



News from the Utah Legislature

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(covering the week of Feb. 1)



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Rally Urges Legislators to 'Proceed with Caution'

Holding signs saying "Proceed with Caution" and "Keep Utah Competitive," more than 4,000 gathered on the steps of Utah's State Capitol Feb. 6 to ask the Utah Legislature to consider all options before cutting state retirement benefits. The rally included public employees, policemen, teachers, school staff and others concerned

about legislative proposals to slash state employee compensation by reducing retirement benefits without carefully considering all the ramifications.

Speakers stressed that



Fearing unintended consequences, more than 4,000 gathered on Capitol Hill Feb. 6 to support a "proceed with caution" approach to retirement system changes.

Utah's current retirement system is good for attracting and retaining quality employees, supports the economy, is cost-efficient for taxpayers and is one of the most financially sound systems in the country.

UEA President Kim Campbell expressed concern that few incentives are available to attract quality teachers to Utah. "If Utah

really wants to attract and retain the best teachers, school staff, policemen and state employees, we cannot continue to cut their compensation," she said.

"While some adjustments to the retirement system may be necessary and prudent, those changes cannot be made in haste."

Budget Issues

The Public Education Appropriations Subcommittee's Fiscal Analyst presented the Minimum School Program, which included a projected growth of 11,044 students requiring 13,581 additional WPUs. Fully funding growth would require \$74.5 million. After reducing some \$300 million for current one-time money not be available in 2011, another \$101.5 million must be cut. This would mean decreasing the WPU from \$2,577 to \$2,464.

On Feb. 8, members of the Subcommittee will bring their individual priorities for funding programs. They will discuss, debate and determine the recommendations to make to Executive Appropriations. New revenue projections for the state of Utah will be received by the Legislature about February 15. After that, overall funding plans will begin to form.

As part of the budgeting process, **HB1 (first substitute): Minimum School Program Base Budget** was debated and passed by the House. This is the first formal action taken in the budget process...essentially a starting point for discussion. The bill moved to the Senate for action.

Bills on the Move

- **SB132: Higher Education Scholarship Amendments.** Revises the criteria for New Century Scholarships. Passed out of Senate Education Committee to the full Senate where amendments are likely.
- **HJR3: Joint Resolution on Teacher Performance Pay.** Establishes a framework to guide legislative action on performance pay proposals. Passed with a unanimous recommendation by the House Education Committee. Strongly supported by the UEA.
- **SB16: U-PASS Amendments.** Expands the use of adaptive online testing in place of CRTs for districts that choose to participate. Moved from the House Education Committee for debate in the House.
- **SB77: School District Leave Policies.** Prohibits paid association or union leave and requires reimbursement for costs for unpaid leave. Passed the Senate Education Committee is on the Senate second reading calendar. Opposed by UEA and the Utah School Boards Association as an interference of local control.
- **HB42 (first substitute): School District Employees – Career Status Requirements.** Allows school districts to extend teacher provisional status to five years. Passed the Senate Education Committee and awaits action by the full Senate.

SB63 Introduced

Proposal Slashes New-Hire Benefits

Sen. Dan Liljenquist (R-Bountiful) introduced **SB63: New Public Employees' Tier II Contributory Retirement Act** this week. This is the third and perhaps most onerous of the proposed changes to the Utah Retirement Systems. The bill would eliminate the current retirement system for all new hires and replace it with a choice between a defined contribution plan and a greatly reduced hybrid defined benefit/defined contribution plan.

The Senate Retirement Committee will meet Feb. 10 to consider SB63, **SB43: Post-retirement Employment Amendments** and **SB94: Supplemental Benefit Amendments** for Noncontributory Public Employees.

To send a letter to your legislator expressing concerns about the retirement bills, visit utea.org/politics.

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