



## Fiscal Note

### H.B. 325

2016 General Session  
Office of Rehabilitation Services  
Amendments  
by Thurston, N.



#### General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$(192,000)	\$(192,000)

**State Government**

UCA 36-12-13(2)(b)

Enactment of this legislation would move the Utah State Office of Rehabilitation (USOR) budget from the Utah State Office of Education (USOE) to the Department of Workforce Services (DWS) beginning in FY 2017. Any subsequent appropriations regarding USOR would also need to be moved from USOE to DWS. This transfer would require providing General Fund where Education Fund is currently used to fund USOR. Enactment of this legislation could also result in USOE losing up to \$2,121,000 in dedicated credit revenue currently provided by USOR for indirect administrative services beginning in FY 2017.

<b>Revenues</b>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>
Dedicated Credits	\$0	\$(2,121,000)	\$(2,121,000)
<b>Total Revenues</b>	<b>\$0</b>	<b>\$(2,121,000)</b>	<b>\$(2,121,000)</b>

Enactment of this legislation would move the Utah State Office of Rehabilitation (USOR) budget from the Utah State Office of Education (USOE) to the Department of Workforce Services (DWS) beginning in FY 2017 as follows: \$273,700 General Fund, \$21,111,400 Education Fund, \$62,656,000 federal funds, \$985,600 dedicated credit revenue, and -\$1,736,100 revenue transfers. Any subsequent appropriations regarding USOR will also need to be moved from USOE to DWS. The transfer of USOR's existing line item is assumed to be a single appropriations line item under DWS. This transfer would require providing General Fund where Education Fund is currently used to fund USOR. DWS allocates indirect costs to individual federal grants and programs in accordance with a federally-approved cost allocation plan, resulting in each federal grant and program bearing an equitable share of the indirect costs. This bill would necessitate the inclusion of USOR in DWS's cost allocation plan. In the event that USOR's federal grants and programs do not have sufficient available funding to pay for their share of the indirect costs ultimately allocated to them, DWS would need a General Fund appropriation in subsequent years to pay those costs and/or technical reallocations of General Fund and federal fund authority between line items to ensure sufficient authority exists in the applicable line items where the indirect savings or costs occur. While the potential General Fund impact is unknown, it would not likely exceed \$1.8 million. Enactment of this legislation could also cost USOR \$192,000 General Fund and \$48,000 federal funds one-time in FY 2017 for costs associated with moving and transition. Enactment of this legislation requires USOR use Department of Technology Services (DTS). Doing so could have a potential cost of up to \$1,000,000 if USOR is required to move from its current data system technology and accept existing DTS rates.

<b>Expenditures</b>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>
General Fund	\$0	\$21,111,400	\$21,111,400
General Fund, One-Time	\$0	\$192,000	\$0
Education Fund	\$0	\$(21,111,400)	\$(21,111,400)
Federal Funds	\$0	\$48,000	\$0
Dedicated Credits	\$0	\$0	\$0
Transfers	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$240,000</b>	<b>\$0</b>

<b>Net All Funds</b>	<b>\$0</b>	<b>\$(2,361,000)</b>	<b>\$(2,121,000)</b>
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**Local Government**

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Enactment of this legislation likely will not result in direct, measurable expenditures by Utah residents or businesses.

**Performance Note**

JR4-2-404

No performance note required for this bill

**Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.