

**MINUTES OF THE
LEGISLATIVE PROCESS COMMITTEE**

Wednesday, May 26, 1999 - 2:00 a.m. - Room 303 - State Capitol

Members Present:

Sen. Leonard M. Blackham, Senate Chair
Rep. Melvin R. Brown, House Chair
Sen. D. Edgar Allen
Rep. Patrice M. Arent
Rep. Evan L. Olsen
Rep. Raymond W. Short

Members Excused:

Sen. Terry Spencer
Rep. Brent H. Goodfellow

Staff Present:

Mr. Stewart E. Smith,
Managing Research Analyst
Mr. John L. Fellows,
Associate General Counsel
Ms. Barbara A. Teuscher,
Legislative Secretary

Note: A list of others present and copies of materials distributed in the meeting are on file in the Office of Legislative Research and General Counsel.

1. Call to Order and Approval of Minutes of November 16, 1998

Chair Blackham called the meeting to order at 2:25 p.m.

MOTION: Rep. Arent moved to approve the minutes of November 16, 1998. The motion passed unanimously.

2. Committee Business - Mr. John Fellows discussed the scope of the committee's responsibilities and explained the genesis of the Legislative Process Committee.

Mr. John Massey, Legislative Fiscal Analyst, said he will be reporting to the Executive Appropriations Committee in June on plans for the in-depth budget review of the Department of Human Services and is willing to report to the Legislative Process Committee as well.

Chair Blackham suggested inviting Mr. Massey to attend the Legislative Process meetings on a monthly or bi-monthly basis to present updates on the in-depth budget review.

Mr. Fellows explained how the process has been working. After reading the intent language from the Appropriations Act, he believes that the Executive Appropriations Committee has given the Legislative Process Committee a new mission this year of experimenting with performance-based budgeting.

Chair Blackham will discuss with Mr. Massey each month any items to place on the agenda.

3. Budget Process Restructuring - Mr. Stewart Smith invited the committee's attention to a handout titled "Legislative Budget Procedures" and commented that his objective was to discuss with the committee how Utah differs from other states and seek direction from the committee on areas for future study. Mr. Smith led the committee through the highlights of tables selected from the National Conference of State Legislatures' "Legislative Budget Procedures" publication. Issues from the Master Study Resolution relating to the budget included how much authority should be granted to appropriations subcommittees, and ways to improve the process of handling mini appropriations acts and other bills with fiscal impact. Mr. Smith stated that the National Conference of State Legislatures points out that there are more similarities than differences in the states in the way they develop budgets, e.g., annual or biennial, requirements to balance the budget, tax and expenditure limits, requirements to maintain budget reserves, and whether or not Federal funds are subject to the appropriation process. Referring to his handout, Mr. Smith stated that 60 years ago there were 44 states that did biennial budgets. Now there are 20 states that enact budgets on a biennial schedule; thirty states enact annual budgets. He also reported on budgeting methods, budget development, deliberation and revisions, and authority of appropriations subcommittees.

He mentioned that one of the risks faced by appropriations subcommittees is a potential for advocacy and one of the benefits is more legislator participation in the budget process.

Rep. Short asked if there is any history of how much time was taken to reconcile the recommendations of the appropriation subcommittees and how much the recommendations were changed and if there is a statute pertaining to the Executive Appropriations Committee and the subcommittees on the relationship and powers of each. Mr. Fellows said there are rules on it but nothing in a statute.

Rep. Olsen expressed his concerns relating to the budget process. Rep. Brown suggested that the committee identify those areas of concern with the current process and areas that are strengths and then decide where to go from there.

Chair Blackham asked committee members to share challenges and strengths of Utah's budget process for future committee discussion. The list generated during committee discussion is available in the Office of Legislative Research and General Counsel.

Mr. Bill Dinehart, Office of the Legislative Fiscal Analyst, said there is a distinction to be made between the Fiscal Analyst's Office and the other offices that serve the legislature. He said the Fiscal Analyst's Office is required to prepare a balanced budget. Within the constraints given to the office, he said he could present fourteen ways to deal with a particular program, yet he

must give a number that will add up to a balanced budget. More discussion by committee members followed.

Chair Blackham asked Mr. Massey and committee members to come up with a list of challenges to be discussed at the next meeting.

4. Mini Appropriation Acts - Mr. Smith referred to a memorandum titled "Mini-Appropriations Acts." The memo showed the growing trend in the number of mini-appropriations acts in Utah over the last few years. He said the objective is to see if there is a more effective or efficient way of dealing with these mini-appropriations acts. He compared the practice of other states that use only one appropriations act to those states that use two or more. As shown in the table of Mr. Smith's memo, Utah had 51 appropriations bill files opened this year. Forty-two of those were numbered and twenty-six of them passed. Mr. Smith discussed three options the committee would have if they choose to modify the process for handling mini-appropriations acts. Options included prohibiting mini-appropriations acts, remaining with the status quo, and referring appropriations requests to the Legislative Fiscal Analyst. He explained each option and noted the important position of the Rules Committee in carrying out legislative policy. Committee discussion followed.

5. Committee Review of Bills - The committee discussed the effects on the process of standing committee review of all bills in both houses before passage. Mr. Smith distributed and discussed a memo titled, "Committee Review of Bills." Committee discussion followed.

Rep. Brown said he does not think the standing committee review of bills should be governed by a joint rule. It should be dealt with by each body.

Ms. Karen Silver, Salt Lake Community Action Program, said one of the great values in the committee process, even though it is rushed, is that it gives an individual one more way to represent the people.

Mr. Smith discussed options other states use, e.g., using identical bills in both houses and having bills carry-over from the first to the second year of the biennium.

6. Other Items from Committee Members - Chair Blackham informed the committee that the Legislative Management Committee had rejected the chairs' request to study modifying dates for the 2002 General Session, reviewing recommendations of the House and Senate Rules Committees, and reviewing the option of staffing the legislature by house and by party. Studies approved include the topics on the agenda, the use of task forces and committees in the legislative process and legislative compensation.

7. Next Meeting date and time - After committee discussion, Sen. Blackham announced the meeting dates and times for the next two meetings.

June 17, 1999, 9:00 a.m., room 403

July 22, 1999, 9:00 a.m., room 403,

8. Adjourn

MOTION: Rep. Brown moved to adjourn the meeting at 4:45 a.m. The motion passed unanimously.

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