

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**
Room 30 West House Building, State Capitol Complex
January 31, 2014 PM

Members Present: Sen. Allen M. Christensen, Co-Chair
Rep. Ronda Rudd Menlove, Co-Chair
Rep. Daniel McCay, House Vice Chair
Sen. Deidre M. Henderson
Sen. Luz Robles
Sen. Brian E. Shiozawa
Sen. Todd Weiler
Rep. Rebecca Chavez-Houck
Rep. Tim M. Cosgrove
Rep. Brad L. Dee
Rep. Paul Ray
Rep. Edward H. Redd
Rep. Earl D. Tanner

Members Absent: Sen. Peter C. Knudson
President Wayne L. Niederhauser
Sen. Evan J. Vickers
Rep. Marc K. Roberts

Staff Present: Mr. Russell T. Frandsen, Fiscal Analyst
Mr. Stephen C. Jardine, Fiscal Analyst
Ms. Paula Winter, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.leg.utah.gov.

1. Call to Order/Approval of Minutes

Co-Chair Menlove called the meeting to order at 2:11 pm

5. Public Comment

- a. Charlie Luke, Executive Director, Utah Association of Community Services, explained what the association is. Mr. Luke spoke about the importance of the Utah State Office of Rehabilitation (USOR) to clients served by Division of Services for People with Disabilities (DSPD). He emphasized the importance of programs offered and how critical they are to the employment aspect of people with disabilities so they can give back to the community.
- b. Bonnie Winward, Receiver of Services, USOR.
- c. Debra Mair, Director, Utah Independent Living Center and consumer of Rehabilitation Services.
- d. Sunny Todhunter, Director of Research, Employment Services, RISE.

Each of the above spoke about the value of the services provided by USOR for each of them.

Several Committee members asked questions and added to the comments.

2. Utah State Office of Rehabilitation Base Budget

a. Funding reductions and revenue options

Stephen Jardine, Fiscal Analyst discussed this area.

[Consensus Funding Reduction Items - 2014](http://www.le.utah.gov/interim/2014/pdf/00000667.pdf)(<http://www.le.utah.gov/interim/2014/pdf/00000667.pdf>)

[Funding Reduction Options - 2014](http://le.utah.gov/interim/2014/pdf/00000678.pdf) (<http://le.utah.gov/interim/2014/pdf/00000678.pdf>)

[Revenue Options and Funding Exchanges - 2014](http://le.utah.gov/interim/2014/pdf/00000702.pdf)
(<http://le.utah.gov/interim/2014/pdf/00000702.pdf>)

[2014 - Motions for Subcommittee Consideration](http://le.utah.gov/interim/2014/pdf/00000631.pdf)
(<http://le.utah.gov/interim/2014/pdf/00000631.pdf>)

b. Expenditure trends that may be of interest

<http://le.utah.gov/interim/2014/pdf/00001106.pdf>

Mr. Jardine began a review of the budget. Mr. Jardine referred to the chart entitled Utah State Office of Rehabilitation Services – Selected Trends Table 2 – Funding Trends. He proceeded to explain what the trends show in each area and what the effect of having a structural imbalance does.

c. Utah State Office of Rehabilitation – Structural Imbalance - Issue Brief.

Mr. Jardine referred to the Summary part of the Brief and clarified some items in the summary. He spoke about the procedure known as Order of Selection and how this implementing this procedure as an alternative would likely create a waiting list of 10,000 people. He spoke of the three options found under Legislative Action for the Committee to work with. He continued to make clear the information in the Brief.

Rep. Redd asked for an explanation of differences at the end of 2008 and why there were no reserves when the economy was in down turn. Mr. Jardine continued to reference Utah State Office of Rehabilitation Federal Funds – Issue Brief Table 1 and Table 2 and stated that the caseload increased at that time.

Mr. Jardine referenced the Motions upcoming and clarified what they were.

g. Agency explanation of lack of federal reserves over three months.

Mr. Jardine read through the measures listed which showed greater than 5% improvement or decline and highlighted #1, #5, #9 for the Committee.

Russ Thelin, Director, Utah State Office of Rehabilitation, responded to a question by Rep. Redd about 2008 funds being available. Mr. Thelin stated that 1) a number of people with disabilities lost employment and came seeking services, 2) an in-migration of population to Utah resulted in more individuals with disabilities being here, and 3) people surviving longer because of advances in medical care and with higher levels of functioning.

Mr. Thelin continued to explain that as costs increased the funds were depleted and so there was no reserve. Rep. Redd and Mr. Thelin had a conversation about those who lost employment and were disabled during the economic downturn.

e. Utah State Office of Rehabilitation – Performance Measures #9P

- 1) Vocational Rehabilitation Program – goal is to equal or exceed the previous year's number of rehabilitation outcomes – target 3,365 or greater
- 2) Vocational Rehabilitation – target of 27 successful closures per counselor – closure meaning a job placement for a minimum of 90 days
- 3) Deaf and Hard of Hearing – increase the number of individuals served by that division -

Target of 7,144 individuals.

Sen. Christensen asked if someone passes away or moves how that would be handled. Mr. Thelin indicated that it depends on the individual case. He also stated that if they have moved and are employed that is considered a successful closure.

Rep. Redd asked for clarification on the raw numbers presented on the performance measures as to whether those are per year. Mr. Thelin explained the situation and Rep. Menlove suggested a change in wording to clarify. Rep. Menlove, Mr. Thelin, and Stephen Jardine, Fiscal Analyst, continued to discuss and prepare the wording change to create a floor amendment.

f. USOR Performance Audit by the State Auditor – Follow up
<http://le.utah.gov/interim/2014/pdf/00001562.pdf>

Mr. Thelin referred to the document USOR Responses to Performance Audit of DRS by the State Auditor which is also available on line. He proceeded to address the 4 findings and the agency actions to date.

<http://financialreports.utah.gov/saoreports/2013/PA13-03RehabSvesCostControls.pdfRehabilitationServices,Divisionof.pdf>

Sen. Christensen voiced concern about the USOR hiring their own auditor and Mr. Thelin assured him that the auditor is dedicated to USOR but is under the Board of Education internal

audit department.

4. Public Comment

Cecil Archibald, citizen, who received services from USOR under Agrability, testified about the assistance given to him so he could function on his farm.

5. FY 2014 and FY 2015 Budget Discussions and Voting

MOTION: Sen. Christensen moved to approve the following motions for the Utah State Office of Rehabilitation line item from the sheet entitled “Social Services Subcommittee – Motions for Subcommittee Consideration” dated 1/24/2014 12:47 PM: #1C, 3AA, 4F, 6H & 9P as amended.

Motion passed unanimously with Sen. Knudson, President Niederhauser, Sen. Shiozawa, Sen. Vickers, Rep. McCay, Rep. Cosgrove, and Rep. Roberts absent for the vote.

Russell Frandsen, Fiscal Analyst, gave explanations and clarified updates on the following information on the Ongoing State Funds – Internal Reallocation List, #3 and 4; the One-time State Funds – Internal Reallocation List #1-3; Stephen Jardine, Fiscal Analyst, explained the Funding Reduction Options Page 2 item #6; Revenue Options and Funding Exchanges.

MOTION: Rep. Ray moved to remove items #11-14 on the Funding Reductions Options sheet on the turnover savings from Full Time Equivalents (FTE).

Mr. Jardine clarified the rationale for this removal. Sen. Robles asked for more clarification on the turnover savings and Mr. Jardine helped to clarify.

Motion passed unanimously with Sen. Knudson, President Niederhauser, Sen. Shiozawa, Sen. Vickers, Rep. Menlove, Rep. McCay, Rep. Cosgrove, and Rep. Roberts absent for the vote.

Mr. Frandsen spent some time clarifying what would be happening next week and the items to be looking for and looked at some of the motions. Mr. Frandsen specifically referenced item #1B on the motions sheet and requested approval of that which had to do with technical changes that may have to be made. He also referenced item #6E for consideration.

MOTION: Sen. Christensen moved to approve the following motions from the sheet entitled “Social Services Subcommittee – Motions for Subcommittee Consideration” dated 1/31/2014 2:02 PM: #1B & 6E for the Department of Workforce Services’ Housing and Community Development line item.

Motion passed unanimously with Sen. Knudson, President Niederhauser, Sen. Shiozawa, Sen. Vickers, Rep. McCay, Rep. Cosgrove, and Rep. Roberts absent for the vote.

Russell continued to review and clarify the following motions from the Motions for

Subcommittee Consideration sheet that had changes or new additions made to them including items 1I, 1J, 1K, 3K, 6D, 6L.

6. Proposed Updated Performance Measures Department of Health

Dr. Marc Babitz, Division Director, Family Health and Preparedness, Department of Health (DOH), explained the updated performance measures and goals on 9B, 9D, 9E, 9F, and 9G before they were passed.

Rep. Redd asked for clarification on 6L, the hospital assessment fund, and where it goes and comes from. Rep. Menlove clarified.

Dr. Babitz continued reporting on each of the proposed performance measures and goals for the Baby Watch Program:

- 1) Percent of children who demonstrate improvement in social and emotional skills which include social relationships – goal 70%
- 2) Percent of children who demonstrate improvement in their rate of growth and acquisition and use of knowledge and skills related to language and communication – goal 75%
- 3) Percent of children who demonstrate improvement in the rate of growth and use of appropriate behaviors to meet their needs – goal 75%

Michael Hales, Director, Department of Health clarified items 9E, amended, for Division of Medicaid and Health financing and administrative budget as well as 9F and 9G as amended.

7. Department of Health Motions

MOTION: Sen. Christensen moved to approve the following motions for the Department of Health from the sheet entitled “Social Services Subcommittee – Motions for Subcommittee Consideration” dated 1/31/2014 2:02 PM: # 1I, 1J, 1K, 3K, 6D, 6L, 9B, 9E as amended, 9F, and 9G as amended.

Sen. Weiler asked whether the audience here and listening had copies of the items being discussed and Mr. Frandsen indicated that there are hard copies here at the meeting and they will also be put online.

Motion passed unanimously with Sen. Henderson, Sen. Knudson, President Niederhauser Sen. Vickers, Rep. Cosgrove, and Rep. Roberts absent for the vote.

Mr. Frandsen referred to item 3L on the motion sheet and stated that there had been a request for clarification on the language. Though the first motion had been passed there was opportunity to pass the item as written now.

MOTION: Sen. Christensen moved to approve the following motions for the Department of Health from the sheet entitled “Social Services Subcommittee – Motions for Subcommittee Consideration” dated 1/31/2014 2:02 PM: #3L updated version.

Motions passed unanimously with Sen. Henderson, Sen. Knudson, President Niederhauser, Sen. Vickers, Rep. Cosgrove and Rep. Roberts absent for the vote.

Mr. Frandsen discussed item 1G being updated as well as 1L and 5A.

8. Motions to be revisited

MOTION: Sen. Christensen moved to approve the following motions for the Department of Workforce Services from the sheet entitled “Social Services Subcommittee – Motions for Subcommittee Consideration” dated 1/31/2014 2:02 PM: #1G revised, 1L, and 5A. This has the effect of replacing the previously approved 1G from the previous motion sheet with this new 1G.

Motion passed unanimously with Sen. Henderson, Sen. Knudson, President Niederhauser, Sen. Vickers, Rep. Cosgrove and Rep. Roberts absent for the vote.

9. Off-budget funds motions (expendable special revenue funds)

Mr. Frandsen reminded the Committee that these funds have automatic spending and revenue authority, are created by statute or law, and have an automatic mechanism to receive and spend funding. He mentioned items 8F, 8G, 8H, 8I, 8M, and 8N and shared staff recommendations.

Rep. Menlove inquired about the title of the fund which is, Visually Handicapped Fund, and wondered if that title would be changed. Mr. Frandsen assured her it would be changed at the beginning of the new fiscal year which begins on July 1st.

Sen. Shiozawa agreed with the idea of oversight in the appropriations process. He also inquired about how much money was being considered in this area and Mr. Jardine continued to enumerate the ranges of revenue.

MOTION: Sen. Christensen moved to approve the list for “the Analyst recommends the Legislature review these funds annually and include it in the appropriations act.” Part of the following motions from the sheet entitled “social Services Subcommittee – Motions for Subcommittee Consideration” date 1/31, 2014 2:02 PM: # 8F, 8G, 8H, 8I, 8M, and 8N.

Motion passed unanimously with Sen. Henderson, Sen. Knudson, President Niederhauser, Sen. Vickers, Rep. Cosgrove, and Rep. Roberts absent for the vote.

10. Public Comment

Karen Bingham, consumer, spoke about her health issues and reported she had been assisted by USOR. She spoke in support of Independent Living and Assistive Technology in helping her to succeed in working at Roads to Independence to assist others.

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Rep. Dee and Rep. Redd each thanked Ms. Bingham for coming and being willing to share and to help the Committee understand.

MOTION: Rep. Dee moved to adjourn. The motion passed unanimously.

Co-Chair Christensen adjourned the meeting at 4:30 p.m.

Sen. Allen M. Christensen, Co-Chair

Rep. Ronda Rudd Menlove, Co-Chair