1	STATE EMPLOYEE BENEFITS AMENDMENTS
2	2023 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Lincoln Fillmore
5	House Sponsor: Brady Brammer
6 7	LONG TITLE
8	General Description:
9	This bill creates the State Employee Benefits Advisory Commission.
10	Highlighted Provisions:
11	This bill:
12	defines terms;
13	 creates the State Employee Benefits Advisory Commission;
14	 describes the commission's membership, quorum requirements, duties, and other
15	requirements;
16	establishes reporting requirements for the commission;
17	provides a sunset date for the commission; and
18	makes technical and conforming changes.
19	Money Appropriated in this Bill:
20	None
21	Other Special Clauses:
22	This bill provides a special effective date.
23	Utah Code Sections Affected:
24	AMENDS:
25	63A-17-307, as last amended by Laws of Utah 2022, Chapters 169, 209



	63I-1-263, as last amended by Laws of Utah 2022, Chapters 23, 34, 68, 153, 218, 236, 9, 274, 296, 313, 361, 362, 417, 419, and 472
EN	ACTS:
	63C-29-101, Utah Code Annotated 1953
	63C-29-102, Utah Code Annotated 1953
	63C-29-103, Utah Code Annotated 1953
Ве	it enacted by the Legislature of the state of Utah:
	Section 1. Section 63A-17-307 is amended to read:
	63A-17-307. State pay plans Applicability of section Exemptions Duties of
dir	rector.
	(1) (a) This section, and the rules made by the division under this section, apply to each
car	eer and noncareer employee not specifically exempted under Subsection (2).
	(b) If not exempted under Subsection (2), an employee is considered to be in classified
ser	vice.
	(2) The following employees are exempt from this section:
	(a) members of the Legislature and legislative employees;
	(b) members of the judiciary and judicial employees;
	(c) elected members of the executive branch and employees designated as schedule AC
as j	provided under Subsection 63A-17-301(1)(c);
	(d) employees of the State Board of Education;
	(e) officers, faculty, and other employees of state institutions of higher education;
	(f) employees in a position that is specified by statute to be exempt from this
Sul	osection (2);
	(g) employees in the Office of the Attorney General;
	(h) department heads and other persons appointed by the governor under statute;
	(i) schedule AS employees as provided under Subsection 63A-17-301(1)(m);
	(j) department deputy directors, division directors, and other employees designated as
sch	edule AD as provided under Subsection 63A-17-301(1)(d);
	(k) employees that determine and execute policy designated as schedule AR as
pro	evided under Subsection 63A-17-301(1)(1);

- 03-01-23 1:01 PM 2nd Sub. (Salmon) S.B. 22 57 (1) teaching staff, educational interpreters, and educators designated as schedule AH as 58 provided under Subsection 63A-17-301(1)(g); 59 (m) temporary employees described in Subsection 63A-17-301(1)(r): 60 (n) patients and inmates designated as schedule AU as provided under Subsection 61 63A-17-301(1)(o) who are employed by state institutions; and 62 (o) members of state and local boards and councils and other employees designated as 63 schedule AO as provided under Subsection 63A-17-301(1)(k). 64 (3) (a) The director shall prepare, maintain, and revise a position classification plan for 65 each employee position not exempted under Subsection (2) to provide equal pay for equal 66 work. 67 (b) Classification of positions shall be based upon similarity of duties performed and 68 responsibilities assumed, so that the same job requirements and the same salary range, subject to Section 63A-17-112, may be applied equitably to each position in the same class. 69 (c) The director shall allocate or reallocate the position of each employee in classified 70 71 service to one of the classes in the classification plan. 72 (d) (i) The division shall conduct periodic studies and interviews to provide that the classification plan remains reasonably current and reflects the duties and responsibilities 73 74 assigned to and performed by employees. 75
 - (ii) The director shall determine the need for studies and interviews after considering factors such as changes in duties and responsibilities of positions or agency reorganizations.
 - (4) (a) With the approval of the executive director and the governor, the director shall develop and adopt pay plans for each position in classified service.
 - (b) The director shall design each pay plan to achieve, to the degree that funds permit, comparability of state salary ranges to the market using data obtained from private enterprise and other public employment for similar work.
 - (c) The director shall adhere to the following in developing each pay plan:
 - (i) each pay plan shall consist of sufficient salary ranges to:

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- (A) permit adequate salary differential among the various classes of positions in the classification plan; and
 - (B) reflect the normal growth and productivity potential of employees in that class.
 - (ii) The director shall issue rules for the administration of pay plans.

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- 88 (d) The establishing of a salary range is a nondelegable activity and is not appealable 89 under the grievance procedures of Part 6, Grievance Provisions, Title 67, Chapter 19a, 90 Grievance Procedures, or otherwise. 91 (e) The director shall make rules, accordance with Title 63G, Chapter 3, Utah 92 Administrative Rulemaking Act, providing for: 93 (i) agency approved salary adjustments within approved salary ranges, including an 94 administrative salary adjustment; and 95 (ii) structure adjustments that modify salary ranges, including a cost of living 96 adjustment or market comparability adjustment. 97 (5) (a) On or before October 31 of each year, the director shall submit an annual 98 compensation plan to the executive director and the governor for consideration in the executive 99 budget[-] and to the State Employee Benefits Advisory Commission created in Section 63C-29-102. 100 101 (b) The plan described in Subsection (5)(a) may include recommendations, including: 102 (i) salary increases that generally affect employees, including a general increase or 103 merit increase; 104 (ii) salary increases that address compensation issues unique to an agency or 105 occupation: 106 (iii) structure adjustments, including a cost of living adjustment or market 107 comparability adjustment; or 108 (iv) changes to employee benefits. 109 (c) (i) (A) Subject to Subsection (5)(c)(i)(B) or (C), the director shall incorporate the 110 results of a salary survey of a reasonable cross section of comparable positions in private and 111 public employment in the state into the annual compensation plan. 112 (B) The salary survey for a law enforcement officer, as defined in Section 53-13-103, a 113 correctional officer, as defined in Section 53-13-104, or a dispatcher, as defined in Section 114 53-6-102, shall at minimum include the three largest political subdivisions in the state that 115 employ, respectively, comparable positions.
 - (C) The salary survey for an examiner or supervisor described in Title 7, Chapter 1, Part 2, Department of Financial Institutions, shall at minimum include the Federal Deposit Insurance Corporation, Federal Reserve, and National Credit Union Administration.

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119 (ii) The director may cooperate with or participate in any survey conducted by other 120 public and private employers. 121 (iii) The director shall obtain information for the purpose of constructing the survey 122 from the Division of Workforce Information and Payment Services and shall include employer 123 name, number of persons employed by the employer, employer contact information and job 124 titles, county code, and salary if available. 125 (iv) The division shall acquire and protect the needed records in compliance with the 126 provisions of Section 35A-4-312. 127 (d) The director may incorporate any other relevant information in the plan described 128 in Subsection (5)(a), including information on staff turnover, recruitment data, or external 129 market trends. 130 (e) The director shall: 131 (i) establish criteria to assure the adequacy and accuracy of data used to make 132 recommendations described in this Subsection (5); and 133 (ii) when preparing recommendations use accepted methodologies and techniques 134 similar to and consistent with those used in the private sector. 135 (f) (i) Upon request and subject to Subsection (5)(f)(ii), the division shall make 136 available foundational information used by the division or director in the drafting of a plan 137 described in Subsection (5)(a), including: 138 (A) demographic and labor market information; 139 (B) information on employee turnover; 140 (C) salary information; 141 (D) information on recruitment; and 142 (E) geographic data. 143 (ii) The division may not provide under Subsection (5)(f)(i) information or other data 144 that is proprietary or otherwise protected under the terms of a contract or by law. 145 (g) The governor shall: 146 (i) consider salary and structure adjustments recommended under Subsection (5)(b) in 147 preparing the executive budget and shall recommend the method of distributing the 148 adjustments;

(ii) submit compensation recommendations to the Legislature; and

150	(iii) support the recommendation with schedules indicating the cost to individual
151	departments and the source of funds.
152	(h) If funding is approved by the Legislature in a general appropriations act, the
153	adjustments take effect on the July 1 following the enactment unless otherwise indicated.
154	(6) (a) The director shall make rules, in accordance with Title 63G, Chapter 3, Utah
155	Administrative Rulemaking Act, for the granting of incentive awards, including awards for cost
156	saving actions, awards for commendable actions by an employee, or a market-based award to
157	attract or retain employees.
158	(b) An agency may not grant a market-based award unless the award is previously
159	approved by the division.
160	(c) In accordance with Subsection (6)(b), an agency requesting the division's approval
161	of a market-based award shall submit a request and documentation, subject to Subsection
162	(6)(d), to the division.
163	(d) In the documentation required in Subsection (6)(c), the requesting agency shall
164	identify for the division:
165	(i) any benefit the market-based award would provide for the agency, including:
166	(A) budgetary advantages; or
167	(B) recruitment advantages;
168	(ii) a mission critical need to attract or retain unique or hard to find skills in the market
169	or
170	(iii) any other advantage the agency would gain through the utilization of a
171	market-based award.
172	(7) (a) The director shall regularly evaluate the total compensation program of state
173	employees in the classified service.
174	(b) The division shall determine if employee benefits are comparable to those offered
175	by other private and public employers using information from:
176	(i) a study conducted by a third-party consultant; or
177	(ii) the most recent edition of a nationally recognized benefits survey.
178	Section 2. Section 63C-29-101 is enacted to read:
179	CHAPTER 29. STATE EMPLOYEE BENEFITS ADVISORY COMMISSION
180	<u>63C-29-101.</u> Definitions.

181	As used in this chapter:
182	(1) "Annual compensation plan" means the annual compensation plan described in
183	Section 63A-17-307.
184	(2) "Benefits advisory commission" means the State Employee Benefit Advisory
185	Commission created in Section 63C-29-102.
186	(3) "Total compensation" means the same as that term is defined in Section
187	<u>63A-17-102</u> .
188	Section 3. Section 63C-29-102 is enacted to read:
189	63C-29-102. Creation of State Employee Benefits Advisory Commission
190	Membership.
191	(1) There is created the State Employee Benefits Advisory Commission consisting of
192	the following members:
193	(a) one member of the Senate, appointed by the president of the Senate;
194	(b) one member of the House of Representatives, appointed by the speaker of the
195	House of Representatives;
196	(c) the director of the Division of Human Resource Management, created in Section
197	63A-17-105, or the director's designee;
198	(d) the executive director of the Governor's Office of Planning and Budget, created in
199	Section 63J-4-201, or the executive director's designee;
200	(e) the following four individuals who are not employed by the state or another public
201	entity and are appointed jointly by the president of the Senate and speaker of the House of
202	Representatives:
203	(i) an individual who has experience in health insurance benefits in the private sector;
204	(ii) an individual who has experience in business and employee benefits in the private
205	sector; and
206	(iii) a representative of an organization that represents the interests of state employees;
207	<u>and</u>
208	(f) a representative of the Public Employees' Benefit and Insurance Program, created in
209	Section 49-20-103, appointed by the executive director of the Utah State Retirement Office.
210	(2) (a) The member of the Senate appointed under Subsection (1)(a) is a cochair of the
211	benefits advisory commission.

212	(b) The member of the House of Representatives appointed under Subsection (1)(b) is
213	a cochair of the benefits advisory commission.
214	(3) (a) Each position described in Subsection (1)(e) is for a term of four years.
215	(b) A vacancy in a position appointed under Subsection (1)(a), (b), (e), or (f) shall be
216	filled by appointing a replacement member in the same manner as the member creating the
217	vacancy was appointed under Subsection (1)(a), (b), (e), or (f), respectively.
218	(c) If a position described in Subsection (1)(e) is vacant, the president of the Senate and
219	speaker of the House of Representatives shall jointly appoint the replacement member for the
220	remainder of the unexpired term.
221	(4) (a) A majority of members constitute a quorum.
222	(b) The action of a majority of a quorum constitutes the action of the benefits advisory
223	commission.
224	(5) The benefits advisory commission shall meet as necessary to effectively conduct
225	the commission's business and duties as prescribed by statute, but not less than twice a year.
226	(6) The Division of Human Resources and Management shall provide staff support to
227	facilitate the function of the benefits advisory commission and record the benefits advisory
228	commission's action and recommendations.
229	(7) (a) The salary and expenses of a benefits advisory commission member who is a
230	legislator shall be paid in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5,
231	Legislative Compensation and Expenses.
232	(b) A benefits advisory commission member who is not a legislator may not receive
233	compensation or benefits for the member's service on the benefits advisory commission, but
234	may receive per diem and reimbursement for travel expenses incurred as a benefits advisory
235	commission member at the rates established by the Division of Finance under:
236	(i) Sections 63A-3-106 and 63A-3-107; and
237	(ii) rules made by the Division of Finance under Sections 63A-3-106 and 63A-3-107.
238	(8) The benefits advisory commission shall comply with the provisions of Title 52,
239	Chapter 4, Open and Public Meetings Act.
240	Section 4. Section 63C-29-103 is enacted to read:
241	63C-29-103. Duties of benefits advisory commission.
242	(1) The benefits advisory commission shall:

243	(a) review the annual compensation plan;
244	(b) review proposed legislation submitted to the benefits advisory commission that
245	amends the health care, leave, or salary benefits for state employees while considering total
246	compensation; and
247	(c) provide recommendations, if any, for the annual compensation plan or legislation
248	described in Subsection (1)(b) that would make total compensation competitive with private
249	sector employees.
250	(2) (a) No later than November 1 of each year, the benefits advisory commission shall
251	submit a written report on the benefits advisory commission's activities and recommendations.
252	if any, for the annual compensation plan and legislation described in Subsection (1)(b) to the
253	Executive Appropriations Committee and the Retirement and Independent Entities Interim
254	Committee.
255	(b) The report submitted under Subsection (2)(a) shall comply with Section 68-3-14.
256	Section 5. Section 63I-1-263 is amended to read:
257	63I-1-263. Repeal dates: Titles 63A to 63N.
258	(1) Subsection 63A-5b-405(5), relating to prioritizing and allocating capital
259	improvement funding, is repealed July 1, 2024.
260	(2) Section 63A-5b-1003, State Facility Energy Efficiency Fund, is repealed July 1,
261	2023.
262	(3) Sections 63A-9-301 and 63A-9-302, related to the Motor Vehicle Review
263	Committee, are repealed July 1, 2023.
264	(4) In relation to the Utah Transparency Advisory Board, on January 1, 2025:
265	(a) Section 63A-18-102 is repealed;
266	(b) Section 63A-18-201 is repealed; and
267	(c) Section 63A-18-202 is repealed.
268	(5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
269	1, 2028.
270	(6) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1,
271	2025.
272	(7) Title 63C, Chapter 12, Snake Valley Aquifer Advisory Council, is repealed July 1,
273	2024.

- 274 (8) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is 275 repealed July 1, 2023.
- 276 (9) Title 63C, Chapter 18, Behavioral Health Crisis Response Commission, is repealed 277 July 1, 2023.
- 278 (10) Title 63C, Chapter 23, Education and Mental Health Coordinating Council, is repealed July 1, 2026.
- 280 (11) Title 63C, Chapter 27, Cybersecurity Commission, is repealed July 1, 2032.
- 281 (12) Title 63C, Chapter 28, Ethnic Studies Commission, is repealed July 1, 2026.
- 282 (13) Title 63C, Chapter 29, State Employee Benefits Advisory Commission, is
- repealed on July 1, 2028.
- [(13)] (14) Section 63G-6a-805, which creates the Purchasing from Persons with
- Disabilities Advisory Board, is repealed July 1, 2026.
- [(14)] (15) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed
- 287 July 1, 2028.
- [(15)] (16) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed
- 289 July 1, 2024.
- [(16)] (17) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1,
- 291 2026.
- [(17)] (18) Subsection 63J-1-602.1(17), relating to the Nurse Home Visiting Restricted
- 293 Account, is repealed July 1, 2026.
- [(18)] (19) Subsection 63J-1-602.2(6), referring to dedicated credits to the Utah
- 295 Marriage Commission, is repealed July 1, 2023.
- 296 [(19) Subsection 63J-1-602.2(7), referring to the Trip Reduction Program, is repealed
- 297 July 1, 2022.
- 298 (20) Subsection 63J-1-602.2(26), related to the Utah Seismic Safety Commission, is
- repealed January 1, 2025.
- 300 (21) Title 63L, Chapter 11, Part 4, Resource Development Coordinating Committee, is
- 301 repealed July 1, 2027.
- 302 (22) In relation to the Utah Substance Use and Mental Health Advisory Council, on
- 303 January 1, 2033:
- 304 (a) Sections 63M-7-301, 63M-7-302, 63M-7-303, 63M-7-304, and 63M-7-306 are

305	repealed;
306	(b) Section 63M-7-305, the language that states "council" is replaced with
307	"commission";
308	(c) Subsection 63M-7-305(1)(a) is repealed and replaced with:
309	"(1) "Commission" means the Commission on Criminal and Juvenile Justice."; and
310	(d) Subsection 63M-7-305(2) is repealed and replaced with:
311	"(2) The commission shall:
312	(a) provide ongoing oversight of the implementation, functions, and evaluation of the
313	Drug-Related Offenses Reform Act; and
314	(b) coordinate the implementation of Section 77-18-104 and related provisions in
315	Subsections 77-18-103(2)(c) and (d).".
316	(23) The Crime Victim Reparations and Assistance Board, created in Section
317	63M-7-504, is repealed July 1, 2027.
318	(24) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2026.
319	(25) Title 63N, Chapter 1b, Part 4, Women in the Economy Subcommittee, is repealed
320	January 1, 2025.
321	(26) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.
322	(27) Section 63N-2-512, related to the Hotel Impact Mitigation Fund, is repealed July
323	1, 2028.
324	(28) Title 63N, Chapter 3, Part 9, Strategic Innovation Grant Pilot Program, is repealed
325	July 1, 2027.
326	(29) Title 63N, Chapter 3, Part 11, Manufacturing Modernization Grant Program, is
327	repealed July 1, 2025.
328	(30) In relation to the Rural Employment Expansion Program, on July 1, 2023:
329	(a) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed;
330	and
331	(b) Subsection 63N-4-805(5)(b), referring to the Rural Employment Expansion
332	Program, is repealed.
333	(31) In relation to the Board of Tourism Development, on July 1, 2025:
334	(a) Subsection 63N-2-511(1)(b), which defines "tourism board," is repealed;
335	(b) Subsections 63N-2-511(3)(a) and (5), the language that states "tourism board" is

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336	repealed and replaced with "Utah Office of Tourism";
337	(c) Subsection 63N-7-101(1), which defines "board," is repealed;
338	(d) Subsection 63N-7-102(3)(c), which requires the Utah Office of Tourism to receive
339	approval from the Board of Tourism Development, is repealed; and
340	(e) Title 63N, Chapter 7, Part 2, Board of Tourism Development, is repealed.
341	(32) Subsection 63N-8-103(3)(c), which allows the Governor's Office of Economic
342	Opportunity to issue an amount of tax credit certificates only for rural productions, is repealed
343	on July 1, 2024.
344	Section 6. Effective date.
345	This bill takes effect on July 1, 2023.