

**HIGHER EDUCATION PERFORMANCE FUNDING**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ann Millner**

House Sponsor: Brad R. Wilson

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**LONG TITLE**

**General Description:**

This bill amends and enacts provisions related to performance funding for higher education institutions and applied technology colleges.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ amends the powers and duties of the Utah College of Applied Technology Board of Trustees to include responsibilities related to a model to determine performance;
- ▶ creates a restricted account;
- ▶ requires that, up to a limit, certain individual income tax revenue be deposited in the restricted account;
- ▶ restricts the use of money in the restricted account to performance funding for higher education institutions and applied technology colleges;
- ▶ requires the Department of Workforce Services to estimate the amount of growth, over a baseline amount, in individual income tax revenue generated by targeted jobs;
- ▶ directs the Legislature to determine appropriations from the restricted account for higher education institutions and applied technology colleges based on performance;
- ▶ requires the State Board of Regents and the Utah College of Applied Technology Board of Trustees to:
  - develop models for measuring the performance of higher education institutions and applied technology colleges; and

- 30 • report annually to the Higher Education Appropriations Subcommittee on the
- 31 performance of higher education institutions and applied technology colleges;
- 32 ▶ provides for the Office of the Legislative Auditor General to conduct an audit,
- 33 subject to prioritization of the Audit Subcommittee; and
- 34 ▶ makes technical and conforming changes.

35 **Money Appropriated in this Bill:**

36 None

37 **Other Special Clauses:**

38 None

39 **Utah Code Sections Affected:**

40 AMENDS:

41 **53B-2a-104**, as last amended by Laws of Utah 2016, Chapter 236

42 **53B-7-101**, as last amended by Laws of Utah 2015, Chapter 361

43 **63I-2-253**, as last amended by Laws of Utah 2016, Chapters 128, 229, 236, 271, and

44 318

45 ENACTS:

46 **53B-7-701**, Utah Code Annotated 1953

47 **53B-7-702**, Utah Code Annotated 1953

48 **53B-7-703**, Utah Code Annotated 1953

49 **53B-7-704**, Utah Code Annotated 1953

50 **53B-7-705**, Utah Code Annotated 1953

51 **53B-7-706**, Utah Code Annotated 1953

52 **53B-7-707**, Utah Code Annotated 1953

53 **53B-7-708**, Utah Code Annotated 1953



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

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

57 **53B-2a-104. Utah College of Applied Technology Board of Trustees -- Powers**

58 **and duties.**

59 (1) The Utah College of Applied Technology Board of Trustees is vested with the  
60 control, management, and supervision of applied technology colleges within the Utah College  
61 of Applied Technology in a manner consistent with the policy and purpose of this title and the  
62 specific powers and responsibilities granted to the board of trustees.

63 (2) The board of trustees shall:

64 (a) ensure that an applied technology college complies with the requirements in Section  
65 [53B-2a-106](#);

66 (b) appoint the commissioner of technical education in accordance with Section  
67 [53B-2a-102](#);

68 (c) advise the commissioner of technical education and the State Board of Regents on  
69 issues related to career and technical education, including articulation with institutions of  
70 higher education and public education;

71 (d) ensure that a secondary student in the public education system has access to career  
72 and technical education through an applied technology college in the secondary student's  
73 service region;

74 (e) in consultation with the State Board of Education, the State Board of Regents, and  
75 applied technology college presidents, develop strategies for providing career and technical  
76 education in rural areas, considering distances between rural career and technical education  
77 providers;

78 (f) receive budget requests from each applied technology college, compile and  
79 prioritize the requests, and submit the request to:

80 (i) the Legislature; and

81 (ii) the Governor's Office of Management and Budget;

82 (g) receive funding requests pertaining to capital facilities and land purchases from  
83 each applied technology college, ensure that the requests comply with Section [53B-2a-112](#),  
84 prioritize the requests, and submit the prioritized requests to the State Building Board;

85 (h) comply with Chapter 7, Part 7, Performance Funding;

86           ~~[(h)]~~ (i) in conjunction with the commissioner of technical education, establish  
87 benchmarks, provide oversight, evaluate program performance, and obtain independent audits  
88 to ensure that an applied technology college follows the non-credit career and technical  
89 education mission described in this part;

90           ~~[(i)]~~ (j) approve programs for the Utah College of Applied Technology;

91           ~~[(j)]~~ (k) approve the tuition rates for applied technology colleges within the Utah  
92 College of Applied Technology;

93           ~~[(k)]~~ (l) prepare and submit an annual report detailing the board of trustees' progress  
94 and recommendations on career and technical education issues to the governor and to the  
95 Legislature's Education Interim Committee by October 31 of each year, which shall include  
96 information detailing:

97           (i) how the career and technical education needs of secondary students are being met,  
98 including what access secondary students have to programs offered at applied technology  
99 colleges;

100           (ii) how the emphasis on high demand, high wage, and high skill jobs in business and  
101 industry described in Section [53B-2a-106](#) is being provided;

102           (iii) performance outcomes, including:

103           ~~[(A) entered employment;]~~

104           ~~[(B) job retention; and]~~

105           (A) performance on the metrics described in Section [53B-7-707](#); and

106           ~~[(C)]~~ (B) earnings; and

107           (iv) student tuition and fees; and

108           ~~[(h)]~~ (m) collaborate with the State Board of Regents, the State Board of Education, the  
109 state system of public education, the state system of higher education, the Department of  
110 Workforce Services, and the Governor's Office of Economic Development on the delivery of  
111 career and technical education.

112           (3) The board of trustees, the commissioner of technical education, or an applied  
113 technology college, president, or board of directors may not conduct a feasibility study or

114 perform another act relating to offering a degree or awarding credit.

115 Section 2. Section **53B-7-101** is amended to read:

116 **53B-7-101. Combined requests for appropriations -- Board review of operating**  
 117 **budgets -- Submission of budgets -- Recommendations -- Hearing request --**  
 118 **Appropriation formulas -- Allocations -- Dedicated credits -- Financial affairs.**

119 (1) As used in this section:

120 (a) (i) "Higher education institution" or "institution" means an institution of higher  
 121 education listed in Section [53B-1-102](#).

122 (ii) "Higher education institution" or "institution" does not include the Utah College of  
 123 Applied Technology.

124 (b) "Research university" means the University of Utah or Utah State University.

125 (2) (a) The board shall recommend a combined appropriation for the operating budgets  
 126 of higher education institutions for inclusion in a state appropriations act.

127 (b) The board's combined budget recommendation shall include:

128 (i) employee compensation;

129 (ii) mandatory costs, including building operations and maintenance, fuel, and power;

130 [~~(iii) mission based funding described in Subsection (3);~~]

131 [~~(iv)~~] (iii) performance funding described in:

132 (A) Subsection [~~(4);~~] (3); and

133 (B) Part 7, Performance Funding;

134 [~~(v)~~] (iv) statewide and institutional priorities, including scholarships, financial aid,  
 135 and technology infrastructure; and

136 [~~(vi) unfunded historic growth.~~]

137 (v) enrollment growth.

138 (c) The board's recommendations shall be available for presentation to the governor  
 139 and to the Legislature at least 30 days prior to the convening of the Legislature, and shall  
 140 include schedules showing the recommended amounts for each institution, including separately  
 141 funded programs or divisions.

142 (d) The recommended appropriations shall be determined by the board only after it has  
143 reviewed the proposed institutional operating budgets, and has consulted with the various  
144 institutions and board staff in order to make appropriate adjustments.

145 [~~(3)~~(a) ~~The board shall establish mission based funding.~~]

146 [~~(b)~~ ~~Mission based funding shall include:~~]

147 [~~(i)~~ ~~enrollment growth; and~~]

148 [~~(ii)~~ ~~up to three strategic priorities.~~]

149 [~~(c)~~ ~~The strategic priorities described in Subsection (3)(b)(ii) shall be:~~]

150 [~~(i)~~ ~~approved by the board; and~~]

151 [~~(ii)~~ ~~designed to improve the availability, effectiveness, or quality of higher education~~  
152 ~~in the state.~~]

153 [~~(d)~~ ~~Concurrent with recommending mission based funding, the board shall also~~  
154 ~~recommend to the Legislature ways to address funding any inequities for institutions as~~  
155 ~~compared to institutions with similar missions.~~]

156 [~~(4)~~] (3) (a) The board shall establish performance funding.

157 (b) Performance funding shall include metrics approved by the board, including:

158 (i) degrees and certificates granted;

159 (ii) services provided to traditionally underserved populations;

160 (iii) responsiveness to workforce needs;

161 (iv) institutional efficiency; and

162 (v) for a research university, graduate research metrics.

163 (c) The board shall:

164 (i) award performance funding appropriated by the Legislature to institutions based on  
165 the institution's success in meeting the metrics described in Subsection [~~(4)~~] (3)(b); and

166 (ii) reallocate funding that is not awarded to an institution under Subsection [~~(4)~~]

167 (3)(c)(i) for distribution to other institutions that meet the metrics described in Subsection [~~(4)~~]

168 (3)(b).

169 [~~(5)~~] (4) (a) Institutional operating budgets shall be submitted to the board at least 90

170 days prior to the convening of the Legislature in accordance with procedures established by the  
171 board.

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

174 [~~(6)~~] (5) (a) The budget recommendations of the board shall be accompanied by full  
175 explanations and supporting data.

176 (b) The appropriations recommended by the board shall be made with the dual  
177 objective of:

178 (i) justifying for higher educational institutions appropriations consistent with their  
179 needs, and consistent with the financial ability of the state; and

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

182 [~~(7)~~] (6) (a) The board shall request a hearing with the governor on the recommended  
183 appropriations.

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

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

191 [~~(8)~~] (7) The board may devise, establish, periodically review, and revise formulas for  
192 its use and for the use of the governor and the committees of the Legislature in making  
193 appropriation recommendations.

194 [~~(9)~~] (8) (a) The board shall recommend to each session of the Legislature the  
195 minimum tuitions, resident and nonresident, for each institution which it considers necessary to  
196 implement the budget recommendations.

197 (b) The board may fix the tuition, fees, and charges for each institution at levels it finds

198 necessary to meet budget requirements.

199 ~~[(10)-(a)]~~ (9) Money allocated to each institution by legislative appropriation may be  
200 budgeted in accordance with institutional work programs approved by the board, provided that  
201 the expenditures funded by appropriations for each institution are kept within the  
202 appropriations for the applicable period.

203 ~~[(b) A president of an institution shall:]~~  
204 ~~[(i) establish initiatives for the president's institution each year that are:]~~  
205 ~~[(A) aligned with the strategic priorities described in Subsection (3); and]~~  
206 ~~[(B) consistent with the institution's mission and role; and]~~  
207 ~~[(ii) allocate the institution's mission based funding to the initiatives:]~~

208 ~~[(11)]~~ (10) The dedicated credits, including revenues derived from tuitions, fees,  
209 federal grants, and proceeds from sales received by the institutions are appropriated to the  
210 respective institutions and used in accordance with institutional work programs.

211 ~~[(12)]~~ (11) Each institution may do its own purchasing, issue its own payrolls, and  
212 handle its own financial affairs under the general supervision of the board.

213 ~~[(13)-(a)]~~ (12) If the Legislature appropriates money in accordance with this section, it  
214 shall be distributed to the board and higher education institutions to fund the items described in  
215 Subsection (2)(b).

216 ~~[(b) During each general session of the Legislature following a fiscal year in which the~~  
217 ~~Legislature provides an appropriation for mission based funding or performance funding, the~~  
218 ~~board and institutions shall report to the Legislature's Higher Education Appropriations~~  
219 ~~Subcommittee on the use of the previous year's mission based funding and performance~~  
220 ~~funding, including performance outcomes relating to the strategic initiatives approved by the~~  
221 ~~board.]~~

222 Section 3. Section **53B-7-701** is enacted to read:

223 **Part 7. Performance Funding**

224 **53B-7-701. Title.**

225 This part is known as "Performance Funding."



226 Section 4. Section **53B-7-702** is enacted to read:

227 **53B-7-702. Definitions.**

228 As used in this part:

229 (1) "Account" means the Performance Funding Restricted Account created in Section  
230 53B-7-703.

231 (2) "Applied technology college" means the same as that term is defined in Section  
232 53B-2a-101.

233 (3) "Applied technology college graduate" means an individual who:

234 (a) has earned a certificate from an accredited program at an applied technology  
235 college; and

236 (b) is no longer enrolled in the applied technology college.

237 (4) "Estimated revenue growth from targeted jobs" means the estimated increase in  
238 individual income tax revenue generated by individuals employed in targeted jobs, determined  
239 by the Department of Workforce Services in accordance with Section 53B-7-704.

240 (5) "Full new performance funding amount" means the maximum amount of new  
241 performance funding that a higher education institution or applied technology college may  
242 qualify for in a fiscal year, determined by the Legislature in accordance with Section  
243 53B-7-705.

244 (6) "Full-time" means the number of credit hours the board determines is full-time  
245 enrollment for a student.

246 (7) "GOED" means the Governor's Office of Economic Development created in  
247 Section 63N-1-201.

248 (8) "Higher education institution" means the same as that term is defined in Section  
249 53B-7-101.

250 (9) "Job" means an occupation determined by the Department of Workforce Services.

251 (10) "Membership hour" means 60 minutes of scheduled instruction provided by an  
252 applied technology college to a student enrolled in the applied technology college.

253 (11) "New performance funding" means the difference between the total amount of

254 money in the account and the amount of money appropriated from the account for performance  
255 funding in the current fiscal year.

256 (12) "Performance" means total performance across the metrics described in:

257 (a) Section 53B-7-706 for a higher education institution; or

258 (b) Section 53B-7-707 for an applied technology college.

259 (13) "Research university" means the University of Utah or Utah State University.

260 (14) "Targeted job" means a job designated by the Department of Workforce Services  
261 or GOED in accordance with Section 53B-7-704.

262 (15) "Utah College of Applied Technology" means the Utah College of Applied  
263 Technology described in Chapter 2a, Utah College of Applied Technology.

264 Section 5. Section 53B-7-703 is enacted to read:

265 **53B-7-703. Performance Funding Restricted Account -- Creation -- Deposits into**  
266 **account -- Legislative review.**

267 (1) There is created within the Education Fund a restricted account known as the  
268 "Performance Funding Restricted Account."

269 (2) Money in the account shall be:

270 (a) used for performance funding for:

271 (i) higher education institutions; and

272 (ii) applied technology colleges; and

273 (b) appropriated by the Legislature in accordance with Section 53B-7-705.

274 (3) (a) Money in the account shall earn interest.

275 (b) All interest earned on account money shall be deposited into the account.

276 (4) (a) Except as provided in Subsection (4)(b)(ii), the Division of Finance shall  
277 deposit into the account an amount equal to:

278 (i) 14% of the estimated revenue growth from targeted jobs upon appropriation by the  
279 Legislature for the fiscal year beginning on July 1, 2018; and

280 (ii) 20% of the estimated revenue growth from targeted jobs upon appropriation by the  
281 Legislature for a fiscal year beginning on or after July 1, 2019.

282 (b) (i) As used in this Subsection (4)(b), "total higher education appropriations" means,  
283 for the current fiscal year, the total state funded appropriations to:

- 284 (A) the State Board of Regents;  
285 (B) higher education institutions;  
286 (C) the Utah College of Applied Technology; and  
287 (D) applied technology colleges.

288 (ii) If a deposit described in Subsection (4)(a) would exceed 10% of total higher  
289 education appropriations, upon appropriation by the Legislature, the Division of Finance shall  
290 deposit into the account an amount equal to 10% of total higher education appropriations.

291 (c) The Legislature may appropriate money to the account.

292 (5) During the interim following a legislative general session in which an amount  
293 described in Subsection (4)(b) is deposited into the account, the Higher Education  
294 Appropriations Subcommittee shall review performance funding described in this part and  
295 make recommendations to the Legislature about:

- 296 (a) the performance levels required for higher education institutions and applied  
297 technology colleges to receive performance funding as described in Section [53B-7-705](#);  
298 (b) the performance metrics described in Sections [53B-7-706](#) and [53B-7-707](#); and  
299 (c) the amount of individual income tax revenue dedicated to higher education  
300 performance funding.

301 Section 6. Section **53B-7-704** is enacted to read:

302 **53B-7-704. Designation of targeted jobs -- Determination of estimated revenue**  
303 **growth from targeted jobs -- Reporting.**

304 (1) As used in this section, "baseline amount" means the average annual wages for  
305 targeted jobs over calendar years 2014, 2015, and 2016, as determined by the Department of  
306 Workforce Services using the best available information.

307 (2) (a) The Department of Workforce Services shall designate, as a targeted job, a job  
308 that:

- 309 (i) has a base employment level of at least 100 individuals;

- 310 (ii) ranks in the top 20% of jobs for outlook based on:
- 311 (A) projected number of openings; and
- 312 (B) projected rate of growth;
- 313 (iii) ranks in the top 20% of jobs for median annual wage; and
- 314 (iv) requires postsecondary training.
- 315 (b) The Department of Workforce Services shall designate targeted jobs every other
- 316 year.
- 317 (c) GOED may, after consulting with the Department of Workforce Services and
- 318 industry representatives, designate a job that has significant industry importance as a targeted
- 319 job.
- 320 (d) Annually, the Department of Workforce Services and GOED shall report to the
- 321 Higher Education Appropriations Subcommittee on targeted jobs, including:
- 322 (i) the method used to determine which jobs are targeted jobs;
- 323 (ii) changes to which jobs are targeted jobs; and
- 324 (iii) the reasons for each change described in Subsection (2)(d)(ii).
- 325 (3) Based on the targeted jobs described in Subsection (2), the Department of
- 326 Workforce Services shall annually determine the estimated revenue growth from targeted jobs
- 327 by:
- 328 (a) determining the total estimated wages for targeted jobs for the year:
- 329 (i) based on the average wages for targeted jobs, calculated using the most recently
- 330 available wage data and data from each of the two years before the most recently available
- 331 data; and
- 332 (ii) using the best available information;
- 333 (b) determining the change in estimated wages for targeted jobs by subtracting the
- 334 baseline amount from the total wages for targeted jobs described in Subsection (3)(a); and
- 335 (c) multiplying the change in estimated wages for targeted jobs described in Subsection
- 336 (3)(b) by 3.6%.
- 337 (4) Annually, at least 30 days before the first day of the legislative general session, the

338 Department of Workforce Services shall report the estimated revenue growth from targeted  
339 jobs to:

340 (a) the Office of the Legislative Fiscal Analyst; and

341 (b) the Division of Finance.

342 Section 7. Section **53B-7-705** is enacted to read:

343 **53B-7-705. Determination of full new performance funding amount -- Role of**  
344 **appropriations subcommittee -- Program review.**

345 (1) In accordance with this section, and based on money deposited into the account, the  
346 Legislature shall, as part of the higher education appropriations budget process, annually  
347 determine the full new performance funding amount for each:

348 (a) higher education institution; and

349 (b) applied technology college.

350 (2) The Legislature shall annually allocate:

351 (a) 90% of the money in the account to higher education institutions; and

352 (b) 10% of the money in the account to applied technology colleges.

353 (3) (a) The Legislature shall determine a higher education institution's full new  
354 performance funding amount based on the higher education institution's prior year share of:

355 (i) full-time equivalent enrollment in all higher education institutions; and

356 (ii) the total state-funded appropriated budget for all higher education institutions.

357 (b) In determining a higher education institution's full new performance funding  
358 amount, the Legislature shall give equal weight to the factors described in Subsections (3)(a)(i)  
359 and (ii).

360 (4) (a) The Legislature shall determine an applied technology college's full new  
361 performance funding amount based on the applied technology college's prior year share of:

362 (i) membership hours for all applied technology colleges; and

363 (ii) the total state-funded appropriated budget for all applied technology colleges.

364 (b) In determining an applied technology college's full new performance funding  
365 amount, the Legislature shall give equal weight to the factors described in Subsections (4)(a)(i)

366 and (ii).

367 (5) Annually, at least 30 days before the first day of the legislative general session:

368 (a) the board shall submit a report to the Higher Education Appropriations

369 Subcommittee on each higher education institution's performance; and

370 (b) the Utah College of Applied Technology Board of Trustees shall submit a report to  
371 the Higher Education Appropriations Subcommittee on each applied technology college's  
372 performance.

373 (6) (a) In accordance with this Subsection (6), and based on the reports described in  
374 Subsection (5), the Legislature shall determine for each higher education institution and each  
375 applied technology college:

376 (i) the portion of the full new performance funding amount earned; and

377 (ii) the amount of new performance funding to recommend that the Legislature  
378 appropriate, from the account, to the higher education institution or applied technology college.

379 (b) (i) A higher education institution earns the full new performance funding amount if  
380 the higher education institution has a positive change in performance of at least 1% compared  
381 to the higher education institution's average performance over the previous five years.

382 (ii) (A) Except as provided in Subsection (6)(b)(ii)(B), an applied technology college  
383 earns the full new performance funding amount if the applied technology college has a positive  
384 change in the applied technology college's performance of at least 5% compared to the applied  
385 technology college's average performance over the previous five years.

386 (B) An applied technology college's change in performance may be compared to the  
387 applied technology college's average performance over fewer than five years in accordance  
388 with Subsection [53B-7-707\(4\)\(b\)](#).

389 (c) A higher education institution or applied technology college that has a positive  
390 change in performance that is less than a change described in Subsection (6)(b) is eligible to  
391 receive a prorated amount of the full new performance funding amount.

392 (d) A higher education institution or applied technology college that has a negative  
393 change, or no change, in performance over a time period described in Subsection (6)(b) is not

394 eligible to receive new performance funding.

395 (7) An appropriation described in this section is ongoing.

396 (8) Notwithstanding Section 53B-7-703 and Subsections (6) and (7), the Legislature  
397 may, by majority vote, appropriate or refrain from appropriating money for performance  
398 funding as circumstances require in a particular year.

399 (9) On or before November 1, 2020, the Education Interim Committee, the Higher  
400 Education Appropriations Subcommittee, and the governor shall review the implementation of  
401 performance funding described in this part.

402 Section 8. Section 53B-7-706 is enacted to read:

403 **53B-7-706. Performance metrics for higher education institutions --**

404 **Determination of performance.**

405 (1) (a) The board shall establish a model for determining a higher education  
406 institution's performance.

407 (b) The board shall submit a draft of the model described in this section to the Higher  
408 Education Appropriations Subcommittee and the governor for comments and  
409 recommendations.

410 (2) (a) The model described in Subsection (1) shall include metrics, including:

411 (i) completion, measured by degrees and certificates awarded;

412 (ii) completion by underserved students, measured by degrees and certificates awarded  
413 to underserved students;

414 (iii) responsiveness to workforce needs, measured by degrees and certificates awarded  
415 in high market demand fields;

416 (iv) institutional efficiency, measured by degrees and certificates awarded per full-time  
417 equivalent student; and

418 (v) for a research university, research, measured by total research expenditures.

419 (b) Subject to Subsection (2)(c), the board shall determine the relative weights of the  
420 metrics described in Subsection (2)(a).

421 (c) The board shall assign the responsiveness to workforce needs metric described in

422 Subsection (2)(a)(iii) a weight of at least 25% when determining an institution of higher  
423 education's performance.

424 (3) For each higher education institution, the board shall annually determine the higher  
425 education institution's:

426 (a) performance; and

427 (b) change in performance compared to the higher education institution's average  
428 performance over the previous five years.

429 (4) On or before September 1, 2017, the board shall report to the Higher Education  
430 Appropriations Subcommittee on the model described in this section.

431 (5) The board shall use the model described in this section to make the report described  
432 in Section 53B-7-705 for determining a higher education institution's performance funding for  
433 a fiscal year beginning on or after July 1, 2018.

434 Section 9. Section 53B-7-707 is enacted to read:

435 **53B-7-707. Performance metrics for applied technology colleges -- Determination**  
436 **of performance.**

437 (1) (a) The Utah College of Applied Technology Board of Trustees shall establish a  
438 model for determining an applied technology college's performance.

439 (b) The Utah College of Applied Technology Board of Trustees shall submit a draft of  
440 the model described in this section to the Higher Education Appropriations Subcommittee and  
441 the governor for comments and recommendations.

442 (2) (a) The model described in Subsection (1) shall include metrics, including:

443 (i) completions, measured by certificates awarded;

444 (ii) short-term occupational training, measured by completions of:

445 (A) short-term occupational training that takes less than 60 hours to complete; and

446 (B) short-term occupational training that takes at least 60 hours to complete;

447 (iii) secondary completions, measured by:

448 (A) completions of competencies sufficient to be recommended for high school credits;

449 (B) certificates awarded to secondary students; and



450 (C) retention of certificate-seeking high school graduates as certificate-seeking  
451 postsecondary students;

452 (iv) placements, measured by:

453 (A) total placements in related employment, military service, or continuing education;

454 (B) placements for underserved students; and

455 (C) placements from high impact programs; and

456 (v) institutional efficiency, measured by the number of applied technology college  
457 graduates per 900 membership hours.

458 (b) The Utah College of Applied Technology Board of Trustees shall determine the  
459 relative weights of the metrics described in Subsection (2)(a).

460 (3) On or before September 1, 2017, the Utah College of Applied Technology Board of  
461 Trustees shall report to the Higher Education Appropriations Subcommittee on the model  
462 described in this section.

463 (4) (a) For each applied technology college, the Utah College of Applied Technology  
464 Board of Trustees shall annually determine the applied technology college's:

465 (i) performance; and

466 (ii) except as provided in Subsection (4)(b), change in performance compared to the  
467 applied technology college's average performance over the previous five years.

468 (b) For performance during a fiscal year before fiscal year 2020, if comparable  
469 performance data is not available for the previous five years, the Utah College of Applied  
470 Technology Board of Trustees may determine an applied technology college's change in  
471 performance using the average performance over the previous three or four years.

472 Section 10. Section **53B-7-708** is enacted to read:

473 **53B-7-708. Legislative audit.**

474 (1) Subject to prioritization of the Audit Subcommittee, the Office of the Legislative  
475 Auditor General established under Section [36-12-15](#) shall in any fiscal year:

476 (a) conduct an audit of money appropriated for performance funding; and

477 (b) prepare and submit a written report for an audit described in this section in

478 accordance with Subsection 36-12-15(4)(b)(ii).

479 (2) An audit described in this section shall include:

480 (a) an evaluation of the implementation of performance funding; and

481 (b) the use of performance funding.

482 Section 11. Section **63I-2-253** is amended to read:

483 **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**

484 (1) Section **53A-1-403.5** is repealed July 1, 2017.

485 (2) Section **53A-1-411** is repealed July 1, 2017.

486 (3) Section **53A-1-709** is repealed July 1, 2020.

487 (4) Subsection **53A-1a-513(4)** is repealed July 1, 2017.

488 (5) Section **53A-1a-513.5** is repealed July 1, 2017.

489 (6) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2019.

490 (7) Title 53A, Chapter 8a, Part 8, Peer Assistance and Review Pilot Program, is  
491 repealed July 1, 2017.

492 (8) Sections **53A-24-601** and **53A-24-602** are repealed January 1, 2018.

493 (9) (a) Subsections **53B-2a-103(2)** and **(4)** are repealed July 1, 2019.

494 (b) When repealing Subsections **53B-2a-103(2)** and **(4)**, the Office of Legislative  
495 Research and General Counsel shall, in addition to its authority under Subsection **36-12-12(3)**,  
496 make necessary changes to subsection numbering and cross references.

497 (10) Subsections 53B-7-101(2)(b)(iii)(A) and (3) are repealed January 1, 2018.

498 (11) Subsection 53B-7-705(6)(b)(ii)(B) is repealed July 1, 2021.

499 (12) Subsection 53B-7-707(4)(b) is repealed July 1, 2021.

500 ~~(10)~~ (13) Title 53B, Chapter 18, Part 14, Uintah Basin Air Quality Research Project,  
501 is repealed July 1, 2023.