

**MINUTES OF THE
EXECUTIVE APPROPRIATIONS COMMITTEE**
Friday, February 5, 2016 – 12:10 p.m. – Room 445 State Capitol

Members Present:

Sen. Lyle W. Hillyard, Co-Chair
Rep. Dean Sanpei, Co-Chair
Sen. Jerry W. Stevenson, Vice Chair
Rep. Brad L. Dee, Vice Chair
Sen. J. Stuart Adams
Sen. Jim Dabakis
Sen. Gene Davis
Sen. Peter C. Knudson
Sen. Karen Mayne
President Wayne L. Niederhauser
Sen. Ralph Okerlund
Rep. Patrice M. Arent
Rep. Rebecca Chavez-Houck
Rep. James A. Dunnigan

Speaker Gregory H. Hughes
Rep. Brian S. King
Rep. Brad R. Wilson

Members Excused:

Sen. Joel K. Briscoe
Rep. Luz Escamilla
Rep. Francis D. Gibson

Staff Present:

Mr. Jonathan Ball, Legislative Fiscal Analyst
Mr. Steven Allred, Deputy Director
Ms. Greta Rodebush, Legislative Secretary
Ms. Karen Mitchell, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.leg.utah.gov.

1. Call to Order/Approval of Minutes

Co-Chair Hillyard called the meeting to order at 12:52 p.m. There were no minutes to approve.

2. Subcommittee Base Budget Reports

a. Executive Offices and Criminal Justice

Sen. Daniel W. Thatcher, Co-Chair, and Rep. Keven J. Stratton, House Vice Chair, presented the [Executive Offices and Criminal Justice Appropriations Subcommittee Base Budget Report](#). Rep. Eric K. Hutchings, Co-Chair, was excused. Mr. Gary Syphus and Ms. Clare Tobin Lence, LFA Fiscal Analysts, provided assistance.

Sen. Thatcher reported that the subcommittee had identified about \$5.8 million in total funds that the agencies were willing to reprioritize within the base budget. He highlighted the \$3 million cost savings in the Jail Contracting Line Item and the Department of Corrections request to reallocate the \$3 million to the Medical Services Line Item to offset projected shortfalls. Sen. Thatcher also mentioned the lack of billing uniformity for services rendered by the Attorney General's Office. Rep. DiCaro is sponsoring a bill that would convert some portion of the Attorney General Office's (OAG) billing into an Internal Service Fund (ISF).

Sen. Okerlund asked if the \$3 million reallocation to the Medical Services Line-Item will pay for mental health and other kinds of medical services throughout the entire corrections system. Sen. Thatcher stated that the Medical Services Line Item can apply to any medical service being provided through the

Department of Corrections. He pointed out that last year there was a significant shortfall in the Medical Services Line-Item, but this year, the shortfall is even greater.

MOTION: Rep. Sanpei moved to approve the FY 2017 base budget recommended by the Executive Offices and Criminal Justice Appropriations Subcommittee as shown on pages 3-1 through 3-54, and to approve the FY 2016 Supplemental budget changes recommended by the subcommittee as shown on pages 3-Supplemental-1 through 3-Supplemental-8 behind tab 3. He further moved to increase EOCJ's December subcommittee allocation by \$2,000,000 ongoing as shown on the sheet titled, "[Subcommittee Allocations – February 5, 2016](#)".

Rep. Sanpei explained that the motion includes a \$2 million reallocation from IGG to cover unrealized public safety radio savings associated with passage of HB0343 Utah Communication Authority Emergency Radio and 911 Amendments in the 2015 General Session.

The motion passed unanimously with Sen. Davis, Rep. Arent, and Rep. Chavez-Houck absent for the vote.

b. Higher Education

Sen. Stephen H. Urquhart and Rep. Keith Grover, Co-Chairs, presented the [Higher Education Appropriations Subcommittee Base Budget Report](#). Mr. Spencer Pratt, Fiscal Manager, LFA, and Ms. Jill Curry, Fiscal Analyst, LFA, provided assistance.

Sen. Urquhart reported that S.B. 1, Higher Education Base Budget, appropriates over \$1.66 billion to Utah's eight public colleges and universities, the State Board of Regents, and the Utah College of Applied Technology. Of this total, about \$400 million is from the General Fund, just over \$500 million is from the Education Fund, and \$725.0 million is from Dedicated Credits (mostly tuition). Sen. Urquhart reported that the institutions are constantly looking at their budgets and making significant internal reallocations. He cited one example. Over the past four years, Utah State University has approved 32 new programs, while discontinuing 55 programs.

Sen. Urquhart indicated that the subcommittee has reviewed the institutions' list of reallocations and that the subcommittee is content with how the institutions are being managed.

Sen. Hillyard mentioned the importance of reallocating within the subcommittee's base budget when funding new programs. Sen. Urquhart said that this approach would be a part of the institutions' ongoing efforts.

Rep. Grover added that the subcommittee has the lists of potential budget reductions and internal reallocations by institution.

MOTION: Rep. Sanpei moved to approve the FY 2017 base budget recommended by the Higher Education Appropriations Subcommittee as shown on pages 4-1 through 4-62 behind tab 4. The motion passed unanimously with Sen. Davis, Rep. Arent and Rep. Chavez-Houck absent for the vote.

c. Infrastructure and General Government

Sen. Wayne A. Harper, Co-Chair, and Rep. Craig Hall, House Vice-Chair, presented the [Infrastructure and General Government Appropriations Subcommittee Base Budget Report](#). Rep. Gage Froerer, Co-Chair, was excused. Ms. Angela Oh, Senior Statistician, LFA, and Mr. Brian Wikle, Fiscal Analyst, LFA provided assistance.

Sen. Harper reported that the subcommittee reviewed the base budget bill that appropriates almost \$1.7 billion for the Department of Administrative Services (DAS), the Department of Technology Services (DTS), the Department of Transportation (UDOT), and Capital Budgets. The subcommittee reviewed potential budget reallocations and adjustments but decided to hold off on making internal reallocations until all the requests had been heard in subcommittee meetings.

Sen. Harper pointed out that the subcommittee had identified \$2 million in reductions (\$300,000 one-time and \$1.7 million ongoing in DAS – Finance Mandated) to do some internal reallocations. He remarked that he was caught completely off guard when EAC voted to take the \$2 million reallocation out of IGG to cover unrealized savings in EOCJ.

Co-Chair Hillyard indicated that budget decisions could always be changed in the final bill.

Sen. Harper concluded the presentation noting potential reductions in Capital Project Funds, the Transportation Investment Fund (TIF), and in General Obligation Bond Debt Service.

MOTION: Rep. Sanpei moved to approve the FY 2017 base budget recommended by the Infrastructure and General Government Appropriations Subcommittee as shown on pages 5-1 through 5-52 behind tab 5, and increase the subcommittee's base allocation by \$14,214,000 as shown on the sheet titled, ["Subcommittee Allocations – February 5, 2016"](#).

Rep. Sanpei explained that the motion did not change the subcommittee's base budget, but includes a correction to the spreadsheet that was adopted in December. The \$14,214,000 in FY 2017 one-time should have also been included in the FY 2017 ongoing for the Build America Bonds debt service reserve.

SUBSTITUTE MOTION: Rep. Dee moved to approve the FY 2017 base budget recommended by the Infrastructure and General Government Appropriations Subcommittee as shown on pages 5-1 through 5-52 behind tab 5, with the following changes:

- Reduce the FY 2017 General Fund, Ongoing amount appropriated to the Department of Administrative Services – Finance Mandated line item from \$6,231,800 to \$4,531,800 (a reduction of \$1,700,000);
- Reduce the FY 2016 General Fund, One-time amount appropriated to the Department of Administrative Services – Finance Mandated line item by \$300,000.

Rep. Dee further moved to increase the subcommittee's base allocation from our December meeting by \$12,514,000 and decrease its one-time allocation by \$300,000.

Rep. Dee explained that the substitute motion does what the original motion did, but frees-up \$2 million spent by EOCJ to cover the unrealized UCA radio savings.

The motion passed unanimously with Sen. Gene Davis, Rep. Arent, Rep. Chavez-Houck, and Rep. Dunnigan absent for the vote.

3. Requests for Appropriation

a. Cluff House

Rep. Mel Brown distributed a handout with pictures of the completed Daughters of Utah Pioneers Museum in Henefer, Utah. The Legislature appropriated funds to this project in 2013 and 2014, which has proven to be a wise use of state funds and a great addition to the community.

Rep. Brown noted that today's request for appropriation is a like request. Last year, the Legislature funded the first phase of a renovation of the Cluff House located in Spring Hollow just east of Coalville Utah. The Cluff House has historic significance and is being renovated to serve as a community center. This year's request (FY 2017) is for \$30,000 General Fund One-time to help continue the renovation project. Rep. Brown indicated that the funding will be used to purchase building materials.

b. Veterans' Hall Memorial Building

Rep. Craig Hall introduced Mayor Ron Bigelow, West Valley City, who made the presentation for the Veterans' Hall Memorial Building request for appropriation.

Mayor Bigelow explained that there is a need for an indoor year-round memorial that honors veterans. The Veterans' Hall Memorial Building will serve several purposes: 1) A community center or gathering place for veterans and their families; 2) A museum with flexible and dynamic exhibit areas; 3) A history center where veterans can digitally record their stories; and 4) A resource center for information and assistance.

The Veterans' Hall Memorial Building will be centrally located in West Valley. The estimated cost of the building is approximately \$4 million. Mayor Bigelow indicated that West Valley is currently raising funds with the assistance of community organizations. He expects some help from governmental entities, but the majority of the funding will come from corporate and individual donations.

The request for appropriation is \$250,000 General Fund One-time, FY 2016.

Sen. Mayne remarked that West Valley is the second largest city in Utah, and with the support of its sister cities, a project of this scope is not out of West Valley's reach. She stated that this project will serve all of the communities and the State of Utah in celebrating and honoring our veterans.

Mayor Bigelow suggested that the funding for the Veterans' Hall Memorial Building could be administered through the Utah Department of Veterans' and Military Affairs.

c. Vietnam Veterans' Memorial Wall

Rep. Curtis Oda introduced Mr. Dennis E. Howland, President Utah State Council, Vietnam Veterans of America, and Mayor Bob Stevenson, Layton, Utah and gave a brief overview of the [Vietnam Veterans' Memorial Wall](#).

Rep. Oda explained that Utah's Vietnam Veterans of America has launched a fundraising campaign to purchase a replica (80 percent of the original size) of the Vietnam Memorial Wall in Washington D.C. The Wall will have all 58,000 plus names inscribed on it and will be updated every year. Rep. Oda indicated that the City of Layton is donating approximately one acre of land for the Wall in Layton's Commons Park and the money to improve infrastructure. The total cost of the project including Layton's contribution is about \$500,000.

Mr. Dennis E. Howland, President Utah State Council, Vietnam Veterans of America, discussed the benefits of having a replica of the Vietnam Memorial Wall in a permanent home in Utah. He anticipates that 75,000 to 100,000 individuals will visit the memorial annually and that Utah will gain recognition regionally and nationally not only for the Wall but for the State's service to veterans. Mr. Howland explained that the \$212,640 request for appropriation reflects just one day's combat pay - \$4.42 - for each Vietnam Veteran living in Utah today. To date, veterans' organizations have donated \$60,000.

Rep. Oda confirmed that the total request for appropriation is \$212,640 General Fund One-time, FY 2017.

Mayor Stevenson remarked that Layton was approached about this project about two years ago. He said that Layton views this project will benefit not only the community but the State as well. The Vietnam Veterans' Memorial Wall will be built on a portion of Commons Park that is set back away from everything else. The Wall will be a sacred place for citizens to pay their respects to those who served and died in Vietnam. Mayor Stevenson indicated that many people may choose to travel to Utah rather than Washington D.C. because of its convenient location, which could prove to be of economic value to the State. In addition to independent donations and what the City of Layton has donated thus far, Layton will be looking for county and state donations as well.

4. Other Business/Adjourn

MOTION: Rep. Sanpei moved to adjourn. The motion passed unanimously with Rep. Chavez-Houck and Rep. Dunnigan absent for the vote.

Co-Chair Hillyard adjourned the meeting at 1:29 p.m.