



DEPARTMENT OF VETERANS' AND MILITARY AFFAIRS ISSUES

EXECUTIVE APPROPRIATIONS COMMITTEE
STAFF: STEVEN ALLRED AND JONATHAN BALL

ISSUE BRIEF

This document summarizes the Analyst's recommendations for committee action.

Budget Adjustments

The Analyst does not recommend budget adjustments at this time. However, the Legislature may wish to consider the following option:

Efficiency Savings. The department has a balance of \$155,000 one-time from FY 2017 that it has offered to return to the State. The Legislature appropriated \$1,000,000 in the 2016 General Session for enhanced outreach and services to veterans. The department is implementing new programs. Until the programs are fully implemented this balance is available.

Intent Language

The Analyst recommends the following intent language:

Under terms of Section 63J-1-603(3)(a) Utah Code Annotated, the Legislature intends that appropriations provided for the Department of Veterans' and Military Affairs in Item 3, Chapter 5, Laws of Utah 2017 not lapse at the close of Fiscal Year 2018. Use of any nonlapsing funds is limited to Veterans Outreach and Military Affairs one-time operations costs.

The Legislature intends that the Department of Veterans' and Military be allowed to increase its vehicle fleet for nursing home operations by up to two vehicles in FY 2018 or FY 2019 with funding from existing appropriations.

The Legislature intends that the Department of Veterans' and Military Affairs report by October 16, 2018 to the Executive Appropriations Committee on the following performance measures for the Veterans' and Military Affairs line item: (1) Provide programs that assist veterans with filing and receiving compensation, pension, and educational benefits administered by the U.S. Veterans' Administration (Target = 5% annual growth); (2) Assist in ensuring veterans are employed in the Utah workforce (Target = Veterans' unemployment rate no greater than the statewide unemployment rate); (3) Increase the number of current conflict veterans that are connected to appropriate services (Target = 10% annual increase); (4) Provide veterans with a full range of burial services and related benefits that reflect dignity, compassion, and respect (Target = 95% satisfaction); and (5) Identify, plan, and advise on military mission workload opportunities through engagement with federal and state parties and decision makers (Target = 95%).

The Legislature intends that the Department of Veterans' and Military Affairs report by October 16, 2018 to the Executive Appropriations Committee on the following performance measures for the Veterans' Nursing Home Fund line item: (1) Occupancy rate (Target = 95% average); (2) Compliance with all state and federal regulations for operations, licensing, and payments (Target = 95%); (3) Best in class rating in all national customer satisfaction surveys (Target = 80%); and (4) Deviations in operations, safety, or payments are addressed within specified times (Target = 95%).

Fee Changes

The Analyst recommends the following fee changes:

	Old Fee	Old Quantity	New Fee	New Quantity	Fee Change	Est Rev Change
1 Veterans' Burial	\$749.00	0	\$777.00	375	\$28.00	\$10,500.00
2 Spouse/Dependent Burial	\$749.00	0	\$777.00	150	\$28.00	\$4,200.00
3 Lawn Vase	\$60.00	0	\$65.00	60	\$5.00	\$300.00
Total						\$15,000.00

The burial rate is set by the federal Veterans' Administration. Items 1 and 2 reflect the federal adjustments for FY 2019.

Federal Funds

The Analyst recommends the following federal funds:

Please see the Federal Funds Request Summaries on the following page. For Fiscal Year 2018, the agency requested a supplemental appropriation of \$14,108,500 above their current FY 2018 appropriation of \$21,898,700. For Fiscal Year 2019, the agency's request of \$41,150,000 is an increase of \$19,256,200 over the base budget. The vast majority of these increases are in the Nursing Home fund. The agency estimated high to ensure the Legislature appropriates sufficient authorization.

Supplemental Federal Funds Request Summary for State FY 2018

July 1, 2017 through June 30, 2018

Grant Title	CFDA Number	ARRA mark "X"	Federal Annual Award	Annual Match Requirement						% Pass-Through	New Permanent Staff	Notes/In Kind Source/Fed Requirements	Received Award Letter? (Y/N)	Award Letter Included? (Y/N)	
				Matching State Funds			In Kind	Maint. Of Effort	Total State Match						Local/Other
				General Fund	Dedicated Credits	Restricted Funds									
VETERANS' AFFAIRS															
1 Veterans State Nursing Home Care	64.015		\$14,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
2 Veterans Prescription Service	64.012		\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
3 Veterans Burial Allowance	64.101		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
4 State Approving Agency for Veterans Education	None		\$58,518	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
VETERANS' AFFAIRS TOTALS				\$14,108,518	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00		

Federal Funds Request Summary for State FY 2019

July 1, 2018 through June 30, 2019

Grant Title	CFDA Number	ARRA mark "X"	Federal Annual Award	Annual Match Requirement						% Pass-Through	New Permanent Staff	Notes/In Kind Source/Fed Requirements	Received Award Letter? (Y/N)	Award Letter Included? (Y/N)	
				Matching State Funds			In Kind	Maint. Of Effort	Total State Match						Local/Other
				General Fund	Dedicated Credits	Restricted Funds									
VETERANS' AFFAIRS															
1 Veterans State Nursing Home Care	64.015		\$40,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
2 Veterans Prescription Service	64.012		\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
3 Veterans Burial Allowance	64.101		\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	N
4 State Approving Agency for Veterans Education	None		\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00	N	Y
Division/Program Totals				\$41,150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00		
VETERANS' AFFAIRS TOTALS				\$41,150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0.00		