

MINUTES OF THE EXECUTIVE APPROPRIATIONS COMMITTEE

February 18, 4:00 p.m.
Room 303, State Capitol

Members Present: Sen. David Steele, Committee Co-chair
Rep. Jeff Alexander, Committee Co-chair
Pres. Lane Beattie
Sen. Leonard Blackham
Sen. Gene Davis
Sen. Mike Dmitrich
Sen. Lyle Hillyard
Sen. Paula Julander
Rep. Patrice Arent
Rep. Ralph Becker
Rep. Greg Curtis
Rep. Kevin Garn
Rep. David M. Jones
Rep. Brad King
Speaker Martin Stephens
Rep. David Ure

Sen. John Valentine, Vice Chair
Rep. Tom Hatch, Vice Chair

Members Absent: Sen. Al Mansell

Staff Present: John E. Massey, Legislative Fiscal Analyst
Linda Hansen, Secretary

List of others present on file.

Committee Co-Chair Steele called the meeting to order at 4:30 p.m.

1. Approval of Minutes

MOTION: Rep. Ure moved to approve the minutes of the meeting of February 17, 1999.

The motion passed unanimously with Sens. Davis, Dmitrich, Hillyard, Julander, and Reps. Garn and Stephens absent at the time of voting.

Co-Chair Steele stated that the fourth item on the Agenda, Health and Human Services, will be the first matter of business.

2. Health and Human Services

Department of Health

The House Subcommittee Chair is excused and Sen. Robert Muhlestein, Senate Subcommittee Chair, is present. Sen. Muhlestein presented the Subcommittee's recommendations for the Department of Health and Human Services. Thor Nilsen, Fiscal Analyst, and Sen. Muhlestein responded to questions of the committee.

MOTION: Rep. Garn made a motion that the Subcommittee reassemble and consider intent language that may be appropriate and reconsider intent language as it relates to line item application.

The motion passed with Sen. Blackham voting against and Sens. Beattie, Davis, Howell, and Reps. Arent, and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for the Department of Health, Health Policy Commission, and the Medical Education Program for FY 2000 of \$912,065,200 with \$182,081,700 from the General Fund, plus the following amendments:

1a. Page 35 Medical Assistance - keep the total appropriation the same, but increase the General Fund Restricted - Medicaid Restricted Account funding by \$500,000 and decrease the General Fund by \$500,000.

1b. Page 41 - Medical Education Program - increase one-time funding from the General Fund by \$500,000.

2a. Page 37 - Children's Health Insurance Program (CHIP) - keep the total appropriation the same, but reduce the General Fund Restricted - Hospital Provider Assessment by \$1,352,200 to \$4,147,800 and eliminate the negative funding from the General Fund Restricted - Medicaid Restricted Account.

2b. Page 35 - Medical Assistance - keep the total appropriation the same, but reduce the General Fund Restricted - Medicaid Restricted Account funding by \$1,352,200 and insert the General Fund Restricted - Hospital Provider Assessment as a funding source in the same amount of \$1,352,200.

The motion passed unanimously with Sens. Beattie, Davis, Howell, and Reps. Arent and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for fees for the Department of Health for FY 2000 as listed on the following pages:

Executive Director's Office

Pages 3-6

Health Systems Improvement

Pages 10-17

Epidemiology and Laboratory Services	Pages 19-26
Community and Family Health Services	Pages 28-32

The motion passed unanimously with Sens Beattie, Davis, Howell, and Reps. Arent and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for Legislative intent language for the Department of Health for FY 2000 as listed on the following pages:

Executive Director's Office	Page 3
Health Systems Improvement	Page 10
Epidemiology and Laboratory Services	Page 19
Community and Family Health Services	Page 28
Health Care Financing	Page 34
Medical Assistance	Page 36
Health Policy Commission	Page 40

The motion passed unanimously with Sens. Beattie, Davis, Howell, and Reps. Arent and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for the Department of Health for FY 1999 Supplementals in the amount of \$400,000 from the sources as listed on page 43.

The motion passed unanimously with Sens. Beattie, Davis, Howell, and Reps. Arent, and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for intent language for the Department of Health for FY 1999 as listed on page 44.

The motion passed unanimously with Sen. Beattie and Reps. Arent and Stephens absent at the time of voting.

Human Services

The intent language concerning excess property around the Utah State Developmental Center with intent to set aside acreage to maintain the present facility and to investigate selling the remaining acreage was discussed by the committee.

MOTION: Sen. Howell moved to place the matter on the Master Study List.

The motion passed unanimously with Sen. Beattie and Reps. Arent and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for the Department of Human Services for FY 2000 in the amount of \$398,889,800 with \$188,065,300 from the General Fund and from other sources as listed on page 1. The total recommendation is supported by the line item summaries.

Co-Chair Alexander moved to accept the Subcommittee's recommendations for fees for the Department of Human Services as listed on page 3.

Co-Chair Alexander moved to accept the Subcommittee's recommendations for Legislative intent language for the Department of Human Services as listed on the following pages:

Executive Director Operations	Page 3	(Item 1: language revised)
Division of Substance Abuse	Page 5	(Items 2,3: new language)
Division of People with Disabilities	Page 7	(Item 6: language revised) (Items 7,8: new language)
Division of Child and Family Services	Page 9	(Items 9,10: new language)
Division of Aging and Adult Services	Page 11	(Item 11: language revised)

Co-Chair Alexander moved to accept the Subcommittee's recommendations on page 1 for the Department of Human Services' Internal Service Funds for FY 2000 as follows:

Budget	\$3,565,900
Capital Outlay Authorization	\$0
FTE Level	44
Rates	Page 1

Co-Chair Alexander moved to accept the Subcommittee's recommendations for the new Legislative intent language for the Department of Human Services for FY 1999 as listed on the following pages of the Supplemental Report:

Executive Director Operations	Page 2
Division of Mental Health	Page 3
Division of Child and Family Services	Page 4
Division of Aging and Adult Services	Page 5
Division of Substance Abuse	Page 6
Division of Services for People with Disabilities	Page 7

Sen. Davis said he could not support the budget.

SUBSTITUTE MOTION: Rep. Jones moved that the Subcommittee consider the intent language before the budget is adopted.

The substitute motion failed with Sens. Beattie, Blackham, Hillyard, Steele, and Reps. Curtis, Garn, Stephens, Ure and Alexander voting against and Sens. Davis, Dmitrich, Howell, Julander, and Reps. Arent, Becker, Jones, and King voting in favor.

QUESTION ON THE MOTION: Pres. Beattie moved the question on the motion.

The question on the motion passed with Sens. Beattie, Blackham, Davis, Dmitrich, Hillyard, Steele, and Reps. Curtis, Garn, King, Stephens, Ure, Alexander voting in favor and Sens. Howell, Julander, and Reps. Arent, Becker and Jones voting in opposition.

Sen. Davis requested a list of unfunded items.

The original motion passed with Sens. Steele, Beattie, Davis, Dmitrich, Hillyard, Howell, Julander, Reps. Arent, Curtis, Garn, and King voting in favor and Reps. Becker and Jones voting in opposition with Reps. Stephens and Ure absent at the time of voting.

3. Commerce and Revenue

Sen. Lorin Jones and Rep. Lowell A. Nelson appeared before the committee and presented the recommendations of the subcommittee. Bill Greer, Fiscal Analyst, Sen. Jones, and Rep. Nelson responded to questions of the committee.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for the following agency budgets: Alcoholic Beverage Control; Department of Commerce; Department of Financial Institutions; Insurance Department; Labor Commission; Public Service Commission; Utah State Tax Commission; Department of Workforce Services for FY 2000 in the amount of \$368,528,700. Funding is \$87,712,100 from the General Fund, \$15,789,800 from the Uniform School Fund and other funding as shown on page 1. Funds are distributed to the line items in the amounts shown on page 2.

The motion passed unanimously with Sens. Blackham and Hillyard absent at the time of voting.

MOTION: Co-Chair Alexander moved to approve the fees as reflected on the following pages:

Department of Commerce

Pages 7-18

Insurance Department	Pages 23-25
Labor Commission	Pages 28-29
Utah State Tax Commission	Pages 36-37

The motion passed unanimously with Sens. Blackham and Hillyard absent at the time of voting.

MOTION: Co-Chair Alexander moved to approve the Subcommittee recommendations for intent language as listed on the following pages:

Department of Commerce	Page 6
DOC Division of Public Utilities	Page 19
DOC Committee on Consumer Services	Page 20
Comprehensive Health Insurance Pool	Page 26
Labor Commission	Page 27
Public Service Commission	Page 30
PSC Speech and Hearing Impaired	Page 31
PSC Universal Public Tele. Service Support Fund	Page 32
PSC Lifeline Telecommunications Support Fund	Page 33
Utah State Tax Commission	Page 34 (#1 is new)
Utah State Tax Commission	Page 35 (#2 is new)
Department of Workforce Services	Page 39 (#2-4 is new)

The motion passed unanimously with Sens. Blackham and Hillyard and Rep. Ure absent at the time of voting.

Rod Morelli, State Tax Commission, responded to questions of the committee.

MOTION: Co-Chair Alexander moved to reconsider action.

The motion passed unanimously with Sens. Blackham and Hillyard and Rep. Ure absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the fees as previously passed with the exception of the years to be changed from 1998-1999 to 1999-2000 on pages 36-37.

The motion passed with Rep. Arent voting in opposition. Sens. Blackham and Hillyard was absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee recommendation for Supplemental Appropriations for FY 1999 as listed on page 40. This requires no new General Fund.

The motion passed unanimously with Sen. Blackham and Rep. Ure absent at the time of voting.

MOTION: Co-Chair Alexander moved to approve the intent language for FY 1999 for the Departments as listed on pages 40, 42, and 43.

The motion passed unanimously with Sen. Blackham and Rep. Ure absent at the time of voting.

3. Economic Development and Human Resources

Rep. Keele Johnson appeared before the committee and presented the Subcommittee's recommendations for Economic Development and Human Resources. A handout was given to the committee showing remaining hot spots. Rep. Johnson responded to questions of the committee. Rep. Stephens requested a report on projects not being built as listed on page 3. Stan Eckersley, Fiscal Analyst was requested to report on Monday or Tuesday concerning projects funded in prior years to be completed by the end of this fiscal year.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation of \$32,236,300 in General Fund and total funding of \$104,161,600 for FY 2000 budgets. Funding is summarized on page 1 and detailed on pages 2-23 of their report.

SUBSTITUTE MOTION: Sen. Blackham moved to adopt Co-Chair Alexander's motion with one exception, to reduce the Utah State Fair Corporation's budget by \$100,000 in General Fund and increase the Division of Business and Economic Development Administration's budget up to a cost of \$100,000 in General Fund to do an economic feasibility study of the State Fair Park Master Plan. It is intended that this is a one time diversion and that on-going funding will revert back to the Utah State Fair Corporation budget in subsequent years.

David Winder responded to the feasibility study of the State Park Master Plan.

The substitute motion passed unanimously.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for FY 2000 intent as detailed on pages 2-23 of their report:

Administration	Page 2
Business and Economic Development	Page 5
Asian Affairs	Page 6
Polynesian Affairs	Page 7

Black Affairs	Page 8
Hispanic Affairs	Page 9
Indian Affairs	Page 10
Martin Luther King Commission	Page 11
Travel Development	Page 12
Utah Historical Society	Page 13
State History	Page 14
Fine Arts	Page 15
Library	Page 16
Community Development	Page 18
Community Development Capital	Page 19
Utah State Fair Corporation	Page 21
Department of Human Resource Management	Page 22
Career Service Review Board	Page 23

The motion passed unanimously.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's intent recommendations, \$15,000 in General Fund, and other adjustments shown on page 24 for FY 1999 budgets.

The motion passed unanimously.

David Winder responded to questions of the committee.

5. Capital Facilities and Administrative Services

Sen. Beverly Evans and Rep. Gerry Adair presented the recommendations of the Subcommittee. Rep. Becker reported a conflict of interest as to Automated Geographic Reference Center. Kevin Walthers, Fiscal Analyst, responded to questions of the committee.

MOTION: Co-Chair Alexander moved to accept the Capital Facilities & Administrative Services Subcommittee recommendation for the Department of Administrative Services in the amounts shown on page 1. This includes \$16,709,000 in General Fund.

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation

for Administrative Services intent language for FY 2000 on the following pages:

Executive Director's Office	Page 3
EDO Fuel Mitigation	Page 4
Administrative Rules	Page 5
Archives	Page 6
Purchasing	Page 7
Finance	Page 8
Finance - Mandated	Page 9
Debt Collection	Page 10
DFCM Administration	Page 11
DFCM Facility Management	Page 12
Information Technology Services	Page 13
Judicial Conduct Commission	Page 22

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved that the following language be added to all agencies that maintain their own fleet:

It is the intent of the Legislature that all State Agencies, in cooperation with the Division of Fleet Operations, fully implement the three core components of CARS fleet information system by July 1, 1999, in accordance with UCA 63A-9-401 (1)(b). The three core components are as follows: 1) Inventory tracking center, 2) Motor Pool Utilization Center (Reservations) and 3) Work Order center. It is further the intent of the Legislature that all State Agencies fully utilize CARS to obtain at least six calendar months of fleet cost data prior to the FY 2000 General Session.

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Capital Facilities & Administrative Services Subcommittee recommendation for the Department of Administrative Services Internal Service Funds in the amounts shown on page 1. This includes \$149,477,200 in Revenue, 494.8 FTEs and capital outlay of \$33,463,900.

The motion passed unanimously with Sen. Dmitrich and Reps Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for Internal Service Fund Fees for the Department of Administrative Services as listed on

pages 33-62.

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for Internal Service Fund intent language for FY 2000 on the following pages:

Fleet Operations	Page 17
Information Technology Services	Page 18
DFCM Facilities Management	Page 20

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's Capital Budget recommendation for General Funds in the amount of \$47,310,300; Uniform School Funds in the amount of \$11,416,100; and Revenue Transfers of \$4,874,000 as identified on page 24.

The motion passed unanimously with Sen. Dmitrich and Reps. Garn, Curtis, and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for Capital Budget intent language for FY 2000 on pages 25 and 26.

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis, Garn and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for non-state funded projects as outlined in intent language on pages 27-29.

The motion passed unanimously with Sen. Dmitrich and Reps. Curtis, Garn, and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for FY 2000 Debt Service in the amount of \$153,589,800 as distributed on page 23.

The motion passed unanimously with Sen. Dmitrich and Reps. Garn and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation

for FY 1999 funding for the Department of Administrative Services of \$672,000 as distributed on page 30. This includes \$537,600 in General Fund and \$134,400 in Uniform School Funds.

The motion passed unanimously with Sen. Dmitrich and Reps. Garn and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the funding adjustment as identified on page 31.

The motion passed unanimously with Sen. Dmitrich and Reps. Garn and Stephens absent at the time of voting.

6. Higher Education

Sen. Montgomery and Rep. Afton Bradshaw appeared before the committee and presented recommendations of their subcommittee. A handout was given to the committee showing prioritized building blocks and reviewed by Rep. Bradshaw. Boyd Garriott, Fiscal Analyst responded to questions of the committee.

Sen. Julander and Reps. Becker, King, and Arent declared a conflict of interest.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for Higher Education for FY 2000 in the amount of \$674,081,900 with \$362,403,200 from the General Fund; \$3,379,800 from the Uniform School Fund; \$131,193,500 from Income Tax Revenue, and from other sources as listed on page 3. The total recommendation is supported by the line item summaries on pages 4-84. The non-lapsing balance is reduced (\$704,300).

The motion passed unanimously with Sen. Dmitrich and Reps. Garn and Stephens absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendations for the Utah Education Network for FY 2000 in the amount of \$13,459,000 with \$2,365,000 from the General Fund; \$9,218,400 from the Uniform School Fund; and from other sources as listed on page 85. The total recommendation is supported by the line item summaries on pages 86-90.

The motion passed unanimously with Sen. Dmitrich and Rep. Garn absent at the time of voting.

MOTION: Co-Chair Alexander moved to accept the Subcommittee's recommendation for Legislative intent language for FY 2000 as listed:

Fuel & Power	Pages 5, 19, 34, 38, 44, 49, 54, 58, 61, 65, 70
Utah Academic Library Consortium	Pages 70 and 81
Electronic Course-work & Programs	Pages 70 and 79
Operation and Maintenance	Pages 5, 19, 34, 38, 44, 49, 54, 61, 65, 70
Salary Equity	Pages 5, 8, 9, 11-14, 16, 17, 19, 22-30, 32, 34, 38, 41, 44, 47, 49, 54, 57, 58, 61, 65, 68, 71, 74-76
Graduate Tuition	Page 71
Tuition Revenue	Pages 5, 19, 25, 26, 34, 38, 44, 47, 49, 54, 58, 61, 65, 71
Productivity Funds	Pages 5, 19, 25, 26, 34, 38, 44, 47, 49, 54, 58, 61, 65, 71
University Hospital Fees	Page 9
Applied Technology Service Regions	Page 66
Western Governor's University	Page 80
It is the intent of the Legislature that \$704,300 of the State Board of Regent's Western Governor's University's non-lapsing balances for FY 1999 lapse to the General Fund.	
Distance Education Delivery System	Page 87

The motion passed with Rep. Stephens voting against. Sens. Dmitrich, Davis, Julander and Rep. Garn were absent at the time of voting.

Rep. Stephens requested that the meeting for tomorrow, February 19, 1999, be canceled until Monday. The request was granted.

MOTION: Co-Chair Alexander moved to adjourn.

The motion passed unanimously with Sens. Dmitrich, Davis, and Julander and Rep. Garn absent at the time of voting.

The meeting adjourned at 7:40 p.m.

Minutes reported by Linda Hansen and Susy Carter.