900		14,222,900	14,384,200	161,300
ISF - Fleet Operations	62,696,400		62,696,400	63,932,800	1,236,400
ISF - Risk Management	42,340,100		42,340,100	38,097,400	(4,242,700)
ISF - Facilities Management	24,409,000		24,409,000	25,493,700	1,084,700
<b>Total</b>	<b>\$143,668,400</b>	<b>\$0</b>	<b>\$143,668,400</b>	<b>\$141,908,100</b>	<b>(\$1,760,300)</b>
<b>Profit/(Loss)</b>	<b>(\$1,943,000)</b>	<b>\$0</b>	<b>(\$1,943,000)</b>	<b>\$576,500</b>	<b>\$2,519,500</b>
<b>FTE/Other Data</b>					
Vehicles	136	0	136	140	4
Authorized Capital Outlay	18,460,000	1,300,000	19,760,000	17,843,800	(1,916,200)
Budgeted FTE	258.5	0.0	258.5	259.5	1.0
Retained Earnings	17,260,800	0	17,260,800	16,716,900	(543,900)

## 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 compensation systems. The department has an appropriated component for its administration, and an internal service fund component for field operations.

### DHRM Appropriated

#### Legislative Action

The Legislature appropriated \$50,000 as a supplemental in FY 2008 and \$250,000 in FY 2009 to DHRM to administer the Teacher Salary Supplement Program and determine if a teacher is eligible for a salary supplement as required by **S.B. 35, "Differentiated Pay for Teachers"**. The Legislature also appropriated \$255,300 to DHRM for the statewide compensation package and internal service fund adjustments. DHRM has a budget for FY 2009 of \$4,222,600 with 28 FTE.

## Funding Detail

Department of Human Resource Management					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	3,317,300		3,317,300	3,822,600	505,300
General Fund, One-time		50,000	50,000		(50,000)
Dedicated Credits Revenue	400,000		400,000	400,000	
Beginning Nonlapsing	686,300		686,300		(686,300)
<b>Total</b>	<b>\$4,403,600</b>	<b>\$50,000</b>	<b>\$4,453,600</b>	<b>\$4,222,600</b>	<b>(\$231,000)</b>
<b>Line Items</b>					
Human Resource Management	4,403,600	50,000	4,453,600	4,222,600	(231,000)
<b>Total</b>	<b>\$4,403,600</b>	<b>\$50,000</b>	<b>\$4,453,600</b>	<b>\$4,222,600</b>	<b>(\$231,000)</b>
<b>Budgeted FTE</b>	28.0	0.0	28.0	28.0	0.0

### DHRM Internal Service Fund

The DHRM Internal Service Fund (ISF) is in its second year of operation. The ISF consists of two programs:

- Field Services
- Payroll Field Services

Field Services personnel work for DHRM but are physically located at the agencies being served. 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 it. The Legislature approved a rate increase to fund the FY 2008 compensation package, which was not included in the budget during the 2007 General Session. Total approved revenues for FY 2009 are \$12.9 million with 164 FTEs and no capital outlay.

## Funding Detail

ISF - Department of Human Resource Management					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
Dedicated Credits - Intragvt Rev	11,860,600		11,860,600	12,903,300	1,042,700
<b>Total</b>	<b>\$11,860,600</b>	<b>\$0</b>	<b>\$11,860,600</b>	<b>\$12,903,300</b>	<b>\$1,042,700</b>
<b>Prpgrams</b>					
Field Services	11,704,400		11,704,400	11,797,500	93,100
Payroll Field Services	655,700		655,700	655,700	
<b>Total</b>	<b>\$12,360,100</b>	<b>\$0</b>	<b>\$12,360,100</b>	<b>\$12,453,200</b>	<b>\$93,100</b>
<b>Profit/(Loss)</b>	<b>(\$499,500)</b>	<b>\$0</b>	<b>(\$499,500)</b>	<b>\$450,100</b>	<b>\$949,600</b>
<b>FTE/Other Data</b>					
Budgeted FTE	166.0	0.0	166.0	164.0	(2.0)
Retained Earnings	(108,700)	0	(108,700)	325,800	434,500

## 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. DTS was created in the 2005 General Session by H.B. 109, "Information Technology Governance Amendments" which moved the Office of the Chief Information Officer and the Automated Geographic Reference Center (AGRC) into DTS and provided tools to consolidate all other state government information technology functions into DTS. The department has both appropriated and internal service fund line items.

### 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

The Legislature appropriated \$50,700 to the Department of Technology Services for the statewide compensation package and internal service fund adjustments.

**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 Legislature appropriated \$115,200 of federal funds to the CIO in FY 2009 for an interoperability coordinator FTE for the duration of the grant from the Federal Department of Homeland Security. The CIO will employ five FTEs and has a budget for FY 2009 of \$770,500.

**Integrated Technology Division:** The division of Integrated Technology coordinates application development and project management for agencies and programs that share common needs. The largest component of the division is the Automated Geographic Reference Center (AGRC) which maintains and operates the State Geographic Information Database. Legislative budget increases included:

- \$400,000 (one-time) to complete the statewide network of transmitters that augment the Global Positioning satellite system
- \$665,000 in FY 2008 from dedicated credits to complete the aerial imagery project
- \$50,000 from the E911 Emergence Services restricted account to continue mapping cellular phone sites for 9-1-1 emergency response

The division employs 17 FTE and has a budget for FY 2009 of \$4,455,300.

**Technology Acquisition Projects Division:** The Technology Acquisition Projects division tracks one-time information technology projects developed by DTS for other state agencies. The Legislature funded the following projects for this division with Dedicated Credits:

- **Tax System Modernization:** \$6 million paid by the Tax Commission for Phase 3 of the project
- **Electronic Resource Eligibility Project (eREP):** \$11 million paid by the Department of Workforce Services
- **Controlled Substance Database:** \$650,000 paid by the Department of Commerce as required by **H.B. 119, “Controlled Substance Database Amendments”**
- **DUI System Expansion:** \$250,000 paid by the Commission on Criminal and Juvenile Justice to expand the system to jail bookings
- **Independent Contractor Database:** \$250,000 paid by multiple agencies as required by **S.B. 189, “Independent Contractor Database”**

## Funding Detail

Department of Technology Services					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	2,159,800		2,159,800	2,210,500	50,700
General Fund, One-time	112,800		112,800	400,000	287,200
Federal Funds	700,000		700,000	815,200	115,200
Dedicated Credits Revenue	13,393,500	665,000	14,058,500	19,650,100	5,591,600
GFR - E-911 Emergency Services	300,000		300,000	300,000	
State Debt Collection Fund	500,000		500,000		(500,000)
Beginning Nonlapsing	2,621,400		2,621,400		(2,621,400)
Beginning Nonlapsing - DHRM Fle	10,200		10,200		(10,200)
Beginning Nonlapsing - Retirement	77,000		77,000		(77,000)
<b>Total</b>	<b>\$19,874,700</b>	<b>\$665,000</b>	<b>\$20,539,700</b>	<b>\$23,375,800</b>	<b>\$2,836,100</b>
<b>Line Items</b>					
Chief Information Officer	721,500		721,500	770,500	49,000
Integrated Technology	6,059,700	665,000	6,724,700	4,455,300	(2,269,400)
Technology Acquisition Projects	13,093,500		13,093,500	18,150,000	5,056,500
<b>Total</b>	<b>\$19,874,700</b>	<b>\$665,000</b>	<b>\$20,539,700</b>	<b>\$23,375,800</b>	<b>\$2,836,100</b>
<b>Budgeted FTE</b>	21.0	0.0	21.0	22.0	1.0

## DTS Internal Service Fund (ISF)

The Department of Technology Services Internal Service Fund consists of two programs:

- Agency Services
- Enterprise Technology

The Agency Services program provides products and services to specific state agencies whereas the Enterprise

Technology program provides products and services that are used by all state agencies.

### Legislative Action

The Legislature approved Agency Services and Enterprise Technology rates for FY 2009 that move approximately 620 FTE from the Agency Services program to the Enterprise Technology program and set technology rates based on the functions of those positions. The Legislature further required DTS to lower the statewide DTS rate impact for FY 2009 by approximately \$1.3 million – from \$2.5 million to approximately \$1.2 million. In all, the DTS internal service fund is expected to generate \$117.0 million in revenue, employ 933 FTE, and use \$8.0 million of capital outlay.

### Funding Detail

ISF - Department of Technology Services					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Dedicated Credits - Intragvt Rev	159,340,000		159,340,000	117,032,700	(42,307,300)
<b>Total</b>	<b>\$159,340,000</b>	<b>\$0</b>	<b>\$159,340,000</b>	<b>\$117,032,700</b>	<b>(\$42,307,300)</b>
<b>Programs</b>					
Agency Services Division	109,284,000		109,284,000	6,987,700	(102,296,300)
Enterprise Technology Division	52,666,500		52,666,500	110,045,000	57,378,500
<b>Total</b>	<b>\$161,950,500</b>	<b>\$0</b>	<b>\$161,950,500</b>	<b>\$117,032,700</b>	<b>(\$44,917,800)</b>
<b>Profit/(Loss)</b>	<b>(\$2,610,500)</b>	<b>\$0</b>	<b>(\$2,610,500)</b>	<b>\$0</b>	<b>\$2,610,500</b>
<b>FTE/Other Data</b>					
Vehicles	23	0	23	23	0
Authorized Capital Outlay	19,307,600	0	19,307,600	7,961,000	(11,346,600)
Budgeted FTE	933.0	0.0	933.0	933.0	0.0
Retained Earnings	4,543,300	0	4,543,300	4,543,300	0

## Capital Budget

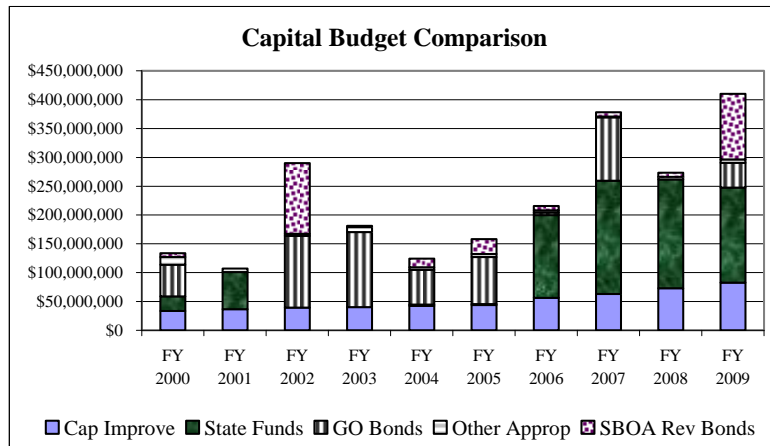
The capital budget provides funding to purchase, construct and repair state facilities.

The capital budget is divided into three categories:

- Capital Improvements
- Capital Developments, and
- Capital Acquisitions

During the 2008 General Session the Legislature authorized state funds of \$82,838,200 for Capital Improvements, \$202,311,000 for Capital Developments (with \$30 million being ongoing funds), and \$5,400,000 for Capital Acquisitions. 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:

The statutory minimum appropriation for capital improvements is 1.1 percent of the replacement value of all state buildings, although statute allows that to drop to 0.9 percent during times of budget deficits. The FY 2009 appropriation of \$82.8 million represents the fourth consecutive year that capital improvements have been funded at the 1.1 percent level.

**H.B. 5, “Revenue Bond, Capital Facility, and Property Acquisition Authorizations”** approves State Building Ownership Authority revenue bonds (\$113.7 million), higher education revenue bonds (\$42.1 million) and other projects funded with agency/institutional funds or donations (\$89.2 million). The bill also approves a lease purchase agreement by the Department of Natural Resources with Uintah County and authorizes Utah State University to transfer \$225,000 from its Contingency Reserve Fund to its Capital Projects Reserve Fund.

**S.B. 4, “General Obligation Bond Authorization”** allows up to \$43,111,000, plus issuance costs, for an Agricultural Science Building at Utah State University. Intent language requires that federal funds for the federal portion of the building be available before state bonds may be issued.

## Funding Detail

Sources of Finance	Capital Budget				Change from 2008 Revised
	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	
General Fund	70,180,900		70,180,900	75,070,100	4,889,200
General Fund, One-time	88,813,600	57,000,000	145,813,600	51,000,000	(94,813,600)
Education Fund	32,879,000		32,879,000	37,768,100	4,889,100
Education Fund, One-time	76,441,000	1,600,000	78,041,000	25,000,000	(53,041,000)
Transportation Fund, One-time	2,000,000		2,000,000	4,506,000	2,506,000
State Debt Collection Fund				233,000	233,000
Capital Project Fund	1,233,000		1,233,000		(1,233,000)
Contingency Reserve Fund	2,000,000		2,000,000	1,000,000	(1,000,000)
<b>Total</b>	<b>\$273,547,500</b>	<b>\$58,600,000</b>	<b>\$332,147,500</b>	<b>\$194,577,200</b>	<b>(\$137,570,300)</b>
<b>Line Items</b>					
Capital Development	192,105,600	56,449,000	248,554,600	106,706,000	(141,848,600)
Capital Improvements	73,059,900		73,059,900	82,838,200	9,778,300
Property Acquisition	8,382,000	1,600,000	9,982,000		(9,982,000)
Land Banking				5,033,000	5,033,000
DfCM Planning Fund		551,000	551,000		(551,000)
<b>Total</b>	<b>\$273,547,500</b>	<b>\$58,600,000</b>	<b>\$332,147,500</b>	<b>\$194,577,200</b>	<b>(\$137,570,300)</b>

## 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	\$82,838,200				\$82,838,200
<b>Subtotal</b>	<b>\$82,838,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$82,838,200</b>
Capital Developments					
	State Funds	G.O. Bonds	Other Funds	Collections/ Donations	Total
Salt Lake Gov't Office Bldg	\$51,500,000				\$51,500,000
UDC 192-Bed Pod/288 Design	54,500,000				54,500,000
Veterans Nursing Home	19,700,000				19,700,000
Utah Museum of Natural Hist	25,000,000			67,873,000	92,873,000
National Guard Armories	3,000,000				3,000,000
CPB East/West Remodel	5,500,000				5,500,000
USU Ag Science Building		43,111,000		60,000,000	103,111,000
<b>Subtotal</b>	<b>\$159,200,000</b>	<b>\$43,111,000</b>	<b>\$0</b>	<b>\$127,873,000</b>	<b>\$330,184,000</b>
Capital Acquisitions					
	State Funds	G.O. Bonds	Other Funds	Collections/ Donations	Total
<i>Land Banking</i>					
Courts Ogden Land	\$3,250,000				\$3,250,000
UVSC Land	550,000		1,233,000		1,783,000
<i>Other</i>					
Snow Richfield Bond Payoff	1,600,000				1,600,000
<b>Subtotal</b>	<b>\$5,400,000</b>	<b>\$0</b>	<b>\$1,233,000</b>	<b>\$0</b>	<b>\$6,633,000</b>
<b>Total</b>	<b>\$247,438,200</b>	<b>\$43,111,000</b>	<b>\$1,233,000</b>	<b>\$127,873,000</b>	<b>\$419,655,200</b>

## 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		
UU Cancer Resrch Hosp IIB	\$90,000,000				\$90,000,000
DABC Five Liquor Stores	23,700,000				23,700,000
UU Northwest Parking Struct		21,280,000			21,280,000
USU Early Childhood Resrch Ctr		15,828,000			15,828,000
SUU Shakespearean Theater		5,000,000			5,000,000
UDOT Hurricane Maint. Complex			4,506,000		4,506,000
POST Building			(551,000)		(551,000)
DFCM Planning Fund			551,000		551,000
USU \$225,000 from CRF to PRF			0		0
UU Neuropsych. Inst. Expansion				45,862,000	45,862,000
UU Arboretum Visitor Center				1,400,000	1,400,000
USU Business Building Addition				18,038,000	18,038,000
USU Vernal Entrepreneurship Ctr				19,000,000	19,000,000
USU Hydraulics Lab Addn				1,595,000	1,595,000
USU Structures Lab Enclosure				350,000	350,000
UVU Children's Theater				1,500,000	1,500,000
SUU Design Science Center				1,500,000	1,500,000
DNR Lease/Purchase Uintah Co.					0
<b>Total</b>	<b>\$113,700,000</b>	<b>\$42,108,000</b>	<b>\$4,506,000</b>	<b>\$89,245,000</b>	<b>\$249,559,000</b>

## 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 construction, major remodeling, 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 \$3.5 billion. The current outstanding general obligation debt is \$1.2 billion. Another \$1.1 billion in general obligation bonding has been authorized in prior

sessions (\$1 billion for critical highway needs and \$110 million for USTAR buildings), but not yet issued.

### Legislative Action

The Legislature authorized the following general obligation bonds for highways and buildings during the 2008 General Session:

- \$200 million authorization in **S.B. 283, “Transportation Funding Amendments”** for highway construction projects
- \$43.8 million authorization in **S.B. 4, “General Obligation Bond Authorization”** for a Utah State University Agricultural Research Building contingent upon the receipt of federal matching funds
- \$42.5 million authorization in **S.B. 298, “State Land Acquisition”** for land sale contracts
- \$30 million re-authorization in **H.B. 242, “Transportation Funding Revisions”** for various Salt Lake County highway projects.

The Legislature also authorized the following State Building Ownership Authority revenue bonds in **H.B. 5, “Revenue Bond, Capital Facility, and Property Acquisition Authorizations”** during the 2008 General Session:

- \$23.7 million for Department of Alcoholic Beverage Control buildings
- \$90 million for a University of Utah Cancer Research Hospital

G.O. debt service for state buildings is typically funded with General and Education Funds whereas G.O. debt service for state highways is typically funded with the Centennial Highway Fund. In addition, G.O. debt service for Salt Lake County highway projects is typically paid for through the Transportation Fund Restricted Public Transportation System Tax account that collects county (quarter of a quarter) tax funds. The Legislature made several adjustments to the funding sources in the debt service line item for FY 2008 and FY 2009 to account for increases/decreases to the debt service for buildings and highways:



- \$3.65 million in FY 2008 and \$5.85 million in FY 2009 from the Centennial Highway Fund to account for increased debt service for state highway projects
- \$7.15 million from the Transportation Fund Restricted – Public Transportation System Tax to account for increased debt service for county highway projects
- \$14.0 million reduction (one-time) in FY 2009 and \$7.0 million annually thereafter to reflect reduced debt service for state buildings

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	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	51,679,700		51,679,700	44,679,700	(7,000,000)
General Fund, One-time				(7,000,000)	(7,000,000)
Education Fund	17,164,300		17,164,300	17,164,300	
Centennial Highway Fund	127,976,800		127,976,800	133,826,800	5,850,000
Centennial Highway Fund, One-time		3,650,000	3,650,000		(3,650,000)
Dedicated Credits Revenue	29,903,600		29,903,600	29,820,000	(83,600)
TFR - Public Transportation System	6,950,000		6,950,000	14,100,000	7,150,000
Beginning Nonlapsing	23,534,200		23,534,200	19,879,500	(3,654,700)
Closing Nonlapsing	(19,879,500)		(19,879,500)	235,000	20,114,500
<b>Total</b>	<b>\$237,329,100</b>	<b>\$3,650,000</b>	<b>\$240,979,100</b>	<b>\$252,705,300</b>	<b>\$11,726,200</b>
<b>Line Items</b>					
Debt Service	237,329,100	3,650,000	240,979,100	252,705,300	11,726,200
<b>Total</b>	<b>\$237,329,100</b>	<b>\$3,650,000</b>	<b>\$240,979,100</b>	<b>\$252,705,300</b>	<b>\$11,726,200</b>

### Restricted Revenue

**Rainy Day Funds:** The Legislature appropriated \$16,231,300 to the General Fund Budget Reserve Account and \$44,236,800 to the Education Budget Reserve Account as FY 2008 supplemental appropriations.

## Funding Detail

Restricted Revenue					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund, One-time	20,000,000	16,231,300	36,231,300		(36,231,300)
Uniform School Fund, One-time		44,236,800	44,236,800		(44,236,800)
Education Fund, One-time	40,000,000		40,000,000		(40,000,000)
<b>Total</b>	<b>\$60,000,000</b>	<b>\$60,468,100</b>	<b>\$120,468,100</b>	<b>\$0</b>	<b>(\$120,468,100)</b>
<b>Line Items</b>					
Rainy Day Fund		16,231,300	16,231,300		(16,231,300)
Education Rainy Day Fund	40,000,000	44,236,800	84,236,800		(84,236,800)
GFR - Severance Tax Holding Acco	20,000,000		20,000,000		(20,000,000)
<b>Total</b>	<b>\$60,000,000</b>	<b>\$60,468,100</b>	<b>\$120,468,100</b>	<b>\$0</b>	<b>(\$120,468,100)</b>

## Funding Detail

Capital Facilities & Government Operations Appropriations Subcommittee					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	146,997,000		146,997,000	147,004,700	7,700
General Fund, One-time	113,916,400	73,281,300	187,197,700	44,600,000	(142,597,700)
Uniform School Fund, One-time		44,236,800	44,236,800		(44,236,800)
Education Fund	50,043,300		50,043,300	54,932,400	4,889,100
Education Fund, One-time	116,441,000	1,600,000	118,041,000	25,000,000	(93,041,000)
Transportation Fund	450,000		450,000	450,000	
Transportation Fund, One-time	2,000,000		2,000,000	4,506,000	2,506,000
Centennial Highway Fund	127,976,800		127,976,800	133,826,800	5,850,000
Centennial Highway Fund, One-time		3,650,000	3,650,000		(3,650,000)
Federal Funds	785,400		785,400	879,200	93,800
Dedicated Credits Revenue	46,409,700	665,000	47,074,700	52,864,100	5,789,400
GFR - E-911 Emergency Services	300,000		300,000	300,000	
GFR - Economic Incentive Restricted Ac	1,528,000	4,400,000	5,928,000	15,480,000	9,552,000
GFR - ISF Overhead	1,299,600		1,299,600	1,299,600	
GFR - Land Exchange Distribution Acco	3,118,700	15,641,300	18,760,000	14,400,000	(4,360,000)
TFR - Public Transportation System Tax	6,950,000		6,950,000	14,100,000	7,150,000
Risk Management ISF				1,000,000	1,000,000
State Debt Collection Fund	500,000		500,000	500,000	
Capital Project Fund	3,109,000		3,109,000	1,945,200	(1,163,800)
Project Reserve Fund	200,000		200,000	200,000	
Contingency Reserve Fund	2,082,300		2,082,300	1,082,300	(1,000,000)
Beginning Nonlapsing	31,944,800		31,944,800	22,452,500	(9,492,300)
Beginning Nonlapsing - DHRM Flex Be	10,200		10,200		(10,200)
Beginning Nonlapsing - Retirement	178,500		178,500		(178,500)
Closing Nonlapsing	(22,452,500)		(22,452,500)	(181,200)	22,271,300
Lapsing Balance	(178,500)		(178,500)		178,500
<b>Total</b>	<b>\$633,609,700</b>	<b>\$143,474,400</b>	<b>\$777,084,100</b>	<b>\$536,641,600</b>	<b>(\$240,442,500)</b>
<b>Agencies</b>					
Capitol Preservation Board	5,473,000		5,473,000	4,564,300	(908,700)
Administrative Services	32,748,600	20,041,300	52,789,900	56,956,700	4,166,800
Human Resource Management	4,403,600	50,000	4,453,600	4,222,600	(231,000)
Career Service Review Board	233,200		233,200	239,700	6,500
Capital Budget	273,547,500	58,600,000	332,147,500	194,577,200	(137,570,300)
Debt Service	237,329,100	3,650,000	240,979,100	252,705,300	11,726,200
Technology Services	19,874,700	665,000	20,539,700	23,375,800	2,836,100
Restricted Revenue - CFAS	60,000,000	60,468,100	120,468,100		(120,468,100)
<b>Total</b>	<b>\$633,609,700</b>	<b>\$143,474,400</b>	<b>\$777,084,100</b>	<b>\$536,641,600</b>	<b>(\$240,442,500)</b>
<b>Budgeted FTE</b>	<b>221.0</b>	<b>0.0</b>	<b>221.0</b>	<b>227.5</b>	<b>6.5</b>

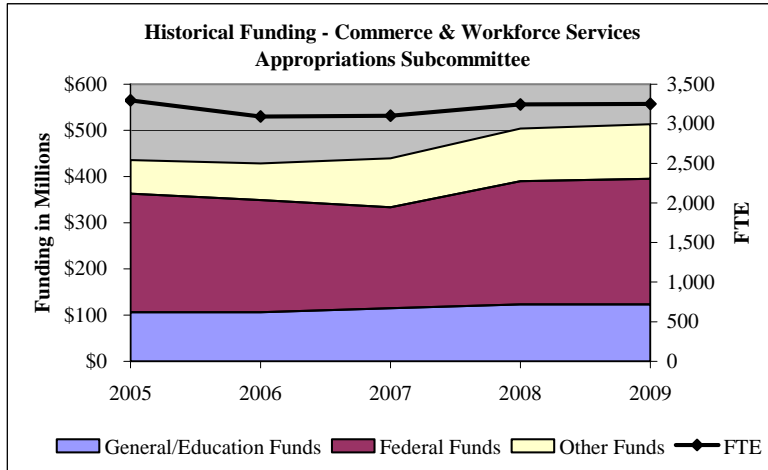


# Commerce & Workforce Services



## Subcommittee Overview

The Legislature appropriated \$513,422,500 to the following eight state agencies for FY 2009: Alcoholic Beverage Control, Commerce, Financial Institutions, Insurance, Labor Commission, Utah State Office of Rehabilitation, Public Service Commission, and Workforce Services. The total General Fund appropriation is \$100,585,900.



## 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 38 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 \$28,251,900 to the Department of Alcoholic Beverage Control. The appropriation includes \$471,000 for bond payments on new stores.

### Funding Detail

Alcoholic Beverage Control					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
Liquor Control Fund	27,082,600		27,082,600	28,151,900	1,069,300
Transfers	100,000		100,000		(100,000)
Beginning Nonlapsing	125,100		125,100		(125,100)
Closing Nonlapsing - Highway Safety				100,000	100,000
<b>Total</b>	<u>\$27,307,700</u>	<u>\$0</u>	<u>\$27,307,700</u>	<u>\$28,251,900</u>	<u>\$944,200</u>
<b>Programs</b>					
Executive Director	3,474,000		3,474,000	1,640,300	(1,833,700)
Administration	1,116,400		1,116,400	1,139,600	23,200
Operations	2,458,400		2,458,400	2,262,200	(196,200)
Warehouse and Distribution	1,549,400		1,549,400	1,591,600	42,200
Stores and Agencies	18,709,500		18,709,500	19,818,200	1,108,700
Eliminate Alcohol Sales to Youth				1,800,000	1,800,000
<b>Total</b>	<u>\$27,307,700</u>	<u>\$0</u>	<u>\$27,307,700</u>	<u>\$28,251,900</u>	<u>\$944,200</u>
<b>Budgeted FTE</b>	353.0	0.0	353.0	353.0	0.0

## 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 \$27,104,700 to the Commerce Department. The following items are included in the appropriation:

- \$75,400 for one Real Estate Fraud Investigator
- \$175,000 (one-time) to remove Social Security numbers from public documents.

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

- **H.B. 119, “Controlled Substance Amendments”** adds \$825,000 (\$650,000 one-time) to establish a real-time prescription drug database for use of pharmacies statewide
- **S.B. 189, “Independent Contractor Database”** provides \$250,000 (one-time) to establish a database of independent contractors
- **S.B. 69, “Uniform Limited Cooperative Association Act”** funds \$4,500 (one-time) for database changes
- **H.B. 99, “Business Registration - Optional Inclusion of Ownership Data”** adds \$9,000 (one-time) for form changes and database modifications
- **S.B. 19, “Public Safety Cost of Living Adjustment”** increases funding in the amount of \$700 to provide a cost of living adjustment for all state public safety officers
- **S.B. 88, “Uniform Model Registered Agent Act”** provides a one-time appropriation of \$14,000 for database changes



- **H.B. 159, “Professional Employer Organization Licensing Act”** reflects a \$150,000 revenue loss from the Commerce Service Fund and transfers \$150,000 in General Fund to the Department of Insurance
- **S.B. 151, “Trademark Protection Act Amendments”** adds \$50,000 for database modifications and promotional expenses
- **H.B. 399, “Medication Aide Certification Amendments”** provides a one-time \$7,000 increase to implement a new certification and examination process

## Funding Detail

Commerce General Regulation					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund				175,000	175,000
General Fund, One-time	100,000		100,000	650,000	550,000
Federal Funds	245,900		245,900	246,200	300
Dedicated Credits Revenue	2,545,000		2,545,000	1,487,500	(1,057,500)
GFR - Commerce Service	18,504,100	36,300	18,540,400	19,517,600	977,200
GFR - CSF - PURF	4,298,300		4,298,300	4,424,700	126,400
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	45,000		45,000	129,000	84,000
Transfers	(793,100)		(793,100)		793,100
Pass-through	50,000			50,000	
Beginning Nonlapsing	2,429,600		2,429,600	300,000	(2,129,600)
Beginning Fund Balances - CSF	236,300		236,300		(236,300)
Closing Nonlapsing	(300,000)		(300,000)		300,000
<b>Total</b>	<b>\$27,485,800</b>	<b>\$36,300</b>	<b>\$27,522,100</b>	<b>\$27,104,700</b>	<b>(\$417,400)</b>
<b>Programs</b>					
Administration	4,976,700	36,300	5,013,000	3,532,700	(1,480,300)
Occupational & Professional Licensing	9,827,200		9,827,200	10,495,500	668,300
Securities	1,741,600		1,741,600	1,812,100	70,500
Consumer Protection	1,512,900		1,512,900	1,466,600	(46,300)
Corporations and Commercial Code	2,626,000		2,626,000	2,691,900	65,900
Real Estate	2,025,900		2,025,900	2,170,700	144,800
<b>Total</b>	<b>\$27,485,800</b>	<b>\$36,300</b>	<b>\$27,522,100</b>	<b>\$27,104,700</b>	<b>(\$417,400)</b>
<b>Budgeted FTE</b>	<b>260.4</b>	<b>0.0</b>	<b>260.4</b>	<b>260.0</b>	<b>(0.4)</b>

## 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. The fund’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 \$6,592,300 from the General Fund Restricted – Financial Institutions to operate the department. New funding includes:

- \$184,000 (one-time) to replace laptop and desktop computers
- \$30,000 (one-time) to replace carpet
- \$4,000 for replacement and operation of office copier

### Funding Detail

Financial Institutions Administration					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
GFR - Financial Institutions	6,085,900		6,085,900	6,592,300	506,400
<b>Total</b>	<u>\$6,085,900</u>	<u>\$0</u>	<u>\$6,085,900</u>	<u>\$6,592,300</u>	<u>\$506,400</u>
<b>Programs</b>					
Administration	5,890,900		5,890,900	6,397,300	506,400
Building Operations and Maintenance	195,000		195,000	195,000	
<b>Total</b>	<u>\$6,085,900</u>	<u>\$0</u>	<u>\$6,085,900</u>	<u>\$6,592,300</u>	<u>\$506,400</u>
<b>Budgeted FTE</b>	54.0	0.0	54.0	54.0	0.0

## 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

The Legislature appropriated \$44,170,000 for the Insurance Department. Included in the total is:

- **H.B. 159, "Professional Employer Organization Licensing Act"** transfers \$150,000 in General Fund to the Department of Insurance from the Department of Commerce
- **H.B. 93, "Insurance Fraud Amendments"** adds \$76,000 to hire an additional Market Conduct Examiner

An increase of dedicated credits of \$1,346,000 in FY 2009 and \$1,186,000 in FY 2010 was also authorized.

### Funding Detail

Insurance Department					
Sources of Finance	2008		2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	16,725,100		16,725,100	17,178,700	453,600
Federal Funds	1,270,300		1,270,300	900,500	(369,800)
Dedicated Credits Revenue	3,595,100		3,595,100	28,315,400	24,720,300
Restricted Revenue	19,526,200		19,526,200		(19,526,200)
GFR - Bail Bond Surety Admin	22,100		22,100	23,500	1,400
Beginning Nonlapsing	28,084,300		28,084,300	30,440,500	2,356,200
Closing Nonlapsing	(30,440,500)		(30,440,500)	(32,688,600)	(2,248,100)
<b>Total</b>	<b>\$38,782,600</b>	<b>\$0</b>	<b>\$38,782,600</b>	<b>\$44,170,000</b>	<b>\$5,387,400</b>
<b>Line Items</b>					
Insurance Department Administration	10,588,000		10,588,000	10,983,800	395,800
Comprehensive Health Insurance Pool	28,079,800		28,079,800	33,084,600	5,004,800
Bail Bond Program	22,100		22,100	23,500	1,400
Title Insurance Program	92,700		92,700	78,100	(14,600)
<b>Total</b>	<b>\$38,782,600</b>	<b>\$0</b>	<b>\$38,782,600</b>	<b>\$44,170,000</b>	<b>\$5,387,400</b>
<b>Budgeted FTE</b>	<b>86.0</b>	<b>0.0</b>	<b>86.0</b>	<b>95.0</b>	<b>9.0</b>

## 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 worker's compensation for self-insured employers.

### Legislative Action

The Legislature appropriated a total of \$12,773,800 to the Labor Commission for FY 2009. Included in the total are the following:

- \$91,200 for an additional FTE for Legal Counsel
- \$250,000 (\$100,000 one-time) for the Rocky Mountain Occupational and Health Center

The Legislature also passed **S.B. 224, "Coal Mine Safety Act"** which adds \$250,000 for the establishment of a new Coal Mine Safety Office.

### Funding Detail

Labor Commission					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	6,483,600		6,483,600	7,194,200	710,600
General Fund, One-time	196,000		196,000	100,000	(96,000)
Federal Funds	2,516,000		2,516,000	2,592,000	76,000
Dedicated Credits Revenue				38,200	38,200
<b>Total</b>	<b>\$12,622,200</b>	<b>\$0</b>	<b>\$12,622,200</b>	<b>\$12,773,800</b>	<b>\$151,600</b>
<b>Programs</b>					
Administration	2,078,600		2,078,600	2,358,800	280,200
Industrial Accidents	1,424,900		1,424,900	1,499,300	74,400
Appeals Board	14,800		14,800	18,800	4,000
Adjudication	1,129,100		1,129,100	1,186,400	57,300
Division of Safety	1,278,400		1,278,400	1,294,800	16,400
Workplace Safety	2,019,900		2,019,900	1,113,200	(906,700)
<b>Total</b>	<b>\$12,622,200</b>	<b>\$0</b>	<b>\$12,622,200</b>	<b>\$12,773,800</b>	<b>\$151,600</b>
<b>Budgeted FTE</b>	<b>107.3</b>	<b>0.0</b>	<b>107.3</b>	<b>108.0</b>	<b>0.8</b>

## 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 \$11,698,500 for FY 2009 to the four line items that make up the Public Service Commission.

### Funding Detail

Public Service Commission					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Dedicated Credits Revenue	1,706,300		1,706,300	1,709,500	3,200
GFR - CSF - PURF	1,798,200		1,798,200	1,901,800	103,600
Trust and Agency Funds	7,636,800		7,636,800		(7,636,800)
Universal Public Telecom Service Fund				8,126,500	8,126,500
<b>Total</b>	<b>\$11,630,300</b>	<b>\$0</b>	<b>\$11,630,300</b>	<b>\$11,698,500</b>	<b>\$68,200</b>
Line Items					
Public Service Commission	2,299,100		2,299,100	2,252,200	(46,900)
Research and Analysis	60,000		60,000	60,000	
Speech and Hearing Impaired	2,123,700		2,123,700	2,225,800	102,100
Universal Telecommunications Support Fund	7,147,500		7,147,500	7,160,500	13,000
<b>Total</b>	<b>\$11,630,300</b>	<b>\$0</b>	<b>\$11,630,300</b>	<b>\$11,698,500</b>	<b>\$68,200</b>
<b>Budgeted FTE</b>	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; and the welfare functions of the Temporary Assistance to Needy Families (TANF), food stamps, and child care. It has 37 one-stop employment centers throughout the state.

### Legislative Action

The Legislature appropriated a total of \$322,060,900 to the Department of Workforce Services. Increases included in the total are:

- \$1,650,000 (one-time) for General Assistance
- \$100,000 (one-time) for Child Care Step-Down
- \$200,000 for Refugee Services to establish a new office within the Department

### Funding Detail

Workforce Services						
Sources of Finance	2008		2008		2009	
	Estimated	Supplemental	Revised	Appropriated	2008 Revised	Change from
General Fund	72,330,200		72,330,200	73,272,900		942,700
General Fund, One-time	5,244,000	(107,000)	5,137,000	1,750,000		(3,387,000)
Federal Funds	227,574,500	(107,000)	227,467,500	232,002,000		4,534,500
Dedicated Credits Revenue	2,359,000		2,359,000	2,359,000		
<b>Total</b>	<b>\$319,251,100</b>	<b>(\$220,000)</b>	<b>\$319,031,100</b>	<b>\$322,060,900</b>		<b>\$3,029,800</b>
<b>Programs</b>						
Workforce Services	(240,000,000)	(220,000)	(240,220,000)	(233,417,200)		6,802,800
Food Stamps	176,032,862		176,032,862	182,840,900		6,808,038
Child Care	66,506,288		66,506,288	60,112,500		(6,393,788)
All Other Programs	6,654,900		6,654,900	7,481,900		827,000
Family Employment Program	86,746,206		86,746,206	98,706,700		11,960,494
General Assistance/SSI	10,712,505		10,712,505	6,890,700		(3,821,805)
<b>Total</b>	<b>\$319,251,100</b>	<b>(\$220,000)</b>	<b>\$319,031,100</b>	<b>\$322,060,900</b>		<b>\$3,029,800</b>
<b>Budgeted FTE</b>	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 \$59,770,400 to USOR, including \$22,519,800 from the Uniform School Fund and \$265,100 from the General Fund.

- **Assistive Technology:** Legislators provided \$200,000 (one-time) to provide for assistive technology products and services for individuals that meet financial needs test requirements and cannot obtain funding from another source
- **Independent Living:** An increase of \$100,000 was approved for outreach in rural services areas throughout the state
- **St. George Deaf and Blind Center** will receive an additional \$100,000
- **Transition Low Vision** was approved for a one-time increase of \$100,000

## Funding Detail

State Office of Rehabilitation					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	265,100		265,100	265,100	
Uniform School Fund	21,310,100		21,310,100	22,119,800	809,700
Uniform School Fund, One-time	1,000,000		1,000,000	400,000	(600,000)
Federal Funds	35,195,400		35,195,400	35,922,500	727,100
<b>Total</b>	<b>\$58,832,000</b>	<b>\$0</b>	<b>\$58,832,000</b>	<b>\$59,770,400</b>	<b>\$938,400</b>
<b>Programs</b>					
Executive Director	1,946,000		1,946,000	1,997,900	51,900
Blind and Visually Impaired	5,511,800		5,511,800	5,744,600	232,800
Rehabilitation Services	40,138,200		40,138,200	40,389,500	251,300
Disability Determination	8,142,800		8,142,800	8,335,000	192,200
Deaf and Hard of Hearing	3,093,200		3,093,200	3,303,400	210,200
<b>Total</b>	<b>\$58,832,000</b>	<b>\$0</b>	<b>\$58,832,000</b>	<b>\$59,770,400</b>	<b>\$938,400</b>
<b>Budgeted FTE</b>	417.0	0.0	417.0	417.0	0.0



## Funding Detail

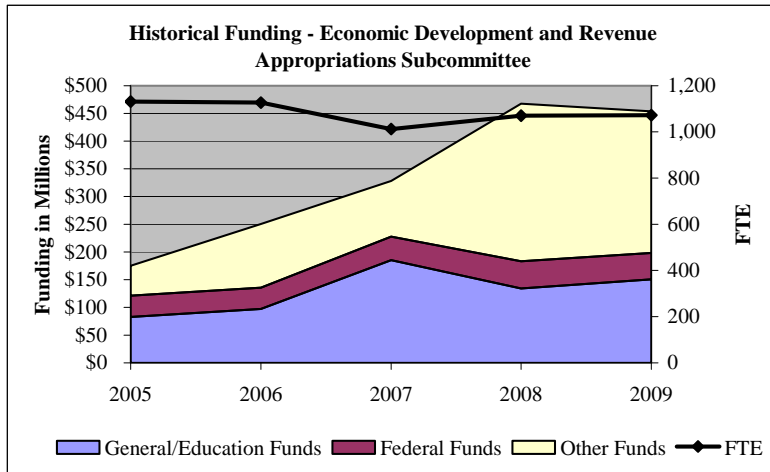
Commerce & Workforce Services Appropriations Subcommittee					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	95,804,000		95,804,000	98,085,900	2,281,900
General Fund, One-time	5,540,000	(107,000)	5,433,000	2,500,000	(2,933,000)
Uniform School Fund	21,310,100		21,310,100	22,119,800	809,700
Uniform School Fund, One-time	1,000,000		1,000,000	400,000	(600,000)
Federal Funds	266,802,100	(107,000)	266,695,100	271,663,200	4,968,100
Dedicated Credits Revenue	11,247,500		11,247,500	34,953,300	23,705,800
Restricted Revenue	19,526,200		19,526,200		(19,526,200)
GFR - Bail Bond Surety Admin	22,100		22,100	23,500	1,400
GFR - Commerce Service	18,504,100	36,300	18,540,400	19,517,600	977,200
GFR - CSF - PURF	6,696,500		6,696,500	6,926,500	230,000
GFR - Factory Built Housing Fees	104,700		104,700	104,700	
GFR - Financial Institutions	6,085,900		6,085,900	6,592,300	506,400
GFR - Geologist Ed. & Enf.	10,000		10,000	10,000	
GFR - Nurses Ed & Enf Fund	10,000		10,000	10,000	
GFR - Pawnbroker Operations	45,000		45,000	129,000	84,000
GFR - Workplace Safety	1,696,400		1,696,400	1,580,300	(116,100)
Trust and Agency Funds	7,642,800		7,642,800		(7,642,800)
Liquor Control Fund	27,082,600		27,082,600	28,151,900	1,069,300
Unemployment Compensation Trust		(6,000)	(6,000)	6,000	12,000
Uninsured Employers' Fund	1,118,500		1,118,500	1,244,100	125,600
Universal Public Telecom Service Fund				8,126,500	8,126,500
Transfers	9,273,300		9,273,300	8,943,400	(329,900)
Transfers - Medicaid				364,600	364,600
Transfers - Within Agency				2,200,000	2,200,000
Pass-through	50,000		50,000	50,000	
Beginning Nonlapsing	45,093,900		45,093,900	42,201,800	(2,892,100)
Beginning Fund Balances - CSF	236,300		236,300		(236,300)
Closing Nonlapsing	(40,994,500)		(40,994,500)	(42,581,900)	(1,587,400)
Closing Nonlapsing - Highway Safety				100,000	100,000
Lapsing Balance	25,000		25,000		(25,000)
<b>Total</b>	<b>\$503,932,500</b>	<b>(\$183,700)</b>	<b>\$503,748,800</b>	<b>\$513,422,500</b>	<b>\$9,673,700</b>
<b>Agencies</b>					
Workforce Services	319,251,100	(220,000)	319,031,100	322,060,900	3,029,800
State Board of Education	58,832,000		58,832,000	59,770,400	938,400
Alcoholic Beverage Control	27,307,700		27,307,700	28,251,900	944,200
Labor Commission	12,622,200		12,622,200	12,773,800	151,600
Commerce	29,420,700	36,300	29,457,000	28,104,700	(1,352,300)
Financial Institutions	6,085,900		6,085,900	6,592,300	506,400
Insurance	38,782,600		38,782,600	44,170,000	5,387,400
Public Service Commission	11,630,300		11,630,300	11,698,500	68,200
<b>Total</b>	<b>\$503,932,500</b>	<b>(\$183,700)</b>	<b>\$503,748,800</b>	<b>\$513,422,500</b>	<b>\$9,673,700</b>
<b>Budgeted FTE</b>	<b>3,243.1</b>	<b>0.0</b>	<b>3,243.1</b>	<b>3,251.7</b>	<b>8.6</b>

# 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 Tax Commission, the Utah Sports Authority, and the Utah Science Technology and Research (USTAR) initiative.



### Legislative Action

The Legislature appropriated \$453,595,200 to Economic Development and Revenue agencies for FY 2009; about a third of which (\$150,628,400) 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 9 FTEs.

### **Legislative Action**

The Legislature approved \$1,500,000 (\$1,000,000 one-time) to fund the second phase of the Department's initiative to digitize collections, databases, and grants management systems in all of the Department's divisions. The Legislature also provided \$138,300 for increased lease and parking costs.

## **Division of Indian Affairs**

The Division of Indian Affairs promotes intergovernmental coordination between tribal and State government. Funding is provided for 3 FTEs.

### **Legislative Action**

The Legislature authorized an additional \$10,000 in Dedicated Credits 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 32.

### **Legislative Action**

The Legislature provided one-time funds for the following:

- \$50,000 to for the Cedar City WWII Memorial
- \$25,000 for the Juab County Veterans' Memorial

- 
- \$25,000 for the Peetneet School Preservation project
  - \$100,000 for the Casino Star Theatre Renovation
  - \$50,000 to the Heber Valley Railroad Authority
  - \$5,000 for glass plate negative shelving.

Funds were reallocated from other budget areas to appropriate an additional \$70,000 for glass plate negative shelving.

### **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 24 FTE.

#### **Legislative Action**

The Legislature made an ongoing appropriation of \$10,000 and a one-time appropriation of \$35,000 to Museum Services to fund the American West Heritage Center. Additional one-time appropriations were made to the following:

- \$50,000 to the Tropic Town Ebenezer Bryce Museum
- \$50,000 to the Utah Cowboy Hall of Fame
- \$607,000 for the Museum of Natural Curiosity at Thanksgiving Point
- \$100,000 to the Canyon Country Discovery Center
- \$30,000 to the Moab Museum
- \$10,000 to the John Wesley Powell River Museum
- \$10,000 to the Helper Mining Museum
- \$50,000 to the Marv Jensen West Jordan Museum
- \$45,000 to the Museum of History and Archives – South Davis.

The Legislature also reallocated \$100,000 one-time to the Museum of History and Archives – South Davis.

One-time funding was provided for the following arts organizations:

- \$30,000 for the Desert Star Playhouse
- \$10,000 for the Taylorsville Dayzz Symphony in the Park and \$107,000 for the Freedom Festival
- \$178,500 for the Ballet West Capital Campaign
- \$150,000 for the Tuacahn Center for the Arts
- \$45,000 to the Moab Music Festival

### **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 73.

### **Legislative Action**

The State Library was provided with a \$65,000 ongoing appropriation to upgrade the library catalog system. The Library also received \$10,000 in one-time funds to provide internet access to bookmobiles and \$65,000 for Public PIONEER.

### **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 73 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**

A one-time appropriation of \$500,000 was made to both the Pamela Atkinson Homeless Trust Fund and the Olene Walker Housing Loan Fund to reduce chronic homelessness and expand or retain affordable housing. The Legislature appropriated \$157,000 (\$50,000 ongoing) to expand the Earned Income Tax Assistance



Working Families Initiative and \$100,000 one-time to the Emergency Food Network for food pantry equipment purchases.

One-time appropriations of \$5,000,000 and \$9,000,000 respectively were made to the West Side Development in Davis County and the Brigham City Water Development Project for Procter and Gamble through the Community Assistance program. Community Assistance also received funding for the following projects:

- \$25,000 for the Antelope Island Balloon Stampede
- \$30,000 for the Hill Air Force Base Show
- \$36,000 for the Shakespearean Festival
- \$25,000 to the Eccles Ice Center

### **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.

## Funding Detail

Department of Community and Culture					
Sources of Finance	2008	2008	2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	23,282,600		23,282,600	24,923,400	1,640,800
General Fund, One-time	5,970,000	(230,000)	5,740,000	17,508,500	11,768,500
Federal Funds	44,644,800		44,644,800	42,921,000	(1,723,800)
Dedicated Credits Revenue	4,836,100	504,600	5,340,700	5,460,800	120,100
Federal Mineral Lease	90,785,200		90,785,200	5,500,000	(85,285,200)
GFR - Homeless Trust	1,350,000		1,350,000	1,350,000	
Permanent Community Impact	1,023,600		1,023,600	70,694,800	69,671,200
Repayments	19,447,000		19,447,000	28,000,000	8,553,000
Beginning Nonlapsing	5,822,900		5,822,900	259,800	(5,563,100)
Closing Nonlapsing	(259,800)		(259,800)		259,800
<b>Total</b>	<b>\$196,902,400</b>	<b>\$274,600</b>	<b>\$197,177,000</b>	<b>\$196,618,300</b>	<b>(\$558,700)</b>
<b>Line Items</b>					
Administration	4,202,200		4,202,200	5,089,100	886,900
Historical Society	493,800		493,800	362,200	(131,600)
State History	3,708,400		3,708,400	4,117,800	409,400
Arts and Museums	6,044,900	100,000	6,144,900	4,599,300	(1,545,600)
Arts and Museums - Museum Services	1,454,300	50,000	1,504,300	1,762,200	257,900
State Library	9,425,100	(222,400)	9,202,700	9,390,200	187,500
Indian Affairs	302,500		302,500	294,000	(8,500)
Housing and Community Development	59,340,300	347,000	59,687,300	66,504,800	6,817,500
Community Development Capital Budget	110,232,200		110,232,200	103,000,000	(7,232,200)
Zoos	1,698,700		1,698,700	1,498,700	(200,000)
<b>Total</b>	<b>\$196,902,400</b>	<b>\$274,600</b>	<b>\$197,177,000</b>	<b>\$196,618,300</b>	<b>(\$558,700)</b>
<b>Budgeted FTE</b>	<b>194.0</b>	<b>0.0</b>	<b>194.0</b>	<b>195.0</b>	<b>1.0</b>

## 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 four line items: Administration, Business Development, Incentives, and the Office of Tourism. There are 61 FTE funded by the appropriation.

### Legislative Action

The Industrial Assistance Fund was appropriated \$1,513,000 in FY 2008 to replenish the fund. The Legislature also appropriated \$9,000,000 in earmarked sales tax revenue in FY 2009 and an additional \$2,000,000 from the General Fund for tourism promotion activities.

The Legislature also identified \$4,400,000 in foregone revenue for FY 2008 and \$15,480,000 in FY 2009 to fund

Economic Development Tax Increment Rebate commitments made by the GOED Board. The statute was changed so that the EDTIF commitments in the future will be in the form of tax credits.

A one-time appropriation of \$3,000,000 was made to enhance the Motion Picture Incentives program. Additional one-time appropriations were also made for the following:

- \$750,000 to the Utah Bid Development Solutions
- \$100,000 for a land inventory study
- \$350,000 for the World Trade Center Utah
- \$50,000 for the Utah Summer Games
- \$400,000 for the Governor's Health Initiatives
- \$250,000 for a Restaurant Marketing Campaign
- \$25,000 for the Utah Council on Citizen Diplomacy
- \$125,000 for the Center for Education, Business and Arts in Kanab
- \$5,000 for High School Women's Golf
- \$400,000 for economic development initiatives

An ongoing appropriation of \$125,000 was made to fund business resource centers, and \$100,000 was approved to fund the Utah Defense Alliance.

## Funding Detail

Governor's Office of Economic Development					
	2008	2008	2008	2009	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	15,054,800		15,054,800	15,665,300	610,500
General Fund, One-time	2,890,000		2,890,000	3,805,000	915,000
Transportation Fund	118,000		118,000	118,000	
Federal Funds	300,000		300,000	300,000	
Dedicated Credits Revenue	254,700		254,700	254,700	
GFR - Industrial Assistance	223,500		223,500	223,500	
GFR - Motion Picture Incentive Fund	4,000,000		4,000,000	4,051,300	51,300
GFR - Rural Broadband Service Fund	1,000,000		1,000,000		(1,000,000)
GFR - Tourism Marketing Performance	11,000,000		11,000,000	11,688,000	688,000
Beginning Nonlapsing	6,193,400		6,193,400	150,000	(6,043,400)
<b>Total</b>	<b>\$41,034,400</b>	<b>\$0</b>	<b>\$41,034,400</b>	<b>\$36,255,800</b>	<b>(\$4,778,600)</b>
<b>Line Items</b>					
Administration	3,792,600		3,792,600	4,208,700	416,100
Office of Tourism	22,471,600		22,471,600	21,888,300	(583,300)
Business Development	14,620,200		14,620,200	10,008,800	(4,611,400)
Incentive Funds	150,000		150,000	150,000	
<b>Total</b>	<b>\$41,034,400</b>	<b>\$0</b>	<b>\$41,034,400</b>	<b>\$36,255,800</b>	<b>(\$4,778,600)</b>
<b>Budgeted FTE</b>	<b>60.0</b>	<b>0.0</b>	<b>60.0</b>	<b>61.0</b>	<b>1.0</b>

## Utah Sports Authority

During the 2007 General Session, the Legislature approved S.B. 167, "Utah Sports Authority". The Authority coordinates and promotes the enhancement of sporting opportunities in Utah. The legislation also moved the Pete Suazo Utah Athletic Commission from the Department of Commerce to the Utah Sports Authority.

### Legislative Action

The Utah Sports Authority was provided \$184,700 for purposes related to the Pete Suazo Utah Athletic Commission.

### Funding Detail

Utah Sports Authority					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	170,000		170,000	174,700	4,700
General Fund, One-time	3,225,000	(50,000)	3,175,000		(3,175,000)
Dedicated Credits Revenue	10,000		10,000	10,000	
<b>Total</b>	<b>\$3,405,000</b>	<b>(\$50,000)</b>	<b>\$3,355,000</b>	<b>\$184,700</b>	<b>(\$3,170,300)</b>
<b>Line Items</b>					
Sports Authority	3,405,000	(50,000)	3,355,000	184,700	(3,170,300)
<b>Total</b>	<b>\$3,405,000</b>	<b>(\$50,000)</b>	<b>\$3,355,000</b>	<b>\$184,700</b>	<b>(\$3,170,300)</b>
<b>Budgeted FTE</b>	1.0	0.0	1.0	1.0	0.0

## 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 5 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 \$2,500,000 in one-time funding for the expansion of the research teams.

## Funding Detail

Utah Science Technology and Research Governing Authority					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	19,324,500		19,324,500	19,411,000	86,500
General Fund, One-time				2,500,000	2,500,000
Beginning Nonlapsing	58,328,300		58,328,300	38,076,700	(20,251,600)
Closing Nonlapsing	(38,076,700)		(38,076,700)	(25,192,000)	12,884,700
<b>Total</b>	<b>\$39,576,100</b>	<b>\$0</b>	<b>\$39,576,100</b>	<b>\$34,795,700</b>	<b>(\$4,780,400)</b>
<b>Line Items</b>					
USTAR	27,726,100		27,726,100	22,795,700	(4,930,400)
USTAR Capital Developments	11,850,000		11,850,000	12,000,000	150,000
<b>Total</b>	<b>\$39,576,100</b>	<b>\$0</b>	<b>\$39,576,100</b>	<b>\$34,795,700</b>	<b>(\$4,780,400)</b>
<b>Budgeted FTE</b>	<b>29.0</b>	<b>0.0</b>	<b>29.0</b>	<b>29.0</b>	<b>0.0</b>

## Tax Commission

Collection of revenue for state and local governments and administering tax and motor vehicle laws is the primary function 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 2009 amount to \$81.3 million—a 12 percent decrease over total FY 2008 final appropriations. Of the \$81.3 million, about 55 percent (\$46 million) is from General and Education funds

## Legislative Action

**Administration Line Item:** The Tax Administration Line Item accounts for over 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 appropriated new funding of \$1.9 million to this line item.

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Ongoing funding was appropriated for the following items:

- Postage rate increases (\$55,600 General Fund and \$36,500 Uniform School Fund)
- Taxpayer statements, bulletins, and information costs (\$20,000 General Fund and \$80,000 Uniform School Fund)
- Internal service fund rate adjustments (\$94,100 General Fund decrease and \$79,300 Uniform School Fund decrease)
- Compensation adjustments totaling \$1.9 million (76% of which is General and Education Funds)
- Lease payments that are no longer needed (a decrease of \$217,000 from the General Fund)

One-time funding was appropriated for the following items:

- postage rate increases (\$55,600 General Fund and \$36,500 Uniform School Fund)
- Taxpayer statements, bulletins, and information costs (\$10,000 General Fund and \$90,000 Uniform School Fund)

The implementation of the following bills increased the Commission's appropriation:

- **S.B. 28, "Honoring Heroes Special Group License Plate"** (\$8,300 General Fund, One-time)
- **S.B. 19, "Enhanced Public Safety Retirement Systems COLA Option"** (\$1,400 General Fund, \$30,300 Dedicated Credits, \$600 Sales & Use Tax Administration Fee)
- **H.B. 206, "Tax Amendments"** (\$25,000 General Fund, \$13,100 General Fund, One-time, \$38,100 Sales & Use Tax Administration Fee).

The Legislature also appropriated \$2.1 million Uniform School Fund and \$3.9 million Sales & Use Tax Administration Fee for the Arches tax system modernization project, bringing the total direct appropriations for the project to \$18 million (the total estimated cost for Arches project by completion in 2010 is

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expected to cost \$28 - \$30 million, with \$18 million in direct appropriations from the Legislature).

Additionally, the Legislature funded one FTE for the purpose of ensuring the state is doing its due diligence with regard to the Tobacco Master Settlement Agreement. This position is funded entirely from the Tobacco Settlement Restricted Account in the amount of \$76,800.

**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 2009, the Legislature appropriated a total of \$5,425,600 (40 percent of FY 2007 collections and \$440,800 above the FY 2008 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 2009 line item budget of \$2.8 million, which includes a closing nonlapsing balance of \$3.3 million.

## Funding Detail

Utah State Tax Commission					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	25,648,500		25,648,500	26,276,900	628,400
General Fund, One-time	95,700	74,600	170,300	21,400	(148,900)
Uniform School Fund	20,360,400		20,360,400	21,005,800	645,400
Uniform School Fund, One-time	5,000,000	2,226,500	7,226,500		(7,226,500)
Transportation Fund	5,857,400		5,857,400	5,857,400	
Federal Funds	510,400		510,400	510,400	
Dedicated Credits Revenue	13,534,400		13,534,400	14,111,900	577,500
GFR - Alc Bev Enf & Treatment	4,984,800		4,984,800	5,425,600	440,800
GFR - Sales and Use Tax Admin Fees	8,374,700	3,944,600	12,319,300	8,670,900	(3,648,400)
GFR - Tobacco Settlement				76,800	76,800
TFR - Uninsured Motorist I.D.	133,800		133,800	133,800	
Transfers	102,300		102,300	102,300	
Beginning Nonlapsing	8,991,100		8,991,100	7,147,200	(1,843,900)
Closing Nonlapsing	(7,147,200)		(7,147,200)	(5,686,100)	1,461,100
<b>Total</b>	<b>\$86,446,300</b>	<b>\$6,245,700</b>	<b>\$92,692,000</b>	<b>\$83,654,300</b>	<b>(\$9,037,700)</b>
<b>Line Items</b>					
Tax Administration	78,293,400	6,245,700	84,539,100	75,443,400	(9,095,700)
License Plates Production	2,785,300		2,785,300	2,785,300	
Liquor Profit Distribution	4,984,800		4,984,800	5,425,600	440,800
Sales Tax - Vendor Payments	382,800		382,800		(382,800)
<b>Total</b>	<b>\$86,446,300</b>	<b>\$6,245,700</b>	<b>\$92,692,000</b>	<b>\$83,654,300</b>	<b>(\$9,037,700)</b>
<b>Budgeted FTE</b>	786.4	0.0	786.4	786.4	0.0

## Funding Detail

Economic Development and Revenue Appropriations Subcommittee					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	89,316,800		89,316,800	92,287,700	2,970,900
General Fund, One-time	16,180,700	1,307,600	17,488,300	37,334,900	19,846,600
Uniform School Fund	20,360,400		20,360,400	21,005,800	645,400
Uniform School Fund, One-time	5,000,000	2,226,500	7,226,500		(7,226,500)
Transportation Fund	5,975,400		5,975,400	5,975,400	
Federal Funds	49,061,200		49,061,200	47,581,400	(1,479,800)
Dedicated Credits Revenue	18,635,200	504,600	19,139,800	19,837,400	697,600
Federal Mineral Lease	169,685,200		169,685,200	63,500,000	(106,185,200)
GFR - Alc Bev Enf & Treatment	4,984,800		4,984,800	5,425,600	440,800
GFR - Homeless Trust	1,350,000		1,350,000	1,350,000	
GFR - Industrial Assistance	223,500		223,500	223,500	
GFR - Mineral Bonus				20,900,000	20,900,000
GFR - Motion Picture Incentive Fund	4,000,000		4,000,000	4,051,300	51,300
GFR - Rural Broadband Service Fund	1,000,000		1,000,000		(1,000,000)
GFR - Sales and Use Tax Admin Fees	8,374,700	3,944,600	12,319,300	8,670,900	(3,648,400)
GFR - Tobacco Settlement				76,800	76,800
GFR - Tourism Marketing Performance	11,000,000		11,000,000	11,688,000	688,000
TFR - Uninsured Motorist I.D.	133,800		133,800	133,800	
Permanent Community Impact	1,023,600		1,023,600	70,694,800	69,671,200
Transfers	102,300		102,300	102,300	
Repayments	19,447,000		19,447,000	28,000,000	8,553,000
Beginning Nonlapsing	79,335,700		79,335,700	45,633,700	(33,702,000)
Closing Nonlapsing	(45,483,700)		(45,483,700)	(30,878,100)	14,605,600
<b>Total</b>	<b>\$459,706,600</b>	<b>\$7,983,300</b>	<b>\$467,689,900</b>	<b>\$453,595,200</b>	<b>(\$14,094,700)</b>
<b>Agencies</b>					
Tax Commission	86,446,300	6,245,700	92,692,000	83,654,300	(9,037,700)
Community and Culture	196,902,400	274,600	197,177,000	196,618,300	(558,700)
Economic Development	41,034,400		41,034,400	36,255,800	(4,778,600)
Sports Authority	3,405,000	(50,000)	3,355,000	184,700	(3,170,300)
USTAR	39,576,100		39,576,100	34,795,700	(4,780,400)
Restricted Revenue - EDR	92,342,400	1,513,000	93,855,400	102,086,400	8,231,000
<b>Total</b>	<b>\$459,706,600</b>	<b>\$7,983,300</b>	<b>\$467,689,900</b>	<b>\$453,595,200</b>	<b>(\$14,094,700)</b>
<b>Budgeted FTE</b>	1,070.4	0.0	1,070.4	1,072.4	2.0





# **HEALTH AND HUMAN SERVICES**

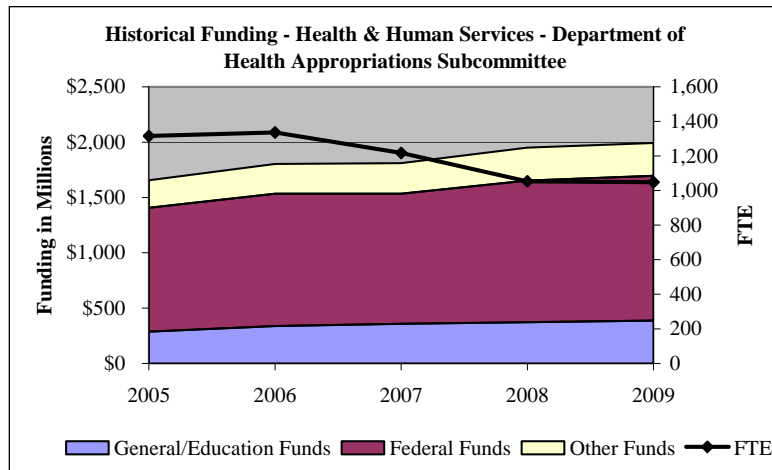


# Department of Health



## 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 efforts and funding.



### Legislative Action

The Legislature approved a total FY 2009 spending level for the Department of Health of \$1,992,940,600, with \$385,538,900 from the General Fund. The appropriation represents an average Department-wide increase of 2.1 percent over the FY 2008 revised budget and a 3.5 percent increase over the FY 2008 revised General Fund level. The approved FTE level for the Department is 1,050.

Budgetary issues that will be felt Department-wide include funding for a 5.0 percent cost-of-living adjustment (COLA), worker's compensation decrease, and a 3.0 percent inflationary increase for local public providers based on total costs, rather than just salary costs as has been done in previous years. These Health Department adjustments total \$3,365,000, including \$1,311,700

from the General Fund. State Internal Service Fund (ISF) rate changes will have a net increase to the Department's FY 2009 budget of \$396,500, of which \$254,500 is from the General Fund.

The appropriation increases 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. This organizational category also includes the Office of the Medical Examiner and the Center for Health Data.

### **Legislative Action**

The Legislature approved funding for FY 2009 in the amount of \$28,468,400, of which \$8,653,300 is from the General Fund. The approved FTE level for this line item is 168. The funding allocations to the programs within the line item are:

Executive Director	\$2,682,800
Program Operations	4,671,700
Medical Examiner	2,846,000
Bioterrorism Grants	12,739,400
Center for Health Data	5,528,500

**H.B. 174, "Traumatic Brain Injury Fund"** provided \$50,000 (one-time) for administrative costs and to provide services to individuals with traumatic brain injuries as directed by an advisory committee.

**Specimen Preparation Equipment and Inflation:** The Office of the Medical Examiner's budget was increased by \$260,000 (\$190,000 one-time) to address the program's caseload growth and to replace 12 year-old pathology equipment used in determining about 1,500 causes of death annually.

**H.B. 133, “Health System Reform”** provides \$1,115,000 (\$500,000 one-time) to develop a state plan for strategic health system reform. The \$615,000 ongoing funding provides the money to implement H.B. 9, “Health Care Cost and Quality Data” from the 2007 General Session that passed with no funding. This funding will create health care cost and quality data collection, analysis, and distribution.

**Attorney General Compensation:** The Legislature approved \$198,300 as an FY 2008 supplemental for a three percent COLA increase for the Department of Health’s attorneys.

### **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, acceptability, quality, and cost.

#### **Legislative Action**

The approved FY 2009 budget for the Health Systems Improvement line item is \$19,164,400 with \$7,277,800 from the General Fund. Federal Funds and Dedicated Credit Revenue account for over \$11.2 million of the division’s budget. The approved FTE level for Health Systems Improvement is 141. The funding allocations to the programs within the line item are:

Director’s Office	\$373,400
Emergency Medical Services	6,077,400
Child Care Licensing	2,783,000
Health Facility Licensure, Certification and Resident Assessment	5,963,300
Primary Care and Rural Health	3,967,300

**Community Health Centers:** Grants to Mountainlands and Southwest Community Health Centers were funded with \$500,000 (one-time) to serve about 2,000 medically uninsured individuals in Utah and Washington Counties.



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**Maliheh Free Clinic:** To strengthen health care services to low-income and underinsured individuals, the Legislature approved \$50,000 (one-time).

**Eye Care for Kids:** Lawmakers funded \$150,000 (one-time) for a non-profit organization, Eye Care for Kids, to provide eye care services to approximately 3,000 to 4,300 low income individuals who do not qualify for Medicaid eye care services.

**Electronic Medical Records:** A one-time appropriation of \$100,000 was made to Primary Care Grants to pay for a feasibility study for doctors' offices, who serve Medicaid patients, to convert their medical records into an electronic format. The Utah Medical Association and Medicare have helped fund the transition of over 120 doctors' offices to electronic medical records. These 2 funding sources and State funds have helped bring the percentage of all Utah doctors' offices using electronic medical records to 65 percent. During FY 2009, the usage should increase to approximately 75 percent.

**H.B. 131, "Community Based Self Sufficiency Grants"** provides \$175,000 (one-time) for grants to community-based organizations to help low income individuals with prudent and appropriate use of health care resources.

### **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**

Lawmakers approved an ongoing budget of \$425,900 General Fund for the Workforce Financial Assistance Program for FY 2009. These funds are nonlapsing by statute. The program is managed by the efforts of 0.3 FTE.

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## 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 2009, the approved appropriation is \$20,840,500, of which \$6,055,000 is from the General Fund. Federal Funds and Dedicated Credit Revenue account for over \$13.3 million of this budget. The Division FTE level for FY 2009 is 135. The funding allocations to the programs within the line item are:

Director's Office	\$510,300
Chemical & Environmental Services	2,158,300
Forensic Toxicology	1,211,900
Laboratory Improvement	1,455,300
Microbiology	4,214,100
Communicable Disease Control	8,114,200
Epidemiology	3,176,400

**Health Lab Operations and Maintenance:** With the approval of a new State Laboratory during the 2007 General Session, funding in the amount of \$369,800 was appropriated for its operations and maintenance. In keeping with legislative policy, one-time reductions will occur until the facility is finished and the funds are needed. A reduction of (\$277,400) was made as the new facility will only be in operation for three months of FY 2009.

**S.B. 209, "Methamphetamine Decontamination Standards and Funding"** provides \$178,500 (one-time) to establish standards for methamphetamine decontamination of property and a public outreach campaign.

**H.B. 15, "Control and Prevention of Sexually Transmitted Diseases"** provides funding of \$175,000 for public outreach regarding the consequences of and treatment options for sexually transmitted diseases.

## Intent Language

The Legislature approved intent language for FY 2008 authorizing the division to retain unexpended funds up to \$250,000 at the end of FY 2008 for laboratory equipment, computer equipment and/or software, and building improvements.

## 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 necessary to reduce illness, disability, and death from adverse pregnancy outcomes, chronic diseases, disabling conditions, injury and violence, and vaccine-preventable infections.

## Legislative Action

The Legislature's budget for this division for FY 2009 is \$108,455,800, with a General Fund allocation of \$15,639,300. Significant funding comes from Federal Funds, Dedicated Credit Revenue and restricted funds (cigarette taxes and the Tobacco Settlement Account). For FY 2009, this division will include 288 FTE. The funding allocations to the programs within the line item are:

Director's Office	\$3,489,100
Health Promotion	21,126,800
Maternal and Child Health	55,925,400
Children with Special Health Care Needs	27,914,500

**S.B. 81, "Illegal Immigration"** provides \$22,600 in the base budget for FY 2010 when the Department of Health will be required to verify legal presence for applicants of all public benefits.

**Immunization Vaccine Funding:** \$500,000 (one-time) was approved to provide vaccines for approximately 16,000 underinsured children.

**H.B. 263, “Utah Registry of Autism and Developmental Disabilities”** provides \$149,800 for the operation of the Utah Registry of Autism and Developmental Disabilities and a public education campaign.

**Early Intervention Caseload and Provider Rates:** The Baby Watch/Early Intervention Program received new funding in the amount of \$735,300 for a six percent provider rate increase and \$1,028,300 from an internal reallocation to provide resources for about 180 new children. This program provides services to children up to three years of age who are experiencing developmental delays.

### **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 2009, the Legislature approved a budget level of \$95,623,300 with \$5,487,200 coming from the General Fund. Federal Funds provide over \$53 million of the Division’s budget. The FTE count for Health Care Financing is 229. The funding allocations to the programs within the line item are:

Director’s Office	\$6,031,900
Financial Services	9,515,300
Managed Health Care	3,738,200
Medical Claims	4,211,300
Eligibility Services	4,135,600
Coverage and Reimbursement	5,539,600
Contracts	62,451,400

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**DTS:** The Legislature approved \$150,000 and a \$150,000 FY 2008 supplemental to correct a calculation error for Health's payments to the Department of Technology Services (DTS).

**Eligibility Worker Adjustment:** The budget level includes a transfer from the Department of Workforce Services of \$214,000 (\$107,000 General Fund) to cover the personnel services costs of two FTEs retained by the Department of Health during the FY 2008 eligibility services consolidation. This funding change is for FY 2008 and FY 2009.

**H.B. 364 "Promotion of Health Care Coverage"** added \$120,000 (\$60,000 General Fund) to promote awareness of and facilitate enrollment in Utah's Premium Partnership for Health Insurance Program. Additionally, the bill requires the Department of Health, the Department of Workforce Services, and the State Board of Education to collaborate with one another to develop a process to promote health insurance awareness and coverage of children in schools and report to the Legislature on their progress by November 19, 2008.

### **Intent Language**

Intent language was added to this program giving nonlapsing authority of up to \$750,000 for the Medicaid Management Information System in FY 2008.

### **Medical Assistance**

Medical Assistance is the joint federal/state entitlement program that provides health care to selected low-income populations.

### **Legislative Action**

The Medicaid budget is the largest piece of the Department's budget. The Legislature replaced Medical Assistance with 2 new line items, Medicaid Mandatory Services and Medicaid Optional Services for FY 2009.

## Intent Language

The Legislature passed intent language directing the Department of Health to use the \$174,000 one-time General Fund appropriated during the 2007 General Session to provide Medicaid adult vision services under a fee-for-service system with a \$3 co-pay. This language changed prior Legislative directives to charge a \$10 co-pay and use a capitated system. This change came as a result of the federal government's rejection of Utah's request to use a \$10 co-pay.

## Medicaid Mandatory Services

Medicaid Mandatory Services represents those services the federal government requires to be provided to populations eligible for Medicaid. Medicaid Mandatory Services is one of two new line items that replaced the Medical Assistance line item.

## Legislative Action

For FY 2009, the Legislature approved a budget level of \$820,268,500 with \$221,388,000 coming from the General Fund. Federal Funds provide over \$577 million. The FTE count for Medicaid Mandatory Services is 76. The funding allocations to the programs within the line item are:

Inpatient Hospital	\$217,151,200
Nursing Home	151,165,200
Managed Care	212,037,100
Physician Services	73,591,800
Outpatient Hospital	89,830,300
Other Mandatory Services	76,492,900

**Medicaid Funding Adjustment:** The Legislature made a reduction of (\$2,158,900) to match the decrease in actual expenditures in the Medicaid fee-for-service populations from FY 2006 to FY 2007 because of declining caseloads. The Legislature allocated these monies to fund other priorities.

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**Medicaid Match Rate Change:** The Federal Medical Assistance Percentage (FMAP) rate will fall from 71.26 percent to 70.94 percent in FY 2009. The Legislature appropriated \$3,410,000 to the 2 new Medicaid line items to maintain the current level of services in the Medicaid program.

**Medicaid Inflation/Provider Reimbursement Rates:** The Legislature approved \$28,816,500 (\$8,950,800 General Fund) to fund Medicaid inflation. This impacts the rates paid to providers of Medicaid services. All providers will receive an increase in reimbursement rates, ranging from 2.0 percent to 3.3 percent.

**Medicaid Utilization/Inflation:** The budget included \$3,480,600 (\$1,045,200 General Fund) to fund one percent combined utilization and caseload growth for FY 2009. Utilization growth occurs where the same clients use more units of service.

**Nursing Home Placement Prevention Pilot:** The Legislature moved \$106,500 (one-time) from Medicaid Mandatory Services to fund a nursing home placement prevention pilot project in the Department of Human Services.

### **Intent Language**

The Legislature directed that the Department of Health pay for case management services for individuals affected by Prader-Willi Syndrome out of the existing Medicaid Mandatory Services budget.

### **Medicaid Optional Services**

Medicaid Optional Services represents that portion of services that Utah has opted to provide to selected 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. Medicaid Optional Services is one of two new line items that replaced the Medical Assistance line item.

## Legislative Action

For FY 2009, the Legislature approved a budget level of \$820,619,900 with \$115,558,200 coming from the General Fund. Federal Funds provide over \$530 million. There are no FTE's for Medicaid Optional Services. The funding allocations to the programs within the line item are:

Pharmacy	\$165,071,300
Home and Community Based Waivers	139,410,700
Capitated Mental Health Services	154,128,900
Buy In/Out	33,015,800
Intermediate Care Facilities for the Mentally Retarded	33,468,500
Vision Care	8,741,200
Other Optional Services	257,755,200

**Medicaid Adult Dental Services:** The Legislature provided \$6,958,900 (\$2,000,000 from the Medicaid Restricted Account, one-time) to continue dental services for another year for about 40,000 Medicaid clients who are aged or have disabilities.

**H.B. 258, “Medicaid Drug Utilization Amendments”** prohibits changing from prescription to generic versions of immunosuppressive drugs used to prevent transplanted organ rejection without the consent of both the patient and prescribing physician. The fiscal note estimated costs of \$79,000 (\$23,000 General Fund) in FY 2009 and the Department of Health was directed through intent language to pay costs from its existing budget.

### Intent Language

The Legislature directed that the Department of Health to pay for Medicaid adult vision services out of existing Medicaid Optional Services budgets.

The following table demonstrates the provider increases in the Medicaid program since FY 2005, by specific medical service.



<b>Historical Percentage Increases for Medicaid Provider Reimbursement</b>					
<b>Provider Increases</b>	<b>Approp. FY 2005</b>	<b>Approp. FY 2006</b>	<b>Approp. FY 2007</b>	<b>Approp. FY 2008</b>	<b>Approp. FY 2009</b>
Nursing Homes	27.3%	1.0%	2.0%	8.1%	1.7%
Inpatient Hospital	1.6%	1.5%	2.0%	4.8%	2.7%
Ambulatory Surgical	0.0%	3.7%	2.0%	2.5%	3.3%
Dental Services	4.3%	4.8%	2.0%	27.5%	2.3%
Federally Qualified Health Centers	4.7%	4.2%	4.3%	4.2%	2.0%
Home Health	0.0%	0.0%	0.0%	4.2%	2.0%
Outpatient Hospital	0.0%	1.5%	2.0%	2.5%	3.3%
Pharmacy	11.0%	11.5%	10.5%	10.4%	8.3%
Physical Therapy	0.0%	0.0%	0.0%	4.2%	2.0%
Physician Services	0.0%	4.8%	2.0%	8.5%	2.0%
Rural Health	4.7%	4.2%	4.3%	4.2%	2.0%
Speech and Audiology	0.0%	0.0%	0.0%	4.2%	2.0%
Crossovers	4.7%	4.2%	4.3%	4.2%	2.0%
Health Maintenance Organizations	0.0%	3.0%	2.0%	2.5%	2.0%
Buy-out Insurance	4.7%	4.2%	4.3%	4.2%	2.0%
Medicare Buy-in	4.7%	10.8%	12.0%	5.6%	2.5%
Other Providers	0.0%	0.0%	0.0%	4.2%	2.0%

### **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 \$3,533 or less for a family of 4.

#### **Legislative Action**

The total budget the Legislature approved for CHIP for FY 2009 is \$76,021,900. Of this amount, \$2,002,200 is from ongoing General Fund and \$10,340,400 is from GFR – Tobacco Settlement Account. The matching Federal Funds are estimated at \$59,414,600. The approved FTE level for this line item is 13. This funding can serve approximately 41,000 children monthly.

**H.B. 326 "Children's Health Insurance Program - Open Enrollment"** provides \$2,700,000 for the FY 2010 base to make the CHIP program open to enrollment year round and makes the program's appropriations non-lapsing.

**Tobacco Funding:** There is concern that Utah may not receive all of the estimated tobacco funds for FY 2009. Pending litigation could significantly reduce the State's future allocations.

This is being monitored closely by both the Attorney General's Office and the Department of Health. For FY 2008, tobacco companies withheld \$2.8 million of Utah's payments. The tobacco payment received for the Tobacco Settlement Restricted Account for FY 2008 was \$25,235,500, which is \$935,500 more than the original estimate. The increase is primarily due to the beginning of secondary, strategic payments by the tobacco companies in FY 2008.

### **Local Health Departments**

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

### **Legislative Action**

The Legislature approved a FY 2009 funding level of \$2,497,000 General Fund for this block grant, which includes a 3.0 percent inflation adjustment. This is the first year where increases were based on total costs rather than just the salary portion of costs.

**Surge Capacity for Disease Control:** Local Health Departments received \$250,000 to increase local capacity to respond to public health incidents, such as last year's 1,902 laboratory-confirmed cryptosporidiosis cases from June through December 2007.

### **Restricted Revenue**

S.B. 223, "Tax Amendments" from the 2007 General Session established a new restricted special revenue fund known as the Rural Health Care Facilities Fund. The original legislation provided the new Fund with \$277,500 in FY 2008 and \$555,000 in FY 2009. As per the original legislation, FY 2009 saw an increase of \$277,500, taking it up to the \$555,000 ongoing appropriated level. Funds are to be distributed to rural hospitals and health care facilities.

## Funding Detail

Department of Health					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	367,098,100		367,098,100	386,251,900	19,153,800
General Fund, One-time	5,114,700	455,300	5,570,000	(713,000)	(6,283,000)
Federal Funds	1,279,399,000	107,000	1,279,506,000	1,310,736,800	31,230,800
Dedicated Credits Revenue	108,670,000		108,670,000	108,871,500	201,500
GFR - Cat & Dog Spay & Neuter	50,000		50,000	50,000	
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	4,065,000		4,065,000	2,000,000	(2,065,000)
GFR - Nursing Facility	15,716,200		15,716,200		(15,716,200)
GFR - Nursing Care Facilities Account				15,716,200	15,716,200
GFR - State Lab Drug Testing Account	407,100		407,100	418,000	10,900
GFR - Tobacco Settlement	18,710,700		18,710,700	16,768,000	(1,942,700)
Organ Donation Contribution Fund	113,000		113,000	113,000	
Transfers - Environmental Quality	31,500		31,500	32,500	1,000
Transfers - Human Services	74,445,300		74,445,300	65,595,500	(8,849,800)
Transfers - Intergovernmental	34,487,700		34,487,700	34,489,600	1,900
Transfers - Medicaid	2,241,900		2,241,900	2,243,400	1,500
Transfers - Other Agencies	261,200		261,200	9,208,900	8,947,700
Transfers - Public Safety	336,300		336,300	347,400	11,100
Transfers - Within Agency	33,526,100		33,526,100	33,196,300	(329,800)
Transfers - Workforce Services	1,263,200		1,263,200	1,271,400	8,200
Rural Health Care Facilities Fund	277,500		277,500	277,500	
Beginning Nonlapsing	4,688,600		4,688,600	3,499,100	(1,189,500)
Closing Nonlapsing	(3,499,100)		(3,499,100)	(2,728,100)	771,000
Lapsing Balance				2,063,000	2,063,000
<b>Total</b>	<b>\$1,950,635,700</b>	<b>\$562,300</b>	<b>\$1,951,198,000</b>	<b>\$1,992,940,600</b>	<b>\$41,742,600</b>
<b>Line Items</b>					
Executive Director's Operations	27,234,500	275,600	27,510,100	28,468,400	958,300
Health Systems Improvement	20,316,000	(23,000)	20,293,000	19,164,400	(1,128,600)
Workforce Financial Assistance	713,300		713,300	425,900	(287,400)
Epidemiology & Lab Services	20,418,100	42,800	20,460,900	20,840,500	379,600
Community & Family Health	105,889,000	(10,600)	105,878,400	108,455,800	2,577,400
Health Care Financing	93,715,600	377,500	94,093,100	95,623,300	1,530,200
Medical Assistance	1,603,375,700	(100,000)	1,603,275,700		(1,603,275,700)
Medicaid Mandatory Services				820,268,500	820,268,500
Medicaid Optional Services				820,619,900	820,619,900
Children's Health Insurance Program	76,014,400		76,014,400	76,021,900	7,500
Local Health Departments	2,681,600		2,681,600	2,497,000	(184,600)
Restricted Revenue	277,500		277,500	555,000	277,500
<b>Total</b>	<b>\$1,950,635,700</b>	<b>\$562,300</b>	<b>\$1,951,198,000</b>	<b>\$1,992,940,600</b>	<b>\$41,742,600</b>
<b>Budgeted FTE</b>	<b>1,053.3</b>	<b>0.0</b>	<b>1,053.3</b>	<b>1,049.5</b>	<b>(3.8)</b>

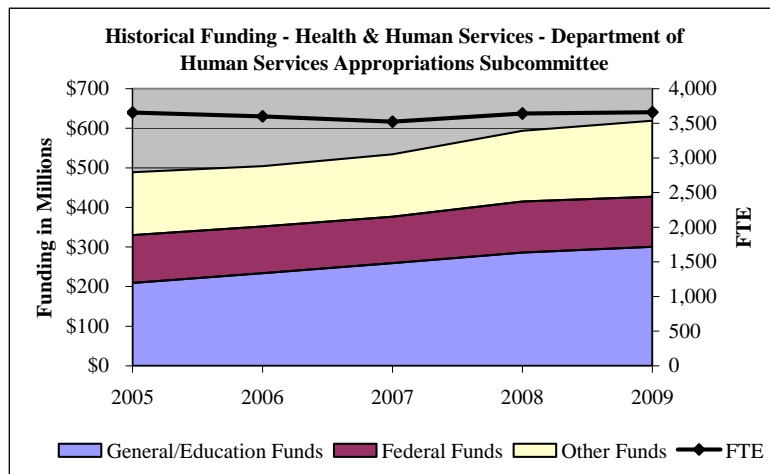
# Department of Human Services



## 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 is also a separate line item for Mental Health Therapist Scholarship and six divisions within the Department. These include 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 is not included in this chapter of the report. Its budget is included with the Executive Offices and Criminal Justice Appropriations Subcommittee.



### Legislative Action

The total appropriation for FY 2009 is \$619,028,100 with \$301,030,800 from the General Fund. This represents an increase of \$25,186,900 or 4.2 percent when compared to the revised FY 2008 budget. The General Fund increased by \$15,207,400 or 5.3 percent.

The Department’s revised FY 2008 budget totals \$593,841,200 (\$285,823,400 General Fund), reflecting

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supplemental appropriations for FY 2008 of \$250,000 with \$154,600 from the General Fund and \$95,400 from federal funds.

## General Departmental Issues

**Personnel Services Adjustments:** The compensation package for the Department of Human Services increased by \$5,149,400 with \$2,965,900 from the General Fund for the 3,641 full-time equivalent (FTE) employees. This increase is based on a three percent cost of living adjustment and a decrease for the worker's compensation rate. There is also a contingent two percent cost of living adjustment of \$3,412,300 with \$1,930,400 from General Fund, based on savings from PEHP plan changes.

The Legislature also provided a three percent cost of living adjustment based on the total operating expenditures for 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 at a cost of \$7,971,600 with \$4,189,200 from the General Fund.

Finally, the Legislature provided a 3 percent cost of living adjustment of \$156,900 with \$41,700 from the General Fund for contractual services with the Attorney General's office.

**Internal Service Fund Adjustments:** The Department of Human Services received an appropriation for the projected increase in Internal Services Fund (ISF) rate adjustments in the amount of \$594,000 with \$788,800 from the General Fund for FY 2009. The ISF adjustments for FY 2009 include increases for the Division of Facilities and Construction Management, the Department of Human Resource Management and the Department of Technology Services (DTS). The ISF rate adjustments also include a decrease for Fleet Services. Two divisions experienced a decrease in ISF rate adjustments from DTS totaling \$1,203,000 with \$225,900 from the General Fund.

**Medicaid Match Rate Change:** The projected Federal Medical Assistance Percentage (FMAP) rate for FY 2009 is 70.94 percent which represents a decrease of 0.3175 percent from the FY 2008 FMAP rate. This change in the FMAP rate will result in the Department of Human Services receiving less federal funds for

programmatic costs of approximately \$765,200. The Legislature appropriated \$765,200 from the General Fund to offset the decrease in federal funds.

**TANF Transfers to SSBG:** As in previous sessions, the FY 2009 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.

## **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 Developmental Disabilities Council and the Foster Care Citizens Review Board. The total full time equivalent (FTE) count for EDO is 140.

### **Legislative Action**

For FY 2009, the Legislature appropriated a total budget of \$20,888,700 (\$10,404,000 General Fund). This is a decrease of \$5,225,600 in total funds and \$4,613,100 from General Fund over the FY 2008 revised appropriation. This decrease is mainly because of the transfer of \$5,456,300 from the General Fund for the Drug Offenders Reform Act (DORA) to the Division of Substance Abuse and Mental Health.

The Legislature provided funding of \$447,400 for the operation and maintenance of the new Department of Human Services facility. A corresponding one-time reduction of \$447,400 was approved for FY 2009, as the facility is not scheduled to be completed until the fall of 2009.

The Legislature authorized the Executive Director Operations to hire one criminal information tech for the Office of Licensing from an internal reallocation of \$54,500 from the General Fund. The new employee is to help with the increase in



background checks because of requirements of the federal Adam Walsh Act.

## **Division of Substance Abuse and Mental Health**

The Division of Substance Abuse and Mental Health (DSAMH) is the State's public substance abuse treatment and prevention and mental health authority. The Division has general supervision of the Utah State Hospital in Provo and administers the Drug Offenders Reform Act (DORA), Drug Courts and Drug Boards programs. The DSAMH has 830.9 full-time equivalent (FTE) employees with 797 FTE employed at the State Hospital.

**Mental Health:** Local mental health authorities deliver mental health services at 11 locations. The Division contracts with county governing boards and distributes state and federal funds earmarked for mental health services. Counties are required to provide a minimum scope and level of service, and must provide a minimum funding match of 20 percent.

**Substance Abuse:** The Division administers state and federal funds for the treatment and prevention of substance abuse. It contracts with the 13 local substance abuse authorities, which either provide services directly or contract with private providers.

**DORA:** The Division also administers the Drug Offenders Reform Act program, which offers assessments, case management, drug testing and treatment services for offenders convicted of a felony. The 2008 Legislature transferred funding for this program from the Executive Director Operations to the Division of Substance Abuse and Mental Health.

**Drug Courts:** The DSAMH administers the Drug Courts, which provide a judicial process offering intensive, court-supervised drug treatment to nonviolent, substance abuse offenders as an alternative to jail if the offender completes the program. Local area substance abuse authorities and private entities provide treatment services.

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**Drug Boards:** The Division also administers Drug Boards which function similar to a Drug Court, but is offered by the Board of Pardons and Parole in the Corrections system to individuals entering parole. Funds appropriated to the Department of Human Services provide treatment services through the local substance abuse authorities.

The Legislature transferred the Drug Courts and Drug Boards line item into the Division of Substance Abuse and Mental Health as separate programs starting in FY 2009.

### **Legislative Action**

For FY 2009, the Legislature appropriated a total budget of \$139,681,700 (\$95,086,900 General Fund). This is a total increase of \$10,735,800 (\$9,754,300 General Fund) over the FY 2008 revised appropriation.

#### Mental Health

Funding for Mental Health programs for FY 2009 totals \$91,787,900 with \$72,693,800 from the General Fund for community and residential mental health services, mental health centers and the Utah State Hospital.

The FMAP rate change for the State Hospital resulted in a decrease from federal funds of \$50,200 and a corresponding increase from the General Fund of \$50,200.

The local mental health authorities received \$788,700 in State funds for a three percent cost of living adjustment for local mental health service providers.

The Legislature provided funding for Counseling Services for Families of Veterans of \$100,000 from the General Fund (\$50,000 ongoing and \$50,000 one-time) to develop and implement a statewide counseling program for service members and their families to facilitate the reintegration of service members back into civilian and family life after deployment.

The Legislature also provided \$50,000 for children's mental health services.

### Substance Abuse

Substance Abuse funding for FY 2009 appropriated by the Legislature totals \$44,704,100 with \$20,860,900 from the General Fund for State and Local Substance Abuse Services, Drivers Under the Influence, DORA, Drug Courts and Drug Boards.

The Local Substance Abuse Authorities received a three percent cost of living adjustment of \$298,500 from the General Fund for substance abuse treatment services.

The Legislature provided \$870,000 (one-time) for Drug Courts for substance abuse treatment services for about 290 individuals.

### **Bills with Fiscal Impact**

The Legislature passed **S.B. 211, “Alcohol Beverage Control Amendments”** which provides funding in the amount of \$1,589,100 from the Liquor Control Fund for substance abuse prevention and treatment services.

### **Intent Language**

The Legislature adopted supplemental intent language allowing non-lapsing authority at the end of FY 2008 for Counseling Services for Families of Veterans.

The Legislature also adopted intent language for FY 2009 requiring a written report to the Health and Human Services Appropriations Subcommittee by the 2009 General Session on the impact of substance abuse treatment services for women with children involved with the Division of Child and Family Services.

## Mental Health Therapist Grant

The Mental Health Therapist Grant and Scholarship program was established in 1994 to increase the number of mental health therapists through a scholarship or grant program. Until this year, the funding for this program was in the Division of Substance Abuse and Mental Health line item. Section 62A-13-109 of the Utah Code specifically requires that “appropriations for this program shall be a separate line item to the Department of Human Services and that the funds are nonlapsing.” The 2008 Legislature created a separate line item for the Mental Health Therapist Grant and transferred \$28,000 from the General Fund from the Division of Substance Abuse and Mental Health to the new line item to comply with statute.

## Division of Services for People with Disabilities

The Division of Services for People with Disabilities (DSPD) is responsible for providing residential, day support, and other services for people with mental retardation and other developmental disabilities. It also provides services to people with brain injuries and other physical disabilities. Services range from limited family support to a full array of 24-hour/day services both in the community and at the Utah State Developmental Center. Community services are provided under contracts with private providers. DSPD has 975 full-time equivalent (FTE) employees with 695 FTE employed at the Utah State Developmental Center.

**Waiting List:** There are currently 1,654 disabled individuals waiting for various community-based services. It would take approximately \$20.7 million (\$7.2 million General Fund) to fully fund the current waiting list.

### Legislative Action

For FY 2009, the Legislature appropriated \$209,432,000 (\$60,434,500 General Fund). The FY 2009 appropriation is an increase of \$13,729,700 in total funding and \$4,684,700 from the General Fund over the FY 2008 revised appropriation.

The FMAP rate change for DSPD resulted in an increase of \$581,600 from the General Fund and a corresponding decrease in federal Medicaid funds.

The Legislature provided a three percent cost of living adjustment for private contract providers of \$3,980,400 with \$1,180,200 from the General Fund.

Lawmakers increased state funding for the waiting list by \$1,100,000 which will serve approximately 260 additional people.

Home and Community Based Medicaid Waiver Services was funded through internal reallocations of \$1,397,900 from the General Fund and nonlapsing funds from the Departments of Health and Human Services and will provide 526 additional services for about 360 individuals.

The Disabilities Family Preservation Pilot received \$150,000 (one-time) for the second year of this two-year pilot to provide families of disabled individuals with behavior intervention and training.

Disabilities Respite Care received \$250,000 (one-time) to provide respite care for families with disabled individuals.

### **Bills with Fiscal Impact**

The Legislature passed **H.B. 45, “Supported Employment Services to a Person with a Disability”** and appropriated \$200,000 from the General Fund for supported employment services for about 150 to 200 individuals annually.

### **Intent Language**

The Legislature authorized DSPD to use non-lapsing carry-forward funds at the close of FY 2009 to serve people with disabilities coming into service due to emergency situations, individuals from child welfare and juvenile justice services who are aging out of state custody, and for court-orders.

The Legislature also adopted intent language for FY 2009 providing that no more than 20 percent of the appropriations for

disabilities respite care may be used for fiscal intermediaries, background checks and other oversight expenses. DSPD is required to report to the Health and Human Services Interim Committee and the Health and Human Services Appropriations Subcommittee on the outcomes of this funding.

## Office of Recovery Services

The Office of Recovery Services (ORS) is responsible for collecting child support and other funds owed to the State by individuals receiving services in the social service and medical assistance areas. Federal law requires the Office to provide child support collection services to families not receiving government assistance. ORS has 545 full time equivalent (FTE) employees.

### Legislative Action

For FY 2009, the Legislature appropriated \$54,577,000 (\$15,929,700 General Fund). This represents an increase of \$607,200 (\$924,500 General Fund) over the revised FY 2008 appropriations.

The Legislature provided both a FY 2008 supplemental appropriation and a FY 2009 appropriation for the Attorney General's contract of \$250,000 (\$105,500 from the General Fund) in addition to the three percent cost of living adjustment.

The Legislature authorized the Office of Recovery Services to replace the child support call routing system with a new automated information system with internal resources of \$2,000,000 from federal funds and dedicated credits.

### Bills with Fiscal Impact

The Legislature passed **H.B. 265, "ORS Electronic Transactions"** resulting in a savings of \$90,000 (\$30,600 from the General Fund) for the Office of Recovery Services for distribution of child support payments by electronic fund transfers.

## Division of Child and Family Services

State statute (62A-4a-103) defines the primary purpose of the Division of Child and Family Services (DCFS) as providing child welfare services. The Division shall also, "when possible and appropriate, provide preventive services and family preservation services . . ." Furthermore, the Division shall "provide domestic violence services in accordance with federal law." DCFS has 1,106 full time equivalent (FTE) employees to administer the programs.

**The David C. Settlement Agreement:** Beginning in July of 2008, the court monitor will perform its last evaluation and issue a report. The plaintiffs have until December 31, 2008 to revive the court case if Utah is out of compliance with the terms of the agreement; otherwise the case will be dismissed without prejudice. As part of the agreement, Utah must continue to have a mechanism in place to provide oversight of child safety once the lawsuit has ended.

### Legislative Action

For FY 2009, the total appropriated budget for DCFS is \$170,044,800 (\$103,975,100 General Fund). This represents an increase in total funds of \$9,466,100 (\$5,660,600 General Fund) above the revised FY 2008 appropriation.

The FMAP rate change for DCFS resulted in an increase in the General Fund of \$119,500 and a corresponding decrease in federal Medicaid funds of \$69,300 and federal Title IV-E funds of \$50,200.

Private contract providers received a three percent cost of living adjustment of \$2,652,300 with \$1,671,000 from the General Fund.

The 2008 Legislature provided \$800,000 from the General Fund for 14 additional caseworkers and reallocated \$338,000 from the Departments of Health and Human Services for child and family treatment services.

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The Legislature provided \$182,300 from the General Fund to open a third family support center (crisis nursery) in West Valley City.

The appropriation from the Domestic Violence General Fund Restricted Account was increased by \$70,900 to help cover inflationary operating expenses of domestic violence shelters.

The Baby Drop-off program received a one-time appropriation of \$25,000 for the safe and legal relinquishment of a newborn (H.B. 12, 2001 General Session).

### **Bills with Fiscal Impact**

The Legislature passed **H.B. 122, “Driver License Application of Minor Amendments”** which provides \$9,000 from the General Fund for auto insurance coverage for youth in state custody so they can obtain a driver license. The Legislature authorized an internal reallocation of additional funding for this program from federal funds of \$28,800.

The Legislature passed **H.B. 36, “Child Welfare Amendments”** resulting in a loss of federal Title IV-E funding by allowing kinship placements before completion of the background checks required by the federal Adam Walsh legislation. The Legislature provided a FY 2008 supplemental appropriation of \$49,100 and a FY 2009 appropriation of \$147,400 to offset the loss of federal funds.

### **Intent Language**

The Legislature approved non-lapsing intent language allowing DCFS to use its FY 2008 funding for adoption assistance, out of home care programs, the purchase of 19 vehicles, and the David C. court monitor.

The Legislature adopted intent language for FY 2009 requiring a written report to the Health and Human Services Appropriations Subcommittee by the 2009 General Session on the



impact of substance abuse treatment services for women with children involved with the Division of Child and Family Services.

## **Division of Aging and Adult Services**

The Division of Aging and Adult Services (DAAS) is the designated State agency authorized to coordinate all State activities related to the Older Americans Act of 1965. The Division contracts for services for the elderly and administers State and federal aging programs. The Division is also responsible for the protection of abused, neglected and exploited adults through Adult Protective Services. Programs funded through the Older Americans Act are distributed to the State's 12 local Area Agencies on Aging (AAAs) through an approved funding formula. DAAS has 65 full time equivalent (FTE) employees.

### **Legislative Action**

For FY 2009, the Legislature appropriated a total budget of \$24,375,900 (\$15,172,600 General Fund). Compared to the revised FY 2008 revised budget, the total FY 2009 appropriation increased by \$633,900 with \$943,400 from the General Fund.

The FMAP rate change for DAAS resulted in an increase from the General Fund of \$13,900 and a corresponding decrease from federal Medicaid funds.

In addition, the Legislature provided a three percent cost of living adjustment of \$250,200 from the General Fund for local contract providers.

Meals on Wheels received an appropriation of \$318,300 from the General Fund to provide additional meals for about 580 senior citizens.

The Long-term Care Ombudsman program received \$138,000 to expand services in long-term care facilities. These services include receiving and resolving complaints; conducting investigations; coordinating services; and providing training for the delivery and regulations for long-term care ombudsman

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volunteers, operators and employees to ensure compliance with Title VII of the federal Older Americans Act, 42 U.S.C. 3058.

DAAS also received \$50,000 for senior center renovations and \$100,000 (one-time) for aging caregiver support and education. There was also a one-time appropriation of \$50,000 for the “211 Information” pilot to provide a network for information on aging services throughout the community.

The Legislature provided one-time funding of \$60,000 and approved the one-time transfer of \$106,500 from the Department of Health for a Nursing Home Placement Prevention Pilot Program. This pilot program would allow DAAS to work with hospital discharge planners to place Medicaid eligible patients upon release from the hospital into a community setting rather than a nursing home.

### **Intent Language**

The Legislature adopted intent language for FY 2009 for the Division of Aging and Adult Services to provide a report to the Health and Human Services Appropriations Subcommittee on the number of clients served, the total expenditures, and the cost savings of the Nursing Home Placement Prevention Pilot Program.

## **Internal Service Funds**

The Department of Human Services operates two internal service funds (ISF) that provide shared services to the divisions and offices of the Department. Total funding for this program for FY 2009 of \$4,889,628 comes from Dedicated Credits – Intergovernmental Revenue and is not a part of the Department of Human Services nor the Health and Human Services Appropriations funding shown in the tables and graphs in this report.

General Services collects funds from the divisions for building maintenance and rent for the Department’s main office in Salt Lake City.

Data Processing is an account used to distribute the cost for programming services. With passage of H.B. 109, "Information Technology Governance Amendments" (2005 General Session) data processing was consolidated into the Department of Technology Services (DTS) including the transfer of 32.5 full time equivalent (FTE) employees. A portion of the funding (\$3,449,628) was left to cover DTS service rates.

The FY 2009 Appropriations Act authorizes collections of \$4,889,628, with operating expenses estimated at \$5,031,919, creating an expected operating loss of \$142,291. Accumulated retained earnings are expected to be \$72,524 by the end of FY 2009. The Legislature also approved a staffing level of 1 FTE.

## Funding Detail

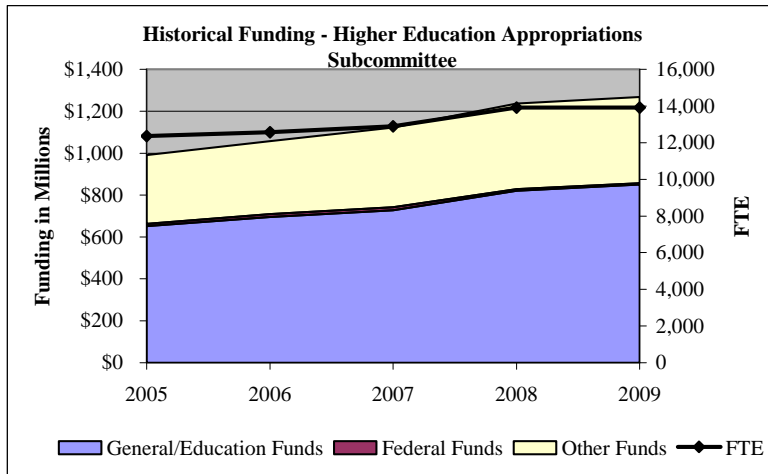
Department of Human Services					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	284,493,300		284,493,300	299,787,400	15,294,100
General Fund, One-time	1,175,500	154,600	1,330,100	1,243,400	(86,700)
Federal Funds	128,962,500	95,400	129,057,900	125,892,000	(3,165,900)
Dedicated Credits Revenue	10,127,300		10,127,300	10,052,900	(74,400)
GFR - Children's Trust	400,000		400,000	400,000	
GFR - Domestic Violence	754,100		754,100	840,700	86,600
GFR - Intoxicated Driver Rehab	1,500,000		1,500,000	1,500,000	
GFR - Tobacco Settlement	1,647,200		1,647,200	1,647,200	
GFR - Trust for People with Disabilities	100,000		100,000	100,000	
Liquor Control Fund				1,589,100	1,589,100
Transfers - Commission on Criminal and Juve	166,000		166,000	166,000	
Transfers - H - Medical Assistance	157,473,400		157,473,400	167,102,400	9,629,000
Transfers - Other Agencies	3,251,900		3,251,900	3,086,200	(165,700)
Beginning Nonlapsing	9,095,800		9,095,800	5,620,800	(3,475,000)
Closing Nonlapsing	(5,620,800)		(5,620,800)		5,620,800
Lapsing Balance	65,000		65,000		(65,000)
<b>Total</b>	<b>\$593,591,200</b>	<b>\$250,000</b>	<b>\$593,841,200</b>	<b>\$619,028,100</b>	<b>\$25,186,900</b>
<b>Line Items</b>					
Executive Director Operations	26,114,300		26,114,300	20,888,700	(5,225,600)
Drug Courts/Boards	4,788,200		4,788,200		(4,788,200)
Substance Abuse & Mental Health	128,945,900		128,945,900	139,681,700	10,735,800
Mental Health Therapist Grant				28,000	28,000
Svcs for People w/Disabilities	195,702,300		195,702,300	209,432,000	13,729,700
Office of Recovery Services	53,719,800	250,000	53,969,800	54,577,000	607,200
Child and Family Services	160,578,700		160,578,700	170,044,800	9,466,100
Aging and Adult Services	23,742,000		23,742,000	24,375,900	633,900
<b>Total</b>	<b>\$593,591,200</b>	<b>\$250,000</b>	<b>\$593,841,200</b>	<b>\$619,028,100</b>	<b>\$25,186,900</b>
<b>Budgeted FTE</b>	<b>3,640.5</b>	<b>0.0</b>	<b>3,640.5</b>	<b>3,660.5</b>	<b>20.0</b>

# Higher Education



## Subcommittee Overview

The Legislature appropriated a total FY 2009 budget of \$1,267,363,400 for the Utah System of Higher Education, the Utah Education Network, and the Medical Education Council. This represents an increase of \$37,270,000 or three percent over the FY 2008 revised budget of \$1,230,093,400. State funding from the General Fund, Income Tax, and Uniform School Fund is \$849,528,300 or 67 percent of the total funding. General Fund Restricted Accounts total \$9,583,300 with the remaining balance of \$408,251,800 consisting of federal revenue, dedicated credits, transfers, mineral lease and land grant management funds.



## Utah System of Higher Education

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

### Legislative Action

The funding for the System of Higher Education comes from several sources. The total FY 2009 funding level of

\$1,231,562,200 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, and four Restricted Funds. State funds (General Funds, Income Tax Revenue, and Uniform School Funds) account for \$826,344,900 or 67.1 percent of the budget appropriated for the System of Higher Education. The Legislature increased funding for the Utah System of Higher Education by \$35,866,300 or three percent over the FY 2008 revised budget of \$1,195,695,900.

The new funding for the Utah System of Higher Education for FY 2009 includes:

- **Internal Service Fund Adjustments:** A decrease in Internal Service Fund rates for Risk Management and Fleet Management resulted in an reduction in the appropriation of \$41,800.
- **Compensation:** For FY 2009, the Legislature authorized a two percent cost-of-living adjustment in addition to a one percent discretionary increase and appropriated \$35,212,300 to cover this and the increased costs in health insurance. The funding for the compensation package comes from a combination of state funds and dedicated credits (tuition). The portion of the compensation increases that are funded from dedicated credits is set at a maximum of 25 percent.
- **Operation and Maintenance of New Facilities:** The USHE received an appropriation of \$1,598,600 for the operation and maintenance (O & M) of five new facilities including three at the University of Utah, one at Utah State University's Tooele Continuing Education Center, and one at Salt Lake Community College. In 2005, the Legislature adopted a new policy for state-funded buildings to approve the O & M funding when the building is approved, and then offset that funding with one-time reductions until the building comes on line. Under this new policy, the Legislature approved one-time reductions in the appropriated levels in the amount of \$2,252,600.

- 
- **Fuel and Power:** The Legislature appropriated \$661,800 to seven of the higher education institutions to cover fuel and power expenditures. The Legislature also provided a supplemental appropriation of \$23,800 for utility costs in FY 2008.
  - **Financial Aid:** For FY 2009, the Utah System of Higher Education received \$1,000,000 in ongoing funds for student financial aid, along with \$1,000,000 in one-time, need-based financial aid. The ongoing funding provides \$200,000 for the state match for federal financial aid programs and \$800,000 for the New Century Scholarship. The one-time funding comes from reducing each institution's non-lapsing balances by a proportionate amount to get the \$1 million. In addition, a supplemental appropriation of \$459,700 was provided for the New Century Scholarship for FY 2008.
  - **Health Care Professions Initiative:** An appropriation of \$900,000 was approved for this initiative, split between Dixie State College and Salt Lake Community College.
  - **Technology:** The Legislature appropriated \$900,000 for software licensing and \$815,000 in one-time funds for IT security issues.
  - **Dixie State College Music Program:** Lawmakers approved \$200,000 in funding to augment the music program at Dixie State College.
  - **Audit Staff:** Funding was approved in the amount of \$100,000 to provide internal audit support for institutions. This funding will be divided to fund one position at each of two institutions that are understaffed in this area.
  - **Weber State University Aerospace Defense Employment:** To address the continuing need for support to the aerospace and other defense industries that are growing in Northern Utah, the Legislature appropriated \$800,000 to Weber State University.



- **University of Utah/Dixie State College Partnership:** The Legislature appropriated \$500,000 to Dixie State College to further partnerships with the University of Utah.
- **Land Exchange Distribution Account:** Formula funding in this restricted General Fund increased base funding by \$234,100 and FY 2008 supplemental funding by \$324,600. This funding goes to the Water Research Laboratory at Utah State University.
- **One-time Funded Projects** include:
  - \$250,000 for the Engineering Initiative
  - \$150,000 for Concurrent Enrollment
  - \$600,000 for the Western Energy Training Center at the College of Eastern Utah
- **Tuition:** Following the conclusion of the 2008 General Session, the State Board of Regents met and approved a 3.5 percent first-tier tuition rate increase for academic year 2008-2009. First-tier tuition will cover up to 25 percent of the compensation increases approved by the Legislature. In addition to the first-tier tuition, the Regents approved second-tier tuition ranging from 0.5 to 3.5 percent. The tuition increases for academic year 2008-2009 will generate approximately \$20.8 million (\$12.8 million from first tier tuition and \$8 million from second tier tuition). The following table shows the tuition percent increases.

**USHE Tuition Increases for 2008-2009**

	<u>1st Tier</u>	<u>2nd Tier</u>	<u>Total</u>
University of Utah	3.5%	2.5%	6.0%
Utah State University	3.5%	2.5%	6.0%
Weber State University	3.5%	2.0%	5.5%
Southern Utah University	3.5%	3.5%	7.0%
Snow College	3.5%	1.0%	4.5%
Dixie State College	3.5%	3.0%	6.5%
College of Eastern Utah	3.5%	0.5%	4.0%
Utah Valley State College	3.5%	2.8%	6.3%
Salt Lake Community College	3.5%	2.0%	5.5%

- **UCAT Leases:** The Utah College of Applied Technology was provided funding in the amount of \$850,000 for leases at five campuses.
- **UCAT Equipment:** \$500,000 was approved as a FY 2008 supplemental for training equipment.
- **One-time Funded Projects** include:
  - \$1,000,000 for UCAT Jobs Now Campus Initiatives
  - \$900,000 for UCAT Equipment
  - \$215,000 for Information Technology

The following bills affecting Higher Education were passed during the 2008 General Session:

The Legislature passed **S.B. 103, “Institutional Priorities”** which allocated \$2 million to Utah Valley State College as the second step toward university status for additional faculty, advisors, and other resources. UVSC will become Utah Valley University on July 1, 2008.

With the passage of **S.B. 180, “Regents’ Scholarship”** the Legislature approved a new program to award a \$1,000 scholarship to students who have taken a more rigorous core course of study in high school. The bill appropriated \$400,000 in ongoing funding and \$500,000 in one-time funding.

**H.B. 86, “Inmate Postsecondary Education”** provides \$150,000 to stabilize the funding for institutions that provide educational services to inmates in state and county correctional facilities.

## Funding Detail

Higher Education Appropriations Subcommittee					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	360,773,500		360,773,500	393,611,900	32,838,400
General Fund, One-time	(301,894,100)		(301,894,100)	(75,218,800)	226,675,300
Uniform School Fund	18,137,400		18,137,400	19,016,700	879,300
Uniform School Fund, One-time	(147,800)	175,000	27,200	740,100	712,900
Education Fund	407,878,100		407,878,100	411,357,700	3,479,600
Education Fund, One-time	313,509,900	808,500	314,318,400	76,837,300	(237,481,100)
Federal Funds	4,205,400		4,205,400	4,205,400	
Dedicated Credits Revenue	381,803,600		381,803,600	387,539,800	5,736,200
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	64,700	324,600	389,300	298,800	(90,500)
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	
Transfers	3,535,600		3,535,600		(3,535,600)
Transfers - Commission on Criminal and Juve	34,500		34,500	34,500	
Beginning Nonlapsing				1,000,000	1,000,000
<b>Total</b>	<b>\$1,200,039,600</b>	<b>\$1,308,100</b>	<b>\$1,201,347,700</b>	<b>\$1,231,562,200</b>	<b>\$30,214,500</b>
<b>Agencies</b>					
University of Utah	397,233,500		397,233,500	408,419,200	11,185,700
Utah State University	231,413,500	333,700	231,747,200	238,700,300	6,953,100
Weber State University	110,803,300		110,803,300	115,467,400	4,664,100
Southern Utah University	52,167,600		52,167,600	53,907,100	1,739,500
Snow College	27,185,000		27,185,000	27,531,500	346,500
Dixie State College	31,389,800		31,389,800	33,872,400	2,482,600
College of Eastern Utah	21,409,700	14,700	21,424,400	21,233,300	(191,100)
Utah Valley State College	117,056,800		117,056,800	123,455,900	6,399,100
Salt Lake Community College	107,379,600		107,379,600	110,623,200	3,243,600
Utah College of Applied Technology	65,289,500	500,000	65,789,500	65,317,100	(472,400)
State Board of Regents	38,711,300	459,700	39,171,000	33,034,800	(6,136,200)
<b>Total</b>	<b>\$1,200,039,600</b>	<b>\$1,308,100</b>	<b>\$1,201,347,700</b>	<b>\$1,231,562,200</b>	<b>\$30,214,500</b>
<b>Budgeted FTE</b>	13,794.1	0.0	13,794.1	13,794.1	0.0

## Utah Medical Education Program

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

### Legislative Action

The appropriated budget for UMEP for FY 2009 is \$701,500 in General Funds, \$674,300 in dedicated credits, and \$292,000 in nonlapsing balances for a total of \$1,667,800. The Legislature increased funding for the Utah Medical Education Program by \$559,700 over the FY 2008 revised budget of \$1,108,100. The new funding for the Utah Medical Education Program for FY 2009 totals \$248,500 from the General Fund. This funding includes compensation (\$24,400), administrative and operational expenses (\$220,000), and ISF (DAS and DTS) rate changes (\$4,100).

### Funding Detail

Higher Education - Medical Education Appropriations Subcommittee					
Sources of Finance	2008		2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	453,000		453,000	701,500	248,500
Dedicated Credits Revenue	650,000		650,000	674,300	24,300
Beginning Nonlapsing	5,100		5,100	292,000	286,900
<b>Total</b>	<b>\$1,108,100</b>	<b>\$0</b>	<b>\$1,108,100</b>	<b>\$1,667,800</b>	<b>\$559,700</b>
<b>Agencies</b>					
Medical Education Council	1,108,100		1,108,100	1,667,800	559,700
<b>Total</b>	<b>\$1,108,100</b>	<b>\$0</b>	<b>\$1,108,100</b>	<b>\$1,667,800</b>	<b>\$559,700</b>
<b>Budgeted FTE</b>	7.0	0.0	7.0	7.0	0.0

## Utah Education Network

The Utah Education Network (UEN), a partnership of Utah's public and higher education institutions, delivers distance learning educational services statewide. 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 overall budget for Utah Education Network from FY 2008 to FY 2009 shows a decrease in funding by \$470,100; however, funding by the Legislature of state fund appropriations to UEN increased by \$1,155,200 (5.4 percent) for FY 2009. This increase is in comparison to the agency's FY 2008 original budget of \$21,326,700. UEN's total budget for FY 2009 is \$34,133,400, of which \$22,481,900 is from state tax funds.

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

- **Network Backbone Enhancement:** Appropriators provided additional ongoing state funds of \$200,000 and one-time funds of \$200,000 to increase the capacity of five key backbone circuits. These funds cover ongoing costs to accommodate rising levels of network traffic.
- **Elementary and Charter School High-speed Networks:** The Legislature appropriated one-time funding of \$500,000 and provided an ongoing budget increase of \$700,000 to supply all elementary and charter schools with equivalent high-speed networks. As of the 2008 General Session, only one-half of the approximately 500 elementary schools and 4 of the 58 charter schools were equipped with high-speed networks. Others were using lower capacity T-1 lines or another equivalent.

- University of Utah Content Management System:**  
 Appropriators approved a one-time budget increase of \$200,000 to expand UEN's centralized on-line course management system to fully include the University of Utah.
- UEN Disaster Recovery at Richfield Data Center:** For FY 2009, lawmakers approved an additional \$380,000 in one-time funds to provide for improvements to disaster recovery. These improvements include necessary storage capacity at the Richfield Data Center.

## Funding Detail

Higher Education - Utah Education Network Appropriations Subcommittee					
	2008	2008	2008	2009	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	261,100		261,100	261,100	
Uniform School Fund	14,506,000		14,506,000	15,623,100	1,117,100
Uniform School Fund, One-time	640,000		640,000	964,000	324,000
Education Fund	5,214,600		5,214,600	5,317,700	103,100
Education Fund, One-time	705,000		705,000	316,000	(389,000)
Federal Funds	2,524,400		2,524,400	2,524,400	
Dedicated Credits Revenue	7,760,600		7,760,600	8,894,100	1,133,500
Transfers	33,000		33,000	33,000	
Other Financing Sources	133,500		133,500		(133,500)
Beginning Nonlapsing	2,825,300		2,825,300	200,000	(2,625,300)
<b>Total</b>	<b>\$34,603,500</b>	<b>\$0</b>	<b>\$34,603,500</b>	<b>\$34,133,400</b>	<b>(\$470,100)</b>
<b>Agencies</b>					
Utah Education Network	34,603,500		34,603,500	34,133,400	(470,100)
<b>Total</b>	<b>\$34,603,500</b>	<b>\$0</b>	<b>\$34,603,500</b>	<b>\$34,133,400</b>	<b>(\$470,100)</b>
<b>Budgeted FTE</b>	110.0	0.0	110.0	111.8	1.8

## Funding Detail

Higher Education Appropriations Subcommittee					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	361,487,600		361,487,600	394,574,500	33,086,900
General Fund, One-time	(301,894,100)		(301,894,100)	(75,218,800)	226,675,300
Uniform School Fund	32,643,400		32,643,400	34,639,800	1,996,400
Uniform School Fund, One-time	492,200	175,000	667,200	1,704,100	1,036,900
Education Fund	413,092,700		413,092,700	416,675,400	3,582,700
Education Fund, One-time	314,214,900	808,500	315,023,400	77,153,300	(237,870,100)
Federal Funds	6,729,800		6,729,800	6,729,800	
Dedicated Credits Revenue	390,214,200		390,214,200	397,108,200	6,894,000
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	64,700	324,600	389,300	298,800	(90,500)
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	
Transfers	3,568,600		3,568,600	33,000	(3,535,600)
Transfers - Commission on Criminal and Juve	34,500		34,500	34,500	
Other Financing Sources	133,500		133,500		(133,500)
Beginning Nonlapsing	2,830,400		2,830,400	1,492,000	(1,338,400)
<b>Total</b>	<b>\$1,235,751,200</b>	<b>\$1,308,100</b>	<b>\$1,237,059,300</b>	<b>\$1,267,363,400</b>	<b>\$30,304,100</b>
<b>Agencies</b>					
University of Utah	397,233,500		397,233,500	408,419,200	11,185,700
Utah State University	231,413,500	333,700	231,747,200	238,700,300	6,953,100
Weber State University	110,803,300		110,803,300	115,467,400	4,664,100
Southern Utah University	52,167,600		52,167,600	53,907,100	1,739,500
Snow College	27,185,000		27,185,000	27,531,500	346,500
Dixie State College	31,389,800		31,389,800	33,872,400	2,482,600
College of Eastern Utah	21,409,700	14,700	21,424,400	21,233,300	(191,100)
Utah Valley State College	117,056,800		117,056,800	123,455,900	6,399,100
Salt Lake Community College	107,379,600		107,379,600	110,623,200	3,243,600
Utah College of Applied Technology	65,289,500	500,000	65,789,500	65,317,100	(472,400)
State Board of Regents	38,711,300	459,700	39,171,000	33,034,800	(6,136,200)
Utah Education Network	34,603,500		34,603,500	34,133,400	(470,100)
Medical Education Council	1,108,100		1,108,100	1,667,800	559,700
<b>Total</b>	<b>\$1,235,751,200</b>	<b>\$1,308,100</b>	<b>\$1,237,059,300</b>	<b>\$1,267,363,400</b>	<b>\$30,304,100</b>
<b>Budgeted FTE</b>	<b>13,911.1</b>	<b>0.0</b>	<b>13,911.1</b>	<b>13,912.8</b>	<b>1.8</b>

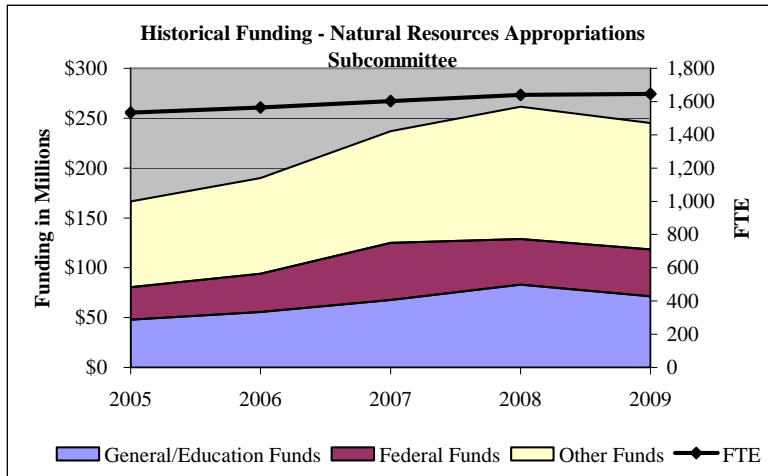
# Natural Resources





## Subcommittee Overview

The Natural Resources Appropriations Subcommittee oversees the budgets of 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.



### Legislative Action

The full-time equivalent (FTE) count for these agencies is over 1,600. The Legislature increased the Subcommittee’s FY 2008 budget by providing supplemental appropriations totaling \$17,623,700. This brings the total FY 2008 budget to \$261,474,700. For FY 2009, the total Subcommittee appropriation is \$245,096,000, a decrease of 6.3 percent from the FY 2008 adjusted appropriations.

### General Subcommittee Issues

**Reallocations:** The Subcommittee funded some program needs through reallocating ongoing and one-time General Funds, as shown in the following two tables:

<b>Reallocation of Ongoing Funds</b>	
<u>Agriculture</u>	<u>FY 2009</u>
Chemistry Staff & Operating	92,900
Ag in the Classroom	35,000
Junior Livestock Show Association	40,000
USU Plant Diagnostic Lab	100,000
Re-allocations: Mosquito Abatement	(182,600)
<u>Natural Resources</u>	
Geologic Hazards Mapping	149,700
Re-allocations: Coal Program	(235,000)
Total	<u><u>\$0</u></u>

<b>Reallocation of One-Time Funds</b>		
<u>Agriculture</u>	<u>FY 2008</u>	<u>FY 2009</u>
Utah's Own Promotion	150,000	
Japanese Beetle	200,000	
Future Farmers of America	30,000	
Rodeo	10,000	
Ag in the Classroom	10,000	
Western Legends Roundup	20,000	
Re-allocations: Mosquito Abatement	(182,600)	
<u>Natural Resources</u>		
Forestry & Fire: Reseeding		900,000
UGS, Snake Valley New Wells and Spring Monitoring		1,500,000
Water Rights Staff, Proofs and Certificates c	30,000	100,000
DWR Independent Count of Bison	67,600	
Re-allocations: Coal Program	(235,000)	
Re-allocations: UGS (Snake Valley, above the original plans)		(2,500,000)
<u>Public Lands Office</u>		
Re-allocations: Public Lands (Kane County litigation)	(100,000)	
Total	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Compensation:** The Legislature appropriated the following funding to the agencies listed below:

- Natural Resources: \$3,537,100 (\$1,123,000 General Fund)

- Agriculture and Food: \$588,500 (\$368,100 General Fund)
- STILA: \$268,000 (Land Grant Management Fund)
- Public Lands Office: \$55,700 (\$8,200 General Fund)

**Bills with Fiscal Implications:** The Legislature passed three bills which impact the appropriations of the Natural Resources Subcommittee. These include the following:

**S. B. 19, “Enhanced Public Safety Retirement Systems COLA Option”** modifies the Utah State Retirement and Insurance Benefit Act by allowing participating employers to provide an enhanced maximum annual cost-of-living adjustment for certain public safety retirees. This bill appropriates \$96,500 (\$28,000 General Fund) to Parks and Recreation and \$96,200 (\$28,000 General Fund) to Wildlife Resources.

**H.B. 104, “Urban Trails Appropriation”** appropriates \$250,000 for grants to plan and develop urban trails and \$250,000 for the Bonneville Shoreline Trail Program to the Department of Natural Resources.

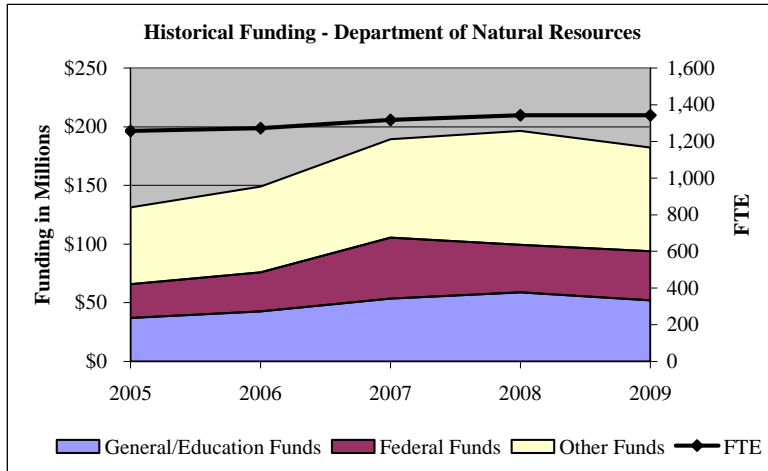
**S.B. 89, “Mitigation of Endangered Species”** appropriates \$2,000,000 (one-time) from the General Fund and authorizes the Department of Agriculture and Food to enter into cooperative agreements for land restoration in order to prevent wildland fires.

## 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 2009 was \$182,199,000, with \$51,971,000 from the General Fund.



### DNR Administration

DNR Administration includes the Executive Director’s 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 2009 appropriation for DNR Administration is \$12,828,300, with \$8,674,200 from the General Fund.

**Approval for Internal Transfer of Funds:** The Legislature authorized the following General Fund reallocations in order to best distribute the discretionary funding appropriated by the 2007 Legislature:

	<b>Amount</b>
Water Rights	\$42,800
UGS	15,500
Water Resources	13,000
Oil & Gas	8,300
Wildlife	1,500
DNR Administration	(4,400)
Forestry	(18,700)
Parks	(58,000)
<b>Total Amount</b>	<b>\$0</b>

**DNR Law Enforcement Interoperable Data Center:**

The Legislature appropriated \$275,000 for FY 2008 and \$50,000 for FY 2009 for the purchase and operation of a new law enforcement data center.

**Endangered Species:** The Legislature appropriated \$2,000,000 (one-time) to the Endangered Species Program.

**Utah Lake Carp Removal:** The Legislature provided a one-time appropriation of \$300,000 from the Species Protection restricted account for carp removal efforts in Utah Lake.

**PCB Monitoring:** The Legislature appropriated \$50,000 (one-time) from the Species Protection restricted account to survey Utah Lake sediments for PCB (Polychlorinated Biphenyls) contaminants in order to map the magnitude of the contamination.

**Snake Valley Baseline Inventory:** The Legislature approved a one-time appropriation of \$200,000 from the Species Protection restricted account for establishing a baseline in the West Desert.

**Field Studies Curriculum, Pilot Project:** The Legislature appropriated \$50,000 (one-time) for a pilot project which will be in partnership with a college or university to start a field studies curriculum for gathering data on the distribution and abundance of sensitive species in Utah.

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**Attorney General Costs:** The Legislature appropriated \$56,600 for both FY 2008 and FY 2009 to DNR for salary increases for the Attorney General's staff working for DNR divisions.

### **Forestry, Fire, and State Lands**

The Division of Forestry, Fire, and State Lands manages the sovereign lands of the state, which lands are exposed or submerged, that were navigable waterway areas at the time of statehood. The Division carries out the state's commitment to fighting fires. The Division also assists individuals and organizations in the use of the scientific forestry practices.

#### **Legislative Action**

The total FY 2009 appropriation for the Division is \$18,319,200, with \$4,154,400 from the General Fund. The new appropriations are detailed below.

**Wildland Fire Suppression:** To cover the fire suppression cost exceeding the available funds in the Fire Suppression Program, the Legislature appropriated supplemental funding of \$6,000,000 from the General Fund.

**Minerals Specialist:** The Legislature appropriated \$80,000 from the Sovereign Land Management restricted account to hire a Minerals Specialist.

**Recruitment/Internship Program:** After two years of one-time funding, the Legislature appropriated ongoing funding from the restricted account in the amount of \$70,000 for the Division's Internship Program.

**Great Salt Lake Projects:** The Legislature appropriated \$250,000 from the restricted account for areas that need continual monitoring and research as identified in the Great Salt Lake Comprehensive Management Plan.

**Office Space:** The Legislature provided funding from the restricted account for office space:

- The Wasatch Front area office - a one-time appropriation of \$15,000 and an ongoing appropriation of \$60,000.
- The Heber City satellite office - \$24,000.
- The Richfield area office - \$30,000.

**Sovereign Lands Lease-Tracking System:** From the restricted account, the Legislature appropriated \$20,000 (one-time) for the building of the new system and \$5,000 for the hosting and maintenance.

**Re seeding:** The Legislature reallocated \$900,000 in one-time base budget funding for re seeding.

## 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 2009 appropriation to the Division of Oil, Gas and Mining is \$12,482,100 of which \$1,749,000 from the General Fund.

Based on an audit report from the Office of the Legislative Auditor General, A Performance Audit of Utah's Coal Regulatory Program, released in December 2007, the Legislature reduced the budget of the Coal Reclamation Program by \$235, for both FY 2008 and FY 2009 and reallocated the funds to other priorities.



## 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 Wildlife Resources budget was appropriated a total of \$68,490,500, with \$11,204,700 coming from the General Fund for FY 2009. The appropriations for each of the six line items are listed below:

Wildlife Operation	\$50,753,300
Predator Control	59,600
License Reimbursement	74,800
Contributed Research	361,700
Cooperative Agreements	5,486,100
Wildlife Capital	11,755,000

The new appropriations, listed below, are from the General Fund, except where noted.

**Walk-In Access Program:** The Legislature appropriated \$450,000 from the GFR - Wildlife Resources for expansion of the Division's Walk-In Access Program.

**Cougar and Bear Depredation:** In order to assist in covering farmers' losses to cougar and bear, the Legislature appropriated \$40,000.

**Quagga/Zebra Mussels Management Plan:** To fund the plans for protecting Utah from the invasion of Quagga and Zebra mussels, the Legislature provided a supplemental appropriation of \$1,106,500 for FY 2008 and an ongoing appropriation of \$1,400,000.

**New Boat for the Great Salt Lake:** The Legislature provided a supplemental appropriation of \$280,000 from the GFR

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- Wildlife Resources account for the replacement of the Division's boat.

**Raceway Covers for Springville Hatchery:** The Legislature provided a supplemental appropriation of \$1,000,000 from the GFR - Wildlife Resources for the design and the construction of the raceway covers of the Springville hatchery.

**Wildlife Management Area Maintenance:** The Legislature appropriated \$250,000 from the GFR - Wildlife Resources for wildlife maintenance projects.

**Independent Bison Count:** The Legislature reallocated base budgets to provide a FY 2008 supplemental of \$67,000 for an independent count of bison.

## **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**

For FY 2009, the Legislature appropriated \$34,899,600 (\$12,627,500 General Fund) for Parks Operations and \$4,379,200 (\$1,879,200 General Fund) for Parks Capital.

**H.B. 104, "Urban Trails Appropriation"** appropriates \$250,000 for grants to plan and develop urban trails and \$250,000 for the Bonneville Shoreline Trail Program to the Department of Natural Resources.

**OHV Trail Maintenance Program:** The Legislature appropriated \$1,500,000 (one-time) from the GFR - Off-Highway Vehicle for maintenance of the trails that are on land managed by the BLM and the National Forest.

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**Renovation and Development of Capital Facilities:** To help with the backlog of over \$154 million in capital maintenance, reconstruction, and repair needs, the Legislature appropriated \$1,000,000 (one-time) and \$35,000 (ongoing), as well as a one-time appropriation of \$250,000 from the GFR - State Park Fees.

**This Is The Place Park:** The Legislature appropriated \$350,000 (one time) and \$100,000 (ongoing) to This Is The Place Park Foundation.

**Park Improvement Funds as Incentives for Meeting Revenue Goals:** The Legislature provided a FY 2008 supplemental appropriation of \$433,400 from the GFR - State Park Fees for the Parks' incentive program, to reward those parks that have met their revenue goals. The parks receiving these funds can use them for specific one-time park improvements or programs, such as construction of interpretive kiosks or development of a nature program.

**Wasatch Golf Reinvestment:** In 2007, the Park's Board increased certain golf fees with the intention of investing the increased revenues in the golfing program through a Tournament Coordinator, a journeyman maintenance worker, and funding for fertilizer and sand. The Legislature appropriated \$180,000 in both FY 2008 and FY 2009 from the GFR—State Park Fees account.

**OHV Center Enterprise:** The Legislature appropriated \$150,000 for FY 2008 and \$250,000 for FY 2009 from the GFR—Off-Highway Vehicle account for the revitalization of the Jordan River OHV Center.

**OHV Camp Program:** The Legislature provided supplemental funding of \$40,000 for FY 2008 and \$15,000 (one-time) for FY 2009 for the development of two OHV Camps (a week-long OHV Camp at Little Deer Creek and a 3 to 7-day Utah Trails Tour). The funding comes from the GFR—Off-Highway Vehicle.

**Intent Language:**

The Legislature wants the Division of Parks and Recreation to report to the Natural Resources Appropriations Subcommittee during the 2009 General Session on the progress of the OHV Camp Program, by presenting results of an internal audit performed by the DNR Audit team.

**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 2009 appropriation for the UGS is \$10,192,000, with General Fund of \$2,119,200. The Legislature appropriated \$2,148,100 as a FY 2008 supplemental and \$1,648,800 for FY 2009 from the Land Exchange Distribution restricted account.

**Geologic Hazard Mapping Staff:** The Legislature appropriated \$149,700 through internal reallocations for two new geologists.

**Snake Valley:** With the additional Land Exchange Distribution account funding, \$2.5 million of General Funds were freed up. The Legislature approved reallocating \$1.5 million for additional ground water monitoring for the Snake Valley (increasing the number of monitoring sites to 28 and providing funding for spring/wetlands monitoring). In addition, \$900,000 for reseeding was reallocated to the Division of Forestry, Fire, and State Lands, and \$100,000 was reallocated to the Division of Water Rights for staff.

## **Intent Language**

The Legislature authorized nonlapsing language for up to \$3.5 million of the UGS' appropriation.

## **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 2009 appropriation for the Division of Water Resources is \$11,552,100, of which \$4,644,000 is from the General Fund.

**Sanpete Count Water Conservancy District:** The Legislature appropriated \$150,000 (one time) to pass to the Sanpete County Water Conservancy District.

## **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 2009 for the Division of Water Rights is \$8,887,900, of which \$7,572,700 comes from the General Fund.

**Division of Water Rights Staff:** The Legislature reallocated \$130,000 in General Funds from other line items to provide funding for staff to expedite the applications for proof and

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certificates of beneficial use. The Legislature also appropriated \$65,000 from Dedicated Credits to hire an Engineering Tech.

### **Intent Language**

The Legislature wants the State Engineer to use new funding provided to expedite the processing of water rights and water right applications and monitor the length of time to process applications, then report back to the Natural Resources Appropriations Subcommittee during the 2009 General Session.

The Legislature intends that funding not be used to change or implement plans for water use in the Beryl-Enterprise area, and that the State Engineer also report all actions relative to the Beryl-Enterprise area to the Executive Appropriations Committee.

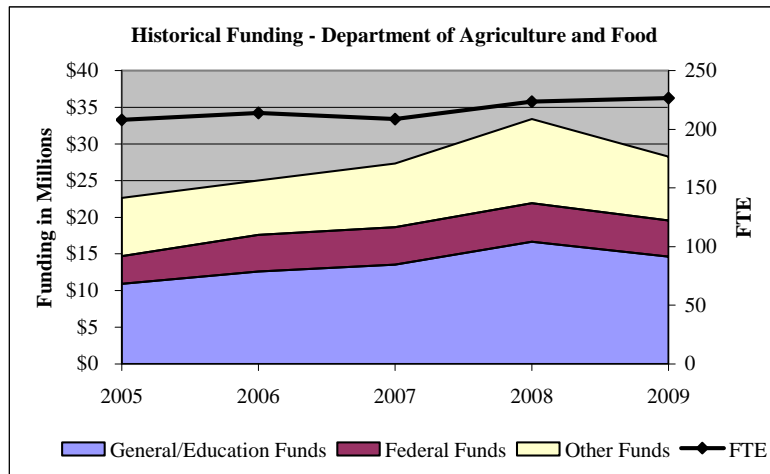
The Legislature wants the Department of Natural Resources to study water rights issues and report to the Natural Resources, Agriculture, and Environment Interim Committee.

## Funding Detail

Department of Natural Resources					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	44,863,500		44,863,500	47,721,000	2,857,500
General Fund, One-time	6,672,000	7,300,700	13,972,700	4,250,000	(9,722,700)
Federal Funds	40,390,600		40,390,600	41,929,200	1,538,600
Dedicated Credits Revenue	10,941,700		10,941,700	12,071,200	1,129,500
Federal Mineral Lease	2,495,400		2,495,400	4,181,600	1,686,200
GFR - Boating	4,262,200		4,262,200	4,374,300	112,100
GFR - Land Exchange Distribution Account		2,148,100	2,148,100	1,648,800	(499,300)
GFR - Off-highway Vehicle	4,382,500	190,000	4,572,500	5,382,400	809,900
GFR - Oil & Gas Conservation Account	3,382,200		3,382,200	3,508,500	126,300
GFR - Sovereign Land Mgt	3,482,900		3,482,900	4,101,300	618,400
GFR - Species Protection	584,600		584,600	1,199,400	614,800
GFR - State Fish Hatch Maint	1,205,000		1,205,000	1,205,000	
GFR - State Park Fees	10,509,500	613,400	11,122,900	11,215,900	93,000
GFR - Wildlife Habitat	1,858,700		1,858,700	2,400,000	541,300
GFR - Wildlife Resources	28,145,400	1,280,000	29,425,400	28,852,800	(572,600)
Water Resources C&D	6,479,400		6,479,400	6,608,100	128,700
Water Res Construction	150,000		150,000	150,000	
Transfers	999,500		999,500	999,500	
Beginning Nonlapsing	18,176,400		18,176,400	750,000	(17,426,400)
Closing Nonlapsing	(3,983,900)		(3,983,900)	(200,000)	3,783,900
Lapsing Balance	(150,000)		(150,000)	(150,000)	
<b>Total</b>	<b>\$184,847,600</b>	<b>\$11,532,200</b>	<b>\$196,379,800</b>	<b>\$182,199,000</b>	<b>(\$14,180,800)</b>
<b>Line Items</b>					
Administration	3,490,500	331,600	3,822,100	3,012,300	(809,800)
Species Protection	3,034,600		3,034,600	5,649,400	2,614,800
Building Operations	1,660,700		1,660,700	1,660,700	
Range Creek	164,600		164,600	168,100	3,500
Watershed	3,724,500		3,724,500	2,505,900	(1,218,600)
Forestry, Fire and State Lands	22,780,100	6,000,000	28,780,100	18,319,200	(10,460,900)
Oil, Gas and Mining	12,726,500	(235,000)	12,491,500	12,482,100	(9,400)
Wildlife Resources	48,116,400	2,454,100	50,570,500	50,753,300	182,800
Predator Control	59,600		59,600	59,600	
License Reimbursement	74,800		74,800	74,800	
Contributed Research	355,600		355,600	361,700	6,100
Cooperative Agreements	5,372,000		5,372,000	5,486,100	114,100
Wildlife Resources Capital	14,126,800		14,126,800	11,755,000	(2,371,800)
Parks & Recreation	32,169,300	803,400	32,972,700	34,899,600	1,926,900
Parks & Recreation Capital	7,903,200		7,903,200	4,379,200	(3,524,000)
Utah Geological Survey	9,190,500	2,148,100	11,338,600	10,192,000	(1,146,600)
Water Resources	5,819,300		5,819,300	6,169,800	
W Res Revolving Const	4,339,100		4,339,100	4,339,100	
W Res Conserv & Develop	1,043,200		1,043,200	1,043,200	
Water Rights	8,696,300	30,000	8,726,300	8,887,900	161,600
<b>Total</b>	<b>\$184,847,600</b>	<b>\$11,532,200</b>	<b>\$196,379,800</b>	<b>\$182,199,000</b>	<b>(\$14,531,300)</b>
<b>Budgeted FTE</b>	<b>1,341.9</b>	<b>0.0</b>	<b>1,341.9</b>	<b>1,343.0</b>	<b>1.1</b>

## 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 2009, the Legislature appropriated \$28,262,000, of which \$14,639,900 is from the General Fund. Newly funded items are listed below and are from the General Fund, except where noted.

**Contractors’ COLA:** The Legislature appropriated a three-percent COLA to contractors providing services for the Department. These include Resource Conservation (\$36,500 with \$28,500 from the General Fund), Utah State Laboratories (\$12,000), and Ag In Classroom (\$2,700).

**Re-allocation of General Funds:** The Legislature reduced the Department’s funding for mosquito abatement and



reallocated \$182,600 for both FY 2008 and FY 2009 to fund other Subcommittee priorities.

**Utah's Own Promotion:** The Legislature reallocated funding to provide \$150,000 in FY 2008, in addition to \$175,000 appropriated in FY 2009 (\$100,000 one-time).

**Emergency Reseeding:** The Legislature provided a supplemental appropriation of \$2,500,000 for the emergency stabilization and rehabilitation of over 700,000 acres of public and private lands that burned in the summer of 2007.

**Bedding & Upholstery Staff:** The Legislature appropriated \$54,000 (\$17,000 one-time) from Dedicated Credits for a new employee in the Bedding and Upholstery program.

**Tamarisk Treatment:** The Legislature provided a supplemental appropriation of \$30,000 for treatment of Tamarisk in Emery County.

### **Intent Language**

The Legislature authorized the Department to purchase two vehicles in FY 2008 and in FY 2009.

## Funding Detail

Department of Agriculture and Food					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	13,755,900		13,755,900	14,459,900	704,000
General Fund, One-time	145,000	2,767,400	2,912,400	180,000	(2,732,400)
Federal Funds	5,231,800		5,231,800	4,920,400	(311,400)
Dedicated Credits Revenue	5,589,600		5,589,600	5,711,900	122,300
GFR - Horse Racing	50,000		50,000	50,000	
GFR - Livestock Brand	877,000		877,000	935,700	58,700
GFR - Wildlife Damage Prev	633,900		633,900	608,700	(25,200)
Agri Resource Development	804,400		804,400	812,000	7,600
Utah Rural Rehab Loan	63,000		63,000	62,800	(200)
Transfers	657,100		657,100	676,100	19,000
Beginning Nonlapsing	3,398,400		3,398,400	569,200	(2,829,200)
Closing Nonlapsing	(601,100)		(601,100)	(724,700)	(123,600)
<b>Total</b>	<b>\$30,605,000</b>	<b>\$2,767,400</b>	<b>\$33,372,400</b>	<b>\$28,262,000</b>	<b>(\$5,110,400)</b>
<b>Line Items</b>					
Administration	22,752,400	2,767,400	25,519,800	20,743,800	(4,776,000)
Building Operations	270,000		270,000	305,000	35,000
Utah State Fair Corporation	3,902,700		3,902,700	3,907,300	4,600
Predatory Animal Control	1,568,700		1,568,700	1,381,500	(187,200)
Resource Conservation	1,577,100		1,577,100	1,610,500	33,400
Loans	534,100		534,100	313,900	(220,200)
<b>Total</b>	<b>\$30,605,000</b>	<b>\$2,767,400</b>	<b>\$33,372,400</b>	<b>\$28,262,000</b>	<b>(\$5,110,400)</b>
<b>Budgeted FTE</b>	223.5	0.0	223.5	226.5	3.0

## 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 2009, the Legislature appropriated \$26,471,900 from the Land Grant Management Fund to SITLA.

**Staff:** The Legislature appropriated \$98,900 for an investigator position. In addition, the Legislature provided a supplemental appropriation of \$17,300, and a one-time

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appropriation for FY 2009 of \$46,400 for a temporary resource specialist position to help with the RS 2477 process. Lawmakers also provided funding in the amount of \$126,900 (\$31,000 one-time) for a resource specialist position. A research analyst position in the Development group was approved with funding of \$82,300.

**Project Accounting System:** The Legislature appropriated \$35,000 in supplemental funding for phase II of the SITLA's project accounting system development.

**Web Services:** The Legislature provided \$134,000 in supplemental funding for web design, hosting services and creating and implementing electronic forms.

**Capital Investments:** The Legislature approved \$1,350,000 in supplemental funding for a water rights purchase (\$290,000), South Block infrastructure (\$560,000), and Port 15 Railroad Crossing (\$500,000). An additional one-time appropriation of \$7,700,000 was provided for the South Block infrastructure (\$1,660,000), the Green Springs infrastructure (\$1,000,000), water rights purchase (\$2,290,000) and construction of a building as an equity investment (\$2,750,000).

**Office Remodel:** The Legislature directed SITLA to use existing funds (leftover from the ongoing \$200,000 appropriated in the 2005 General Session for land exchanges) for the \$98,000 request for office remodeling.

**Auditing:** The Legislature appropriated \$30,000 in FY 2008 and \$30,000 in FY 2009 for travel and training for SITLA's field and contracted auditors.

**Information Technology:** The Legislature appropriated the following funding for SITLA's IT needs.

- For FY 2008 a supplemental appropriation of \$99,000 to provide Local Area Network (LAN) support services, remodeling, switches, security upgrades, board and conference room moves, and voice and data wiring.

- For FY 2009 an ongoing appropriation of \$121,000 for Local Area Network (LAN) support services, consultation on two GIS projects, employee training and development, conventions and workshops, and DP equipment replacement for the next five years.

### Intent Language

The Legislature authorized the purchase of a vehicle in FY 2009.

### Funding Detail

School and Institutional Trust Lands Administration					
Sources of Finance	2008		2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Land Grant Mgt Fund	18,125,700	1,665,300	19,791,000	26,471,900	6,680,900
<b>Total</b>	<b>\$18,125,700</b>	<b>\$1,665,300</b>	<b>\$19,791,000</b>	<b>\$26,471,900</b>	<b>\$6,680,900</b>
<b>Line Items</b>					
School & Inst Trust Lands	9,325,700	315,300	9,641,000	9,971,900	330,900
SITLA Capital	8,800,000	1,350,000	10,150,000	16,500,000	6,350,000
<b>Total</b>	<b>\$18,125,700</b>	<b>\$1,665,300</b>	<b>\$19,791,000</b>	<b>\$26,471,900</b>	<b>\$6,680,900</b>
<b>Budgeted FTE</b>	66.0	0.0	66.0	69.0	3.0

## 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 2009, the Legislature appropriated \$2,813,100 to the Public Lands Office, with \$728,000 from the General Fund.

**Reallocation of General Funds:** The Legislature reduced the Public Lands' funding by \$100,000 (one time) and reallocated it to fund other needs.

## Intent Language

The Legislature authorized nonlapsing authority for both FY 2008 and FY 2009 for the mitigation, litigation, and studies related to sage grouse and preservation of access to and development of energy from public lands.

## Funding Detail

Public Lands Policy Coordinating Office					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	714,000		714,000	728,000	14,000
General Fund, One-time	150,000	(100,000)	50,000		(50,000)
GFR - Constitutional Defense	2,037,100		2,037,100	2,085,100	48,000
Beginning Nonlapsing	371,600		371,600		(371,600)
<b>Total</b>	<b>\$3,272,700</b>	<b>(\$100,000)</b>	<b>\$3,172,700</b>	<b>\$2,813,100</b>	<b>(\$359,600)</b>
<b>Line Items</b>					
Office of Public Lands	3,272,700	(100,000)	3,172,700	2,813,100	(359,600)
<b>Total</b>	<b>\$3,272,700</b>	<b>(\$100,000)</b>	<b>\$3,172,700</b>	<b>\$2,813,100</b>	<b>(\$359,600)</b>
<b>Budgeted FTE</b>	8.0	0.0	8.0	8.0	0.0

**Funding Detail**

Natural Resources Appropriations Subcommittee					
Sources of Finance	2008	2008	2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	61,333,400		61,333,400	64,908,900	3,575,500
General Fund, One-time	6,967,000	9,968,100	16,935,100	6,430,000	(10,505,100)
Uniform School Fund, One-time	5,000,000		5,000,000		(5,000,000)
Federal Funds	45,622,400		45,622,400	46,849,600	1,227,200
Dedicated Credits Revenue	16,531,300		16,531,300	17,783,100	1,251,800
Federal Mineral Lease	2,495,400		2,495,400	4,181,600	1,686,200
GFR - Boating	4,262,200		4,262,200	4,374,300	112,100
GFR - Constitutional Defense	2,037,100		2,037,100	2,085,100	48,000
GFR - Horse Racing	50,000		50,000	50,000	
GFR - Land Exchange Distribution Account		3,906,900	3,906,900	2,998,800	(908,100)
GFR - Livestock Brand	877,000		877,000	935,700	58,700
GFR - Off-highway Vehicle	4,382,500	190,000	4,572,500	5,382,400	809,900
GFR - Oil & Gas Conservation Account	3,382,200		3,382,200	3,508,500	126,300
GFR - Sovereign Land Mgt	3,482,900		3,482,900	4,101,300	618,400
GFR - Species Protection	584,600		584,600	1,199,400	614,800
GFR - State Fish Hatch Maint	1,205,000		1,205,000	1,205,000	
GFR - State Park Fees	10,509,500	613,400	11,122,900	11,215,900	93,000
GFR - Wildlife Damage Prev	633,900		633,900	608,700	(25,200)
GFR - Wildlife Habitat	1,858,700		1,858,700	2,400,000	541,300
GFR - Wildlife Resources	28,145,400	1,280,000	29,425,400	28,852,800	(572,600)
Agri Resource Development	804,400		804,400	812,000	7,600
Land Grant Mgt Fund	18,125,700	1,665,300	19,791,000	26,471,900	6,680,900
Utah Rural Rehab Loan	63,000		63,000	62,800	(200)
Water Resources C&D	6,479,400		6,479,400	6,608,100	128,700
Water Res Construction	150,000		150,000	150,000	
Transfers	1,656,600		1,656,600	1,675,600	19,000
Beginning Nonlapsing	21,946,400		21,946,400	1,319,200	(20,627,200)
Closing Nonlapsing	(4,585,000)		(4,585,000)	(924,700)	3,660,300
Lapsing Balance	(150,000)		(150,000)	(150,000)	
<b>Total</b>	<b>\$243,851,000</b>	<b>\$17,623,700</b>	<b>\$261,474,700</b>	<b>\$245,096,000</b>	<b>(\$16,378,700)</b>
<b>Agencies</b>					
Natural Resources	184,847,600	11,532,200	196,379,800	182,199,000	(14,180,800)
Public Lands Office	3,272,700	(100,000)	3,172,700	2,813,100	(359,600)
Agriculture	30,605,000	2,767,400	33,372,400	28,262,000	(5,110,400)
School & Institutional Trust Lands	18,125,700	1,665,300	19,791,000	26,471,900	6,680,900
Restricted Revenue - NRAS	7,000,000	1,758,800	8,758,800	5,350,000	(3,408,800)
<b>Total</b>	<b>\$243,851,000</b>	<b>\$17,623,700</b>	<b>\$261,474,700</b>	<b>\$245,096,000</b>	<b>(\$16,378,700)</b>
<b>Budgeted FTE</b>	<b>1,639.4</b>	<b>0.0</b>	<b>1,639.4</b>	<b>1,646.5</b>	<b>7.1</b>



# Public Education

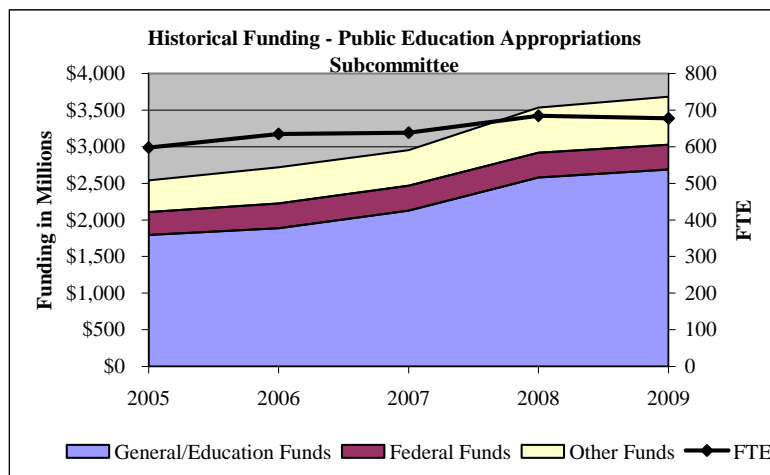




## Subcommittee Overview

Public education represents the largest budget appropriated by the Legislature. During the 2008 General Session, the Legislature appropriated more than \$3.7 billion to support Utah's public schools for FY 2009, a 6.3 percent increase over the FY 2008 revised budget. In total, appropriations supporting public education represent 48.6 percent of the total appropriations made from State revenue sources in FY 2009.

The Public Education Appropriations Subcommittee oversees the Minimum School Program and School Building Program. These programs provide funding directly to the 40 school districts and 55 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.



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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 537,653 students. Projections indicate that in FY 2009 (2008-2009 school year); an additional 12,880 students may enroll in Utah's public schools. This increased enrollment would bring the statewide enrollment total to approximately 550,533 students, a 2.4 percent increase over FY 2008.

## **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. Five programs comprise the MSP: the Basic School Program, Related to Basic School Program, Special Populations, Board and Voted Leeway Programs, and Other Programs.

Programs provide funding to school districts and charter schools to support educational programs in all grades. Additional funding is provided to supplement higher costs associated with Special Education, Career and Technology Education, Rural Schools, Professional Staff, Administration Costs, and Class Size Reduction.

As an equalization program, the MSP adjusts state revenues allocated to school districts through the Basic School Program to balance revenue differences 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 participate in the equalized revenue distribution formula.

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## **Legislative Action**

The Legislature appropriated a budget of \$3,120,131,060 to the Minimum School Program for FY 2009. This appropriation is a 2.5 percent increase over the FY 2008 revised appropriation. Included in this total Uniform School Fund budget, is \$2,438,692,586 ongoing and \$31,820,000 one-time. Of the total in new Uniform School Fund appropriations, \$256,397,063 is ongoing and \$142,200,000 is one-time. The Uniform School Fund Restricted – Interested and Dividends Account revenue increased by \$5,499,500 to a total of nearly \$26.5 million to support the School LAND Trust Program.

## **Funding Detail – Total Minimum School Program**

The fold-out table on page 207 shows the total Minimum School Program budget appropriated by the Legislature in FY 2009, along with a comparison to the FY 2008 revised appropriation. Changes to the total Minimum School Program are detailed in the following budget sections.

### **Basic School Program**

Formulas within the MSP Basic School Program equalize revenue generated through the Basic Levy (the property tax rate assessed by each school district as a condition of receiving state funds). State revenue equalizes the local property taxes collected by the school districts in order to mitigate varied revenue collection differences among districts. Although charter schools cannot assess property taxes, they participate in the equalized Basic School Program and receive state revenues commensurate to their qualifying students.

### **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 .55 of a WPU, where students enrolled in Special Education may generate more than one WPU.

In FY 2009, the Legislature appropriated funding to support a total of 714,055 WPUs. This total represents an increase of 16,848 WPUs over FY 2008, 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 is increasing the overall value of the Basic School Program.

### **Basic Tax Levy**

School districts must impose the Basic Tax Levy in order to participate in the Minimum School Program. The Legislature sets the Basic Tax Rate required of all school districts in the statute each year. During the 2008 General Session, the Legislature set the Basic Tax Rate at 0.00125 for FY 2009. For the current fiscal year (FY 2008) the Basic Tax Rate is 0.001311.

### **Legislative Action**

**Weighted Pupil Unit (WPU) Increase:** The Legislature increased the value of the WPU by \$63 to a total of \$2,557 for FY 2009. The cost of this increase totaled \$44.9 million for the Basic School Program and raised the value of the WPU by 2.5 percent over FY 2008. Total revenues appropriated to support the 2.5 percent WPU increase total over \$59 million with the inclusion of selected Related to the Basic School Programs (or Below-the-Line programs).

**Enrollment Growth:** Legislators provided \$34.1 million in additional Uniform School Fund revenue to support the anticipated 12,880 new students expected to enroll in Utah's public

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schools in fall 2008. Revenues appropriated to support enrollment growth include increases to the Basic School Programs as well as selected Related to Basic School Programs.

**Foreign Exchange Students:** Legislators provided approximately \$542,100 to support 212 foreign exchange students that enrolled in Utah's public schools during FY 2008 (2007-08 school year). The Grades 1-12 Program was increased by 37 WPU, from the ongoing base of 175 WPUs, to provide for additional enrolled foreign exchange students.

Statute provides reimbursement to school districts and charter schools for foreign exchange students enrolled during the previous school year, up to a total of 328. Additional WPUs may be required in future years as the number of enrolled foreign exchange students approaches the enrollment cap set in statute.

### **Related to Basic School Programs**

The Related to Basic School Program includes 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, Pupil Transportation To and From School, Interventions for Student Success Block Grant, Quality Teaching Block Grant, Youth at Risk Programs, Adult Education, Concurrent Enrollment, and Accelerated Learning Programs.

In most cases, school districts and charter schools receive state revenues on a base plus student enrollment formula. Each school district receives the same base allocation (charter schools are treated as one school district) with the remaining revenues

allocated proportionally based on the total number of students enrolled in the school district or charter school.

### **Legislative Action**

The following represent the changes approved by the Legislature during the 2008 General Session:

**Educator Compensation Increases:** Legislators approved a total of \$22,347,000 in FY 2008 supplemental funding for the Educator Salary Adjustment and Bonus provided through H.B. 382 “Amendments to Education Funding” (2007 General Session). Of this total, \$19,905,000 supports the ongoing salary adjustment of \$2,500 for each qualifying educator and \$2,442,000 supports the one-time bonus in FY 2008 for each qualifying educator.

**H.B. 1 “Minimum School Program Base Budget Amendments”** also provided \$19,905,000 in ongoing Uniform School Funds to supplement the ongoing cost of the \$2,500 salary adjustments provided in FY 2008.

In FY 2009, the Legislature provided an additional Educator Salary Adjustment of \$1,700 for each qualifying educator. Legislators appropriated over \$57.5 million from the Uniform School Fund to support this increase. In addition, the Legislature amended statutes governing the adjustments to remove school administrators from the list of qualifying educators.

The total appropriation for these salary adjustments exceeds \$148.2 million. Over the course of FY 2008 and FY 2009, the Legislature increased qualifying educator salaries by \$4,200. Legislators included an additional 24.16 percent in the total appropriation for the salary adjustments (both the \$2,500 and \$1,700) to pay for the employer-paid benefits of Retirement, Social Security, Medicare and Workers’ Compensation. Educators must pay personal income taxes, or any other payroll deductions, from the gross salary adjustment received through the program.

**To and From School Pupil Transportation:** Legislators appropriated \$3 million (one-time) to assist school districts in meeting to and from school transportation costs. The Legislature

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amended the statute governing the state support for pupil transportation (UCA 53A-17a-126) to establish a state-funding threshold for to and from school transportation costs.

**Accelerated Learning Programs:** The Legislature increased these programs by \$100,000 to support the International Baccalaureate Program in the public schools.

**High-Ability Student Initiative Program (Project RESCUE):** Legislators approved \$500,000 to provide resources for educators to enhance the academic growth of high-ability students.

**English Language Learner Family Literacy Centers:** Legislative action appropriated \$5 million (\$3 million one-time) to support the creation of ELL family centers by school districts and charter schools to increase academic achievement, literacy skills, and language gains of students and their families.

**Utah Science Technology and Research (USTAR) Centers:** The Legislature appropriated \$6.9 million to support USTAR Initiative Centers, which provide opportunities for Math and Science teachers to increase their compensation through an expanded contract year, while also increasing the efficiency of school buildings.

**Extended Year for Special Educators:** Legislators approved \$2.9 million to support a program to provide stipends to special educators for additional days of work. Special educators may receive \$200 per day, to perform duties related to the Individualized Education Program (IEP) process for students. If all special educators participate, funding may provide up to three extra working days

**Teacher Salary Supplement Program:** The Legislature appropriated \$4.3 million to support annual salary supplements for certain math and science teachers. Total salary supplement provided through the program is \$4,100 for an eligible teacher.

Legislators also appropriated funding to the Department of Human Resource Management for program administration. The state Division of Finance will distribute funding to school districts and charter schools from the newly created Teacher Salary



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Supplement Restricted Account based on their total number of qualifying educators.

**Teacher Supplies and Materials:** Legislators provided \$10 million (one-time) to reimburse educators for out-of-pocket expenditures on instructional supplies and materials. Funding of \$7.5 million is distributed to all teachers on a sliding scale based on relative position on the salary schedule and grade level. Additional funding of \$2.5 million is distributed to teachers in their first year of teaching, but may include teachers in their second through fifth year of teaching depending on the mechanism established by the State Board of Education for distributing funds to school districts and charter schools.

**Beverley Taylor Sorenson Elementary Arts Learning Program:** This program was created to integrate arts education into core academic subjects in the elementary schools. Legislators appropriated \$15.8 million (one-time) to support the four-year pilot program.

**Library Books and Electronic Resources:** The Legislature allocated \$280,000 as a FY 2008 supplemental appropriation to support the acquisition of books and electronic media for school libraries. (This action corrected an appropriation made during the 2007 General Session.)

**Voted & Board Leeways:** The state guarantee per WPU for the Voted and Board Leeway programs increased from \$23.07 per WPU to \$25.25 per WPU based on a statutory formula. Due to increased local property tax revenue collections, costs associated with the state guarantee rate change was funded within the ongoing base budget. This increase in local revenues also provided an additional \$13.3 million savings in the state guarantee which provided an offset to the cost of student enrollment growth.

**Charter Schools: S.B. 2 “Minimum School Program Budget Amendments”** included several changes to the method in which charter schools are funded.

- **Local Replacement Funding:** Legislators altered the funding formula by requiring school districts to contribute 25 percent of their “District Average Per

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Pupil Revenue” for each student enrolled in a charter school.

S.B. 2 establishes a local replacement funding guarantee of \$1,427 for each student enrolled in a charter school. The state contributes the difference between the district contribution and the guarantee amount.

These changes, combined with ongoing per-student funding appropriated in FY 2008, will save the state approximately \$3.3 million. The state appropriation for the Local Replacement Program totals \$36.9 million. Formula details are found in S.B. 2.

- **School Level Administration:** The Legislature provided nearly \$2.9 million to assist charter schools with data reporting and other administrative expenses. Funding provides \$100 per student enrolled in a charter school.

### **Intent Language**

Legislators passed language directing the State Board of Education to conduct an independent audit of state funds allocated to the Utah Virtual Academy charter school. The intent language also directs the State Board of Education to report audit findings to the Executive Appropriations Committee by November 30, 2008.

The following table shows the number of Public Education teachers and other staff, by district (FY 2007 data).

Public Education - School District & Charter School Employees							
Comparison by School District and Charter Schools with Instructional and Support Staff Break-Outs FY 2007							
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	2,267	700	139	116	331	870	4,423
Beaver	70	32	6	5	10	29	151
Box Elder	490	115	27	13	69	202	917
Cache	589	257	34	11	76	298	1,264
Carbon	181	81	14	17	27	80	400
Daggett	12	7	0	3	2	9	33
Davis	2,802	1,014	177	158	334	1,132	5,616
Duchesne	219	90	11	12	37	101	470
Emery	125	40	6	8	21	59	259
Garfield	62	31	4	6	11	24	139
Grand	85	42	4	6	13	44	194
Granite	3,199	1,001	120	153	544	1,495	6,513
Iron	402	233	26	19	53	156	889
Jordan	3,206	1,062	113	68	531	1,345	6,324
Juab	93	39	5	5	13	43	198
Kane	71	35	8	6	13	35	167
Logan	297	158	18	17	35	99	624
Millard	156	66	6	6	20	80	334
Morgan	101	26	6	5	10	37	184
Murray	293	89	21	12	37	125	578
Nebo	1,072	410	61	34	142	487	2,205
North Sanpete	124	63	5	7	15	46	260
North Summit	56	17	4	3	8	32	121
Ogden	566	208	44	51	88	165	1,122
Park City	247	74	20	18	25	93	477
Piute	27	10	2	3	5	13	60
Provo	615	254	30	24	83	196	1,203
Rich	33	7	1	3	4	12	60
Salt Lake	1,157	570	84	69	170	487	2,538
San Juan	199	73	14	12	34	112	443
Sevier	217	73	12	12	25	96	436
South Sanpete	158	103	12	9	34	66	383
South Summit	73	25	6	4	10	37	155
Tintic	23	6	2	3	4	8	46
Tooele	571	167	39	11	73	267	1,127
Uintah	269	112	22	14	40	151	608
Wasatch	220	83	17	16	31	88	454
Washington	1,103	273	87	30	174	341	2,007
Wayne	37	11	2	5	5	16	75
Weber	1,282	349	96	40	162	477	2,406
Charters	870	349	33	112	130	80	1,573
<b>State Total:</b>	<b>23,641</b>	<b>8,356</b>	<b>1,336</b>	<b>1,125</b>	<b>3,445</b>	<b>9,534</b>	<b>47,437</b>

Source: Utah State Office of Education, Superintendent's Annual Report, 2007.

## 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 budget of \$42,288,900 to the School Building Program for FY 2008.

Legislators increased the appropriation for the School Building Program by \$15,000,000 in one-time Uniform School Funds. Of the total appropriation, the Enrollment Growth Program was appropriated the base of \$2,930,900 in ongoing revenue and one-time funding of \$7,500,000 for FY 2009. The Capital Outlay Foundation Program was appropriated the base of \$24,358,000 in ongoing revenue and one-time funding of \$7,500,000 for FY 2009.

### Funding Detail

School Building Program					
Sources of Finance	2008		2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
Uniform School Fund	27,288,900		27,288,900	27,288,900	
Uniform School Fund, One-time	50,000,000		50,000,000	15,000,000	(35,000,000)
<b>Total</b>	<u>\$77,288,900</u>	<u>\$0</u>	<u>\$77,288,900</u>	<u>\$42,288,900</u>	<u>(\$35,000,000)</u>
<b>Programs</b>					
School Building Program	77,288,900		77,288,900	42,288,900	(35,000,000)
<b>Total</b>	<u>\$77,288,900</u>	<u>\$0</u>	<u>\$77,288,900</u>	<u>\$42,288,900</u>	<u>(\$35,000,000)</u>

## 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 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 \$450,529,800 for FY 2009. This amount includes \$70,132,800 from the Uniform School Fund and \$3,500,000 from the General Fund. Legislators increased the total FY 2009 budget for the education agencies by \$7,676,500 from the FY 2008 revised appropriation, representing a 1.7 percent increase. State funds appropriated to the education agencies increased by 14.9 percent.

## Funding Detail

State Board of Education: Education Agencies					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	10,900,000		10,900,000	2,500,000	(8,400,000)
General Fund, One-time	3,900,000	(12,400,000)	(8,500,000)	1,000,000	9,500,000
Uniform School Fund	59,146,800		59,146,800	64,789,400	5,642,600
Uniform School Fund, One-time	1,546,000	1,000,000	2,546,000	5,343,400	2,797,400
Federal Funds	339,174,700		339,174,700	339,528,200	353,500
Dedicated Credits Revenue	30,390,800		30,390,800	29,037,400	(1,353,400)
Federal Mineral Lease	2,270,300		2,270,300	845,900	(1,424,400)
Restricted Revenue	494,500		494,500		(494,500)
GFR - Land Exchange Distribution Account		394,000	394,000	302,400	(91,600)
GFR - Substance Abuse Prevention				494,500	494,500
USFR - Interest and Dividends Account	81,900		81,900	409,700	327,800
USFR - Professional Practices				1,465,900	1,465,900
Transfers	4,028,500		4,028,500	4,064,800	36,300
Transfers - Interagency	748,200		748,200	748,200	
Beginning Nonlapsing	23,859,300		23,859,300	22,681,700	(1,177,600)
Closing Nonlapsing	(22,681,700)		(22,681,700)	(22,681,700)	
<b>Total</b>	<b>\$453,859,300</b>	<b>(\$11,006,000)</b>	<b>\$442,853,300</b>	<b>\$450,529,800</b>	<b>\$7,676,500</b>
<b>Line Items</b>					
State Office of Education	265,607,400	1,394,000	267,001,400	273,532,000	6,530,600
State Charter School Board	6,389,000		6,389,000	6,423,500	34,500
Educator Licensing	1,432,800		1,432,800	1,465,900	33,100
Parent Choice in Education Act	12,400,000	(12,400,000)			
Child Nutrition	129,163,200		129,163,200	129,228,300	65,100
Fine Arts Outreach	3,115,600		3,115,600	3,189,600	74,000
Educational Contracts	3,854,800		3,854,800	3,854,800	
School for the Deaf and Blind	29,278,000		29,278,000	30,135,300	857,300
Science Outreach	1,689,400		1,689,400	2,089,400	400,000
USDB - Institutional Council	929,100		929,100	611,000	(318,100)
<b>Total</b>	<b>\$453,859,300</b>	<b>(\$11,006,000)</b>	<b>\$442,853,300</b>	<b>\$450,529,800</b>	<b>\$7,676,500</b>
<b>Budgeted FTE</b>	<b>684.7</b>	<b>0.0</b>	<b>684.7</b>	<b>677.2</b>	<b>(7.5)</b>

## 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.

The State Board of Education operates two internal service funds to provide for administrative expenses, printing, and mail services.

### **Legislative Action**

The Legislature appropriated \$273,532,000 to USOE for FY 2009. Of the total USOE appropriation, approximately 20 percent provides for the operation of the State Office itself. The remaining 80 percent, or \$226,191,100, is passed through to local school districts.

**Carson Smith Special Needs Scholarship:** The Legislature authorized \$2.0 million (\$1.0 million one-time) from the General Fund to provide private school scholarship to special needs students.

**Sound Beginnings:** Lawmakers approved \$300,000 to support auditory-oral programs for children with severe hearing loss.

**Regional Service Centers:** The Legislature authorized \$83,400 to support a one-time contract increase for the centers.

**CTE Career & Technology Education Online Assessments:** An appropriation of \$400,000 was approved to continue conversion to online testing from FY 2008.

**Utah Restaurant Association Pro-Start Culinary Program:** The Legislature provided \$350,000 to support student development courses in the culinary arts.

**Early Childhood Education:** Lawmakers authorized \$2,500,000 ongoing and \$1,000,000 as a FY 2008 supplemental to create a pilot project to develop school readiness skills of preschool children.

**Financial and Economic Literacy Education:** An appropriation of \$250,000 (\$150,000 one-time) was made for the development of financial and economic literacy training in schools.

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**State Supplemental Funding for Head Start:** The Legislature authorized \$100,000 to support school readiness services to economically disadvantaged children.

**Paraeducator to Teacher Scholarships:** Lawmakers provided \$25,000 to award scholarships to paraeducators for education and training to become licensed teachers.

The following one-time appropriations were approved:

- **School Bus Amendments:** \$100,000 to adopt idling reduction standards and implement an idling reduction program.
- **Critical Languages:** \$750,000 to expand the Critical Languages Program and establish the Dual Language Immersion Program as a pilot.
- **“We Shall Remain” Native American Documentary:** \$350,000 for educational materials to supplement the video production on KUED regarding Native American culture.
- **Civic and Character Education:** \$30,000 to continue education on democracy-related issues.
- **Reach Out and Read:** \$100,000 for support of the national program offering free books to children in families living below the federal poverty level.
- **English Language Learner Software Licenses:** \$3,000,000 for purchase of software licenses for teaching English language learners.



## Funding Detail

State Office of Education					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	1,500,000		1,500,000	2,500,000	1,000,000
General Fund, One-time	900,000		900,000	1,000,000	100,000
Uniform School Fund	26,214,800		26,214,800	30,396,700	4,181,900
Uniform School Fund, One-time	1,432,000	1,000,000	2,432,000	4,563,400	2,131,400
Federal Funds	225,917,100		225,917,100	226,191,100	274,000
Dedicated Credits Revenue	6,047,800		6,047,800	6,079,300	31,500
Federal Mineral Lease	2,270,300		2,270,300	845,900	(1,424,400)
Restricted Revenue	494,500		494,500		(494,500)
GFR - Land Exchange Distribution Account		394,000	394,000	302,400	(91,600)
GFR - Substance Abuse Prevention				494,500	494,500
USFR - Interest and Dividends Account	81,900		81,900	409,700	327,800
Transfers	800		800	800	
Transfers - Interagency	748,200		748,200	748,200	
Beginning Nonlapsing	21,960,500		21,960,500	21,960,500	
Closing Nonlapsing	(21,960,500)		(21,960,500)	(21,960,500)	
<b>Total</b>	<b>\$265,607,400</b>	<b>\$1,394,000</b>	<b>\$267,001,400</b>	<b>\$273,532,000</b>	<b>\$6,530,600</b>
<b>Programs</b>					
Board of Education	2,001,700		2,001,700	2,017,400	15,700
Student Achievement	248,663,700		248,663,700	248,894,900	231,200
Data and Business Services	1,265,000	1,394,000	2,659,000	8,894,500	6,235,500
Law, Legislation and Education Services	13,677,000		13,677,000	13,725,200	48,200
<b>Total</b>	<b>\$265,607,400</b>	<b>\$1,394,000</b>	<b>\$267,001,400</b>	<b>\$273,532,000</b>	<b>\$6,530,600</b>
<b>Budgeted FTE</b>	226.3	0.0	226.3	226.3	0.0

Educator Licensing					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Dedicated Credits Revenue	1,432,800		1,432,800		(1,432,800)
USFR - Professional Practices				1,465,900	1,465,900
<b>Total</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>	<b>\$1,465,900</b>	<b>\$33,100</b>
<b>Programs</b>					
Educator Licensing	1,432,800		1,432,800	1,465,900	33,100
<b>Total</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>	<b>\$1,465,900</b>	<b>\$33,100</b>
<b>Budgeted FTE</b>	11.2	0.0	11.2	11.2	0.0

## Parent Choice in Education Act

The Legislature created the Parent Choice in Education Act during the 2007 General Session. The Parent Choice in Education Act created a program to award scholarships to students to attend private school. However, due to outcomes of Referendum 1 in November 2007, funding reverted to the General Fund in FY 2009.

### Funding Detail

Parent Choice in Education Act					
	2008	2008	2008	2009	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	9,400,000		9,400,000		(9,400,000)
General Fund, One-time	3,000,000	(12,400,000)	(9,400,000)		9,400,000
<b>Total</b>	<u>\$12,400,000</u>	<u>(\$12,400,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Programs</b>					
Administration	200,000		200,000	200,000	
Scholarships	12,200,000	(12,400,000)	(200,000)	(200,000)	
<b>Total</b>	<u>\$12,400,000</u>	<u>(\$12,400,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## 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 almost 60 approved charter schools. Projections indicate that in Fall 2008, approximately 28,986 will enroll in charter schools, a 20 percent increase over Fall 2007 projections.

### Legislative Action

The Legislature appropriated \$6,423,500 to the State Charter School Board, including \$709,600 ongoing and \$10,000 one-time monies from the Uniform School Fund and \$5,703,900 in Federal Funds. The decrease in Federal Funds corresponds to the decrease in the overall budget for the Board. The Legislature also authorized an additional 3 FTEs for the State Charter School Board.

**Science Academy:** The Legislature provided \$10,000 (one-time) to support development of charter school administration at Snow Academy.

### Funding Detail

State Charter School Board					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Uniform School Fund	696,900		696,900	709,600	12,700
Uniform School Fund, One-time				10,000	10,000
Federal Funds	5,692,100		5,692,100	5,703,900	11,800
Beginning Nonlapsing	121,200		121,200	121,200	
Closing Nonlapsing	(121,200)		(121,200)	(121,200)	
<b>Total</b>	<b>\$6,389,000</b>	<b>\$0</b>	<b>\$6,389,000</b>	<b>\$6,423,500</b>	<b>\$34,500</b>
<b>Programs</b>					
State Charter School Board	6,389,000		6,389,000	6,423,500	34,500
<b>Total</b>	<b>\$6,389,000</b>	<b>\$0</b>	<b>\$6,389,000</b>	<b>\$6,423,500</b>	<b>\$34,500</b>
<b>Budgeted FTE</b>	6.5	0.0	6.5	6.5	0.0

## Utah Schools for the Deaf and Blind

The Utah Schools for the Deaf and Blind (USDB) provides 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 \$30,135,300 to USDB, including \$24,381,200 ongoing and 770,000 one-time for FY 2009. This appropriation represents a total increase of \$857,300 from FY 2008 revised, including a state fund increase of \$1,613,300.

**Teacher Salary Adjustments:** The Legislature increased USDB's FY 2009 budget by \$404,800 to provide for statutory teacher salary adjustments. 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.

**Jean Massieu School Lease Extension:** Appropriators gave \$264,800 to USDB for extension of the contract for the Jean Massieu School (JMS). Previous to this appropriation, the JMS lease cost had not been appropriated but rather paid out of USDB's existing budget in anticipation of moving to a state-owned facility.

**Utah State Instructional Materials Access Center (USIMAC):** The Legislature approved one-time funding of \$505,200 to USDB for the USIMAC. This appropriation will provide the means for USDB to establish Utah's authorized center for educational materials as discussed under the federal Individuals with Disabilities Act (IDEA).

## Funding Detail

School for the Deaf and Blind					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Uniform School Fund	23,537,900		23,537,900	24,381,200	843,300
Uniform School Fund, One-time				770,000	770,000
Federal Funds	166,400		166,400	184,700	18,300
Dedicated Credits Revenue	709,500		709,500	735,400	25,900
Transfers	4,027,700		4,027,700	4,064,000	36,300
Beginning Nonlapsing	836,500		836,500		(836,500)
<b>Total</b>	<b>\$29,278,000</b>	<b>\$0</b>	<b>\$29,278,000</b>	<b>\$30,135,300</b>	<b>\$857,300</b>
<b>Programs</b>					
Instructional Services	17,314,900		17,314,900	17,809,300	494,400
Support Services	11,963,100		11,963,100	12,326,000	362,900
<b>Total</b>	<b>\$29,278,000</b>	<b>\$0</b>	<b>\$29,278,000</b>	<b>\$30,135,300</b>	<b>\$857,300</b>
<b>Budgeted FTE</b>	408.1	0.0	408.1	400.2	(7.9)

## 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 2009 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 Blind in Section 12 of the Utah Enabling Act, commonly referred to as “Trust Lands” revenue. The appropriation represents an estimate of expected revenue.

### Funding Detail

USDB - Institutional Council					
	2008	2008	2008	2009	Change from
Sources of Finance	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Dedicated Credits Revenue	600,000		600,000	611,000	11,000
Beginning Nonlapsing	929,100		929,100	600,000	(329,100)
Closing Nonlapsing	(600,000)		(600,000)	(600,000)	
<b>Total</b>	<b>\$929,100</b>	<b>\$0</b>	<b>\$929,100</b>	<b>\$611,000</b>	<b>(\$318,100)</b>
<b>Programs</b>					
Institutional Council	929,100		929,100	611,000	(318,100)
<b>Total</b>	<b>\$929,100</b>	<b>\$0</b>	<b>\$929,100</b>	<b>\$611,000</b>	<b>(\$318,100)</b>
<b>Budgeted FTE</b>	6.6	0.0	6.6	7.0	0.4

## 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 15 percent of the overall funding, most of which is generated through the liquor tax.

### Legislative Action

For FY 2009, the Legislature appropriated \$129,228,300 to the Child Nutrition Programs, including \$168,100 from the Uniform School Fund and \$21,611,700 in Dedicated Credits generated by the sale of liquor. This appropriation represents a total increase of \$65,100 from FY 2009 revised.

### Funding Detail

Child Nutrition Program					
Sources of Finance	2008		2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
Uniform School Fund	163,400		163,400	168,100	4,700
Federal Funds	107,399,100		107,399,100	107,448,500	49,400
Dedicated Credits Revenue	21,600,700		21,600,700	21,611,700	11,000
<b>Total</b>	<b>\$129,163,200</b>	<b>\$0</b>	<b>\$129,163,200</b>	<b>\$129,228,300</b>	<b>\$65,100</b>
<b>Programs</b>					
Child Nutrition	129,163,200		129,163,200	129,228,300	65,100
<b>Total</b>	<b>\$129,163,200</b>	<b>\$0</b>	<b>\$129,163,200</b>	<b>\$129,228,300</b>	<b>\$65,100</b>
<b>Budgeted FTE</b>	26.0	0.0	26.0	26.0	0.0

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## 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 program ensures 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 2009, the Legislature appropriated \$3,189,600 to the Fine Arts Outreach Program and \$2,089,400 to the Sciences Outreach Program.

**Professional Outreach Program in the Schools (POPS):** Legislative action provided an increase of \$100,000 to make one-time funds appropriated in FY 2008 ongoing. This funding will allow the POPS organizations to maintain services to students and teachers throughout the state.

**New POPS Provider:** The Legislature increased the POPS program by \$100,000 to include the Utah Museum of Fine Arts as a state wide arts outreach provider.

**New Informal Science Education Enhancement (iSEE) Provider:** Legislators increased the Science Outreach Program by \$220,000 to include the Utah Science Centers as a state wide science outreach provider.

**iSEE Provider Increase:** The Legislature appropriated \$180,000 to assist iSEE providers in maintaining and expanding outreach services to students throughout the state.



## Funding Detail - Fine Arts

Fine Arts Outreach					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Uniform School Fund	2,989,600		2,989,600	3,189,600	200,000
Uniform School Fund, One-time	114,000		114,000		(114,000)
Beginning Nonlapsing	12,000		12,000		(12,000)
<b>Total</b>	<b>\$3,115,600</b>	<b>\$0</b>	<b>\$3,115,600</b>	<b>\$3,189,600</b>	<b>\$74,000</b>
<b>Programs</b>					
Professional Outreach Programs	2,977,100		2,977,100	3,065,100	88,000
Requests for Proposals	70,000		70,000	70,000	
Subsidy Program	68,500		68,500	54,500	(14,000)
<b>Total</b>	<b>\$3,115,600</b>	<b>\$0</b>	<b>\$3,115,600</b>	<b>\$3,189,600</b>	<b>\$74,000</b>

## Funding Detail - Science Outreach

Science Outreach					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
Uniform School Fund	1,689,400		1,689,400	2,089,400	400,000
<b>Total</b>	<b>\$1,689,400</b>	<b>\$0</b>	<b>\$1,689,400</b>	<b>\$2,089,400</b>	<b>\$400,000</b>
<b>Programs</b>					
Science Outreach Programs	1,079,400		1,079,400	1,479,400	400,000
Requests for Proposals	180,000		180,000	180,000	
Science Enhancement	430,000		430,000	430,000	
<b>Total</b>	<b>\$1,689,400</b>	<b>\$0</b>	<b>\$1,689,400</b>	<b>\$2,089,400</b>	<b>\$400,000</b>

## 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 two programs in Education Contracts provide the educational services to these students. 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 2009, the Legislature appropriated \$3,854,800 from the Uniform School Fund to Education Contracts. This is the same level of funding as in FY 2008.

## Funding Detail

Educational Contracts					
Sources of Finance	2008		2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
Uniform School Fund	3,854,800		3,854,800	3,854,800	
<b>Total</b>	<b>\$3,854,800</b>	<b>\$0</b>	<b>\$3,854,800</b>	<b>\$3,854,800</b>	<b>\$0</b>
<b>Programs</b>					
Youth Center	1,153,200		1,153,200	1,153,200	
Corrections Institutions	2,701,600		2,701,600	2,701,600	
<b>Total</b>	<b>\$3,854,800</b>	<b>\$0</b>	<b>\$3,854,800</b>	<b>\$3,854,800</b>	<b>\$0</b>

## State Office of Education – Internal Service Funds

The State Office of Education operates two internal service funds (ISF). 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. Further, the State Board of Education Internal Service Fund supports the Board's print shop and mailroom. The ISF receives funding entirely through Dedicated Credits collected from the operating entities at the State Office.

### Legislative Action

The USOE – Internal Service Fund was dissolved this year as part of general actions by the Legislature to consolidate contracts. The USOE – Indirect Cost Pool was appropriated \$4,945,700. The Legislature also approved 2.0 additional FTEs for the Indirect Cost Pool.

### Funding Detail - USOE Internal Service Fund

ISF - USOE Internal Service Fund					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
Dedicated Credits - Intragvt Rev	400,000		400,000		(400,000)
<b>Total</b>	<u>\$400,000</u>	<u>\$0</u>	<u>\$400,000</u>	<u>\$0</u>	<u>(\$400,000)</u>
<b>Programs</b>					
ISF - State Board ISF	400,000		400,000		(400,000)
<b>Total</b>	<u>\$400,000</u>	<u>\$0</u>	<u>\$400,000</u>	<u>\$0</u>	<u>(\$400,000)</u>
<b>Budgeted FTE</b>	6.8	0.0	6.8	0.0	(6.8)

### Funding Detail - USOE Indirect Cost Pool

ISF - USOE Indirect Cost Pool					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
Dedicated Credits - Intragvt Rev	4,103,700		4,103,700	4,255,400	151,700
Beginning Nonlapsing	(643,500)		(643,500)	(1,201,200)	(557,700)
Closing Nonlapsing	1,201,000		1,201,000	1,891,500	690,500
<b>Total</b>	<u>\$4,661,200</u>	<u>\$0</u>	<u>\$4,661,200</u>	<u>\$4,945,700</u>	<u>\$284,500</u>
<b>Programs</b>					
ISF - Superintendent Indirect Cost Pool	4,661,200		4,661,200	4,945,700	284,500
<b>Total</b>	<u>\$4,661,200</u>	<u>\$0</u>	<u>\$4,661,200</u>	<u>\$4,945,700</u>	<u>\$284,500</u>
<b>Budgeted FTE</b>	44.0	0.0	44.0	46.0	2.0

## Funding Detail

Public Education Appropriations Subcommittee					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	10,900,000		10,900,000	2,500,000	(8,400,000)
General Fund, One-time	3,900,000	(12,400,000)	(8,500,000)	1,000,000	9,500,000
Uniform School Fund	2,338,952,308		2,338,952,308	2,530,770,886	191,818,578
Uniform School Fund, One-time	215,046,000	23,627,000	238,673,000	152,163,400	(86,509,600)
Federal Funds	339,174,700		339,174,700	339,528,200	353,500
Dedicated Credits Revenue	30,390,800		30,390,800	29,037,400	(1,353,400)
Federal Mineral Lease	2,270,300		2,270,300	845,900	(1,424,400)
Restricted Revenue	494,500		494,500		(494,500)
GFR - Land Exchange Distribution Account		394,000	394,000	302,400	(91,600)
GFR - Substance Abuse Prevention				494,500	494,500
USFR - Interest and Dividends Account	21,081,900	4,525,600	25,607,500	26,909,200	1,301,700
USFR - Professional Practices				1,465,900	1,465,900
Local Property Tax	508,148,621		508,148,621	592,118,974	83,970,353
Transfers	4,028,500		4,028,500	4,064,800	36,300
Transfers - Interagency	748,200		748,200	748,200	
Beginning Nonlapsing	66,019,100		66,019,100	64,841,500	(1,177,600)
Closing Nonlapsing	(64,841,500)		(64,841,500)	(33,841,500)	31,000,000
<b>Total</b>	<b>\$3,476,313,429</b>	<b>\$16,146,600</b>	<b>\$3,492,460,029</b>	<b>\$3,712,949,760</b>	<b>\$220,489,731</b>
<b>Agencies</b>					
State Board of Education	453,859,300	(11,006,000)	442,853,300	450,529,800	7,676,500
Minimum School Program	2,945,165,229	27,152,600	2,972,317,829	3,120,131,060	147,813,231
School Building Program	77,288,900		77,288,900	42,288,900	(35,000,000)
Restricted Revenue - PED				100,000,000	100,000,000
<b>Total</b>	<b>\$3,476,313,429</b>	<b>\$16,146,600</b>	<b>\$3,492,460,029</b>	<b>\$3,712,949,760</b>	<b>\$220,489,731</b>
<b>Budgeted FTE</b>	<b>684.7</b>	<b>0.0</b>	<b>684.7</b>	<b>677.2</b>	<b>(7.5)</b>

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Minimum School Program - 2008 General Session FY 2008 Revised & FY 2009 Appropriated					
A	B	C	D	E	F
Total Minimum School Program Revenues					
Revenue Sources	Fiscal Year 2008 REVISED		Fiscal Year 2009 APPROPRIATED		
	Supplemental	Total Revenue	Total Revenue	Difference	
<b>I. State Revenue</b>					
A. Uniform School Fund		\$2,252,516,608		\$2,438,692,586	\$186,175,978
B. Uniform School Fund One-time	22,627,000	186,127,000		31,820,000	(154,307,000)
C. School LAND Trust	4,525,600	25,525,600		26,499,500	973,900
D. General Fund One-time				0	0
E. Beginning Non-Lapsing Balances		42,159,800		42,159,800	0
F. Closing Non-Lapsing Balances		(42,159,800)		(11,159,800)	31,000,000
<b>Subtotal State Revenue:</b>		<b>\$2,464,169,208</b>		<b>\$2,528,012,086</b>	<b>\$63,842,878</b>
<b>II. Local Revenue</b>					
A. Basic Levy		\$245,254,790		\$260,731,750	\$15,476,960
B. Voted Leeway		195,491,527		\$252,090,709	\$56,599,182
C. Board Leeway		52,402,304		\$64,296,515	11,894,211
D. Board Leeway - Reading Levy		15,000,000		\$15,000,000	0
<b>Subtotal Local Revenue:</b>		<b>\$508,148,621</b>		<b>\$592,118,974</b>	<b>\$83,970,353</b>
<b>Total Revenue:</b>		<b>\$2,972,317,829</b>		<b>\$3,120,131,060</b>	<b>\$147,813,231</b>
<b>Total Minimum School Program Expenditures</b>					
<b>Basic School Program - WPU Driven Programs (Above-the-Line)</b>					
		<b>WPU Value:</b> \$2,514			<b>\$2,577</b>
		<b>Basic Rate:</b> 0.001311			<b>0.001250</b>
<b>Sources of Revenue (Also in Total Revenue Above)</b>	<b>Supplemental</b>	<b>Total Revenue</b>		<b>Total Revenue</b>	<b>Difference</b>
I. State Revenue - Uniform School Fund		\$1,507,523,608		\$1,579,387,985	\$71,864,377
II. Local Revenue - Basic Levy		245,254,790		260,731,750	15,476,960
<b>Total Basic School Program Revenue:</b>		<b>\$1,752,778,398</b>		<b>\$1,840,119,735</b>	<b>\$87,341,337</b>
<b>Programs of Expenditure</b>	<b>Total WPU's</b>	<b>Funding</b>	<b>Total WPU's</b>	<b>Funding</b>	<b>Difference</b>
<b>I. Basic School Program</b>					
A. Regular Basic School Program					
1. Kindergarten	24,590	61,819,260	25,294	65,182,638	3,363,378
2. Grades 1-12	478,300	1,202,446,200	488,263	1,258,253,751	55,807,551
3. Professional Staff	44,724	112,436,136	45,133	116,307,741	3,871,605
4. Administrative Costs	1,620	4,072,680	1,620	4,174,740	102,060
5. Necessarily Existent Small Schools	7,649	19,229,586	7,649	19,711,473	481,887
<b>Subtotal Regular Program:</b>	<b>556,883</b>	<b>\$1,400,003,862</b>	<b>567,959</b>	<b>\$1,463,630,343</b>	<b>\$63,626,481</b>
B. Restricted Basic School Program					
1. Special Education - Add-on WPU's	56,895	143,034,030	60,454	155,789,958	12,755,928
2. Special Education - Pre-school	8,321	20,918,994	8,569	22,082,313	1,163,319
3. Special Education - Self-Contained WPU's	13,360	33,587,040	13,416	34,873,032	985,992
4. Special Education - Extended Year Program	367	922,638	376	968,952	46,314
5. Special Education - State Programs	1,627	4,090,278	1,666	4,293,282	203,004
<b>Subtotal Special Education:</b>	<b>80,570</b>	<b>\$202,552,980</b>	<b>84,481</b>	<b>\$217,707,537</b>	<b>\$15,154,557</b>
6. Career & Technology Education - District Add-on	25,914	65,147,796	26,205	67,530,285	2,382,489
7. Career & Technology Education - District Set-Aside	1,091	2,742,774	1,117	2,878,509	135,735
<b>Subtotal Career and Technology Education:</b>	<b>27,005</b>	<b>\$67,890,570</b>	<b>27,322</b>	<b>\$70,408,794</b>	<b>\$2,518,224</b>
8. Class Size Reduction	32,749	82,330,986	34,293	88,373,061	6,042,075
<b>Subtotal Restricted Program:</b>	<b>140,324</b>	<b>\$352,774,536</b>	<b>146,096</b>	<b>\$376,489,392</b>	<b>\$23,714,856</b>
<b>Total Expenditures Basic School Program:</b>	<b>697,207</b>	<b>\$1,752,778,398</b>	<b>714,055</b>	<b>\$1,840,119,735</b>	<b>\$87,341,337</b>

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)					
	Supplemental	Total Revenue		Total Revenue	Difference
I. State Revenue - Uniform School Fund		\$703,119,718		\$830,778,621	\$127,658,903
II. State Revenue - USF Restricted Interest & Dividends		\$28,525,600		\$26,499,500	-\$973,900
<b>Total Related to Basic School Program Revenue:</b>		<b>\$728,645,318</b>		<b>\$857,278,121</b>	<b>\$128,632,803</b>
Programs of Expenditure					
	Supplemental	Funding	Increases	Funding	Difference
<b>II. Related to Basic Program</b>					
<b>A. Related to Basic Programs</b>					
1. Social Security and Retirement		333,315,119	16,590,930	349,906,049	16,590,930
2. To and From School - Pupil Transportation		70,928,797	3,518,068	74,446,865	3,518,068
3. Guarantee Transportation Levy		500,000		500,000	0
<b>Subtotal Related to Basic Programs:</b>		<b>\$404,743,916</b>		<b>\$424,852,914</b>	<b>\$20,108,998</b>
<b>B. Block Grant Programs</b>					
1. Local Discretionary		21,820,748		21,820,748	0
2. Interventions for Student Success		17,953,612	890,499	18,844,111	890,499
3. Quality Teaching		73,947,829	3,667,812	77,615,641	3,667,812
<b>Subtotal Block Grants:</b>		<b>\$113,722,189</b>		<b>\$118,280,500</b>	<b>\$4,558,311</b>
<b>C. Special Populations</b>					
1. Highly Impacted Schools		5,123,207		5,123,207	0
2. Youth At-Risk Programs Total		29,926,867	1,484,374	31,411,241	1,484,374
3. Adult Education		9,781,008	485,138	10,266,146	485,138
4. Accelerated Learning Programs Total		3,975,546	320,035	4,295,581	320,035
5. Concurrent Enrollment		9,215,497	457,089	9,672,586	457,089
6. High-Ability Student Initiative				500,000	500,000
7. English Language Learner Family Literacy Centers				2,000,000	2,000,000
<b>Subtotal Special Populations:</b>		<b>\$58,022,125</b>		<b>\$63,268,761</b>	<b>\$5,246,636</b>
<b>D. Other Programs</b>					
1. Electronic High School		2,000,000		2,000,000	0
2. School LAND Trust Program	4,525,600	25,525,600	5,499,500	26,499,500	973,900
3. Charter Schools					
a. Local Replacement Funding		28,509,000		36,957,646	8,448,646
b. Ongoing Per Student Funding		\$3,512,488		0	-(3,512,488)
c. Administrative Costs		750,000		2,898,600	2,148,600
d. Funding for Student Growth in FY 2009		3,000,000		0	-(3,000,000)
4. K-3 Reading Improvement Program		15,000,000		15,000,000	0
5. Public Education Job Enhancement		2,430,000		2,430,000	0
6. Educator Salary Adjustments		68,700,000	57,528,700	148,260,200	79,560,200
7. Teacher Salary Supplement Restricted Account				4,300,000	4,300,000
8. Library Books & Electronic Resources		1,500,000		1,500,000	0
9. Matching Fund for School Nurses		1,000,000		1,000,000	0
10. Critical Languages		230,000		230,000	0
11. Extended Year for Special Educators				2,900,000	2,900,000
12. Year-Round Math & Science (USTAR Centers)				6,900,000	6,900,000
<b>Subtotal Other Programs:</b>		<b>\$152,157,088</b>		<b>\$250,875,946</b>	<b>\$98,718,858</b>
<b>Total Expenditures Related to Basic Program:</b>		<b>\$728,645,318</b>		<b>\$857,278,121</b>	<b>\$128,632,803</b>
Voted & Board Leeways					
Sources of Revenue (Also in Total Revenue Above)					
	Supplemental	Total Revenue		Total Revenue	Difference
I. State Revenue - Uniform School Fund		\$41,873,282		\$28,525,980	-(13,347,302)
II. Local Revenue					
A. Voted Leeway		\$195,491,527		\$252,090,709	\$56,599,182
B. Board Leeway		\$2,402,304		\$4,296,515	11,894,211
C. Board Leeway - Reading Improvement Program		15,000,000		15,000,000	0
<b>Total Voted &amp; Board Leeway Revenue:</b>		<b>\$304,767,113</b>		<b>\$359,913,204</b>	<b>\$55,146,091</b>
Programs of Expenditure					
	Supplemental	Funding		Funding	Difference
<b>III. Voted and Board Leeway Programs</b>					
A. Voted Leeway		227,700,777		273,337,346	45,636,569
B. Board Leeway		62,066,336		71,575,858	9,509,522
C. Board Leeway - Reading Improvement Program		15,000,000		15,000,000	0
<b>Total Expenditures Voted &amp; Board Leeway Programs:</b>		<b>\$304,767,113</b>		<b>\$359,913,204</b>	<b>\$55,146,091</b>
One-Time Programs					
Sources of Revenue (Also in Total Revenue Above)					
	Supplemental	Total Revenue		Total Revenue	Difference
I. State Revenue - Uniform School Fund, One-time	\$22,627,000	\$186,127,000		\$31,820,000	-(154,307,000)
A. Beginning Non-Lapsing Balances				\$25,000,000	\$25,000,000
<b>Total One-Time Revenue:</b>		<b>\$186,127,000</b>		<b>\$56,820,000</b>	<b>-(129,307,000)</b>
Programs of Expenditure					
	Supplemental	Funding		Funding	Difference
<b>IV. One Time Appropriations</b>					
A. Teacher Supplies and Materials		10,000,000		10,000,000	0
B. Pupil Transportation		8,000,000		3,000,000	-(5,000,000)
C. Charter Schools		4,750,000		0	-(4,750,000)
D. Charter Schools Administration		750,000		0	-(750,000)
E. Charter Schools - Start Up/Revolving Loan Fund		6,000,000		0	-(6,000,000)
F. One Time Teacher Bonus	2,442,000	35,442,000		0	-(35,442,000)
G. Classroom Instructional Technology		50,000,000		0	-(50,000,000)
H. Online Testing		10,000,000		0	-(10,000,000)
I. Optional Extended Day Kindergarten (4 Year Pilot)		30,000,000		0	-(30,000,000)
J. Charter School Student Growth in FY 2009		4,000,000		0	-(4,000,000)
K. One Time Bonus for Classified Personnel		7,000,000		0	-(7,000,000)
L. Educator Salary Adjustments	19,905,000	19,905,000		0	-(19,905,000)
M. Library Books and Instructional Materials	280,000	280,000		0	-(280,000)
N. Arts Enhanced Learning Program (4 Year Funding)				15,820,000	15,820,000
O. English Language Learner Family Literacy Centers				3,000,000	3,000,000
P. S.B. 281 - Signing Bonuses & Differentiated Comp.				25,000,000	25,000,000
<b>Total Expenditures One-Time Programs:</b>		<b>\$186,127,000</b>		<b>\$56,820,000</b>	<b>-(129,307,000)</b>
<b>Transfers to Uniform School Fund:</b>				<b>\$6,000,000</b>	<b>\$6,000,000</b>
<b>Minimum School Program Total:</b>		<b>\$2,972,317,829</b>		<b>\$3,120,131,060</b>	<b>\$147,813,231</b>

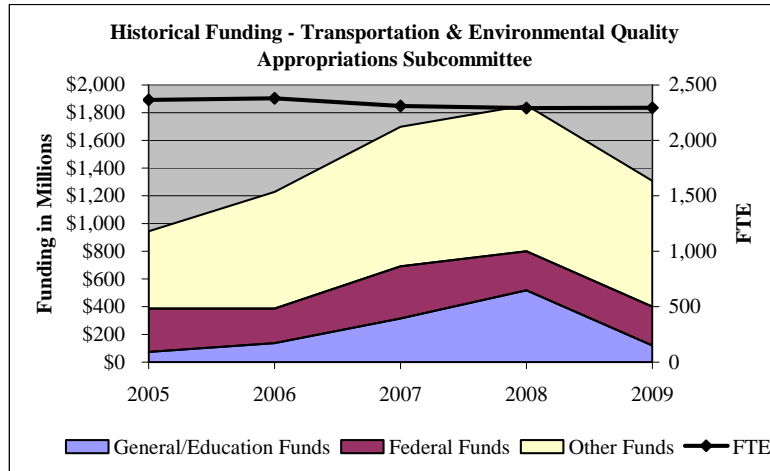
# Transportation, Environmental Quality, and National Guard





## Subcommittee Overview

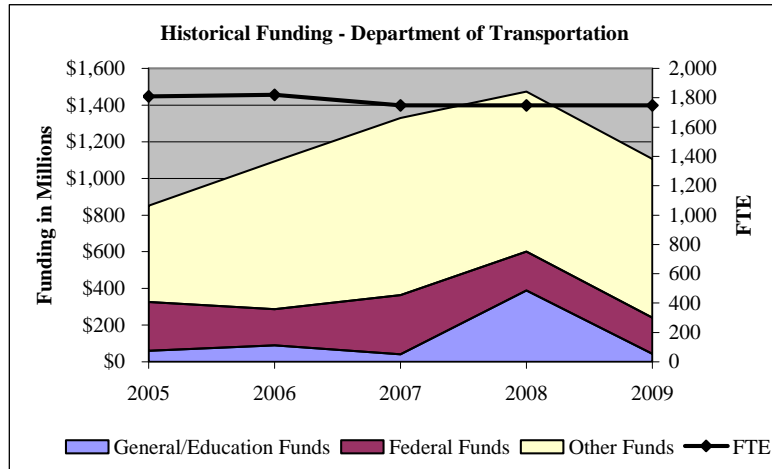
The Legislature provided funding of \$1,308,240,400 to the Department of Transportation, Department of Environmental Quality, the Utah National Guard, and the Department of Veterans' Affairs for FY 2009. Major sources of funding for these agencies include the General Fund, the Transportation Fund and 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, and General Fund appropriations. Revenue estimates adopted by the Legislature for FY 2009 for the Transportation Fund total \$471,899,000 plus an additional \$197,280,700 in federal funds.

The Legislature approved FY 2009 expenditures for the Department of Transportation in the amount of \$1,105,862,300. This includes \$210,006,000 to fund the FY 2009 portion of the Centennial Highway Program and \$4,877,600 in compensation adjustments. State Internal Service Fund rate changes decreased the Department's operating budget by \$553,600 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 approved a FY 2009 budget of \$28,743,700 for Support Services which is a decrease of \$4,712,800 from the FY 2008 appropriation. The decreased appropriation was due largely to the one-time funding in FY 2008 for local highway projects of \$5,300,000.

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## 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 FY 2009 budget approved for the Engineering Services Division is \$30,612,300 which is an increase of \$845,900 from the FY 2008 appropriation. The FY 2009 appropriation includes some FTE assignment changes within the divisional budgets.

**Adjustment Improvements, Efficiencies, Cost Reductions and FTE Assignments:** The Department recommended efficiency cost reductions for the FY 2005 budget of approximately \$5 million and a decrease of 98.5 FTE. These FTE reductions came throughout the Department Program Line Items with major adjustments when the maintenance and field crew personnel were combined to become the operational crews' personnel. Those efficiencies were discussed by the Subcommittee for Transportation, Environmental Quality, and National Guard and were recommended to be continued in the FY 2009 budget.

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 their request by requiring a report on the Department's progress sometime during the interim or the 2009 General Session.

### Construction

The Construction line item includes the Rehabilitation/Preservation, Federal Construction-New, Transportation Investment Fund, and State Construction-New.

## Legislative Action

The Legislature approved a total FY 2009 budget for the Construction line item of \$324,913,600. In addition to Transportation Fund and Federal Funds, the appropriation includes funding and expenditures in the following areas:

Legislative action during the 2007 General Session enacted H.B. 314, "Transportation Funding Revisions" that 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. The bill 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"** increased the amount of bonds authorized by \$200 million to \$1.2 billion.

**S.C.R. 6 "Concurrent Resolution on the Reconstruction of Interstate 15"** directs the Department of Transportation to finalize planning and commence reconstruction of I-15 between American Fork and the interchange for US 6 in Spanish Fork. 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. These funds are anticipated to create sufficient cash flow to begin the reconstruction of I-15 as required in S.C.R. 6.

**H.B. 359, "Tax Changes"** directs that an additional .05 percent sales tax increase be shared equally between the Critical Highway Needs Program and the Transportation Investment Fund of 2005 Program. The estimated revenue for FY 2009 is expected to be \$10,731,600 and \$21,870,000 in FY 2010. These funds are anticipated to be used to address choke points and other highway needs throughout the State.

A one-time appropriation of \$3,000,000 from the General Fund will be used for an environmental study of I-215 at 3500 South.

**Local highway projects:** Lawmakers approved a one-time General Fund appropriation of \$2,000,000 to begin an environmental study of the Seep Ridge Road in the Uintah Basin.

### **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 2009 commitment to the Centennial Highway Fund is \$210,006,000. 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 \$201,339,000 in FY 2009. 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 \$7,452,000 in FY 2009.

**Fuel Tax Revenues:** For FY 2009, revenues from taxes on fuel are estimated to generate \$70,977,000.

**Vehicle Registration Fees:** Centennial Highway Fund Restricted Account revenues are expected to increase by \$22,961,000 in FY 2009 from vehicle registration fees.

**Revenue Transfers** of \$6,000,000 from the Department of Transportation, \$134,785,000 from Beginning Balances, and Closing Balances of \$96,909,000 will also be available to the

Centennial Highway Program for FY 2009. Debt service on previous bond issues is estimated to be \$135,659,000 for FY 2009.

### **Region Management**

The Legislature approved a total FY 2009 budget for Region Management of \$27,000,500 which is an increase of \$1,204,600 from the FY 2008 estimated level. The Utah Department of Transportation consists of a central office, four region offices, and three districts 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.

### **Equipment Management**

The Equipment Management program of the Department of Transportation is organized into two primary programs, Equipment Purchases, and Statewide Repair Shops. The Legislature approved a total FY 2009 budget for Equipment Management of \$20,783,700 which is an increase of \$2,977,600 from the FY 2008 estimated level. Those increased funds will be used to purchase sixteen new trucks with snow plows and other snow removal equipment.

### **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 single outlay of the total highway dollar. During FY 2009, 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 in their highway network.

The Legislature approved a FY 2009 budget for Operations and Maintenance Management of \$136,574,200. The appropriation includes an additional \$2,000,000 from the Transportation Fund to increase maintenance of state highways. Additional Transportation Fund increases to this line item include \$2,348,400 to fund an increase of 16 FTEs to assist with the

maintenance of approximately 430 lane miles that will be added to the highway inventories of the Department of Transportation in FY 2008.

### **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 approved a FY 2009 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 2009 expenditures for the Mineral Lease/Payment in Lieu programs of \$64,833,900.

### **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 such 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 \$137,993,400 for distribution to local governments through the B & C Road Account for FY 2009. This is only an estimate since the actual disbursement will



depend on the total free revenues collected in the Transportation Fund in FY 2009.

**S.B. 168, “Highway Funding Amendments”** requires \$500,000 of the 30 percent appropriated from the Transportation Fund to the Class B and C Roads Account to be used for state park access highway improvements.

### **Aeronautics**

The Division of Aeronautics is responsible for all issues involving aviation within the Department of Transportation.

#### **Legislative Action**

The Legislature approved a total FY 2009 budget of \$28,535,300 for the Aeronautics Division which is an increase of \$1,288,500 from the estimated FY 2008 level. This increase is primarily due to increased funding for local airport projects.

The appropriation included the following new items:

**Logan Airport Upgrade:** A one-time General Fund appropriation of \$250,000 to assist with infrastructure upgrades at the Logan Municipal Airport.

**Provo Airport Radar:** A one-time appropriation of \$1,000,000 from the General Fund to purchase radar equipment for the Provo Airport.

## Funding Detail

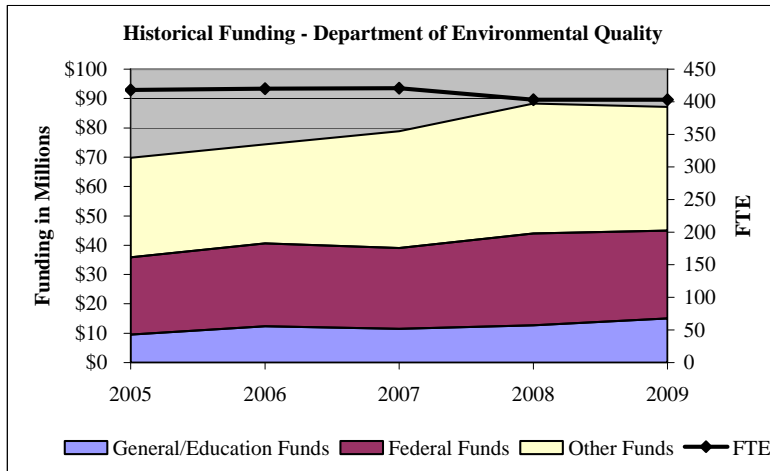
Department of Transportation					
Sources of Finance	2008		2008	2009	Change from 2008 Revised
	Estimated	Supplemental	Revised	Appropriated	
General Fund	35,000,000		35,000,000	35,000,000	
General Fund, One-time	354,490,000		354,490,000	8,000,000	(346,490,000)
Transportation Fund	419,729,100		419,729,100	452,294,500	32,565,400
Transportation Fund, One-time		8,000,000	8,000,000	3,177,600	(4,822,400)
Transportation Investment Fund of 2005	105,000,000		105,000,000	60,365,800	(44,634,200)
Centennial Highway Fund Restricted Account	202,257,000		202,257,000	231,752,000	29,495,000
Federal Funds	211,523,900		211,523,900	197,280,700	(14,243,200)
Dedicated Credits Revenue	19,936,000		19,936,000	18,913,400	(1,022,600)
Federal Mineral Lease	49,669,000		49,669,000	64,833,800	15,164,800
TFR - Aeronautics Fund	6,389,200		6,389,200	6,901,700	512,500
Critical Highway Needs Fund	90,000,000		90,000,000	95,365,800	5,365,800
Debt Service	(135,659,000)		(135,659,000)	(136,599,000)	(940,000)
Designated Sales Tax	24,700,000		24,700,000	24,700,000	
Transfers - Within Agency	6,000,000		6,000,000	6,000,000	
Beginning Nonlapsing	130,820,500		130,820,500	134,785,000	3,964,500
Closing Nonlapsing	(54,019,000)		(54,019,000)	(96,909,000)	(42,890,000)
<b>Total</b>	<b>\$1,465,836,700</b>	<b>\$8,000,000</b>	<b>\$1,473,836,700</b>	<b>\$1,105,862,300</b>	<b>(\$367,974,400)</b>
<b>Line Items</b>					
Support Services	36,656,500	(1,500)	36,655,000	28,743,700	(7,911,300)
Engineering Services	34,216,400	(273,400)	33,943,000	30,612,300	(3,330,700)
Operations/Maintenance Management	130,163,000	8,058,100	138,221,100	136,574,200	(1,646,900)
Construction Management	457,175,200		457,175,200	324,913,600	(132,261,600)
Region Management	25,904,100	216,800	26,120,900	27,000,500	879,600
Equipment Management	18,364,300		18,364,300	20,783,700	2,419,400
Aeronautics	27,246,800		27,246,800	28,535,300	1,288,500
B and C Roads	126,608,700		126,608,700	137,993,400	11,384,700
Safe Sidewalk Construction	2,516,500		2,516,500	500,000	(2,016,500)
Mineral Lease	49,669,000		49,669,000	64,833,800	15,164,800
Centennial Highway Program	467,316,200		467,316,200	210,006,000	(257,310,200)
Critical Highway Needs	90,000,000		90,000,000	95,365,800	5,365,800
<b>Total</b>	<b>\$1,465,836,700</b>	<b>\$8,000,000</b>	<b>\$1,473,836,700</b>	<b>\$1,105,862,300</b>	<b>(\$367,974,400)</b>
<b>Budgeted FTE</b>	<b>1,748.5</b>	<b>0.0</b>	<b>1,748.5</b>	<b>1,748.5</b>	<b>0.0</b>

## 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 Legislature approved FY 2009 expenditures for the Department of Environmental Quality of \$87,158,400.

Budgetary issues that will be felt Department wide include funding for a five percent cost of living adjustment and adjustments for other employment benefits in FY 2009. These increases total \$1,507,900, of which \$457,300 is from the General

Fund. State Internal Service Fund rate changes increased the Department budget by \$213,400.



### Executive Director’s Office

The Executive Director’s Office provides administrative direction to the entire department. This 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 approved a total FY 2009 budget for the Executive Director’s Office of \$6,052,600. This appropriation includes salary and benefit adjustments of \$171,700.

## **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 approved a FY 2009 budget for Air Quality of \$11,373,900. Included in that budget was a General Fund appropriation of \$2,010,000 to address air quality planning for PM 2.5 Air Emissions. One-time General Funds of \$200,000 were approved to purchase air testing equipment.

**Mercury Source Assessment:** A one-time appropriation of \$100,000 in FY 2009 from the General Fund was approved to continue to fund a study of record high mercury levels in the Great Salt Lake and other Utah streams and waterways.

## **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 appropriated \$7,699,500 to the Response and Remediation Program for FY 2009.

## **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 appropriated \$3,593,100 as an expenditure level for FY 2009 for the Radiation Control Program.

## **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**

An expenditure level of \$11,620,000 was approved by the Legislature for the Water Quality Program for FY 2009. In addition, \$20,207,500 was approved for the water quality loan program for FY 2009.

## **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 approved an operating budget for the Division of Drinking Water for FY 2009 of \$4,951,500. In addition, an appropriation of \$13,517,500 was approved for the Drinking Water Loan Program for FY 2009.

A one-time appropriation from the General Fund of \$450,000 was approved for the town of Alta to address the removal of the inorganic contaminant of antimony in their drinking water supply.

### **Intent Language**

The Legislature intends that priority be given in the grant and loan programs at the Division of Drinking Water to solve the Alta drinking water quality issue.

## **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 approved a FY 2009 budget for Solid and Hazardous Waste of \$8,142,800.

## Funding Detail

Department of Environmental Quality					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	11,668,700		11,668,700	14,306,600	2,637,900
General Fund, One-time	1,000,000		1,000,000	750,000	(250,000)
Federal Funds	31,318,600		31,318,600	29,930,800	(1,387,800)
Dedicated Credits Revenue	9,330,600		9,330,600	9,352,800	22,200
GFR - Environmental Quality	7,207,000		7,207,000	6,515,300	(691,700)
GFR - Underground Wastewater System	76,000	(52,000)	24,000	75,700	51,700
GFR - Used Oil Administration	737,000		737,000	744,300	7,300
GFR - Voluntary Cleanup	614,700		614,700	622,000	7,300
WDSF - Drinking Water	159,400		159,400		(159,400)
WDSF - Drinking Water Loan Program				138,700	138,700
WDSF - Drinking Water Origination Fee				26,000	26,000
WDSF - Water Quality	1,000,100		1,000,100		(1,000,100)
WDSF - Utah Wastewater Loan Program				976,800	976,800
WDSF - Water Quality Origination Fee		52,000	52,000	54,900	2,900
ET - Petroleum Storage Tank	1,255,100		1,255,100	1,306,800	51,700
ET - Waste Tire Recycling	125,000		125,000	129,800	4,800
Clean Fuel Vehicle Loan	106,000		106,000	109,400	3,400
Designated Sales Tax	7,175,000		7,175,000	7,175,000	
Petroleum Storage Tank Account	50,000		50,000	50,000	
Petroleum Storage Tank Loan	155,600		155,600	160,400	4,800
Transfers - Environmental Quality				1,500	1,500
Transfers - Within Agency	1,078,000		1,078,000	194,500	(883,500)
Repayments	14,490,000		14,490,000	14,490,000	
Beginning Nonlapsing	746,900		746,900	52,900	(694,000)
Closing Nonlapsing	(52,900)		(52,900)	(5,800)	47,100
<b>Total</b>	<b>\$88,240,800</b>	<b>\$0</b>	<b>\$88,240,800</b>	<b>\$87,158,400</b>	<b>(\$1,082,400)</b>
<b>Line Items</b>					
Environmental Quality	54,095,800		54,095,800	53,433,400	(662,400)
Water Security Dev Acct - Water Pollution	20,207,500		20,207,500	20,207,500	
Water Security Dev Acct - Drinking Water	13,537,500		13,537,500	13,517,500	(20,000)
Hazardous Substance Mitigation Fund	400,000		400,000		(400,000)
<b>Total</b>	<b>\$88,240,800</b>	<b>\$0</b>	<b>\$88,240,800</b>	<b>\$87,158,400</b>	<b>(\$1,082,400)</b>
<b>Budgeted FTE</b>	<b>403.0</b>	<b>0.0</b>	<b>403.0</b>	<b>403.0</b>	<b>0.0</b>

## 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 Legislature approved FY 2009 expenditures for the Utah National Guard of \$59,006,700.

Budgetary issues that will be felt Department-wide include funding for a five percent cost of living adjustment and adjustments for other employment benefits in FY 2009. These increases total \$532,700, of which \$94,300 is from the General Fund.

State Internal Service Fund rate changes increased the National Guard budget by \$16,500.

The appropriation included the following new items:

**Tuition Assistance for National Guard members:** A one-time appropriation of \$500,000 was approved to assist members of the National Guard with educational pursuits.

**Data Processing Current Expense increase:** The Legislature approved an appropriation of \$54,300 from the General Fund to replace Federal Funds that are no longer available for data processing current expense.

**Fort Douglas Military Museum:** A one-time appropriation of \$100,000 to update heating and electrical infrastructure at the military museum.

## Funding Detail

Utah National Guard					
Sources of Finance	2008		2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	5,440,400		5,440,400	5,604,100	163,700
General Fund, One-time	500,000		500,000	600,000	100,000
Federal Funds	38,380,500		38,380,500	52,660,300	14,279,800
Dedicated Credits Revenue	25,000		25,000	30,000	5,000
Transfers	104,200		104,200	112,300	8,100
Beginning Nonlapsing	27,200		27,200		(27,200)
<b>Total</b>	<b>\$44,477,300</b>	<b>\$0</b>	<b>\$44,477,300</b>	<b>\$59,006,700</b>	<b>\$14,529,400</b>
<b>Line Items</b>					
Utah National Guard	44,477,300		44,477,300	59,006,700	14,529,400
<b>Total</b>	<b>\$44,477,300</b>	<b>\$0</b>	<b>\$44,477,300</b>	<b>\$59,006,700</b>	<b>\$14,529,400</b>
<b>Budgeted FTE</b>	132.0	0.0	132.0	132.0	0.0

## 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 Legislature approved FY 2009 expenditures for Veterans' Affairs of \$1,213,000.

Budgetary issues that will be felt Department-wide include funding for a five percent cost of living adjustment and adjustments for other employment benefits in FY 2009. These increases total \$21,900, from the General Fund.

State Internal Service Fund rate changes increased the Veterans' Affairs budget by \$8,700.

The appropriation included the following new items:

An appropriation of \$200,000 to fund H.B. 426 "Change to Department of Veterans' Affairs" passed the last night of the 2007 Legislature creating the Department of Veterans' Affairs.

**Current Expense increase:** A one-time appropriation of \$80,000 was granted to the Department of Veterans' Affairs to provide outreach and assistance services for veterans throughout the state.

A one-time appropriation of \$70,600 was granted to the youth organization, Utah United in Hope, to assist with the building of a 9/11 memorial to be built at the Utah Botanical Center in Kaysville.



## Funding Detail

Department of Veterans' Affairs					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	657,800		657,800	888,600	230,800
General Fund, One-time	300,000		300,000	150,600	(149,400)
Dedicated Credits Revenue	157,000		157,000	173,800	16,800
Beginning Nonlapsing	113,200		113,200		(113,200)
<b>Total</b>	<b>\$1,228,000</b>	<b>\$0</b>	<b>\$1,228,000</b>	<b>\$1,213,000</b>	<b>(\$15,000)</b>
<b>Line Items</b>					
Veterans' Affairs	1,228,000		1,228,000	1,213,000	(15,000)
<b>Total</b>	<b>\$1,228,000</b>	<b>\$0</b>	<b>\$1,228,000</b>	<b>\$1,213,000</b>	<b>(\$15,000)</b>
<b>Budgeted FTE</b>	<b>8.0</b>	<b>0.0</b>	<b>8.0</b>	<b>11.0</b>	<b>3.0</b>

## Funding Detail

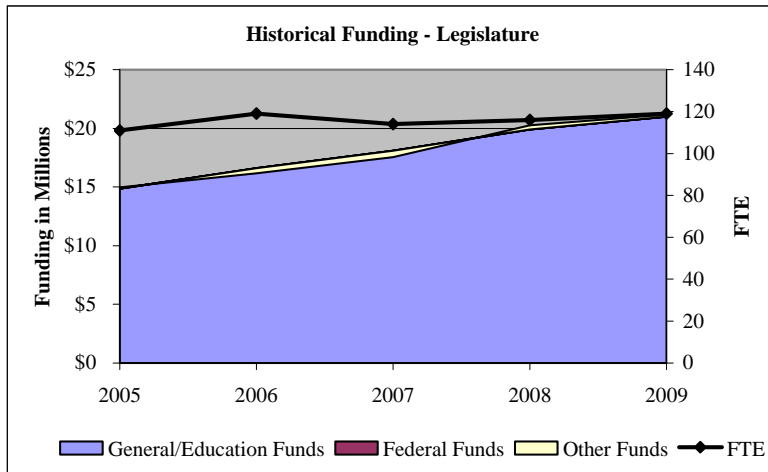
Transportation & Environmental Quality Appropriations Subcommittee					
Sources of Finance	2008	2008	2008	2009	Change from
	Estimated	Supplemental	Revised	Appropriated	2008 Revised
General Fund	107,766,900		107,766,900	110,799,300	3,032,400
General Fund, One-time	411,290,000		411,290,000	9,500,600	(401,789,400)
Transportation Fund	419,729,100		419,729,100	452,294,500	32,565,400
Transportation Fund, One-time		8,000,000	8,000,000	3,177,600	(4,822,400)
Transportation Investment Fund of 2005	105,000,000		105,000,000	60,365,800	(44,634,200)
Centennial Highway Fund Restricted Account	202,257,000		202,257,000	231,752,000	29,495,000
Federal Funds	281,223,000		281,223,000	279,871,800	(1,351,200)
Dedicated Credits Revenue	29,448,600		29,448,600	28,470,000	(978,600)
Federal Mineral Lease	49,669,000		49,669,000	64,833,800	15,164,800
GFR - Environmental Quality	7,207,000		7,207,000	6,515,300	(691,700)
GFR - Underground Wastewater System	76,000	(52,000)	24,000	75,700	51,700
GFR - Used Oil Administration	737,000		737,000	744,300	7,300
GFR - Voluntary Cleanup	614,700		614,700	622,000	7,300
WDSF - Drinking Water	159,400		159,400		(159,400)
WDSF - Drinking Water Loan Program				138,700	138,700
WDSF - Drinking Water Origination Fee				26,000	26,000
WDSF - Water Quality	1,000,100		1,000,100		(1,000,100)
WDSF - Utah Wastewater Loan Program				976,800	976,800
WDSF - Water Quality Origination Fee		52,000	52,000	54,900	2,900
TFR - Aeronautics Fund	6,389,200		6,389,200	6,901,700	512,500
ET - Petroleum Storage Tank	1,255,100		1,255,100	1,306,800	51,700
ET - Waste Tire Recycling	125,000		125,000	129,800	4,800
Clean Fuel Vehicle Loan	106,000		106,000	109,400	3,400
Critical Highway Needs Fund	90,000,000		90,000,000	95,365,800	5,365,800
Debt Service	(135,659,000)		(135,659,000)	(136,599,000)	(940,000)
Designated Sales Tax	31,875,000		31,875,000	31,875,000	
Petroleum Storage Tank Account	50,000		50,000	50,000	
Petroleum Storage Tank Loan	155,600		155,600	160,400	4,800
Transfers	104,200		104,200	112,300	8,100
Transfers - Environmental Quality				1,500	1,500
Transfers - Within Agency	7,078,000		7,078,000	6,194,500	(883,500)
Repayments	14,490,000		14,490,000	14,490,000	
Beginning Nonlapsing	131,707,800		131,707,800	134,837,900	3,130,100
Closing Nonlapsing	(54,071,900)		(54,071,900)	(96,914,800)	(42,842,900)
<b>Total</b>	<b>\$1,709,782,800</b>	<b>\$8,000,000</b>	<b>\$1,717,782,800</b>	<b>\$1,308,240,400</b>	<b>(\$409,542,400)</b>
<b>Agencies</b>					
National Guard	44,477,300		44,477,300	59,006,700	14,529,400
Veterans' Affairs	1,228,000		1,228,000	1,213,000	(15,000)
Environmental Quality	88,240,800		88,240,800	87,158,400	(1,082,400)
Transportation	1,465,836,700	8,000,000	1,473,836,700	1,105,862,300	(367,974,400)
Restricted Revenue - TEQ	110,000,000		110,000,000	55,000,000	(55,000,000)
<b>Total</b>	<b>\$1,709,782,800</b>	<b>\$8,000,000</b>	<b>\$1,717,782,800</b>	<b>\$1,308,240,400</b>	<b>(\$409,542,400)</b>
<b>Budgeted FTE</b>	<b>2,291.5</b>	<b>0.0</b>	<b>2,291.5</b>	<b>2,294.5</b>	<b>3.0</b>

# Legislature



## Legislature Overview

The Legislature sets Utah’s statewide policy framework 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 one hundred and twenty 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 \$21,179,800 for the Legislature and its staff agencies in fiscal year 2009. That represents an increase of \$933,300 or 4.5 percent, over FY 2008 revised appropriations. Included in the FY 2009 appropriation is \$21,004,300 from the General Fund, an increase of 5.6 percent over FY 2008. This funding includes resources for the annual General Session, Interim Committees of the Legislature, and staff offices.

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Legislators approved the following items:

- \$524,700 from the General Fund for a cost of living allowance and health benefit plan changes as outlined in House Bill 4, 2008 General Session;
- \$3,700 to the Senate and \$8,100 to the House of Representatives for indexed increases in travel and per diem costs;
- \$4,700 to the Senate, \$9,600 to the House of Representatives, and \$7,800 to the Office of Legislative Research and General Counsel for increased assessments from the National Conference of State Legislatures (NCSL), Council of State Governments, and other professional organizations for FY 2009;
- \$150,000 to the Office of Legislative Research and General Counsel for increased intern pay, plus \$230,000 for two additional information technology professionals;
- \$103,000 to the Legislative Auditor General for training, salary adjustments, and a Reference Reviewer position;
- \$150,000 ongoing to the Office of Legislative Fiscal Analyst for increased personnel costs, partially offset by a \$100,000 one-time rescission of money previously appropriated for a state mental health program study;
- \$153,800 spread among the two Chambers and staff offices for information technology back-up and disaster recovery contingencies;
- \$236,800 (\$100,000 one-time) spread among the two Chambers and staff offices for costs associated with Capitol Building reconstruction including furnishings, computer and communications equipment, and service charges;

- \$450,100 (\$407,600 one-time) for Legislative Task Forces, including \$382,000 provided by **H.B. 133, “Health System Reform”**.

## Funding Detail

Legislature					
Sources of Finance	2008 Estimated	2008 Supplemental	2008 Revised	2009 Appropriated	Change from 2008 Revised
General Fund	19,071,900		19,071,900	20,596,700	1,524,800
General Fund, One-time	842,220		842,220	407,600	(434,620)
Dedicated Credits Revenue	175,000		175,000	175,000	
Beginning Nonlapsing	4,409,100		4,409,100	4,251,700	(157,400)
Closing Nonlapsing	(4,251,700)		(4,251,700)	(4,251,200)	500
<b>Total</b>	<b>\$20,246,520</b>	<b>\$0</b>	<b>\$20,246,520</b>	<b>\$21,179,800</b>	<b>\$933,280</b>
<b>Line Items</b>					
Senate	2,147,900		2,147,900	2,109,200	(38,700)
House of Representatives	4,181,420		4,181,420	3,954,300	(227,120)
Legislative Auditor General	3,138,900		3,138,900	3,456,900	318,000
Legislative Fiscal Analyst	2,900,800		2,900,800	2,777,300	(123,500)
Legislative Printing	714,800		714,800	726,000	11,200
Legislative Research and General Counsel	7,057,200		7,057,200	8,050,600	993,400
Tax Review Commission	50,500		50,500	50,500	
Constitutional Revision Commission	55,000		55,000	55,000	
<b>Total</b>	<b>\$20,246,520</b>	<b>\$0</b>	<b>\$20,246,520</b>	<b>\$21,179,800</b>	<b>\$933,280</b>
<b>Budgeted FTE</b>	<b>116.0</b>	<b>0.0</b>	<b>116.0</b>	<b>119.0</b>	<b>3.0</b>