



Fiscal Note
1st Sub. S.B. 229 (Green)
 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.

	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Net All Funds	<u>\$(250,000)</u>	<u>\$(19,686,900)</u>	<u>\$(19,645,900)</u>

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.