

**MINUTES OF THE
LEGISLATIVE PROCESS COMMITTEE**

Wednesday, August 22, 2001 – 9:00 a.m. – Room 305 – State Capitol

Members Present:

Sen. Leonard M. Blackham, Senate Chair
Rep. Ron Bigelow, House Chair
Sen. D. Edgar Allen
Rep. Patrice M. Arent
Rep. Brent H. Goodfellow
Rep. Bradley T. Johnson

Members Absent:

Sen. Terry Spencer
Rep. Ben C. Ferry

Staff Present:

Mr. Stewart E. Smith,
Managing Research Analyst
Mr. John L. Fellows,
Associate General Counsel
Ms. Glenda S. Whitney,
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

Chair Blackham called the meeting to order at 9:08 a.m.

2. Committee Business – Approval of June 27, 2001 minutes

MOTION: Sen. Allen moved to approve the minutes of the June 27, 2001 meeting. The motion passed unanimously.

3. Committee Recommendations Printed on Bill

Mr. John Fellows, Associate General Counsel, distributed draft changes to rules "Floor Action on Committee Bills," and "Committee Notes on Bills." He presented an overview of the legislation and explained that these two resolutions revise rules to allow any bill approved by a committee consisting entirely of legislators, to avoid standing committee review. The draft legislation on committee notes revises joint rules by more precisely defining which committees qualify to have their recommendations printed on bills as committee notes. Mr. Fellows concluded that these were the proposed changes recommended by the committee from the last meeting.

Rep. Johnson spoke against easy access of a bill to the floor without first getting committee approval or going to a standing committee for approval.

Rep. Arent said that this process of providing committee notes will give the legislators more information and distinguishes who was on the committee studying the issue.

Rep. Bigelow expressed concern with sending a bill to the floor without first going to a committee. He said it tends to give a great deal of power to the Speaker and President to appoint a committee or go through rules which could then be sent directly to the floor. He opposed any process that makes it easier to get bills through and supports making it harder indicating that it gives more time to the bill and gets more people involved.

MOTION: Sen. Allen moved to adopt draft "Committee Notes on Bills."

Rep. Arent opposed providing more authority to the Speaker and the President to create committees. She indicated being comfortable with the current process of creating committees through the legislative body.

SUBSTITUTE MOTION: Rep. Goodfellow moved to amend draft legislation "Committee Notes on Bills," lines 47- 48, to delete "Speaker of the Utah House of Representatives or the President of the Utah Senate" and insert "Legislative Management Committee." On lines 49- 51, to delete "governor, Speaker of the Utah House of Representatives or the President of the Utah Senate" and insert Legislative Management Committee." Then, Rep. Goodfellow moved to approve "Committee Notes on Bills" as a committee bill as amended. The motion passed unanimously.

4. Compensation Issues

Mr. Fellows introduced Mark Steinagel to the committee, indicating that he has been working as an intern for the summer at the Office of Legislative Research and General Counsel and was just hired full-time as the Information Specialist for the office to replace Shantel Bray.

Mr. Mark Steinagel, Office of Legislative Research and General Counsel, distributed handouts "Article VI, Sections 9 and 31," "JR-15.01 Legislative Expenses and Mileage," and "Title 36 Chapter 02 – Employees and Compensation," and presented an overview of the state's policy on legislative compensation. He reviewed the current compensation package, including expense reimbursement, lodging, per diem and actual pay, and how it carries out the state's goal. He expounded on some of the concerns legislators have with the compensation package.

Mr. Steinagel then outlined various options for compensation, such as changing in the salary structure, expanding the definition of expenses to cover more of legislators' costs, and amending the constitution to enlarge the items for which a legislator is compensated.

Mr. Mark Bedel, Manager, Legislative Compensation Commission, distributed a memorandum along with information about the Commission's next meeting. He recommended a change in the statute giving the commission more flexibility on what it could recommend. He explained that the statute, as it

now reads, allows the commission to recommend only a daily salary or an annual salary. The one proposal of the commission was to have a base salary plus an additional amount for meetings but noted that the commission could not make that change under the present statute.

Chair Blackham asked staff about procedures for making this proposal possible. He asked if a letter of recommendation to this committee from the Legislative Compensation Commission would be appropriate for addressing this issue. He also asked staff if it was possible to go to a base salary plus other factors without changing the statute, and addressing this issue by rule or by appropriation.

Ms. Gay Taylor, Legislative General Counsel, explained that the Utah Constitution must be amended in order to implement a base salary plus an additional amount system. Ms. Taylor further clarified the process and noted that the constitution is restrictive with regards to salaries.

Mr. John Fellows indicated that this committee could sponsor the constitutional change, which would then allow the Legislative Compensation Commission the flexibility to make that recommendation. Mr. Fellows said it is important to emphasize the distinction between salaries and expenses and said that it is possible but explained that the IRS ends up being the group that governs this in their code and regulations.

After committee discussion and staff clarifying the proper process for making this change, the following motions were made:

MOTION: Rep. Bigelow moved to encourage the Legislative Compensation Commission to prepare a proposal to have an annual salary instead of the daily rate for legislators.

SUBSTITUTE MOTION: Sen. Allen moved to encourage the Legislative Compensation Commission to consider the total compensation package for legislators including benefits, reimbursement of expenses, and suggestions for change in current law, and make these suggestions to the Legislative Process Committee. The motion passed, with Rep. Bigelow voting in opposition.

Chair Blackham asked staff to place "the study of expenses" on the agenda for the next meeting and to have the Legislative Compensation Commission report back with their recommendations.

5. Appropriations and Supplemental Appropriations Bills

Mr. Michael Kjar, Deputy Director, Legislative Fiscal Analyst's Office, presented an overview on how appropriation bills are compiled. He explained the criteria for review and how the appropriation bills that come out of executive appropriations are put together. Mr. Kjar explained that the main appropriation bill is developed by all nine different appropriation subcommittees who work through the

session on putting the bill together. He said each committee has some discretion on how they conduct their business. Some have guidelines which govern their business and others may have different procedural processes within each particular subcommittee in developing appropriations. He suggested that the Legislative Process Committee may want to review the individual subcommittee procedures for developing appropriations.

Mr. Kjar noted that appropriations also come from recommendations of the governor's budget, which is filtered through the Fiscal Analyst's Office for input, and is then presented to the Legislature for study in the subcommittees of what might be an appropriate appropriation for a given program. He said it is the responsibility of their office to provide information and recommendations to the Legislature on every item that is in the governor's total budget as well as the subcommittee's appropriations. Once the issues have been decided by the subcommittee, then those recommendations are written up and presented to the Executive Appropriations Committee for review. The Executive Appropriations Committee establishes the guidelines under which they function and operate at the beginning of the session.

Rep. Johnson questioned if a bill is necessary if appropriating money only.

Mr. Kjar responded if appropriating money only, it would not need to be a bill. He said the process now allows for a request of an appropriation subcommittee to consider that item in their appropriations process and make the recommendation. He said the concept of the Legislature is that they are trying to adopt a procedural process that would streamline the process to better handle the appropriation measures in a more expedited way and have them considered in concert with all the other appropriation requests.

Rep. Johnson said it simplifies the process but suggested it may not be the best direction. He said there should be a distinction of these kinds of mini-appropriations, that they should go through the appropriation process and then be considered by the appropriation committee competing with all the other issues.

Sen. Blackham said the value of the current process is that it has allows more public input and legislative input during the session. He said that the process has changed substantially over the years but said it is a substantial improvement and puts more time and more input into the process before decisions are being made.

Rep. Bigelow said several of these items were put on this agenda at his request and asked Mr. Kjar to address the issue of separate compensation bills.

Mr. Kjar responded it would be helpful to the Legislature to see some of those actions where increases are anticipated. He said it would have an impact on staff to put something together and compile that information. The other side of that particular issue has to do with the agencies themselves, the Division of Finance, and the Operations of Government as a whole. He indicated if separated for the Legislature, state departments would want it combined for their purposes and for allocation purposes through the Division of Finance and all of those types of issues.

Rep. Bigelow said there are a lot of bills that go through where money is appropriated to various agencies for various items. He said the chairs could direct those to be separate bills. He also suggested keeping compensation and benefits all together but put the other items in a separate bill.

Mr. Kjar said typically the compensation should be done in the major Appropriations Act and would not show up in the caucus decisions in the final bill. He said it could be separated but requires another bill.

Mr. Stan Eckersley, Legislative Fiscal Analyst's Office, said the problem he is trying to address is difficult because things would be scattered in more than one bill. The way they have addressed it is through the appropriation report. The first report, is a quick report right after the session which lists every major thing in each area and the second report, provides details about each appropriation. He said this issue could be addressed by directing the Fiscal Analyst's Office to add intent language and explain the purpose of the appropriation.

Rep. Bigelow asked if there is a way to receive intent language or a note on a bill that provides information on appropriations. He spoke against intent language that is too restrictive.

Ms. Taylor said a possibility could be a cover sheet prepared for the Appropriations Act, which is just an index of what happened in the caucus. She said lists could be indexed that would indicate what was wrapped into the dollar amount of the appropriation.

Chair Blackham asked staff to meet and come back with suggestions for indexing for the next meeting.

Mr. Stewart Smith, Managing Research Analyst, distributed a memo and explained the process for inserting intent language in an appropriation bill. He reviewed a survey from Ms. Corina Eckl, National Conference of State Legislatures, on the process of collecting and verifying legislative budget process information from seven different states. Mr. Smith said Utah is similar to the majority of states referred to in Ms. Eckl's memo, in that staff may make recommendation and suggestion to a committee, but adding language or funding to an appropriation bill is strictly the prerogative of the committee or

body responsible for the budget. Mr. Smith reviewed items of rule that govern the compilation of appropriations bills.

6. Other Items

Chair Blackham noted that the September 25, 2001 meeting will be cancelled. The next meeting of the Legislative Process Committee will be Tuesday, October 30, 2001 at 1:00 p.m. in room 305.

7. Adjournment

MOTION: Rep. Bigelow moved to adjourn the meeting at 11:09 a.m. The motion passed unanimously.