Fiscal Note
S.B. 229
2026 General Session
State Employee Benefits Amendments
by Fillmore, Lincoln

General, Income Tax, and Uniform School Funds
JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	$(12,570,200)	$(268,700)	$(12,838,900)

State Government
UCA 36-12-13(2)(c)

Revenues	*FY 2026*	*FY 2027*	*FY 2028*
Commerce Service Account	$0	$161,400	$161,400
General Fund	$0	$(548,700)	$(548,700)
Oil and Gas Conservation Account (GFR)	$0	$33,800	$33,800
Insurance Department Acct (GFR)	$0	$53,500	$53,500
Liquor Control Fund	$0	$300,000	$300,000
Total Revenues	$0	$0	$0

Enactment of this legislation could reduce revenue to the General Fund by $548,700 ongoing beginning in FY 2027 as a result of additional costs from the Commerce Service Account ($161,400), Insurance Department Account ($53,500), Liquor Control Fund ($300,000), and the Oil and Gas Conservation Account ($33,800) to fund additional employer 401(k) contributions and increase the paid time off leave cap from 320 to 360 hours. Increased expenditures in each of these funds reduces year-end transfers to the General Fund

Expenditures	*FY 2026*	*FY 2027*	*FY 2028*
Other Financing Sources	$0	$6,452,100	$6,452,100
Dedicated Credits Revenue	$0	$623,600	$623,600
Dedicated Credits Revenue, One-time	$0	$22,300	$0
Commerce Service Account	$0	$161,400	$161,400
General Fund	$0	$12,021,500	$12,021,500
General Fund, One-time	$250,000	$18,700	$0
Oil and Gas Conservation Account (GFR)	$0	$33,800	$33,800
Insurance Department Acct (GFR)	$0	$53,500	$53,500
Liquor Control Fund	$0	$300,000	$300,000
Total Expenditures	$250,000	$19,686,900	$19,645,900

Enactment of this legislation could cost the Department of Government Operations $13,294,000, of which $7,698,000 is from the General Fund and $5,595,700 is from other funds ongoing beginning in

FY 2027 to increase the 401(k) match rate for eligible state employees, and $250,000 one-time from the General Fund in FY 2026 for payroll system updates related to the new contribution structure. It could also cost the Department of Government Operations $3,338,000 of which $1,932,900 is from the General Fund and $1,405,100 is from other funds beginning in FY 2027 to increase the paid time off leave cap from 320 to 360 hours. It could also cost the Division of Finance $18,700 one-time from the General Fund in FY 2027 for system updates and testing, and the Office of Enterprise Solutions $22,300 one-time from Dedicated Credits in FY 2027 for modifications to the HR system, of which the agency reports they can absorb $10,500. Finally, it could cost the institutions of higher education a total of $3,014,200 ongoing in FY 2027, of which $2,390,600 is from the General Fund, and $623,600 is from Dedicated Credits to fulfill the increased 401(k) contributions to eligible employees. This legislation could also cost state agencies up to $700,000 ongoing, beginning in FY 2027, from all sources, of which $357,000 is from the General Fund, due to lost or deferred output by state employees.

	FY 2026	*FY 2027*	*FY 2028*
Net All Funds	$(250,000)	$(19,686,900)	$(19,645,900)

Local Government UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct expenditures from tax or fee changes for Utah residents and businesses.

Regulatory Impact UCA 36-12-13(2)(d)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Evaluation JR1-4-601

This bill creates a new program or significantly expands an existing program.
For a list of questions lawmakers might ask to improve accountability for the proposed program, please see: https://budget.utah.gov/newprogram

Notes on Notes

Fiscal explanations estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal explanation is not an appropriation. The Legislature decides appropriations separately.