



INTENT LANGUAGE & NONLAPSING BALANCES FOLLOW-UP (DWS)

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

The objective of this issue brief is to determine if the Department of Workforce Services complied with the 31 intent language statements adopted by the Legislature during the 2015 General Session as well as 13 intent language statements from the 2014 General Session and one from the 2013 General Session that had impacts through June 30, 2015. This issue brief provides a follow up to each of the pieces of intent language passed. The Analyst has no concerns of non-compliance. This brief is for informational purposes only and requires no legislative action.

DISCUSSION AND ANALYSIS

Intent Language Overview

The Analyst has no concerns of non-compliance with any intent language issued last year. The following is a list of 31 legislative intent statements from the 2015 General Session with the Department of Workforce Services' response or comments by the Analyst. Intent language may be adopted by the Legislature to explain or place conditions on the use of funds. Intent language is binding for one year and may not contradict or change statutory language. Follow up to intent language related to ARRA (federal stimulus) funding can be found in the Issue Brief entitled "ARRA Funds Approval." The Subcommittee may want to direct the agency to take further action on the information presented in the reports requested by the Legislature.

Overview of Intent Language From the 2015 General Session

There are 31 intent language statements reviewed below. These 31 statements can be grouped into the following three categories (two statements fall into two categories):

1. Providing nonlapsing authority (nine intent language statements)
2. Providing specific direction (3 intent language statement)
3. Requiring a report (19 intent language statements)
 - a. 15 of these reports are for performance measures

Nonlapsing Authority Via Intent Language From the 2015 General Session

1. Nonlapsing Authority for Computers and Projects in Administration (H.B. 3, Item 83):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$200,000 of the appropriations provided for the Administration line item in Item 29 of Chapter 13 Laws of Utah 2014 not lapse at the close of Fiscal Year 2015. The use of any nonlapsing funds is limited to computer equipment and software and special projects and studies. (The agency nonlapsed \$0).

Agency Response: "No fiscal year 2015 General Fund was nonlapsed in this line item."

2. Nonlapsing Authority for Computers and Projects for Operations and Policy (H.B. 3, Item 84):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$3,100,000 of the appropriations provided for the Operation and Policy line item in Item 30 of Chapter 13 Laws of Utah 2014 not lapse at the close of Fiscal Year 2015. The use of any nonlapsing funds is limited to computer

equipment and software and one-time projects associated with addressing client services due to caseload growth or refugee services. (The agency nonlapsed \$0).

Agency Response: "No fiscal year 2015 General Fund was nonlapsed in this line item except as described in the response for item 7 below."

3. Nonlapsing Authority for Employment Development and Projects for Operations and Policy for Special Administrative Expense Account (H.B. 3, Item 84):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$2,500,000 of the appropriations provided for the Operation and Policy line item in Item 75 of Chapter 282 Laws of Utah 2014 for the Special Administrative Expense Account not lapse at the close of Fiscal Year 2015. The use of any non-lapsing funds is limited to employment development projects and activities or one-time projects associated with client services. (The agency nonlapsed \$2,500,000).

Agency Response: "The department nonlapsed \$2,500,000 and will use it for employment development projects and activities or one-time projects associated with client services."

4. Nonlapsing Authority for Computers and Projects for Unemployment Insurance (H.B. 3, Item 86):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$60,000 of the appropriations provided for the Unemployment Insurance line item in Item 32 of Chapter 13 Laws of Utah 2014 not lapse at the close of Fiscal Year 2015. The use of any nonlapsing funds is limited to computer equipment and software and one-time projects associated with addressing appeals or public assistance overpayment caseload growth. (The agency nonlapsed \$0).

Agency Response: "No fiscal year 2015 General Fund was nonlapsed in this line item."

5. Nonlapsing Authority for Building Projects for Housing and Community Development (H.B. 3, Item 87):

Under Section 63J-1-603 of the Utah Code, the Legislature intends that General Fund appropriations provided by Item 33 Chapter 13 Laws of Utah 2014 for the Department of Workforce Services' Housing and Community Development line item not lapse at the close of Fiscal Year 2015. The amount of any nonlapsing funds shall not exceed \$1,000,000. The use of any nonlapsing authority is limited to general funds appropriated by the Legislature for building projects. (The agency nonlapsed \$500,000).

Agency Response: "The department nonlapsed \$500,000 for a building project at Volunteers of America. The project is under construction and the funds will be spent in FY2016."

6. Nonlapsing Authority for General Assistance (S.B. 3, Item 18):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$800,000 of the appropriations provided for the General Assistance line item in Item 31 of Chapter 13 Laws of Utah 2014 not lapse at the close of Fiscal Year 2015. The use of any nonlapsing funds is limited to computer equipment and software, one-time projects associated with client services, and client benefit payments. (The agency nonlapsed \$347,600).

Agency Response: "DWS has requested a transfer of \$347,600 one-time general fund within the Department of Workforce Services from the General Assistance line item to the Pamela Atkinson Homeless Account in Fiscal Year 2016 for case management services. The \$347,600 in nonlapsed funds would be used to provide client benefit payments in place of the transferred funds."

7. Conditional Savings for Upgrading Phone Systems (S.B. 3, Item 17):

Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to \$2,000,000 of savings above \$7,392,800 from savings from Savings from Higher Federal Match Rate not lapse at the close of FY

2015. The use of any nonlapsing funds is limited to upgrading technology and phone systems to voice over Internet Protocol (VOIP) in FY 2016. (The agency nonlapsed \$1,316,000).

Agency Response: "The department nonlapsed \$1,316,000 and will use the funds to upgrade technology and phone systems to Voice over Internet Protocol (VoIP). DWS received authorization from the Governor's Office to begin spending these nonlapsing funds in December 2015. DWS is currently working with DTS and DFCM to obtain quotes for wiring and [environmental] work that must be completed prior to VoIP conversion at the DWS Administration North building. The wiring and environmental work is estimated to be complete by September 30, 2016. The VoIP conversion at Admin North will occur thereafter. DWS anticipates that this nonlapsing funding will be sufficient to pay for all general fund VoIP implementation costs that are the responsibility of DWS."

8. More Conditional Savings for Upgrading Phone Systems (S.B. 3, Items 17 and 125):

Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to \$350,000 of savings above \$753,500 from savings from Affordable Care Act Mandatory Changes not lapse at the close of FY 2015. The use of any nonlapsing funds is limited to upgrading technology and phone systems to voice over Internet Protocol (VOIP) in FY 2016. (The agency nonlapsed \$0).

The Legislature intends that the \$100,000 in Beginning Nonlapsing provided to the Department of Workforce Services - Operations and Policy line item is dependent upon up to \$100,000 funds not otherwise designated as nonlapsing to the Workforce Services - Housing and Community Development line item being retained as nonlapsing in FY 2015.

Agency Response: "No additional 'conditional savings' funds were nonlapsed."

9. Even More Conditional Savings for Upgrading Phone Systems (S.B. 3, Item 19):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$100,000 funds of Item 33 Chapter 13, Laws of Utah 2014, not otherwise designated as nonlapsing to the Department of Workforce Services - Housing and Community Development line item shall not lapse at the close of Fiscal Year 2015. The use of any nonlapsing funds is for upgrading technology and phone systems to voice over Internet Protocol (VOIP). (The agency nonlapsed \$0).

Agency Response: "No additional 'conditional savings' funds were nonlapsed."

10. Transfer Money From General Assistance to Pamela Atkinson Homeless Account (H.B. 3, Items 85 and 145):

Notwithstanding intent language passed in Item 11, Chapter 13 Laws of Utah 2014 for the Department of Workforce Services General Assistance line item, the Legislature authorizes transferring \$647,600 beginning nonlapsing balances from the General Assistance line item to the General Fund Restricted - Pamela Atkinson Homeless Account.

Agency Response: "The department transferred the beginning nonlapsing balance, totaling \$647,600, from the General Assistance line item to the General Fund Restricted - Pamela Atkinson Homeless Account. The funds have been contracted to local agencies to provide case management services associated with the supportive housing program for the chronically homeless, Housing Homeless First."

11. Direction for Permanent Supportive Housing Funding (S.B. 3, Item 125):

Notwithstanding the intent language in Item 193 in S.B. 2, New Fiscal Year Supplemental Appropriations Act, on lines 2086 through 2092, the Legislature intends any location for permanent supportive housing to be considered will go through a site evaluation process in cooperation with the local municipality and with local ordinances considered as part of that analysis. No locations for

permanent supportive housing have been approved for funding based solely on presentations made to the Social Services Appropriations Subcommittee.

(The language below is what was notwithstanding.) The Legislature intends any location for permanent supportive housing to be considered will go through a site evaluation process in cooperation with Salt Lake City and with local ordinances considered as part of that analysis. No locations for permanent supportive housing have been approved for funding based solely on presentations made to the Social Services Appropriations Subcommittee. (S.B. 2, Item 193)

Agency Response: “While a project application has not been received nor funded yet from this appropriation, the Olene Walker Housing Loan Fund Board has directed staff to initiate contact with local municipal leaders and concerned citizens regarding affordable housing needs for specific urban sites/areas. When a project application(s) is received that appears to address these urban needs, the Olene Walker Housing Loan Fund Board and staff will solicit additional feedback from local municipal leaders and concerned citizens regarding the viability of the project(s), with deference to specific sites.”

12. Conditional TANF Funding for Weber County Youth Impact Program (S.B. 3, Items 17 and 125):

The \$5,000 in federal funds appropriated for the Weber County Youth Impact program in Department of Workforce Services in the Operations and Policy line item is dependent upon the availability of and qualification for the Weber County Youth Impact program for Temporary Assistance for Needy Families federal funds.

The \$30,000 in federal funds appropriated for the Weber County Youth Impact program in Department of Workforce Services in the Operations and Policy line item is dependent upon the availability of 995 and qualification for the Weber County Youth Impact program for Temporary Assistance for Needy Families federal funds.

Agency Response: “The \$5,000 in TANF federal funds was awarded to and expended by the Weber Youth Impact program during FY 2015. The department budgeted \$30,000 in TANF federal funds to be spent by the Weber County Youth Impact program during FY 2016.”

13. Report on TANF Reserve and Projected Uses (S.B. 7, Item 20):

The Legislature intends the Department of Workforce Services provide to the Office of the Legislative Fiscal Analyst no later than September 1, 2015 a detailed report on its Temporary Assistance for Needy Families (TANF) reserve amount including the current balance and any uses of the reserve since the 2015 General Session or planned and projected uses of the reserve in the future.

The report is available at <http://le.utah.gov/interim/2015/pdf/00002742.pdf>.

14. Report on Highest Cost Individuals (S.B. 2, Item 76):

The Legislature intends the Departments of Workforce Services, Health, Human Services, and the Utah State Office of Rehabilitation provide a report regarding each agency's highest cost individuals and possible efficiencies through coordination, early intervention, and prevention. The Legislature further intends these agencies provide a report to the Office of the Legislative Fiscal Analyst by September 1, 2015. The report shall include the following regarding high cost individuals: 1) a summary, by program, of individuals receiving services in excess of \$100,000 total fund annually in any given agency, what percentage of total costs is spent on these individuals, and what the agency is doing to manage these costs in an efficient manner, 2) an assessment of these high cost individuals receiving services from multiple agencies, 3) a description of agency coordination regarding high cost individuals accompanied by a list of areas where agencies specifically coordinate on these high cost individuals, 4) recommendations regarding how best to serve these high cost individuals in least restrictive settings

where appropriate and consistent with choice, and 5) recommendation on how agency efforts might better be coordinated across programs.

The report is available at <http://le.utah.gov/interim/2015/pdf/00003929.pdf>.

15. Report on Drug Court Program (S.B. 2, Item 77):

The Legislature intends the Department of Workforce Services and the Administrative Offices of the Courts provide a report to the Office of the Legislative Fiscal Analyst no later than September 1, 2015. The report shall include, at a minimum: 1) a summary of efforts to improve coordination between the Drug Court program and DWS' Workforce Development Division in order to improve Drug Court success, 2) data indicating the success of the efforts including the implementation and reporting on measures of post program recidivism, and 3) any identified savings or additional funding of drug court recipients as a result of improved coordination efforts.

The report is available at <http://le.utah.gov/interim/2015/pdf/00003953.pdf>.

16. Report on Statewide Distribution of Services by Program (H.B. 3, Item 83):

The Legislature intends the departments of Health, Human Services, and Workforce Services and the Utah State Office of Rehabilitation provide to the Office of the Legislative Fiscal Analyst by June 1, 2015 a report outlining how funds are distributed within the state when passed through to local government entities or allocated to various regions and how often these distributions are reviewed and altered to reflect the relevant factors associated with the programs. (1) Is the program considered a statewide program (this would include something that serves all rural areas)? a. Is the implementation of the program really statewide? If not, is there a compelling reason why? (2) Who gets the money (by county)? (3) What is the methodology for distributing the money? a. How does the distribution compare to actual need as expressed by population? i. [If distributions are not reflecting current need (as represented by population), please explain why not?] b. If not done by population, what is the reason? (4) Does statute say anything about distribution and equity for the program?

The report is available at <http://le.utah.gov/interim/2015/pdf/00002794.pdf>.

17. Performance Measures for New Funding (S.B. 2, Item 76 and H.B. 3, Item 83):

The Legislature intends that the Department of Workforce Services prepare proposed performance measures for all new state funding or TANF federal funds for building blocks and give this information to the Office of the Legislative Fiscal Analyst by June 30, 2015. At a minimum the proposed measures should include those presented to the Subcommittee during the requests for funding. If the same measures are not included, a detailed explanation as to why should be included. The Department of Workforce Services shall provide its first report on its performance measures to the Office of the Legislative Fiscal Analyst by October 31, 2015. The Office of the Legislative Fiscal Analyst shall give this information to the legislative staff of the Health and Human Services Interim Committee.

Here are the links to the required reports:

(1) June 30, 2015 - <http://le.utah.gov/interim/2015/pdf/00002813.pdf>

(2) October 31, 2015: - <http://le.utah.gov/interim/2015/pdf/00005399.pdf>

18. Performance Measures for Administration Line Item (S.B. 7, Item 19):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Administration line item: provide accurate and timely department-wide fiscal administration. Goal: manage, account and reconcile all funds within state finance close out time

lines and with zero audit findings by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “The department provided accurate and timely department-wide fiscal administrative by managing, accounting for, and reconciling all funds for fiscal year 2015 within the time lines required by State Finance and with zero audit findings related to closeout.”

19. Performance Measures for Operations and Policy Line Item (S.B. 7, Item 20):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Operations and Policy line item: (1) Labor Exchange – Total job placements (Target = 50,000 placements per calendar quarter), (2) TANF Recipients - positive closure rate (Target = 70% per calendar month), and (3) Eligibility Services – internal review compliance accuracy (Target = 95%) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

- 1) Labor Exchange – Total job placements: 42,212 for FY 2015**
- (2) TANF Recipients - Positive closure rate: 74% for FY 2015**
- (3) Eligibility Services – Internal review compliance accuracy: 93% for FY 2015”**

20. Performance Measures for General Assistance Line Item (S.B. 7, Item 21):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the General Assistance line item: (1) Positive closure rate (SSI achievement or closed with earnings) (Target = 45%), (2) General Assistance customers served (Target = 835), and (3) Internal review compliance accuracy (Target = 80%) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

- (1) Positive closure rate: 49% for FY 2015**
- (2) General Assistance customers served (monthly): 928 for FY 2015**
- (3) Internal review compliance accuracy: 89% for FY 2015”**

21. Performance Measures for Unemployment Insurance Line Item (S.B. 7, Item 22):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Unemployment Insurance line item: (1) Percentage of New Employer Status Determinations made within 90 days of the last day in the quarter in which the business became Liable (Target => 70%), (2) Percentage of UI Separation Determinations with Quality scores equal to or greater than 95 points, based on the evaluation results of quarterly samples selected from all determinations (Target => 90%), and (3) Percentage of UI Benefits Payments made within 14 days after the week ending date of the first compensable week in the benefit year (Target => 87%) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

- (1) Percentage of New Employer Status Determinations made within 90 days of the last day in the quarter in which the business became liable: 96.0% for FY 2015**
- (2) Percentage of UI Separation Determinations with Quality scores equal to or greater than 95 points, based on the evaluation results of quarterly samples selected from all determinations: 94% for FY 2015**

(3) Percentage of UI Benefits Payments made within 14 days after the week ending date of the first compensable week in the benefit year: 94% for FY 2015”

22. Performance Measures for Housing and Community Development Line Item (S.B. 2, Item 79):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Housing and Community Development line item: (1) Ending Chronic Homelessness - offer housing to all chronically homeless individuals who want to be housed (Target = 9% reduction per year), (2) Utilities Assistance for Low-income Households - Number of eligible households assisted with home energy costs (Target = 35,000 households), and (3) Weatherization Assistance - Number of low income households assisted by installing permanent energy conservation measures in their homes (Target = 800 homes) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

(1) Ending Chronic Homelessness - offer housing to all chronically homeless individuals who want to be housed: 67.0% for FY 2015. Approximately 90% of the chronically homeless have been housed and the program is considered statistically completed. The remaining 9% are unlikely to be housed in permanent supportive housing, for a variety of reasons. Case management is an ongoing need for the majority of those who have been housed, in particular for new clients that replace those who move on through attrition.

As reported to the LFA in September 2015 in caseload information for the COBI:

(2) Utilities Assistance for Low-income Households - Number of eligible households assisted with home energy costs: 32,737 for FY 2015

Not previously reported:

(3) Weatherization Assistance - Number of low income households assisted by installing permanent energy conservation measures in their homes: 619 for FY 2015”

23. Performance Measures for Special Service Districts Line Item (S.B. 2, Item 80):

The Legislature intends that the Department of Workforce Services report on the following performance measure for the Special Service Districts line item: the Department of Workforce Services is required to pass through the funds to qualifying special service districts in counties of the 5th, 6th and 7th class (this is completed quarterly) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

This was done by passing through funds to 11 qualifying special service districts in the total amount of \$6,651,700.”

24. Performance Measures for Permanent Community Impact Fund Line Item (S.B. 2, Item 190):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Permanent Community Impact Fund line item: (1) 100% of new receipts will be invested in communities annually, (2) employ up to 5 rural planners to determine needs and impacts of infrastructure development in rural Utah, and (3) staff and board will meet at least three times per year with representatives of each partnering sector by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

(1) 100% of new receipts will be invested in communities annually: 100.0% for FY 2015

(2) Employ up to 5 rural planners to determine needs and impacts of infrastructure development in rural Utah: 5 for FY 2015

(3) Staff and board will meet at least three times per year with representatives of each partnering sector: 3 times for FY 2015"

25. Performance Measures for Intermountain Weatherization Training Fund Line Item (S.B. 2, Item 191):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Intermountain Weatherization Training Fund line item: (1) Number of Private Individuals trained each year (Target => 20), (2) Number of Private Individuals receiving training certifications (Target => 20), and (3) Number of Subgrantees trained each year (Target => 40) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: "Item (2) below was previously reported to the LFA on 10/21/2015 for the COBI. Items (1) and (3) below were not previously reported:

(1) Number of Private Individuals trained each year: 70 for FY 2015

(2) Number of Private Individuals receiving training certifications: 9 for FY 2015

(3) Number of Subgrantees trained each year: 115 for FY 2015"

26. Performance Measures for Navajo Revitalization Fund Line Item (S.B. 2, Item 192):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Navajo Revitalization Fund line item: (1) Allocate new and re-allocated funds within one year to improve the quality of life for those living on the Utah portion of the Navajo Reservation (Target = \$4.57 million allocated) and (2) Improve the housing stock on the Navajo Reservation by investing in new and improved sanitary housing (Target = \$3.0 million invested) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: "As reported to the LFA on 10/21/2015 for the COBI:

(1) Allocate new and re-allocated funds within one year to improve the quality of life for those living on the Utah portion of the Navajo Reservation: \$2,715,952 for FY 2015

(2) Improve the housing stock on the Navajo Reservation by investing in new and improved sanitary housing: \$1,674,624 for FY 2015"

27. Performance Measures for Olene Walker Housing Loan Fund Line Item (S.B. 2, Item 193):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Olene Walker Housing Loan Fund line item: (1) Housing units preserved or created (Target = 800), (2) Construction jobs preserved or created (Target = 1,200), and (3) Leveraging of other funds in each project to Olene Walker Housing Loan Fund monies (Target = 9:1) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: "Only items (2) and (3) were reported to the LFA on 10/21/2015 for the COBI:

(1) Housing units preserved or created: 477 for FY 2015

(2) Construction jobs preserved or created: 944 for FY 2015

(3) Leveraging of other funds in each project to Olene Walker Housing Loan Fund monies: 13.1:1 for FY 2015”

28. Performance Measures for Qualified Emergency Food Agencies Fund Line Item (S.B. 2, Item 194):

The Legislature intends that the Department of Workforce Services report on the following performance measure for the Qualified Emergency Food Agencies Fund line item - distribute, on a first come, first served basis, the sales tax rebates to qualifying food pantries (Target = 100%) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

The department distributed 100.0% of sales tax rebates on a first come, first served basis in FY 2015.”

29. Performance Measures for Uintah Basin Revitalization Fund Line Item (S.B. 2, Item 195):

The Legislature intends that the Department of Workforce Services report on the following performance measure for the Uintah Basin Revitalization Fund line item: allocate new and re-allocated funds within one year to improve the quality of life for those living in the Uintah Basin (Target = \$8.4 million allocated) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

The department allocated \$4,150,221 Uintah Basin Revitalization funds in FY 2015.”

30. Performance Measures for Unemployment Compensation Fund Line Item (S.B. 7, Item 50):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Unemployment Compensation Fund line item: (1) UI Trust Fund Balance is greater than the minimum adequate reserve amount and less than the maximum adequate reserve amount (Target = \$577 million to \$773 million), (2) The Average High Cost Multiple is the UI Trust Fund balance as a percentage of Total UI Wages divided by the Average High Cost Rate (Target => 1), and (3) Contributory Employers UI Contributions Due Paid Timely (Target => 90%) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “As reported to the LFA on 10/21/2015 for the COBI:

(1) UI Trust Fund Balance is greater than the minimum adequate reserve amount and less than the maximum adequate reserve amount: \$881,480,861 for FY 2015; the minimum and maximum balance targets are adjusted annually by state statute.

(2) The Average High Cost Multiple is the UI Trust Fund balance as a percentage of Total UI Wages divided by the Average High Cost Rate: 1.65 (165%) for FY 2015; this is a tentative number until the finalized number is confirmed by the feds.

(3) Contributory Employers UI Contributions Due Paid Timely: 94% for FY 2015”

31. Performance Measures for Fund and Account Transfers to the Pamela Atkinson Homeless Account (S.B. 2, Item 206):

The Legislature intends that the Department of Workforce Services report on the following performance measures for the Fund and Account Transfers to the Pamela Atkinson Homeless Account: (1) homeless providers funded by the State (except domestic violence shelter providers) will utilize the Centralized Client Intake and Coordinated Assessment System (Target => 80%), and (2) complete by

scheduled date the statewide report of homeless demographics and conditions by county (Target = November 1) by January 1, 2016 to the Social Services Appropriations Subcommittee.

Agency Response: “(1) homeless providers funded by the State (except domestic violence shelter providers) will utilize the Centralized Client Intake and Coordinated Assessment System (Target => 80%): 78% for FY 2015.

(2) complete by scheduled date the statewide report of homeless demographics and conditions by county (Target = November 1): Yes, the Homeless report was completed by the target date for FY 2015 as found at <https://jobs.utah.gov/housing/scso/documents/homelessness2015.pdf>.”

Nonlapsing Balances

Under the Budgetary Procedures Act ([UCA 63J-1-602](#)), no revenue collection, appropriation from a fund or account, or appropriation to a program may be treated as nonlapsing unless:

1. It is expressly referenced in [UCA 63J-1-602](#)
2. It is designated in a condition of appropriation in the appropriations bill, or
3. Nonlapsing authority is granted under [UCA 63J-1-603](#).

[UCA 63J-1-602](#) also states that “each legislative appropriations subcommittee shall review the accounts and funds that have been granted nonlapsing authority under this section of Section [63J-1-603](#).”

Intent Language from the 2015 General Session

There are 13 intent language statements reviewed below. These 13 statements can be grouped into the following two categories:

1. Providing nonlapsing authority (five intent language statements)
2. Providing specific direction (eight intent language statement)
 - a. Five of these relate to the use of Temporary Assistance for Needy Families (TANF) funding

1. Nonlapsing Authority for Computers and Projects for Operations and Policy (S.B. 8, Item 10):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$3,100,000 of the appropriations provided for the Operation and Policy line item in Item 11 of Chapter 6 Laws of Utah 2013 not lapse at the close of Fiscal Year 2014. The use of any non-lapsing funds is limited to computer equipment/software and one-time projects associated with addressing client services due to caseload growth or refugee services. (The agency nonlapsed \$1,822,400).

Agency Response: “The department nonlapsed \$1,822,400. The department used \$50,000 nonlapsing funds for refugee capacity building projects and activities; \$272,439 nonlapsing funds were transferred to the Department of Human Services per intent language in HB 2, item 80; \$1,500,000 nonlapsing funds were transferred to the Department of Health per intent language in HB 2, item 72.”

2. Nonlapsing Authority for Employment Development and Projects for Operations and Policy for Special Administrative Expense Account (S.B. 8, Item 10):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$3,900,000 of the appropriations provided for the Operation and Policy line item in Item 84 of Chapter 405 Laws of Utah 2013 for the Special Administrative Expense Account not lapse at the close of Fiscal Year 2014. The use of any non-lapsing funds is limited to employment development projects and activities or one-time projects associated with client services. The Legislature further intends the Department of Workforce Services

provide a detailed status and progress report on the use of Special Administrative Expense Account funds for employment development projects and activities as well as one-time projects associated with client services to the Office of the Legislative Fiscal Analyst by September 1, 2014. (The agency nonlapsed \$2,217,800).

Agency Response: “The department nonlapsed \$2,217,800 and used it for employment development projects and activities as described in the intent language above.”

“The department submitted a progress report [<http://le.utah.gov/interim/2014/pdf/00005529.pdf>] on the use of Special Administrative Expense Account funds to the Office of the Legislative Fiscal Analyst on June 24, 2014.”

3. Nonlapsing Authority for Computers and Projects for General Assistance (S.B. 8, Item 11):

Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$800,000 of the appropriations provided for the General Assistance line item in Item 12 of Chapter 6 Laws of Utah 2013 not lapse at the close of Fiscal Year 2014. The use of any non-lapsing funds is limited to computer equipment/software and one-time projects associated with client services. (The agency nonlapsed \$647,600).

Agency Response: “The department nonlapsed \$647,600 of fiscal year 2014 General Fund in this line item. These funds were transferred from the General Assistance line item to the General Fund Restricted – Pamela Atkinson Homeless Account as described in the response to item 10 above.”

4. Nonlapsing Authority for Building Projects for Housing and Community Development (S.B. 8, Item 13):

Under Section 63J-1-603 of the Utah Code, the Legislature intends that General Fund appropriations provided by Item 63 Chapter 416 Laws of Utah 2012 for the Department of Workforce Services' Housing and Community Development line item not lapse at the close of Fiscal Year 2014. The amount of any non-lapsing funds shall not exceed \$1,000,000. The use of any non-lapsing authority is limited to general funds appropriated by the legislature for building projects. (The agency nonlapsed \$1,000,000).

Agency Response: “The department nonlapsed \$1,000,000 for building projects at Volunteers of America and Lantern House. The funds for the Lantern House building project were expended in FY 2015. The building project at Volunteers of America will be completed in FY 2016 as described in the response to item 5 above.”

5. Conditional Savings From Affordable Care Act Mandatory Changes (S.B. 3, Item 74):

Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to \$330,200 of savings above \$800,000 from affordable care act mandatory changes not lapse at the close of FY 2014. The use of any nonlapsing funds is limited to respite care provided by the Department of Human Services in FY 2015. (There were \$272,000 in savings).

Agency Response: “The department nonlapsed \$272,400 of fiscal year 2014 General Fund in the Operations and Policy line item as described in the response to item 1 above. The department transferred these funds to the Department of Human Services in fiscal year 2015.”

6. Use of National Housing Trust Fund (H.B. 2, Item 77):

The Legislature intends that if any money is allocated from the National Housing Trust Fund to the State of Utah, the Department of Workforce Services is authorized to receive this money and this money shall be allocated to the Division of Housing and Community Development for use by the division in

increasing and preserving the supply of rental housing, and increasing homeownership and housing opportunities, for low income households in accordance with federal requirements.

Agency Response: “To date [November 2015], the National Housing Trust Fund has not awarded funds to states.”

7. Direction for Spending Reed Act Funds (H.B. 2, Item 75):

The Legislature intends Reed Act funds appropriated for Fiscal Year 2015 to the Department of Workforce Services be used for workforce development and labor exchange activities consistent with UCA 35A-4-501(3)(b).

Agency Response: “The department used the funds during FY 2015 to pay for labor exchange activities, connecting job seekers with employers.”

8. Conditions of Release of Funding for Road Home Homeless Shelter (H.B. 3, Item 98):

The Legislature intends that the \$500,000 in new funding provided for Road Home Homeless Shelter to the Department of Workforce Services not be released until a building permit is obtained. If the money is not released in FY 2015, then under Section 63J-1-603 of the Utah Code, the Legislature intends that up to \$500,000 not lapse at the close of FY 2015. The use of any nonlapsing funds is limited to respite care provided by the Department of Human Services in FY 2016.

Agency Response: “The Road Home obtained a building permit and the funds for the overflow homeless shelter building project were expended in FY 2015. The building project was completed in late November, 2015, and opened to services.”

9. Use of TANF Funding for Child Care Competitive Rate Subsidy Increase (H.B. 2, Item 75):

The Legislature intends that the \$6,144,900 provided to the Department of Workforce Services for the child care competitive rate subsidy increase from federal Temporary Assistance for Needy Families (TANF) funding spent over future years in equal amount each year for the following three years.

Agency Response: “The department budgeted \$6,144,900 in federal TANF federal funds to be spent for child care competitive subsidy rate increases in future years in equal amounts each year for the following three years. The department began spending TANF federal funds in FY 2015 to increase the lowest three rates for licensed child care centers from the 43rd to the 60th percentile of Utah rates.”

10. Conditional TANF Funding for After School Programs (H.B. 2, Item 75):

The \$2,179,200 in federal funds appropriated for after school programs to address intergenerational poverty in Department of Workforce Services in Operations and Policy line item is dependent upon the availability of and qualification for the after school programs to address intergenerational poverty for Temporary Assistance for Needy Families federal funds.

Agency Response: “The department began spending TANF federal funds in FY 2015 to start 21 new and expand 32 current afterschool programs in Title I schools.”

11. Use of TANF Funding for Children's Center (H.B. 2, Item 75):

The Legislature intends that the \$750,000 provided to the Department of Workforce Services for the Children's Center increase from federal Temporary Assistance for Needy Families (TANF) funding spent over future years in equal amount each year for the following three years.

Agency Response: "The department budgeted \$750,000 in TANF federal funds to be spent at the Children's Center in equal amounts each year for the following three years. FY 2015 spending was [\$171,200]."

12. Conditional TANF Funding for Children's Center (H.B. 2, Item 75):

The \$1,000,000 in federal funds appropriated for the Children's Center in Department of Workforce Services - Operations and Policy line item is dependent upon the availability of and qualification for the Children's Center for Temporary Assistance for Needy Families federal funds.

Agency Response: "The Children's Center qualified to receive TANF federal funds from the department as a subrecipient."

13. Use of TANF Funding for Weber County Youth Impact Program (H.B. 2, Item 75):

The Legislature intends that the \$25,000 provided to the Department of Workforce Services for the Weber County Youth Impact Program increase from federal Temporary Assistance for Needy Families (TANF) funding be spent over future years in equal amount each year for the following one year.

Agency Response: "\$25,000 in TANF federal funds were spent at the Weber County Youth Impact program during FY 2015."

Intent Language from the 2013 General Session

The following item of intent language were passed in the 2013 General Session. The items could not be fully reviewed until the close of FY 2015.

1. Align Supplemental Nutrition Assistance Program Regulations and Medicaid Regulations (H.B. 3, Item 80 & S.B. 2, Item 84):

The Legislature intends that to the extent possible with existing appropriations, the Department of Workforce Services shall align Supplemental Nutrition Assistance Program regulations and Medicaid regulations.

Agency Response: "The department applied for a waiver from USDA Food and Nutrition Service (FNS) to eliminate the requirement to interview customers who apply for SNAP benefits. This was done to align Supplemental Nutrition Assistance Program (SNAP) regulations with the Medicaid regulations which do not require department personnel to interview customers who apply for Medicaid. To prove the concept, FNS approved the department to participate in a pilot program to eliminate the interview requirement for 20% of SNAP cases. The pilot program concluded in November 2013. DWS submitted an assessment report to USDA Food and Nutrition Service (FNS) regarding the 'no interview' pilot. The conclusion was that the pilot had mixed results. FNS did not approve the waiver and has required Utah to return to a mandatory interview for all Food Stamp customers at time of application and annual at a re-certification. FNS has not approved any state to eliminate the interview for Food Stamps."