



# STATE LABORATORY DRUG TESTING ACCOUNT

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE  
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ISSUE BRIEF

**SUMMARY**

Receipts to the General Fund Restricted State Laboratory Drug Testing Account will likely be about \$179,800 or 43% lower than anticipated in FY 2012 and FY 2013. The Legislature has at least five options to respond to this situation, ranging from “do nothing” to hold-harmless with other revenue.

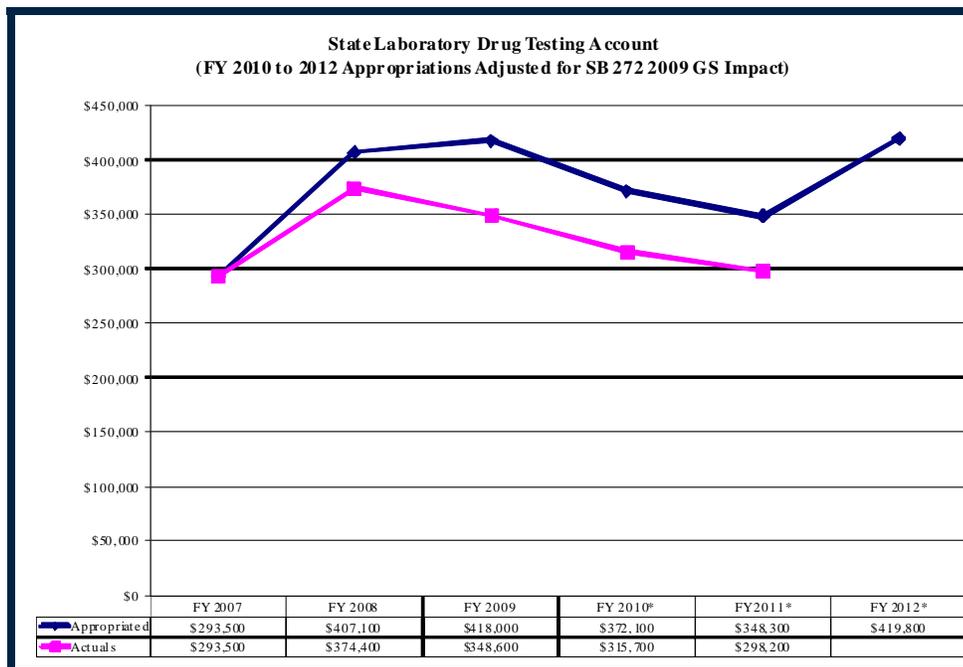
**DISCUSSION AND ANALYSIS**

***What is the State Laboratory Drug Testing Account?***

State Laboratory Drug Testing Account ([UCA 26-1-34](#)) is a General Fund Restricted account used by the Department of Health to pay for testing drug and alcohol samples for local law enforcement. The account receives \$40 of the \$170 fee collected for reinstatement of certain drivers’ licenses. Statute prohibits the Department of Health from charging any fees to local law enforcement for drug and alcohol testing services. All driving under the influence testing in the State is done at the State laboratory.

***What is the current status of the account?***

The chart below details the appropriations from the State Laboratory Drug Testing Account (adjusted for the projected impact of SB 272 from the 2009 General Session) vs the actual amounts received by the Department of Health. SB 272 from the 2009 General Session, *Driver License Sanctions and Sentencing Requirements for Driving Under the Influence and Alcohol Related Offenses* (<http://le.utah.gov/lfa/fnotes/2009/sb0272s02.fn.pdf>), had estimated impacts of revenue to the Department of Health via the State Laboratory Drug Testing Account of \$45,200 in FY 2010, \$72,000 in FY 2011, and \$700 in FY 2012. The Legislature did not make adjustments to this funding source to reflect these impacts.



Revenue came in lower than appropriations by \$32,700 or 8% in FY 2008 rising annually to a shortfall of \$122,100 or 29% in FY 2011. The number of drug and alcohol tests performed by the Department during this same period increased by 13,424 or 70%. The Department of Health estimates revenue from this account of

\$240,000 in FY 2012. This would be a shortfall of \$179,800 or 43%. The account through January 2012 has received \$140,000 in revenues. The Department of Health has used more technology to do more tests and obtained equipment to give court testimony remotely, where possible, to save some travel time for laboratory staff to manage the shortfall. The table below shows the trend in drug and alcohol tests by the Department of Health from FY 2007 through FY 2011:

| FY                  | Revenue         | Tests         | Change     | Rev./Tests    |
|---------------------|-----------------|---------------|------------|---------------|
| 2007                | \$293,500       | 19,057        | N/A        | \$ 15         |
| 2008                | \$374,400       | 24,581        | 29%        | \$ 15         |
| 2009                | \$348,600       | 24,763        | 1%         | \$ 14         |
| 2010                | \$315,700       | 27,722        | 12%        | \$ 11         |
| 2011                | \$298,200       | 32,481        | 17%        | \$ 9          |
| <b>Total Change</b> | <b>\$ 4,700</b> | <b>13,424</b> | <b>70%</b> | <b>\$ (6)</b> |

The revenue provided for each test has gone from \$15 per test in FY 2007 to \$9 per test in FY 2011.

***In general, why are revenues going down?***

The number of individuals paying to reinstate their drivers’ licenses has decreased annually from FY 2007 through FY 2011. This information is detailed in the table below:

|                         | FY 2007   | FY 2008   | FY 2009   | FY 2010   | FY 2011   |
|-------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Actuals</b>          | \$293,500 | \$374,400 | \$348,600 | \$315,700 | \$298,200 |
| <b>Rev. per license</b> | \$30      | \$40      | \$40      | \$40      | \$40      |
| <b>Licenses</b>         | 9,655     | 9,360     | 8,691     | 7,891     | 7,454     |

So while the revenue per reinstated license increased \$10 or 33% from FY 2007 to FY 2008, the number of drivers’ licenses being reinstated has decreased annually from FY 2007 to FY 2011, for a total of decrease of 2,328 or 24%.

SB 4, “Driving Under the Influence Amendments” (Walker, 2007 GS <http://le.utah.gov/~2007/htmdoc/sbillhtm/SB0004.htm>) increased the fees for license reinstatement after a DUI and allocated \$100,000 from the General Fund Restricted – State Laboratory Drug Testing Account to the Department of Health to cover the costs of the additional testing. SB 4 increased the revenue to the State Laboratory Drug Testing Account per reinstated license by \$10, from \$30 to \$40. FY 2007 was the last year that the revenue received matched the appropriated amount.

***Is there any hope of revenues coming in higher than current projections?***

If individuals pay for more drivers’ licenses to be reinstated, then revenues would increase. If fewer individuals pay for drivers’ licenses to be reinstated, then revenues would continue to decrease.

***Where else does the driver license reinstatement revenue go?***

The Department of Public Safety Restricted Account ([UCA 53-3-106](#)) receives \$130 of the \$170 fee collected for reinstatement of certain drivers’ licenses. The Department of Public Safety Restricted Account is used to pay for carrying out the provisions in the [Uniform Driver License Act \(UCA 53-3\)](#). The account has had an average surplus in each of the last 5 years of \$5,127,100. FY 2011 was the first year in the last 5 years that appropriations exceeded revenues. There was not a shortfall because of the \$7.3 million beginning balance in the fund. The first \$45 of each \$170 fee collected for reinstatement of certain drivers’ licenses goes to pay for expenditures of the Driver License Division. [UCA 53-1-117](#) directs that the remaining \$85 only be used for

alcohol related expenses. The table below shows the beginning balance, revenues, appropriations, and ending balances from the Department of Public Safety Restricted Account from FY 2007 through FY 2011:

| FY   | Beginning Balance | Revenues      | Appropriations | Ending Balance |
|------|-------------------|---------------|----------------|----------------|
| 2007 | \$ 1,982,100      | \$ 21,805,800 | \$ 22,808,900  | \$ 979,000     |
| 2008 | \$ 979,000        | \$ 28,501,000 | \$ 24,479,800  | \$5,000,200    |
| 2009 | \$ 5,000,200      | \$ 28,434,400 | \$ 26,465,600  | \$6,969,000    |
| 2010 | \$ 6,969,000      | \$ 27,765,100 | \$ 27,417,500  | \$7,316,600    |
| 2011 | \$ 7,316,600      | \$ 27,280,600 | \$ 29,226,400  | \$5,370,800    |

#### **LEGISLATIVE ACTION**

1. **Do nothing and allow Health to address the shortfall** – the ongoing estimated shortfall is \$179,800 or 43%. This amount may increase or decrease based on how many individuals pay the \$170 fee to reinstate their drivers' licenses.
2. **Prioritize the payment amount for the State Laboratory Drug Testing Account from the Department of Public Safety Restricted Account** – instead of the \$40 per \$170 reinstatement fee paid, change statute to have the full appropriated amount go to the Department of Health. The use of this mechanism will decrease revenues going to the Department of Public Safety Restricted Account in years with shortfalls.
3. **Have more money per reinstated license go to the State Laboratory Drug Testing Account** – based on the FY 2012 projected shortfall, a statutory change to increase by \$29 the amount per license going to the State Laboratory Drug Testing Account would come within \$5,300 of the FY 2013 appropriation of \$420,500. The use of this mechanism will decrease revenues going to the Department of Public Safety Restricted Account.
4. **Change the appropriation and/or distributions** – the Legislature could make changes to the amounts appropriated or change in statute how much each group receives per \$170 reinstated license fee.
5. **Find another funding source to address the shortfall** – the Legislature may be interested in identifying a source to fund some or all of the shortfall of \$179,800 in FY 2012 and FY 2013. A one-time funding source would only solve the problem for a year.