



Fiscal Note and Budget Item Follow-Up Report

Executive Appropriations Committee

ISSUE BRIEF

SUMMARY

This report follows-up on select fiscal notes and budget actions from past legislative sessions. For each item, the report includes a stop light (red, yellow, green) for implementation status, budget accuracy, and, where available, performance. It details original cost and/or revenue estimates, legislative appropriations, and actual experience. It is intended to create a feed-back loop that improves future estimates and initiatives.

The report is organized by Appropriations Subcommittee, year, and type of follow-up item. The report contains items from the 2012 through the 2014 legislative General Sessions, which is indicated in the top left corner of the page. Fiscal notes of bills passed during a legislative session are prefixed with the bill number.

INDEX OF BILLS AND BUDGET ITEMS IN REPORT

The following table summarizes the items contained in the report and indicates the page number on which the item may be found.

Cmte	Session	Bill or Budget Item Description	Implem.	Accuracy	Perform.	Page
	2013 G.S.	S.B. 84 - Sales and Use Tax Exemption for Short-term Lodging	●	●	●	5
	2013 G.S.	S.B. 171 - Sales and Use Tax Exemption for Electronic Financial Payments	●	●	●	6
	2014 G.S.	H.B. 403 - H.B. 403 Amendments Related to Education Funding	●	●	●	7
	2014 G.S.	H.B. 55 - H.B. Income Tax Credit for Purchase of Transit Pass	●	●	●	8
	2014 G.S.	H.B. 74 - Energy Efficient Vehicle Tax Credits	●	●	●	9
	2014 G.S.	S.B. 65 - Sales and Use Tax Exemption	●	●	●	10
EOCJ	2013 G.S.	Guardian Ad Litem Volunteer Advocate	●	●	●	11
EOCJ	2014 G.S.	6 Additional Troopers	●	●	●	12
EOCJ	2014 G.S.	Domestic Violence and Sexual Violence Support Services	●	●	●	13
EOCJ	2014 G.S.	Free Market Protection and Privatization Board	●	●	●	14
EOCJ	2014 G.S.	Hearing Officer	●	●	●	15
EOCJ	2014 G.S.	Identity Theft Reporting Information System (IRIS)	●	●	●	16
EOCJ	2014 G.S.	Jail Contracting Growth	●	●	●	17
EOCJ	2014 G.S.	H.B. 325 - Judicial Performance Evaluation of Justice Courts	●	●	●	18
EOCJ	2014 G.S.	Receiving Centers and Youth Services	●	●	●	19
EOCJ	2014 G.S.	Recidivism Reduction Initiative	●	●	●	20
EOCJ	2014 G.S.	Salary Parity Increases - Guardian ad Litem Attorneys	●	●	●	21
EOCJ	2014 G.S.	Trooper Overtime	●	●	●	22
EOCJ	2014 G.S.	Unclaimed Property Outreach	●	●	●	23
EOCJ	2014 G.S.	Salary Parity Increases - Attorney General's Office	●	●	●	24
EOCJ	2014 G.S.	Criminal Appeals Attorneys	●	●	●	25
EOCJ	2014 G.S.	Amendment Three Defense	●	●	●	26
EOCJ	2014 G.S.	H.B. 96 - Early Intervention Initiatives	●	●	●	27
EOCJ	2014 G.S.	Office Specialist	●	●	●	28
EOCJ	2014 G.S.	Legal Aid for Families	●	●	●	29
EOCJ	2014 G.S.	Rape Kit Processing Backlog	●	●	●	30
EOCJ	2014 G.S.	Child Protection Attorney	●	●	●	31
EOCJ	2014 G.S.	Department of Public Safety Legal Support	●	●	●	32

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

Cmte	Session	Bill or Budget Item Description	Implem.	Accuracy	Perform.	Page
EOCJ	2014 G.S.	UHP Salary Compression	●	●	●	33
IGG	2014 G.S.	Administrative Rules eRules enhancements	●	●	●	34
IGG	2014 G.S.	Archives Automated Storage and Retrieval System Upgrade	●	●	●	35
IGG	2014 G.S.	Post Conviction Indigent Defense	●	●	●	36
IGG	2014 G.S.	Airport Construction	●	●	●	37
IGG	2014 G.S.	Highway Maintenance	●	●	●	38
IGG	2014 G.S.	IT Expansion	●	●	●	39
IGG	2014 G.S.	Digital Form Conversion	●	●	●	40
IGG	2014 G.S.	H.B. 38 - H.B. 38 Resource Stewardship Amendments	●	●	●	41
IGG	2014 G.S.	S.B. 70 - State Data Portal Amendments	●	●	●	42
BEDL	2014 G.S.	Director of administrative services	●	●	●	43
BEDL	2014 G.S.	Industrial Accidents Electronic Data Interchange Project	●	●	●	44
BEDL	2014 G.S.	Southern Utah Office Relocation	●	●	●	45
BEDL	2014 G.S.	H.B. 150 - STEM Action Center (Sci, Tech, Eng, Math)	●	●	●	46
BEDL	2014 G.S.	Tourism Marketing Performance Fund	●	●	●	47
BEDL	2014 G.S.	Two examiners	●	●	●	48
BEDL	2014 G.S.	Wage Claim Caseload	●	●	●	49
BEDL	2014 G.S.	Art Acquisition	●	●	●	50
BEDL	2014 G.S.	Symphony in the Park - Taylorsville Dayzz	●	●	●	51
BEDL	2014 G.S.	Museum of Contemporary Art	●	●	●	52
BEDL	2014 G.S.	Museum Grants	●	●	●	53
BEDL	2014 G.S.	Administration of Avenue H Health Insurance Marketplace	●	●	●	54
BEDL	2014 G.S.	Business Marketing	●	●	●	55
BEDL	2014 G.S.	Small Business Development	●	●	●	56
BEDL	2014 G.S.	Utah Symphony - 5 Park Tours	●	●	●	57
BEDL	2014 G.S.	Auditors and Collectors	●	●	●	58
BEDL	2014 G.S.	H.B. 367 - Physical Therapy Scope of Practice Amendments	●	●	●	59
BEDL	2014 G.S.	S.B. 55 - Pharmaceutical Dispensing Amendments	●	●	●	60
BEDL	2014 G.S.	H.B. 347 - Insurance Coverage for Infertility Treatment	●	●	●	61
BEDL	2014 G.S.	H.B. 141 - Health Reform Amendments	●	●	●	62
BEDL	2014 G.S.	S.B. 129 - Insurance Amendments	●	●	●	63
BEDL	2014 G.S.	S.B. 233 - Utah Small Business Jobs Act	●	●	●	64
SS	2014 G.S.	2-1-1 Information and Referral System	●	●	●	65
SS	2014 G.S.	After school programs to address intergenerational poverty - TANF	●	●	●	66
SS	2014 G.S.	American Cancer Society - Hope Lodge	●	●	●	67
SS	2014 G.S.	Change Medicaid eligibility cards from paper to plastic	●	●	●	68
SS	2014 G.S.	Child care competitive rate subsidy increase - TANF	●	●	●	69
SS	2014 G.S.	CHIP Caseload Adjustments	●	●	●	70
SS	2014 G.S.	Funding for Pamela Atkinson Homeless Trust Fund	●	●	●	71
SS	2014 G.S.	Hospital Assessment Restricted Fund Increase	●	●	●	72
SS	2014 G.S.	Medicaid caseload	●	●	●	73
SS	2014 G.S.	Medicaid Management Information System Replacement	●	●	●	74
SS	2014 G.S.	Nursing Care Facility Assessment Restricted Fund Increase	●	●	●	75
SS	2014 G.S.	Shift Drugs to Medicare Part D	●	●	●	76
SS	2014 G.S.	Marriage Commission - TANF	●	●	●	77
SS	2014 G.S.	DSPD Mandated Additional Needs	●	●	●	78
SS	2014 G.S.	DSPD Disabilities Waiting List	●	●	●	79
SS	2014 G.S.	Direct Client Services and Staffing	●	●	●	80

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Administrative Rules eRules enhancements

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$25,000	\$0	\$25,000	\$0	\$25,000	\$5,624	\$19,376

Explanation

H.B. 2, 2014 G.S., Item 28 appropriated \$25,000 from the General Fund, one-time, to provide for eRules application maintenance and security and for programming needs.

Implementation

The Division of Administrative Rules signed a Scope of Work document with the Department of Technology Services (DTS) to begin security upgrades on July 3, 2014. The security enhancements were queued behind other projects, and the first expenditures posted on October 31, 2014. The security upgrades were rolled into production in November 2014. On February 10, 2015, the division authorized DTS to perform a "Health Check" analysis on the server, encumbering an additional \$2,990 that is not reflected in the "experienced" amount.

Accuracy

The division has expended or encumbered approximately 34 percent of the appropriated \$25,000. The division has nonlapsing authority (see UCA 63G-3-402(5) and 63J-1-602.4(9)), and it will use the remainder of this appropriation to address issues identified in the "Health Check" and to maintain a modest reserve to address problems that arise which require programming to resolve.

Performance

During FY 2013, DTS began scanning servers for vulnerabilities. The vulnerability score for the eRules server was over 240,000 (DTS requires attention for scores above 5,000). After upgrades and security fixes were applied in November 2014, the vulnerability score for eRules dropped to under 1,000. In addition, the "Health Check" analysis identified other factors that must be addressed.

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Archives Automated Storage and Retrieval System Upgrade

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$150,000	\$0	\$150,000	\$0	\$150,000	\$100,000	\$50,000

Explanation

H.B. 2, 2014 G.S., Item 31 appropriated \$150,000 from the General Fund, one-time, to upgrade the operating system of the automated record retrieval system at the Utah State Archives that was commissioned in 2004.

Implementation

The Department of Administrative Services (DAS) initiated a review of the system and acquired some IT hardware in October 2014. DAS posted the first expenditures in April 2015. Upgrades to the system included replacing onboard robotic controls, updating the user interface, upgrading the database server (hardware and software), and purchasing necessary IT equipment and mechanical replacement parts. Contracted work of the mechanical systems upgrade began in June 2015. DAS has distributed expenses as phases are completed. The Department of Technology Services has approved contracted work of the software/user interface upgrade.

Accuracy

The first phase of the project of upgrading the system hardware is nearly completed with expenditures totaling \$100,000. The remaining \$50,000 of the appropriation is contracted for the software/user interface upgrade to be completed in FY2016 and for IT system parts that have yet to arrive.

Performance

Upon completion of the hardware and software systems upgrades, performance will be measured by increased successful operational rate, decreased operational errors, and improved response times. Additionally, successful performance will be reflected by an improvement in DTS' Security Dashboard ranking to acceptable.

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Post Conviction Indigent Defense

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$100,000	\$0	\$100,000	\$0	\$100,000	\$94,175	\$5,825

Explanation

S.B. 3, 2014 G.S., Item 40 appropriated \$100,000 from the General Fund, one-time, to provide post-conviction defense costs for indigent persons convicted with a death sentence.

Implementation

The first expenditure of the funding posted June 30, 2014.

Accuracy

This is an ongoing program that has an ongoing appropriation of \$33,900 from the General Fund. The program has been averaging approximately \$100,000 in expenditures each year, and this appropriation of \$100,000 was requested to avoid overspending the line item. The full \$100,000 will likely be spent by the close-out of FY 2015 as some bills are expected to be approved for FY 2015 services that are not reflected in the "experienced" amount.

Performance

Payments are required in accordance with UCA 78B-9-202. Statute places a soft cap for attorney fees at \$60,000 (at a rate of \$125 per hour) and a soft cap for litigation expenses at \$20,000, and statute specifies conditions under which those caps may be exceeded.

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Airport Construction

Committee: IGG

Analyst: Angela Oh

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$5,000,000	\$0	\$5,000,000	\$0	\$5,000,000	\$720,000	\$4,280,000

Explanation

The Legislature appropriated \$5.0 million one-time to the Utah Department of Transportation (UDOT) in their Aeronautics Construction program. The primary revenue sources for the Aeronautics Restricted Account fund are airplane registration fees and aviation fuel taxes.

This appropriation allows UDOT to better program long-term local airport construction projects throughout the State.

Implementation

This appropriation was in addition to UDOT's existing budget of \$3.5 million in the Aeronautics Restricted Account. Expenditures were first recorded in July 2014, with project expenditures programmed through FY 2019 (see Accuracy for details).

Accuracy

Funds have been programmed over five fiscal years as follows:

- FY 2015: \$720,000
- FY 2016: \$1,050,000
- FY 2017: \$1,710,000
- FY 2018: \$500,000
- FY 2019: \$1,000,000

Performance

Airport sponsors are responsible for a match when they receive a state grant (State: 90 percent, airport sponsor 10 percent). Most sponsors require a few years to budget their match portion. This is one reason for the 5-year plan.

Performance measures vary depending on the construction project. Performance measures will be provided at the end of each construction project.

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Highway Maintenance

Committee: IGG

Analyst: Angela Oh

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$4,000,000	\$0	\$4,000,000	\$0	\$4,000,000	\$4,000,000	\$0

Explanation

Each year, the Utah Department of Transportation (UDOT) requests maintenance funds to perform routine tasks on new features added to the State Road System. The Legislature appropriated \$4.0 million one-time to UDOT for maintenance purposes, such as snow and ice control, maintaining inlets/outlets, pavement striping, pavement markings, maintaining guardrails, etc.

Implementation

Each year, the Central Maintenance Division distributes funding provided by the Legislature based on Maintenance Management Quality Assurance (MMQA) performance levels and past history. Distributions are broken into the following nine categories:

1. Snow and Ice Control
2. Pavement Maintenance
3. Emergency Funds
4. Roadside Maintenance
5. Facilities and Structures
6. Traffic Services and Safety
7. Training/Nonrecoverable/Administration
8. Construction/Field Crews
9. Equipment

Expenditures for highway maintenance first occurred at the beginning of FY 2015.

Accuracy

UDOT focuses on 19 state highway assets and performs maintenance as needed. See Implementation above for details on the types of maintenance that is performed by UDOT. During FY 2015, UDOT spent the full appropriation on maintenance needs, \$4.0 million.

Performance

MMQA measures 16 different activity areas, including semiannual measures for shoulder work, curb and gutter, litter pickup, fence maintenance, weed control, vegetation obstruction, ditches, inlets/outlets, erosion, pavement messages and striping, signs, delineators, guardrail, and sweeping.

Snow and Ice performance is measured by event, and rest area maintenance is measured monthly. Also the pavement management system measures the performance of pavement maintenance.

The following link provides MMQA performance (see page 14):
<http://www.udot.utah.gov/main/uconowner.gf?n=11973015616713803>.

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. IT Expansion

Committee: IGG

Analyst: Angela Oh

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$1,900,000	\$0	\$1,900,000	\$0	\$1,900,000	\$802,400	\$1,097,600

Explanation

The Legislature appropriated \$1.9 million from the Transportation Fund to the Utah Department of Transportation (UDOT) to address annual increases in software maintenance, security modifications, annual software licenses, and an Integrated Project Delivery System. These funds were reallocated from UDOT's Construction Management line item to their Support Services line item.

Annual software support/maintenance costs have increased from 5 percent to 12 percent per year for the past seven years. The security modifications occurred due to an audit from Deloitte. And annual software licensing has increased 330 percent since 2006.

Implementation

The first expenditures related to IT Expansion for UDOT occurred on September 1, 2014.

The following provides details on how UDOT plans to spend the appropriation in FY 2015:

\$500,000: annual software support/maintenance labor costs paid to the Department of Technology Services (DTS) and consultants

\$150,000: security modifications/enhancements paid to DTS

\$350,000: annual software licensing

\$900,000: Integrated Project Delivery System (a four-year implementation process)

Accuracy

As of May 2015, \$802,400 out of \$1.9 million has been expended. UDOT anticipates by the end of FY 2015 that the full appropriation will be spent.

As mentioned in the Explanation section, the \$900,000 for the Integrated Project Delivery System is a four-year program. In FY 2015, the funds were spent on construction field data collection and electronic document creation. In FY 2016, these ongoing funds will be spent on a contract and schedule management system.

Performance

One of UDOT's primary goals with the IT Expansion funding is to be more efficient and transparent. The projects that will be completed as part of the Integrated Project Delivery System will make data easier to access both internally and externally.

As the Integrated Project Delivery System is a four-year plan, performance measures are not able to be quantified at this time (UDOT will provide metrics as they are available).

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. Digital Form Conversion

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$1,100,000	\$0	\$1,100,000	(\$1,100,000)	\$0	\$0	\$0

Explanation

H.B. 3, 2014 G.S., Item 57 appropriated \$1.1 million from the General Fund, one-time, to provide funding for digital form conversion for local governments. The funding was eliminated by H.B. 6, Item 1 in the 2015 General Session.

Implementation

The program was not implemented by the 2015 General Session.

Accuracy

Performance

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. H.B. 38 - H.B. 38 Resource Stewardship Amendments

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$123,700	\$0	\$123,700	\$0	\$123,700	\$92,750	\$30,950

Explanation

H.B. 38, 2014 G.S. required the Director of the Department of Administrative Services to appoint a State Coordinator of Resource Stewardship. The Coordinator is to work with agencies to implement best practices and stewardship measures to improve air quality, and to report annually on best practices and stewardship efforts to the Business and Labor Interim Committee and Natural Resources, Agriculture, and Environment Interim Committee.

The fiscal note stated, "Enactment of this bill could cost the Department of Administrative Services approximately \$124,000 ongoing from the General Fund beginning in FY 2015 for one new FTE and associated expenses."

Implementation

A job bulletin was posted May 9, 2014, and the Coordinator was hired effective September 15, 2014. In order to identify and implement best practices, the coordinator has identified liaisons in state agencies, established a quarterly publication, and held workshops with agencies.

Accuracy

The coordinator was hired effective September 15, 2014 which is 77 days into FY 2015. The appropriation is accurate as the percentage of the appropriation expended is proportionate to the period of the coordinator's employment.

Performance

The program is in its initial stages; future performance will be measured by the number of agencies that develop air quality plans and that actively track their emissions. Early indications of performance include publication of two newsletters and agency participation in outreach efforts such as State Agency Winter Travelwise Challenge (26 agencies), Air Quality in State Government Workshop (19 agencies), First and Last Mile Focus Group (9 agencies), and Bicycle Advocacy Focus Group and Safety Training (9 agencies).

FISCAL NOTE AND BUDGET ITEM FOLLOW-UP REPORT

2014 G.S. S.B. 70 - State Data Portal Amendments

Committee: IGG

Analyst: Brian Wikle

Cost Estimate	Revenue Estimate	Original Approp.	Changes	Subtotal	Experienced	Difference
\$615,000	\$0	\$615,000	\$0	\$615,000	\$547,900	\$67,100

Explanation

S.B. 70, 2014 G.S. directed the Department of Administrative Services to, by certain dates, modify the public information website to include a single point of access for all Government Records Access and Management requests for executive agencies and political subdivisions, and to include links to already existing public information, provide multiple download options, and provide additional public information.

The fiscal note stated, "Enactment of this bill could cost the Department of Administrative Services \$75,000 one-time and \$540,000 ongoing from the General Fund beginning FY 2015 for programming, development and maintenance expenses to upgrade the Utah Public Finance Website."

Implementation

The ongoing funds are equally distributed between the Division of Archives and Records Service and the Department of Technology Services (DTS). Archives hired two FTEs to develop and administer an open records portal (<http://openrecords.utah.gov/>), and DTS hired one FTE to administer the pre-existing open data portal (<http://www.utah.gov/data/>). Archives contracted a vendor to develop a new portal; staff populated the database, tested, administered the portal, and provided training to other agencies and the public on use of the portal. Archives staff began working with political subdivisions to be included in the portal for the next phase. DTS acquired software that allows multiple download options for public information.

Accuracy

Due to changes to DTS' rates in FY 2015, DTS was unable to provide service as per a special billing agreement with Archives, and cost estimates for data storage systems were inaccurate. Archives and DTS developed a new business analysis for data storage and began purchases which will arrive in FY 2016. A portion of the unexpended \$67,100 of the appropriation is committed to those purchases and the remainder is contractually committed to DTS for providing services related to the portals. Beyond the appropriation, Archives will have to cover approximately \$10,000 more in storage/hosting costs.

Performance

Both the open records and open data portions of the portal (<http://openrecords.utah.gov> and <http://www.utah.gov/data/>) were completed and available for public use ahead of schedule. Both Archives and DTS provide reports to the Transparency Board.