



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

March 24, 2023

2023 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 2023 General Legislative Session.

Operating Budget: The Legislature approved a record \$248,403,800 increase (16.7%) for the System; priority items that received increased funding include:

Compensation

- Salary and Benefits: funding to support a discretionary 8.75% general salary increase for higher education employees and parity with state employees for health and dental benefits increases.
- Tuition Freeze Offset: In addition, a 12.5% increase in state cost sharing for degree-granting institutions was provided in the final appropriations adjustment bill to help offset the costs of this year's tuition freeze.

Technical Colleges & Degree-Granting Institutions

- Technical College Growth and Capacity: \$10,467,100 in ongoing funding
- Technical College Equipment: \$3,000,000 in one-time funding
- Technical College Custom Fit: \$500,000 in ongoing funding
- Degree Granting Institution Performance Funding: \$35,000,000 in ongoing funding*
- Degree Granting Institution Growth Funding: \$604,000 in ongoing funding

Systemwide Highlights

- Targeted Workforce Development in Computer Science and Healthcare: \$9,000,000 in ongoing funding
- Public Safety Officer Scholarship Program: \$5,000,000 in one-time funding
- Behavioral Health Workforce Initiative: \$931,300 in one-time and \$1,167,800 in ongoing funding**
- Internal Service Fund Rate Payments: \$5,508,800 in ongoing funding

Capital Budget: The Legislature approved all of the Board's capital development priorities, along with additional funding items, bringing total new capital funding to over \$475 million when including \$110

million to the Division of Facilities Construction Management to cover inflation and cost escalation on previously approved construction projects and \$50 million to the Convergence Hall at the Point. Specific funding items include:

- Mountainland Technical College – Wasatch Campus
- University of Utah - Computing and Engineering Building
- Degree Granting Institution Dedicated Project Proposals
- Board requested landbanks

In addition, there was \$110 million appropriated to the Division of Facilities Construction and Management to cover inflation and cost escalation on previously approved construction projects.

Select Institution Funding Items

University of Utah

- Fort Douglas Real Property Transfer: \$100,000,000 in one-time funding
- University of Utah West Valley Hospital: \$25,000,000 in one-time funding
- Huntsman Mental Health Crisis Receiving Center: \$6,000,000 in one-time funding
- Long COVID Clinic: \$4,000,000 in one-time funding

Utah State University

- ASPIRE Institute Electric Vehicle Infrastructure: \$2,100,000 in ongoing funding
- Electric Train Research: \$6,000,000 in one-time funding
- Utah Earthquake Engineering Center: \$2,500,000 in one-time funding
- Agriculture and Small Business Innovation/Sustainability: \$1,110,000 in one-time funding
- Utah Women and Leadership Project: \$500,000 in ongoing funding

Utah Valley University

- UVU Lehi Campus for Health Professionals Renovations: \$4,000,000 in one-time funding
- Civic Thought and Leadership Initiative: \$1,750,000 in one-time funding
- Native American Excellence Opportunity: \$1,506,700 in one-time and \$503,500 in ongoing funding

Utah Tech University

- Innovation Lab: \$400,000 in ongoing funding
- Digital Forensics Crime Lab: \$100,000 in one-time funding

Weber State University

- Missile & Energy Research Center (MERC): \$20,000,000 in one-time funding
- Farmington Station Infrastructure: \$5,300,000 in one-time funding

- Southern Utah University
- Helen Foster Snow Cultural Center: \$300,000 in one-time funding
- Utah Rural Leadership Academy: \$155,600 in ongoing funding

Snow College

- Innovative Agricultural Center: \$1,500,000 in one-time funding
- Rural Technical Training Outreach: \$324,400 in one-time and \$175,700 in ongoing funding

Salt Lake Community College

- SLCC Scholarships: \$250,000 in ongoing funding

Dixie Technical College

- Washington County Bond Defeasance: \$7,479,400 in one-time funding

*Degree-Granting Performance Funding was appropriated one-time in FY 2024 and ongoing in FY 2025.

**The Behavioral Health Workforce Initiative Funding is to be allocated to Utah State University, Weber State University, Utah Valley University, and the University of Utah.

Legislation Summary

2023 was another record-breaking legislative session, with legislators running more bills than any year on record. Many bills had direct and indirect impacts on higher education—some passed, and others failed but brought up issues that will require further study and solutions during the interim period. Below is a summary of the most impactful legislation (*denotes legislation sought by the Board).

HB102 – Higher Education Residency Amendments by Rep. Teuscher—Amends higher education residency provisions by requiring an institution to grant residency status to an individual who is not a citizen of the U.S. but has been granted or has applied for certain immigration statuses.

***HB197 – Higher Education Financial Aid Amendments by Rep. Clancy**—Extends the length of eligibility for promise grants to four years; allows the Utah Board of Higher Education to name a promise partner grant after a business that has funded the grant; extends promise partner grants to dependents of promise partner employees; allows Veterans Tuition Gap Program funds to be applied to education-related supplies and housing allowances.

HB234 – University Recognition for International Baccalaureate Achievement by Rep. Carol Moss—Amends the Board's requirement for acceptance of credit for prior learning; requires institutions to award credit for International Baccalaureate program subject scores

under certain circumstances; requires the Board to consult with the Utah Association of IB World Schools and school International Baccalaureate program coordinators to develop policies regarding standards for awarding International Baccalaureate program credits.

HB318 – Prime Pilot Amendments by Rep. Val Peterson—Changes the PRIME Pilot Program to an ongoing program; clarifies the types of courses required for a student to earn the LAUNCH certificate, DISCOVER breadth certificate, or TRANSFORM general education certificate; requires the Utah Board of Higher Education to award a scholarship to a student who earns the TRANSFORM general education certificate; requires the state board to create a funding formula for LEAs that participate in the program.

HB322 – Budget Reporting Requirements by Rep. Melissa Ballard—Requires a state agency to submit a report to a legislative appropriations subcommittee that describes the agency's plan to expend the agency's non-lapsing appropriation balance. When a state agency is subject to an accountable budget process, it requires the agency to evaluate its internal budget processes and controls and report the results to a legislative appropriations subcommittee.

HB335 – Alternative Concurrent Enrollment Options for Capacity Flexibility by Rep. Wilcox—Provides that a local education agency (LEA) may contract with a nondesignated institution of higher education to provide Concurrent Enrollment courses under certain circumstances; modifies Concurrent Enrollment instructor qualifications.

***HB355 – Utah Data Research Center Amendments by Rep. Val Peterson**—Adds the Department of Commerce to the Utah Data Research Advisory Board as a participating entity and advisory board member.

***HB555 – Talent Ready Utah Program Modifications**—Provides that a public school student participating in a youth apprenticeship is considered a volunteer government worker for purposes of workers' compensation and risk management; provides that an internship through an institution of higher education or public or private school may be with compensation; provides that an intern participating in an internship through an institution of higher education or public school is considered a volunteer government worker for purposes of workers' compensation and risk management; creates an apprenticeship intermediary position to foster relationships between the Talent Ready Utah Program, local education agencies, and industry partners.

SB128 – Public Safety Officer Scholarship Program by Sen. Ipson—Creates a public safety officer scholarship program for high school graduates who:

- enroll in a law enforcement agency cadet program;
- seek a degree program in higher education; and

- after Peace Officer Standards and Training (POST) certification, commit to a peace officer career of a certain minimum duration

SB146 – Higher Education Governance Amendments by Sen. Millner—Amends higher education governance primarily in the following areas:

- Clarifies Board's governing role: controls, oversees and regulates
- Reduces the size of the Board to 10 members
- Eliminates the nominating committee for Board membership
- Gives the Board the responsibility to govern data quality and collection across institutions
- Assigns presidential support and evaluation to the commissioner and Board executive committee
- Allows presidential performance and compensation to include performance-based compensation through an employment contract or another method of establishing employment
- Establishes, through a public process, a statewide succession plan to develop potential institution presidents from within the system
- Requires enhanced reporting on system articulation and seamlessness
- Prioritizes the following areas for shared services:
 - Commercialization
 - Title IX
 - Information technology services
 - Human resources, payroll, and benefits administration.
- Requires the Board to establish initiatives for a common application and direct admissions
- Directs the Board to establish a formal process of ongoing program review with associated criteria
- Establishes faculty and staff advisory committees
- Amends performance funding measures and goal setting
- Directs the Board to submit a prioritization of all projects and proposals for which the Board or an institution of higher education seeks an appropriation
- Directs the Board to establish a committee and process to align technical education programs

***SB194 – Higher Education Funding Amendments by Sen. Vickers**—Sunsets UHEAA and establishes a governing board and governance amendments for My529.

***SB231 – Government Records Management Act by Sen. Bramble**—Creates a path for government entities to have a records requestor designated as vexatious if they are abusing GRAMA to disrupt the regular course of business and there is no clear public benefit.

***SB265 – Education Data Privacy Amendments by Sen. Anderegg**—Corrects an unintended shift of liability for the reckless or intentional acts of a third-party vendor.

Among bills that did not pass, several sought to restrict certain hiring practices, college admission practices, and training requirements centered around equity, diversity, and inclusion (EDI). Similarly, several legislative information requests and one bill questioned the size, scope, cost, and effectiveness of institutions' EDI offices and chief diversity officers. Although these bills did not pass, these items will be subject to further study and discussion during the interim. This gives the institutions and the system an opportunity to reemphasize the critical need to address the growing attainment gap, its negative impact on Utah's ongoing economic prosperity, and the role our institutions' efforts play in closing that gap. But in doing so, the system will work with legislative leadership to address the concerns that led to the unsuccessful legislation.

2023-24 Tax Fund Appropriations by Institution	2023-24 Adjusted Beginning Base Budget	2023-24 Ongoing Changes	% Change	2023-24 One-time Changes	% Change	2023-24 Total Changes	% Change	2023-24 Operating Budget
University of Utah	\$420,059,700	\$63,718,900	15.2%	\$7,695,100	1.8%	\$71,414,000	17.0%	\$491,473,700
Utah State University	\$288,610,800	\$32,310,100	11.2%	\$14,331,300	5.0%	\$46,641,400	16.1%	\$335,252,200
Weber State University	\$116,790,600	\$14,014,400	12.0%	\$4,179,800	4.3%	\$18,194,200	15.6%	\$134,984,800
Southern Utah University	\$64,354,700	\$8,983,100	14.0%	\$4,020,500	6.2%	\$13,003,600	20.2%	\$77,358,300
Snow College	\$40,950,300	\$4,251,300	10.4%	\$1,965,000	7.7%	\$6,216,300	18.1%	\$47,166,600
Utah Tech University	\$58,176,700	\$7,026,000	12.1%	\$1,836,700	3.2%	\$8,862,700	15.2%	\$67,039,400
Utah Valley University	\$164,597,800	\$21,247,800	12.9%	\$8,864,000	5.4%	\$30,111,800	18.3%	\$194,709,600
Salt Lake Community College	\$128,766,700	\$13,451,400	10.4%	\$3,163,000	2.5%	\$16,614,400	13.4%	\$145,381,100
Bridgerland Technical College	\$20,299,400	\$2,660,300	13.1%	\$218,000	1.1%	\$2,878,300	14.2%	\$23,177,700
Davis Technical College	\$24,058,100	\$3,217,900	13.4%	\$322,200	1.3%	\$3,540,100	14.7%	\$27,598,200
Dixie Technical College	\$11,699,900	\$1,868,000	16.0%	\$254,200	2.2%	\$2,122,200	18.1%	\$13,822,100
Mountainland Technical College	\$23,388,700	\$5,854,400	25.0%	-\$1,232,100	-5.3%	\$4,622,300	19.8%	\$28,011,000
Ogden-Weber Technical College	\$21,572,700	\$2,576,800	11.9%	\$385,800	1.8%	\$2,962,600	13.7%	\$24,535,300
Southwest Technical College	\$8,092,600	\$936,100	11.6%	\$185,600	2.3%	\$1,121,700	13.9%	\$9,214,300
Tooele Technical College	\$7,485,100	\$1,480,000	19.8%	-\$398,100	-5.3%	\$1,081,900	14.5%	\$8,567,000
Uintah Basin Technical College	\$11,897,500	\$1,445,700	12.2%	\$185,700	1.6%	\$1,631,400	13.7%	\$13,528,900
UBHE Statewide Programs & Adm*	\$73,742,000	\$38,003,600	51.5%	-\$20,618,700	43.9%	\$17,384,900	49.1%	\$91,126,900
<i>Operating Budget Total</i>	<i>\$1,484,543,300</i>	<i>\$223,045,800</i>	<i>15.0%</i>	<i>\$25,358,000</i>	<i>5.8%</i>	<i>\$248,403,800</i>	<i>16.7%</i>	<i>\$1,732,947,100</i>
<i>New Capital Projects Funding**</i>				<i>\$483,110,600</i>				
Total New Operating & Capital		\$223,045,800		\$508,468,600		\$731,514,400		

*Increases for Utah Board of Higher Education and Statewide Programs are a result of appropriations which will directly flow to institutions or students

**Includes \$110 million to DFCM for cost overruns & \$50 million for Convergence Hall at the Point. Does not include base budget appropriations to capital projects funds or capital project fund balances.

Utah System of Higher Education
2023 General Session Legislative Action on Capital Facilities (2023-24)

Table 1: State-Funded Capital Projects

Project	From CPF Base*	Add'l Funds	Total	State O&M
New Buildings and Renovations				
MTC - Wasatch Campus	\$26,620,300	\$39,116,200	\$65,736,500	\$848,200
UU - Computing & Engineering Building	\$35,543,000	\$72,801,200	\$108,344,200	\$2,302,300
UU - Monson Center Building		\$1,000,000	\$1,000,000	
UU - West Valley Hospital		\$25,000,000	\$25,000,000	
UU - Huntsman Mental Health Crisis Receiving Center		\$6,000,000	\$6,000,000	
WSU - Missile & Energy Research Center (MERC)**		\$20,000,000	\$20,000,000	
UVU - Lehi Campus for Health Prof Renovations		\$4,000,000	\$4,000,000	
UTU - Cox Performance Arts Center Renovation		\$28,000,000	\$28,000,000	
Snow - Innovative Agricultural Center		\$1,500,000	\$1,500,000	
System - Construction Inflation on Previous Projects		\$110,000,000	\$110,000,000	
Convergence Hall at the Point		\$50,000,000	\$50,000,000	
New O&M and Land Bank				
UU - Fort Douglas Property Transfer		\$100,000,000	\$100,000,000	
Snow - Central Valley Medical Center Landbank		\$2,000,000	\$2,000,000	
Snow - Jorgensen Property Landbank		\$850,000	\$850,000	
Snow - Triple D Landbank		\$3,000,000	\$3,000,000	
UTU - Landbank		\$1,340,000	\$1,340,000	
WSU - Farmington Station Landbank & Infrastructure		\$11,023,800	\$11,023,800	
DXTC - Washington County Bond Defeasance		\$7,479,400	\$7,479,400	
SLCC - Business Building Expansion & Remodel				\$767,400
SUU - Buisness Building West Addition				\$92,100
USU - Huntsman Experiential Learning Center				\$393,500
USU - Science Engineering Research Building Renovation				\$29,600
USU - Monument Valley Academic Building O&M				\$107,200
WSU Engineering Technology Building Renovation O&M				\$339,700
DTC - Simmons Building				\$140,000
Total - State-Funded Capital Projects	\$62,163,300	\$483,110,600	\$545,273,900	\$5,020,000

*CPF = Capital Projects Fund

**Funding intended to support acquisition of capital equipment

Note: S.B.3 Intent language intends USU to use a portion of \$18,000,000 appropriated in the 2022 GS for the School of Veterinary Medicine for O&M

Table 2: Other Funds - Capital Projects

Project	Payment	Authorization
UU - West Village Family & Graduate Housing Phase Two	Bonding Authority	\$214,000,000
UU - Undergraduate Student Housing Project	Bonding Authority	\$382,415,000
UU - South Campus Garage	Bonding Authority	\$116,300,000
UU - Computing and Engineering Building	Bonding Authority	\$76,198,000
USU - South Campus Residence Hall	Bonding Authority	\$49,293,000
USU - South Campus Parking Terrace	Bonding Authority	\$22,925,000
Total - Other Funds Capital Projects		\$861,131,000

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

Institution	Beginning Balance	Base Budget Allocation	Appropriated in GS 22	Estimated Balance
Degree-Granting				
University of Utah	\$15,371,500	\$20,171,500	-\$35,543,000	\$0
Utah Valley University		\$15,079,000	\$0	\$15,079,000
Utah State University		\$14,260,500	-\$14,200,000	\$60,500
Southern Utah University		\$12,510,000	-\$12,500,000	\$10,000
Utah Tech University		\$11,341,000	\$0	\$11,341,000
Weber State University		\$10,277,800	-\$8,332,400	\$1,945,400
Salt Lake Community College	\$9,031,700	\$9,031,700	-\$18,063,400	\$0
Snow College	\$8,018,200	\$8,018,200	\$0	\$16,036,400
Technical				
	\$7,310,000	\$19,310,300	-\$26,620,300	\$0
Total - Capital Projects Fund	\$39,731,400	\$120,000,000	-\$115,259,100	\$44,472,300