



**Fiscal Note**  
**2nd Sub. S.B. 229 (Salmon)**  
 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)	\$ (250,000)	\$ (12,820,200)

**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
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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 reduce 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
Commerce Service Account	\$0	\$161,400	\$161,400
General Fund	\$0	\$12,021,500	\$12,021,500
General Fund, One-time	\$250,000	\$0	\$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
<b>Total Expenditures</b>	<b>\$250,000</b>	<b>\$19,645,900</b>	<b>\$19,645,900</b>

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

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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. 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.

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