



MINUTES

EXECUTIVE APPROPRIATIONS COMMITTEE

Friday, December 13, 2019 | 1:00 p.m. | 445 State Capitol

Members Present:

Sen. Jerry W. Stevenson, Senate Chair
Rep. Bradley G. Last, House Chair
Sen. Don L. Ipson, Senate Vice Chair
Rep. Jefferson Moss, House Vice Chair
President J. Stuart Adams
Sen. Luz Escamilla
Sen. Jani Iwamoto
Sen. Karen Mayne
Sen. Ann Millner
Sen. Evan J. Vickers
Rep. Francis D. Gibson
Rep. Brian S. King
Rep. Karen Kwan

Rep. Carol Spackman Moss
Rep. Val L. Peterson
Rep. Angela Romero
Speaker Brad R. Wilson

Members Absent:

Sen. Daniel Hemmert
Sen. Derek L. Kitchen
Rep. Mike Schultz

Staff Present:

Mr. Steven M. Allred, Deputy Fiscal Analyst
Mr. Jonathan Ball, Fiscal Analyst
Ms. Greta G. Rodebush, Executive Assistant

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

1 . Call to Order/Approval of Minutes

Chair Jerry W. Stevenson called the meeting to order at 1:10 p.m. No action was taken on the minutes at this time.

2 . Budget Stress Test

Dr. Andrea Wilko, Chief Economist, Office of the Legislative Fiscal Analyst (LFA), discussed three documents pertaining to state budget stress testing. She was joined by Mr. Phil Dean, Budget Director and Chief Economist, Governor's Office of Management and Budget (GOMB), and Mr. Nate Talley, Budget and Policy Manager, GOMB.

[6c-State Budget Stress Testing User Guide](#)

[6b-State Budget Stress Testing](#)

[6a-Budget Stress Test Presentation](#)

Rep. Francis D. Gibson asked about the overall health of the State's budget. Dr. Wilko responded.

Mr. Dean commented on the usefulness of the budget tool kit in managing the state's budget over the business cycle.

Mr. Jonathan Ball called attention to the report, "State Budget Stress Testing" behind Tab 6, written by the Kem C. Gardner Policy Institute and sponsored by The Pew Charitable Trusts.

Rep. Gibson and Chair Stevenson expressed their appreciation to LFA and GOMB for their accomplishments over the past several months and for today's report.

3 . Call to Order/Approval of Minutes

MOTION: Rep. Last moved to adopt the minutes of November 19, 2019. The motion passed with a vote of 15 - 0 - 5.

Yeas-15

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. B. Last
Sen. K. Mayne
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-5

Sen. D. Hemmert
Sen. D. Kitchen
Rep. K. Kwan
Sen. A. Millner
Rep. M. Schultz

4 . Fiscal Health Check-up:

Mr. Ball introduced the topics to be covered under the Fiscal Health Check-up.

Mr. Brian Wikle, Financial Analyst, LFA, presented the Fiscal Health Dashboard for Obligations, Reserves, and Cash-Funded Infrastructure.

Mr. Ball presented the green sheet, "Revenue Estimates - December 2019".

[2a-Revenue Estimates - December 2019](#)

MOTION: Rep. Last moved under Joint Rule 3-2-402 (2)(a)(i) to adopt the revised revenue estimates for FY 2020 (column c) and new estimates for FY 2021 (column e) as indicated on page 1 of the green sheet titled "Revenue Estimates - December 2019" and dated today, December 13, 2019. The motion passed with a vote of 17 - 0 - 3.

Yeas-17

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-3

Sen. D. Hemmert
Sen. D. Kitchen
Rep. M. Schultz

5 . Subcommittee Allocations, Adjustments, and EAC Set-asides

Mr. Ball introduced the red sheet, "Set-asides from Available General Fund/Education Fund Revenue".

[3a-Set-Asides from Available GF/EF Revenue, December 2019](#)

Mr. Ball explained this year's trend analysis on the sustainability of the revenue estimates.

[2b-Revenue Trend - December 2019](#)

Mr. Ball continued his presentation on the set-asides.

Rep. Kwan asked if there was a prioritized project list for the Capital Improvement funding set-aside, Item 4a. Mr. Ball responded.

President J. Stuart Adams asked if the project list was for building maintenance only. Mr. Ball and Chair Stevenson responded.

MOTION: Rep. Last moved under Joint Rule 3-2-402(2)(a)(ii) and (v) to set aside a portion of revenue and above-trend revenue growth as shown on the red sheet titled "Set-asides from Available General Fund/Education Fund Revenue," and dated today, December 13, 2019. The motion passed with a vote of 16 - 0 - 4.

Yeas-16

Sen. J. Adams
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0

Absent-4

Sen. L. Escamilla
Sen. D. Hemmert
Sen. D. Kitchen
Rep. M. Schultz

Mr. Ball explained the blue sheet, "Allocation Adjustments - December 2019".

[3b-Allocation Adjustments - December 2019](#)

Sen. Karen Mayne asked a clarification question about the allocation adjustments. Mr. Ball responded.

MOTION: Rep. Last moved under Joint Rule 3-2-402(2)(a)(vi) to authorize legislative staff to include the adjustments in the blue sheet titled "Allocation Adjustments" and dated today, December 13, 2019 when drafting base budget bills. He further moved to appropriate \$4,586,200 ongoing General Fund beginning in FY 2021 to the Indigent Defense Resources Account and \$4,586,200 ongoing beginning in FY 2021 from the Indigent Defense Resources Account to the Indigent Defense Commission. The motion passed with a vote of 16 - 0 - 4.

Yeas-16

Sen. J. Adams
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-4

Sen. L. Escamilla
Sen. D. Hemmert
Sen. D. Kitchen
Rep. M. Schultz

MOTION:

Speaker Brad Wilson moved to add to the state fund allocation for the Public Education Appropriations Subcommittee \$50,604,300 ongoing in FY 2021 and \$4,700,000 one-time in FY 2020 from the Education Fund to pay costs associated with student enrollment growth. He further moved to direct the Office of the Legislative Fiscal Analyst to include student enrollment growth adjustments in the Public Education Base Budget bill prepared for the 2020 General Session.

Speaker Wilson spoke to the motion.

Rep. Gibson asked a clarifying question about student enrollment growth funding. Speaker Wilson responded.

Sen. Evan J. Vickers spoke in support of the motion to fund student enrollment growth.

Speaker Wilson's two-part motion passed with a vote of 17 - 0 - 3.

Yeas-17

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-3

Sen. D. Hemmert
Sen. D. Kitchen
Rep. M. Schultz

Mr. Ball discussed the yellow sheet, "Subcommittee Allocations - December 2019".

[Subcommittee Allocations - December 2019](#)

MOTION: Rep. Last moved under Joint Rule 3-2-402(2)(vi) and (vii), to allocate to subcommittees for the 2020 General Session the amounts shown on the yellow sheet titled "Subcommittee Allocations - December 2019" and dated today, December 13, 2019. The ongoing amounts represent the Fiscal Year 2020 budget's ongoing General and Education Fund appropriations, adjusted by actions in the previous motion. The motion passed with a vote of 15 - 0 - 5.

Yeas-15

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Sen. J. Stevenson
Sen. E. Vickers

Nays-0Absent-5

Sen. D. Hemmert
Sen. D. Kitchen
Rep. A. Romero
Rep. M. Schultz
Rep. B. Wilson

6 . Adopt a Base Budget and Direct Preparation of Base Budget Bills

Mr. Steven Allred discussed the adoption of the base budget and preparation of the base budget bills.

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 2020 General Session. Staff shall include in these bills:

1. Ongoing General, Education, and Uniform School Fund appropriations defined in the current year's appropriations acts;
2. The adjustments adopted by the Executive Appropriations Committee today;
3. Reductions and other adjustments adopted by appropriations subcommittees in the accountable budget process during the 2019 Interim;
4. Federal Fund, Dedicated Credit, Restricted fund and account amounts that are the lesser of current year ongoing appropriations or agency budget requests; and
5. 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 16 - 0 - 4.

Yeas-16

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-4

Sen. D. Hemmert
Sen. D. Kitchen
Rep. A. Romero
Rep. M. Schultz

7 . FY 2020 and FY 2021 Appropriations Limit Estimates

Dr. Thomas E. Young, Economist, LFA, reported on the "Appropriations Limit for FY 2020 and FY 2021".

[5-FY 2020 and FY 2021 Appropriations Limit Estimates](#)

Mr. Ball explained the appropriations limit.

President Adams commented on the appropriations limit.

8 . Legislative Compensation Commission Report

Mr. Ronald K. Mortensen, Chair, Legislative Compensation Commission (LCC), introduced members of the Commission.

Ms. Jennifer Seelig, Vice Chair, LCC, thanked agency staff for their hard work.

Mr. Mortenson identified the Commission's four primary recommendations. He discussed recommendation three, that the Legislature consider reimbursing rural legislators for expenses related to constituent services.

[7-2019 Legislative Compensation Commission Report](#)

Ms. Seelig discussed recommendation two, that the Legislature consider publishing the total compensation package for legislators to increase transparency.

Chair Stevenson spoke in support of reimbursing rural legislators for expenses related to constituent services.

Rep. Gibson asked how legislators' hourly wages were calculated on page 11 of the report. Mr. Colby Oliverson, Financial Operations Specialist, GOMB, responded.

Chair Stevenson expressed his appreciation to the Commission for the report.

9 . Washington County Real Property Transfer

Mr. Jim Russell, Director, Division of Facilities Construction and Management, discussed a proposed transfer of ownership of state-owned property in St. George to Washington County. He was joined by Rep. V. Lowry Snow and Ms. Sharmane Gull, Director, Washington County Court Support Services.

[8a-Washington County Real Property Transfer Presentation](#)[8b-Memorandum Re: Washington County Real Property Transfer](#)

Rep. Snow recognized Mr. Brett Peterson, Director, Division of Juvenile Justice Services (JJS), and provided some background information on the repurposing of the JJS detention facility in St. George, Utah.

Ms. Gull pointed out that Washington County has agreed to revert the transfer of property back to the State if the county no longer uses the building for the intended purpose to reinvest in the criminal adult justice system.

Rep. Snow and Mr. Russell commented on transfers made with reversions in real estate.

MOTION: Rep. Last moved to recommend the transfer of ownership of state-owned property in St. George to Washington County, as requested of us today. The motion passed with a vote of 17 - 0 - 3.

Yeas-17

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Rep. A. Romero
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0Absent-3

Sen. D. Hemmert
Sen. D. Kitchen
Rep. M. Schultz

10 . Other Business

Mr. Allred explained four written reports that were required by statute or previous EAC motion to be presented to the EAC.

[9a-Division of Finance Report on Contribution Dependent Accounts, December 2019](#)[9b-Division of Finance Report on State Agency Federal Funds Receipts and Contingencies, FY 2019](#)[9c-Turnover Savings Report, December 2019](#)[9d-Legislative Auditor General Report on Best Practices and Performance Notes, December 2019](#)

Mr. Ball offered some concluding remarks and recognized LFA staff members for their ingenuity, innovation, and intelligence.

MOTION: Rep. Last moved to adjourn. The motion passed with a vote of 16 - 0 - 4.

Yeas-16

Sen. J. Adams
Sen. L. Escamilla
Rep. F. Gibson
Sen. D. Ipson
Sen. J. Iwamoto
Rep. B. King
Rep. K. Kwan
Rep. B. Last
Sen. K. Mayne
Sen. A. Millner
Rep. C. Moss
Rep. J. Moss
Rep. V. Peterson
Sen. J. Stevenson
Sen. E. Vickers
Rep. B. Wilson

Nays-0

Absent-4

Sen. D. Hemmert
Sen. D. Kitchen
Rep. A. Romero
Rep. M. Schultz

Chair Stevenson adjourned the meeting at 2:37 p.m.