

USHE Weekly Legislative Report

Sixth Week: March 2-6, 2009

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This is the sixth and final weekly report on the 2009 legislative session from the perspective of the System of Higher Education, for distribution to Regents, Presidents, and Trustees. A final report of the session will be presented at the Board of Regents meeting on March 26.

With the session nearing an end, significant progress has been made in advancing Higher Education's agenda. Budget cuts, while deep, are half of what had been projected, several higher education buildings have been funded, and all legislative priorities have either passed or are on track to passing in the final four days. Here are some highlights:

2010 Budget. On Tuesday a framework was announced for a budget agreement between legislative majority leadership and Governor Huntsman. This agreement called for cutting Higher Education by a total of 9% for 2010 (including the 4% cut imposed in the September 2008 Special Session) by using a federal stimulus funds and other one-time sources. Put another way, this means a 5% cut on top of the 4% cut in September. This is in contrast to the 17.5% total cut announced the prior week, and the 19% projected at the beginning of the legislative session. This budget framework was adopted by the Executive Appropriations Committee on Friday, and will be enacted by the full Legislature on Monday.

Governor Huntsman and his team played a key role in protecting Higher Education from deeper cuts. Since the budget includes one-time money for on-going programs, further cuts could be necessary next year (for 2011) depending on the state of the economy. Other options include using the State's Rainy Day Fund, other one-time sources or revenue increases.

Capital Facilities/Bonding. Also approved were capital projects at SLCC, UofU, SUU plus design money for DSC & UVU and two UCAT projects, a total of about 106 million (\$65 million without UCAT). This level of bonding is even more remarkable given that a number of previously approved buildings that had been planned to be paid for with cash will now be bonded for. Clearly our message about the importance of bonding to meet capital needs as well as to spur Utah's economy has been heard. A number of other capital facility projects, to be paid for by private or other sources than state tax funds, were also given legislative approval by Executive Appropriations.

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,*** by Rep. John Dougall, creates a tax credit for tuition and fees, and provides a mechanism to allow Utah taxpayers to send income tax refunds to their Utah Educational Savings Plan (UESP) account(s). It has passed the House and is awaiting final action by the Senate. If funding is available for the tax credit, the bill will move forward in its present form. If not, it is expected to be amended to include only the UESP portion which has no fiscal impact.

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- **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 Corrections. Amendments in the House and in the Senate Education Committee require greater collaboration between the Department of Corrections and the Board of Regents, and added language to help ensure that funds will be used for prisoner post-secondary education, and protecting the role of community colleges in providing these services. Senate approved it Friday, 22-7. Now goes to the Governor for his signature.
- **HB 105, Dept. of Agriculture Amendments**, by Rep. John Mathis, allows the Department to make higher education student loans from their revolving loan fund. Has passed both houses and is 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.) After an amendment was made to its companion bill, SB 81, Rep. Holdaway has decided there is no reason to continue to pursue it.
- **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 has been defeated by the House, 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 on Monday by a vote of 71-0. Awaiting consideration by the Senate.
- **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.
- **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. Further amended in the House to clarify some requirements. Passed House on Thursday, 73-0, and Senate concurred with amendments on Friday 21-2. Now goes to Governor.
- **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>