



FEES

DEPARTMENT OF WORKFORCE SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: MADDY ORITT

ISSUE BRIEF

SUMMARY

In accordance with [UCA 63J-1-504](#), an agency is to “submit its fee schedule . . . to the Legislature for its approval on an annual basis.” The following fees are proposed by the Department of Workforce Services (DWS) for the services it provides.

These fees will generate an estimated \$652,200 in FY 2020, which is \$308,495 more than was estimated based on fee authorization for FY 2019. DWS collected \$329,600 in fee revenue in FY 2018.

The largest fees/categories of fees for FY 2020 are as follows:

- \$259,000 (40 percent of fee revenue) from fees associated with Private Activity Bonds
- \$147,300 (23 percent of fee revenue) from the Debt Collection Information Disclosure Fee

The department proposes the following new fees for FY 2020:

- **Low Vision Store:** The Low Vision Store is a currently-existing program that provides an opportunity to purchase, at cost, optical and non-optical aids to maintain and enhance personal and professional endeavors of individuals who are blind and visually impaired, but for which a fee has not been previously established. This fee is expected to generate approximately \$60,000 in revenue. The revenue will be used to reimburse the department for the expense incurred when the department purchased the item for re-sale. The department held a public hearing regarding this new fee on December 7, 2018; there was no public comment.
- **Career Ladder Course:** Career Ladder courses are continuing education and professional development courses offered to early childhood and youth care professionals. The revenue from this fee will be used to offset a portion of the cost of providing the courses. This fee is expected to generate approximately \$38,400 in revenue. The department held a public hearing regarding this new fee on January 28, 2019; there was no public comment.
- **Private Activity Bonds:** In the 2018 General Session, H.B. 23 transferred the Private Activity Bond from the Governor's Office of Economic Development (GOED) to the Department of Workforce Services (DWS), effective 7/1/2018. The board and program are funded solely through these fees. DWS is requesting legislative authority during the 2019 General Session to move the approved fees from GOED to DWS. The 10 fees are expected to generate approximately \$259,000 in revenue. The department held a public hearing regarding this new fee on December 7, 2018; there was no public comment.

LEGISLATIVE ACTION

After review, the Subcommittee may: 1) approve, 2) increase or decrease and approve, or 3) reject any fee.

The Legislature will provide final approval to the fee schedule if it passes S.B. 8, “State Agency Fees and Internal Service Fund Rate Authorization and Appropriations.”

STATUTORY GUIDANCE FOR SETTING FEES

[UCA 63J-1-504](#) states the following for setting fees:

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

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

“(4) Each fee agency that is proposing a new fee or proposing to change a fee shall:
 (a) present each proposed fee at a public hearing.”

PROPOSED FEES FOR FY 2020

Table 1 shows the proposed fee rates for FY 2020.

**Department of Workforce Services -- Fees
 FY 2020**

Appr Unit	Fee	Additional Information	Old Fee	New Fee	Fee Change	Old Quantity	New Quantity	Revenue Change	Estimated FY20 Revenue
Intermountain Weatherization Training Fund (2153)	Weatherization Laboratory		250	250	-	50	5	(11,250)	1,250
	Heating Ventilation and Air Conditioning (HVAC) Laboratory Fee		250	250	-	50	5	(11,250)	1,250
	Insulation Laboratory		250	250	-	50	5	(11,250)	1,250
	Weatherization Classroom		50	50	-	50	5	(2,250)	250
	Demonstration House		250	250	-	50	5	(11,250)	1,250
	Consumer/Small Contractor		10	10	-	500	50	(4,500)	500
	Materials		300	300	-	100	10	(27,000)	3,000
	Trainers Basic		50	50	-	100	10	(4,500)	500
	Trainers Advanced		100	100	-	50	5	(4,500)	500
State Small Business Credit Initiative Program Fund (5700)	Loan Origination Fee for Loan Participation Program	This is a variable fee and the department may charge at a rate that is less than or equal to 4% of the loan amount based on participation & risk level.	0.04	0.04	-	300,000	300,000	-	12,000
	Loan Origination Fee for Loan Guarantee Program	This is a variable fee and the department may charge at a rate that is less than or equal to 4% of the loan amount based on participation & risk level.	0.04	0.04	-	300,000	300,000	-	12,000
State Office of Rehabilitation- Blind and Visually Impaired (NBB)	Low Vision Store		0	100	100	-	600	60,000	60,000

Department of Workforce Services -- Fees
FY 2020

Appr Unit	Fee	Additional Information	Old Fee	New Fee	Fee Change	Old Quantity	New Quantity	Revenue Change	Estimated FY20 Revenue
State Office of Rehabilitation-Deaf and Hard of Hearing (NBE)	Standard Late Fee		80	80	-	5	5	-	400
	Annual Maintenance/Recognition		70	70	-	250	250	-	17,500
	Knowledge Exam		60	60	-	160	185	1,500	11,100
	Novice Exam		150	150	-	84	84	-	12,600
	Professional Exam		150	150	-	123	233	16,500	34,950
	Professional Re-test, per component		30	30	-	80	100	600	3,000
	Temporary Permit		150	150	-	1	1	-	150
	Student Permit		15	15	-	30	30	-	450
	Utah Novice Level Certificate		300	300	-	1	1	-	300
	Utah Professional Level Re-test, per component		60	60	-	1	25	1,440	1,500
	Utah Professional Level Certificate		300	300	-	1	28	8,100	8,400
	Knowledge Exam		120	120	-	1	15	1,680	1,800
	Executive Director's Office (NJA)	Photocopies (for all copies after the first 10)		0.1	0.1	-	100	100	-
Fax Pages Local, All Pages			2.00	2.00	-	300	300	-	600
Fax Pages Long Distance, All Pages			2	2	-	95	95	-	190
Research			20	20	-	60	60	-	1,200
Operations and Policy -Workforce Development (NJD)	Career Ladder Course		-	16	16	-	2,400	38,400	38,400
Unemployment Insurance Administration (NLA)	Debt Collection Information Disclosure Fee	Fee for employment information research and report for creditors providing a court order for employment information of a specific debtor.	15	15	-	9,300	9,820	7,800	147,300

Department of Workforce Services -- Fees
FY 2020

Appr Unit	Fee	Additional Information	Old Fee	New Fee	Fee Change	Old Quantity	New Quantity	Revenue Change	Estimated FY20 Revenue
Community Development (NSC)	Confirmation per Million Volume Cap	In the 2018 General Session, H.B. 23 transferred the Private Activity Bond from the Governor's Office of Economic Development (GOED) to the Department of Workforce Services (DWS), effective 7/1/2018. The board and program is funded solely through these fees. The approved fee is currently on the GOED fee schedule and was approved for FY 2019. H.B. 23 inadvertently left the fees associated with the Private Activity Bond at GOED and the fees were not transferred to DWS. DWS is requesting legislative authority during the 2019 General Session to move the approved fees from GOED to DWS.	-	300	300	-	300	90,000	90,000
	Original Application: Under \$3 million		-	1,500	1,500	-	10	15,000	15,000
	Original Application: \$3-\$5 million		-	2,000	2,000	-	10	20,000	20,000
	Original Application: Over \$5 million		-	3,000	3,000	-	10	30,000	30,000
	Re-application: Under \$3 million		-	750	750	-	2	1,500	1,500
	Re-application: \$3-\$5 million		-	1,000	1,000	-	2	2,000	2,000
	Reapplication: Over \$5 million		-	1,500	1,500	-	3	4,500	4,500
	Second 90-Day Extension		-	2,000	2,000	-	10	20,000	20,000
	Third 90-Day Extension		-	4,000	4,000	-	7	28,000	28,000
	Each Additional 90-Day Extension		-	4,000	4,000	-	12	48,000	48,000
Homeless Committee (NSH)	State Community Services Office Homeless Summit		35	35	-	525	560	1,225	19,600
Total Estimated Revenue for FY 2020								\$ 308,495	\$ 652,200

