



FEES IN THE DEPARTMENT OF WORKFORCE SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: RUSSELL FRANSEN & STEPHEN JARDINE

ISSUE BRIEF

SUMMARY

In accordance with UCA 63J-1-504, requiring the agency to “submit its fee schedule . . . to the Legislature for its approval on an annual basis,” the following fees (included in this brief) are proposed for the services of the Department of Workforce Services in FY 2017. These fees will generate revenue of approximately \$790,000 in FY 2017. The Analyst recommends that the Subcommittee approve these proposed fees.

LEGISLATIVE ACTION

The Fiscal Analyst recommends the Subcommittee, after review and any adjustments, adopt the fee schedule that begins on page 2. UCA 63J-1-504 states, “the Legislature may approve, increase or decrease and approve, or reject any fee.”

DISCUSSION AND ANALYSIS

Statutory Guidance for Setting Fees

UCA 63J-1-504 states the following for setting fees:

“(2) Each fee agency shall adopt a schedule of fees assessed for services provided by the fee agency that are:

- (a) reasonable, fair, and reflect the cost of services provided; and
- (b) established according to a cost formula determined by the executive director of the Governor's Office of Management and Budget and the director of the Division of Finance in conjunction with the agency seeking to establish the fee.”

“(4) Each fee agency that is proposing a new fee or proposing to change a fee shall:

- (a) present each proposed fee at a public hearing.”

No Fee Changes

The Department of Workforce Services is not proposing any changes to its fees and so did not hold a public hearing on its fees.

Where Does the Department of Workforce Services' Fee Revenue Come From?

The Department of Workforce Services estimates total revenue of \$790,000 for FY 2017 from 17 fees. The following 3 fees make up 85% of all the estimated revenue:

1. Loan Origination Fee for Loan Guarantee Program, 1-4% of loan amount based on participation & risk level - \$360,000
2. Debt Collection Information Disclosure Fee, Fee for employment information research and report for creditors providing a court order for employment information of a specific debtor - \$270,000
3. Loan Origination Fee for Loan Participation Program, 1-4% of loan amount based on participation & risk level - \$40,000

FEES IN THE DEPARTMENT OF WORKFORCE SERVICES

The Department of Workforce Services actually collected \$373,100 in FY 2015 compared to projected collections of \$790,000 for FY 2016 for the fees above. Of the \$373,100 collected, \$3,000 or 1% helped to cover indirect administrative costs. Finance's "Revenues – Cost Formula for Fees" (revised May, 1, 2010) states "agencies should include direct and indirect costs in their formula."

Fees for Dept of Workforce Services (All Appr)

There are separate Fee amounts stored for Agencies, GOMB and the LFA.
The amounts listed are the amounts that are furthest through the approval workflow. (Agency >>> GOMB >>> LFA)

Fee

<u>Loan Origination Fee for Loan Participation Program (per 1.00)</u>	\$0.04
This is a variable fee and the department may charge at a rate that is less than or equal to 4% of the loan amount based on participation & risk level.	
<u>Loan Origination Fee for Loan Guarantee Program (per 1.00)</u>	\$0.04
This is a variable fee and the department may charge at a rate that is less than or equal to 4% of the loan amount based on participation & risk level.	
<i>Government Records Access and Management Act (GRAMA) Fees - these GRAMA fees apply for the entire Department of Workforce Services</i>	
<u>Photocopies (for all copies after the first 10)</u>	\$0.10
<u>Fax Pages Local, All Pages</u>	\$2.00
<u>Fax Pages Long Distance, All Pages</u>	\$2.00
<u>Research (per hour)</u>	\$20.00
<u>Debt Collection Information Disclosure Fee (per Report)</u>	\$15.00
Fee for employment information research and report for creditors providing a court order for employment information of a specific debtor.	
<u>State Community Services Office Homeless Summit (per Unit)</u>	\$35.00
<u>Weatherization Classroom (per day)</u>	\$50.00
<u>Demonstration House (per day)</u>	\$250.00
<u>Consumer/Small Contractor (per hour)</u>	\$10.00
<u>Materials (per person)</u>	\$300.00
<u>Trainers Basic (per Unit)</u>	\$50.00
<u>Trainers Advanced (per Unit)</u>	\$100.00
<u>Weatherization Laboratory (per day)</u>	\$250.00
<u>Heating Ventilation and Air Conditioning (HVAC) Laboratory Fee (per day)</u>	\$250.00
<u>Insulation Laboratory (per day)</u>	\$250.00