

1 **STATE OFFICE OF REHABILITATION -**
2 **BUDGET RECOMMENDATIONS**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Bradley G. Last**

6 Senate Sponsor: Allen M. Christensen

8 **LONG TITLE**

9 **General Description:**

10 This bill requires the governor to include a salary increase in his budget for the Utah
11 State Office of Rehabilitation.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ requires that the governor include in his budget recommendation an amount
15 sufficient to provide the same percentage increase for cost-of-living for employees
16 of firms privately contracted by the Utah State Office of Rehabilitation as the
17 governor recommends for state employees; and

18 ▶ directs the governor to submit with his budget request a message concerning his
19 reasons if he does not include such an amount.

20 **Monies Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **63-38-2**, as last amended by Chapters 326 and 352, Laws of Utah 2004

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

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

30 **63-38-2. Governor to submit budget to Legislature -- Contents -- Preparation --**
31 **Appropriations based on current tax laws and not to exceed estimated revenues.**

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

36 (b) The budget message shall include:

37 (i) a projection of estimated revenues and expenditures for the next fiscal year; and

38 (ii) the source of all direct, indirect, or in-kind matching funds for all federal grants or
39 assistance programs included in the budget.

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

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

46 (b) The budget may be accompanied by a separate document showing proposed
47 expenditures and estimated revenues based on changes in state tax laws or rates.

48 (4) The budget shall be accompanied by a statement showing:

49 (a) the revenues and expenditures for the last fiscal year;

50 (b) the current assets, liabilities, and reserves, surplus or deficit, and the debts and
51 funds of the state;

52 (c) an estimate of the state's financial condition as of the beginning and the end of the
53 period covered by the budget;

54 (d) a complete analysis of lease with an option to purchase arrangements entered into
55 by state agencies;

56 (e) the recommendations for each state agency for new full-time employees for the next
57 fiscal year; which recommendation should be provided also to the State Building Board under

58 Subsection 63A-5-103(2);

59 (f) any explanation the governor may desire to make as to the important features of the
60 budget and any suggestion as to methods for the reduction of expenditures or increase of the
61 state's revenue; and

62 (g) the information detailing certain regulatory fee increases required by Section
63 63-38-3.2.

64 (5) The budget shall include an itemized estimate of the appropriations for:

65 (a) the Legislative Department as certified to the governor by the president of the
66 Senate and the speaker of the House;

67 (b) the Executive Department;

68 (c) the Judicial Department as certified to the governor by the state court administrator;

69 (d) payment and discharge of the principal and interest of the indebtedness of the state;

70 (e) the salaries payable by the state under the Utah Constitution or under law for the
71 lease agreements planned for the next fiscal year;

72 (f) other purposes that are set forth in the Utah Constitution or under law; and

73 (g) all other appropriations.

74 (6) Deficits or anticipated deficits shall be included in the budget.

75 (7) (a) (i) For the purpose of preparing and reporting the budget, the governor shall
76 require from the proper state officials, including public and higher education officials, all heads
77 of executive and administrative departments and state institutions, bureaus, boards,
78 commissions, and agencies expending or supervising the expenditure of the state moneys, and
79 all institutions applying for state moneys and appropriations, itemized estimates of revenues
80 and expenditures.

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

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

85 (b) The estimate for the Legislative Department as certified by the presiding officers of

86 both houses shall be included in the budget without revision by the governor.

87 (c) The estimate for the Judicial Department, as certified by the state court
88 administrator, shall also be included in the budget without revision, but the governor may make
89 separate recommendations on it.

90 (d) The governor may require the attendance at budget meetings of representatives of
91 public and higher education, state departments and institutions, and other institutions or
92 individuals applying for state appropriations.

93 (e) The governor may revise all estimates, except those relating to the Legislative
94 Department, the Judicial Department, and those providing for the payment of principal and
95 interest to the state debt and for the salaries and expenditures specified by the Utah
96 Constitution or under the laws of the state.

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

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

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

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

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

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

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

110 (v) local health departments under Title 26A, Chapter 1, Local Health Departments;

111 and

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

113 (b) In his budget recommendations under Subsections (10)(a)(i), (ii), and (iii), the

114 governor shall consider an amount sufficient to grant local health departments, local mental
115 health authorities, local substance abuse authorities, and area agencies the same percentage
116 increase for wages and benefits that he includes in his budget for persons employed by the
117 state.

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

121 (11) (a) In submitting the budget for the Utah State Office of Rehabilitation and the
122 Division of Services for People with Disabilities, the Division of Child and Family Services,
123 and the Division of Juvenile Justice Services within the Department of Human Services, the
124 governor shall consider an amount sufficient to grant employees of corporations that provide
125 direct services under contract with those divisions, the same percentage increase for
126 cost-of-living that he includes in his budget for persons employed by the state.

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

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

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

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

138 (14) (a) The governor shall include a separate recommendation in the governor's
139 budget for funds to maintain the operation and administration of the Utah Comprehensive
140 Health Insurance Pool.

141 (b) In making the recommendation the governor may consider:

142 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
143 least three years;

144 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
145 of at least three years;

146 (iii) the annual Medical Care Consumer Price Index;

147 (iv) the annual base budget for the pool established by the Commerce and Revenue
148 Appropriations Subcommittee for each fiscal year;

149 (v) the growth or decline in insurance premium taxes and fees collected by the tax
150 commission and the insurance department; and

151 (vi) the availability of surplus General Fund revenue under Section 63-38-2.5 and
152 Subsection 59-14-204(5)(b).

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

157 (16) (a) In adopting a budget each year for the Utah Comprehensive Health Insurance
158 Pool, the Legislature shall determine an amount that is sufficient to fund the pool for each
159 fiscal year.

160 (b) When making a determination under Subsection (16)(a), the Legislature shall
161 consider factors it determines are appropriate, which may include:

162 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
163 least three years;

164 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
165 of at least three years;

166 (iii) the annual Medical Care Consumer Price Index;

167 (iv) the annual base budget for the pool established by the Commerce and Revenue
168 Appropriations Subcommittee for each fiscal year;

169 (v) the growth or decline in insurance premium taxes and fees collected by the tax

170 commission and the insurance department from the previous fiscal year; and
171 (vi) the availability of surplus General Fund revenue under Section 63-38-2.5 and
172 Subsection 59-14-204(5)(b).
173 (c) The funds appropriated by the Legislature to fund the Utah Comprehensive Health
174 Insurance Pool as determined under Subsection (16)(a):
175 (i) shall be deposited into the enterprise fund established by Section 31A-29-120; and
176 (ii) are restricted and are to be used to maintain the operation, administration, and
177 management of the Utah Comprehensive Health Insurance Pool created by Section
178 31A-29-104.
179 (17) In considering the factors in Subsections (14)(b)(i), (ii), and (iii) and Subsections
180 (16)(b)(i), (ii), and (iii), the governor and the Legislature may consider the actuarial data and
181 projections prepared for the board of the Utah Comprehensive Health Insurance Pool as it
182 develops its financial statements and projections for each fiscal year.