



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 2010, the 2011, and the 2012 legislative General Sessions, which is indicated in the top left corner of the page. Fiscal notes of bills passed during a legislative session are designated by either “SB” for Senate Bill or “HB” for House Bill in the item number to the right of the year and include the bill sponsor’s name in parenthesis in the title. All other budget items are designated “BB,” “Bills,” or “Oth” in the item number.

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2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. SB0145S03

Medical Malpractice Amendments (Adams, J. S.)

Analyst: Rich Amon

Committee: BEDL

Cost Estimate	Revenue Est.
\$8,500	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$8,500		\$0		\$8,500		\$9,400		(\$900)

Explanation

Enactment of this bill will require an ongoing appropriation of \$8,500 from the Commerce Service Fund to the Department of Commerce. Commerce Service Fund spending affects the annual transfer to the General Fund. This bill amends the cap on non-economic damages that may be awarded in a malpractice action and limits the liability of a health care provider, in certain circumstances, for the acts or omissions of an ostensible agent.

Implementation

The Department of Commerce developed and implemented rules to accommodate the provisions of this bill by the effective date.

Accuracy

The Department of Commerce reports that the increase in non-meritous cases resulting from this legislation was slightly lower than anticipated in the fiscal note. However, the department spent more time than anticipated in rule-making and answering questions or educating malpractice attorneys on the new law. The workload of the department increased by \$9,400 as opposed to the \$8,500 estimated in the fiscal note; but most of the difference is attributable to one-time costs. The Office of Recovery Services indicates that they have not seen a measurable impact on Medicaid collections in FY 2011 as a result of this legislation (we estimated there would be no fiscal impact to them in the fiscal note).

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. SB0212

Pawn Shop Amendments (Greiner, J.)

Analyst: Steven Allred

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$9,500	\$9,500		\$0		\$9,500		\$12,400		(\$2,900)

Explanation

Provisions of this bill will increase revenue by \$9,500 per year to the General Fund Restricted - Pawnbroker and Secondhand Merchandise Operations Account. Revenue comes from low volume pawn and secondhand businesses that previously were exempted from participating in the state register. Those businesses will pay an annual fee of \$250.

Implementation

The Department of Commerce has fully implemented provisions of this bill. The exemption for low volume stores not being required to file with the Division of Consumer Protection has been removed.

Accuracy

Actual FY 2011 revenue growth was \$12,400, or \$2,900 more than projected. The department is unable to discern how much of the revenue comes from provisions of the bill, versus the quantity that comes from growth in the number of shops.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB1489

DCC - Arts Grant Reductions

Analyst: Andrea Wilko
Committee: BEDL

Cost Estimate	Revenue Est.
(\$141,800)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$141,800)		\$0		(\$141,800)		(\$141,800)		\$0

Explanation

Implementation

Accuracy

Performance

Reduced appropriation for Arts Grants in the Department of Community and Culture.

The department reduced overall art grants by 25 percent (\$141,000).

The department reduced overall art grants by 25 percent.

Funding for the Arts Grants program has been reduced by \$328,000 since 2008.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB3160

GOED - Sports Commission

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$2,000,000	\$0	\$2,000,000		\$0		\$2,000,000		\$2,000,000		\$0

Explanation

This is a legislative pass through grant to the Sports Commission, an organization responsible for the promotion of sports within the State of Utah. The funds are distributed to the Sports Commission annually and the pass through was changed to ongoing funding in the 2012 Legislative session.

Implementation

The Sports Commission utilized funding as directed by the Legislature.

Accuracy

The Governor's Office of Economic Development passed through the entire \$2,000,000 to the Sports Commission.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4233

GOED - Small Business Development Centers

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$136,900	\$0	\$136,900		\$0		\$136,900		\$136,900		\$0

Explanation

Funds are used as a pass through grant for the Small Business Development Center network.

Implementation

Salt Lake Community College administers the program to assist small businesses through counseling and training.

Accuracy

Salt Lake Community College spent funding as directed by the Legislature.

Performance

The program assisted in the creation and retention of over 1,000 jobs and an annual increase in sales of \$35 million. Nearly 150 new companies were started and the state received \$28 million in new capital.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4741

DCC - Arts Acquisition

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$60,000)	\$0	(\$60,000)		\$0		(\$60,000)		(\$60,000)		\$0

Explanation

Reduced appropriation for Arts acquisitions in the Department of Community and Culture. The state's Fine Art Collection originated in 1899 and represents the work of Utah artists from the mid-to-late 1800's to the present.

Implementation

The department reduced funding to the program.

Accuracy

The department reduced funding to the program by \$60,000.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4749

DCC - Restructure Historic Preservation Program

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.
(\$154,300)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$154,300)		\$0		(\$154,300)		(\$154,300)		\$0

Explanation

As a result of optimization and statute changes, funding for Historic Preservation was reduced in FY 2012, thereby eliminating 2 FTE in Historic Preservation, which led to the restructuring of the Historic Preservation Program.

Implementation

Several Historic Preservation programs were consolidated, including Antiquities, Cultural Resource Management, and Archaeological Records. Through this consolidation, span of control was optimized as one supervisor (previously three) now manages these programs. Delivery of program mandates was achieved through staff cross-training in multi-program functions, streamlining of processes, and partnering with other state entities.

Accuracy

State History continues to deliver mandated services through optimized staff training and resource allocation, program consolidations and elimination of non-mandated functions like the Utah History Fair. Historic Preservation was scaled to fit the level of funding appropriated.

Performance

State History continues to provide mandated services, through innovative measures such as Preservation Pro which provides customers with on-line access to data; broadening supervisor span of control; creating an enhanced performance management system; and partnering with other state entities to increase and improve the delivery of program mandates.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4979

GOED - Eliminate Centers of Excellence Program

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.
(\$242,000)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$242,000)		\$0		(\$242,000)		(\$242,000)		\$0

Explanation

The Centers of Excellence program was restructured and renamed the Technology Commercialization and Innovation Program (TCIP). The reduced funding for this program was targeted at Technology Commercialization and Innovation grants.

Implementation

Reduced funding was used to eliminate six grants totalling about \$40,000 each. The changes also limited the number of grants a company could receive to two.

Accuracy

The department reduced funding as directed by the Legislature.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4981

GOED - Manufacturer's Extension Partnership

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.
\$461,900	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$461,900		\$0		\$461,900		\$461,900		\$0

Explanation

Funds are passed on to the Utah affiliate of the national Manufacturing Extension Partnership (MEP) which was formed to improve the business environment for small and medium companies, attract more capital to the State, and promote growth in target manufacturing industries.

Implementation

This appropriation was added to the base MEP budget which increased funding to \$911,900 and all funds were disbursed in FY 2012. State funds are matched with private and federal funds on a 1 to 1 basis.

Accuracy

The Manufacturer's Extension Partnership utilized funding as directed by the Legislature.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4982

GOED - Utah Procurement Initiative

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$1,000,000	\$0	\$1,000,000		\$0		\$1,000,000		\$1,000,000		\$0

Explanation

Procurement funds are used to assist Utah businesses in their efforts to procure contracts with the federal government and to become self sufficient in the government procurement processes.

Implementation

The funds were awarded to Logistics Specialities Inc. through an RFP process to carry out the specialized services needed.

Accuracy

Funding was fully expended in FY 2012.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4990

DCC - Living Planet Aquarium

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$2,000,000	\$0	\$2,000,000		\$0		\$2,000,000		\$2,000,000		\$0

Explanation

Funds will be used for the construction of the new Living Planet Aquarium facility.

Implementation

The Living Planet Aquarium is still working out the details on location for the new Aquarium . Contracts were awarded to Layton Construction (General Contractor) and Beecher Walker (Architect). A purchase of land in the city of Draper is currently being negotiated and Draper City has approved the relocation of the aquarium along with the issuance of conduit 501(c)(3) municipal bond financing pending The Living Planet Aquarium’s purchase of the land.

Accuracy

Funds will be used as directed by the Legislature.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4996

GOED - West Coast Marketing Initiative

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$500,000	\$0	\$500,000		\$0		\$500,000		\$315,100		\$184,900

Explanation

Funds provided to the West Coast Marketing Initiative were used to increase marketing of the Utah business environment and to encourage corporate in-migration to Utah.

Implementation

Through an RFP process, Richter7 was selected as the advertising company to drive the marketing efforts. Utah business advertising has been running in major site selection magazines. Sponsorships of events to highlight Utah as a business friendly state are held in major U.S. metropolitan cities in the West. The director of marketing position was vacant for part of the year which delayed spending activity in the beginning of the fiscal year.

Accuracy

The appropriation was accurate although not fully expended in the first year due to delays in implementation.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB5184

DCC - Ethnic Affairs Commission

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$250,000	\$0	\$250,000		\$0		\$250,000		\$168,400		\$81,600

Explanation

The Ethnic Affairs Commission was eliminated beginning in FY 2012. The Office of Multicultural Affairs was created by Executive Order and appropriated \$250,000.

Implementation

The Department hired 3 FTEs with \$168,400 in General Fund. Allocated funds were not fully utilized in FY 2012 because the program is still developing its role and mission.

Accuracy

The Office of Multicultural Affairs has nonlapsing authority and as a result unexpended balances will move into FY 2013 to continue the ramp up of operations. Funds should be fully expended in FY 2013.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11077

Thanksgiving Point Museum of Natural Curiosity

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.
\$1,500,000	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$1,500,000		\$0		\$1,500,000		\$1,500,000		\$0

Explanation

The Legislature provided funding for the Thanksgiving Point Museum of Natural Curiosity, a children’s museum targeted at ages 3-12.

Implementation

Funds will be used for expenses related to building construction and exhibit development and fabrication of the Museum of Natural Curiosity. Thanksgiving Point will break ground for this project in September 2012. At this point the project is not under construction.

Accuracy

When construction begins the Museum of Natural Curiosity is expected to use funds in accordance with the state contract.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11078

World Trade Center Relocation

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$400,000	\$0	\$400,000		\$0		\$400,000		\$400,000		\$0

Explanation

Implementation

Accuracy

Performance

Funding appropriated for World Trade Center Relocation.

The Governor's Office of Economic Development used appropriated funds to relocate to a new building in order to be co-located with World Trade Center Utah, USTAR, and the Office of Energy Development. The goal of the move is to build synergies in economic development.

The funds have been used to pay for the moving costs associated with the co-location of offices.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11104

World Trade Center

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$350,000	\$0	\$350,000		\$0		\$350,000		\$350,000		\$0

Explanation

Implementation

Accuracy

Performance

The World Trade Center Utah provided resources and services including the following: trade leads, classes, market analysis and access to trade missions.

World Trade Center Utah received a pass through appropriation of \$350,000 in FY 2008, FY 2009, FY 2010 and FY 2011. Funds have been used to foster international business partnerships with Utah businesses and provide business consultations and educational events. In FY 2012 the funds were made ongoing.

The World Trade Center utilized funding as directed by the Legislature.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11150

Center for Education Business and the Arts

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$40,000	\$0	\$40,000		\$0		\$40,000		\$40,000		\$0

Explanation

Implementation

Accuracy

Performance

The Center for Education Business and the Arts in Kanab was established to provide residents access to educational, business, and entrepreneurial opportunities.

The Legislature provided \$40,000 to the Center for Education, Business and the Arts (CEBA) in Kanab. The funds are used to develop economic diversity in Kane County. CEBA received \$100,000 in FY 2010, \$35,000 in FY 2011 and \$40,000 in FY 2012.

CEBA utilized appropriations as directed by the Legislature.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11151

Special Olympics

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$10,000	\$0	\$10,000		\$0		\$10,000		\$10,000		\$0

Explanation

Implementation

Accuracy

Performance

Appropriation for Special Olympics.

Appropriated funds were used by Special Olympics Utah, Inc. to fund the healthy athletes program. All funds were disbursed in FY 2012. The grant was used to conduct screenings during the fall games to improve access to health care for the athletes.

Special Olympics Utah used funding as directed by the Legislature.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0177

Canine Body Armor Restricted Account and Income Tax Contribution (Greenwood, R.)

Analyst: Thomas E. Young

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$11,200	\$11,200		\$0		\$11,200		\$12,100		(\$900)

Explanation

Enactment of this bill creates the Canine Body Armor General Fund Restricted Account. Assuming 1,400 individuals contribute, on average, \$8 per checkoff, revenue to the Canine Body Armor Restricted Account would be \$11,200 annually.

Implementation

The contribution is currently available on the Utah income tax return. It was implemented on-time.

Accuracy

In FY 2012, \$12,110 was collected.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0221S01

Classic Car Inspections (Cox, F.)

Analyst: Thomas E. Young
Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$26,800	\$26,800		\$0		\$26,800		\$3,584		\$23,216

Explanation

Individuals with cars eligible to be classified as classic under the expanded definition can choose to pay \$4 extra on their car registration, but do not need to pay for inspections and emissions.

Implementation

The bill was implemented on time. It appears individuals are slowly becoming aware of the recent tax changes.

Accuracy

To date, overall transportation related revenue has increased by \$3,584.

Performance

To date, 896 registrations have taken advantage of the fee changes.

2011 G.S. HB0287S01

Restructuring of the Department of Community and Culture (Harper, W.)

Analyst: Andrea Wilko

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$304,400	\$0	\$304,400		\$0		\$304,400		\$304,400		\$0

Explanation

Implementation

Accuracy

Performance

Enactment of this bill would cost the Lieutenant Governor's Office \$200,000 to establish a multicultural commission. Establishment of the commission facilitates \$725,500 in budget reductions taken in the Business, Economic Development, and Labor Base Budget (H.B. 5, 2011 General Session). The bill would save GOED \$104,400 in Private Activity Bond Dedicated Credits currently used for administration in Housing and Community Development. It would cost Housing and Community Development that same \$104,400 from the General Fund. A subsequent General Fund reallocation from GOED to HCD could make the reorganization directed by the bill revenue neutral.

H.B. 287 moved the Private Activity Bond Review Board from the Department of Community and Culture (DCC) to the Governor's Office of Economic Development (GOED). \$104,400 General Fund was transferred from GOED to DCC. Additionally, DCC was tasked with conducting an in-depth assessment of the department to determine what internal restructuring or assignment of its functions, divisions and programs to other entities of state government would a) improve the efficiency of government; b) reduce the cost of government; and c) better focus the state and its employees on providing community and cultural development opportunities throughout the state. The result of this study was H.B. 139 in the 2012 General Session.

Funds were used as directed by the Legislature.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0303

Prepaid Wireless 911 Service Charge (Dee, B.)

Analyst: Zackery N. King
Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$6,500	\$6,500		\$0		\$6,500		\$161,700		(\$155,200)

Explanation

This bill provides for the collection of a prepaid wireless 911 service charge from a prepaid wireless customer at the point of retail sale.

By imposing a new prepaid wireless service tax, enactment of this bill increases \$2,900 in FY 2012 and \$3,000 in FY 2013 to the State Poison Control Center and \$3,300 in FY 2012 and \$3,400 in FY 2013 to the statewide E-911. The Tax Commission will keep about 0.8% of the revenue collected to cover the costs of collection, which amounts to \$300 in FY 2012 and FY 2013.

Implementation

Inclusion of Prepaid wireless users as part of the E911 collections began in October 2011, approximately three months after the effective date of the bill.

Accuracy

After collections of prepaid wireless users, distributions of \$72,500 and \$82,800 were made to the State Poison Control Center and the Statewide E-911 in FY 2012; these distributions exceed the fiscal note estimates by \$69,600 and 79,500 respectively.

The Tax Commission retained 0.8% of the revenues, amounting to approximately \$6,700; this amount exceeds the fiscal note estimate by \$6,400.

Actual data available to the Tax Commission went back to 2009 when prepaid wireless service was an emerging market.

Performance

In FY 2012, a total increase of approximately \$819,000 was collected from pre-paid wireless users. In addition to Statewide 911 and the State Poison Control Center distributions, local governments received about \$632,300 in FY 2012 from these additional collections. About \$24,600 was retained by sellers to cover service charges.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0069

Sales and Use Tax Exemption for Textbooks for Higher Education (Mayne, K.)

Analyst: Thomas E. Young

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	(\$106,000)	(\$106,000)		\$0		(\$106,000)		(\$115,000)		\$9,000

Explanation

The bill authorized a comparable sales tax exemption for private entities as there is for public entities. The bill decreased ongoing revenue by \$115,000.

Implementation

The bill was implemented July 1, 2011; no reported implementation problems.

Accuracy

The current estimate is that the bill decreased revenue by \$115,000, largely because of increased demand for higher education courses.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0076

Distribution of Revenues Collected Under the Local Sales and Use Tax Act (Hinkins, D.)

Analyst: Thomas E. Young

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$0		\$0

Explanation

The bill reallocates local sales tax revenue from 264 local entities to 10 eligible local entities.

Implementation

The bill was implemented July 1, 2011; every monthly sales tax distribution is being adjusted.

Accuracy

The fiscal note assumed \$333,583 would be shifted, and this is what was shifted.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0125S03

Property Tax Exemption Amendments (Bramble, C.)

Analyst: Thomas E. Young
Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$0		\$0

Explanation

The bill authorized certain property tax exemptions for Olympic facilities and certain charter school land.

Implementation

The bill authorized a retroactive operation date to January 1, 2008; no reported implementation problems reported by the counties or the Tax Commission.

Accuracy

To date, as stated in the fiscal note, about \$150,000 in property value has been exempted. This resulted in a shift of liability to other property owners.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0191

**Workers' Compensation Coverage Waivers
(Mayne, K.)**

Analyst: Zackery N. King

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$100,000	\$150,000	\$100,000		\$0		\$100,000		\$100,000		\$0

Explanation

This bill modifies the Workers' Compensation Act to address the issuance of workers' compensation coverage waivers.

Enactment of this bill will appropriate funds to the Labor Commission in the General Fund Restricted-Industrial Accidents Restricted Account of \$10,000 one-time in FY 2011 and \$75,000 ongoing and \$15,000 one-time in FY 2012. The change in collection of waiver fee for Workers Compensation to the Labor Commission will result in new revenues of approximately \$150,000 per fiscal year, representing 3,000 waivers per year at a fee of \$50 per waiver.

Implementation

The systems to administer the waivers were operational on July 1, 2011, the bill's effective date.

Accuracy

\$25,000 of the appropriation was one-time GFR; \$10,000 in FY 2011 for the creation of IT systems to administer compensation coverage waivers, and \$15,000 in FY 2012 for office supplies, a computer and telephone connection, and to pay DTS charges. A \$75,000 ongoing GFR appropriation beginning in FY 2012 supports the salary and benefits of one FTE to oversee the issue and control of compensation coverage waivers.

Performance

In FY 2012 3,859 waivers (159 waivers still in the verification process) were granted at \$50 per waiver for a total of \$192,950. This total will likely increase each year until end-of-year FY 2014 when all 3-year waivers granted prior to FY 2012 will be converted to the 1-year waiver.

A breakdown of the 3,859 FY 2012 waivers granted -
 1) Sole proprietors: 1,888
 2) Corporations: 1,136
 3) LLCs: 704
 4) Partnerships: 75, and
 5) Limited Partnerships: 56

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0209

Telecommunications Amendments (Bramble, C.)

Analyst: Zackery N. King
Committee: BEDL

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$896,173		(\$896,173)

Explanation

Enactment of this bill will likely result in compensating changes to the revenue stream. There is not enough information to give a reliable estimate of the net difference.

This bill provides that the existing surcharge on residential and business lines, for the provision of telecommunications devices to hearing and speech impaired persons, shall apply to each access line for residential and business telephone service and each telephone number for mobile telephone service.

Implementation

The bill's effective date was May 10, 2011. The inclusion of wireless users to the Relay Utah surcharge took effect on August 1, 2011.

Accuracy

After inclusion of wireless users in FY 2012, the existing Relay Utah Surcharge on residential and business lines experienced an increase of \$896,173 (84%) from FY 2011.

Performance

Revenues from the Relay Utah Surcharge have shown a downward trend for many years as landline use has declined. After passage and implementation of this bill, surcharge revenues began to increase and in FY 2012 totalled \$1,957,973.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0226S01

**Income Tax Credits for Cleaner Burning Fuels
(Urquhart, S.)**

Analyst: Thomas E. Young
Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$21,100	\$21,100		\$0		\$21,100		\$10,000		\$11,100

Explanation

The bill simultaneously expanded the type of vehicles eligible for the tax credit as well as decreased the amount of the credit. This bill increases revenue to the Education Fund by \$21,000 annually.

Implementation

The bill took effect Jan. 1, 2011.

Accuracy

The estimated revenue increase is \$10,000.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0287

Specialty License Plate Amendments (Bramble, C.)

Analyst: Thomas E. Young
Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$30,000	\$30,000		\$0		\$30,000		\$0		\$30,000

Explanation

Under the provisions of this bill, if 1,000 individuals donate \$25 each year to the Choose Life Adoption Support Restricted Account and simultaneously apply for a Choose Life Adoption Support special group license plate, revenue to groups providing adoption material would be \$25,000 annually; annual dedicated credits revenue would be \$4,000 for license plate production and annual revenue to the Transportation Fund would be \$1,000.

Implementation

No organization has contacted the Tax Commission to initiate the program.

Accuracy

No revenue has been collected.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0313

**Prostate Cancer Special Group License Plate
(McAdams, B.)**

Analyst: Thomas E. Young

Committee: BEDL

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$32,000	\$32,000		\$0		\$32,000		\$200		\$31,800

Explanation

Implementation

Accuracy

Performance

Under the provisions of this bill, if 1,065 individuals donate \$25 each year for prostate programs and simultaneously apply for a prostate special group license plate, revenue to the Prostate Cancer Support Restricted Account would be \$26,600 annually; annual dedicated credits revenue would be \$4,300 for license plate production and annual revenue to the Transportation Fund would be \$1,100. Private sources will cover the start-up costs.

The program started in October 2011.

To date, 8 individuals have contributed to the program, for total revenue of \$200.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. SB0191

Governmental Accounting Amendments (Hillyard, L.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$336,200	\$336,200		\$0		\$336,200		\$336,200		\$0

Explanation

Implementation

Accuracy

Performance

This bill requires a portion of the Rural County Health Care Facilities Tax to be deposited in the General Fund if not used by local governments. Enactment of this bill will result in revenue to the General Fund of \$84,000 in FY 2010, and \$336,200 in FY 2011.

The Tax Commission deposited the revenue into the General Fund as required by the bill.

The fiscal note reflects the exact amounts that were deposited in the General Fund.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. SB0281

Public Access to Stream Beds - Utah Waterways Task Force (Stowell, D.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$42,000	\$0	\$45,000		\$0		\$45,000		\$13,000		\$32,000

Explanation

Enactment of this bill will require a one-time General Fund appropriation of \$42,000 to the Senate and House of Representatives for legislator compensation and expenses. The Legislature appropriated \$45,000.

Implementation

The Legislature established the Utah Waterways Task Force with six members each from the House and Senate.

Accuracy

Since the bill did not state how many times the task force would meet, the fiscal note assumed 10 (once per month, March-December of 2010). The task force actually met four times, with an average of nine of the 12 members present at each meeting.

Performance

No performance data available.

2011 G.S. HB0032S01

**Campaign and Financial Reporting Amendments
(Grover, K.)**

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.
\$24,700	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$24,700		\$0		\$24,700		\$24,700		\$0

Explanation

Enactment of this bill will cost the Lt. Governor's Office \$24,700 from the General Fund for a half-time employee to monitor and enforce the bill's reporting requirements. The amount of any revenue to the General Fund will depend on the number of county party officers who fail to file the required interim reports.

Implementation

Provisions of this bill were implemented by the bill's due date.

Accuracy

The fiscal note was accurate. The Lt. Governor's office has fully implemented the program within the appropriation.

Performance

The Lt. Governor's Office hired one additional staff person (0.5 FTE) to focus on the disclosures program, specifically to help county parties conform to the requirements of the bill. No fines have been levied to date.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0138S01

Federal Receipts Reporting Requirements (Ivory, K.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$0		\$0

Explanation

Enactment of this bill likely will not materially impact the state budget.

Implementation

Provisions of this bill were implemented by the bill's due date. The Division of Finance collected the required information from state agencies and compiled a report for the Executive Appropriations Committee. The Government Operations and Political Subdivisions Interim Committee studied whether to apply federal receipts reporting requirements to other governmental entities.

Accuracy

The original version of this bill carried a fiscal impact, but the fiscal impact was removed based upon changes in the substitute version. While no new appropriation was required for the Division of Finance, the division spent approximately 500 hours implementing the bill and will spend approximately 100 hours each year going forward. This shifting of internal resources caused overtime costs and may have delayed other projects.

Performance

Report prepared and presented to the Executive Appropriations Committee.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0451

Tobacco Settlement Funds Amendment (Litvack, D.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$14,874,300	\$14,874,300		\$0		\$14,874,300		\$14,570,700		\$303,600

Explanation

Enactment of this bill will increase revenue to the General Fund by \$14,874,300 in FY 2012 and \$15,529,600 in FY 2013. The bill will decrease revenue - including interest - to the Permanent State Trust Fund by \$14,990,500 in FY 2012 and \$15,651,000 in FY 2013.

Implementation

Provisions of this bill were implemented by the bill's due date.

Accuracy

Actual revenue increase to the General Fund in FY 2012 was \$14,570,700, a difference of two percent from the fiscal note.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0475

State Energy Amendments (Barrus, R.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$0		\$0

Explanation

Implementation

Accuracy

Performance

Enacting this bill will transfer General Fund, federal funds, dedicated credits, and nonlapsing balances from the Governor's Office and the Department of Natural Resources to the Department of Environmental Quality starting in FY 2011.

Total amount transferred was \$30.1 million, of which \$29 million was federal stimulus funds.

This bill was effective immediately upon signature of the Governor on March 29, 2011. By the end of April 2011 the Office of Energy Development (OED) was consolidated and moved to the DEQ building with a new director. This bill passed on the final night of the 2011 General Session after the bill of bills passed, so funding for FY 2011 was left in the Governor's Office and DNR and accounted for in those offices until funding transfers were finalized during the 2012 General Session.

The amount in the fiscal note was sufficient to maintain current operational levels of the various energy programs before creation of the OED. The program has since been scaled up to meet the Governor's energy plan with additional funds appropriated during the 2012 General Session.

- Organized Governor's Energy Summit with 1,100 attendees;
- Helped U of U purchase \$1M solar panel system;
- Signed MOU with SLCC to administer Anemometer Loan Program (wind measurement);
- Concluded 36,000 energy trainings through Utah Building Energy Efficiency Strategy (UBEES) program by April 2012.
- Closed appliance rebate program with 14,249 rebates given to consumers.
- Closed Home Performance with Energy Star program at 1,278 homes retrofitted for average energy savings of 25%.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0251

Lobbyist Training (Waddoups, M.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$15,000	\$0	\$15,000		\$0		\$15,000		\$24,200		(\$9,200)

Explanation

Enactment of this bill will cost the Lt. Governor's Office \$15,000 ongoing from the General Fund starting in FY 2012 for the Internet training site. The magnitude of any revenue that may come from administrative penalties will depend on the number of lobbyists who fail to complete the training course each year.

Implementation

Implementation required two stages: a new training system for 2011, and a rebuild of the current lobbyist registration/reporting system to integrate the new training system into a "one stop" system. After programming and rule changes, the training program became operational on November 17, 2011.

Accuracy

In the first year, the amount in the fiscal note was insufficient to implement the program changes. The Lt. Governor's office used other office resources to cover costs. However, after start-up costs go away, the ongoing appropriation should be slightly more than needed to cover operating costs.

Performance

The Lt. Governor's office contracted with DTS to create the new training system in 2011. The new training system was built to integrate into a new registration/reporting system which is currently under construction by DTS. No fines have been levied to date.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0320

Deposit of Severance Tax Revenues into Permanent State Trust Fund (Hillyard, L.)

Analyst: Steven Allred

Committee: EAC

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$6,000,000	\$6,000,000		\$0		\$6,000,000		\$0		\$6,000,000

Explanation

Implementation

Accuracy

Performance

Enactment of this bill will raise the cap on severance tax deposits to the General Fund by \$6,000,000 annually before funds are transferred into the state trust fund.

Provisions of this bill were implemented by the bill's due date.

The fiscal note's narrative is correct; however, passage of this bill did not result in increased revenue to the General Fund because oil and gas severance tax collections did not reach the pre-SB 320 cap in FY 2012. The Pre-SB 320 cap was \$71,000,000; SB 320 raised the cap to \$77,000,000; Actual collections to date in FY 2012 are \$68,633,100.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. HB0139

**Emergency and Disaster Management Amendments
(Oda, C.)**

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$3,000,000	\$0	\$3,000,000		\$0		\$3,000,000		\$0		\$3,000,000

Explanation

This bill appropriates \$3,000,000 from the State Disaster Recovery Restricted Account to a discrete appropriations line-item where it remains unspent until needed for disaster response, at which time the appropriation can be expended only subject to reporting and approval thresholds in the bill.

Implementation

Beginning in July 2010, \$3,000,000 was appropriated to the Department of Public Safety for emergency management purposes. Since FY 2010, this money has carried forward annually and is currently available for emergency and disaster management purposes.

Accuracy

The bill carried its own appropriation.

Performance

In FY 2012, the Department of Public Safety reimbursed approximately \$100,000 in qualified expenses to the Department of Transportation, Department of Natural Resources and the Utah National Guard. During the 2012 General Session, the Legislature appropriated \$100,000 to replenish the targeted \$3,000,000 reserve amount.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S.

HB0206

**Ban on Sale of Smoking Paraphernalia to Minors
(Ray, P.)**

Analyst: Rich Amon

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$17,200	\$17,200	\$17,200		\$0		\$17,200		\$1,200		\$16,000

Explanation

Implementation

Accuracy

Performance

Enactment of this bill will require ongoing General Fund appropriations of \$17,200 to the Courts. Approximately \$17,200 of ongoing revenue will be generated: \$8,600 to the General Fund and \$8,600 to the Non-Judicial Restricted Fund. This bill makes it a misdemeanor to provide tobacco paraphernalia to a person under the age of 19.

Public safety officers began enforcing this law on the effective date and the Courts currently adjudicate provisions of the bill.

The Courts originally estimated there would be 300 referrals to juvenile court as a result of this bill; which would generate \$60 per referral (with a 95% collection rate). In FY 2011 there were only 21 documented cases filed under the provisions of this bill.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0023

Controlled Substance Modifications (Froerer, G.)

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$200,000		(\$200,000)

Explanation

Enactment of this bill likely will not materially impact the state budget. To the extent that additional convictions occur as a result of this legislation, the Department of Public Safety would collect additional driving reinstatement fee revenue. DPS reports that such additional revenue will cover the costs of reinstating those driver licenses.

Implementation

Per provisions in the bill, beginning July 1, 2011 a controlled class of listed synthetic cannabinoid substances found in products ("spice") was added to the controlled substances list.

Accuracy

The Department of Public Safety submitted a projected cost of \$96,700 for an additional scientist to do chemical testing in the State Crime Lab for added workload with the expanded controlled substance list. The LFA estimated costs would not materially impact the state budget, this bill was not originally funded.

Historically, when a new substance is added to the controlled substance list, there has not been material increases in costs. Therefore no cost was submitted in the fiscal note. The department reports that total costs as a result of adding spice to the controlled substance list amounted to approximately \$200,000 in additional workload costs, or an additional two chemical scientists. During the 2012 General Session the Legislature funded \$203,200 for two additional scientists to process evidence related to spice.

Performance

The State Crime Lab reports that prior to FY 2012, turnaround time on submitted controlled substance evidence was approximately 10 days. With the additions to the controlled substance list in FY 2012, turnaround time increased to approximately 20 days. The Crime Lab reports that with the addition of two scientists, processing time will return to about 10 days or fewer.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0169S01

Firearm Laws Modifications (Seelig, J.)

Analyst: Steven Allred

Committee: EOCJ

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$0		\$0

Explanation

This bill amends requirements for purchasing and possessing firearms. The first substitute exempts federal firearm licensees from the requirement for a criminal history background check before purchasing a firearm from a licensed dealer. Enactment of this bill likely will not materially impact the state budget.

Implementation

Provisions of this bill were implemented by the bill's due date.

Accuracy

The original version of this bill carried a fiscal impact because it would have enacted a new felony. This provision was removed in the substitute version. State agencies did not incur additional costs implementing the requirements of the substitute bill.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0214

Concealed Firearm Permit Fees (Oda, C.)

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	(\$178,000)	(\$178,000)		\$0		(\$178,000)		(\$304,500)		\$126,500

Explanation

This bill reduces the initial fee charged for a concealed firearm permit by \$5.25, while increasing the renewal fee by \$5. It is estimated that enactment of this bill will reduce state revenues by \$178,000 in FY 2012 and \$153,800 in FY 2013. It is estimated that in future years there will be a net revenue increase.

Implementation

The Department of Public Safety implemented provisions of this bill in May 2011.

Accuracy

Net revenue reduction for FY 2012 was approximately \$304,500 while the original projection was \$178,000.

For the initial application fee reduction, the analyst estimated a \$378,000 reduction in fee revenue. For FY 2012, revenue decreases tracked at approximately \$388,000.

For the \$5 renewal fee increase, the analyst estimated an increase of about \$200,000 in new revenue. For FY 2012, new revenue amounted to about \$84,000 due to lower than expected (CFP) renewals.

Performance

Concealed weapons permit applications for FY 2012 were approximately 34,000 while permit renewals were about 16,800.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0036

Concealed Firearm Act Amendments (Valentine, J.)

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	(\$255,000)	(\$255,000)		\$0		(\$255,000)		(\$290,000)		\$35,000

Explanation

This bill requires a nonresident applicant to pay an additional \$5 processing fee for the issuance of a concealed firearm permit. Enactment of this bill will likely reduce Dedicated Credits revenues to the Department of Public Safety by an estimated \$255,000 annually beginning FY 2012. The department has indicated it can absorb this revenue loss.

Implementation

In May of 2011, the Department of Public Safety implemented the provisions of this bill as prescribed.

Accuracy

Net revenue reduction for FY 2012 in dedicated credits was approximately \$290,000 while the original analyst estimate was \$255,000.

The original estimate of a \$255,000 reduction in dedicated credits was reached by (1) estimating less revenue from the decrease in non-resident application fees and (2) increased revenue from the fee increase of non-resident applicants.

The analyst estimated a \$446,000 reduction in fee revenue as a result of fewer non-resident applicants. For FY 2012, the actual revenue decrease tracked at approximately \$560,000.

For the non-resident fee increase, the analyst estimated an increase of about \$191,000 in new revenue. For FY 2012, new revenue amounted to about \$270,000.

Performance

For FY 2012, concealed weapons permits from states with reciprocity decreased by approximately 16,000 due to requirements in this bill. Approximately 54,000 non-resident applicants paid the additional \$5 fee.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S.

SB0039

**Children's Justice Center Program Amendments
(Okerlund, R.)**

Analyst: Steven Allred

Committee: EOCJ

Cost Estimate	Revenue Est.
\$180,000	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$100,000		\$0		\$100,000		\$100,000		\$0

Explanation

Enactment of this bill will cost the Attorney General's Office \$180,000 ongoing from the General Fund for operation of Children's Justice Centers in Sanpete and Sevier Counties beginning in FY 2012.

Implementation

The Sevier County center had a new director on June 1, 2011, and opened on July 1, 2011. The Sanpete County center did not open until January of 2012 and was not fully operational until March.

Accuracy

Though the fiscal note called for \$180,000, the Legislature appropriated \$100,000. The A.G.'s office distributed \$50,000 to each of the new centers. The distribution to Sevier county was insufficient to cover operational costs of \$83,400, but the county found a federal grant and some one-time funds to supplement state money. The distribution to Sanpete was sufficient to cover operational costs of \$12,500 as Sanpete County's center opened late and hired a part-time / no benefits director. The distribution likely would have been too low, had implementation been on time. The Legislature appropriated another \$90,000 for these two centers plus others during the 2012 General Session.

Performance

The Sevier Center reports the following FY 2012 statistics for victims: Primary: 57. Secondary: 52. Victimization type: sexual abuse 39, physical abuse 8, domestic violence 3, other 5. Age of primary victim: under 7 (17.5%), 7 to 12 (36.8%), 13 and older (45.7%). Suspect to child relationship: parent/step-parent (24.5%) other relative/known person (68%), unknown (7.5%). Both centers measure impact and satisfaction. For the most recent quarter, Sevier's average score was 3.6 out of 4.0. Sanpete's average score was 4.0 out of 4.0.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0077

Ignition Interlock System Amendments (Valentine, J.)

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$140,500	\$0	\$140,500		\$0		\$140,500		\$124,000		\$16,500

Explanation

Implementation

Accuracy

Performance

Enactment of this bill will cost the Department of Public Safety Driver License Division \$140,500 one-time from the Transportation Fund Restricted - Department of Public Safety Restricted Account in FY 2012, \$147,600 in FY 2013, and \$140,600 ongoing beginning FY 2014. The bill will increase state revenues to the Transportation Fund Restricted - Department of Public Safety Restricted Account within the Department of Public Safety Driver License Division by \$192,200 annually beginning FY 2013.

Provisions of this bill were implemented as prescribed in the bill - July 1, 2012.

The department estimates costs to run the ignition interlock program for FY 2012 at \$124,000. Specifically The department will have spent \$74,000 in reprogramming, \$27,000 in salary and benefits, \$15,000 on outfitting an office, and \$8,000 on additional equipment.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0138S05

**Driver License Qualification Amendments
(Urquhart, S.)**

Analyst: Gary Syphus

Committee: EOCJ

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$543,300	\$1,742,500	\$543,300		\$0		\$543,300		\$520,000		\$23,300

Explanation

Implementation

Accuracy

Performance

Enactment of this bill will cost the Department of Public Safety \$464,800 in one-time Dedicated Credits in FY 2011 for programming changes, personnel and renovation. The department will annually collect \$543,300 in Dedicated Credits for collecting fingerprints, photographs, and performing background checks for about 41,000 current driving privilege card holders beginning in FY 2012. The Department of Public Safety may collect as much as \$55 per applicant to: take fingerprints (\$15); perform regional criminal background checks (\$20); take a photograph (\$15); and retain fingerprints (\$5). These fees may result in Dedicated Credits revenue of as much as \$1.7 million in FY 2012 and \$82,500 per year thereafter.

Toward the end of FY 2011, the Department of Public Safety hired personnel, renovated offices and made necessary programming changes in order to implement provisions of this bill on July 1, 2011.

The Department of Public Safety hired an additional 10 people to help run this driver license privilege card program at a cost of an estimated \$520,000 in FY 2012, generating approximately \$1.6 to \$1.7 million in one-time dedicated credit revenue.

The Department of Public Safety estimates that they served 30,000+ applicants in FY 2012.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0057

**Joint Professional School of Veterinary Medicine
(Mathis, J.)**

Analyst: Spencer Pratt

Committee: HED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$1,700,000	\$0	\$1,700,000		\$0		\$1,700,000		\$0		\$1,700,000

Explanation

This bill appropriated \$1.7 million (ongoing, from the General Fund) to establish a veterinary education program at Utah State University.

Implementation

These funds are being used to implement a cooperative Doctor of Veterinary Medicine (DVM) degree program between Utah State University and Washington State University. FY 2012 is the first year and funding hired the needed new faculty, provide teaching equipment, and remodel the Anatomy Teaching Lab.

Accuracy

The \$1.7 million figure has been the level USU stated would be needed since the initial request was made. USU reports that the approved FY 2012-2013 budget for this program includes salaries and benefits of \$1,288,800 (for 16.5 FTE faculty positions and 2.5 FTE staff positions) and operating costs of \$1,223,000. These figures include the anticipated tuition collections. When FY 2012 actual data is reported, the expenditures for the veterinary program will be presented.

Performance

USU expects to enroll 30 students into the program each year. Measurements will include the resident/nonresident ratio and the completion rates.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0335

**Military Survivors - Tuition Waiver Amendments
(Morley, M.)**

Analyst: Spencer Pratt

Committee: HED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$18,900		(\$18,900)

Explanation

Implementation

Accuracy

Performance

This bill provides that a Utah resident or a nonresident dependent of a Utah resident or nonresident deceased member of the Utah National Guard may qualify for a tuition waiver. Enactment of this legislation will result in the loss of some nonresident tuition revenue for the institutions in the Utah System of Higher Education. The median difference between resident and nonresident tuition is \$8,200 per year. While the number of qualifying students is expected to be minimal, the tuition loss will be approximately \$8,200 for each of qualifying student who takes advantage of this program.

The Board of Regents approved policies to implement the provisions of this bill. R513-16 was amended to provide the rules and regulations for this tuition waiver.

The Board of Regents reports that for FY 2011-2012, three waivers, as authorized by this legislation, were approved. All three were at Snow College. The loss of tuition revenue at Snow College is estimated at \$6,300. This amount of tuition loss is lower than the average cited in the fiscal note, because Snow College's tuition is the lowest in the USHE.

No performance data available.

2011 G.S. HB0427

**Higher Education Compensation Appropriation
Reallocations (Newbold, M.)**

Analyst: Spencer Pratt

Committee: HED

Cost Estimate	Revenue Est.
\$0	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$0		\$0

Explanation

Implementation

Accuracy

Performance

S.B. 6 reduced funding for a 2% decrease in health insurance rate for higher ed employees. For the Utah System of Higher Education, this reduced General Fund and Education Fund appropriations by \$5,372,400. To mitigate the effect of the reduction, the Legislature approved an addback of \$1.5 million by the general personal services distribution. However, the intent was to distribute it so that each line item's overall reduction was the same percentage. Because this occurred on the last night of the session, the bill was approved, directing the commissioner of higher ed to reallocate funding provided in S.B. 6 between USHE institutions so each institution took a 0.6% reduction in their cumulative state tax fund appropriation for FY 2012.

The Commissioner implemented the reallocation as directed by the bill and reallocated the funding among the institutions in the USHE.

The net impact to the USHE was zero, as the positive and negative impacts at the individual institutions netted to zero.

No performance data available.

2011 G.S. SB0046

**Higher Education Residency Requirements
(Dayton, M.)**

Analyst: Spencer Pratt

Committee: HED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$62,500		(\$62,500)

Explanation

This bill allows children of certain military personnel to be granted resident status if they provide specific information to a USHE institution. Enactment of this legislation will decrease tuition revenue received by Utah System of Higher Education (USHE) institutions. The amount of lost revenue will be determined by the number of students who qualify under the legislation and the cost of tuition at a student's chosen institution. While an accurate estimate is not available, the USHE believes that the number of students will be small.

Implementation

The State Board of Regents and the institutions in the Utah System of Higher Education have implemented this legislation by approving resident status for eligible, qualified students. The State Board of Regents reports that in FY 2011-2012, five institutions approved 12 students for resident status, under this provision. The amount of lost tuition, assuming those twelve would have attended and paid nonresident tuition, is \$62,500. Two institutions do not track the number of students, so the total figures could be higher.

Accuracy

The fiscal note estimated the number of students who would qualify under this legislation as "small." Currently, the number of FTE students in the Utah System of Higher Education is over 13,000, so 12 students is less than 0.1 percent. The tuition loss is approximately 0.01 percent of total USHE tuition collections.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2012 G.S. BB5384

Elementary School Connectivity

Analyst: Angela J. Oh

Committee: HED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$250,000	\$0	\$250,000		\$0		\$250,000		\$250,000		\$0

Explanation

Utah Education Network (UEN) was appropriated \$250,000 during the 2012 General Legislative Session for K-6 elementary school circuit connectivity. UEN connects elementary schools to the Internet and the statewide UEN backbone and files for E-rate discounts to reduce ongoing costs. School districts, charter schools, and UEN participate in funding elementary school connections. Depending on when schools upgraded to broadband connections, UEN support is not equally applied. The \$250,000 appropriation will help provide equity for elementary and charter school connectivity costs.

Implementation

In June 2012, the UEN Governing Board approved the following funding plan:

\$50,000 for 18 K-9 charter school connectivity (to cover 100% of ongoing costs, where before UEN was contributing one third and the school two thirds of the ongoing cost);

\$200,000 for 273 elementary school connections to districts and schools where UEN is now contributing to one third the cost of the ongoing circuit expense.

Accuracy

The \$250,000 was applied to the broadband circuit costs of 291 elementary and charter schools.

Performance

Eighteen K-9 charter schools and 273 elementary schools now have broadband circuit connectivity.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2012 G.S. BB5682

CTE Waiting List A

Analyst: Angela J. Oh

Committee: HED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$2,500,000	\$0	\$2,500,000		\$0		\$2,500,000		\$2,500,000		\$0

Explanation

To respond to high demand in Career and Technical Education (CTE) programs where there are waiting lists, the Legislature provided \$2,381,000 to the eight Utah College of Applied Technology (UCAT) campuses and \$119,000 to the Salt Lake Community College (SLCC) School of Applied Technology (\$2,500,000 total).

Implementation

The needs and waiting lists of each campus vary. Overall, implementation is underway for CTE waiting lists that include hiring and developing new programs or expanding existing ones.

Accuracy

\$2,381,000 was appropriated to the eight UCAT campuses based on size and need and \$119,000 was appropriated to SLCC.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. BB3794

DAS - EDO Personnel Reduction Internal Audits

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.
(\$35,600)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$35,600)		\$0		(\$35,600)		(\$30,900)		(\$4,700)

Explanation

The Legislature reduced funding for a portion of an FTE in the Executive Director's Office that audits programs within the Department of Administrative Services (DAS).

Implementation

The Executive Director's Office reduced the partial (0.5 FTE) position performing internal audits for the Department of Administrative Services. The person filling this position transferred to another position within the department, thus vacating the position.

Accuracy

While the department eliminated the partial position for internal audits, the Office still needed to perform minimal internal audits to meet state and federal requirements. They therefore contracted with a private firm to provide one audit a year at a cost of \$4,700, which reduces the budget for current expenses by that amount.

Performance

The Utah State Auditor issued three findings for the Department of Administrative Services in FY 2011. One finding was classified as a material weakness and another as a significant deficiency. In FY 2010 (during which time the Department had an audit position) the State Auditor issued one finding for the department.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. BB3805

DAS - DFCM Travel and IT Consulting Reduction

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.
(\$46,000)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$46,000)		\$0		(\$46,000)		(\$46,000)		\$0

Explanation

The Legislature reduced \$46,000 one-time in FY 2010 and \$46,000 ongoing in FY 2011 for in-state travel and information technology expenditures in the Division of Facilities, Construction, and Management.

Implementation

The division used non-lapsing balances in FY 2010 to build a video conference room with on-site construction inspection capabilities. The implementation of this technology allows the Division to absorb most of the \$46,000 a year budget reduction in in-state travel reduction. Project managers are able to tour a construction site remotely through video instead of having to travel the state to inspect it on-site.

Accuracy

While the division primarily reduced in-state travel to accomplish this budget reduction (\$36,000) a small portion of the reduction also reduced information technology; specifically the consultant report writer (\$10,000). The budget adjustment made by the Legislature anticipated such a split between travel and IT budgets.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. BB3841

DAS - Finance Personnel Reduction Trainer Position

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.
(\$63,000)	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$63,000)		\$0		(\$63,000)		(\$63,000)		\$0

Explanation

The Legislature reduced funding for a Trainer position in the State Payroll program in the Division of Finance estimated at \$63,000 ongoing General Fund.

Implementation

The Division of Finance laid off an employee in the Payroll program as a result of this budget adjustment and removed the position from their budget. The position trained agency users of the state payroll system including technicians at the Department of Human Resource Management.

Accuracy

The reduction in force resulted in \$63,000 savings to the division as anticipated.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. HB0440S01

Veterans' Nursing Home Reimbursement Restricted Account (Hillyard, L.)

Analyst: Mark Bleazard

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$0		\$0

Explanation

This bill creates a new fund to receive reimbursement from the federal government for construction of veterans' nursing homes. Deposits into this account from reimbursement of the Veterans' Nursing Home in Ogden are estimated at between \$10 million and \$13 million over two years.

Implementation

The Division of Finance created the fund as of the effective date of the bill. The state received a reimbursement check from the federal government in May 2010, and deposited the check in the Veterans' Nursing Home Reimbursement Restricted Account. Construction on these nursing homes will start in FY 2013.

Accuracy

Deposits to this account equaled \$12,700,000. The Legislature approved expenditures during the 2011 General Session to veterans' nursing homes in Washington and Utah Counties of \$6,350,000 each.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. SB0025

State Highway System Modifications (Van Tassell, K.)

Analyst: Mark Bleazard

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$0		\$0

Explanation

This bill creates an additional state highway (Southern Parkway, SR-7). Enactment of this bill will not require additional appropriations.

Implementation

The Transportation Commission designated Southern Parkway as SR-7 and made other technical changes required by the bill.

Accuracy

Implementation of the bill did not materially impact the state budget. Adding an additional highway to the state inventory did not materially change the prioritization of operations and maintenance funding, which currently ranks highways with the greatest need first.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4653

Debt Service Increase for BAB subsidy

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$13,393,800	\$0	\$13,393,800		\$0		\$13,393,800		\$13,393,800		\$0

Explanation

The Build America Bond (BAB) program gives states an IRS refund to subsidize the cost of issuing bonds at taxable (higher) interest rates. This appropriation provides an additional \$13,393,800 (the amount of the BAB subsidy) to debt service as a precaution against federal subsidy reductions as recommended by bond rating agencies. Funds not used to cover federal reductions transfer back to the General Fund.

Implementation

The Legislature appropriated the full amount of debt service (gross of the subsidy), which paid all current obligations. When Finance received the subsidy (less \$23,000) they transferred \$13,393,800 back to the General Fund as directed by the appropriation bill.

Accuracy

The federal government garnished \$23,000 from the BAB subsidy in FY 2011 because of lack of 1099 information from the Department of Community and Culture on a housing loan fund. Accountants worked to re-collect these funds and the full \$23,000 was repaid to debt service.

Performance

While the \$23,000 garnishment was small in dollar terms, it highlights the possibility that the federal government could withhold future subsidy payments for issues unrelated to debt service payments.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4666

DAS - Energy Program General Fund Elimination

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$340,500)	\$0	(\$340,500)		\$340,500		\$0		\$213,000		(\$213,000)

Explanation

The Legislature reduced \$340,500 of ongoing funding from the General Fund to the Energy Program in the Department of Administrative Services.

Implementation

In FY 2012 the Energy Program was held harmless with a one-time appropriation of \$340,500; however, beginning in FY 2013 the program will operate without funding from the General Fund.

Accuracy

To offset the ongoing reduction in funding from the General Fund the Legislature approved collecting revenue from projects overseen by the program that result in energy savings. The expectation is that energy cost savings will be sufficient to offset program costs. In FY 2012 the program collected \$213,000 from dedicated credits. These funds are non-lapsing for FY 2012 and will help defer program costs in FY 2013; however, unless the program finds ways to collect additional revenue, it will need to reduce costs starting in FY 2014.

Performance

The \$213,000 of dedicated credits collected by the program in FY 2012 is about 63 percent of the \$340,500 needed annually to replace the General Fund reduction.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S.

BB5012

Freeport Warehouse Remodel for State Records Center and Davis ATC

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$5,000,000	\$0	\$5,000,000		\$0		\$5,000,000		\$3,297,800		\$1,702,200

Explanation

The Legislature appropriated \$5,000,000 from the General Fund to remodel a state warehouse in the Freeport Center for the State Records Center and the Davis College of Applied Technology (DATC).

Implementation

The Archives portion of the project was originally scheduled for completion in December 2011; however, unforeseen asbestos abatement pushed the move-in date to March of 2012. The Records Center opened for business during the first week of April 2012. The DATC portion of the project is scheduled for completion in spring 2013.

Accuracy

Construction is currently still in progress on the DATC portion of the building and the Archives portion of the building continues to close out contracts. As of June 2012 the project is on budget.

Performance

Move-in for State Archives was delayed three months beyond the original eight month remodel schedule which resulted in Archives requesting and receiving an additional \$100,000 from the Legislature to extend their warehouse lease until they could move into the new warehouse.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0004

**General Obligations Bonds Authorizations
(Froerer, G.)**

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$3,250,000	\$0	\$3,000,000		\$0		\$3,000,000		\$2,040,600		\$959,400

Explanation

Implementation

Accuracy

Performance

General Obligation bonds authorized by this bill are backed by the full faith and credit of the state, and are for construction and design of state buildings and land purchase. Assuming all of the bonds are issued in the first year, with a standard six year repayment period and flattened payments at today's interest rates, debt service will be about \$13,850,000 per year with first year interest cost of \$1,350,000. Actual debt service will vary according to the date of issuance, interest rates at the time of issuance, and the structure of the bonds. Current debt service appropriations will cover all but \$3,850,000 in FY 2012 and \$3,250,000 in FY 2013 through FY 2017.

The fiscal note assumed that the bonds would be issued all at once. The State issued a portion of the authorized bonds on July 6, 2011 in the General Obligation bond series 2011A (\$49 million). The proceeds will allow DFCM to begin design, purchase, and/or construction of all of the authorized projects. The State will issue the remaining \$39.5 million in September or October 2012 to finish the projects.

As the 2011A bond series issued a little more than half of the authorization, the debt service appropriation will more than cover this year's debt service payment. Barring extreme interest rates, the appropriation will also cover the debt service on the remainder of the bond authorization.

The 2011A issuance uses the Analyst's recommendation to structure principal payments in years five and six thereby leveraging current debt service appropriations. Had the bonds been issued with an even amortization, the Legislature would have needed to appropriate an additional \$10 million per year to the debt service budget.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0034S01

**Department of Transportation Settlement Agreement
Amendments (Fisher, Julie)**

Analyst: Mark Bleazard

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$0		\$0		\$0		\$0		\$0

Explanation

This bill requires the Department of Transportation to receive approval before entering into construction contract claim settlement agreements. Enactment of this bill likely will not materially impact the state budget.

Implementation

The Department of Transportation has developed procedures to implement provisions of this bill and presented the process to the Transportation Interim Committee. UDOT continues to implement provisions of this bill. UDOT reports that settlements have not reached the level required in the bill that would require legislative approval.

Accuracy

Implementation of this bill did not impact the state budget.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S.

SB0005

**Revenue Bond and Capital Facilities Authorizations
(Adams, J. S.)**

Analyst: Rich Amon

Committee: IGG

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$153,274,000	\$0	\$222,574,000		\$0		\$222,574,000		\$102,244,400		\$120,329,600

Explanation

Implementation

Accuracy

Performance

The bill authorizes \$130,974,000 (plus direct issue costs) for revenue bond projects and \$22,300,000 for design and construction of buildings using non-state institutional funds or donations. (A floor amendment passed on the last day of the session without the opportunity to revise the fiscal note authorizing an additional \$74,400,000 for two revenue bond building projects.)

State revenue bonds were issued in October 2011 for the Farmington Courthouse and the UCAT Admin. building. The following Board of Regents revenue bonds were issued: Snow College student housing, UU Ambulatory Care Complex, UU Athletic Center, UU South Jordan Hospital purchase, UVU Student Wellness building and parking, and WSU Davis Classroom Building. The UU Healthcare Medical Services building is still looking for real estate, but should be under construction by the end of 2012. The USU Regional Campus Distance Education building is nearing completion having received institutional funds. The USU Athletics Practice Facility, DNR Lee Kay Archery Center, and USU Art Barn are currently on hold awaiting donations.

All bond proceeds issued for the projects currently under construction or purchase were issued for the amount of the authorization within one percent depending on costs of issuance. Each project currently under construction or purchase received funding from the sources specified in the bill (bond proceeds, auxiliary revenue, institutional funds, and donations).

Of the ten revenue bond authorizations, all but one have been issued and used for purchase or construction of the authorized buildings (Green). Of the four buildings approved for construction using donations or institutional funds, only one is under construction - the others are on hold waiting for donations (Red).

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0148S01

Raw Honey Amendments (Sandstrom, S.)

Analyst: Ivan Djambov

Committee: NRAEQ

Cost Estimate	Revenue Est.
\$8,300	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0		\$0		\$0		\$0		\$0

Explanation

Enacting this bill will cost the Department of Agriculture and Food \$8,300 in ongoing General Fund for a quarter time employee to enforce the bill's provisions.

Implementation

This bill was implemented in June 2012, a year after the effective date.

Accuracy

The fiscal note estimate provided by the Department of Agriculture and Food was \$26,700. The analyst's calculations indicated that the costs would be \$8,300. The 2011 Legislature did not appropriate any funding for the implementation of this bill. Due to the delayed implementation of the bill, the department has not yet incurred any additional costs.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0247

Water Development Amendments (Noel, M.)

Analyst: Angela J. Oh

Committee: NRAEQ

Cost Estimate	Revenue Est.
\$35,000	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$35,000		\$0		\$35,000		\$35,800		(\$800)

Explanation

The Division of Drinking Water requested and used this money for the development and implementation of web-based access to public water system data and reports. This web access allows local health departments (LHDs) and the Rural Water Association of Utah (RWAU) to obtain up-to-the-minute information on water systems. It also allows quicker and more accurate actions and responses in assisting water systems and protecting public health.

Implementation

The web-access project has been implemented and is active for LHDs and the RWAU.

Accuracy

The web-based project was slightly over the estimated cost of \$35,000. The total cost for the project was \$35,800.

Performance

In the past, LHDs and the RWAU would have to contact division staff during working hours for water system reports, and then they would have to wait for emails or faxes to receive the information. The web access project provides 24 hour, 7 days a week access.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0302S01

Reading Program Amendments (Newbold, M.)

Analyst: R. Benjamin Leishman
Committee: PED

Cost Estimate	Revenue Est.
\$1,750,000	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$1,750,000		\$0		\$1,750,000		\$1,104,300		\$645,700

Explanation

Enactment of this bill appropriates \$3,000,000 in ongoing Education Fund to the State Board of Education for the reading assessment program outlined in the bill. This appropriation phases in over two years, with \$1,750,000 in FY 2012 and an additional \$1,250,000 in FY 2013. The State Board of Education estimates that it will cost an additional \$40,000 ongoing and \$60,000 one-time Education Fund for program reporting and administrative functions.

Implementation

Local Education Agencies (LEAs) chose to participate in the program. A total of 54 LEAs, representing 54,980 students participated in the first year. The Utah State Office of Education reports that all LEAs will administer an individual reading assessment to all students in grades 1-3 at the beginning, middle, and end of the school year starting in the 2012-13 school year.

Accuracy

Of the \$1,750,000 appropriated for the program in the first year, \$645,700 remains unspent and remains part of USOE's nonlapsing balance going into FY 2013.

Performance

Performance data from the recently completed school year is being collected and analyzed by the USOE. The USOE will report the following: 1. The percent and number of students reading at grade level for the beginning, middle, and end of year for grades 1-3 and provide associated disaggregated reports of the data. 2. The impact of the administration software will be evaluated to determine effectiveness and efficiency.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Oth3973

6th Grade Math Assessment

Analyst: R. Benjamin Leishman
Committee: PED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$750,000	\$0	\$750,000		\$0		\$750,000		\$750,000		\$0

Explanation

The Legislature appropriated \$750,000 one-time to the Utah State Office of Education to improve sixth grade math assessments.

Implementation

The USOE developed new elementary math items aligned to the newly revised math core curriculum and created new test forms. The adjusted form was administered to students in 2012 and the remaining elementary test forms will be completed for administration in 2013. The USOE will evaluate test forms for validity and reliability.

Accuracy

The USOE reports that funding was sufficient to complete the necessary revisions to sixth grade math assessment materials and test forms.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Oth8176

USDB Accessible Playground

Analyst: R. Benjamin Leishman
Committee: PED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$100,000	\$0	\$100,000		\$0		\$100,000		\$118,500		(\$18,500)

Explanation

The Legislature appropriated \$100,000 one-time from the Education Fund to build an accessible playground at the Salt Lake City campus of the Utah Schools for the Deaf and the Blind (USDB). The playground was designed to meet the needs of all children, including wheelchair accessibility, features for students who are blind, metal slides to reduce the risk of damage to cochlear implants from static electricity, etc.

Implementation

Installation of the playground was completed in August 2011 in time for the start of the school year.

Accuracy

The cost of the installation exceeded the amount appropriated by the Legislature by approximately \$18,500. This amount was paid for out of donated funds to USDB's Jean Massieu School housed at the Salt Lake campus.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0059S01

School Grading System (Niederhauser, W.)

Analyst: R. Benjamin Leishman
Committee: PED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$418,300	\$0	\$418,300		\$0		\$418,300		\$233,900		\$184,400

Explanation

Enactment of this bill may cost \$377,500 in one-time and \$40,800 in ongoing Education Fund to the State Board of Education to develop, implement, and maintain the school grading system outlined in the bill.

Implementation

Initial work on implementation began in March 2011. The Board of Education rules were finalized in September 2011. The 2011-12 school year reports will be available fall 2012.

Accuracy

The \$233,900 was used for psychometric services, report card development, and meeting costs. The remaining appropriation will be spent when the program is fully implemented.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB006501

**Statewide Online Education Program
(Stephenson, H.)**

Analyst: R. Benjamin Leishman

Committee: PED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$0	\$0	\$250,000		\$0		\$250,000		\$76,000		\$174,000

Explanation

This bill passed the Legislature without a fiscal note. The fiscal note on the original bill was held by the bill sponsor. Due to timing constraints, a fiscal note was not completed on the substitute bill that was introduced and passed in the final days of the 2011 General Session.

The Legislature appropriated \$250,000 from the Education Fund to the State Board of Education to implement the Statewide Online Education Program.

Implementation

The State Board of Education passed an emergency administrative rule to implement the program in June 2011 and the program was implemented in August 2011. Students participated in the program during the recently completed 2011-12 school year. Following program implementation, the State Board of Education adjusted the administrative rule governing the program.

Accuracy

As stated previously, no fiscal note was released for this bill. Of the \$250,000 appropriated by the Legislature to implement the program, only \$76,000 was used by the State Board of Education. The balance of \$174,000 remains with the State Board and will be used to accommodate needs as enrollment in the online program increases. The estimated cost of suitable secure data capabilities is \$322,600.

Performance

The State Board has established and is collecting the following performance measures for the program:

1. Percentage of online course providers' students completing online courses on time as specified in statute.
2. Percentage of online course providers' students completing online courses after the applicable time period specified in statute.
3. Aggregated scores by test on statewide assessments taken at the end of an online source offered program and reported before the student graduates.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0115

School Performance Reporting (Stephenson, H.)

Analyst: R. Benjamin Leishman
Committee: PED

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$7,700	\$0	\$7,700		\$0		\$7,700		\$7,700		\$0

Explanation

Enactment of this bill may cost the USOE approximately \$7,700 from the Education Fund in FY 2011 to complete programming and auditing work for the school performance reports. The USOE indicates that this additional cost can be absorbed within their normal programming and auditing functions.

Implementation

The 2010-11 U-PASS reports were published prior to this legislation. The 2011-12 reports will be published this fall.

Accuracy

The USOE reports that the funds were used within the Data & Statistics group for compensation.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0112

Retirement System Divestment (Bramble, C.)

Analyst: Rich Amon

Committee: RIE

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$1,838,000	\$0	\$1,838,000		\$0		\$1,838,000		\$1,422,700		\$415,300

Explanation

Implementation

Accuracy

Performance

Enactment of this bill may result in additional administrative costs to the Utah Retirement System of \$38,000 ongoing in FY 2012. Annual revenue losses to the Utah Retirement System's portfolio of investments is estimated at \$1,800,000. The bill requires the Utah State Retirement Office to prevent the acquisition of direct holdings in a scrutinized Iranian company.

Previous to the beginning of the 2013 fiscal year the Utah Retirement System compiled a list of scrutinized companies and advised existing investment managers to not make any new investments into those companies after July 1, 2012. Investment managers do not currently invest in scrutinized companies.

Actual administrative costs of \$22,712 were less than the fiscal note estimate of \$38,000 because URS did not pay to compile a list of scrutinized companies. A public pension plan currently compiles a list of scrutinized companies and makes it available publicly free of charge. Based on the estimated returns of scrutinized companies and the actual returns of the URS portfolio in FY 2012, the estimated opportunity cost of not investing in those companies was approximately \$1,400,000.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Bills10231

Children with Special Health Care Needs Clinics

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$60,000	\$0	\$60,000		\$0		\$60,000		\$60,000		\$0

Explanation

The Legislature provided \$60,000 ongoing for Children with Special Health Care Needs clinics.

Implementation

The agency used the funds in FY 2012 for the following: (1) \$43,000 for medical transcription services, (2) \$12,000 for 12 computers and 8 scanners for its physicians, and (3) \$5,000 for administration.

Accuracy

The agency spent all of the funds provided.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth345

Baby Watch/Early Intervention - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$2,259,700	\$0	\$2,259,700		\$0		\$2,259,700		\$1,630,400		\$629,300

Explanation

Appropriation for additional services to children up to age 3 with developmental disabilities.

Implementation

Federal ARRA money used for training, a hearing aid loaner bank, toddler-size power wheelchairs, the development of a web-based data system, increased services, and computers and equipment for contracted providers. Most of these purposes provide additional services, but the computers and equipment for contracted providers do not seem related to additional services to children.

Accuracy

From the beginning of the application process for ARRA money, it was unclear how much money would be granted to each successful applicant and how much spent in each fiscal year by providers. Additionally, the money granted by ARRA did not have to be spent within a given State fiscal year. The agency overestimated how much would be spent in each year to cover fluctuations.

Performance

The Baby Watch served an average of 4,400 clients monthly during FY 2011.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth6019

Ambulatory Surgical Centers - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$121,000	\$0	\$121,000		\$0		\$121,000		\$101,500		\$19,500

Explanation

The Department of Health received federal ARRA money to increase the current frequency of onsite inspections of ambulatory surgical centers from every six years to every three.

Implementation

The frequency of inspections of 35 ambulatory surgical centers increased from every six years to every three from 2009 to 2012. In the future the department will inspect ambulatory surgical centers every five years.

Accuracy

The ARRA application process includes some uncertainty for how much funds will eventually be awarded.

Performance

The department met its goal of inspecting all 35 ambulatory surgical centers under its jurisdiction within three years.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth7034

Study Healthcare Associated Infections - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$72,100	\$0	\$72,100		\$0		\$72,100		\$31,200		\$40,900

Explanation

Appropriation of \$72,100 in FY 2010 to study healthcare associated infections. The agency intends to use the money to develop a statewide infection prevention plan.

Implementation

The agency used the money to start to develop a statewide infection prevention plan. The department used the money to fund a 0.5 FTE nurse to help develop and implement a statewide infection prevention plan.

Accuracy

The agency received \$31,200 of the \$72,100 originally estimated. The ARRA application process includes some uncertainty for how much funds will eventually be awarded.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth9189

DOH - Health Information Technology - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$3,230,400	\$0	\$3,230,400		\$0		\$3,230,400		\$2,628,900		\$601,500

Explanation

The Department of Health received \$3,230,400 federal ARRA money for three health information technology projects.

Implementation

The department applied for \$3,230,400 in FY 2011 to expand participation in Utah’s Clinical Health Information Exchange system. The money will also be used to support and develop the statewide Master Patient Index.

Accuracy

From the beginning of the application process for ARRA money, it was unclear how much money would be granted to each successful applicant. The State received less ARRA money than what was included in the grant applications and less than the original estimates.

Performance

The department reports progress in three areas as of July 2011: (1) Clinical Health Information Exchange – four major hospitals systems are connected and about one million messages per month are exchanged, (2) Statewide Master Person Index – partnered with three other organizations, and (3) Beacon Community – completed design phase for electronic reporting of lab results for communicable diseases as well as electronic registry of patients’ Physician Order for Life Sustaining Treatment.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth9550

Medicaid Services - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$111,730,900	\$0	\$111,730,900		\$0		\$111,730,900		\$110,538,800		\$1,192,100

Explanation

The Department of Health requested authority to spend \$111,730,900 ARRA funds to use in the Medicaid program to pay for one-time costs and caseload growth. The Legislature used the money for these purposes as well as replacing General Fund.

Implementation

In addition to using the ARRA funds in exchange for General Fund, the department used funds for caseload growth and for forced inflation. The department also used \$1,466,800 to restore dental rates retroactively to May 2009 due to federal rejection of most of a dental rate decrease, and \$1,128,800 for settlement costs from the Houghton lawsuit case.

Accuracy

The Department of Health received \$110,538,800 ARRA funds in FY 2010 in the Medicaid program, which was 1% less than anticipated.

Performance

The Medicaid program served an average of 208,300 clients monthly in FY 2010.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2010 G.S. Oth9624

Immunizations - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$148,100	\$0	\$148,100		\$0		\$148,100		\$84,600		\$63,500

Explanation

The Department of Health received federal ARRA funds to provide more immunizations for children and adults.

Implementation

Money was used for improvements to intercommunication among immunization registries in FY 2011. It is not clear that the registry improvements were part of the original intent of the federal ARRA funds.

Accuracy

From the beginning of the application process for ARRA money, it was unclear how much money would be granted to each successful applicant. The State received less ARRA money than what was included in the grant applications and less than the original estimates.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB4762

DOH - One-time Equipment Purchase to Bring In-house Some State Laboratory Testing Currently Done Via Contracts

Analyst: Russell Frandsen

Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$316,000	\$0	\$316,000		\$0		\$316,000		\$426,400		(\$110,400)

Explanation

The Department of Health received one-time funding of \$400,000 to purchase a piece of equipment. In exchange, the department received an ongoing reduction of \$84,000 to reflect a reduction in annual contracted services by \$84,000 for the State Lab. This piece of equipment has an estimated useful life of 10 years.

Implementation

The department used the money to purchase a Liquid Chromatograph-Tandem Mass Spectrometer and develop an enhanced methodology for prescription drug testing. The new methodology reduces the number of samples sent to an external laboratory for testing. Additionally, the department can now test for 24 additional substances. The department obtained the new equipment in June 2012, this prevented realizing any savings in FY 2012.

Accuracy

For FY 2012, the department spent \$426,400 and realized no savings.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB5062

USOR - FY 2012 Building Blocks - Assistive Technology

Analyst: Stephen Jardine
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$200,000	\$0	\$200,000		\$0		\$200,000		\$200,000		\$0

Explanation

The Legislature appropriated \$200,000 ongoing Education Fund to the Utah State Office of Rehabilitation to purchase Assistive Technology devices and services.

Implementation

As of July 1, 2011, there existed a waiting list for devices and services totaling \$270,182. This consisted of requests for 145 devices/services. The 145 devices/services were grouped into four areas: 1) Mobility - 49 devices for \$50,433 for wheelchairs, walkers, and scooters; 2) Communication - 17 devices for \$23,578 for talking computers, Braille keyboards, etc.; 3) Community access - 34 devices for \$154,428 for devices/services that get people out of the house (ramps, lifts, etc.); and 4) Aides to daily living - 45 devices for \$41,743 for bath chairs, grab bars, shower commodes, etc. \$200,000 of this waiting list was funded beginning July 1, 2011. The remaining was covered beginning July 1, 2012 with the ongoing appropriation of \$200,000.

Accuracy

The \$200,000 was distributed during FY 2012.

Performance

The Utah State Office of Rehabilitation has stated, "in FY 12, the year the money was appropriated, 42 individuals who had received Assistive Technology devices/services had increased their level of independence to the point that they transitioned to the Vocational Rehabilitation Program to prepare themselves to go to work."

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB5063

DOH - Medical Examiner Pathologist

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$520,000	\$0	\$520,000		\$0		\$520,000		\$537,400		(\$17,400)

Explanation

The Department of Health received \$520,000 ongoing to fund two new pathologists.

Implementation

The department hired two new pathologists that started in July 2011.

Accuracy

The department spent a total of \$537,400 (\$55,000 one-time) in FY 2012 on the two new pathologists. This is \$17,400 or 3% higher than appropriations. In FY 2013 the department will have \$55,000 of the appropriation available because of spending in FY 2012 on one-time start up expenses. The department intends to use the \$55,000 to raise salaries of new employees upon completing certifications. Until the new employees complete their certifications, the department will use the money for training.

Performance

The average caseload for full/partial exams by pathologist went from 322 in FY 2011 to 241 in FY 2012. As a whole the Medical Examiner's pathologists are now operating at annual case loads below the unacceptable level but above the recommended level established by the National Association of Medical Examiners.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB5072

DOH - Medicaid Federal Administrative Policy Changes

Analyst: Russell Frandsen

Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$550,000	\$0	\$550,000		\$0		\$550,000		\$550,000		\$0

Explanation

\$550,000 ongoing (\$395,000 General Fund) to make up for a reduction in federal match rate for certain administrative staff. The funds preserved the following twelve positions:
 Four health plan representatives,
 Four claims techs,
 One actuarial specialist,
 One financial analyst,
 One health program manager, and
 One nurse.

Implementation

The department used the money to backfill a reduction in federal funds for administrative positions such as auditing, financial oversight, claims payment, and rate setting.

Accuracy

The department states that it used all of the appropriation in FY 2011 and plans to use all of the appropriation in FY 2012.

Performance

The state funding helped preserve 12 FTEs.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S.

BB5111

DHS - State Hospital - reduce USH funding by 10%

Analyst: Stephen Jardine
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$4,041,500)	\$0	(\$4,041,500)		\$1,100,000		(\$2,941,500)		(\$2,941,500)		\$0

Explanation

As part of the 2011 General Session budget reductions, the Utah State Hospital (USH) budget was originally reduced by 10 percent, or \$4,041,500. The Legislature subsequently funded \$1,100,000 one-time to help offset that reduction. 30 beds at the Utah State Hospital were closed as part of the 2011 budget process for a savings of \$2,941,500 ongoing from the General Fund beginning in FY 2012. Enactment of H.B. 454, State Hospital Revisions (2011 General Session), aligned the statutory number of adult State Hospital beds with the number of funded adult State Hospital beds for FY 2012.

Implementation

30 beds were closed as directed. The cost savings was achieved by reducing personnel costs by \$2,302,000 together with reduced operating costs related to the 30 beds of \$639,500.

Accuracy

The Utah State Hospital implemented reductions in order to meet the reduction appropriated by the Legislature.

Performance

The USH admission rate has gone from 75% in 2011 to 86% in 2012. The USH census rate has gone from 92% in 2011 to 95% in 2012.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. BB5190

DHS - Disabilities Waiting Lists

Analyst: Stephen Jardine
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$3,627,300	\$0	\$3,627,300		\$0		\$3,627,300		\$3,753,200		(\$125,900)

Explanation

This group includes individuals who meet the criteria for placement in intermediate care facilities or nursing homes but who do not choose this placement and are placed on a waiting list to receive services in the community through a Home and Community Based Services Medicaid waiver. Prior to the 2011 General Session it was estimated that 1,953 individuals were waiting, without services, on the statewide waiting list. In the 2011 General Session, the Legislature appropriated \$3,627,300 (\$1,051,000 in General Fund and \$2,576,300 in matching federal Medicaid funds) to address this issue.

Implementation

The implementation of adding individuals from the waiting list into services with this funding was completed in a timely manner. 162 individuals received services from this funding.

Accuracy

The department spent \$3,753,200 on the disabilities waiting list; a difference of \$125,900 (3%) from the appropriation.

Performance

162 people received services.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11226

Abortion Clinic Licensing

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$10,000	\$0	\$10,000		\$0		\$10,000		\$15,000		(\$5,000)

Explanation

Implementation

Accuracy

Performance

Appropriation of \$10,000 one-time General Fund to establish new rules for abortion clinics.

The department met with the three abortion clinics new to licensing prior to the April 2012 requirement for licensing. As of May 2012, two of three clinics have their license and the third clinic should be licensed soon.

The department spent all \$10,000 on rule making. Additionally, the department incurred staff costs of less than \$5,000 beyond the \$10,000 for rule making.

The department indentified three abortion clinics that require licensing under the new law.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Bills11248

Utah Safe Haven Law

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$25,000	\$0	\$25,000		\$0		\$25,000		\$18,700		\$6,300

Explanation

Implementation

Accuracy

Performance

The budget included funding of \$25,000 ongoing General Fund for the promotion of the Utah Safe Haven Law, which the Legislature passed in 2001. This law allows a mother to drop off a newborn baby at a hospital without questions or criminal liability.

The Department of Health used the funds to run TV and radio Public Service Announcements, buy promotional chapsticks, and update the www.utahsafehaven.org website. Additionally, the department had a contractor answer a hotline and perform outreach.

The department spent \$18,700 of the \$25,000 received for FY 2012. This represents an error rate of 25% in estimated cost.

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0324

HIV Testing of Alleged Sex Offenders (Greenwood, R.)

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$3,100	\$0	\$3,100		\$0		\$3,100		\$60		\$3,040

Explanation

This bill may cost the Department of Health as much as \$3,100 ongoing General Fund beginning in FY 2012 for testing up to 50 indigent, alleged sexual offenders annually for HIV.

Implementation

The department spent \$3,100 ongoing in FY 2012 and \$500 one-time in FY 2011 for HIV testing of alleged sex offenders. In FY 2011 there was one test request under the new law, but the costs were paid by the Utah State Prison. In FY 2012 there were three tests for a total cost of \$60.

Accuracy

Of the \$3,100 original estimate, there have been \$60 in expenses.

Performance

No performance data available.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. HB0453S01

Domestic Violence Services (Clark, D.)

Analyst: Stephen Jardine
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
(\$1,391,100)	\$0	(\$1,391,100)		\$0		(\$1,391,100)		(\$839,800)		(\$551,300)

Explanation

H.B. 453, Domestic Violence Services (2011 General Session), changed state statute so that, except to the extent provided by rule, the Division of Child and Family Services (DCFS) is not responsible for investigating domestic violence in the presence of a child. This change was done in response to a Performance Audit of DCFS reported in January 2011 suggesting “some cases of domestic violence in the presence of a child. . . may not warrant a supported CPS finding of abuse. . . . [C]oncerns [were] voiced by some DCFS staff that limited resources were being diverted from serious cases that need services to less serious cases. . . [and that] the division should review the definitions of abuse and neglect in their administrative rules.”

Implementation

H.B. 453 modified existing statute allowing the division by rule to narrow the definition regarding investigations of domestic violence in the presence of a child. As part of the 2011 General Session budget process the division's budget was reduced to reflect this change. The rule, after public input, was implemented.

Accuracy

The total amount of (\$1,391,100) was realized by DCFS as part of the 2011 General Session budget reductions. The original estimate of cost savings due to a change in investigating domestic violence in the presence of a child was made prior to DCFS implementing an administrative rule. Based upon public input the rule was revised and the division reduced 13 caseworker positions for a cost reduction of \$839,800 consistent with the final administrative rule. The balance (\$551,300) required additional personnel reductions in DCFS to meet the total budget reduction.

Performance

The number of substantiated investigations of domestic violence with children present declined 58.3% for fiscal year 2012. This decline is consistent with the change in rule authorized by HB. 453.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. Oth7678

Women, Infant, and Children Program - ARRA

Analyst: Russell Frandsen
Committee: SS

Cost Estimate	Revenue Est.	Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$95,000	\$0	\$95,000		\$0		\$95,000		\$99,000		(\$4,000)

Explanation

The agency intends to use the federal ARRA money to purchase laptops and training kiosks for WIC clinics.

Implementation

The Department of Health used the money in FY 2011 for purchasing laptops and training kiosks for WIC clinics, offset programmer expenses, and upgrade WIC's automated appointment reminder system.

Accuracy

The ARRA application process includes some uncertainty for how much funds will eventually be awarded. For the line item with this funding in FY 2011 the Department of Health spent less ARRA money than was appropriated.

Performance

The department purchased 20 kiosks and 3 laptops.

2012 Interim Fiscal Note and Budget Item Follow-Up Report

2011 G.S. SB0048

Alzheimer's State Plan Task Force (Morgan, K.)

Analyst: Stephen Jardine
Committee: SS

Cost Estimate	Revenue Est.
\$25,000	\$0

Original	+	Changes	=	Subtotal	-	Experienced	=	Difference
\$25,000		\$0		\$25,000		\$3,400		\$21,600

Explanation

The bill established an Alzheimer’s State Plan Task Force within the Division of Aging and Adult Services in the Department of Human Services. S.B. 48 appropriated to the Utah House of Representatives \$2,040, to the Utah State Senate \$2,040, and to the Division of Aging and Adult Services in the Department of Human Services \$20,920 one-time from the Alzheimer's State Plan Task Force Restricted Account for operation of the Alzheimer's State Plan Task Force beginning in FY 2011. The bill stated that the provisions of the task force did not go into effect until at least \$25,000 in the form of donations or grants had been deposited into the Alzheimer's State Plan Task Force Restricted Account.

Implementation

With the passage of S.B. 48, the division worked with community partners, medical providers, research organizations, the Utah State House of Representatives and Senate, as well as others, to create a task force that met the various membership requirements laid out in the bill. This was accomplished in a timely manner. The bill authorized six public meetings for the task force and these were held between April and October 2011 throughout the state at a cost of \$3,400. Meetings were held in Salt Lake, Logan, St George, Price, and Clearfield to get a variety of public input.

Accuracy

There was a technical issue with depositing funds into the restricted account created by the bill. The department states: "The Alzheimer's Association wanted to put \$25,000 into the account using two federal grants However, these federal funds could not be drawn in advance of need . . . the expenses to justify the draw must occur first. According to the requirements of the restricted appropriation in S.B. 48, expenses against the restricted account could not start occurring until funds were deposited. Knowing that the federal funding existed to support task force activities . . . federal funds were drawn directly from the grant to cover the incurred expenses. . . . No state funds were used."

Performance

The department states, "the task force developed its recommendations and presented the Utah State Alzheimer’s Plan at the November meeting of the Health and Human Services Interim Committee. Additionally, the plan was developed into a legislative resolution which was passed in the 2012 General Session."

Appendix A – Guidelines for Scoring Follow-Ups

FISCAL NOTE & BUILDING BLOCK FOLLOW UP REPORT

The Analyst follows up on bills and building blocks from two sessions ago.

- **Item Explanation**

What the appropriation is supposed to do. For bills the explanation is the fiscal note.

- **Implementation**

Is the item is being implemented in a timely manner?

- **Accuracy**

Was the fiscal note was accurate? Both the Analyst and the agency are rated.

- **Performance Measures**

Shown and evaluated when appropriate. Sen. Niederhauser and Steve Allred will address this issue.

- **Follow the Money**

The report traces funding from the original request to the remaining balance.

RED – YELLOW – GREEN GUIDELINES

We point out problems, potential trouble, and things going as expected with traffic light colors.

ONE SIZE DOES NOT FIT ALL

Early on, we found that what was reasonable for revenue estimates is unreasonable for ordinary bills and building blocks. Our guidelines are less stringent when an agency is asked to do something new and different than their usual fare.

\$10,000 RULE

The temptation to manage a fiscal note is so great that we give an automatic Yellow to any bill with a fiscal note near \$10,000.

THE DIRECTOR'S EXCEPTION

The Director may draw your attention to any bill or building block with a yellow if the item needs your attention.

CURRENT RULES

1. Similar to things they already do:

Green - Within 5% of estimate or variances less than \$10,000.

Yellow - Greater than 5% but less than or equal to 10% of estimate and more than \$10,000.

Red - Greater than 10% of estimate and more than \$10,000.

2. Something new and unfamiliar:

Green - Within 10% of estimate or less than \$10,000.

Yellow - Greater than 10% but less than or equal to 20% of estimate and more than \$10,000.

Red - Greater than 20% of estimate and more than \$10,000.

3. Revenue bills:

Green - Within the estimate's margin of error.

Yellow - Greater than margin of error but less than two times margin of error.

Red - Greater **than** two times margin of error.

4. Implementation:

Green - Implemented within the first month of the bill's effective date. The definition of "implemented" will vary according to the difficulty of the bill's task. Tasks that are too large to be implemented in the first month can be considered "implemented" if the agency has a reasonable plan and they are on schedule.

Yellow - Implemented after the first month but before the fourth month of the bill's effective date.

Red - Implemented after three months of the bill's effective date.

5. Performance Measures:

The Analyst will decide if performance measures are appropriate and will use the "Implementation" guidelines. The Analyst will evaluate the agency's performance measures and recommend alternate measures when necessary.