

Minutes of the Joint Legislative Oversight Committee
February 4, 1999
Senate Majority Caucus Room, Statehouse
Boise, Idaho

Co-chair Senator Marguerite McLaughlin called the meeting to order at 12:25 p.m. Committee members Senators Atwell Parry and Lin Whitworth, and Representatives Robert C. Geddes, June Judd, and Larry C. Watson were in attendance. Staff members Nancy Van Maren and Margaret Campbell also were present, as were staff Ned Parrish, Jim Henderson, and George Gorsuch.

Co-chair McLaughlin opened the meeting with a review of the minutes. **Senator Whitworth moved to approve the minutes of the October 9, 1998 meeting and Senator Parry seconded the motion. The motion passed unanimously by voice vote.**

BACKGROUND PAPER RELEASE: *STATE FUNDING OF HEAD START*

Mr. Jim Henderson, Performance Evaluator, reviewed the background information and potential evaluation issues of the background paper and responded to questions from the committee. Committee members discussed how many qualified children were not participating in Head Start, the impact on federal funding if the state provided funding, and whether federal Head Start funding was a set amount or based upon the number of children enrolled.

Representative Geddes moved to accept the background paper. Senator Whitworth seconded the motion and it passed unanimously by voice vote.

CONSIDERATION OF RECENT REQUESTS FOR EVALUATION

Ms. Van Maren made the committee aware of four requests for evaluation they had recently received. A full review of these requests with the results of the legislative survey was scheduled for the next JLOC meeting, when the committee could select the next topics for evaluation.

Delivery of Community College Services in Idaho

By unanimous consent, Co-chair McLaughlin called on Representative Doug Jones to address the committee regarding his request for an evaluation of the delivery of community college services in Idaho. Representative Jones explained the need to more clearly defining the role the community colleges serve. He said he thought an evaluation was needed to identify the comparative costs of community college functions at community colleges and four year institutions and to determine where efficiencies may be possible. The committee had few questions, saying they would consider the request further at the next JLOC meeting.

Administration of Public Works Projects

Ms. Van Maren reviewed a request for an evaluation of the Division of Public Works' role in administering public works projects and the cost of projects it oversees. Potential evaluation issues included a cost comparison of projects overseen by the Division of Public Works and those

overseen by agencies themselves, an analysis of the division's costs over the last three years, and agency satisfaction with the services the division provides.

Examination Rates of the Department of Insurance

Ms. Van Maren reviewed a request for evaluation of the examination rates of the Department of Insurance. She explained that concerns had been brought to JLOC about the costs of required actuarial reviews and examinations, and that the costs may be causing an undue burden on insurance companies. Further, concerns had been expressed that these requirements may, in part, duplicate requirements for annual audited financial statements and actuarial reviews. An evaluation could examine requirements, whether the rates charged by the Department of Insurance are appropriate, and how the department selects examiners and actuarial firms.

Electrical Bureau of the Division of Building Safety

Finally, Ms. Van Maren reviewed a letter received from the Chairman of the House Business Committee and several committee signatories, requesting an evaluation of the operations of the Electrical Bureau within the Division of Building Safety. The request sought recommendations on improving the efficiency and operations of the bureau, particularly in light of a requested fee increase before the Legislature this session.

Committee members discussed the timing of an evaluation, noting that the fee increase was currently proposed and topic selection would not occur until May. Committee members also considered whether to expand the request to the full Division of Building Safety. Representative Watson mentioned that the idea of an interim committee to look at building safety and public works, etc. was also being discussed. Senator Parry suggested that OPE do a background paper on the Electrical Bureau to provide immediate information. Then, an interim committee, if selected, could develop it further or, at topic selection in May, JLOC could consider a full evaluation that could also cover the Division of Building Safety.

Senator Parry moved that OPE do a background paper on the Electrical Bureau to be released as soon as possible. Representative Watson seconded the motion and it passed unanimously by voice vote.

UPDATE ON DEC. 1997 JLOC REQUEST TO THE DEPARTMENT OF CORRECTION

Ms. Van Maren reviewed the three requests JLOC had made of the Department of Correction at the release of the evaluation on alternatives to incarceration in December 1997: improvement of the data available to evaluate the effectiveness of substance abuse treatment in the prisons; improvement of the collection and maintenance of offender data; and collection of data that would allow an evaluation of the effectiveness of the boot camp program at NICI, especially the comparative effectiveness of the 120 vs. 180 day programs.

The Department of Correction had reported some progress in each area. However, it was not possible to determine the extent of the progress without further follow-up work.

Senator Parry moved that OPE gather additional information from the Department of Correction. Representative Judd seconded the motion and the motion passed unanimously by voice vote.

In discussion, committee members agreed that they needed more information than was provided and asked that OPE provide a brief follow-up on the status of the department's progress at the next meeting. They also said that OPE should be aware that the Department of Correction was responding to a number of requests currently, and to moderate follow-up activities appropriately.

CONSIDERATION OF PROPOSED RULE REVISION—FEDERAL MANDATE REVIEW

Ms. Van Maren presented the committee rules for adoption at this first meeting of the new Legislature. In addition, at the direction of Speaker Newcomb, a request for OPE to take on a new responsibility—reviewing “federal mandates” for germane committees—had been drafted as a proposed rule change for the committee's consideration.

Co-chair McLaughlin invited Representatives David Callister and Bill Sali to present the proposal to the committee. Representative Callister explained that federal funds accounted for a large percentage of the state budget, and a number of bills were passed each year because agencies said they were federally mandated. The Legislature needed some way of discerning the difference between bills that are actual federal mandates and those that are simply policies an agency advocates.

Representative Sali explained the proposed amendment to the committee's rules: at the request of a standing committee chair, the Office of Performance Evaluations would do a thorough and objective review of a federal “mandate,” including its requirements and budgetary impact, and report back to the standing committee, with copies to JLOC members. He said this proposed additional responsibility was presented without any additional funding or staff. However, it would present additional work and would require OPE to either reduce its other work or expand staff.

Ms. Van Maren said that after the office had been presented the initial idea, she and staff had discussed how it might best be approached. A thorough approach would involve three tiers:

- An evaluation and/or inventory of current federal mandates in the state, conducted as a performance evaluation. This would be selected at the next JLOC meeting and completed prior to the next legislative session.
- Annual updates of new mandates on the state, presented as a brief written report prior to each legislative session.
- Individual federal mandate reviews conducted in response to standing committee requests, often in conjunction with proposed legislation, during the legislative session.

In discussion, committee members voiced concern that information on every situation involving federal funds coming before JFAC could be questioned and sent to OPE. They asked if this additional work could be done with OPE staff, to which Ms. Van Maren responded that other OPE responsibilities would have to be postponed or dropped if additional resources were not added. In this case, she envisioned the co-chairs' approval of a “priority report” to ensure that resources had been directed to the highest priority activities. Committee members also briefly discussed how requests from several committees could be prioritized, and JLOC's role in this new responsibility.

Co-chair McLaughlin said she thought the proposal was a good idea but would hesitate to act without knowing how leadership felt about the proposal. She suggested that the committee consult leadership and reconsider the proposal at the May meeting.

Senator Parry moved that the committee operate under previous rules until the May meeting when members can review the federal mandate proposal more thoroughly. Senator Whitworth seconded the motion and the motion passed unanimously by voice vote.

In an amendment to a previous motion,

Senator Parry moved that the Electrical Bureau background paper be released through the co-chairs. Representative Geddes seconded the motion and the motion passed unanimously by voice vote.

The meeting adjourned at 1:30 p.m.