

USHE Weekly Legislative Report
Fifth Week: February 23-27, 2009
Prepared by David Buhler
Associate Commissioner for Public Affairs
March 2, 2009

This is the fifth weekly report on the 2009 legislative session from the perspective of the System of Higher Education, for distribution to Regents, Presidents, and Trustees. Progress was made in advancing Higher Education's agenda, as detailed below:

2010 Budget. Thursday afternoon, majority leadership distributed to their caucus proposed cuts for 2010. Having already reduced the base budget by approximately 7.5%, this plan detailed certain "restorations" in some programs to bring the new cut to 6% (as they describe it). When added with all of the previous cuts, however, this is a cut of approximately 17.5% from the original budget adopted last March. Put another way, the restoration takes the cut from the previously projected total of 19% to 17.5%. We see this as a new starting point for further discussion. USHE's position is that budgets for 2010 should not be reduced more than the 11.3% already imposed. Whatever level of cuts, it is imperative that presidents be given flexibility in managing their institutions in these fiscally challenging times.

Not included in this plan are any new revenues being discussed, the use of any one-time money the state has or federal stimulus funds. Commissioner Sederburg reports that in Cabinet meeting Friday, the Governor made clear that negotiations are on-going between him and legislative leaders to reach agreement on reducing the cut as well as some one-time back-filling of budgets for 2010. When the Legislature meets on Monday, they will have nine working days to complete their business. It is expected that budget discussions (mostly behind closed doors) will dominate much of the week.

Bonding. There is general agreement and apparently strong support for bonding for capital facilities. There is debate about how much. The Capital Facilities Subcommittee recommended \$150 million. Some would like to see it closer to \$100 million, others closer to \$200 million. Obviously where this number ends up will determine how many higher education buildings are funded.

Key Legislation of Interest to USHE

- **HB 15, Career and Technical Education,*** sponsored by Rep. Ron Bigelow, is the compromise bill that resulted from the 2008 interim task force study of issues related to Career and Technical Education and UCAT. This bill will merge the existing SLTATC with Salt Lake Community College, and provides for a stand-alone ATC in Tooele County, among other changes. This bill has passed both houses and is awaiting the Governor's signature.
 - **HB 35S1, Higher Education Tax Credit and Contribution,*** sponsored by Rep. John Dougall, creates a tax credit for tuition and fees paid to one of the USHE institutions, and provides a mechanism to allow Utah taxpayers to send income tax refunds to their Utah Educational Savings Plan (UESP) account(s). Previously passed by the House, the bill was approved on 2nd Reading by the Senate on Thursday, 26-0. It was then placed on the Third Reading Table until a determination is made concerning funding the cost of the tax credit.
 - **HB 100S2, Dept. of Corrections—Tracking and Reimbursement of Individual Prisoner Costs,** by Rep. Carl Wimmer, transfers responsibility, revenue, and budget for post-secondary education of inmates from the Board of Regents to the Department of
- (continued, next page)

Corrections. On Monday a second substitute bill was introduced, requiring greater collaboration between the Department of Corrections and the Board of Regents, and adding language to help ensure that funds will be used for prisoner post-secondary education. With these changes, the House approved it by a vote of 68-3. It will be heard by the Senate Education Committee on Monday.

- **HB 105, Dept. of Agriculture Amendments**, by Rep. John Mathis, allows the Department to make higher education student loans from their revolving loan fund. Passed 2nd Reading in the Senate on Monday, 27-0; awaiting Governor's signature.
- **HB 207S1, Concurrent Enrollment Amendments**,* by Rep. Kory Holdaway, modifies the distribution of appropriations based on whether the instruction is by higher education institution or by a high school. (This provision mirrors part of SB 81.) Approved by the House on Thursday 68-0, now goes to the Senate. Will be heard by Senate Education Committee on Monday.
- **HB 208, Modification of Exemption from Nonresident Tuition**, by Rep. Richard Greenwood, would have added a requirement for eligible students who are not U.S. citizens or permanent residents to file an affidavit each semester promising not to be employed until their immigration status is normalized. Bill was defeated by the House on Wednesday by a vote of 34-40.
- **HB 364, Border Student Amendments**,* by Rep. Don Ipson, provides new tools for presidents to grant waivers to students who live near Utah's borders, or are children of alumni. Bill was approved by the House Education Committee on Monday, 9-1, and will be voted on by the House as early as Monday.
- **HB 432, Higher Education Budget Authority Amendments**,* by Rep. Kory Holdaway, will give temporary authority to college and university presidents to shift funds between line-items in order to best respond to budget cuts. Similar authority was granted during the September 2008 Special Session, and in previous years when budgets were reduced. On Friday the bill was approved unanimously by the House Education Committee, and now goes to the full house for consideration.
- **SB 81S1, Concurrent Enrollment Amendments**,* sponsored by Sen. Margaret Dayton, makes several improvements to the program including making classes that are a high school graduation requirement ineligible for concurrent enrollment, and modifying how funds are distributed. The Substitute Bill does not include a proposed honors program, and clarifies other provisions. It was approved unanimously by the Senate on Wednesday and by the House Education Committee on Friday. Awaiting action by the full House.
- **SB 100, Financial and Economic Literacy Education Amendments**,* sponsored by Sen. Pat Jones, requires public schools to provide parents of Kindergarten students information about the Utah Education Savings Plan (UESP) at the time of school registration. Has passed both houses and is awaiting the Governor's signature.
- **SB 104, Higher Education Scholarship Program Amendments**,* sponsored by Sen. Lyle Hillyard, makes technical changes to the Regents' and New Century Scholarship programs, and, effective with the high school class of 2011, changes the maximum award from 75% of tuition to \$5,000 for New Century and \$6,000 for Regents' Scholarship. Has passed both houses and is awaiting Governor's signature.
- **SB 105, Engineering and Computer Science Initiative Amendments**,* sponsored by Sen. Lyle Hillyard, changes the existing loan program for engineering and computer science students to a scholarship program. Has passed both houses and is awaiting Governor's signature.

* USHE has taken an official position in support; ** USHE has taken an official position in opposition.

For more information about specific bills, legislative membership, or committees, see the legislative website at <http://legislature.utah.gov>