



LFA's Initial Summary of the Governor's Budget Recommendations

December 5, 2024

Introduction

The purpose of this document is to provide the Legislature with a high-level summary of [Governor Cox's Fiscal Year 2026 Budget Recommendations](#). All dollar amounts are General and Income Tax Fund unless otherwise noted. This summary contains the following sections:

- [Statewide Impact](#)
- [Economic and Community Development](#)
- [Executive Appropriations](#)
- [Criminal Justice](#)
- [General Government](#)
- [Higher Education](#)
- [Natural Resources, Agriculture, and Environmental Quality](#)
- [Public Education](#)
- [Social Services](#)
- [Transportation and Infrastructure](#)

Statewide Impact

Compensation

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Note: these statewide impacts include General and Income Tax fund along with other sources.

State Employee Compensation

- \$59.7 m for a 2.5% cost of living adjustment
- \$47.8 m one-time for a Pay for Performance Increase (2% equivalent)
- \$19.5 m for a 5% health insurance benefits rate increase
- \$6.7 m one-time for an employee 401(k) match increase
- \$2.6m one-time and \$3.8 m ongoing for ISF Compensation Increases
- \$1.2 m for a 0.11% Tier-2 Salary Increase
- \$1.1 m for a 6.9% Dental Insurance benefits rate increase
- Did not recommend Targeted Compensation Increases

Higher Education Compensation

- \$50.5 m for a 2.5% cost of living adjustment
- \$20 m one-time for new performance funding
- \$14.7 m for a 5% health insurance benefits rate increase
- \$.6 m for a Pay for Performance Increase
- \$.6 m for a 6.9% Dental Insurance benefits rate increase

Retirement

- (\$8.5 m) for Retirement Rate Changes
- (\$29.6 m) for Term Pool Rate Changes



Revenue and Other Sources

Andrea Wilko (awilko@le.utah.gov)

- \$89.0 m one-time and \$324.0 m ongoing available new GF/ITF after tax reduction set-aside and before mandatory spending
- \$66.0 m one-time and \$165.0 m ongoing set aside for tax reductions (of which Governor Cox used \$66 m one-time and \$19 m ongoing for spending priorities)
- \$0 for Rainy Day Fund deposits out of \$145 m one-time to return to targets
- \$0 for high-risk revenue out of a potential \$112 m one-time
- \$32.0 m in one-time interest earnings on federal ARPA grants used as an offset to one-time spending

Tax Relief

Andrea Wilko (awilko@le.utah.gov)

- \$143.8 m ongoing for exempting the Income Tax on Social Security
- \$2.1 m ongoing for Child Tax Credit Expansion to include children younger than one year of age



Economic and Community Development

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Items Included in the Governor’s Budget Recommendations

Department of Alcoholic Beverage Services

- \$1.9 m for DABS worker compensation formula adjustment
- \$.13 m one-time and \$.13 m ongoing in restricted funds for Parents Empowered program technical adjustment

Department of Cultural and Community Engagement

- \$2.0 m one-time for Arts & Museums General Operating Grants
- \$2.0 m one-time for the One Utah Service Fellowship
- \$.5 m one-time for America250 “to support preparations for participating in a national celebration of the 250th anniversary of American independence on July 4, 2026”

Governor’s Office of Economic Opportunity

- \$5.0 m one-time for the Rural Opportunity Grant
- \$5.0 m one-time for Rural Opportunity Loans
- \$3.0 m one-time for Child Care Services Infrastructure
- \$1.5 m one-time and \$1.5 m ongoing for the Sundance Film Festival

Department of Workforce Services

- \$11.0 m one-time for a Homeless Services Emergency Shelter – Winter/Summer
- \$1.8 m one-time in restricted funds for a Homeless Services Emergency Shelter – Winter/Summer
- \$3.8 m for Homeless Services dedicated funding for a family Shelter
- \$2.0 m in TANF funds (Temporary Assistance for Needy Families) for Homeless Services dedicated funding for a family Shelter
- \$.23 m for investment in a Cloud-Based Call Center Upgrade



Executive Appropriations

Steven Allred (smallred@le.utah.gov)

Items Included in the Governor's Budget Recommendations

Capitol Preservation Board

- Did not recommend a one-time reduction to the existing \$1.4 m ongoing appropriation for operations and maintenance of the new North Capitol Building even though funding is not needed until the building is completed in mid-FY 2026

Department of Veterans and Military Affairs

- \$2.0 m restoration for Great Salt Lake Sentinel Landscape (restores lapsed balance)
- \$.25 m ongoing for Veterans Cemetery Operations
- \$.1 m one-time and \$.15 m ongoing for a Veterans Suicide Prevention Program Coordinator

Utah National Guard

- \$12.5 m one-time in the Capital Budget for the Camp Williams South Gate Access Point
- \$3.4 m one-time for Recruiting and Retention Bonuses
- \$3.0 m one-time for Camp Williams West Traverse Sentinel Landscape
- \$1.6 m one-time for Tuition Assistance
- \$.33 m ongoing for IT Staffing and Infrastructure Upgrade



Criminal Justice

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Items Included in the Governor's Budget Recommendations

Attorney General

- \$.26 m for Southern Utah Elder Abuse and Fraud Initiative (with an additional \$.78 m in matching federal funds)

Department of Corrections

- \$13.0 m one-time for Prison Operations & Maintenance
- \$6 m one-time for Overtime Management
- \$5.7 m adjustment for Jail Contracting
- \$.45 m in restricted funds for Opiate Use Disorder Treatment
- \$.3 m one-time for additional for Staff Training and Risk Reduction

Courts/Judicial Branch

- \$4.0 m one-time and \$4.0 m ongoing increase from the GFR - Court Security Account for local court security costs provided by local county sheriffs
- \$.45 m one-time and \$.47 m ongoing for Jury and Witness Interpreters

Governor's Office (criminal justice only)

- \$5.0 m one-time adjustment in restricted funds for the Rural County Opioid Response Grants
- \$.7 m one-time adjustment for the Indigent Defense Commission Grant Program
- \$.32 m one-time and \$.21 m ongoing adjustment for Extradition Funding
- \$.25 m in restricted funds for UOVC Training and Outreach
- \$.2 m in restricted funds for UOVC Reparations Program Retention
- \$.2 m in restricted funds for (UOVC) Grants Support
- \$.12 m in restricted funds for a Crime Victim Rights Coordinator
- \$.08 m in restricted funds for Utah Office of Victim Services (UOVC) Reparation Officer

Department of Public Safety

- \$8.2 m one-time for Fuel and Vehicle Costs
- \$3.0 m one-time for Alcohol Beverage Control Fund Adjustment
- \$2.7 m one-time and \$.76 m ongoing for Emergency Medical Services (EMS) Operations
- \$2.0 m one-time for Trooper Overtime
- \$1.8 m one-time and \$.25 m ongoing for Aero Bureau Operations
- \$1.8 m one-time for Concealed Weapons Restricted Account Shortfall
- \$1.5 m one-time for a Records Management Server
- \$.85 m one-time and \$1.5 m ongoing for Highway Patrol Officers and equipment
- \$.5 m one-time for Crime Center Operations
- \$.37 m one-time for VINE Contract Renewal (victim identification notification system)



Items Disclosed but not included as part of the Governor’s Budget Recommendations

Courts/Judicial Branch

UCA 63J-1-201 states that, “The estimate for the judicial department, as certified by the state court administrator, shall also be included in the budget without revision, but the governor may make separate recommendations on the estimate.”

The Governor’s book includes the Judicial Branch’s requests on pages 125-126. The Governor did **not** recommend the following items except where noted:

Courts/Judicial Branch (excludes Guardian ad Litem)

- \$132.2 m one-time for New Davis County Courthouse
- \$3.0 m for Courthouse Workforce – Recruit & Retain
- \$1.47 m and \$.45 m one-time for Jury & Witness Interpreters (a portion was recommended by the Governor as noted above)
- \$1.2 m one-time and \$5.7 m ongoing for Juvenile & District Court Judicial Officers
- \$.96 m for IT Essential Software Funding
- \$.65 m for New Court of Appeals Judgeship
- \$.37 m for Guardianship Signature Program
- \$.07 m one-time and \$2.3 m ongoing for Additional Court Staff

Courts/Judicial Branch (Guardian ad Litem only)

Guardian ad Litem is technically part of the Judicial Branch but is separated to better distinguish from the rest of the Judicial Branch.

- \$1.1 m for Guardian ad Litem - Recruit & Retain Non-Judicial Legal Expertise



General Government

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Items Included in the Governor's Budget Recommendations

Department of Government Operations

- \$2.8 m ongoing for Customer Experience
- \$2.8 m one-time in FY 2025, \$2.8 m one-time in FY 2026, and \$.85 m ongoing for Verifiable Digital Credentials
- \$.5 m ongoing for Vendor Self Service System
- \$.48 m ongoing for State Financial Enterprise Resource Planning Data Support
- (\$.57) m ongoing in Purchasing
- (\$2.5) m one-time for Presidential Debate

Department of Insurance

- \$2.2 m ongoing for State Mandated Insurer Payments

Tax Commission

- (\$2.4) m one-time shift from General Fund to restricted funds in FY 2025 and FY 2026
- \$.16 m ongoing for Cloud-Based Call Center Upgrade

Other

- No funding recommended for Intermountain Power Project (IPP)



Higher Education

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Items Included in the Governor’s Budget Recommendations

Systemwide Priorities

- \$20 m one-time for new performance funding
- (\$3.8) m one-time to back out O&M for uncompleted projects
- (\$1.5) m one-time and \$1.5 m ongoing for dedicated projects O&M
- \$1.0 m one-time to expand the Utah PRIME Program

Technical Colleges

- \$.2 m one-time and \$ 2.3 m ongoing to expand programming at technical colleges
- (\$.15) m one-time and \$.15 ongoing to provide programming in expansions at technical colleges

Degree-Granting Institutions

- \$2 m one-time for a pilot to redesign general education curriculum

Capital Facilities

- \$27.4 m for the Utah Tech University McDonald Building Renovation and Addition
- \$14.5 m for the Utah Valley University Student Athlete Building
- \$9.4 m for the Salt Lake Community College South City Campus Seismic Upgrade
- \$8.7 m for the Utah Valley University Health Professions Building Design
- \$6.6 m for the Weber State University Student Services Support Center Renovation
- \$6.5 m for the Snow College Washburn Building Entrance Addition
- \$4.7 m for the Weber State University Allied Health South Building Remodel
- \$1.5 m for the Southwest Technical College Diesel Tech Program Bays
- \$1.3 m for the Southern Utah University Business Building West Construction Inflation
- \$.63 m for the Tooele Technical College Adjacent Property Landbank

Note: All capital facilities requests are one-time amounts from the Higher Education Capital Projects Fund.

Items included in Utah Board of Higher Education’s Budget Request

Note: The Utah Board of Higher Education is authorized to make its own budget requests to the Legislature. Below is a list of their requests with comparisons to the Governor’s recommendation.

Systemwide Priorities

- \$20.0 m one-time for performance funding. The Governor recommended \$20 million ongoing.
- \$4.0 m ongoing to expand the Engineering and Computer Science Initiative. The Governor did not recommend this item.



- \$3.0 m one-time for cybersecurity software and tools updates. The Governor did not recommend this item.
- (\$2.7) m one-time and \$2.7 m ongoing for O&M on new projects. The Governor recommended \$1.5 m ongoing and (\$1.5) m one-time.
- \$1.0 m one-time to expand the Utah Prime Program. The Governor recommended this item at the same amount.

Technical Colleges

- \$4.7 m ongoing for growth at Technical Colleges. The Governor did not recommend this item.
- (\$1.1) m one-time and \$9.0 m ongoing to expand programming at technical colleges. The Governor recommended \$2.2 m ongoing and \$.2 m one-time.
- (\$1.3) m one-time and \$1.3 m ongoing to provide programming in expansions at technical colleges. The Governor recommended \$.15 m ongoing and (\$.15) one-time.

Degree-Granting Institutions

- \$11.2 m one-time to launch the Space and Defense Research Institute at Utah State University and Weber State University. The Governor did not recommend this item.
- \$2 m one-time and \$1m ongoing to create an Applied AI Center at Utah Valley University. The Governor did not recommend this item.
- (\$1.3) m one-time and \$5.2 m ongoing to expand the Spencer Fox Eccles School of Medicine in St. George. The Governor did not recommend this item.
- \$1 m ongoing to develop a workforce alignment partnership between Southwest Technical College and Southern Utah University. The Governor did not recommend this item.
- \$.9 m ongoing for growth at degree-granting institutions. The Governor did not recommend this item.
- \$.56 m ongoing to start the Future Focus Initiative for Rural Secondary Students at Uintah Basin Technical College and Snow College. The Governor did not recommend this item.
- \$.2 m to expand the Higher Education for Incarcerated Youth Program at Utah Tech University. The Governor did not recommend this item.
- \$.2 m to expand the Utah Academic Library Consortium Shared Service at Weber State University. The Governor did not recommend this item.

Capital Facilities

- \$71.7 m one-time ITF for a new Trades and Technology Building at Dixie Technical College. The Governor did not recommend this item.
- \$28.5 m one-time ITF for a new Math, Artificial Intelligence, Data and Analytics Center at Utah State University. The Governor did not recommend this item.
- \$27.3 m for the Utah Tech University McDonald Building Renovation and Addition. The Governor recommended this item at the same amount.
- \$14.5 m for the Utah Valley University Student Athlete Building. The Governor recommended this item at the same amount.



- \$9.4 m for the Salt Lake Community College South City Campus Seismic Upgrade. The Governor recommended this item at the same amount.
- \$8.7 m for the Utah Valley University Health Professions Building Design. The Governor recommended this item at the same amount.
- \$6.6 m for the Weber State University Student Services Support Center Renovation. The Governor recommended this item at the same amount.
- \$6.4 m for the Snow College Washburn Building Entrance Addition. The Governor recommended this item at the same amount.
- \$4.6 m for the Weber State University Allied Health South Building Remodel. The Governor recommended this item at the same amount.
- \$1.5 m for the Southwest Technical College Diesel Tech Program Bays. The Governor recommended this item at the same amount.
- \$1.3 m for the Southern Utah University Business Building West Construction Inflation. The Governor recommended this item at the same amount.
- \$.63 m for the Tooele Technical College Adjacent Property Landbank. The Governor recommended this item at the same amount.

Note: All capital facilities requests are one-time amounts from the Higher Education Capital Projects Fund unless noted.



Natural Resources, Agriculture, and Environmental Quality

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Items Included in the Governor's Budget Recommendations

Department of Agriculture and Food

- \$1.0 m one-time to continue a grant program for food processors to increase their processing capacity

Department of Environmental Quality

- \$.65 m ongoing to study and mitigate dust that impacts air quality

Department of Natural Resources

- \$20.0 m one-time and \$.4 m ongoing for the nuclear portion of "Operation Gigawatt", which would fund various aspects of preparing a nuclear power generation facility in Utah
- \$16.0 m one-time for the Great Salt Lake long-term water program, to match federal and private funding sources to lease water for the lake
- \$14.0 m one-time from restricted funds for Outdoor Recreation Maintenance Shop
- (\$7.0) m one-time reduction to the Wildland Fire Suppression Fund
- \$6.0 m one-time in federal funds for Oil, Gas & Mining Well Plugging
- \$5.0 m one-time to rebuild the dam on Panguitch Lake and \$5.0 m one-time for future Dam Safety projects
- \$4.2 m one-time and \$.15m ongoing for the geothermal focus of "Operation Gigawatt", which would fund research projects aimed to facilitate private investment in geothermal energy production
- \$1.4 m one-time to continue the Shared Stewardship program
- \$.85 m one-time for public lands coordination and legal counsel
- \$.5 m one-time to continue the Fire Sense outreach campaign
- \$.15 m one-time to fund a study on energy security as required by S.B. 161 (2024 General Session)



Public Education

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Items Included in the Governor’s Budget Recommendations

Minimum School Program

- \$178.6 m ongoing for WPU Value Increase – Inflationary Adjustment (4.0%)
- (\$82.6) m ongoing for Amendment A WPU Set-Aside
- \$51.4 m ongoing deposit of new Income Tax Revenue growth into the Public Education Economic Stabilization Account, this amount is expended one-time as highlighted below.
- (\$19.1) m ongoing to Reallocate Enrollment Growth Contingency Funds
- \$13.4 m ongoing and \$3.5 m one-time for Statutory Enrollment Growth - Total consensus cost estimate is \$21.4 m; the difference may be attributed to the application of local revenue.

Public Education Economic Stabilization Restricted Account

- \$492.1 m one-time for the following funding items:
 - \$137.3 m for Career and Technical Education
 - \$130 m for School Safety Needs Assessment Findings
 - \$75 m for Paid Professional Hours
 - \$50 m for Small School District Capital Projects Fund
 - \$47.1 m for Minimum School Program Mid-Year Update in FY 2026
 - \$8.4 m for Teacher Supplies & Materials
 - \$8.4 m for Stipends for Future Educators
 - \$7.3 m for Grow Your Own Educator Pipeline
 - \$5.2 m for Reduced-Price School Lunch
 - \$4 m for Small District Funding Base
 - \$3.7 m for Managing Devices in Schools
 - \$3.3 m for School Safety Guardian Stipends
 - \$3 m for First Credential for All
 - \$2 m for Legal Support for Rural Schools
 - \$2 m for Charter School Funding Base Program
 - \$2 m for Pre-K Investment
 - \$1.9 m for SNAP Summer EBT
 - \$1.6 m for Video Conferencing Software – public education portion of the software managed through Utah Education and Telehealth Network

State Board of Education – Utah Schools for the Deaf and the Blind

- \$1.9 m ongoing for USDB Teacher Steps and Lanes



Items Missing from the Governor’s Budget Recommendations

Minimum School Program

- \$29.8 m to increase student weightings WPU for the Students At-Risk – WPU Add-On Program for FY 2026



Social Services

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Items Included in the Governor's Budget Recommendations

Department of Health and Human Services

- (\$114.2) m one-time and \$53.4 m ongoing for projected Medicaid Consensus costs
- \$8 m one-time and \$.25 m ongoing for Correctional Healthcare Structural Deficit & Cost Control
- \$7.3 m ongoing for Home and Community-based Services Waiver & Home Health Rate Increase
- (\$6.6) m one-time and (\$23.3) m ongoing reductions to the General Fund deposited into the Medicaid ACA Fund
- \$5.8 m one-time from the Opioid Litigation Settlement Account for Opiate Use Disorder Treatment in Utah's Prisons
- \$5 m one-time from the Opioid Litigation Settlement Account for Rural County Opioid Grants
- \$5 m ongoing for Foster Care & Kinship Investment
- \$4.2 m for Meals on Wheels for seniors
- (\$4.0) m ongoing for Medicaid pharmacy changes
- \$3.8 m for State Hospital Operational Cost Increases
- \$1.5 m for the Utah Model of Care
- \$1.5 m ongoing for Addressing Growth in Baby Watch Early Intervention Services
- (\$1.5) m one-time reduction and \$5.5 m ongoing for Services for People with Disabilities Waiting List
- (\$1.5) m one-time and \$11.2 m ongoing for Mandated Additional Needs & Youth Aging Out of DCFS & JJYS
- (\$1.1) m one-time and \$2.7 m ongoing and for DSPD Competitive Integrated Employment
- \$.7 m one-time for Legal Representation for Children & Youth at DCFS
- \$.4 m ongoing for Vulnerable Adult and Senior Protection
- (\$.3) m one-time reduction and \$.8 m ongoing for Public Health Emergency Preparedness Response
- \$.28 m ongoing from the Opioid Litigation Settlement Account for Epidemiological Surveillance of Opioid Deaths



Transportation and Infrastructure

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Items Included in the Governor’s Budget Recommendations

Department of Transportation

- \$1 m one-time in FY 2025 from the Transportation Fund for Litter Pickup and \$1 m ongoing in FY 2026
 - UDOT proposes eliminating the transfer from the Transportation Fund to the TIF of (\$1.8) m, while keeping the transfer from the TIF to the General Fund
 - Total request of \$2.8 m to the Maintenance Administration Line Item (net of \$1 m)

Debt Service

- (\$118) m ongoing from the Transportation Investment Fund for Debt Service Adjustments
- (\$100) m one-time for the Statewide Master Plan set aside
- (\$3.8) m ongoing from the County of the First Class Highway Projects Fund for Debt Service Adjustments

Capital Budget

- \$43 m one-time for the Ogden Multi-Agency State Office Building
- \$21.5 m one-time from non-GF/ITF sources for an Outdoor Recreation Maintenance Shop at DNR
- \$19.3 m ongoing for Capital Improvements
- \$15.5 m for a Statewide Space Master Plan
- \$12.5 m for a South gate access Point at Camp Williams
- \$10.3 m one-time for a Central Evidence Warehouse
- \$9.0 m for a Multi-Agency Airport Hangar
- \$.6 m one-time from non-GF/ITF sources for the Dutch John Ranger Residence at DNR

Utah Education and Telehealth Network

- \$6.5 m one-time, including \$1.6 m from the Public Education Economic Stabilization Restricted Account for Video Conferencing Software

Office of the State Treasurer

- \$.1 m one-time for financial education

Other

- Did not recommend funding for Double Tracking