

MINUTES OF THE EXECUTIVE APPROPRIATIONS COMMITTEE

February 26, 1999 at 1:30 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
Sen. Al Mansell
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

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

List of others present on file.

Committee Co-Chair Alexander called the meeting to order at 1:40 p.m.

1. Approval of Minutes

MOTION: Rep. King moved to approve the minutes of Wednesday, February 24, 1999.

The motion passed unanimously with Sens. Howell and Julander and Reps. Curtis and Garn absent at the time of voting.

2. Final Budget Reviews

Additional Funding

MOTION: Co-Chair Steele moved to approve the revenue and funding adjustments of

\$11,818,100 and additional expenditures of \$53,042,600 plus \$2,000,000 in Federal Funds as contained on the "1999 Legislative Funding" list and related attachments.

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

Compensation

MOTION: Co-Chair Steele moved to reconsider budgets of Economic Development and Human Resources.

The motion passed unanimously with Sen. Howell absent at the time of voting.

Economic Development and Human Resources

MOTION: Co-Chair Steele moved to add the following intent to the Department of Human Resource Management's budget:

It is the intent of the Legislature that the Department of Human Resource Management distribute through interdepartmental transfers amounts up to \$3,500,000 for critical compensation increases and related salary driven benefits.

The motion passed unanimously with Sen. Howell absent at the time of voting.

Insurance

MOTION: Co-Chair Steele moved to reconsider committee action on benefit rate increases.

The motion passed unanimously with Sen. Howell absent at the time of voting.

MOTION: Co-Chair Steele moved to approve benefit increases as follows:

It is the intent of the Legislature that health and dental benefit rate increases for state employees be provided for from funding sources computed on the same basis as the compensation increase. The funding is to be computed on the basis of a 7.1% health premium increase for PEHP Traditional and Preferred coverages and 2% for PEHP Exclusive Care. Dental premium costs for the Group Insurance Division (PEHP) are to be computed at a 14.3% increase.

The motion passed unanimously with Sens. Dmitrich and Howell absent at the time of

voting.

MOTION: Co-Chair Steele moved to reconsider the previous committee actions on the Department of Transportation budgets.

The motion passed unanimously with Sens. Dmitrich and Howell and Rep. Stephens absent at the time of voting.

Department of Transportation

FY 2000 Standard Budgets

MOTION: Co-Chair Steele moved to approve a recommendation for the Department of Transportation for FY 2000 for the Centennial Highway Construction Program in the amount of \$471,103,000 with the following funding sources:

General Fund	\$122,000,000
Designated Sales Tax	2,250,000
Transportation Fund	58,283,000
Federal Funds	60,900,000
Centennial Highway Fund	17,506,000
Dedicated Credits	3,031,000
Bonding	68,000,000
Transfers	6,000,000
Beginning Balances	182,021,000
Ending Nonlapsing Balances	(10,046,000)
Debt Service	(38,842,000)

The motion passed in the House and the Senate Sens. Steele, Beattie, Blackham, Hillyard, and Mansell and Reps. Alexander, Curtis, Garn, Stephens and Ure voting for and Sens. Davis, Dmitrich, Julander, and Reps. Arent, Becker, Jones and King voting against. Sen. Howell was absent at the time of voting.

FY 1999 DOT Supplementals

MOTION: Co-Chair Steele moved to decrease (\$1,691,300) from the Centennial Highway Fund to be transferred to the State Board of Bonding Commissioners-Debt Service to complete the FY 1999 debt service for the Centennial Highway Program.

The motion passed with Sens. Julander and Howell voting against.

MOTION: Co-Chair Steele moved to appropriate \$1,400,000 from the General Fund

Restricted - Mineral Lease to the Mineral Lease Program at the Department of Transportation.

The motion passed unanimously.

MOTION: Rep. Stephens moved to reconsider the actions of the committee which changed the action of the Transportation & Environmental Quality Subcommittee recorded in their minutes of February 8, 1999.

The motion passed unanimously.

MOTION: Rep. Stephens moved to appropriate \$150,000 from the General Fund to study the feasibility of improving the Paradise to Avon road in Weber County.

The motion passed with Rep. Becker voting against.

MOTION: Sen. Dmitrich moved the following intent language:
It is the intent of the Legislature that the Department of Transportation continue to advance construction projects on SR 6 for FY 1999 and FY 2000 on the same schedule as outlined in the 1999-2003 Statewide Transportation Improvement Program if funds are available.

Clint Topham, UDOT, commented that the Transportation Commission would make the decisions and the Department of Transportation would carry out the projects they directed.

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

MOTION: Co-Chair Steele moved to reconsider the previous committee actions on the Department of Environmental Quality budgets.

The motion passed unanimously.

Department of Environmental Quality

MOTION: Co-Chair Steele moved to appropriate \$50,000 from the General Fund to the Department of Environmental Quality to address high level nuclear waste storage.

Mark Bleazard, Fiscal Analyst, clarified the intent language.

The motion passed unanimously.

MOTION: Co-Chair Steele moved to appropriate \$16,500 from the General Fund to the Department of Environmental Quality for a local health department contractors' cost of living allowance increase.

The motion passed unanimously.

MOTION: Rep. Jones moved to reconsider the committee's action on the Revenue and Funding Adjustments.

The motion passed unanimously.

MOTION: Rep. Jones moved to correct the line item Child Care General Assistance - FY 99 to General Assistance - FY 1999 Workforce Services.

The motion passed unanimously.

Rep. Jones questioned the line items of Governor Emergency Fund and Legislative Research. Lynn Koga, GOPB, explained that the Governor Emergency Fund of \$100,000 was used to help local governments with costs in emergencies and that the appropriation was to bring the fund to that level. It was noted that the Legislative Research appropriation was for the interns.

MOTION: Rep. Jones moved that the Revenue and Funding Adjustments be approved, dividing out the two first items to be considered separately.

SUBSTITUTE MOTION: Co-Chair Steele moved to approve the Revenue and Funding Adjustments in total.

Rep. Jones requested the first two items for division. Co-Chair Alexander consented to the request.

MOTION: Co-Chair Steele moved to approve the Revenue and Funding Adjustments except for the first two line items.

The motion passed unanimously.

MOTION: Rep. Jones moved to approve the DHRM - Salary Adjustments line item.

Co-Chair Alexander ruled that the motion passed the Senate and the House with Sens. Steele, Beattie, Blackham, Davis, Dmitrich, Hillyard, and Mansell and Reps. Alexander,

Curtis, Garn, Stephens and Ure voting in favor and Sens. Howell and Julander, and Reps. Arent, Becker, Jones and King voting against.

MOTION: Rep. Jones moved to approve the Centennial Highway line item.

Co-Chair Alexander ruled that the motion passed the Senate and the House with Sens. Steele, Beattie, Blackham, Hillyard and Mansell and Reps. Curtis, Garn, Stephens, and Ure voting in favor and Sens. Davis, Dmitrich, Howell, and Julander and Reps. Arent, Becker, Jones and King voting against.

MOTION: Co-Chair Steele moved to reopen the Commerce and Revenue Appropriations Subcommittee budget for FY 2000.

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

Commerce and Revenue Appropriations Subcommittee

MOTION: Co-Chair Steele moved to utilize revenue of \$172,500 from fees to fund \$160,100 to the Insurance Department for four FTE processing personnel. Co-Chair Steele further moved to authorize one additional FTE for the Labor Commission for an Assistant LAN Administrator, funded with \$12,400 fee revenue and other funds from within FY 2000 appropriated levels. These items are listed on the priority list on page 3 of the Subcommittee Recommendations. The fee revenue is generated by agencies within the responsibility of the Commerce and Revenue Appropriations Subcommittee.

The motion passed with Rep. Ure voting against with Reps. Becker and Stephens absent at the time of voting.

MOTION: Co-Chair Steele moved to approve \$100,000 from the Commerce Service Fund to the Committee of Consumer Services - Professional and Technical Services. This was originally approved by the Commerce and Revenue Appropriations Subcommittee and within the Analyst recommendations.

The motion passed with Sen. Steele voting against with Sen. Mansell and Reps. King and Stephens absent at the time of voting.

Department of Corrections

MOTION: Sen. Blackham moved to adopt intent language as follows:
It is the intent of the Legislature that the Department of Corrections study and implement

a plan to privatize management of a minimum of three Community Correctional Centers (half-way houses). If it is not feasible to privatize the Community Correctional Centers, the Department shall report to the Law Enforcement interim committee in their August or September meeting. It is the intent of the Legislature that the Department communicate with the Office of Legislative Fiscal Analyst in the planning and implementation process. It is the intent of the Legislature that the Division of Facilities and Construction Management assist the Department in assessing and prioritizing needed repairs in conjunction with the plan developed by the Department.

The motion passed unanimously with Rep. King absent at the time of voting.

MOTION: Sen. Davis moved to add the following intent language to the FY 2000 budget of the Division of Substance Abuse in the Department of Human Services: It is the intent of the Legislature that the State Board of Substance Abuse and/or the local substance abuse boards in their procurement processes are strongly encouraged to consider using the Utah Alcoholism Foundation in contracting for treatment services for one more year until an audit has been performed of the Foundation and the State Board has had an opportunity to review and act upon such audit.

Gay Taylor, General Counsel, commented that this language was more acceptable than the previously considered intent language.

The motion passed with Sen. Mansell and Reps. Curtis, Garn, and Stephens voting against with Sens. Beattie and Dmitrich absent at the time of voting.

Departmental of Health - Utah Statewide Immunization Information System

MOTION: Co-Chair Steele moved to approve the following intent language, in conjunction with the \$275,000 General Fund appropriation for the Utah Statewide Immunization Information System:

It is the intent of the Legislature that the funding for the Utah Statewide Immunization Information System be considered nonlapsing.

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

MOTION: Sen. Blackham moved the following intent language: It is the intent of the Legislature that the hospital tax imposed in accordance with Section 26-40-111 shall be repealed during the 2000 Legislative session.

Sen. Davis and Rep. Curtis expressed concerns. Gay Taylor, General Counsel, explained that intent language expires at the end of the year to which it is attached, and that this language would be in effect during the 2000 General Session.

SUBSTITUTE MOTION: Co-Chair Steele moved to reconsider Economic Development and Human Resources's Budgets.

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

Economic Development and Human Resources

MOTION: Co-Chair Steele moved to accept the Subcommittee's recommendations 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.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard, Howell, and Reps. Stephens and Jones absent at the time of voting.

MOTION: Rep. Becker moved to adopt the following intent language:
It is the intent of the Legislature that the Division of Business and Economic Development prepare an independent economic feasibility study of the State Fair Park Master Plan. It is the intent of the Legislature that the economic feasibility study shall consider the future of historic buildings at the State Fair Park including the potential for adaptive reuse. It is the intent of the Legislature that the Division of Business and Economic Development use funds in the Fair Park Master Study account in the Capital Projects Fund to complete this study. It is further the intent of the Legislature that the Division of Business and Economic Development shall provide an opportunity for public input into the feasibility study and plans for redevelopment of the State Fair Park.

It is the intent of the Legislature that unless the State Building Board approves the demolition of a facility at the State Fair Park, the State Fair Corporation should not enter into or amend any agreement, contract, or lease that would specify the demolition of any facility at the State Fair Park other than the facilities within the footprint of the proposed Science Center and the three barns along North Temple Street. It is the intent of the Legislature that in accordance with Section 9-4-1103, the Division of Facilities Construction and Management review any agreement, contract, or lease entered into or amended by the State Fair Corporation for the demolition of a facility at the State Fair Park to ensure compliance with this legislative intent.

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

MOTION: Sen. Blackham moved the following intent language for the Personal Use of Highway Patrol Vehicles by Troopers:

It is the intent of the Legislature that the Division of Fleet Operations in consultation with Department of Public Safety develop policies and procedures related to personal use of Highway Patrol vehicles by troopers. These policies and procedures should include provisions that allow for commute and other personal use of the vehicles. The policies and procedures should be administered within the funds that are available for this purpose.

The motion passed unanimously with Sens Beattie, Dmitrich, Hillyard and Howell, and Rep. Stephens absent at the time voting.

MOTION: Co-Chair Steele moved to open the Transportation and Capital Facilities and Administrative Services budgets.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard and Howell, and Rep. Stephens absent at the time of voting.

Transportation and Capital Facilities & Administrative Services

MOTION: Co-Chair Steele moved to approve the following appropriation for FY 1999. Co-Chair Steele moved that \$10,091,700 be transferred from the Centennial Highway fund to the Debt Service Line Item for FY 1999 debt service.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard, Howell, and Reps. King and Stephens absent at the time of voting.

MOTION: Co-Chair Steele moved to authorize the Legislative Fiscal Analyst to prepare: the Appropriations Act; Supplemental Appropriations Act; and the School Finance Act; based on approved actions to date of the Executive Appropriations Committee and, in consultation with the Co-Chairs of the Executive Appropriations Committee, make any other technical and/or non-substantive corrections as necessary. The Legislative Fiscal Analyst is authorized to make appropriate adjustments between funding sources in order to balance the overall budget in the preparation of the various appropriations bills.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard, Howell, and Reps. King and Stephens absent at the time of voting.

MOTION: Sen. Blackham moved to adopt the following intent language:
It is the intent of the Legislature that the hospital tax imposed in accordance with Section 26-40-111 shall be considered for repeal during the 2000 Legislative session.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard, and Howell and Reps. King and Stephens at the time of voting.

MOTION: Rep. Jones moved to adopt the following intent language:
It is the intent of the legislature that in future fiscal years, beginning in FY 2001, that the Legislative Fiscal Analyst include funding recommendations for a compensation package for Independent Living Center staff that is similar to the compensation package being recommended for other providers.

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

MOTION: Sen. Steele moved to adjourn.

The motion passed unanimously with Sens. Beattie, Dmitrich, Hillyard, and Howell and Reps. King and Stephens absent at the time of voting.

The meeting adjourned at 3:00 p.m.

Minutes reported by Linda Hansen and Susy Carter.

Sen. David H. Steele, Co-Chair

Rep. Jeff Alexander, Co-Chair