

HOUSE FINANCE COMMITTEE
THIRD SPECIAL SESSION
November 4, 2015
9:00 a.m.

[9:00:58 AM](#)

CALL TO ORDER

Co-Chair Neuman called the House Finance Committee meeting to order at 9:00 a.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Cathy Munoz
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

None

SUMMARY

CSSB 3001(FIN)

APPROP: LNG PROJECT & FUND/AGDC/SUPP.

CSSB 3001(FIN) was REPORTED out of committee with a "do pass" recommendation.

Co-Chair Neuman reviewed the agenda for the meeting. He indicated amendments would be taken and it was his intention to move the bill out of committee.

[9:01:41 AM](#)

#sb3001

CS FOR SENATE BILL NO. 3001(FIN)

"An Act making supplemental appropriations; making appropriations to capitalize funds; and providing for an effective date."

Representative Kawasaki MOVED to ADOPT Amendment 1
29/GS3812\L3 (Wallace/Martin, 11/3/15) (copy on file):

Page 2, line 3:

Delete "only"

Following "ending":

Insert "(1)"

Following "2016":

Insert "; or

(2) June 30, 2017, if the work is substantially completed during the fiscal year ending June 30, 2016, and the money is obligated during the fiscal year ending June 30, 2016"

Page 2, line 11:

Delete "only"

Page 2, line 12:

Following "ending":

Insert "(1)"

Following "2016":

Insert "; or

(2) June 30, 2017, if the work is substantially completed during the fiscal year ending June 30, 2016, and the money is obligated during the fiscal year ending June 30, 2016"

Page 2, line 19:

Delete "only"

Following "ending":

Insert "(1)"

Page 2, line 20:

Following "2016":

Insert "; or

(2) June 30, 2017, if the work is substantially completed during the fiscal year ending June 30, 2016, and the money is obligated during the fiscal year ending June 30, 2016"

Co-Chair Neuman OBJECTED for discussion.

Representative Kawasaki addressed Amendment 1. He believed requiring work to be completed at the end of the fiscal year ending June 30, 2016 provided a very strict timeline. He referred to prior testimony from David Teal [Director, Legislative Finance Division] who had relayed the language was not typical for an appropriations bill. Subsequently he had listened to testimony in the Senate Finance Committee where it had been conveyed that the work could be completed by the specific date and come back to the legislature at the appropriate time. He believed there were currently "too many cooks in the kitchen" and that the legislature was trying to micromanage the agencies. However, he was comfortable with the legislation if the agencies felt they could handle the timeline.

Representative Gara understood that there had been discussions with the Senate Finance Committee and that the passage of the amendment would result in an extended special session. He did not believe it was smart to tell an agency it had to spend all of its money by the end of the year. He reasoned that an agency would spend all of its money by the end of the year in an inefficient way. He believed it was wiser to direct an agency to spend its money on a schedule that was more efficient. He hoped the practice would not continue during the upcoming legislative session. He did not believe the strategy was fiscally prudent.

[9:04:07 AM](#)

Co-Chair Neuman stated that the governor's original bill did not ask for an extended lapse date. He did not recall ever seeing a time "where we've extended it out past that." He stated that the legislature would address the FY 17 budget during the upcoming session. He believed it was appropriate to address FY 17 requests at that time.

Representative Wilson agreed. She elaborated that the legislature was "going in through our regular budget process." She stated that if agencies needed more money going into the new year there would be the opportunity. She added that the bill would extend the time until the budget process was complete. She did not necessarily believe the department would spend the money just because a deadline was imposed. She elaborated that the legislature would monitor the issue. She appreciated that the money would be coded in a way that would enable the legislature to track

where it was. She wished the same practice was utilized for more of the departments.

Co-Chair Neuman clarified that there would be a tracking code associated with the expenditures in order to ensure the legislature knew where the money went.

Representative Gattis agreed that there were tracking methods. She stated that in any other time she may tend to agree with the amendment; however, there were many unanswered questions. She believed the timing was poor for the amendment. She opined that it was prudent to move forward, track the dollars, and answer the questions as the process moved forward.

Representative Guttenberg believed Amendment 1 was relevant in terms of the dialogue throughout the legislature related to government not knowing how to do business like the private sector. He stressed that government would never succeed at mimicking the private sector. He reasoned that government could do a comparable job (and had) in other places, but he did not believe the committee was starting off on the right track with the current bill. He stated that when significant people had asked how the government funded, the answer had been "by phases." He stated that money had to be spent to get to the next point and at that point the situation was evaluated. He believed the amendment introduced the dialogue about what was the best way to act like a government in a partnership with the private sector. He believed the dialogue was very important. He opined that how the state thought about the issue needed to be changed.

[9:07:39 AM](#)

Representative Kawasaki WITHDREW Amendment 1.

Co-Chair Thompson MOVED to report CSSB 3001(FIN) out of Committee with individual recommendations. There being NO OBJECTION, it was so ordered.

CSSB 3001 was REPORTED out of committee with a "do pass" recommendation.

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ADJOURNMENT

9:08:29 AM

The meeting was adjourned at 9:08 a.m.