Capital Improvements Funding - Mark Bleazard

Capital Improvements consist of projects costing less than $2,500,000 to improve an existing facility or less than $500,000 to construct a new facility. The Division of Facilities Construction and Management (DFCM), under the direction of the State Building Board, uses capital improvement funds to make critical repairs to state facilities and replace worn equipment. Typical improvement projects include repairs to HVAC systems, electrical systems, roofs, parking lots, and utility tunnels. Capital improvement funds may not be used for program equipment or routine maintenance.

Utah State statute 63A-5-104 states an appropriation to the Capital Improvements Program at a rate of 1.1% of the replacement value of existing state buildings is required before the Legislature may approve new capital development projects. During budget deficits the statute allows funding at 0.9% of the replacement value of existing state buildings. For FY 2009 thru FY 2014, the Legislature amended the statue to allow funding below the 0.9% level.

An estimated appropriation of $100.3 million will be required to meet statutory requirements in FY 2015. The FY 2014 appropriation included $41.7 million ongoing and $46 million of one-time funding. Legislative options to be within the law include appropriating an additional $58.5 million or change the statue before new capital development projects can be approved.

Corrections Substance Abuse Treatment - Gary R. Syphus

You may have already assumed that substance abuse treatment for inmates was beneficial; but, what is the most effective way to disburse substance abuse treatment resources? The Washington State Institute for Public Policy performed a study that looked at the effectiveness of programming of offenders that included various substance abuse treatment programs and included a cost-benefit analysis.

Reducing Crime With Evidence-Based Options: What Works, and Benefits & Costs

Washington State Institute for Public Policy Estimates as of October, 2006 Notes: "n/e" means not estimated at this time. Prevention program costs are partial program costs, pro-rated to match crime outcomes.	Effect on Crime Outcomes Percent change in crime outcomes, & the number of evidence-based studies on which the estimate is based (in parentheses) (1)	Benefits and Costs (Per Participant, Net Present Value, 2006 Dollars) Benefits to Crime Victims (of the reduction in crime) (2)	Benefits to Taxpayers (of the reduction in crime) (3)	Costs (marginal program cost, compared to the cost of alternative) (4)	Benefits (total) Minus Costs (per participant) (5)
Programs for People in the Adult Offender System					
Vocational education in prison	-9.0% (4)	$8,114	$6,806	$1,182	$13,738
Intensive supervision: treatment-oriented programs	-16.7% (11)	$9,318	$9,369	$7,124	$11,563
General education in prison (basic education or post-secondary)	-7.0% (17)	$6,325	$5,306	$962	$10,669
Cognitive-behavioral therapy in prison or community	-6.3% (25)	$5,658	$4,746	$105	$10,299
Drug treatment in community	-9.3% (6)	$5,133	$5,495	$574	$10,054
Correctional industries in prison	-5.9% (4)	$5,360	$4,496	$417	$9,439
Drug treatment in prison (therapeutic communities or outpatient)	-5.7% (20)	$5,133	$4,306	$1,604	$7,835
Adult drug courts	-8.0% (57)	$4,395	$4,705	$4,333	$4,767
Employment and job training in the community	-4.3% (16)	$2,373	$2,386	$400	$4,359
Electronic monitoring to offset jail time	0% (9)	$0	$0	-$870	$870
Sex offender treatment in prison with aftercare	-7.0% (6)	$6,442	$2,885	$12,585	-$3,258
Intensive supervision: surveillance-oriented programs	0% (23)	$0	$0	$3,747	-$3,747
Washington's Dangerously Mentally Ill Offender program	-20.0% (1)	$18,020	$15,116	n/e	n/e
Drug treatment in jail	-4.5% (9)	$2,481	$2,656	n/e	n/e
Adult boot camps	0% (22)	$0	$0	n/e	n/e
Domestic violence education/cognitive-behavioral treatment	0% (9)	$0	$0	n/e	n/e
Jail diversion for mentally ill offenders	0% (11)	$0	$0	n/e	n/e
Life Skills education programs for adults	0% (4)	$0	$0	n/e	n/e

During the 2013 General Session, the Legislature internally adjusted about $2.2 million from the for substance abuse treatment within the Department of Corrections (DOC). This amounts to a total of about $8.7 million dedicated toward treatment for specific inmates linked to a form substance abuse. Beyond this there is about $900,000 given to the Department of Corrections for their supervision role in the Drug Offender Reform Act (DORA).

One of the big takeaways from the report on the effectiveness of the DORA program was:

"Statewide DORA participants were compared to a matched group to examine the impact of DORA on criminal justice outcomes. **Results of the post-exit recidivism analyses suggested that DORA participants' outcomes were not significantly different from those of the Matched Comparison group**. **The findings show that**, after controlling for covariates, **DORA did not have a significant impact on participants when compared to similar offenders on traditional probation and parole**. . . As currently implemented, DORA may not have sufficient intensity or breadth of treatment targets to adequately address the dynamic needs of the high risk population it serves. DORA's exclusive focus on substance abuse, to the exclusion of other criminogenic risk factors, may be insufficient to reduce recidivism among a high-need group of offenders."

As more than 90% of all inmates will eventually be released from prison and into communities, part of DOC's responsibilities are "providing maximum opportunities for offenders to make lasting changes through accountability, treatment, education, and positive reinforcement within a safe environment." Research shows that substance abuse treatment contributes to positive outcomes in improved recidivism rates - or the rate at which they return to prison. This impacts the budget as the cost of inmates is about $25,000-29,000/year. Much of the cause of recidivism is directly or indirectly related to substance abuse problems. If treatment can help with the reasons inmates return to prison, this will likely have a positive impact on the budget as well as other socially desirable effects. Moving into the 2014 General Session, determining the right combination of substance abuse treatment programs and funding will be important.

Domestic Violence Shelters One-time Funding - Stephen C. Jardine

It is anticipated domestic violence shelters will ask for ongoing funding in the 2014 General Session. During its 2013 General Session, the Legislature provided $474,700 one-time funding to 12 private nonprofit domestic violence shelters. Services provided in these shelters are mostly ongoing in nature. These domestic violence shelters have a varied history in their origin, size, scope and level of services, and support. As a result, per capita funding for the shelters across the state varies widely (see Table 1 below). The Division of Child and Family Services (DCFS) has made changes to its domestic violence shelter allocation formula to try to address this per-shelter per-capita discrepancy. DCFS also uses some of its funding to provide intervention for perpetrators, which some have questioned. DCFS defends the practice stating, among other reasons, that "DCFS pays for treatment of perpetrators because it is essential to keep children safe, strengthen families, and provide quality domestic violence services. Research tells us that preventing domestic violence requires a multi-systemic approach that includes supporting the needs of all family members with a coordinated community response." More detailed explanations and general background information follow.

<u>2013 General Session One-time Appropriation for Ongoing Services</u>

During its 2013 General Session, the Legislature appropriated $474,700 to 12 private nonprofit domestic violence shelters. This funding was for one year only. The services provided in these shelters are typically ongoing in nature. DCFS distributed this funding evenly to all 12 private non-profit centers. A 13th shelter, Pathways in San Juan County, was privatized during the year and was not part of the original request to the Legislature.

Some DCFS Treatment Intervention Funds are Being Used for Perpetrators

DCFS uses some of its funding to provide treatment intervention for perpetrators. In FY 2013, DCFS spent $861,400 for perpetrators. Some have questioned the use of state funding for this purpose, characterizing it as treating domestic-violence offenders with funds that they believe should be dedicated to serving victims.

In response to the question "why funds appropriated for domestic violence are being used to provide treatment to perpetrators," DCFS responded:

- "Utah courts can order perpetrators convicted of domestic violence to attend treatment with an accredited domestic violence treatment provider (perpetrators often help pay for the treatment). DCFS has contracted with domestic violence treatment providers throughout the state to ensure access to treatment services.
- Perpetrator treatment improves safety and stability by reducing risk factors and increasing strengths. Treatment that addresses aggressive behavior is critical to safety."

In response to the question, "are you aware of any statutory requirements related to requiring DCFS provide treatment to perpetrators," DCFS responded:

- "UCA 62A-4a-105 states that the division shall administer services to minors and families, including: child welfare services, domestic violence services and all other responsibilities that the Legislature or the executive director may assign to the division.
- UCA 35A-8-901 specifies DCFS has statutory responsibility to provide domestic violence services--not only to victims and families with DCFS involvement, but statewide domestic violence services. Domestic violence services means: a temporary shelter, treatment, and related services to a person who is a victim of abuse, the dependent children, and treatment services for a person who is alleged to have committed an act of domestic violence" [UCA 62A-4a-101(12)].

In response to the question, "do you have any helpful clarifying information regarding why DCFS pays for treatment for perpetrators," DCFS responded:

- "The DCFS mission is to keep children safe from abuse and neglect and provide domestic violence services by working with communities and strengthening families.
- DCFS pays for treatment of perpetrators because it is essential to keep children safe, strengthen families, and provide quality domestic violence services.
- Research tells us that preventing domestic violence requires a multi-systemic approach that includes supporting the needs of all family members with a coordinated community response.
- Evidence-based perpetrator treatment that is appropriate to the level of risk is key (Bourbon and Armstrong, 2006) and victim safety is always paramount. Research indicates the most effective outcomes come from treatment models promoting mental health and preventing mental illness.

- Not all perpetrators of IPV [intimate partner violence]/domestic and family violence have parental rights terminated or suspended. Perpetrators often continue to interact with their children, making it essential to ensure access to treatment for the entire family.
- By providing quality, comprehensive DV [domestic violence] services that address all angles of domestic and family violence, we have the potential to reduce domestic violence rather than merely managing the result of domestic and family violence."

Allocation of Funds to Domestic Violence Shelters

DCFS provides federal and state pass-through funds to 12 private domestic violence shelters throughout Utah to serve adult and child victims of family violence. A 13th shelter, Pathways in San Juan County, was privatized during the year and was not part of the original 2013 General Session request to the Legislature. DCFS is currently operating two other shelters located in Price and Vernal to ensure adequate services are available in rural communities. Domestic violence shelters in Utah have a varied history in their origin and support. As a result, per capita funding for the various shelters across the state varies widely. DCFS has made changes to its allocation formula over the past few years to try and address this discrepancy. DCFS anticipates distributing $3,394,500 to 12 private non-profit shelters for FY 2014. DCFS distributes the funds based upon four criteria: 1) a $100,000 base amount to 12 shelters with an additional one time amount of $840,000 also split equally between the 12 shelters, 2) a $10,000 rural differential to seven rural shelters, 3) $669,900 distributed based upon a shelters percentage of total shelter days provided (averaged across three years), and 4) a separate ongoing appropriation to Your Community Connections from the 2013 General Session of $147,000.

DCFS is currently developing an advanced performance measure protocol for domestic violence services to enhance the limited current indicator of need (shelter days provided). While shelter days/nights are somewhat helpful as a performance measure, DCFS indicates "it does not take into account the array of cost effective services (outreach teams, crisis intervention services, nursery care, referral, case management) provided to support safety, stabilize families impacted by violence, and create a coordinated community response to domestic violence." Table 1 shows: 1) domestic violence shelters, the FY 2013 and FY 2014 amounts distributed to each shelter, 3) the 2011 population by county associated with each shelters catchment area, 4) the June 2012 beds available count, 5) the FY 2014 pass through amount per capita per shelter, and 6) the beds per 1,000 population associated with each shelters catchment area.

Div. of Child and Family Services (DCFS) Public Funding to Domestic Violence Shelters

Location	Counties Served	State Funded Domestic Violence Shelters	FY 2013 State and SSBG Funds	FY 2014 State and SSBG Funds	2011 Population (a)	June 2012 Beds Available (b)	FY14 Pass Thru $ per capita	Beds per 1,000
Logan	Cache and Rich	CAPSA (Community Abuse Prevention Services Agency)	75,608	138,100	116,997	32	$ 1.18	3.7
Brigham City	Box Elder	New Hope Crisis Center	57,940	126,300	50,466	14	$ 2.50	3.6
Ogden	Weber and Morgan	Your Community Connections (YCC)	93,155	234,600	242,909	28	$ 0.97	8.7
Kaysville	Davis	Safe Harbor	76,486	151,300	312,603	32	$ 0.48	9.8
West Jordan	Salt Lake	South Valley Sanctuary	102,809	167,900		53	*(c)*	*(c)*
Salt Lake City	Salt Lake	Women in Jeopardy Program, YWCA	250,277	299,700	*(b)*	181	*(c)*	*(c)*
	Salt Lake Total		*353,086*	*467,600*	*1,045,829*	*234*	*$ 0.45*	4.5
Provo	Utah and Juab	Center for Women and Children in Crisis	90,340	156,200	541,112	25	$ 0.29	21.6
Park City	Summit and Wasatch	Peace House	66,629	131,700	61,664	15	$ 2.14	4.1
Cedar City	Iron, Beaver, Garfield	Canyon Creek Women's Crisis Center	81,255	137,300	58,531	28	$ 2.35	2.1
St. George	Washington and Kane	D.O.V.E. Center	79,732	145,100	148,427	24	$ 0.98	6.2
Richfield	Sevier, Millard, Piute, Sanpete, Wayne	New Horizons Crisis Center	101,309	138,500	65,953	45	$ 2.10	1.5
Moab	Grand County*	Seekhaven	101,708	124,800	9,322	9	$ 13.39	1.0
Total		Total	1,530,333	2,419,100	2,653,813		$ 0.58	
		FVPSAfFunds allocated to shelters	1,043,800	975,400				
			68.2%	40.3%				
		Total state and federal funding	2,574,133	3,394,500				

Additional Shelters:

Location	Counties Served	Shelter	FY 2013 State and SSBG Funds	FY 2014 State and SSBG Funds	2011 Population (a)	June 2012 Beds Available (b)	FY14 Pass Thru $ per capita	Beds per 1,000
Price	Carbon and Emery	Colleen Quigley Crisis Center	228,300	228,300	32,482	14	$ 7.03	2.3
Tooele	Tooele	Pathways	205,000	205,000	59,133	11	$ 3.47	5.4
Vernal	Uintah, Duchesne, Daggett	Women's Crisis Shelter	218,400	218,400	53,541	8	$ 4.08	6.7
Blanding	San Juan	Gentle Ironhawk Shelter (d)			14,954	26	$ -	0.6

(a) taken from "Utah's 2011 Population 2.8 Million" issued by Governor's Office of Planning and Budget.
(b) 'June 2012 beds Available' from the Division of Child and Family Services
(c) West Jordan and Salt Lake shelters have been combined to calculate county information
(d) the Gentle Ironhawk Shelter in Blanding does not receive state funding.

Note: the Pathways shelter was privatized late last year. The above chart, therefore, reflects distribution to the 12 private nonprofit shelters that requested additional funding from the Legislature.

Table 1

General Background

DCFS has statutory responsibility to provide services which aid victims and perpetrators of domestic violence. This program includes: domestic violence caseworkers, domestic violence outpatient services, and family violence shelters. There are 15 domestic violence shelters operating in nearly half of the state's 29 counties, two (three until late last year) of which DCFS operates to ensure adequate services are available in rural communities. The Commission on Criminal and Juvenile Justice, the Administrative Office of the Courts, and the Office of the Attorney General also receive funding and play unique roles in domestic violence prevention and intervention. A private non-profit, known as the Utah Domestic Violence Coalition (UDVC) is the federally recognized, non-government organization designated as the state authority for domestic violence victim advocacy and receives approximately $245,000 annually from the federal government. FY 2014 DCFS funding for domestic violence services ($5,921,700) consists of:

- General Fund (32%),
- Federal grants (52%)
- Victims of Domestic Violence Services Restricted Account (16%).

In 2012 the U.S. Department of Justice issued a Special Report titled Intimate Partner Violence, 1993-2010. The report showed that from 1994 to 2010 the overall rate of intimate partner violence in the U.S. declined by 64 % and that in 2010 5.9 females per 1,000 annually experienced intimate partner violence while 1.1 males per 1,000 annually experienced intimate partner violence. A 2005 Utah-specific study titled Domestic Violence Incidence and Prevalence Study indicated that 36.9 % of female respondents over age 18 identified themselves as victims of domestic violence.

Domestic violence services funded through or provided by the Division of Child and Family Services

The Division of Child and Family Services within the Department of Human Services provides services which aid victims and perpetrators of domestic violence. This program includes:

- **Domestic violence case workers**: provide other DCFS workers with information about domestic violence as it relates to child abuse, assist in risk determination, and provide resources and referrals to assist DCFS workers in keeping adult and child victims safe.
- **Domestic violence outpatient services:** provide assessment and treatment intervention to court-ordered and voluntary domestic violence perpetrators, victims of domestic violence, and child witnesses of domestic violence. This program is funded in part from the Victims of Domestic Violence Services Restricted Account (UCA 51-9-406) which revenues come from surcharges on criminal fines, penalties, and forfeitures imposed by the courts.
- **Family violence shelters**: there are 15 domestic violence shelters operating in nearly half of the state's 29 counties, two (three until late last year) of which DCFS operates to ensure adequate services are available in rural communities. DCFS contracts for services with 12 private non-profit shelters such as the YWCA program in Salt Lake City, South Valley Sanctuary in West Jordan, Center for Women and Children in Crisis in Provo, and Your Community Connections in Ogden. A 13th shelter, Pathways in San Juan County, was privatized during the year. These shelters provide abused adults and their children with a safe short-term refuge. Available services vary from shelter to shelter. Some of the services provided include a 24-hour crisis hot line, a 24-hour mobile crisis team, adult and child support groups, rape crisis intervention, education and training, assistance with protective orders, court advocacy, household goods assistance, bilingual services, transportation, child care, and information and referral.

Domestic violence services funded or provided through other state agencies

Although the Division of Child and Family Services is the primary state agency dealing with domestic violence services, the Commission on Criminal and Juvenile Justice, the Administrative Office of the Courts, and the Office of the Attorney General also have funding and play unique roles in domestic violence prevention and intervention. Table 2, based upon information provided from the Commission on Criminal and Juvenile Justice, shows public funding sources and general distribution of those public sources for domestic violence prevention and intervention in Utah.

Utah Domestic Violence Public Funding Sources and Distribution

Federal Sources			State Sources
Violence Against Women Act *(Federal Grant)*	**Victims of Crime Act** *(Federal Surcharge on Offenders)*	**Family Violence Prevention Services Act** *(Federal Grant)*	**General Fund & Restricted Fund** *(State Sales Tax and Court Fees on Fines)*
Distributing Agency in Utah	Distributing Agency in Utah	Distributing Agency in Utah	Distributing Agencies in Utah
CCJJ-Office on Victims of Crime	CCJJ-Office on Victims of Crime	DCFS	DCFS, AOC, AG
Distributed to/for:	Distributed to/for:	Distributed to/for:	Distributed to/for:
Prosecution	Address Child Abuse	13 Private Domestic Violence Shelters	2 DCFS-run Domestic Violence Shelters (*DCFS*)
Law Enforcement	Address Domestic Abuse	Annual Domestic Violence Conference	Treatment (Restricted Funds) (*DCFS*)
Victim Services	Underserved Victims	LINKline	Adult Victim/Perpetrator Treatment (*DCFS*)
Courts	All Victims of Crime Categories	State shelter monitoring program staff (5%)	Children's Treatment (*DCFS*)
Discretionary			DCFS Domestic Violence Workers
			Legal Services
			Children's Justice Center Domestic Violence Conference (AG)

Acronyms:
CCJJ - Commission on Criminal and Juvenile Justice
DCFS - Division of Child and Family Services
AOC - Administrative Office of the Courts
AG - Attorney General
UDVC - Utah Domestic Violence Coalition

Table 2

The private nonprofit Utah Domestic Violence Coalition

A private non-profit entity known as the Utah Domestic Violence Coalition (UDVC) receives approximately $245,000 annually from the federal government. The source of the funding is the Family Violence Prevention Services Act (FVPSA). UDVC is the federally recognized domestic violence coalition in Utah, and it applies for and receives its FVPSA grant directly from the federal government. Coalitions, as authorized through both FVPSA and the Violence Against Women Act, are active partners with the state in assessing and prioritizing statewide needs for victims of intimate partner violence. The role of UDVC, and all statewide domestic violence coalitions, is: 1) training and technical assistance for victim service providers and others, 2) public education and prevention, and 3) public policy. UDVC also operates a statewide resource referral line that is available 24 hours a day, 7 days per week to provide free, confidential help to anyone seeking domestic violence resources.

Funding for Domestic Violence Services

FY 2014 funding for domestic violence services in the Division of Child and Family Services ($5,921,700) consists of:

- General Fund (32%)
- Federal grants (52%)
- Victims of Domestic Violence Services Restricted Account (16%)

General Fund

The General Fund is one of the major funds used in state accounting and is defined as all revenues not otherwise provided for by law. The primary stream of income is from sales tax.

Federal grants

DCFS uses three separate federal funding sources to pay for domestic violence services:

- **Social Services Block Grant (62% of total federal funding)** - a capped entitlement program available to states without a state matching requirement to help states achieve a wide range of social services policy goals. States are given wide discretion to determine the services to be provided and the groups that may be eligible for services.
- **Family Violence Prevention Services Act (35%)** - provides funding for shelter and supportive services for victims of domestic violence and their dependents and for public awareness about domestic violence.
- **Title IV-E (Social Security Act) Foster Care Assistance (3%)** - provides funding for (1) foster care maintenance to provide safe and stable out-of-home care for eligible children under the jurisdiction of the state child welfare agency until the children are returned home safely, placed with adoptive families, or placed in other planned arrangements for permanency; (2) training for public agency staff, foster parents, and certain private agency staff; and (3) administrative costs to manage the program.

Victims of Domestic Violence Services Restricted Account

All courts levy a surcharge on fines. Of the amount collected by these surcharges, 4.5 percent is allocated to the Victims of Domestic Violence Services Restricted Account (UCA 51-9-406). A portion of the collections (0.5 percent) goes to the Office of the Attorney General for training. The remaining four percent goes to DCFS for services to victims of domestic violence.

Domestic Violence

In 2012, the U.S. Department of Justice issued a Special Report titled *Intimate Partner Violence, 1993-2010*, (Catalano). This report looks at trends in nonfatal intimate partner violence which includes "rape, sexual assault, robbery, aggravated assault, and simple assault committed by an offender who was the victims current or former spouse, boyfriend, or girlfriend." The report showed that in 2010 there were 5.9 females per 1,000 who experienced intimate partner violence (IPV) while 1.1 males per 1,000 also experienced intimate partner violence. Some of the major findings of the report include:

- From 1994 to 2010, the overall rate of intimate partner violence in the U.S. declined by 64 %.
- From 1994 to 2010, about 4 in 5 victims of intimate partner violence were female.
- Females ages 18 to 34 generally experienced the highest rates of intimate partner violence.
- Separated females experienced the highest rate of intimate partner violence during the 18-year period even though this categorys rate declined over the period like those rates associated with all other categories.
- Intimate partner violence differed by race and ethnicity. All categories declined significantly over the survey period. The Hispanic origin female category had the largest decline. This category of intimate partner violence declined from 18.6 females per 1,000 in 1994 to 4.1 in 2010.

A previous report titled *National Intimate Partner and Sexual Violence Survey - 2010 Summary Report* (National Center for Injury Prevention and Control, Centers for Disease Control and Prevention, 2011) found that 35.6 % of surveyed women and 28.5 % of surveyed men in the United States reported having experienced "rape, physical violence, and/or stalking by an intimate partner in their lifetime."

A Utah-specific study titled *Domestic Violence Incidence and Prevalence Study*, Dan Jones & Associates, commissioned by the Utah Commission for Women and Families, 2005, identified 36.9 % of the 1,000 female respondents over age 18 as victims of domestic violence sometime during their lifetime. Domestic violence was defined for this study as:

Primarily, though not exclusively, a crime committed by men against women including: a pattern of assaultive and coercive behaviors; psychological, sexual, and physical abuse; behavior used by an individual to hurt, dominate, and control an intimate partner.

The Dan Jones & Associates study also concluded "there has been very little change - for the better or worse - in the incidence and prevalence of domestic violence and abuse in Utah since the 1997 study."

The Department of Public Safety has collected annual data since 2008 (see the topic Domestic Violence Report in the minutes of the June 19, 2013 Law Enforcement and Criminal Justice Interim Committee). H.B. 261, *Domestic Violence Statistics Reporting* (2013 General Session), required the Bureau of Criminal Identification in the Department of Public Safety "to compile the data that it had been collecting on domestic violence and present a report to the Law Enforcement and Criminal Justice Interim Committee." The report was provided to that interim committee in May, 2013 and provides information regarding the relationships of suspects and victims and the number of arrests and the charge associated with those arrests.

In addition, the Division of Child and Family Services provided additional information (e-mail to the Legislative Fiscal Analyst dated November 18, 2013), citing, among other sources shown below, the National Center for Injury Prevention and Control (2006), *Understanding Intimate Partner Violence fact sheet*):

- Since 2000, domestic violence-related homicides accounted for 39.9% of all adult homicides in Utah (DOH/VIPP).
- One-third of domestic violence perpetrators died by suicide after committing the homicide.
- In Utah, female victims of domestic violence have higher rates of mental illness (29.8% vs. 13.7%) and binge drinking (9.8% vs. 4.3%) than women who have not experienced intimate partner violence (VIPP).
- In 2011, more than 3,400 men, women, and children entered shelters to escape domestic violence.
- CDC studies have shown that 60% to 75% of families with intimate partner violence have children who are also maltreated.
- Being abused or neglected as a child increases the likelihood of arrest as a juvenile by 53% and of arrest for a violent crime as an adult by 38%.
- The number of domestic violence victims turned away from shelter due to lack of beds rose from 1,677 in 2008 to 2,809 in 2012, an increase of 67%.

In-depth Budget Review: Off-budget Funds and Operations - Russell T. Frandsen

While Utah consistently ranks among the best managed states, legislators recognize that there is always room for improvement. They also know financial transparency and accountability are hallmarks of good government. In this vein, they have undertaken a number of initiatives to better define, coordinate, analyze, and report state finances.

The most recent effort in this regard was the in-depth budget review conducted by the Office of the Fiscal Analyst. The 426-page report inventories 457 state funds, operations, and tax incentives that are not currently included in the appropriations process and makes individual recommendations for each of these "off-budget" items. Those recommendations fall into six broad categories:

- Close 35 funds and deposit $393,100 into the General Fund;
- Include $70,824,200 in financial activity and $606,375,400 in fund balances from 53 funds and operations in the appropriations process, and modify the Budgetary Procedures Act so that they are appropriately included in the Governors budget;
- Refer 45 funds to subcommittees to consider statute changes;
- Request the executive branch make changes to 18 funds and provide additional expenditure detail;
- Include seven funds in annual presentations to the Executive Appropriations Committee, including a new presentation on long-term liabilities and other material risks; and,
- Ask seven organizations to report annually to the Retirement and Independent Entities Appropriations Subcommittee.

The report contains a one-page summary for each individual fund or operation. The summary page has a red/yellow/green "stoplight" indicator for most funds and operations. It also describes the funds or operations purpose; reviews its current accountability mechanisms; graphs its revenue, expenses, and balance information; and makes fund or operation specific recommendations where applicable.

In addition to these fund and operation specific recommendations, staff from the Office of the Legislative Fiscal Analyst discovered a number of potential process improvements. The Fiscal Analyst recommends the following five changes to statute and the budget process:

- Extend the $30,000 revenue-generating requirement to all donation funds;
- Direct the Division of Finance to review $9 million in stagnant fund balances;
- Broaden the scope of the annual "Preliminary Fund Balance Report;"
- Change the legislative drafting instructions for bills that create or modify funds; and,
- Include $1.8 billion in tax credits in the annual appropriations review.

The Fiscal Analyst believes that these recommendations will significantly increase transparency of and accountability for $33.5 billion in financial activity and $45.1 billion of balances for "off-budget" funds and operations. For the full report, please visit http://le.utah.gov/interim/2013/pdf/00004070.pdf.

Internal Services Funds Review and Follow-up - Gary K. Ricks

During the 2012 interim, the Office of the Legislative Fiscal Analyst issued a report and survey reviewing the states major internal service funds (ISFs). During the 2013 interim, the office prepared a follow-up report and survey to identify improvements as well as any possible unresolved or new concerns. The Analyst provided the report to the Executive Appropriations Committee on November 19, 2013.

An ISF is a state entity that provides goods or services to other government agencies. ISFs employ best business practices to adequately identify costs of certain governmental services. ISFs operate on a cost-reimbursement basis from the customer/stakeholder agencies they serve. The departments of Administrative Services, Technology Services and Human Resource Management operate the major ISFs.

Per statute, ISFs report to rate committees annually. The meetings are usually held in late August and early September. The respective rate committees approve or change rates before recommending them to the Governors Office of Management and Budget and the Legislature.

Legislative oversight of the ISFs includes:

- Approval of the ISFs budget request;
- Approval of the ISFs estimated revenue based on the rates and fee structure;
- Approval of the ISFs rates and fees;
- Approval of the number of FTE and authorized capital outlay; and
- Publishing the approved annual revenue, rates/fees, FTE and authorized capital outlay in an appropriations bill(s).

As part of the follow-up report, the Analyst again conducted a survey. Twenty-four customer/stakeholder agencies participated generating 101 survey responses. This years results showed, that overall, customers/stakeholders are satisfied with the services provided by the major ISFs. They also indicated that service during the past year has remained the same or improved. The following were the areas with the highest average satisfaction:

- The level of customer service;
- ISF staff knowledge; and
- Accessibility and communication of the ISF staff to customer agencies.

The responses also identified some concerns, which include the following:

- Some agencies continue to experience difficulties understanding and interpreting ISF billing invoices;
- The committee rate-setting process is not viewed as working as well as it could or should;
- Customers would like the ability to approve and resolve invoice billings questions prior to automatic payment transfer; and
- Customers would like greater ISF transparency with fiscal reporting.

Given these concerns, the Analyst has the following recommendations:

- Increase customer agency representation on each of the ISF rate committees by three additional members;
- Encourage the Division of Finance and the ISFs to allow additional time before automatic payments are executed; and
- Require ISFs to post their annual financial statements to their respective websites.

The Analyst believes that communication and increased understanding between ISFs and customer agencies is improving. The underlying purpose of these recommendations is to continue to strengthen this two-way communication between ISF leaders and staff with their counterparts in the customer/

stakeholder agencies, thereby improving the overall operational efficiency and effectiveness of state government.

Landowner Payments for Depredation or Crop Loss - Ivan D. Djambov

If big game animals are damaging cultivated crops, fences, or equipment on private land, the landowner or lessee can receive compensation. The Division of Wildlife Resources (DWR) is responsible to contact the landowner or lessee within 72 hours and assess the reported damage.

UCA 23-16-4 specifies the responsibilities of DWR to compensate for the damages. The statute directs the following to be considered when determining damage payment:

1. The extent of the damage; and

2. The revenue the landowner derives from:

a. participation in a cooperative wildlife management unit;

b. use of landowner association permits;

c. use of mitigation permits; and

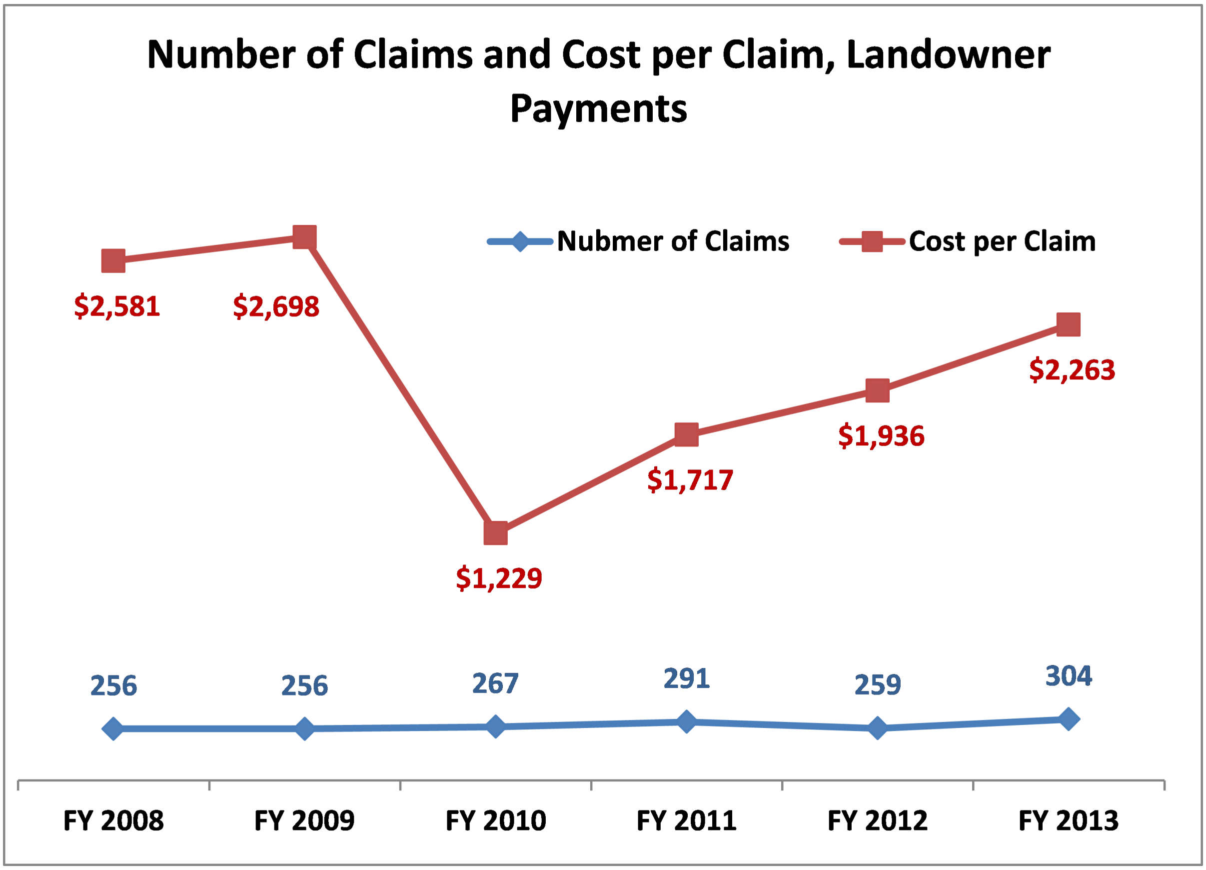
d. charging for hunter access.

According to statue, DWR compensation for damages to cultivated crops is to include:

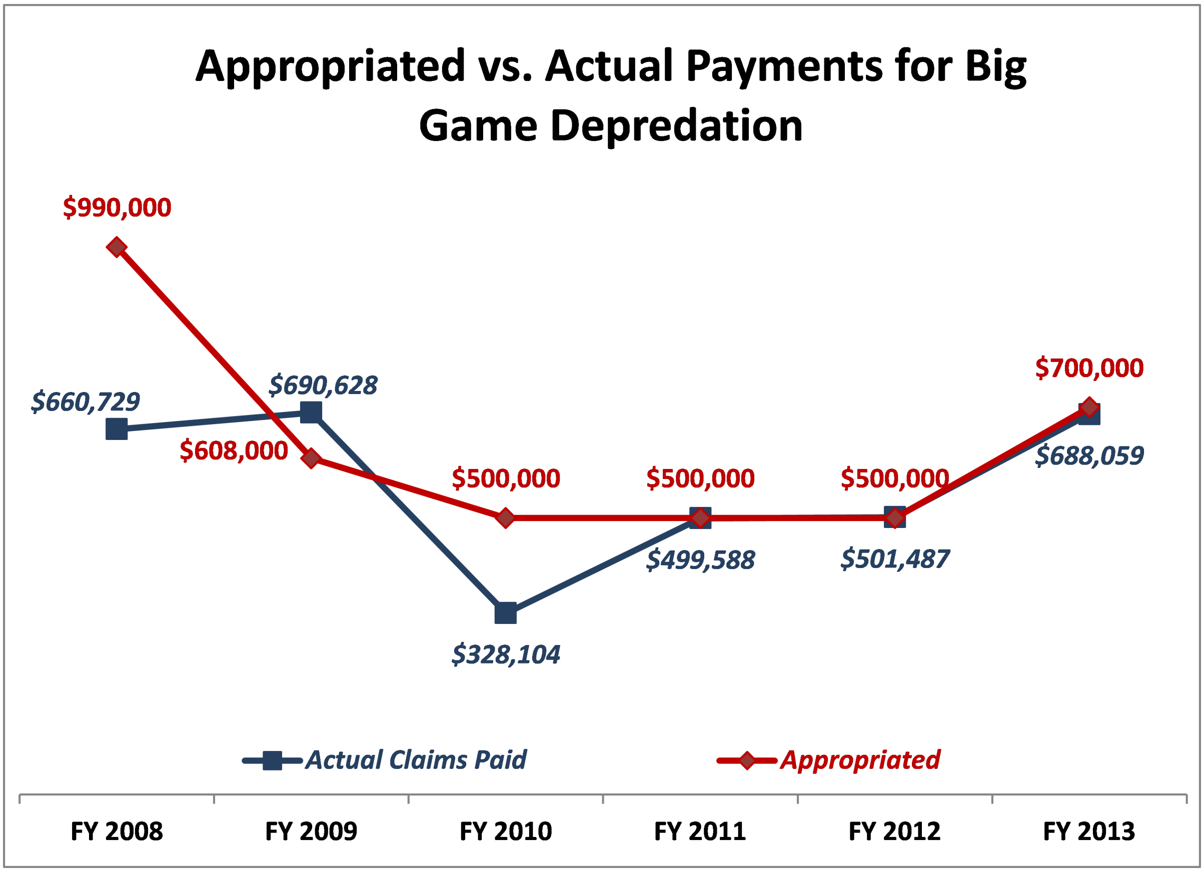
1. The full replacement value in the local market; and

2. The cost of delivery of a replacement crop.

The number of landowner claims for big game depredation has been increasing since FY 2008 (see figure below). Among the reasons for this increase, according to DWR, are drought conditions, cold winters, fires, etc. The data also shows that the cost per claim is increasing as well. DWR staff stated that one of the main reasons for the cost increase is the fact that the cost for replacement of these types of commodities has been increasing. For example, hay has almost doubled in price.



DWR receives an annual appropriation for such claims. Both the appropriated and actual amount for depredation payments were increased in FY 2013.



DWRs goal is to reduce depredation claims by preventing the damage from big game animals. However, with environmental obstacles such as hard winters, droughts, and fires, it becomes difficult to accomplish that goal.

If these trends continue, DWR will need to budget more money for depredation payments, or re-assess and improve the effectiveness of its damage-prevention approach.

Prison Relocation and Development Authority (PRADA) Update - Steven M. Allred

The Executive Appropriations Committee recently received an update on PRADA's activities. At the urging of the Governor's Office, PRADA has postponed the release of a Request for Proposal (RFP) until spring of 2014.

During the 2013 General Session, the Legislature passed Senate Bill 72, "Prison Relocation and Development Amendments," which modified the Prison Relocation and Development Authority (PRADA). Among other things, the bill required PRADA to "issue a request for proposals inviting persons to submit proposals on a new prison development project, current prison land development project, or master development project." Based on the information gathered in the proposals, the authority should make a recommendation to the Governor and the Legislature.

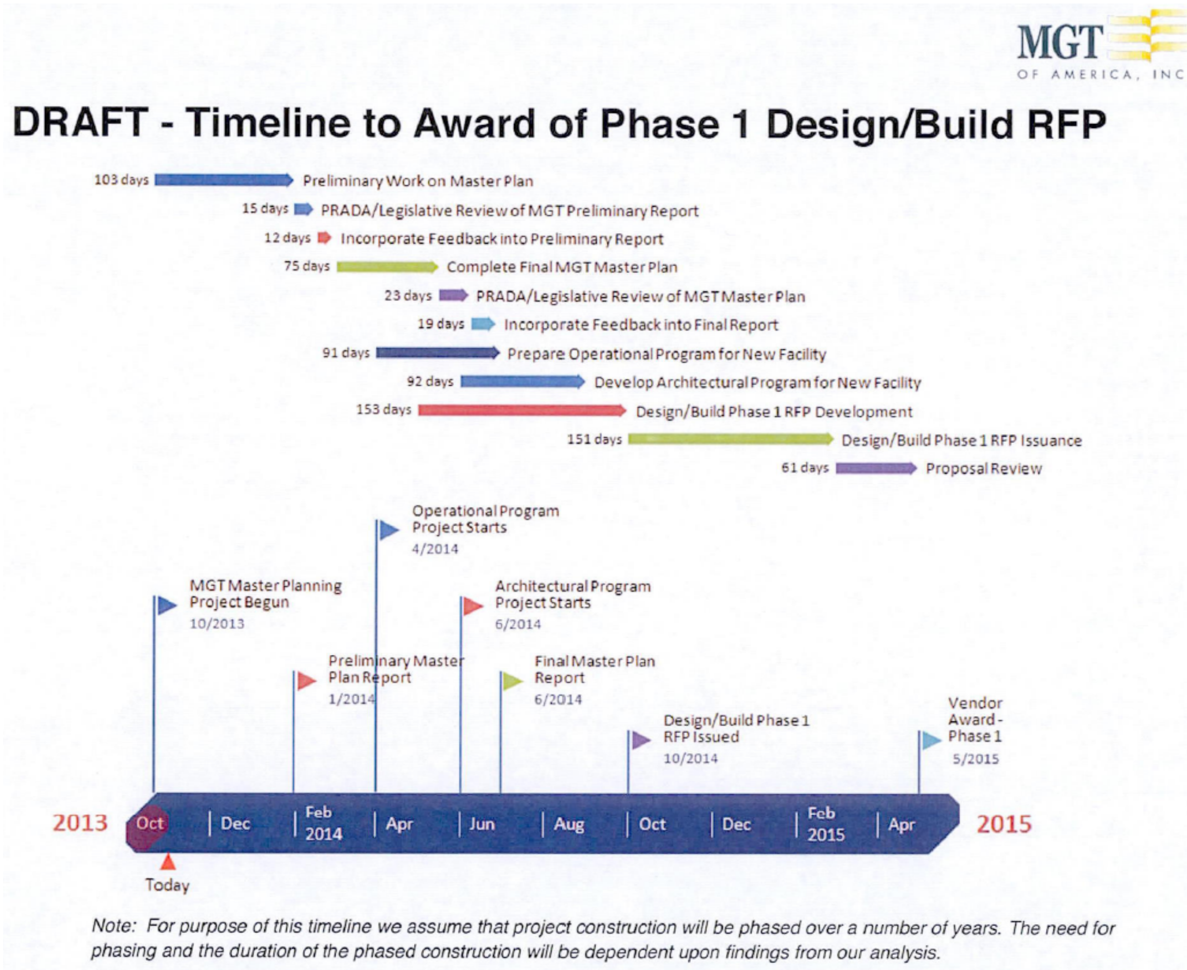
PRADA has met nine times and toured facilities in Utah and Arizona. The committee has hired an executive secretary, an appraiser to appraise the property in Draper, a cost estimator to determine the cost to bring current Draper buildings up to proper standards, and a programming consultant.

The authority prepared an RFP requesting bids for a new prison facility and for developing the land in Draper. However, the Governor did not sign the RFP and asked for more time. PRADA has asked the programming consultant to continue to study the issues and come back with recommendations in the spring, at which time the committee hopes to issue the RFP.

Lane Summerhays, who chairs the committee, anticipates the authority will make a final recommendation in time for the 2015 General Session. In the meantime, he expressed that there is an immediate need for more corrections beds. He hopes a master plan will be available to the Legislature by the 2014 General Session to help legislators decide whether to fund the beds at Gunnison or take an alternative course of action.

The Legislature appropriated $430,000 ongoing and $680,000 one-time in FY 2014 to implement the bill. As of October 18, 2013, the authority had spent or obligated $595,800, leaving a balance of $514,200. The appropriation is nonlapsing.

The following chart, prepared by the programming consultant, shows a draft timeline to issuance of an RFP for phase one of designing new facilities.



Student Enrollment in Utah's Public Schools Continues to Increase - Ben Leishman

Utah schools enrolled 11,581 more students this fall than last year, for a total of 612,551. This represents an increase of 1.9% over the fall 2012 enrollment of 600,970. Estimates used during the 2013 General Session indicated that an additional 13,254 students would enroll this fall. This was an overestimation of 1,673 students, or 0.2% of total enrollment.

The fall 2013 enrollment count forms the basis for projecting student enrollment for next year (fall 2014) and estimating the cost of student enrollment growth for the coming fiscal year (FY 2015). The Common Data Committee (CDC), an informal group that consists of the Legislative Fiscal Analyst, the Governor's Office of Management and Budget, and the Utah State Office of Education develop a consensus enrollment projection for fall 2014. CDC projections show that an estimated increase of 10,261 students in fall 2014, for a total of 622,812. This represents an increase of 1.7%.

When converted to Weighted Pupil Units (WPUs), projections indicate that the total anticipated enrollment of 622,812 in fall 2014 will general approximately 817,276 WPUs. This is an increase of 14,547 WPUs over the 802,729 WPUs funded in the FY 2014 budget. Preliminary cost estimates indicate that student enrollment growth may cost approximately $38 million in FY 2015. This amount includes the increased costs associated with additional WPUs and other Minimum School Program adjustments specified in statute.

UCAT COE Standards - Angela J. Oh

Every year, the Utah College of Applied Technology ((UCAT) produces an annual report. The report highlights the previous year's total membership hours, student headcount (secondary and postsecondary), certificates, Custom Fit training, etc. The report includes aggregated and disaggregated data for UCAT.

Programs offered at each of the eight UCAT campuses are accredited by the Council on Occupational Education (COE). COE is a national accreditation agency authorized by the U.S. Department of Education; it specializes in career and technical education (CTE) institutions and programs. For FY 2012, UCAT exceeded COE's standards in three key areas:

1) completion (% of certificate seekers who completed),

2) placement (% of completers in related jobs), and

3) licensure (% of completers licensed in applicable fields).

The table below shows the program standards and aggregated data for UCAT for FY 2012.

Outcome Measure	COE Standard	UCAT Average
Completion	60%	81%
Placement	70%	87%
Licensure	70%	97%

A copy of the full report can be found at: http://ucat.edu/wp-content/uploads/2013/07/Annual-Report-13-web.pdf.

Utah State University Delivers Education Statewide - Spencer C. Pratt

Utah State University (USU) is the state's land-grant university, and as such, is committed to providing accessible, affordable and high quality educational opportunities to citizens throughout the State of Utah. It does this through a combination of its regional campuses and distance education, together with concurrent enrollment. In addition to USU-Eastern in Price and the Blanding Campus, USU operates regional campuses in the following areas: Brigham City, Tooele, the Uintah Basin, and Salt Lake City. In addition, USU has a continuing education center in Moab. From these sites, education is broadcast to numerous locations throughout the state. USU utilizes the Utah Education Network (UEN) to make all of this possible. Students can take courses at these various sites, with teachers at other sites. For example, a teacher could be in Vernal and have four students, but also have students in Monticello, Delta, and Logan. All of the sites have high quality, two-way video conferencing, so the teacher and the students in the various locations can talk back and forth and have discussions in the course of the classwork.

USU has 67 full-time faculty at 7 USU sites teaching over 12,000 distance education students. USU offers 6 associate degrees, 27 bachelor's degrees, 20 master's degrees and 1 doctoral degree through its regional campuses and distance education. The funding for this education is much more dependent on tuition than traditional education at the Logan campus. State funding covers approximately 18 percent of the total cost, while tuition and fees covers the balance.

Over the past couple of months, I have had the opportunity to visit the USU regional campuses. It has been very interesting and helpful to me to better understand the programs and delivery methods. I have been impressed that citizens throughout the state have access to higher education through USU's outreach efforts.

What's a Dynamic Fiscal Note? - Thomas E. Young

Have you ever wanted to look at the backward linkages and behavioral responses associated with your bill? If so, then you might be looking for a dynamic fiscal note.

What's a dynamic fiscal note?

Simply put, a dynamic fiscal note accounts for the potential effects your bill might have on productivity, investment shifting, spending, and other economic factors. All of these factors are analyzed using REMI (a structural forecasting software) and various statistical models, with the final assumptions up to the Legislature (or Legislator). (As a note, dynamic fiscal notes are not cost-benefit analyses. See the difference here.)

During the 2013 interim, the Fiscal Analysts Office performed two dynamic fiscal notes. The following details one of them: a proposal to eliminate the sales tax imposed on purchases by manufacturers of products with an economic life of less than three years.

Manufacturers Sales Tax Exemption Example

Currently, the state offers a sales tax exemption for manufacturers' purchases of items with an economic life of three years or greater. The proposed bill would expand the sales tax exemption to items purchased with an economic life of less than three years.

Static (traditional) Fiscal Note

The static fiscal note simply takes a projection of the taxable base and multiplies by the sales tax rate. This is what the Fiscal Analyst's Office currently provides for each bill. The following figure is what the static fiscal note for this issue looks like. The results show that state revenue change is -$30 million in FY 2015 and -$31.5 million in FY 2016.

FISCAL NOTE   No Bill Number   2013 Interim

SHORT TITLE: Sales Tax Exemption for Manufacturing Equipment Purchases, LT 3 Year Life

SPONSOR: No Sponsor   Note: Subject to change during the normal fiscal noting process

CURRENT PRACTICE: STATE GOVERNMENT **STATIC** IMPACT (UCA 36-12-13(2)(b))

Enactment of this bill reduces sales tax revenue to the General Fund by $17,293,000 in FY 2015 and by $18,158,000 in FY 2016. The bill also reduces Restrcited Revenue (earmarks) by $12,707,000 in FY 2015 and $13,342,000 in FY 2016.

Revenues	FY 2014	FY 2015	FY 2016
General Fund, **static**		$ (18,158,000)	$ (18,158,000)
General Fund, One-time, **static**		$ 865,000	
Restricted Revenue, **static**		$ (12,707,000)	$ (13,342,000)
Total		(30,000,000)	(31,500,000)

Appropriations	FY 2013	FY 2014	FY 2015
	$0	$0	$0
Total	$0	$0	$0

NET STATE GOVERNMENT **STATIC** IMPACT

STATIC	FY 2014	FY 2015	FY 2016
Net All Funds (Rev.-Approp.) (**static**)	0	(30,000,000)	(31,500,000)
Net General & Education Funds (Rev.-Approp.) (**static**)	0	(17,293,000)	(18,158,000)

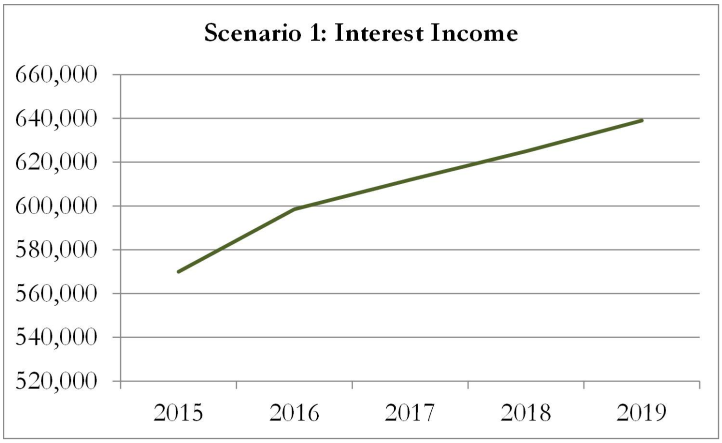
A Dynamic Fiscal Note

The dynamic fiscal note is meant to be more accurate and relevant for policymakers. The starting point is the static fiscal note. After arriving at the static effect, the dynamic fiscal note calculates backward linkages and industry effects from proposed legislation.

The dynamic fiscal note is divided into four scenarios. The four scenarios represent options for the Legislature.

Scenario 1

The first scenario is if the Legislature decides to appropriate the revenue associated with the sales tax into the rainy day fund. Essentially, the fiscal note shows the gain in interest income going from $570,000 to $639,000.



DYNAMIC FISCAL NOTE   No Bill Number   2013 Interim

SHORT TITLE: Sales Tax Exemption for Manufacturing Equipment Purchases, LT 3 Year Life

SPONSOR: No Sponsor   Note: Subject to change during the normal fiscal noting process

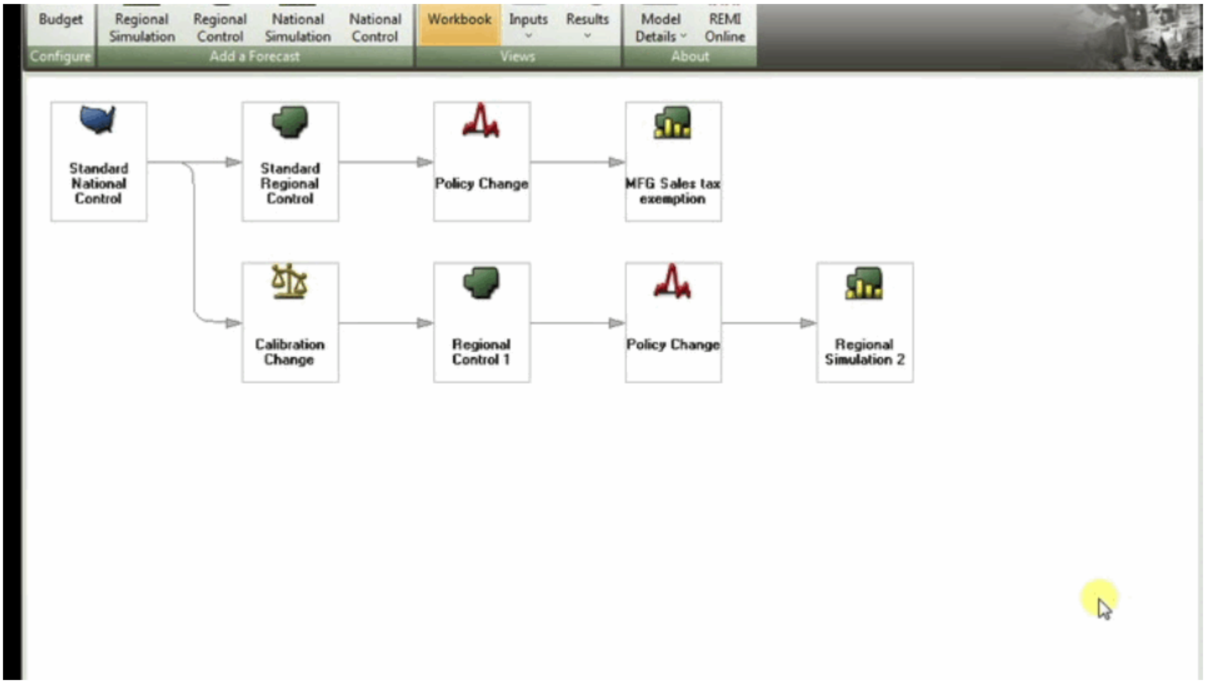
SCENARIO 1: DO NOTHING   SCENARIO 1

Revenue Dynamic Impact	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
General Fund Appropriation		($30,000,000)	($31,500,000)	($33,075,000)	($34,729,000)	($36,465,000)
General Fund Restricted		$30,000,000	$31,500,000	$33,075,000	$34,729,000	$36,465,000
Interest Income		$570,000	$598,500	$612,000	$625,000	$639,000
Jobs		0	0	0	0	0
Wages		$0	$0	$0	$0	$0
Gross Domestic Product (GDP)		$0	$0	$0	$0	$0

Scenario 2

What if the state spends the money rather than saving it? That's scenario 2 below, with the associated industry effects from state government spending.

Note: the first figure below - an animated GIF - shows the analysis in REMI. (*the figure should animate automatically once you scroll over it; the figure loops indefinitely*). Once the model is "closed", REMI gives the associated employment, production, and other factors connected with state government spending.



The figure below shows the baseline revenue associated with state government spending.

DYNAMIC FISCAL NOTE — No Bill Number — 2013 Interim

SHORT TITLE: Sales Tax Exemption for Manufacturing Equipment Purchases, LT 3 Year Life

SPONSOR: No Sponsor — Note: Subject to change during the normal fiscal noting process

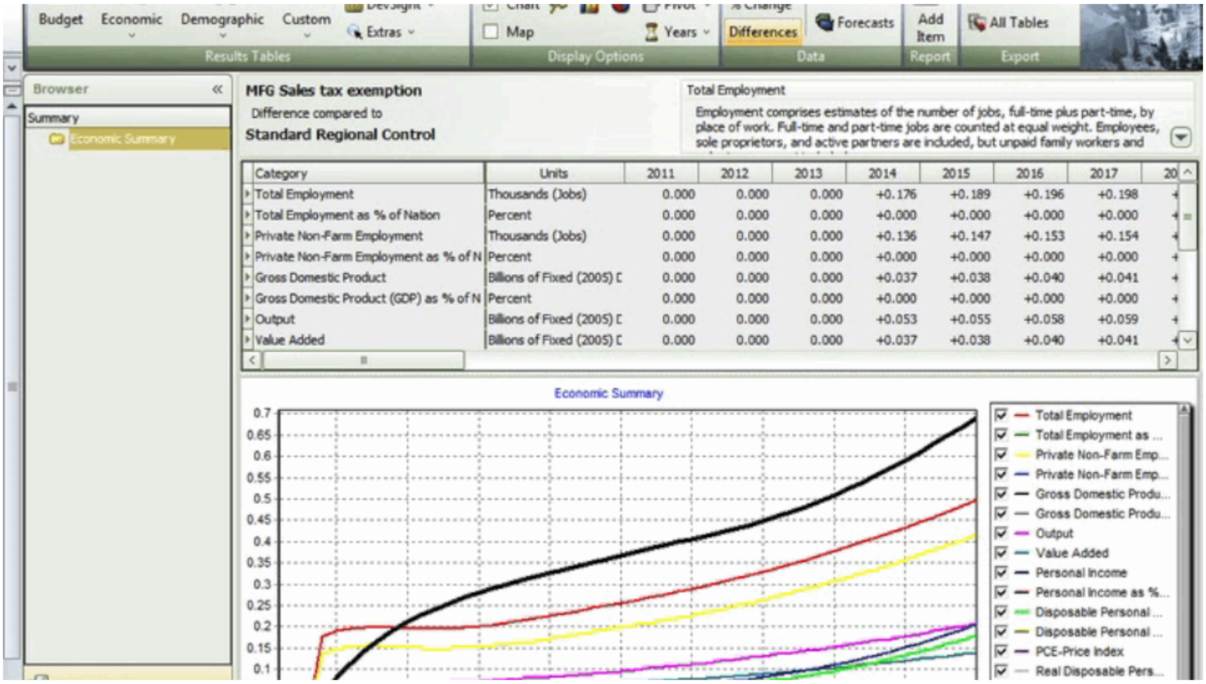
SCENARIO 2: SPEND THE MONEY — SCENARIO 2

Revenue Dynamic Impact	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
General Fund/Education Fund	$ 1,473,000	$ 1,512,000	$ 1,592,000	$ 1,672,000	$ 1,711,000	
Jobs	176	198	196	196	205	
Wages	$12,000,000	$14,000,000	$16,000,000	$17,000,000	$18,000,000	
Gross Domestic Product (GDP) (millions)	$37,000,000	$38,000,000	$40,000,000	$41,000,000	$42,000,000	

Scenario 3

What if the state implements the manufacturers sales tax exemption? That's scenario 3 below. Essentially, scenario 3 accounts for the effect a reduction in the cost of doing manufacturing businesses has on state economic conditions.

As with scenario 2 above, the analysis is shown in two charts. The first is the REMI analytic component. The second is the dynamic fiscal note table, showing the revenue, employment, wages, and GDP effects from implementing the proposal.



DYNAMIC FISCAL NOTE — No Bill Number — 2013 Interim

SHORT TITLE: Sales Tax Exemption for Manufacturing Equipment Purchases, LT 3 Year Life

SPONSOR: No Sponsor — Note: Subject to change during the normal fiscal noting process

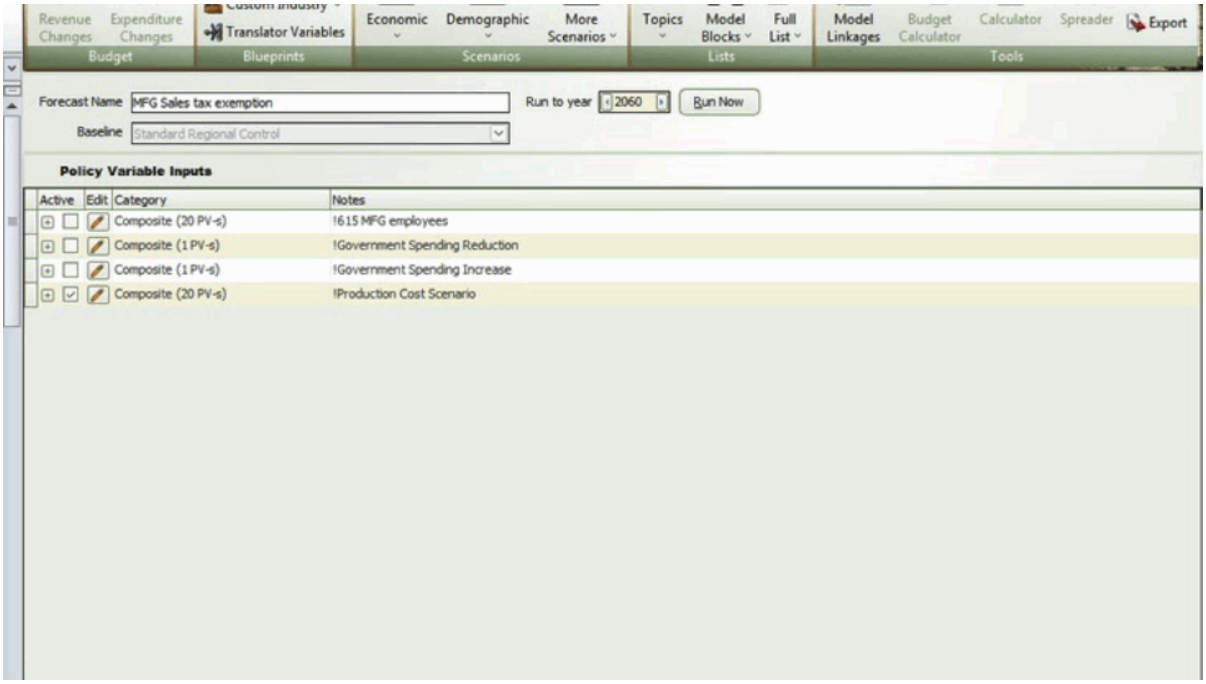
SCENARIO 3: PRODUCTION COST EFFECT & REDUCED STATE SPENDING — SCENARIO 3

Revenue Dynamic Impact	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
General Fund/Education Fund, Static		($30,000,000)	($31,500,000)	($33,075,000)	($34,729,000)	($36,465,000)
General Fund/Education Fund, Dynamic		($28,627,000)	($29,490,000)	($30,468,000)	($31,544,750)	($32,724,188)
Jobs		295	448	572	675	760
Wages		$27,500,000	$36,500,000	$45,000,000	$53,000,000	$61,000,000
Gross Domestic Product (GDP)		$34,500,000	$50,500,000	$65,500,000	$80,000,000	$94,000,000

Scenario 4

The last scenario relates to whether there are any behavioral shifts, beyond the production cost impact of scenario 3, associated with the sales tax decrease. As an example of one possible magnitude, scenario 4 has a direct increase in manufacturing industry employment of +615 jobs after the first few years.

As with scenario 2 and 3, the following two charts are the analytic component in REMI and the dynamic fiscal note table showing revenue, employment, wages, and GDP effects.



DYNAMIC FISCAL NOTE — No Bill Number — 2013 Interim

SHORT TITLE: Sales Tax Exemption for Manufacturing Equipment Purchases, LT 3 Year Life

SPONSOR: No Sponsor — Note: Subject to change during the normal fiscal noting process

SCENARIO 4: COMPETITIVE EFFECTS WITH BEHAVIORAL RESPONSE & SCENARIO 3 — SCENARIO 4

Revenue Dynamic Impact	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
General Fund/Education Fund, Static		($30,000,000)	($31,500,000)	($33,075,000)	($34,729,000)	($36,465,000)
General Fund/Education Fund, Dynamic		$ (22,935,000)	$ (20,834,000)	$ (18,508,000)	$ (15,685,000)	$ (14,018,000)
Jobs		1,437	2,059	2,664	3,287	3,681
Wages		$78,500,000	$121,000,000	$166,500,000	$217,500,000	$258,500,000
Gross Domestic Product (GDP) (millions)		$177,500,000	$268,000,000	$366,000,000	$478,500,000	$564,000,000

After running the numbers through REMI, we provide various statistics as background.

Overall, during the 2013 interim, the Fiscal Analysts Office reviewed two dynamic fiscal notes: the above example regarding an expansion of the sales tax exemption for manufacturers and a proposal to eliminate the personal exemption component of the taxpayer tax credit calculation.

If you'd like a dynamic fiscal note on your proposal, you know where to find us.

(As a note, dynamic fiscal notes take more time and may have increased risks associated therewith. Additionally, the Fiscal Analysts Office does not own the REMI software right now.)