Minutes of the Joint Legislative Oversight Committee*
September 29, 2000
House Majority Caucus Room
Boise, Idaho

Co-chair Representative Debbie Field called the meeting to order at 9:00 a.m. Committee members, Senators Atwell Parry, Grant Ipsen and Lin Whitworth, and Representatives Robert Geddes, June Judd, and Margaret Henbest attended. Co-chair Senator Marguerite McLaughlin attended the last part of the meeting by conference call. Staff members Nancy Van Maren, Lewissa Swanson, Paul Headlee, and Margaret Campbell also were present. Staff members Ned Parrish, Jim Henderson, Eric Milstead, Leslie Clement, and Bev Nicholson also attended the meeting in part, as referenced below.

MINUTES

The minutes from the 6/12/00 meeting had been circulated to members and approved by signature of a majority.

ADMINISTRATIVE ISSUES

Co-chair Field reviewed the agenda and proposed that Tab 7 (review of requested report of the Attorney General's analysis of legal issues regarding Fish and Game's automated licensing system acquisition and oversight) be delayed until the next meeting. The Attorney General's Office had provided its written analysis the afternoon before the JLOC meeting. As a result, she felt that members and the contract attorney needed more time to review the materials before discussing the matter. The committee agreed to delay discussion of the issue until the November meeting. Committee members also adjusted the day's agenda to allow them to work through lunch, to accommodate members' schedules.

The committee welcomed Lewissa Swanson and Paul Headlee, recent additions to the performance evaluation staff.

Members considered proposed procedural amendments to the committee rules, as proposed by Senator McLaughlin. The amendments related to motions before the committee and would formalize that: (1) seconds were required to motions; (2) motions to adjourn were non-debatable; and (3) that the cochairmen could seek unanimous consent on any question. These proposals were consistent with rule authority over the committee.

The committee also considered possible modifications to the process of topic selection. At the 6/12/00 meeting, members had begun a discussion of the role of germane committees in reviewing requests for evaluation: one member had suggested involving germane committees more in the process, while others voiced concern that this could result in some requests not being considered by JLOC. In discussing this tabled issue, Representative Geddes voiced concern that involving germane committees further could result in limiting JLOC to accepting topics only when the Legislature was in session.

* As approved by majority of members, Joint Legislative Oversight Committee (per signatures attached).

Members discussed the legislative topic survey and proposed adjustments to the survey process that would: (1) reduce the number of surveys Legislators receive overall, and (2) provide assurance that JLOC is always open to considering the ideas of any Legislator, while (3) not providing the expectation that all topics requested will be conducted. Senator Parry suggested that a letter be provided to all Legislators around the time of the organizational session.

Senator Ipsen moved to send a letter to Legislators after each organizational session inviting Legislators to submit requests for evaluation to OPE for JLOC's consideration, and to accept committee rule changes related to motions (Section II.6.a, b, c, and d) with the agreed-upon word change from "put" to "placed before." Senator Parry seconded the motion.

Representative Geddes asked if the motion limited the submission of evaluation requests to every two years. Members agreed that submission should be at any time, and that nothing in the motion should be construed to constrain Legislator or committee contact with OPE or JLOC at any time.

With the consent of the second, Senator Ipsen amended his motion to clarify that the letter should indicate that requests for evaluation could be submitted at any time. The motion passed unanimously by voice vote.

Senator Whitworth asked if these modifications would impact the rules. **Ms. Van Maren agreed to provide revised language for committee approval at the November meeting.**

PROGRESS REPORTS ON PREVIOUS COMMITTEE REQUESTS

Management Review of the Idaho Commission for the Blind and Visually Impaired

Mr. Ned Parrish, Principal Performance Evaluator, reviewed progress on implementation of the outstanding evaluation recommendation. According to information provided in the recent administration's report, the recommendation appeared to be resolved. In discussion, Senator Parry said he wished the minutes to reflect his compliments to Dr. Michael Graham, ICBVI Administrator, and that, as Co-chair Field had mentioned, he had heard good things about commission operations since Dr. Graham had taken the helm.

Representative Henbest moved that the committee close follow-up work on *Management Review of the Idaho Commission for the Blind and Visually Impaired.* Senator Parry seconded the motion, and it passed unanimously by voice vote.

Alternatives to Incarceration

Ms. Van Maren reviewed the history of JLOC involvement in examining effectiveness at NICI. In response to the *Alternatives to Incarceration* evaluation in December 1997, JLOC had requested the Department of Correction collect data necessary to allow future evaluation of the boot camp program at NICI. In particular, JLOC had relayed interest in being able to assess the comparative effectiveness of the 120-day and 180-day programs at a future date. The department had collected data and had conducted its own evaluation in response to JLOC's requests and proposed evaluation model.

Co-chair Field invited Ms. Patricia Burke, the primary evaluation author from the Department of Correction, to address the committee. Ms. Burke reviewed the three areas of the Department of Correction's evaluation:

(1) Is the 120-day boot camp program at NICI more or less effective than the 180-day program? In brief, the data showed no evidence of any significant difference based on the measures used. Analysis at one year indicated that the 180-day riders had a two percent higher rate of incarceration than the 120-day riders. However, Ms. Burke cautioned that this was too small to show significant difference.

(2) Does completion of the boot camp program at NICI lead to a "more successful" probation than a direct sentence to probation? Analysis showed a slightly higher incarceration rate of NICI riders over probationers at one and two years; however, the percent was so small that it was not evidence of any significant difference. Also, riders may have different risk characteristics than probationers.

(3) How does the success of the boot camp program at NICI compare to the success of retained jurisdiction completed in a community work center or in prison? In this case, Ms. Burke said, the numbers involved were too small to draw any conclusions. Differences in the types of offender and the programs made them difficult to compare.

In conclusion, Ms. Burke said there were not any significant differences at the one-year level. The department will continue tracking data for another year and see if two-year comparisons are more informative. In response to committee questions, Ms. Burke said that a rider leaving the state was put on interstate probation and the other state was assigned jurisdiction. **She did not know the impact of these departures on the study, but could provide this data to the committee later.**

Representative Henbest asked if she had understood correctly that they did not know which program was better or if any was better than others, to which Ms. Burke responded yes. Representative Henbest then asked if they had done any cost-benefit analysis of the NICI program as compared to alternatives. Co-chair Field called on James Spalding, Director, Department of Correction, to respond. Mr. Spalding said the NICI program was effective and that it had a high amount of credibility with judges. He clarified that the results of the analysis showed there was no difference in the two time periods for the rider program; what they could not see is the overall impact on recidivism. Representative Henbest clarified that it appeared the research had shown the incarceration rates were higher for riders—at least, they were not lower than for probationers. As a result, she wondered what evidence the department relied on to say that the program was effective? Director Spalding said riders at NICI had a success rate of 88%. He thought that comparing the riders at NICI to probationers was not a good comparison, as there were differences in the risk levels of these two populations.

Senator Ipsen said he had visited NICI and had been impressed with the program. He said he thought that if the two time periods were equally effective, the shorter time period was better, as it would give more people a chance to participate. Representative Henbest said she was interested in measures of success for the program, such as the number who successfully get their GEDs and the number who remained drug free. Had the department done any evaluation to look at these measures? Or compared the NICI program and its outcome measures to other states?

Director Spalding said they had been restructuring the NICI program over the last two years using the "What Works" in corrections resources. Using the "What Works" orientation, they had also begun looking at program completion for inmates. People were starting to insist on "results-oriented beds."

Senator Ipsen moved that the department continue studying the effectiveness of the NICI boot camp and provide another report to JLOC in a year with additional results. Also, JLOC should forward the results and further updates to the germane committee chairs. Senator Whitworth seconded the motion.

In discussion, members added that they hoped the department would focus on additional measures of success, such as not returning to prison, completing high school, improving literacy, being drug and alcohol free, as they continued their research, and, if possible, compare the NICI program to programs in other states. They asked the department to continue to search for alternatives to building new prisons.

The motion passed unanimously by voice vote.

Co-chair Field announced that the committee would hear another progress report related to the evaluation of morale and turnover at the Department of Correction at the November JLOC meeting.

A Limited Scope Evaluation of Issues Related to the Department of Fish and Game

Mr. Ned Parrish summarized evaluation results: the one recommendation—that legislative appropriators appropriate funds for only one of the two methods of tracking deer and elk harvests that had been used—had been implemented. Subsequently, the commission decided to use a third method of collecting harvest data from sportsmen. Under this approach, only successful hunters were asked to report, and there were no established mechanisms for enforcement.

Committee members asked how the new reporting method would affect costs. Mr. Parrish said the costs may be similar to one of the original methods, because the steps involved were similar. However, it was possible that data entry costs could be slightly lower, with only successful hunters reporting.

Co-chair Field called on Mr. Steve Barton, Administration Bureau Chief, Department of Fish and Game, who said the commission had made the decision to use the new method of collecting data. Senator Whitworth said the new method did not look like it would provide good results. He wondered who could give JLOC an answer as to why this method was selected. Co-chair Field suggested inviting the commission to respond to this question at the next meeting.

Senator Whitworth moved to invite the Fish and Game Commission to explain their selection of this new method for collecting harvest data at the next meeting. Representative Henbest seconded the motion and it passed unanimously by voice vote.

The committee took a short break.

REPORT RELEASE: PASSENGER VEHICLE PURCHASE AUTHORITY AND PRACTICE IN SELECTED STATE AGENCIES, FISCAL YEARS 1999–2000

Ms. Van Maren summarized for the committee the origin of the limited scope follow-up evaluation. The scope, originally intended to reassess the management of state passenger vehicles, was narrowed last June to agency vehicle budgeting and purchasing practices, after the Governor proposed to issue an executive order to provide agencies standards for managing their fleets. **By unanimous consent, the committee voted to receive the report.**

Mr. Eric Milstead, Senior Performance Evaluator, presented a summary of the findings and recommendations of the report and responded to questions from the committee.

Representative Henbest asked why many agencies had purchased more vehicles in the last two years than appropriated in light of the October 1998 report finding that agencies owned more vehicles than needed. Mr. Milstead said this limited-scope evaluation did not review vehicle use as the 1998 report had. However, the Governor had indicated he intended to issue an executive order that would outline management standards for agency fleets, and that it was anticipated it would address some of those issues.

The committee asked about the advantages and disadvantages to centralized state motor pools. Mr. Milstead said the October 1998 report found some other states thought it was more efficient to operate under a state motor pool. Ms. Van Maren clarified that, at the release of the last report, the committee felt that standardized fleet management policies could result in many benefits similar to a state motor pool. Co-chair Field said the committee was looking forward to seeing the outline of statewide policies in the Governor's executive order.

Senator Ipsen said he recalled the October 1998 report found there were low mileage vehicles in agency fleets that were seldom driven. Was that still the case? Mr. Milstead said vehicle use and mileage was not within the scope of the evaluation. However, during the 1998 review, officials in one agency said they had to retain a large number of low-use vehicles in the event they ever had to give up their leased vehicles. However, at the end of the lease (during the review period of this evaluation), the agency purchased approximately the same number of vehicles as those they had leased and then given up. Representative Geddes said JFAC had been diligent in asking agencies about low mileage vehicles, but were told frequently that these vehicles were special-use vehicles.

Co-chair Field invited Mr. Brad Foltman, Budget Bureau Chief, Division of Financial Management, to address the committee. Mr. Foltman said the executive order from the Governor had not been issued yet, but he believed it would materially help resolve several fleet management issues. Mr. Foltman said additional changes were underway even beyond the executive order. For example, he said that due to the efforts of the JFAC co-chairs and Division of Financial Management, the Department of Health and Welfare had submitted a detailed capital outlay request for FY2002, unlike previous years. In response to questions, he said the order would address the need for better maintenance coordination at the agency level. It would not impose a vehicle mileage requirement, but would allow agencies flexibility in regards to special use vehicles. A draft of the order was in the Governor's office, and although Mr. Foltman did not know the exact release date, he believed it would be soon.

Mr. Foltman added that the Division of Financial Management's role in approving transfers of funds between object codes had not been addressed or challenged as being contrary to Idaho Code, and its role did not seem to be an issue with agencies. Representative Geddes asked if formally

giving approval authority to the Division of Financial Management could create a process by which agencies circumvented the legislative appropriation process. Mr. Foltman said that the division ensured agencies had adequate justification for object transfers. The state accounting system was set up to require the Division of Financial Management's approval for transfers. Representative Geddes added that Division of Financial Management had been supportive of the legislative appropriation process. Though they don't have to, the Division of Financial Management provided JFAC information on non-cogs each year.

Representative Henbest said she was concerned that vehicle management issues had not been resolved despite the 1998 report, the current report, and the proposed executive order. She thought there needed to be continued JLOC oversight on how the executive order affected management of agency vehicles. She said there were many unanswered questions, such as whether the state owned more vehicles than necessary.

Representative Henbest moved to continue oversight of passenger vehicle purchases and use (including mileage and maintenance issues) a year after the release of the executive order. Senator Parry seconded the motion, stating he would do so with the understanding that this subsequent report would go into more detail than the present one. The motion passed unanimously by voice vote.

In response to a comment by Representative Henbest that the state may want to consider the pro's and con's of a central motor pool, Senator Ipsen said the state used to have a central motor pool, but it had failed. He said he thought there were technological tools available that could help the state track vehicle use. Ms. Van Maren said some agencies already used a gas card that made it possible to track some information about vehicle use. However, not all agencies participated, and some agencies did not use the cards in such a way to allow the collection of data.

In response to committee questions, Mr. Milstead said that many years ago, the state motor pool was discontinued, primarily because it was voluntary and few agencies had elected to participate in it. Senator Ipsen said that while he was not advocating micro-management, he was concerned with growth in the number of owned passenger vehicles (as reflected in the current report).

By unanimous consent, Co-chair Field called on Steve Barton, Administrative Bureau Chief of Idaho Department of Fish and Game, to address the committee. Mr. Barton stated that information gathering costs money. The department has been proceeding with its own fleet management system, partly to address JLOC's concerns and partly in response to the initiative presented to the committee last June. However, the department's efforts—which entail the addition of an internal leasing system—are only possible because of the availability of funds (through the recent fee increase). In his research for the department's new system, he had learned that many states purchased fleet management software centrally and allowed each agency to use it in maintaining an internal fleet management system.

Representative Judd asked if there were guidelines governing personal use of state vehicles, as in when an employee drives a state vehicle to his residence. Mr. Foltman said policies would vary by agency. In one law-enforcement type agency, personal use of vehicles had been curtailed. The committee asked if there were checks and balances in place to provide assurance of this. Mr. Foltman said it was up to the agency to monitor, although the Governor's office followed-up on any complaints it received.

For the record, Senator Ipsen said he did not necessarily advocate a centralized motor pool. Rather, he advocated the need to address and reduce inefficiencies. Agencies should have sufficient flexibility and use state resources effectively.

Co-chair Field asked Mr. Foltman if the minutes from today's meeting could be given to the Governor to relay the committee's discussion and level of concern while finalizing the executive order. She also asked whether the executive order would be issued by the November 28 meeting, so that JLOC could track and review fleet issues a year later. Mr. Foltman said that he thought these requests would be possible and would suggest OPE work with the Governor's office on issues related to the executive order.

Senator Parry said he was concerned about the Board of Examiners recommendation. The Division of Financial Management was doing a good job, but he wondered what could happen that would cause an agency to need an emergency transfer of appropriation. Mr. Foltman provided examples, including an agency whose leased vehicles were returned to the dealer following termination of the state's lease contract. That agency then purchased replacement vehicles outside the formal budgeting and appropriation process. In response to further questions, Mr. Foltman said emergency transfers between object codes were unusual at the magnitude shown in this example.

Senator Parry asked Mr. Foltman if he thought there was any need to change current Idaho Code provisions related to the Board of Examiners. Mr. Foltman said he thought the current arrangement should be formalized, but that this could potentially be accomplished without a statutory change. The Board of Examiners had deferred authority over object code transfers to the Governor, and the Division of Financial Management was fulfilling that role on the Governor's behalf.

Senator Parry asked that the minutes reflect that he understands that emergencies arise. At the same time, if a lot of these emergencies were allowed, it would destroy the intent of the budgeting process. He wanted to thank the Division of Financial Management, as had Representative Geddes earlier, for the good working relationship with JFAC. It was JFAC's desire to work with agencies without providing loopholes.

Representative Henbest moved to refer this evaluation report and the 1998 report to JFAC and the Senate and House State Affairs committees for further review. Senator Whitworth seconded the motion and it passed unanimously by voice vote.

STATUS REPORT: EVALUATION OF SELECTED STATE MEDICAID PROGRAM ISSUES

Ms. Van Maren provided a report on progress in the Medicaid evaluation that had been funded during the last days of the session. She said the scope had been developed through focus groups involving over 130 individuals across the state and approved by JLOC at the June 12, 2000 meeting. To conduct the evaluation, OPE contracted with Sjoberg+Evashenk, as project managers, and the Lewin Group, Medicaid experts. The consultants had mobilized very quickly, and fieldwork had begun in June. The contractors' focus has closely mirrored the proposed scope. OPE had been pleased with the level of communication with both the office and the Department of Health and Welfare. She added that the department had been very cooperative, responding promptly to requests for data, documentation, and interviews. In terms of an update on the evaluation budget, although an amount had been withheld to cover contingencies, things were right on target, with no

overruns foreseen at this juncture. The report release was scheduled for November 28, during which time the consultants would be available to the committee and others present.

Co-chair Field relayed the committee's gratitude to the consultants for their hard and fruitful work. She asked the committee if it was their pleasure to invite other committees, such as the germane committees or JFAC, to the release. **In discussion, it was decided that the co-chairs would send a joint letter inviting JFAC members and members of the Senate and House Health and Welfare Committees to attend the report release.**

Co-chair Field invited Mr. Karl Kurtz, Director, Department of Health and Welfare to address the committee. Mr. Kurtz reported that the contractors had been very professional in their conduct of their evaluation. He was pleased with the progress to date and looked forward to the report recommendations. In response to committee questions about Veterans' benefits, Mr. Kurtz said the evaluation scope was limited to state issues and did not include review of issues under the authority of the federal Veteran's Administration.

The committee took a break for lunch.

CONSIDERATION OF JLOC BUDGET ISSUES

Senator Marguerite McLaughlin joined the remainder of the meeting by conference call.

Ms. Van Maren reviewed the status of JLOC's FY2000 budget, including the supplemental appropriation for the evaluation of Medicaid. She reported that OPE had been able to cover all but $1,100 of the costs of remodeling OPE's office for the additional staff. This remaining amount would be paid from FY2001 funds.

Co-chair Field reminded the committee that the Speaker had determined that JLOC's budget request would no longer be forwarded to Legislative Council. Instead, it would go straight to JFAC for consideration. Ms. Van Maren reviewed the proposed FY2002 maintenance budget. Co-chair Field asked Cathy Holland-Smith, Senior Budget Analyst, Budget and Policy Analysis, to respond to committee questions. Ms. Holland-Smith said the maintenance budget represented less than a two percent increase from the last year's base appropriation.

Representative Henbest moved to accept the proposed budget request for FY2002 and forward it to JFAC. Representative Judd seconded the motion and the motion passed unanimously by voice vote. Senator Parry and Representative Geddes, as co-chairs of JFAC, abstained from voting.

Senator Parry was excused from the remainder of the meeting.

TOPIC SELECTION

Ms. Van Maren reviewed for the committee the list of current and recently expired (over nine months old) requests for evaluation. Staff resources were available to begin one new topic in October and another one or two in December. Depending on the scope of the evaluations, the committee could select two, possibly three, new evaluations today.

Co-chair Field distributed a copy of a request from the Secretary of State related to the Parole Commission. In discussion, members said they would expand the focus from parole to examine what the state does to rehabilitate offenders to prepare them for release. Ms. Van Maren clarified that the Department of Correction had responsibility for inmate programming, while the Parole Commission had responsibility for offender release, and that their reporting lines were different. As a result, should the committee select an evaluation of this topic, it could involve both agencies and both processes. Representative Henbest said she thought that lack of cooperation between these two entities could be part of the problem in not getting offenders prepared for release. She did not want an evaluation to focus uniquely on parole—would parole and rehabilitation be two arms of the same study or two studies? Representative Judd added that she thought the evaluation should look at the coordination of rehabilitation efforts. Ms. Van Maren agreed to develop a proposed evaluation scope for review and approval (with adjustments made as needed) by the committee in October, so that work could begin well before the November meeting.

Senator Whitworth moved to conduct an evaluation of the parole process (along the lines of the questions posed in the request) and program efforts to rehabilitate inmates in the Department of Correction. Senator McLaughlin seconded the motion and it passed unanimously by voice vote.

In considering a second evaluation topic, the committee discussed the pros and cons of requesting an evaluation of school district consolidation. Representative Henbest said she thought the focus should more appropriately be on the variability in resources available to districts. Representative Geddes called the committee back to one of the topic selection criteria—did the state have control over this issue? Senator Ipsen said he thought boundaries had been drawn during an era when the state's technology was severely restricted. An evaluation of school district lines, highway district lines, and even a restructuring of the State Treasurer's office, could give lawmakers something to work with in developing efficient alternatives to current organizations.

Senator Whitworth distributed copies of a phone bill that included excessive collect charges from an inmate at a correctional facility. The committee discussed recent media attention to the practice of prisons "making money" from inmates' phone calls. Representative Judd said that, given the number of calls recorded on a single day on the phone bill in their hands, she was concerned that inmates were out of their cells so much each day.

Senator McLaughlin moved to conduct a limited scope evaluation of inmate access to phones and phone rates in correctional facilities, to include an answer to the question whether the department was "making money" from inmate phone calls. Representative Judd seconded the motion and it passed unanimously by voice vote.

The meeting adjourned at 1:15 p.m.