

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING
TUESDAY, JANUARY 15, 2002, 2:00 P.M.
ROOM 129, STATE CAPITOL BUILDING**

Members Present: Sen. Howard Stephenson, Co-Chair
 Rep. Marda Dillree, Co-Chair
 Sen. Karen Hale
 Sen. Bill Hickman
 Sen. John Valentine
 Rep. Doug Aagard
 Rep. Duane Bourdeaux
 Rep. Judy Ann Buffmire
 Rep. Glenn Donnelson
 Rep. James Ferrin
 Rep. Tom Hatch
 Rep. Brad King
 Rep. Karen Morgan
 Rep. J. Morgan Philpot
 Rep. John Swallow
 Rep. Glenn Way

Staff Present: R. Michael Kjar, Legislative Fiscal Analyst
 Jonathan Ball, Legislative Fiscal Analyst
 Ben Leishman, Legislative Fiscal Analyst
 Patrice Shaffer, Secretary
 Jeanne Wride, Secretary

Visitor List on File

Committee Co-Chair Stephenson called the meeting to order at 2:30 p.m.

Handed out a list of committee members who attended site visits.

1. Approval of Minutes.

MOTION: Representative Buffmire moved to approve the minutes of January 8, 2002 and January 9, 2002.

Motion passed unanimously with Rep. Ferrin, Rep. King, and Rep. Way absent for the vote.

2. Public Education Agencies.

A sheet was handed out with a list of recommended reductions totaling \$2,361,700. These reductions included \$1,796,200 for the State Office of Education, \$331,500 for the State Office of Rehabilitation, \$115,300 for the Utah Schools for the Deaf and Blind, \$1,700 for the Child Nutrition Program, \$117,000 for the Fine Arts and Sciences Program. These figures also include the Governor's first round of hold backs. A sponsor is recommended for all of these items.

MOTION: Rep. Dillree moved to accept the recommendation for Public Education Agencies reduction of \$2,361,700 in the various revenue sources and makes sure the intent language covers all five entities that have been listed.

Rep. Buffmire shared information from a Dan Jones poll conducted on January 12th regarding using rainy day funds or bonding. Sen. Valentine spoke in favor of using conservation methods and in favor of the motion.

Motion passed. Those voting in favor were Sen. Stephenson, Sen. Hickman, Sen. Valentine, Rep. Dillree, Rep. Aagard, Rep. Donnelson, Rep. Ferrin, Rep. Hatch, Rep. Philpot, and Rep. Swallow.

3. Minimum School Program.

Mr. Kjar explained the modifications in the recommendation that allows flexibility School Districts. He indicated that language addressing this flexibility was included at the bottom of the handout. Mr. Kjar also explained each of the five recommendations in detail.

MOTION: Rep. Dillree moved that the wording be changed to (5) a reduction of 235,000 in the \$2.4 million ongoing state contribution, striking the \$7,500,000 currently listed.

Discussion was held clarifying the figures and explaining items that are one-time and ongoing.

SUBSTITUTE MOTION: Rep. Philpot moved to eliminate item (4) completely and changing Rep. Dillree's motion to a reduction of \$235,000 in the \$7.5 million and \$2.4 million in ongoing.

After discussion clarifying the substitute motion, Rep. Philpot withdrew his motion.

SUBSTITUTE MOTION: Rep. Hickman moved to place \$20,000,000 in the Education Mitigation Fund by sending additional cuts to the district rainy day fund to be used in following years making the reduction \$38 million instead of \$18 million.

It was explained that the reduction would be sent to the districts by the same proration used on the handout. Rep. Dillree spoke against the substitute motion indicating that the cuts already proposed were deep enough and more cuts would place an undue burden. Rep. Hickman explained that his substitute motion protects the Education Mitigation Fund this year. He also explained how the Education Mitigation Fund is created from surplus funds, is the same as the rainy day fund and was set up as a student growth fund. Sen. Hale and Rep. Ferrin spoke against the substitute motion. Suggestions were given to let leadership deal with additional reductions, and also to lower the bar on how much is appropriated.

Rep. Philpot asked for a recess and Chair Stephenson granted a ten minute recess at 3:50 pm. Republican chose to caucus. Committee reconvened and Sen. Valentine explained that the same motions that were on the floor at the recess were still before the committee. He also indicated that discussion was held to the motion during the caucus but no votes were taken and the caucus was legal.

AMENDED SUBSTITUTE MOTION: Sen. Hickman amended his substitute motion so that the base is lowered by \$38,500,000, and \$20,000,000 is placed in the Education Mitigation Fund. The \$20,000,000 is then taken out of the Education Mitigation Fund and appropriated back in the budget as one-time money resulting in a net budget cut of \$18,500,000.

Sen. Stephenson explained that this will protect the Districts from further trimming this year, but result in next year's base coming in at \$38,000,000 lower than originally intended. Next year's budget would still be \$111,000,000 higher than last year. Rep. Dillree and Rep. Swallow spoke in favor and Rep. Buffmire spoke against the motion.

Amended substitute motion passed. Those voting in favor were Sen. Stephenson, Sen. Hickman, Sen. Valentine, Rep. Dillree, Rep. Aagard, Rep. Donnelson, Rep. Ferrin, Rep. Hatch, Rep. Philpot, Rep. Swallow, and Rep. Way.

MOTION: Rep. Dillree moved on item (2) to strike \$8,900,000 and replace with \$8,665,000; and on item (5) to replace \$7,500,000 with \$2,400,000 ongoing, and strike One-time appropriations.

The motion passed unanimously.

MOTION: Sen. Hickman moved to adopt recommendation as amended.

The committee voted on each part of the recommendation individually at the request of Rep. Morgan.

MOTION: Vote on all language down and including item (1) a reduction of \$9,373,500 in the \$1,607,061,760 state contribution to the Minimum School Program under Section 4, 53A-17a-104.

The motion passed. Those voting in favor were Sen. Stephenson, Sen. Hickman, Sen. Valentine, Rep. Dillree, Rep. Aagard, Rep. Donnelson, Rep. Ferrin, Rep. Hatch, Rep. Philpot, Rep. Swallow and Rep. Way.

MOTION: Vote on item (2) a reduction of \$8,665,000 in the \$1,607,061,760 state contribution to the Minimum School Program under Section 4, 53A-17a-104; and in the \$24,785,000 state contribution for One-time appropriations under Section 31, Laws of Utah, 2001, Chapter 335.

The motion passed. Those voting in favor were Stephenson, Sen. Hickman, Sen. Valentine, Rep. Dillree, Rep. Aagard, Rep. Donnelson, Rep. Ferrin, Rep. Hatch, Rep. Philpot, Rep. Swallow and Rep. Way.

MOTION: Vote on item (3) a reduction of \$10,000,000 in the \$38,358,000 state contribution to the Capital Outlay Programs under Section 29, 53A-21-105.

The motion passed. Those voting in favor were Sen. Stephenson, Sen. Hickman, Sen. Valentine, Rep. Dillree, Rep. Aagard, Rep. Bordeaux, Rep. Donnelson, Rep. Ferrin, Rep. Hatch, Rep. Morgan, Rep. Philpot, Rep. Swallow and Rep. Way.

MOTION: Vote on item (4) a reduction of \$200,000 in the \$5,000,000 state contribution to Funding for Classroom Supplies, Laws of Utah, 2001, Chapter 338, Section 1.

The motion passed unanimously.

MOTION: Vote on item (5) a reduction of \$235,000 in the \$2,400,000 ongoing state contribution to the Math and Science Beginning Teacher Recruitment Program; Laws of Utah, 2001, Chapter 335, Section 31.

The motion passed. Those voting in favor were Sen. Stephenson, Sen. Hale, Sen. Hickman, Rep. Dillree, Rep. Aagard, Rep. Buffmire, Rep. Donnelson, Rep. Hatch, Rep. Philpot, Rep. Swallow and Rep. Way.

The Wednesday, January 16, and Thursday, January 17, 2002 meetings for this committee were cancelled.

MOTION: Rep. Way moved to adjourn the meeting.

The motion passed unanimously.

Co-Chair Stephenson adjourned the meeting at 4:25 p.m.

Minutes were reported by Patrice Shaffer, Secretary

Sen. Howard Stephenson, Co-Chair

Rep. Marda Dillree, Co-Chair

