

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on March 8, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Dean Newton- excused  
Representative Joe McLeland- excused  
Representative Larry Campbell- excused

Committee staff present:

Alan Conroy, Legislative Research  
J. G. Scott, Legislative Research  
Amy VanHouse, Legislative Research  
Michele Alishahi, Legislative Research  
Julian Efir, Legislative Research  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Duane Goossen, Director, Division of the Budget

Others attending:

See Attached List.

- Attachment 1 BEST Savings in the FY 2005 Budget
- Attachment 2 Transfers from Special Revenue Funds to the State General Fund (SGF) for the FY 2000 through FY 2005 prepared by Legislative Research Department
- Attachment 3 Budget Committee Report on **HB 2582**
- Attachment 4 Budget Committee Report on Department of Wildlife and Parks for FY 2004 and FY 2005

Chairman Neufeld recognized Duane Goossen, Director of the Division of the Budget, who presented a briefing of the Budget Efficiency Savings Team (BEST) reductions in the FY 2005 budget, targeted at the areas of information technology and purchasing, with a ten percent reduction in these areas in each agency's State General Fund (SGF) budget (Attachment 1). BEST is also looking into the areas of facilities management and personnel with recommendations to come at a later date. Mr. Goossen explained that the process is looking at ways to save money across state government.

The Committee voiced concern that fee funds are being swept to the SGF to comply with the BEST reductions, resulting in the agencies requesting an increase in fees to be charged. The Committee felt that if there are excess fees in an agency's fee funds, then perhaps the fees should be reduced or returned to the payee. Responding to a question from the Committee concerning the use of federal funds particularly in the Department of Wildlife and Parks, Mr. Goossen explained that federal funds can not be used to comply with the BEST ten percent reduction but felt this area will need to be monitored to assure that no federal funds are being targeted. Responding to a question from the Committee, Mr. Goossen indicated that the BEST reductions of approximately \$27 million are proposed by the Governor to be used to fund a three percent salary increase for state employees.

A list of Transfers from Special Revenue Funds to the State General Fund (SGF) for FY 2000 through FY 2005, prepared by Legislative Research Department as well as a list of funds that have been borrowed, was distributed to the Committee (Attachment 2).

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on **HB 2582** and moved for the adoption of the Budget Committee recommendation to pass **HB 2582** favorably as amended (Attachment 3). The motion was seconded by Representative

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on March 8, 2004 in Room 514-S of the Capitol.

Osborne. Motion carried.

Representative Schwartz noted that five counties, of the original proposed nine counties, and two cities have agreed to participate in the Horse Thief Reservoir Benefit District project with approximately 92 percent of the potential sales tax funding to be collected in these five counties.

It was noted that the balloon, provided by the Budget Committee, to **HB 2582** should include the section identification of “(f)”, to be added by the Revisor of Statutes.

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on the Governor’s budget recommendation for the Department of Wildlife and Parks for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 with adjustments (Attachment 4). The motion was seconded by Representative Osborne. Motion carried.

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on the Governor’s budget recommendation for the Department of Wildlife and Parks for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 with adjustments (Attachment 4). The motion was seconded by Representative Osborne. Motion carried.

Representative Gatewood, member of the Agriculture & Natural Resources Budget Committee, explained that he chose not to sign the Budget Committee report on the Department of Wildlife and Parks because of his objection to Item No.1 of the FY 2005 report. The Committee noted that it is reported, since the Budget Committee report was finalized, that the Governor has removed the funding for the Circle K Ranch from the FY 2005 budget resulting in possible delay of the project. It was also noted that a Governor’s Budget Amendment (GBA) affecting this project may be forthcoming.

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 9, 2004.

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Melvin Neufeld, Chairman