



**State of Utah**

**GARY R. HERBERT**  
Governor

**SPENCER J. COX**  
Lieutenant Governor

## **GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET**

KRISTEN COX  
*Executive Director*

December 1, 2017

Lieutenant Governor,

Submitted below is the Governor's Office of Management and Budget's fiscal estimate for the "Utah Decides Healthcare Act of 2018" statewide initiative.

The Governor's Office of Management and Budget estimates that this proposed initiative would, in fiscal year 2021 (upon full phase-in of the federal Affordable Care Act):

- Result in new state fiscal expenses of about \$77,000,000 for Medicaid services
- Increase state sales taxes by about \$90,000,000 by increasing the state sales tax rate by 0.15%, from 4.70% to 4.85% (a 3.2% increase from the current tax rate).

Beyond FY 2021, costs could outpace new revenue depending on actual cost and revenue trajectories. Estimates could vary with changes in federal law, federal funding, taxpayer behavior and Medicaid recipient behavior, among other factors.

In addition, the cost of posting information regarding the proposed initiative in Utah's statewide newspapers and for printing additional pages in the voter information pamphlet is estimated at \$30,000 in one-time funds.

Should you have any questions, please contact Nate Talley, Budget and Policy Manager, at (801) 538-1556.

Sincerely,

Kristen Cox

Executive Director