

1 **Representative LaVar Christensen** proposes the following substitute bill:

2 **RETIREMENT AND INDEPENDENT ENTITIES BASE BUDGET**

3 2017 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: LaVar Christensen**

6 **Senate Sponsor: Daniel Hemmert**

7
8 **LONG TITLE**

9 **Committee Note:**

10 The Retirement and Independent Entities Appropriations Subcommittee recommended this
11 bill.

12 **General Description:**

13 This bill supplements or reduces appropriations previously provided for the use and
14 operation of state government for the fiscal year beginning July 1, 2016 and ending June 30, 2017;
15 and appropriates funds for the support and operation of state government for the fiscal year
16 beginning July 1, 2017 and ending June 30, 2018.

17 **Highlighted Provisions:**

18 This bill:

- 19 ▶ provides appropriations for the use and support of certain state agencies;
- 20 ▶ provides appropriations for other purposes as described;
- 21 ▶ approves employment levels for internal service funds; and
- 22 ▶ approves capital acquisition amounts for internal service funds.

23 **Money Appropriated in this Bill:**

24 This bill appropriates (\$62,400) in operating and capital budgets for fiscal year 2017,
25 including:

- 26 ▶ (\$42,400) from the General Fund;
- 27 ▶ (\$20,000) from various sources as detailed in this bill.

28 This bill appropriates \$45,870,800 in operating and capital budgets for fiscal year 2018,
29 including:

- 30 ▶ \$1,080,100 from the General Fund;



- 31 ▶ \$22,275,400 from the Education Fund;
- 32 ▶ \$22,515,300 from various sources as detailed in this bill.
- 33 This bill appropriates \$14,223,700 in business-like activities for fiscal year 2018.

34 Other Special Clauses:

35 Section 1 of this bill takes effect immediately. Section 2 of this bill takes effect on July 1,
 36 2017.

37 Utah Code Sections Affected:

38 ENACTS UNCODIFIED MATERIAL

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

41 Section 1. **FY 2017 Appropriations.** The following sums of money are appropriated for the
 42 fiscal year beginning July 1, 2016 and ending June 30, 2017. These are additions to amounts
 43 previously appropriated for fiscal year 2017.

44 Subsection 1(a). **Operating and Capital Budgets.** Under the terms and conditions of
 45 Utah Code Title 63J, the Legislature appropriates the following sums of money from the funds or
 46 fund accounts indicated for the use and support of the government of the State of Utah.

47 CAREER SERVICE REVIEW OFFICE

48 ITEM 1 To Career Service Review Office

49 Under the terms of Section 63J-1-603 of the Utah Code, the
 50 Legislature intends that \$30,000 of appropriations provided for
 51 the Career Service Review Office in Laws of Utah 2016,
 52 Chapter 8, Item 1 shall not lapse at the close of fiscal year
 53 2017. The use of any nonlapsing funds is limited to grievance
 54 resolution.

55 DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

56 ITEM 2 To Department of Human Resource Management - Human
 57 Resource Management

58	From General Fund, One-Time	(42,400)
59	From Beginning Nonlapsing Balances	50,000
60	From Closing Nonlapsing Balances	(70,000)
61	Schedule of Programs:	
62	ALJ Compliance	(62,400)

63 Under the terms of Section 63J-1-603 of the Utah Code, the
 64 Legislature intends that \$70,000 of appropriations provided for
 65 the Department of Human Resource Management in Laws of
 66 Utah 2016, Chapter 8, Item 2 shall not lapse at the close of
 67 fiscal year 2017. The use of any nonlapsing funds is limited to
 68 \$50,000 for statewide management training and \$20,000 for

69 administrative law judge compliance.

70 The Legislature authorizes the Department of Human
71 Resource Management to transfer \$100,000 of capital assets
72 from the Human Resource Management line item to the
73 Human Resources Internal Service Fund.

74 Subsection 1(b). **Business-like Activities.** The Legislature has reviewed the following
75 proprietary funds. Under the terms and conditions of Utah Code 63J-1-410, for any included
76 Internal Service Fund the Legislature approves budgets, full-time permanent positions, and capital
77 acquisition amounts as indicated, and appropriates to the funds as indicated estimated revenue from
78 rates, fees, and other charges. Where applicable, the Legislature authorizes the State Division of
79 Finance to transfer amounts among funds and accounts as indicated.

80 DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

81 ITEM 3 To Department of Human Resource Management - Human
82 Resources Internal Service Fund

83 Schedule of Programs:

84 Administration	747,300
85 Information Technology	989,700
86 ISF - Core HR Services	2,900
87 ISF - Field Services	(2,111,800)
88 ISF - Legal Services	(122,300)
89 ISF - Payroll Field Services	9,200
90 Policy	485,000
91 Authorized Capital Outlay	525,000

92 Section 2. **FY 2018 Appropriations.** The following sums of money are appropriated for the
93 fiscal year beginning July 1, 2017 and ending June 30, 2018.

94 Subsection 2(a). **Operating and Capital Budgets.** Under the terms and conditions of
95 Utah Code Title 63J, the Legislature appropriates the following sums of money from the funds or
96 fund accounts indicated for the use and support of the government of the State of Utah.

97 CAREER SERVICE REVIEW OFFICE

98 ITEM 4 To Career Service Review Office

99 From General Fund	272,300
100 From Beginning Nonlapsing Balances	30,000

101 Schedule of Programs:

102 Career Service Review Office	302,300
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103 The Legislature intends that the Career Service Review
104 Office report on the following performance measure: (1) days
105 to issue a jurisdictional decision (Target=15 or less), (2) days
106 to conduct an evidentiary hearing (Target=150 or less), and (3)

107	working days to issue the evidentiary hearing written decision	
108	(Target=20 or less) by October 31, 2017 to the Retirement and	
109	Independent Entities Appropriations Subcommittee.	
110	DEPARTMENT OF HUMAN RESOURCE MANAGEMENT	
111	ITEM 5 To Department of Human Resource Management - Human	
112	Resource Management	
113	From General Fund	20,000
114	From Dedicated Credits Revenue	200,000
115	From Beginning Nonlapsing Balances	70,000
116	Schedule of Programs:	
117	ALJ Compliance	40,000
118	Statewide Management Liability Training	250,000
119	The Legislature intends that the Department of Human	
120	Resource Management report on the following performance	
121	measures for the Human Resource Management line item: (1)	
122	percent of administrative law judge evaluations completed on	
123	time (Target=100%), (2) number of graduates from the	
124	Certified Public Manager course (Target=70), and (3) number	
125	of participant hours in leadership classes (Target=2,500) by	
126	October 31, 2017 to the Retirement and Independent Entities	
127	Appropriations Subcommittee.	
128	UTAH EDUCATION AND TELEHEALTH NETWORK	
129	ITEM 6 To Utah Education and Telehealth Network - Digital Teaching and	
130	Learning Program	
131	From Education Fund	160,000
132	Schedule of Programs:	
133	Digital Teaching and Learning Program	160,000
134	ITEM 7 To Utah Education and Telehealth Network	
135	From General Fund	787,800
136	From Education Fund	22,115,400
137	From Federal Funds	3,501,200
138	From Dedicated Credits Revenue	17,682,300
139	From Other Financing Sources	151,000
140	From Beginning Nonlapsing Balances	3,016,200
141	From Closing Nonlapsing Balances	(2,135,400)
142	Schedule of Programs:	
143	Administration	3,686,200
144	Course Management Systems	515,100

145	Instructional Support	3,930,600
146	KUEN Broadcast	667,200
147	Operations and Maintenance	405,500
148	Public Information	266,900
149	Statewide Data Alliance	645,000
150	Technical Services	33,400,300
151	Utah Telehealth Network	1,601,700

152 The Legislature intends that the Utah Education and
 153 Telehealth Network report on the following performance
 154 measures: (1) Circuit connections to institutions, with a FY
 155 2017 target of 97%; (2) Number of interactive video
 156 conferences (IVC) occurring over the Utah Education Network
 157 IVC systems, with a FY 2017 target of 39,000 classes
 158 delivered over the UEN System; and (3) The percentage of
 159 customers using the shared-cost Utah Education Network
 160 course management system, with a FY 2017 target of 25% for
 161 K-12 customers by October 31, 2017 to the Retirement and
 162 Independent Entities Appropriations Subcommittee.

163 Subsection 2(b). **Business-like Activities.** The Legislature has reviewed the following
 164 proprietary funds. Under the terms and conditions of Utah Code 63J-1-410, for any included
 165 Internal Service Fund the Legislature approves budgets, full-time permanent positions, and capital
 166 acquisition amounts as indicated, and appropriates to the funds as indicated estimated revenue from
 167 rates, fees, and other charges. Where applicable, the Legislature authorizes the State Division of
 168 Finance to transfer amounts among funds and accounts as indicated.

169 DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

170 ITEM 8 To Department of Human Resource Management - Human
 171 Resources Internal Service Fund

172	From Dedicated Credits Revenue	14,223,700
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173 Schedule of Programs:

174	Administration	747,300
175	Information Technology	989,700
176	ISF - Core HR Services	240,500
177	ISF - Field Services	11,082,600
178	ISF - Payroll Field Services	678,600
179	Policy	485,000

180	Budgeted FTE	145.0
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181	Authorized Capital Outlay	1,500,000
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182 The Legislature intends that the Department of Human

183 Resource Management report on the following performance
184 measures for the DHRM Internal Service Fund line item: (1)
185 days of operating expenses held in retained earnings
186 (Target=60 or less), (2) ratio of HR staff to customer agency
187 staff (Target=30% or more below industry average), and (3)
188 customer agency satisfaction rate (Target=85%) by October 31,
189 2017 to the Retirement and Independent Entities
190 Appropriations Subcommittee.

191 **Section 3. Effective Date.**

192 If approved by two-thirds of all the members elected to each house, Section 1 of this bill
193 takes effect upon approval by the Governor, or the day following the constitutional time limit of
194 Utah Constitution Article VII, Section 8 without the Governor's signature, or in the case of a veto,
195 the date of override. Section 2 of this bill takes effect on July 1, 2017.
196