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STATE SYSTEM OF HIGHER EDUCATION

AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John Dougall

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions relating to the governance and operation of the State System of Higher Education, creates a tax credit for higher education tuition and fees, and modifies a tax credit for contributions to a Utah Educational Savings Plan Trust account.

Highlighted Provisions:

This bill:

- ▶ allows members of the State Board of Regents to participate in the state risk pool of the Public Employees' Benefit and Insurance Program on an individual basis, and provides that a member of the State Board of Regents who elects to participate in the health insurance program is responsible for both the employer and employee payments required for an active state employee;
- ▶ grants authority to the governor to appoint a commissioner of higher education;
- ▶ grants authority to the board of trustees of a higher education institution to appoint a president for the institution;
- ▶ directs the governor to appoint the members of the board of trustees of a higher education institution, except the Utah College of Applied Technology, from a list of nominees submitted by the institution's board of trustees;
- ▶ grants authority to the board of trustees of a higher education institution, without



28 approval of the State Board of Regents, to:

29 • establish and define the role of the institution in providing undergraduate
30 programs, undergraduate degrees, and non-degree programs;

31 • change the undergraduate curriculum; and

32 • set tuition and fees;

33 ▶ allows a claimant to claim a nonrefundable tax credit against 25% of the claimant's
34 state income tax liability for expenses incurred by the claimant to enroll in an
35 institution within the state system of higher education, and allows the claimant to
36 carry forward the tax credit if the amount of the tax credit exceeds 25% of the
37 claimant's tax liability for the taxable year; and

38 ▶ allows a claimant under age 19 to claim a tax credit for a contribution to a Utah
39 Educational Savings Plan Trust an account in amount equal to the claimant's state
40 income tax liability.

41 **Monies Appropriated in this Bill:**

42 None

43 **Other Special Clauses:**

44 None

45 **Utah Code Sections Affected:**

46 AMENDS:

47 **53B-1-103**, as last amended by Laws of Utah 2003, Chapter 289

48 **53B-1-104**, as last amended by Laws of Utah 2006, Chapter 285

49 **53B-1-105**, as enacted by Laws of Utah 1987, Chapter 167

50 **53B-2-102**, as last amended by Laws of Utah 1991, Chapter 58

51 **53B-2-104**, as last amended by Laws of Utah 2007, Chapter 356

52 **53B-2a-102**, as last amended by Laws of Utah 2007, Chapter 259

53 **53B-2a-104**, as last amended by Laws of Utah 2007, Chapter 259

54 **53B-2a-106**, as last amended by Laws of Utah 2007, Chapter 259

55 **53B-6-101**, as last amended by Laws of Utah 2001, First Special Session, Chapter 5

56 **53B-7-101**, as enacted by Laws of Utah 1987, Chapter 167

57 **53B-7-101.5**, as enacted by Laws of Utah 2001, Chapter 186

58 **53B-8a-106**, as last amended by Laws of Utah 2007, Chapter 100

- 59 **53B-16-101**, as enacted by Laws of Utah 1987, Chapter 167
- 60 **53B-16-102**, as last amended by Laws of Utah 2001, First Special Session, Chapter 5
- 61 **53B-16-103**, as last amended by Laws of Utah 1988, Chapter 137
- 62 **53B-16-201**, as last amended by Laws of Utah 2007, Chapters 259 and 356
- 63 **59-10-1206.1**, as enacted by Laws of Utah 2007, Chapter 100
- 64 **67-22-2**, as last amended by Laws of Utah 2007, Chapters 34 and 73

65 ENACTS:

66 **59-10-1017**, Utah Code Annotated 1953



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

69 Section 1. Section **53B-1-103** is amended to read:

70 **53B-1-103. Establishment of State Board of Regents -- Powers and authority.**

71 (1) There is established a State Board of Regents.

72 (2) (a) The board is vested with the [~~control, management, and~~] supervision of the
73 institutions of higher education designated in Section 53B-1-102 in a manner consistent with
74 the policy and purpose of this title and the specific powers and responsibilities granted to it.

75 (b) The board is vested with the following powers relating to the Utah College of
76 Applied Technology and its college campuses:

77 [~~(i) approving each competency-based associate of applied technology degree before~~
78 ~~allowing a college campus to offer the degree;~~]

79 [~~(ii)~~] (i) making rules governing the transfer of applied technology education degrees
80 awarded by the Utah College of Applied Technology to other higher education institutions; and

81 [~~(iii) appointing the president for the Utah College of Applied Technology in~~
82 ~~accordance with Section 53B-2a-102 and board policy; and~~]

83 [~~(iv)~~] (ii) facilitating and coordinating the operation of the Utah College of Applied
84 Technology within the system of higher education.

85 (c) Except for the Utah College of Applied Technology, the board may modify the
86 name of an institution under its control and management, as designated in Section 53B-1-102,
87 to reflect the role and general course of study of the institution.

88 (3) The board is the State Postsecondary Review Entity for Utah for purposes of Title
89 IV, Part H, of the federal Higher Education Act of 1965, as amended by the Higher Education

90 Act Amendments of 1992.

91 (4) This section does not affect the power and authority vested in the State Board of
92 Education to apply for, accept, and manage federal appropriations for the establishment and
93 maintenance of applied technology education.

94 Section 2. Section **53B-1-104** is amended to read:

95 **53B-1-104. Membership of the board -- Student appointee -- Terms -- Oath --**
96 **Officers -- Committees -- Bylaws -- Meetings -- Quorum -- Vacancies -- Compensation.**

97 (1) (a) The board shall consist of 18 residents of the state.

98 (b) (i) Fifteen members shall be appointed by the governor with the consent of the
99 Senate.

100 (ii) (A) One additional member shall be appointed by the governor from nominations
101 of the student body presidents council.

102 (B) The council shall nominate three qualified, matriculated students enrolled in the
103 state institutions of higher education.

104 (C) Student body presidents are not eligible for nomination.

105 (iii) All appointments to the board shall be made on a nonpartisan basis.

106 (iv) In making appointments to the board, the governor shall select:

107 (A) individuals from the state at large with due consideration for geographical
108 representation; and

109 (B) at least three individuals with personal experience in applied technology education,
110 which could include service on a campus board of directors.

111 (c) (i) In addition to the members designated under Subsection (1)(b), two members of
112 the State Board of Education, appointed by the chair of the State Board of Education, shall
113 serve as nonvoting members of the board.

114 (ii) A nonvoting member shall continue to serve as a member without a set term until
115 the member is replaced by the chair of the State Board of Education.

116 (2) (a) Five members of the board, other than the student member and the State Board
117 of Education members, shall be appointed during each odd-numbered year to six-year
118 staggered terms which commence on July 1 of the year of appointment.

119 (b) (i) The student member shall be appointed for a one-year term and may be
120 reappointed for one additional term.

121 (ii) The student member has full voting rights and may vote on selection of a board
122 chair or vice chair, but not serve in either office.

123 (c) Board members shall hold office until their successors have been appointed and
124 qualified.

125 (3) (a) Each member of the board shall take the official oath of office before entering
126 upon the duties of office.

127 (b) The oath shall be filed with the Division of Archives and Records Services.

128 (4) The board shall elect a chair and vice chair from its members who shall serve terms
129 of two years and until their successors are chosen and qualified.

130 (5) (a) The board shall appoint a secretary from the staff of its chief executive to serve
131 at its discretion.

132 (b) The secretary shall be a full-time employee who receives a salary set by the board.

133 (c) The secretary shall record and maintain a record of all board meetings and perform
134 other duties as the board directs.

135 (6) The board shall appoint a treasurer who serves at the discretion of the board.

136 (7) (a) The board may establish advisory committees.

137 (b) The powers and authority of the board are nondelegable, except as specifically
138 provided for in this title.

139 (c) All matters requiring board determination shall be addressed in a properly convened
140 meeting of the board or its executive committee.

141 (8) The board shall enact bylaws for its own government not inconsistent with the
142 constitution or the laws of this state.

143 (9) (a) The board shall meet regularly upon its own determination.

144 (b) The board may also meet, in full or executive session, at the request of its chair, its
145 executive officer, or five members of the board.

146 (10) A quorum of the voting members of the board is required to conduct its business
147 and consists of nine members.

148 (11) (a) A vacancy in the board occurring before the expiration of a voting member's
149 full term shall be immediately filled by appointment by the governor with the consent of the
150 Senate.

151 (b) The appointee serves for the remainder of the unexpired term.

152 (12) (a) Each member of the board shall receive a per diem as provided by law as
153 compensation for services for attending meetings of the board.

154 (b) Each member shall also be paid actual expenses incurred for attending meetings of
155 the board or its committees or for attending to any business of the institutions under the
156 direction of the board or authority of the board or its committees.

157 (13) (a) Notwithstanding the group coverage requirements under Section 49-20-105, a
158 member of the board may elect to participate in the state risk pool established under Subsection
159 49-20-202(1)(a) on an individual basis.

160 (b) A member of the board who elects to participate under Subsection (13)(a) shall be
161 responsible for both the employer and employee payments required to be made for an active
162 state employee.

163 Section 3. Section **53B-1-105** is amended to read:

164 **53B-1-105. Appointment of commissioner of higher education -- Qualifications --**
165 **Duties.**

166 [~~(1) The board appoints a commissioner of higher education to serve at its pleasure as~~
167 ~~its chief executive officer. The board sets the salary of the commissioner and prescribes the~~
168 ~~commissioner's duties and functions. The commissioner is selected on the basis of outstanding~~
169 ~~professional qualifications.]~~

170 (1) The governor shall:

171 (a) appoint a commissioner of higher education, with the consent of the Senate, who
172 shall serve:

173 (i) at the pleasure of the governor; and

174 (ii) as the chief executive officer of the Board of Regents; and

175 (b) select the commissioner on the basis of outstanding professional qualifications.

176 (2) The commissioner is responsible [~~to the board to~~] for:

177 (a) [~~insure that its~~] insuring that the board's policies and programs are properly
178 executed;

179 (b) [~~furnish~~] furnishing information about the state system of higher education and
180 make recommendations regarding that information to the board;

181 (c) [~~provide~~] providing state-level leadership in [~~an~~] activities affecting institutions in
182 the state system of higher education; and

183 (d) ~~[perform]~~ performing other duties assigned by the board in carrying out its duties
184 and responsibilities.

185 Section 4. Section **53B-2-102** is amended to read:

186 **53B-2-102. Appointment of the president of an institution.**

187 ~~[The board, after consulting with the institution's board of trustees, appoints a president
188 for each institution in the state system of higher education who serves at its pleasure and at
189 such salary as it may determine.]~~

190 (1) The board of trustees of an institution shall:

191 (a) appoint a president for the institution; and

192 (b) establish the salary and terms of employment for the president.

193 (2) The president of an institution shall serve at the pleasure of the board of trustees.

194 Section 5. Section **53B-2-104** is amended to read:

195 **53B-2-104. Memberships of board of trustees -- Terms -- Vacancies -- Oath --
196 Officers -- Bylaws -- Quorum -- Committees -- Compensation.**

197 (1) (a) The board of trustees of an institution of higher education consists of the
198 following:

199 (i) eight persons;

200 (A) appointed by the governor from a list of nominees submitted by the institution's
201 board of trustees; and

202 (B) approved by the Senate; and

203 (ii) two ex officio members who are the president of the institution's alumni
204 association, and the president of the associated students of the institution.

205 (b) The appointed members of the boards of trustees for Utah Valley University and
206 Salt Lake Community College shall be representative of the interests of business, industry, and
207 labor.

208 (c) The board of trustees of an institution shall:

209 (i) submit at least two nominations to the governor for each vacant position on the
210 board of trustees; and

211 (ii) seek recommendations for potential candidates from the president of the institution.

212 (2) (a) The governor shall appoint four members of each board of trustees during each
213 odd-numbered year to four-year terms commencing on July 1 of the year of appointment.

214 (b) An appointed member holds office until a successor is appointed and qualified.

215 (c) The ex officio members serve for the same period as they serve as presidents and
216 until their successors have qualified.

217 (3) When a vacancy occurs in the membership for any reason, the replacement shall be
218 appointed for the unexpired term.

219 (4) (a) Each member shall take the official oath of office prior to assuming the office.

220 (b) The oath shall be filed with the Division of Archives and Records Services.

221 (5) Each board of trustees shall elect a chair and vice chair, who serve for two years
222 and until their successors are elected and qualified.

223 (6) (a) Each board of trustees may enact bylaws for its own government, including
224 provision for regular meetings.

225 (b) (i) The board of trustees may provide for an executive committee in its bylaws.

226 (ii) If established, the committee shall have full authority of the board of trustees to act
227 upon routine matters during the interim between board of trustees meetings.

228 (iii) The committee may act on nonroutine matters only under extraordinary and
229 emergency circumstances.

230 (iv) The committee shall report its activities to the board of trustees at its next regular
231 meeting following the action.

232 (c) Copies of the board of trustees' bylaws shall be filed with the board.

233 (7) A quorum is required to conduct business and consists of six members.

234 (8) A board of trustees may establish advisory committees.

235 (9) (a) (i) Members who are not government employees shall receive no compensation
236 or benefits for their services, but may receive per diem and expenses incurred in the
237 performance of the member's official duties at the rates established by the Division of Finance
238 under Sections 63A-3-106 and 63A-3-107.

239 (ii) Members may decline to receive per diem and expenses for their service.

240 (b) (i) State government officer and employee members who do not receive salary, per
241 diem, or expenses from their agency for their service may receive per diem and expenses
242 incurred in the performance of their official duties from the board at the rates established by the
243 Division of Finance under Sections 63A-3-106 and 63A-3-107.

244 (ii) State government officer and employee members may decline to receive per diem

245 and expenses for their service.

246 (c) (i) Higher education members who do not receive salary, per diem, or expenses
247 from the entity that they represent for their service may receive per diem and expenses incurred
248 in the performance of their official duties from the committee at the rates established by the
249 Division of Finance under Sections 63A-3-106 and 63A-3-107.

250 (ii) Higher education members may decline to receive per diem and expenses for their
251 service.

252 (10) This section does not apply to the Utah College of Applied Technology.

253 Section 6. Section **53B-2a-102** is amended to read:

254 **53B-2a-102. President -- Appointment -- Duties.**

255 (1) (a) The [~~board~~] Utah College of Applied Technology Board of Trustees shall
256 appoint a president for the Utah College of Applied Technology.

257 (b) The president of the Utah College of Applied Technology does not need to have a
258 doctorate degree, but shall have extensive experience in applied technology education.

259 (c) The president shall serve at the [~~board's~~] board of trustee's discretion.

260 (d) The names of the final candidates for president of the Utah College of Applied
261 Technology shall be publicly disclosed.

262 (e) The chair and vice chair of the Utah College of Applied Technology Board of
263 Trustees shall be members of the search committee for the president.

264 (2) The president shall:

265 (a) direct the Utah College of Applied Technology and coordinate the activities of each
266 of its college campuses;

267 (b) in cooperation with the board of trustees and with the approval of the board,
268 develop a competency-based associate of applied technology degree;

269 (c) ensure that [~~pursuant to State Board of Regents' rules,~~] an applied technology
270 education degree is primarily a terminal degree, but is transferable, pursuant to State Board of
271 Regents' rules, to a bachelor's degree in applied technology at other higher education
272 institutions under specific articulation agreements;

273 (d) in consultation with the board of trustees, campus presidents, and campus boards of
274 directors, prepare a comprehensive strategic plan for delivering applied technology education
275 through the Utah College of Applied Technology college campuses;

276 (e) after consulting with local school districts and other higher education institutions in
277 the regions, ensure that the curricula of the Utah College of Applied Technology meet the
278 needs of the state, the regions, and the local school districts;

279 (f) in consultation with the board of trustees, campus presidents, and campus boards of
280 directors, and after consulting with local school districts and other higher education institutions
281 in the region, develop strategies for providing applied technology education in rural areas,
282 specifically considering the distances between rural applied technology education providers;

283 (g) establish minimum standards for applied technology programs of the Utah College
284 of Applied Technology college campuses;

285 (h) in conjunction with the board of trustees, do the following:

286 (i) develop and implement a system of common definitions, standards, and criteria for
287 tracking and measuring the effectiveness of applied technology education;

288 (ii) maintain a central administration office for coordination, prioritization, support,
289 and reporting of college functions dealing with:

290 (A) budgets and audits;

291 (B) facilities, including capital, capital development, and leases;

292 (C) management information systems;

293 (D) campus and college master planning efforts;

294 (E) strategic planning;

295 (F) legislative and Board of Regents contact;

296 (G) general data collection; and

297 (H) programs, certificates, and curriculum; and

298 (iii) develop and implement a plan to inform citizens about the availability, cost, and
299 advantages of applied technology education;

300 (i) after consulting with the State Board of Education and local school districts, ensure
301 that secondary students in the public education system have access to applied technology
302 education through the Utah College of Applied Technology college campuses; and

303 (j) provide expertise and monitor applied technology education within the regions
304 served by Snow College and the College of Eastern Utah in accordance with Sections
305 53B-16-205 and 53B-16-207.

306 Section 7. Section **53B-2a-104** is amended to read:

307 **53B-2a-104. Utah College of Applied Technology Board of Trustees -- Powers**
308 **and duties.**

309 The Utah College of Applied Technology Board of Trustees shall:

310 (1) in cooperation with the president of the Utah College of Applied Technology[~~and~~
311 ~~with the approval of the State Board of Regents;~~] develop competency-based associate of
312 applied technology degrees to be offered by the Utah College of Applied Technology;

313 (2) approve the courses and requirements for the associate of applied technology
314 degrees;

315 (3) ensure that[~~pursuant to State Board of Regents' rules;~~] an applied technology
316 education degree is primarily a terminal degree, but is transferable, pursuant to State Board of
317 Regents' rules, to a bachelor's degree in applied technology at other higher education
318 institutions under specific articulation agreements;

319 (4) ensure that the Utah College of Applied Technology college campuses comply with
320 the requirements in Section 53B-2a-106;

321 (5) advise the president of the Utah College of Applied Technology and the State
322 Board of Regents on issues related to applied technology education;

323 (6) receive budget requests from each college campus, compile and prioritize the
324 requests, and submit the request to:

325 (a) the Legislature; and

326 (b) the Governor's Office of Planning and Budget;

327 (7) receive funding requests pertaining to capital facilities and land purchases from
328 each college campus, ensure that the requests comply with Section 53B-2a-112, prioritize the
329 requests, and submit the prioritized requests to the State Building Board;

330 (8) prepare and submit an annual report detailing its progress and recommendations on
331 applied technology education issues to the governor and to the Legislature's Education Interim
332 Committee by October 31 of each year, which shall include information detailing:

333 (a) how the applied technology education needs of secondary students are being met;
334 and

335 (b) how the emphasis on high demand, high wage jobs in business and industry
336 described in Subsection 53B-2a-106(1)(c)(ii) is being provided; and

337 (c) what access secondary students have to programs offered:

338 (i) at college campuses; and
 339 (ii) within the regions served by Snow College and the College of Eastern Utah; and
 340 (9) receive, by September 30 of each year, an annual report from Snow College and the
 341 College of Eastern Utah on the status of and maintenance of the effort for applied technology
 342 education in the regions served by Snow College and the College of Eastern Utah, including
 343 access to open-entry, open-exit competency-based applied technology education programs at
 344 the tuition rate approved by the Utah College of Applied Technology for adults and at no
 345 tuition cost to secondary students[~~;~~and].

346 [~~(10) perform other duties and responsibilities prescribed under the policies of the State~~
 347 ~~Board of Regents.]~~

348 Section 8. Section **53B-2a-106** is amended to read:

349 **53B-2a-106. College campuses -- Duties.**

350 (1) Each Utah College of Applied Technology college campus shall:

351 (a) offer a post-secondary and extra-secondary applied technology education
 352 curriculum;

353 (b) offer that curriculum at:

354 (i) market cost to adult students, as approved by the board of trustees and the State
 355 Board of Regents; and

356 (ii) no tuition to secondary students within the campus' jurisdiction;

357 (c) provide applied technology education that will result in:

358 (i) appropriate licensing, certification, or other evidence of completion of training; and

359 (ii) qualification for specific employment, with an emphasis on high demand, high
 360 wage jobs in business and industry;

361 (d) offer associate of applied technology degrees that have:

362 (i) instruction provided in an open-entry, open-exit environment, except as required by
 363 external entities; and

364 (ii) been reviewed by the board of trustees [~~and approved by the State Board of~~
 365 ~~Regents in accordance with Section 53B-1-103];~~

366 (e) develop cooperative agreements with local school districts, other higher education
 367 institutions, businesses, industries, and community and private agencies to maximize the
 368 availability of instructional facilities; and

369 (f) after consulting with local school districts within the geographic area served by the
370 college campus:

371 (i) ensure that secondary students in the public education system have access to applied
372 technology education at each college campus; and

373 (ii) prepare and submit an annual report to the Utah College of Applied Technology
374 detailing:

375 (A) how the applied technology education needs of secondary students within the
376 region are being met;

377 (B) what access secondary students within the region have to programs offered at
378 college campuses; and

379 (C) how the emphasis on high demand, high wage jobs in business and industry
380 described in Subsection (1)(c)(ii) is being provided.

381 (2) A college campus may offer a competency-based high school diploma approved by
382 the State Board of Education in accordance with Section 53A-1-402.

383 (3) A college campus may not:

384 (a) offer courses other than applied technology education and preparatory instruction in
385 areas such as reading and mathematics that are necessary for student success in a chosen
386 applied technology education or job-related program;

387 (b) offer a degree other than an associate of applied technology degree [~~approved by
388 the State Board of Regents in accordance with Section 53B-1-103];~~

389 (c) provide tenure or academic rank for its instructors; and

390 (d) participate in intercollegiate athletics.

391 (4) [~~(a)~~] The mission of a college campus is limited to applied technology education
392 and may not expand to include credit-based academic programs typically offered by community
393 colleges or other institutions of higher education.

394 [~~(b) A college campus may not offer a noncredit academic program that is offered as a
395 noncredit program by another higher education institution that is located in the same service
396 region unless the program has received approval through the regional planning process required
397 by the State Board of Regents.]~~

398 [~~(c) If a program is approved to be offered at more than one institution of higher
399 education through the regional planning process required by the State Board of Regents, the~~

400 institutions within that region shall agree to a uniform tuition for that program and submit the
 401 proposed tuition level to the State Board of Regents for approval.]

402 (5) Each campus shall be recognized as a college campus of the Utah College of
 403 Applied Technology, and regional affiliation shall be retained and recognized through local
 404 designations such as "Bridgerland Applied Technology College: A Utah College of Applied
 405 Technology Campus."

406 Section 9. Section **53B-6-101** is amended to read:

407 **53B-6-101. Additional responsibilities of the board -- Studies and evaluations --**
 408 **Master plan for graduate studies -- Master plans for institutions -- Productivity --**
 409 **Institutional student assessment -- Biennial accountability report to the Legislature.**

410 (1) The board shall conduct continuing studies and evaluations of the facilities,
 411 grounds, buildings, and equipment at the higher education institutions under its jurisdiction and
 412 use space utilization and other studies conducted by the State Building Board.

413 (2) The board shall establish and maintain an up-to-date master plan [~~which shall~~
 414 ~~include:~~] for graduate studies.

415 [~~(a) providing for statewide planning of public higher education in terms of aims,~~
 416 ~~purposes, and objectives of the system as a whole;~~]

417 (3) The board of trustees of an institution shall establish and maintain an up-to-date
 418 master plan for the institution which shall include:

419 [~~(b)~~] (a) establishing and defining the role and programs of [each] the institution
 420 [within the system];

421 [~~(c) establishing criteria for and determination of]~~

422 (b) determining the future needs [and requirements] for new programs [and new
 423 institutions and the elimination, curtailment, or consolidation of existing programs and
 424 facilities];

425 [~~(d)~~] (c) providing for the initiation and financing of projects as considered necessary
 426 to meet and satisfy the projected patterns of growth and maintenance;

427 [~~(e) establishing criteria for and determination of]~~

428 (d) determining the operating and capital budgetary needs of [each] the institution [and
 429 the system as a whole];

430 [~~(f)~~] (e) recommending the methods and sources of future financial support [of the

431 ~~higher education system;] for the institution; and~~

432 ~~[(g)] (f) establishing procedures for the development of maximum utilization of~~
 433 ~~existing facilities as suggested by space utilization studies conducted by the State Building~~
 434 ~~Board[; and].~~

435 ~~[(h) securing an adequate and coordinated program for the community colleges and~~
 436 ~~applied technology/technical programs in the institutions and departments in the state system of~~
 437 ~~higher education.]~~

438 ~~[(3) (a) The board may do all things necessary for the effective implementation of the~~
 439 ~~statewide master plan as adopted and revised by the board from time to time.]~~

440 ~~[(b) The State Board of Education and the Utah College of Applied Technology shall~~
 441 ~~provide applied technology education staff assistance to the State Board of Regents in support~~
 442 ~~of master planning activities related to applied technology education in higher education.]~~

443 ~~[(4) (a) The board shall adopt rules and initiate programs to promote and increase~~
 444 ~~productivity in the state system of higher education.]~~

445 ~~[(b)] (4) (a) The board shall [~~require each college and university in the system to~~~~
 446 ~~establish multiple] monitor and report to the Legislature on each institution's measures of~~
 447 ~~institutional and student assessment in order to improve student instruction, academic~~
 448 ~~programs, and learning opportunities.~~

449 ~~[(c)] (b) The board shall submit a biennial accountability report to the Legislature,~~
 450 ~~which shall include such factors as:~~

451 (i) space utilization, faculty productivity, and other similar measures of the
 452 management of institutional resources at each institution; and

453 (ii) student assessment at entry to each institution, at critical midway points, and at
 454 exit.

455 ~~[(d)] (c) The board shall establish a systemwide committee to address assessment and~~
 456 ~~accountability issues and propose essential elements to be included in the biennial report.~~

457 Section 10. Section **53B-7-101** is amended to read:

458 **53B-7-101. Appropriations requests - Tuition and fees -- Dedicated credits --**
 459 **Financial affairs.**

460 (1) (a) The board [~~shall] may recommend a combined appropriation for the operating~~
 461 ~~budgets of higher education institutions for inclusion in the state appropriations act.~~

462 (b) The board's recommendations, if any, shall be available for presentation to the
463 governor and to the Legislature at least 30 days prior to the convening of the Legislature, and
464 shall include schedules showing the recommended amounts for each institution, including
465 separately funded programs or divisions. [~~The recommended appropriations shall be~~
466 ~~determined by the board only after it has reviewed the proposed institutional operating budgets,~~
467 ~~and has consulted with the various institutions and board staff in order to make appropriate~~
468 ~~adjustments.~~]

469 ~~[(2) Institutional operating budgets shall be submitted to the board at least 90 days~~
470 ~~prior to the convening of the Legislature in accordance with procedures established by the~~
471 ~~board.]~~

472 (2) Funding requests pertaining to capital facilities and land purchases shall be
473 submitted in accordance with procedures prescribed by the State Building Board.

474 (3) (a) The budget recommendations of the board shall be accompanied by full
475 explanations and supporting data.

476 (b) The appropriations recommended by the board shall be made with the dual
477 objective of: [(a)]

478 (i) justifying for higher educational institutions appropriations consistent with their
479 needs, and consistent with the financial ability of the state; and [(b)]

480 (ii) determining an equitable distribution of funds among the respective institutions in
481 accordance with the aims and objectives of the statewide master plan for higher education.

482 (4) (a) The board shall request a hearing with the governor on the recommended
483 appropriations.

484 (b) After the governor delivers his budget message to the Legislature, the board shall
485 request hearings on the recommended appropriations with the appropriate committees of the
486 Legislature.

487 (c) If either the total amount of the state appropriations or its allocation among the
488 institutions as proposed by the Legislature or its committees is substantially different from the
489 recommendations of the board, the board may request further hearings with the Legislature or
490 its appropriate committees to reconsider both the total amount and the allocation.

491 (5) The board may devise, establish, periodically review, and revise formulas for its
492 use and for the use of the governor and the committees of the Legislature in making

493 appropriation recommendations.

494 (6) (a) The board shall recommend to each session of the Legislature the minimum
495 tuitions, resident and nonresident, for each institution which it considers necessary to
496 implement the budget recommendations.

497 (b) The board [~~may~~] of trustees of an institution shall fix the tuition, fees, and charges
498 for [~~each~~] the institution at levels it finds necessary to meet budget requirements.

499 (7) Money allocated to each institution by legislative appropriation may be budgeted in
500 accordance with institutional work programs approved by the board, provided that the
501 expenditures funded by appropriations for each institution are kept within the appropriations
502 for the applicable period.

503 (8) The dedicated credits, including revenues derived from tuitions, fees, federal
504 grants, and proceeds from sales received by the institutions are appropriated to the respective
505 institutions and used in accordance with institutional work programs.

506 (9) Each institution may do its own purchasing, issue its own payrolls, and handle its
507 own financial affairs under the general supervision of the board.

508 Section 11. Section **53B-7-101.5** is amended to read:

509 **53B-7-101.5. Proposed tuition increases -- Notice -- Hearings.**

510 (1) If an institution within the State System of Higher Education listed in Section
511 53B-1-102 considers increasing tuition rates for undergraduate students in the process of
512 preparing or implementing its budget, it shall hold a meeting to receive public input and
513 response on the issue.

514 (2) The institution shall advertise the hearing required under Subsection (1) using the
515 following procedure:

516 (a) The institution shall advertise its intent to consider an increase in student tuition
517 rates in the institution's student newspaper.

518 (b) The advertisement shall be run twice during a period of ten days prior to the
519 meeting.

520 (c) The advertisement shall state that the institution will meet on a certain day, time,
521 and place fixed in the advertisement, which [~~shall~~] may not be less than seven days after the
522 day the second advertisement is published, for the purpose of hearing comments regarding the
523 proposed increase and to explain the reasons for the proposed increase.

524 (3) The form and content of the notice shall be substantially as follows:

525 "NOTICE OF PROPOSED TUITION INCREASE

526 The (name of the higher education institution) is proposing to increase student tuition
527 rates. This would be an increase of _____ %, which is an increase of \$_____ per semester
528 for a full-time resident undergraduate student. All concerned students and citizens are invited
529 to a public hearing on the proposed increase to be held at (meeting place) on (date) at (time)."

530 (4) (a) The institution shall provide the following information to those in attendance at
531 the meeting required under Subsection (1):

532 (i) the current year's student enrollment for[:] the institution;

533 [~~(A) the State System of Higher Education, if a systemwide increase is being~~
534 ~~considered; or]~~

535 [~~(B) the institution, if an increase is being considered for just a single institution;]~~

536 (ii) total tuition revenues for the current school year;

537 (iii) projected student enrollment growth for the next school year and projected tuition
538 revenue increases from that anticipated growth; and

539 (iv) a detailed accounting of how and where the increased tuition revenues would be
540 spent.

541 (b) The enrollment and revenue data required under Subsection (4)(a) shall be broken
542 down into majors or departments if the proposed tuition increases are department or major
543 specific.

544 (c) The institution is encouraged to specify the total cost of tuition to complete a
545 bachelor's degree in four years.

546 (5) If the institution does not make a final decision on the proposed tuition increase at
547 the meeting, it shall announce the date, time, and place of the meeting where that determination
548 shall be made.

549 Section 12. Section **53B-8a-106** is amended to read:

550 **53B-8a-106. Account agreements.**

551 The Utah Educational Savings Plan Trust may enter into account agreements with
552 account owners on behalf of beneficiaries under the following terms and agreements:

553 (1) (a) An account agreement may require an account owner to agree to invest a
554 specific amount of money in the Utah Educational Savings Plan Trust for a specific period of

555 time for the benefit of a specific beneficiary, not to exceed an amount determined by the
556 program administrator.

557 (b) Account agreements may be amended to provide for adjusted levels of payments
558 based upon changed circumstances or changes in educational plans.

559 (c) An account owner may make additional optional payments as long as the total
560 payments for a specific beneficiary do not exceed the total estimated higher education costs as
561 determined by the program administrator.

562 (d) Subject to Subsection (1)(f), the maximum amount of a qualified investment that a
563 corporation that is an account owner may subtract from unadjusted income for a taxable year in
564 accordance with Title 59, Chapter 7, Corporate Franchise and Income Taxes, is [~~\$1,560~~
565 \$1,650] for each individual beneficiary for the taxable year beginning on or after January 1,
566 [~~2006~~] 2008, but beginning on or before December 31, [~~2006~~] 2008.

567 (e) Subject to Subsection (1)(f), the maximum amount of a qualified investment that
568 may be subtracted from federal taxable income of a resident or nonresident individual for a
569 taxable year in accordance with Section 59-10-114, a resident or nonresident estate or trust for
570 a taxable year in accordance with Section 59-10-202, or used as the basis for claiming a tax
571 credit for a taxable year by a resident or nonresident individual in accordance with Section
572 59-10-1206.1, is:

573 (i) for a resident or nonresident estate or trust that is an account owner, [~~\$1,560~~] \$1,650
574 for each individual beneficiary for the taxable year beginning on or after January 1, [~~2006~~]
575 2008, but beginning on or before December 31, [~~2006~~] 2008;

576 (ii) for a resident or nonresident individual that is an account owner, other than a
577 husband and wife who are account owners and file a single return jointly, [~~\$1,560~~] \$1,650 for
578 each individual beneficiary for the taxable year beginning on or after January 1, [~~2006~~] 2008,
579 but beginning on or before December 31, [~~2006~~] 2008; or

580 (iii) for a husband and wife who are account owners and file a single return jointly,
581 [~~\$3,120~~] \$3,300 for each individual beneficiary:

582 (A) for the taxable year beginning on or after January 1, [~~2006~~] 2008, but beginning on
583 or before December 31, [~~2006~~] 2008; and

584 (B) regardless of whether the Utah Educational Savings Plan Trust has entered into:

585 (I) a separate account agreement with each spouse; or

586 (II) a single account agreement with both spouses jointly.

587 (f) (i) For taxable years beginning on or after January 1, [~~2007~~] 2009, the program
588 administrator shall increase or decrease the maximum amount of a qualified investment
589 described in Subsections (1)(d) and (1)(e)(i) and (ii), by a percentage equal to the percentage
590 difference between the consumer price index for the preceding calendar year and the consumer
591 price index for the calendar year [~~2005~~] 2007.

592 (ii) After making an increase or decrease required by Subsection (1)(f)(i), the program
593 administrator shall:

594 (A) round the maximum amount of the qualified investments described in Subsections
595 (1)(d) and (1)(e)(i) and (ii) increased or decreased under Subsection (1)(f)(i) to the nearest ten
596 dollar increment; and

597 (B) increase or decrease the maximum amount of the qualified investment described in
598 Subsection (1)(e)(iii) so that the maximum amount of the qualified investment described in
599 Subsection (1)(e)(iii) is equal to the product of:

600 (I) the maximum amount of the qualified investment described in Subsection (1)(e)(ii)
601 as rounded under Subsection (1)(f)(ii)(A); and

602 (II) two.

603 (iii) For purposes of Subsections (1)(f)(i) and (ii), the program administrator shall
604 calculate the consumer price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue
605 Code.

606 (g) In accordance with Section 59-10-1206.1, a beneficiary may claim a tax credit for a
607 qualified investment to the beneficiary's account in the amount of the beneficiary's tax liability
608 under Title 59, Chapter 10, Individual Income Tax Act, if:

609 (i) the beneficiary is under age 19 on the last day of the taxable year that the tax credit
610 is claimed; and

611 (ii) the account owner does not:

612 (A) deduct the qualified investment on the account owner's federal income tax return;

613 or

614 (B) claim a nonrefundable tax credit under Section 59-10-1206.1.

615 (2) (a) (i) Beneficiaries designated in account agreements must be designated after
616 birth and before age 19 for an account owner to:

- 617 (A) subtract a qualified investment from income under:
- 618 (I) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
- 619 (II) Section 59-10-114; or
- 620 (III) Section 59-10-202; or
- 621 (B) use a qualified investment as the basis for claiming a tax credit in accordance with
- 622 Section 59-10-1206.1.
- 623 (ii) If the beneficiary is designated after birth and before age 19, the payment of
- 624 benefits provided under the account agreement must begin not later than the beneficiary's 27th
- 625 birthday.
- 626 (b) (i) Account owners may designate beneficiaries age 19 or older, but investments for
- 627 those beneficiaries are not eligible for subtraction from federal taxable income.
- 628 (ii) If a beneficiary age 19 or older is designated, the payment of benefits provided
- 629 under the account agreement must begin not later than ten years from the account agreement
- 630 date.
- 631 (3) Each account agreement shall state clearly that there are no guarantees regarding
- 632 moneys in the Utah Educational Savings Plan Trust as to the return of principal and that losses
- 633 could occur.
- 634 (4) Each account agreement shall provide that:
- 635 (a) no contributor to, or designated beneficiary under, an account agreement may direct
- 636 the investment of any contributions or earnings on contributions;
- 637 (b) no part of the money in any account may be used as security for a loan; and
- 638 (c) no account owner may borrow from the Utah Educational Savings Plan Trust.
- 639 (5) The execution of an account agreement by the trust may not guarantee in any way
- 640 that higher education costs will be equal to projections and estimates provided by the Utah
- 641 Educational Savings Plan Trust or that the beneficiary named in any participation agreement
- 642 will:
- 643 (a) be admitted to an institution of higher education;
- 644 (b) if admitted, be determined a resident for tuition purposes by the institution of
- 645 higher education, unless the account agreement is vested;
- 646 (c) be allowed to continue attendance at the institution of higher education following
- 647 admission; or

648 (d) graduate from the institution of higher education.

649 (6) Beneficiaries may be changed as permitted by the rules and regulations of the board
650 upon written request of the account owner prior to the date of admission of any beneficiary
651 under an account agreement by an institution of higher education so long as the substitute
652 beneficiary is eligible for participation.

653 (7) Account agreements may be freely amended throughout their terms in order to
654 enable account owners to increase or decrease the level of participation, change the designation
655 of beneficiaries, and carry out similar matters as authorized by rule.

656 (8) Each account agreement shall provide that:

657 (a) the account agreement may be canceled upon the terms and conditions, and upon
658 payment of the fees and costs set forth and contained in the board's rules and regulations; and

659 (b) the program administrator may amend the agreement unilaterally and retroactively,
660 if necessary, to maintain the Utah Educational Savings Plan Trust as a qualified tuition
661 program under Section 529 Internal Revenue Code.

662 Section 13. Section **53B-16-101** is amended to read:

663 **53B-16-101. Establishment of institutional roles and general courses of study.**

664 (1) Except as institutional roles are specifically assigned by the Legislature[;]:

665 (a) the board may establish and define the roles of the [various] institutions of higher
666 education [~~under its control and management and shall prescribe the general course of study to~~
667 ~~be offered at each institution.;~~ in providing graduate programs and graduate degrees; and

668 (b) the board of trustees of an institution shall establish and define the role of the
669 institution in providing undergraduate programs and undergraduate degrees and non-degree
670 programs.

671 (2) In establishing and defining institutional roles in providing graduate programs and
672 degrees, the board shall consider the traditional roles of the separate institutions.

673 Section 14. Section **53B-16-102** is amended to read:

674 **53B-16-102. Changes in curriculum -- Substantial alterations in institutional**
675 **operations -- Periodic review of programs -- Applied technology education curriculum**
676 **changes.**

677 (1) [~~Under procedures and policies approved by the board and developed in~~
678 ~~consultation with each institution of higher education, each] An institution may make [such]~~

679 changes in its undergraduate curriculum as necessary to better effectuate the institutional role
680 previously approved by the institution's board of trustees.

681 (2) Notice of a change in the undergraduate curriculum shall [~~in all cases~~] be promptly
682 submitted to the board.

683 (3) The board shall establish procedures and policies for considering [~~institutional~~
684 ~~proposals for substantial alterations in the scope of existing institutional operations~~] changes to
685 the graduate curriculum of an institution.

686 (4) [~~Alterations shall~~] A change to an institution's graduate curriculum may not be
687 made without prior approval of the [state] board.

688 [~~(5) For purposes of this section, "substantial alteration" means the establishment of a~~
689 ~~branch, extension center, college, professional school, division, institute, department, or a new~~
690 ~~program in instruction, research, or public services or a new degree, diploma, or certificate.]~~

691 [(6)] (5) The board shall conduct periodic reviews of all programs of instruction,
692 research, and public service at each institution, including those funded by gifts, grants, and
693 contracts, and may require the modification or termination of any program other than an
694 undergraduate or non-degree program of instruction.

695 [(7)] (6) Prior to requiring modification or termination of a program, the board shall
696 give the institution adequate opportunity for a hearing before the board.

697 [(8)] (7) In making decisions related to applied technology curriculum changes, the
698 board shall request a review of the proposed changes by the State Board of Education to ensure
699 an orderly and systematic applied technology education curriculum that eliminates overlap and
700 duplication of course work with the high schools and the Utah College of Applied Technology.

701 Section 15. Section **53B-16-103** is amended to read:

702 **53B-16-103. Granting of degrees, diplomas, or certification -- Board approval --**
703 **Termination of previous approval.**

704 (1) (a) An institution of higher education may not issue a graduate degree, [~~diploma, or~~
705 ~~certificate~~] unless it first receives approval from the board of the adequacy of the study for
706 which the graduate degree[~~, diploma, or certificate~~] is offered.

707 (b) A student shall demonstrate a reasonable understanding of the history, principles,
708 form of government, and economic system of the United States prior to receiving a bachelor's
709 degree or teaching credential.

710 (2) Degrees~~[-, diplomas, and certificates]~~ issued prior to the effective date of this
711 chapter do not require board approval.

712 (3) The board may terminate the granting of previously approved graduate degrees;
713 ~~diplomas, and certificates]~~ if they are inconsistent with the role prescribed by the board for the
714 affected institution.

715 Section 16. Section **53B-16-201** is amended to read:

716 **53B-16-201. Degrees and certificates that may be conferred.**

717 (1) The College of Eastern Utah, Snow College, and Salt Lake Community College
718 may confer certificates of completion and undergraduate degrees as determined by the [~~State~~
719 ~~Board of Regents]~~ board of trustees of the respective institution.

720 (2) The board of trustees shall develop evaluative criteria as a means of carefully
721 monitoring the impact of degree programs on the vocational mission of the [~~colleges]~~
722 institution.

723 Section 17. Section **59-10-1017** is enacted to read:

724 **59-10-1017. Nonrefundable higher education tuition credit.**

725 (1) As used in this section:

726 (a) "Eligible institution" means an institution within the state system of higher
727 education specified in Section 53B-1-102.

728 (b) "Qualified higher education expenses" mean tuition and mandatory fees paid in a
729 taxable year by the claimant, less any refunds, scholarships, and other forms of financial aid
730 received but not subject to repayment.

731 (2) (a) For taxable years beginning on or after January 1, 2009, a claimant may claim a
732 nonrefundable tax credit:

733 (i) as provided in this section;

734 (ii) against 25% of the taxes otherwise due under this chapter; and

735 (iii) in an amount equal to 100% of qualified higher education expenses incurred:

736 (A) by the claimant; and

737 (B) for the claimant's enrollment at an eligible institution.

738 (b) The nonrefundable tax credit under this section may only be claimed:

739 (i) if the claimant identifies to the commission the eligible institution or institutions
740 where claimant was enrolled;

741 (ii) if the claimant provides written authorization for the eligible institution to release
742 the claimant's enrollment and applicable qualified higher education expense information to the
743 commission; and

744 (iii) to the extent that the credit under this section and any federal education tax credits
745 claimed by the claimant do not exceed the amount of qualified higher education expenses.

746 (c) A claimant may carry forward a tax credit under this section if:

747 (i) the claimant is allowed to claim a tax credit under this section for the taxable year;
748 and

749 (ii) the amount of the tax credit exceeds 25% of the claimant's tax liability under this
750 chapter for that taxable year.

751 (3) Upon request of the commission, the eligible institution shall release applicable
752 enrollment and qualified higher education expense information to the commission for a
753 claimant that claims a tax credit under this section.

754 (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
755 commission shall make rules to establish procedures for a claimant to claim a nonrefundable
756 tax credit under this section, including procedures and documentation that minimize the
757 potential for fraud.

758 Section 18. Section **59-10-1206.1** is amended to read:

759 **59-10-1206.1. Utah Educational Savings Plan tax credit.**

760 (1) As used in this section:

761 (a) "Account" means an account established under Title 53B, Chapter 8a, Higher
762 Education Savings Incentive Program.

763 ~~[(a)]~~ (b) "Account owner" is as defined in Section 53B-8a-102.

764 (c) "Beneficiary" is a defined in Section 53B-8a-102.

765 ~~[(b)]~~ (d) "Claimant" means a resident or nonresident individual that has state taxable
766 income under this part.

767 ~~[(c)]~~ (e) "Higher education costs" is as defined in Section 53B-8a-102.

768 ~~[(d)]~~ (f) "Maximum amount of a qualified investment for the taxable year" means, for a
769 taxable year:

770 (i) for a claimant that is an account owner, if that claimant is a person other than
771 husband and wife account owners who file a single return jointly, the maximum amount of a

772 qualified investment:

773 (A) listed in Subsection 53B-8a-106(1)(e)(ii); and

774 (B) increased or decreased for that taxable year in accordance with Subsection
775 53B-8a-106(1)(f); or

776 (ii) for claimants who are husband and wife account owners who file a single return
777 jointly, the maximum amount of a qualified investment:

778 (A) listed in Subsection 53B-8a-106(1)(e)(iii); and

779 (B) increased or decreased for that taxable year in accordance with Subsection
780 53B-8a-106(1)(f).

781 ~~(e)~~ (g) "Qualified investment" is as defined in Section 53B-8a-102.

782 (2) For taxable years beginning on or after January 1, 2007, a claimant that is an
783 account owner may claim a nonrefundable tax credit equal to the product of:

784 (a) the lesser of:

785 (i) the amount of a qualified investment the claimant:

786 (A) makes during the taxable year; and

787 (B) does not deduct on the claimant's federal individual income tax return; or

788 (ii) the maximum amount of a qualified investment for the taxable year if the amount
789 described in Subsection (2)(a)(i) is greater than the maximum amount of a qualified investment
790 for the taxable year; and

791 (b) (i) for the taxable year beginning on or after January 1, 2007, but beginning on or
792 before December 31, 2007, 5.35%; or

793 (ii) for taxable years beginning on or after January 1, 2008, 5%.

794 (3) For taxable years beginning on or after January 1, 2008, a claimant that is a
795 beneficiary may claim a nonrefundable tax credit for the amount of a qualified investment
796 made to the beneficiary's account not exceeding the beneficiary's tax liability under Title 59,
797 Chapter 10, Individual Income Tax Act, if:

798 (a) the beneficiary is under age 19 on the last day of the taxable year that the tax credit
799 is claimed; and

800 (b) the account owner does not:

801 (i) deduct the qualified investment on the account owner's federal income tax return; or

802 (ii) claim a nonrefundable tax credit under this section.

803 [~~(3)~~] (4) A tax credit under this section may not be carried forward or carried back.

804 Section 19. Section **67-22-2** is amended to read:

805 **67-22-2. Compensation -- Other state officers.**

806 (1) As used in this section:

807 (a) "Appointed executive" means the:

808 (i) Commissioner of the Department of Agriculture and Food;

809 (ii) Commissioner of the Insurance Department;

810 (iii) Commissioner of the Labor Commission;

811 (iv) Director, Alcoholic Beverage Control Commission;

812 (v) Commissioner of the Department of Financial Institutions;

813 (vi) Executive Director, Department of Commerce;

814 (vii) Executive Director, Commission on Criminal and Juvenile Justice;

815 (viii) Adjutant General;

816 (ix) Executive Director, Department of Community and Culture;

817 (x) Executive Director, Department of Corrections;

818 (xi) Commissioner, Department of Public Safety;

819 (xii) Executive Director, Department of Natural Resources;

820 (xiii) Director, Governor's Office of Planning and Budget;

821 (xiv) Executive Director, Department of Administrative Services;

822 (xv) Executive Director, Department of Human Resource Management;

823 (xvi) Executive Director, Department of Environmental Quality;

824 (xvii) Director, Governor's Office of Economic Development;

825 (xviii) Executive Director, Utah Science Technology and Research Governing

826 Authority;

827 (xix) Executive Director, Department of Workforce Services;

828 (xx) Executive Director, Department of Health, Nonphysician;

829 (xxi) Executive Director, Department of Human Services;

830 (xxii) Executive Director, Department of Transportation; [~~and~~]

831 (xxiii) Executive Director, Department of Technology Services[-]; and

832 (xxiv) Commissioner of Higher Education.

833 (b) "Board or commission executive" means:

- 834 (i) Members, Board of Pardons and Parole;
- 835 (ii) Chair, State Tax Commission;
- 836 (iii) Commissioners, State Tax Commission;
- 837 (iv) Executive Director, State Tax Commission;
- 838 (v) Chair, Public Service Commission; and
- 839 (vi) Commissioners, Public Service Commission.

840 (c) "Deputy" means the person who acts as the appointed executive's second in
841 command as determined by the Department of Human Resource Management.

842 (2) (a) The executive director of the Department of Human Resource Management
843 shall:

844 (i) before October 31 of each year, recommend to the governor a compensation plan for
845 the appointed executives and the board or commission executives; and

846 (ii) base those recommendations on market salary studies conducted by the Department
847 of Human Resource Management.

848 (b) (i) The Department of Human Resource Management shall determine the salary
849 range for the appointed executives by:

850 (A) identifying the salary range assigned to the appointed executive's deputy;

851 (B) designating the lowest minimum salary from those deputies' salary ranges as the
852 minimum salary for the appointed executives' salary range; and

853 (C) designating 105% of the highest maximum salary range from those deputies' salary
854 ranges as the maximum salary for the appointed executives' salary range.

855 (ii) If the deputy is a medical doctor, the Department of Human Resource Management
856 may not consider that deputy's salary range in designating the salary range for appointed
857 executives.

858 (c) In establishing the salary ranges for board or commission executives, the
859 Department of Human Resource Management shall set the maximum salary in the salary range
860 for each of those positions at ~~[90 percent]~~ 90% of the salary for district judges as established in
861 the annual appropriation act under Section 67-8-2.

862 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a
863 specific salary for each appointed executive within the range established under Subsection
864 (2)(b).

865 (ii) If the executive director of the Department of Health is a physician, the governor
866 shall establish a salary within the highest physician salary range established by the Department
867 of Human Resource Management.

868 (iii) The governor may provide salary increases for appointed executives within the
869 range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).

870 (b) The governor shall apply the same overtime regulations applicable to other FLSA
871 exempt positions.

872 (c) The governor may develop standards and criteria for reviewing the appointed
873 executives.

874 (4) Salaries for other Schedule A employees, as defined in Section 67-19-15, that are
875 not provided for in this chapter, or in Title 67, Chapter 8, Utah [~~Executive~~] Elected Official and
876 Judicial Salary Act, shall be established as provided in Section 67-19-15.

877 (5) (a) The Legislature fixes benefits for the appointed executives and the board or
878 commission executives as follows:

879 (i) the option of participating in a state retirement system established by Title 49, Utah
880 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
881 by the State Retirement Office in accordance with the Internal Revenue Code and its
882 accompanying rules and regulations;

883 (ii) health insurance;

884 (iii) dental insurance;

885 (iv) basic life insurance;

886 (v) unemployment compensation;

887 (vi) workers' compensation;

888 (vii) required employer contribution to Social Security;

889 (viii) long-term disability income insurance;

890 (ix) the same additional state-paid life insurance available to other noncareer service
891 employees;

892 (x) the same severance pay available to other noncareer service employees;

893 (xi) the same leave, holidays, and allowances granted to Schedule B state employees as
894 follows:

895 (A) sick leave;

- 896 (B) converted sick leave if accrued prior to January 1, 2014;
- 897 (C) educational allowances;
- 898 (D) holidays; and
- 899 (E) annual leave except that annual leave shall be accrued at the maximum rate
900 provided to Schedule B state employees;
- 901 (xii) the option to convert accumulated sick leave to cash or insurance benefits as
902 provided by law or rule upon resignation or retirement according to the same criteria and
903 procedures applied to Schedule B state employees;
- 904 (xiii) the option to purchase additional life insurance at group insurance rates according
905 to the same criteria and procedures applied to Schedule B state employees; and
- 906 (xiv) professional memberships if being a member of the professional organization is a
907 requirement of the position.
- 908 (b) Each department shall pay the cost of additional state-paid life insurance for its
909 executive director from its existing budget.
- 910 (6) The Legislature fixes the following additional benefits:
- 911 (a) for the executive director of the State Tax Commission a vehicle for official and
912 personal use;
- 913 (b) for the executive director of the Department of Transportation a vehicle for official
914 and personal use;
- 915 (c) for the executive director of the Department of Natural Resources a vehicle for
916 commute and official use;
- 917 (d) for the Commissioner of Public Safety:
 - 918 (i) an accidental death insurance policy if POST certified; and
 - 919 (ii) a public safety vehicle for official and personal use;
- 920 (e) for the executive director of the Department of Corrections:
 - 921 (i) an accidental death insurance policy if POST certified; and
 - 922 (ii) a public safety vehicle for official and personal use;
- 923 (f) for the Adjutant General a vehicle for official and personal use; and
- 924 (g) for each member of the Board of Pardons and Parole a vehicle for commute and
925 official use.

Legislative Review Note
as of 2-14-08 4:22 PM

Office of Legislative Research and General Counsel

H.B. 190 - State System of Higher Education Amendments

Fiscal Note

2008 General Session

State of Utah

State Impact

This bill moves some of the governance of higher education from the State Board of Regents to individual institutions' boards of trustees. While this provision would not have any short-term fiscal impact, if the boards of trustees were to expand programs, costs would increase.

The bill also provides a tax credit for tuition and fees paid for higher education. The anticipated loss of Education Fund revenue is estimated at \$88.7 million.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
Education Fund	\$0	\$0	\$0	\$0	(\$88,700,000)	(\$88,700,000)
Total	\$0	\$0	\$0	\$0	(\$88,700,000)	(\$88,700,000)

Individual, Business and/or Local Impact

Students who have both an income tax liability and pay higher education tuition and fees would be able to claim a credit of 25% of those fees paid.
