



# MINUTES

## EXECUTIVE APPROPRIATIONS COMMITTEE

LEGISLATURE

Monday, December 10, 2018 | 9:30 a.m. | 445 State Capitol

### Members Present:

Sen. Jerry W. Stevenson, Senate Chair  
Rep. Bradley G. Last, House Chair  
Sen. Evan J. Vickers, Senate Vice Chair  
Rep. Mike Schultz, House Vice Chair  
Sen. J. Stuart Adams  
Sen. Gene Davis  
Sen. Luz Escamilla  
Sen. Jani Iwamoto  
Sen. Karen Mayne  
President Wayne L. Niederhauser  
Sen. Kevin T. Van Tassell  
Rep. Joel K. Briscoe  
Rep. Francis D. Gibson

Rep. Sandra Hollins  
Speaker Gregory H. Hughes  
Rep. Brian S. King  
Rep. John Knotwell  
Rep. Angela Romero  
Rep. Brad R. Wilson

### Members Absent:

Sen. Peter C. Knudson

### Staff Present:

Mr. Jonathan Ball, Director  
Mr. Steven M. Allred, Deputy Director  
Ms. Greta G. Rodebush, Administrative Assistant

Note: A copy of related materials and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

## 1 . Call to Order/Approval of Minutes

Chair Jerry W. Stevenson called the meeting to order at 9:54 a.m.

**MOTION:** Rep. Last moved to adopt the minutes of the December 3, 2018 Executive Appropriations Committee meeting. The motion passed with a vote of 14 - 0 - 6.

### Yeas-14

Rep. J. Briscoe  
Sen. L. Escamilla  
Rep. S. Hollins  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. B. King  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

### Nays-0

### Absent-6

Sen. J. Adams  
Sen. G. Davis  
Rep. F. Gibson  
Sen. P. Knudson  
Sen. W. Niederhauser  
Rep. A. Romero

## 2 . Federal/Non-federal Grants

Mr. Ken Matthews, Federal Assistance Management Officer, Governor's Office of Management and Budget, presented the report. Mr. Gary Syphus, Office of the Legislative Fiscal Analyst (LFA), and Mr. Tim Dinehart, Fiscal Analyst, LFA, provided assistance.

[2-Federal/Non-federal Grants Packet, December 2018](#)

**MOTION:** Rep. Last moved to recommend acceptance of the federal grants as outlined on page 1 of the handout entitled, "Federal/Non-Federal Grants Review and Approval" under the heading, "Grants Requiring EAC Review and Recommendation" and dated today, December 10, 2018. The motion passed with a vote of 15 - 0 - 5.

Yeas-15

Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. S. Hollins  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. B. King  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-5

Sen. J. Adams  
Rep. F. Gibson  
Sen. P. Knudson  
Sen. W. Niederhauser  
Rep. A. Romero

### 3 . Appropriations Subcommittee Reports on 2018 Interim Actions

#### a. Public Education

Sen. Lyle W. Hillyard (via phone conference) and Rep. Daniel McCay, Co-Chairs, and Rep. Robert M. Spendlove, House Vice Chair, presented the Public Education Appropriations Subcommittee Report on 2018 Interim Actions and responded to questions. Mr. Ben Leishman, Fiscal Analyst, LFA, and Mr. Sean Faherty, Fiscal Analyst, LFA, provided assistance.

#### [3a-Subcommittee 2018 Interim Report - Public Education](#)

Chair Stevenson expressed his appreciation to the subcommittee chairs and LFA staff for their work during the Interim.

Mr. Jonathan Ball noted that the Executive Appropriations Committee would be addressing each of the subcommittees' Interim recommendations under Agenda Item 5.

#### b. Business, Economic Development, and Labor

Sen. Daniel Hemmert, Chair, and Rep. Scott D. Sandall, House Vice Chair, presented the Business, Economic Development, and Labor Appropriations Subcommittee Report on 2018 Interim Actions and responded to questions. Dr. Andrea Wilko, Chief Economist, LFA, and Mr. Tim Dinehart, Fiscal Analyst, LFA, provided assistance.

#### [3b-Subcommittee 2018 Interim Report - Business, Economic Development, and Labor](#)

Rep. Brad R. Wilson inquired about the implementation of a new RFA application process. Rep. Sandall and Mr. Ball responded.

Rep. Wilson, Sen. J. Vickers, and Rep. Mike Schultz spoke in favor of a more thorough data gathering process from applicants for requests for appropriations. Rep. Wilson recommended that this process should apply to all appropriations subcommittees for the upcoming General Session.

Rep. Sandall thanked Rep. Curt Webb, House Vice Chair, for his work on the RFA process.

## c. Executive Offices and Criminal Justice

Mr. Ball explained that Sen. Daniel W. Thatcher and Rep. Eric K. Hutchings, Co-Chairs, and Rep. Bruce R. Cutler, House Vice Chair, had submitted a written report located behind Tab 3. Mr. Ball offered to respond to committee member questions.

[3c-Subcommittee 2018 Interim Report - Executive Offices and Criminal Justice](#)

## d. Retirement and Independent Entities

Rep. LaVar Christensen, Chair, presented the Retirement and Independent Entities Appropriations Subcommittee (RIE) Report on 2018 Interim Actions and responded to questions. Dr. Thomas Young, Senior Economist/Statistician, LFA, provided assistance.

[3d-Subcommittee 2018 Interim Report - Retirement and Independent Entities](#)

Sen. Vickers and Sen. Adams recognized Rep. Lavar Christensen for his dedicated service to the Legislature.

**4 . Fiscal Health Check-up:**

## a. Revenue Trends (JR3-2-402(2)(a)(ii))

Mr. Ball presented the Issue Brief, "Trend Analysis of the FY 2019 and FY 2020 GF/EF Revenue Forecasts," and responded to questions and comments from Sen. Adams, Rep. Wilson, and Rep. Briscoe regarding Table 1, Trend and Cycle of November 2018 Consensus Revenue Estimates for the General and Education Fund.

[4a-Issue Brief - 2018 Interim - Trend Analysis of the FY 2019 and FY 2020 GF/EF Revenue Forecasts](#)

## b. Current Status of Debt Obligations (JR3-2-402(2)(a)(iii))

Mr. Brian Wikle, Fiscal Analyst, LFA, commented on the State's debt obligations, liabilities, and revenues as reflected on the Fiscal Health Dashboard. He introduced the Debt Affordability Study.

[4b-Memorandum Re: Debt Affordability Study](#)

Mr. David Damschen, State Treasurer, reported on the status of the Debt Affordability Study and responded to questions from Rep. Gibson and Sen. Iwamoto.

**5 . Subcommittee Allocations and EAC Set-asides (JR3-2-402(2)(a)(v)-(vii))**

Mr. Ball discussed subcommittee allocations, EAC set-asides, and approving base budgets. He explained the green sheet titled "Base Budget Reductions and Transfers" and noted one correction to the g. MOTION on page 2 to change FY 2020 to FY 2019.

[5-Memorandum Re: Subcommittee Allocations and EAC Set-asides](#)[5a-Base Budget Reductions and Transfers](#)[5c-Subcommittee Allocations - December 2018](#)

**MOTION:** Rep. Last moved under Joint Rule 3-2-402(2)(a)(vii) to authorize legislative staff to include the motions in the green sheet titled "Base Budget Reductions and Transfers" with one noted correction on Item g. changing 2020 to 2019 all dated today, December 10, 2018, when drafting base budget bills. The motion passed with a vote of 17 - 0 - 3.

Yeas-17

Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. F. Gibson  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. B. King  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-3

Sen. J. Adams  
Rep. S. Hollins  
Sen. P. Knudson

Mr. Ball explained the "Set-asides from available General Fund/Education Fund" on the red sheet and identified one additional set-aside, Item j. Tourism Marketing Performance Fund for \$3.0 million ongoing. He also commented on Item i. Potential Downward Revisions to Revenue Estimates for \$100 m 1x/\$200m ongoing.

[5b-GF/EF Revenue Set-asides and Base Budget Increases](#)

Rep. Francis D. Gibson asked about the statutory thresholds and balances in the General Rainy Day and Education Rainy Day Funds. Mr. Ball responded.

Rep. Briscoe asked clarifying questions about Item i. Potential Downward Revisions to Revenue Estimates. Mr. Ball responded.

President Niederhauser commented on increasing the Rainy Day Fund thresholds.

Mr. Ball revised his quote on the actual balances in the General Rainy Day Fund and the Education Rainy Day Fund for FY 2011.

**MOTION:** Rep. Last moved under Joint Rule 3-2-402(2)(a)(vii) to authorize legislative staff to include the motions in the red sheet titled "Set-asides from Available General Fund/Education Fund Revenue" with one addition, Item j. Tourism Marketing Performance Fund for \$3.0 million ongoing, dated today, December 10, 2018, when drafting base budget bills.

Mr. Ball clarified that the \$100 million 1x and the \$200 million ongoing under Item i. Potential Downward Revisions to Revenue Estimates on the red sheet would be set aside and would not be included in base budget bills.

Rep. Last's motion under Joint Rule 3-2-402(2)(a)(vii) to authorize legislative staff to include the motions in the red sheet titled "Set-asides from Available General Fund/Education Fund Revenue" with one addition, Item j. Tourism Marketing Performance Fund for \$3.0 million ongoing, dated today, December 10, 2018, when drafting base budget bills passed with a vote of 18 - 0 - 2.

Yeas-18

Sen. J. Adams  
Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. F. Gibson  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. B. King  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-2

Rep. S. Hollins  
Sen. P. Knudson

Sen. Escamilla distributed and explained a motion pertaining to S.B. 161, Nurse Home Visiting Pay-for Success Program (2018 General Session) and responded to questions.

**MOTION:** Sen. Escamilla moved the following changes to S.B. 7, Social Services Base Budget:

For Section 1, FY 2019:

1. Insert the following between lines 85 and 86
  - a. From General Fund, One-Time 520,000
2. Insert the following between lines 86 and 87
  - a. From General Fund Restricted - Home Visiting Restricted Account, One-Time (520,000)
3. Insert the following between lines 100 and 101
  - a. Nurse Home Visiting Pay-for-Success Program (520,000)
4. Line 97 increase Maternal and Child Health to (2,000,200)
5. Insert the following intent language between lines 100 to 101
  - a. The Legislature intends that the Department of Health use the \$520,000 General Fund appropriation provided by this item for evidence-based nurse home visiting services for at-risk individuals with a priority focus on first-time mothers.
6. Insert the following between lines 509 and 510  
To General Fund Restricted - Nurse Home Visiting Restricted Account  
From General Fund, One-Time (520,000)  
Schedule of Programs:  
General Fund Restricted - Nurse Home Visiting Restricted Account (520,000)

For Section 2, FY 2020:

1. Increase amount in line 610 From General Fund to 23,595,600
2. Strike line 616
3. Increase amount in line 626 Maternal and Child Health to 56,430,400
4. Strike line 631
5. Insert the following intent language between lines 629 and 630
  - a. The Legislature intends that the Department of Health use \$520,000 of the General Fund appropriation provided by this item for evidence-based nurse home visiting services for at-risk individuals with a priority focus on first-time mothers.
6. Strike lines 1131 to 1136

Explanation: This motion is a net \$0 cost to the General Fund. It takes the General Fund that was going to go into the General Fund Restricted - Nurse Home Visiting Restricted Account for a pay-for-success model and gives it to directly to the Department of Health for services

Dr. Joe Miner, Executive Director, Utah Department of Health, explained the services that the Nurse Home Visiting Pay-for-Success Program provides and responded to questions.

A vote was taken on the motion. The motion passed with a vote of 18 - 0 - 2.

Yeas-18

Sen. J. Adams  
Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. F. Gibson  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. B. King  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-2

Rep. S. Hollins  
Sen. P. Knudson

Mr. Ball explained the yellow sheet, "Subcommittee Allocations - December 2018."

**MOTION:** Rep. Last moved again under Joint Rule 3-2-402(2)(a)(vii) to authorize legislative staff to include the motion on the red sheet titled "General Fund/Education Fund Base Budget Increases" that includes Item i. Tourism Marketing Performance Fund for \$3 million ongoing, dated December 10, 2018, when drafting base budget bills. The motion passed with a vote of 16 - 0 - 4.

Yeas-16

Sen. J. Adams  
Sen. G. Davis  
Rep. F. Gibson  
Rep. S. Hollins  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-4

Rep. J. Briscoe  
Sen. L. Escamilla  
Rep. B. King  
Sen. P. Knudson

**MOTION:** Rep. Last moved under Joint Rule 3-2-402(2)(v) and (vi), to allocate to subcommittees for the 2019 General Session the amounts shown on the yellow sheet titled "Subcommittee Allocations - December 2018" and dated today, December 10, 2018. The ongoing amounts represent the Fiscal Year 2019 budget's ongoing General and Education Fund appropriations and authorize the fiscal analysts to make the adjustments based on the red sheet. The motion passed with a vote of 16 - 0 - 4.

Yeas-16

Sen. J. Adams  
Sen. G. Davis  
Rep. F. Gibson  
Rep. S. Hollins  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-4

Rep. J. Briscoe  
Sen. L. Escamilla  
Rep. B. King  
Sen. P. Knudson

**6 . Base Budget Bills (JR3-2-402(2)(a)(viii))**

Mr. Steven Allred presented the base budget bills.

[6a-Draft Business, Economic Development, and Labor Base Budget](#)

[6b-Draft Executive Offices and Criminal Justice Base Budget](#)

[6c-Draft Higher Education Base Budget](#)

[6d-Draft Infrastructure and General Government Base Budget](#)

[6e-Draft Natural Resources, Agriculture, and Enviro. Quality Base Budget](#)

[6f-Draft Public Education Base Budget](#)

[6g-Draft Social Services Base Budget](#)

[6h-Draft Retirement and Independent Entities Base Budget](#)

[6i-Draft National Guard, Veterans Affairs, and Legislature Base Budget](#)

[6j-Draft State Agency and Higher Education Compensation Appropriations](#)

[6k-Draft State Agency Fees and Internal Service Fund Rate Authorizations](#)

**MOTION:**

Rep. Last moved under Joint Rule 3-2-402(2)(a)(viii), to authorize legislative staff to prepare and number base budget bills for each appropriations subcommittee and the Executive Appropriations Committee (EAC) as EAC bills to be introduced on the first day of the 2019 General Session. Staff shall include in these bills:

1. The changes adopted by the Executive Appropriations Committee today;
2. Ongoing General, Education, and Uniform School Fund appropriations defined in the current year's appropriations acts;
3. Federal Fund, Dedicated Credit, Restricted fund and account amounts that are the lesser of current year ongoing appropriations or agency budget requests; and
4. Adjustments to nonlapsing balances, transfers, and other dependent amounts as calculated.

In consultation with the Co-Chairs of the Executive Appropriations Committee, staff may make any technical changes necessary, including balancing between the General Fund and Education Fund, in order to balance the overall budget.

The motion passed with a vote of 17 - 0 - 3.

Yeas-17

Sen. J. Adams  
Rep. J. Briscoe  
Sen. G. Davis  
Rep. F. Gibson  
Rep. S. Hollins  
Rep. G. Hughes  
Sen. J. Iwamoto  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Rep. A. Romero  
Rep. M. Schultz  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0Absent-3

Sen. L. Escamilla  
Rep. B. King  
Sen. P. Knudson

## 7 . FY 2019 and FY 2020 Appropriations Limit Estimates

Dr. Young reported on the appropriations limit estimate for FY 2019 and FY 2020.

### [7-FY 2019 and FY 2020 Appropriations Limit Estimates](#)

## 8 . State Homeless Coordinating Committee Report

Mr. Jonathan Hardy, Director, Housing and Community Development Division, Department of Workforce Services, discussed The INN Between Funding Request for additional, one-time funding. He responded to clarifying questions from Speaker Gregory H. Hughes, Sen. Kevin Van Tassell, and Chair Stevenson.

### [8a-Memorandum Re: The INN Between Funding Request](#)

### [8b-Proposal for Homeless to Housing Funding](#)

Sen. Luz Escamilla spoke on behalf of The Inn Between.

Sen. Davis referred the committee to the "Proposal for Homeless to Housing Funding" behind Tab 8 for further information.

**MOTION:** Rep. Last moved to recommend acceptance of the proposed awards from the Homeless to Housing Reform Restricted Account as presented to us today. The motion passed with a vote of 15 - 0 - 5.

Yeas-15

Sen. J. Adams  
Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. F. Gibson  
Rep. S. Hollins  
Rep. G. Hughes  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0

Absent-5

Sen. J. Iwamoto  
Rep. B. King  
Sen. P. Knudson  
Rep. A. Romero  
Rep. M. Schultz

**9 . Other Business/Adjourn**

[9a-Division of Finance Report on State Agency Federal Funds Receipts and Contingencies, FY 2018](#)

[9b-Division of Finance Report on Contribution Dependent Accounts](#)

[9c-Legislative Auditor General Report on Best Practices and Performance Notes](#)

[9d-Inland Port Authority Report of Activities](#)

**MOTION:** Rep. Last moved to adjourn. The motion passed with a vote of 15 - 0 - 5.

Yeas-15

Sen. J. Adams  
Rep. J. Briscoe  
Sen. G. Davis  
Sen. L. Escamilla  
Rep. F. Gibson  
Rep. S. Hollins  
Rep. G. Hughes  
Rep. J. Knotwell  
Rep. B. Last  
Sen. K. Mayne  
Sen. W. Niederhauser  
Sen. J. Stevenson  
Sen. K. Van Tassell  
Sen. E. Vickers  
Rep. B. Wilson

Nays-0

Absent-5

Sen. J. Iwamoto  
Rep. B. King  
Sen. P. Knudson  
Rep. A. Romero  
Rep. M. Schultz

Chair Stevenson adjourned the meeting at 11:49 a.m.