



March 25, 2022

2022 Legislative Session Report

The following report highlights funding for operating and capital facility budgets, and key legislation impacting the Utah System of Higher Education from the 2022 General Legislative Session.

Operating Budget

The Legislature approved a record \$236,710,000 million increase (16.8%) for the System. Priority items that received increased funding include:

- \$80.3 million to support a 5.75% salary and wage increase and 6.7% health 1% dental insurance increase;
- \$30 million for performance funding
- \$8.7 million for Growth and Capacity in Technical Education
- \$3 million (one-time) for Technical Education Equipment
- \$522,000 for Custom Fit
- \$1.7 million for Tuition Parity in Technical Education
- \$4.9 million for Growth in Degree-granting Education
- \$3 million for statewide mental health support for students

There were several additional notable items funded for higher education:

- \$18 million USU Veterinary School – capital planning and design, programming
- \$5 million Engineering Initiative
- \$4 million Snow College Rural Studies
- \$500,000 (one-time) to study community college services in USHE
- \$15 million (one-time) to fund another round of Learn and Work Grants
- \$3 million (one-time) DSU to Utah Tech Rebranding
- \$33 million (one-time) USU for Electric Train and Electric Vehicle research

Capital Development Projects

The Legislature funded several capital development projects, many of which were prioritized by the Board: UVU Engineering Building, WSU Education Building, SUU Music Center, MTECH Payson Campus, TTECH Building Expansion. In addition, there was funding approved for increased funding for the UU medical school expansion and starting funds for a veterinarian building and program at USU.

The Legislature funded \$120m ongoing funds for the Capital Projects Restricted Fund (SB 102). The policy intent is to encourage a more planned and measured approach to institutional capital development projects. Additional information on the direct impact to Board procedures for future capital prioritization will be discussed at upcoming Board meetings.

Legislation Summary

The Utah Legislature requested 1,273 pieces of legislation, 814 were introduced, and 513 passed. There were several pieces of legislation directly impacting Utah's public colleges and universities, including a few the Board of Higher Education directed the Commissioner's office to pursue in accordance with the Board's Strategic Plan. Some examples include the dissolution of UHEAA, enhancing data capabilities, streamlining state financial aid programs, and funding for mental health services. The following is a short summary of bills pertaining to higher education:

HB 226 - Higher Education and Corrections Council by Rep. Lowry Snow — establishes a council to advise the Utah Board of Higher Education regarding postsecondary education in Utah's prisons. The council is also responsible for analyzing the outcomes of prison education.

HB 238 - State Holiday Modifications by Rep. Sandra Hollins — establishes Juneteenth National Freedom Day on June 19 as a state holiday. In June 2021, the Utah Board of Higher Education adopted a resolution encouraging the observance of Juneteenth with "events that commemorate this historic time." The bill passed the House and awaits further consideration by the Senate.

HB 355 - Higher Education Financial Aid Amendments* by Rep. Val Paterson — streamlines many of the state aid programs administered by the Utah Board of Higher Education. This legislation is in accordance with the Board's strategic priority to streamline state scholarships for reporting consistency, accountability and – most importantly – best assist students. The legislation also proposes to formalize regional educational pathway coordination made possible through the consolidation of the previously separate governing boards.

HB 390 - Early College and Concurrent Enrollment Program Amendments by Rep. Lowry Snow— would allow school districts to use Concurrent Enrollment funds to waive the fees associated with Concurrent Enrollment students experiencing socioeconomic disadvantage.

HB 470 - Higher Education Residency Amendments by Rep. Jordan Teuscher - enables in-state tuition for international students who have applied for asylum or refugee status. The bill was introduced late in the session and did not get an initial committee hearing, it did not pass.

SB 42 - Higher Education Performance Funding Goals by Sen. Millner — codifies five-year performance goals for the Utah System of Higher Education and each institution of higher education.

SB 133 - Food Security Amendments by Sen. Luz Escamilla — creates the State Nutrition Action Coalition at Utah State University to coordinate state efforts in addressing food security. Amendments are expected to add the Commissioner to its coordination board.

SB 172 - Higher Education Student Assistance* by Sen. Evan Vickers — In fall 2021, the Utah Board of Higher Education voted to exit the loan servicing business after analyzing whether UHEAA should retain and refinance its portfolio or sell the portfolio and exit the market. This legislation creates an endowment managed by the Utah Board of Higher Education, the proceeds of which would be used for scholarships and student success initiatives.

SB 226 - Higher Education Data Privacy and Governance Revisions by Sen. Jacob Anderegg — requires the Board of Higher Education to establish a data governance plan for the Utah System of Higher Education. It also moves the Utah Data Research Center from the Utah Department of Workforce Services to the Office of the Commissioner of Higher Education. The bill also appropriates funds for additional staff and equipment to enhance data services.

SB 257- Divisive Concepts in Government and Education by Sen. John Johnson — prohibits public schools, institutions of higher education, and other state and local government entities from including certain divisive concepts in teaching and training materials. It also prohibits accepting funding or grants that relate to the promotion of divisive concepts. The bill includes fiscal and licensure penalties for violations of these prohibitions. The legislation was held in committee at its first hearing and didn't proceed.

** Endorsed by the Utah Board of Higher Education*

Attachments

2022-23 Operating Budget Comparison (Tax Funds Only)

Utah System of Higher Education request as compared to Governor and Legislature

Budget Priorities	USHE	Governor ¹		Legislature		
	Amount	Amount	Above/ (Below) USHE	Amount	Above/ (Below) Gov	Above/ (Below) USHE
On-going Adjustments						
Compensation	80,291,300	53,971,200	(26,320,100)	80,291,300	26,320,100	-
5.75% Labor Market Salary & Salary Related	69,339,300	42,886,100	(26,453,200)	69,339,300	26,453,200	-
6.7% Health 1% Dental Insurance	10,952,000	11,085,100	133,100	10,952,000	(133,100)	-
Technical Education Priorities	12,281,800	12,281,800	-	13,285,400	1,003,600	1,003,600
Growth and Capacity	9,350,000	9,350,000	-	8,700,000	(650,000)	(650,000)
Tuition Parity	1,666,800	1,666,800	-	1,666,800	-	-
Operation and Maintenance	743,000	743,000	-	2,396,600	1,653,600	1,653,600
Custom Fit	522,000	522,000	-	522,000	-	-
Degree-granting Priorities	40,677,600	40,677,600	-	38,636,600	(2,041,000)	(2,041,000)
Performance	35,000,000	35,000,000	-	30,000,000	(5,000,000)	(5,000,000)
Growth	4,992,000	4,992,000	-	4,992,000	-	-
Operation and Maintenance	685,600	685,600	-	3,644,600	2,959,000	2,959,000
Systemwide	4,000,000	4,000,000	-	3,000,000	(1,000,000)	(1,000,000)
Mental Health Support for Students	3,000,000	3,000,000	-	3,000,000	-	-
Statewide Online Education	1,000,000	1,000,000	-	-	(1,000,000)	(1,000,000)
Other	3,377,300	9,967,700	6,590,400	44,577,300	34,609,600	41,200,000
Expanding Rural Community College Access and Program	-	5,000,000	5,000,000	-	(5,000,000)	-
Internal Service Fund	3,377,300	2,967,700	(409,600)	3,377,300	409,600	-
Talent Ready Apprenticeship Connection	-	2,000,000	2,000,000	-	(2,000,000)	-
USU - Veterinary School - Planning, Programming and Design	-	-	-	18,000,000	18,000,000	18,000,000
Engineering Initiative	-	-	-	5,000,000	5,000,000	5,000,000
Snow - Rural Studies	-	-	-	4,000,000	4,000,000	4,000,000
Economic and Workforce Development Amendments	-	-	-	2,198,400	2,198,400	2,198,400
Physician Workforce Amendments - Medical Ed. Council	-	-	-	2,050,000	2,050,000	2,050,000
Occupational Health and Safety Training	-	-	-	2,000,000	2,000,000	2,000,000
Healthcare Workforce Initiative	-	-	-	2,000,000	2,000,000	2,000,000
UVU - Civic Thought and Leadership Initiative	-	-	-	1,250,000	1,250,000	1,250,000
SafeUT Expansion	-	-	-	1,207,100	1,207,100	1,207,100
Student Athlete Graduation Improvement	-	-	-	950,000	950,000	950,000
UU - Rural Recruitment of Utah Dental Students	-	-	-	891,000	891,000	891,000
USU - Alzheimer's and Dementia Research Center	-	-	-	850,000	850,000	850,000
Student Data Privacy Revisions (SB 226)	-	-	-	770,000	770,000	770,000
Regional Pathway Coordinators (HB 355)	-	-	-	718,000	718,000	718,000
Early Literacy Outcomes Improvement (SB 137)	-	-	-	540,000	540,000	540,000
USU - Center for Advanced Composite Materials	-	-	-	350,000	350,000	350,000
SLCC - Veteran Business Resource Center	-	-	-	200,000	200,000	200,000
USU - Food Security Amendments	-	-	-	75,000	75,000	75,000
Utah Health Workforce Act (Utah Medical Education Council move)	-	-	-	(1,849,500)	(1,849,500)	(1,849,500)
Subtotal - USHE Priority On-going Adjustments	140,628,000	120,898,300	(19,729,700)	179,790,600	58,892,300	39,162,600
USHE Budget Priorities Percent Adjustment	10.0%	8.6%	-1.4%	12.8%	4.2%	2.8%

2022-23 Operating Budget Comparison (Tax Funds Only)

Utah System of Higher Education request as compared to Governor and Legislature

Budget Priorities	USHE	Governor ¹		Legislature		
	Amount	Amount	Above/ (Below) USHE	Amount	Above/ (Below) Gov	Above/ (Below) USHE
One-time Adjustments						
Technical Education Equipment	5,000,000	5,000,000	-	3,000,000	(2,000,000)	(2,000,000)
Statewide Advocacy and Awareness Campaign	5,000,000	-	(5,000,000)	-	-	(5,000,000)
Shared Services Consultant for Implementation	3,500,000	-	(3,500,000)	-	-	(3,500,000)
USU - Veterinary School Planning, Programming and Design	-	4,000,000	4,000,000	-	(4,000,000)	-
DSU - Utah Tech University Rebranding	-	2,775,000	2,775,000	3,000,000	225,000	3,000,000
UVU - Civics Education - Public Policy Institute	-	2,000,000	2,000,000	-	(2,000,000)	-
Operations and Maintenance Reduction for Incomplete Buildings	(2,614,900)	(5,188,700)	(2,573,800)	(6,751,700)	(1,563,000)	(4,136,800)
USU - Electric Train Research	-	-	-	18,000,000	18,000,000	18,000,000
Learn and Work in Utah Expansion	-	-	-	15,000,000	15,000,000	15,000,000
USU - Electric Vehicle Research (FY22)	-	-	-	15,000,000	15,000,000	15,000,000
UU - Cyclotron Remaining Costs	-	-	-	3,000,000	3,000,000	3,000,000
Physician Workforce Amendments - Medical Ed. Council	-	-	-	2,999,400	2,999,400	2,999,400
Economic and Workforce Development Amendments	-	-	-	2,251,200	2,251,200	2,251,200
UVU - Gary R. Herbert Institute for Public Policy	-	-	-	2,000,000	2,000,000	2,000,000
Utah Innovation Lab	-	-	-	750,000	750,000	750,000
SUU - Principals' Leadership Academy	-	-	-	750,000	750,000	750,000
Early Literacy Outcomes Improvement (SB 137)	-	-	-	520,000	520,000	520,000
Community College Services Study	-	-	-	500,000	500,000	500,000
SLCC - PACE Program Scholarships (includes FY22 \$245,000)	-	-	-	490,000	490,000	490,000
SUU - Every Brilliant Thing Tour - Suicide Prevention	-	-	-	400,000	400,000	400,000
Governor's Office of Economic Opportunity (FY22)	-	-	-	350,000	350,000	350,000
Tech Moms	-	-	-	300,000	300,000	300,000
UU - Behavioral Health Curriculum Program (includes FY22 \$76,300)	-	-	-	189,500	189,500	189,500
WSU Olene Walker VOTE Certification Course (includes FY22 \$67,800)	-	-	-	135,600	135,600	135,600
SUU Shakespeare Festival	-	-	-	100,000	100,000	100,000
WSU Emergency Communications Equipment	-	-	-	95,200	95,200	95,200
SUU Southern Utah Museum of Art	-	-	-	50,000	50,000	50,000
Higher Ed Data Privacy and Governance (SB 226)	-	-	-	270,000	270,000	270,000
Rural Online Initiative	-	-	-	(51,400)	(51,400)	(51,400)
Mental Health Service Provider Training	-	-	-	(198,500)	(198,500)	(198,500)
Utah Industry Resource Alliance	-	-	-	(631,000)	(631,000)	(631,000)
Mental Health Support for Students	-	-	-	(3,000,000)	(3,000,000)	(3,000,000)
Subtotal - One-time Adjustments	10,885,100	8,586,300	(2,298,800)	58,518,300	49,932,000	47,633,200
USHE Budget Priorities Percent Adjustment	0.8%	0.6%	-0.2%	4.2%	3.5%	3.4%
Total Appropriation (On-going and one-time)	151,513,100	129,484,600	(\$22,028,500)	\$238,308,900	\$108,824,300	\$86,795,800
USHE Budget Priorities Percent Adjustment	10.8%	9.2%	-1.6%	16.9%	7.7%	6.2%

¹Governor's salary increase represents 3.5%

Utah System of Higher Education
2022 General Session Legislative Action on Capital Facilities (2022-23)

Table 1: State-Funded Capital Projects

Project	From CPF Base*	Add'l Funds	Total	State O&M
New Buildings and Renovations				
UVU - Engineering Building	15,079,000	64,921,000	80,000,000	\$ 1,755,200
UU - School of Medicine	-	60,000,000	60,000,000	-
UU - Interdisciplinary Computing	4,800,000	-	4,800,000	-
UTU - General Classroom	11,341,000	44,744,000	56,085,000	868,600
USU - Veterinary School**	14,260,500	-	18,000,000	-
USU - Monument Valley	-	5,000,000	5,000,000	-
WSU - Education Building	10,277,800	16,854,400	27,132,200	171,200
SUU - Music Center	12,510,000	6,990,000	19,500,000	164,000
SUU - Stadium Flood Repair	-	9,200,000	9,200,000	-
SLCC - Applied Technology Center	-	5,000,000	5,000,000	-
MTECH - Payson Campus	6,181,025	-	47,922,000	798,700
DTECH - Campus Renovations	2,626,826	-	20,366,000	117,500
TTECH - Building Expansion	3,192,149	-	24,749,000	597,400
New O&M and Land Bank				
BTECH - Land Bank	-	16,500,000	16,500,000	-
UU - Rio Tinto Kennecott Bldg Addition for Eng	-	-	-	162,100
USU - Blanding Prof. Career & Tech Ed. Lab	-	-	-	194,600
SLCC - Westpointe Student Services Building	-	-	-	328,900
MTECH - Orem & Provo Campus	-	-	-	743,000
DTECH - Simmons Building	-	-	-	140,000
Total - State-Funded Capital Projects	80,268,300	247,209,400	408,514,700	6,041,200

*CPF = Capital Projects Fund base budget allocation (see Table 3), i.e. dedicated funds; amounts for technical college projects not specified in appropriations acts, figures here based on total project cost.

**H.B.3 Intent language intends USU to use \$18,000,000 plus Capital Projects Fund for programming, design and construction not to exceed \$80M

Table 2: Other Funds - Capital Projects

Project	Payment	Authorization
UU - West Valley Health and Community Center	Rev. Bond: Clinical Revenue	400,000,000
UU - Impact -Epicenter Building	Rev. Bond: Rental Revenue	118,700,000
UU - Mental Health Facility	Rev. Bond: Donations	65,000,000
UU - Indoor Football Practice Facility	Rev. Bond: Donations	62,000,000
UU - Kahlert Village - 4th Wing	Rev. Bond: Rental Revenue	47,600,000
UU - Applied Sciences Building	Rev. Bond: Donations	25,000,000
DSU - Campus View Suites Phase Three	Rev. Bond: Rental Revenue	62,500,000
SUU - The Cottages at Shakespeare Lane	Rev. Bond: Rental Revenue	12,000,000
UVU - Parking Garage	Rev. Bond: Parking Fees	12,000,000
USU - Maverik Stadium	Rev. Bond: Student Fees	7,000,000
USU - Nora Eccles Harrison Museum	Donations	
Total - Other Funds Capital Projects		811,800,000

Table 3: Capital Projects Restricted Fund (Dedicated Funding) Balances

Institution	Base Budget Allocation	Appropriated in GS 22	Estimated Balance
Degree-Granting	100,689,700	(68,268,300)	32,421,400
University of Utah*	20,171,500	(4,800,000)	15,371,500
Utah Valley University	15,079,000	(15,079,000)	-
Utah State University	14,260,500	(14,260,500)	-
Southern Utah University	12,510,000	(12,510,000)	-
Utah Tech University	11,341,000	(11,341,000)	-
Weber State University	10,277,800	(10,277,800)	-
Salt Lake Community College	9,031,700	-	9,031,700
Snow College	8,018,200	-	8,018,200
Technical	19,310,300	(12,000,000)	7,310,300
Total - Capital Projects Fund	120,000,000	(80,268,300)	39,731,700

*H.B.3 Intent language intends UU use up to \$4.8M of Capital Project Fund for programming and design of Interdisciplinary Computing Building