MINUTES
(Subject to Approval by the Council)
Legislative Council
Friday, October 27, 2017
8:00 A.M.
W433
Boise, Idaho

Legislative Council members in attendance were Chairman Pro Tem Brent Hill; Senators Steve Bair, Steve Vick, Michelle Stennett, Cherie Buckner-Webb, and Grant Burgoyne; and Representatives Mike Moyle, Clark Kauffman, Jason Monks, Mathew Erpelding, Phylis King, and Paulette Jordan.

Also in attendance were LSO staff: Eric Milstead, Terri Kondeff, Michelle O'Brien, Glenn Harris, Chad Sherfick, Mike Nugent, Amanda Rickard, Olivia Johnson, April Renfro, Heidi Carey, Ryan Willis, Laura Johnston, Carlyce Fisher, Paul Headlee, Maggie Smith, Jill Randolph, Keith Bybee, and Robyn Lockett; MaryLou Molitor, Idaho House of Representatives; Mary Sue Jones and Jennifer Novak, Idaho Senate; Rakesh Mohan and Lance McCleve, Office of Performance Evaluations; Senator Chuck Winder; Phil Hainschild, Idaho Freedom Foundation; Betsy Russell, The Spokesman Review; Carlie Foster, Lobby Idaho; Max Pond, Idaho Realtors; Seth Ogilvie, Idaho Public Television.

Pro Tem Hill called the Legislative Council to order at 8:16 a.m.

Pro Tem Hill acknowledged the passing of Senator John Andreason, whose funeral was today. Pro Tem Hill and the Legislative Council (Council) wished Senator Andreason's family their best.

Senator Bair moved to approve the June 16, 2017, minutes, seconded by Senator Buckner-Webb, and the motion passed by unanimous voice vote.

Filling Legislative Council Vacancy

Pro Tem Hill acknowledged Senator Bart Davis' departure and appointment as U.S. attorney. Senator Chuck Winder was recommended to fill Senator Davis' seat on the Council until the Legislature elects a new majority leader. Senator Bair moved to approve the temporary appointment of Senator Winder to the Council, seconded by Senator Stennett, and the motion passed by unanimous voice vote. In referencing the Legislative Calendar, Representative Moyle noted that the new Senate majority leader election would take place on the first day of the 2018 Legislative Session.

Director's Report

Introduction of New Staff
Eric Milstead, Director, Legislative Services Office (LSO), introduced new LSO staff: Chad Sherfick, Systems Analyst, Information Technology (IT) Division; Amanda Rickard, Research Assistant, Legislative Library, and Olivia Johnson, Editor, Research & Legislation Division; Jill Randolph and Maggie Smith, Analysts, Budget & Policy Division; Ryan Willis, Carlyce Fisher, Laura Johnston, and Heidi Carey, Staff Auditors, Audits Division. Director Milstead also reintroduced Brooke Brourman, who is returning to LSO as the Public Records Coordinator/Research Specialist for Central Administration.

Approval of Fiscal Year 2018 Strategic Plan
Director Milstead reviewed the recommended revisions to the fiscal year 2018 Strategic Plan, which included updating dates, adding language that legal research assistance was provided to LSO staff attorneys, and striking obsolete language referencing data available on CD.

Senator Buckner-Webb moved to approve the fiscal year 2018 Strategic Plan, seconded by Representative Erpelding, and the motion passed by unanimous voice vote.

Approval of Fiscal Year 2019 Budget Request
Director Milstead reviewed LSO's fiscal year 2019 budget request of $7,771,800, which included

a reduction of healthcare costs, replacement of Audit staff laptops, statewide cost allocations for services provided by the State Controller and State Treasurer, and a 1% placeholder for change in employee compensation. The budget included one line-item: the addition of $44,500 (General Fund) to staff and operate the Legislature's Information Center and Copy Center. This line item reflects the decision that LSO should have the fiscal responsibility and authority to run the two centers. For the past several years, LSO billed the Senate and House for the costs of running the two centers. Director Milstead stated that the existing Memorandum of Understanding (MOU) will be redrafted to reflect the change. Pro Tem Hill remarked that the money should be where the accountability is.

Senator Burgoyne moved to approve the fiscal year 2019 budget request, seconded by Representative Kauffman, and the motion passed by unanimous voice vote.

Legislative Branch Biennial Audit Request for Proposal (RFP) Process

Terri Kondeff, Chief Operations Officer, LSO, explained that Senate Bill 1105 (2013), changed the Legislative Branch audit cycle from annual to biennial and placed management of the audit under Legislative Council. She advised that proposals for two consecutive biennial audits, fiscal years 2017-18 and 2019-20, will be mailed to Certified Public Accountant (CPA) firms in November 2017, with a deadline to submit in January 2018. Selections will be made by the Council in February 2018, and audit work will commence in September 2018. Representative Kauffman asked how the proposals were scored. Ms. Kondeff responded that a scoring matrix that included experience and cost would be used.

Joint Rules Cleanup; Discussion of 2018 End-of-Session Process

Discussion of Cleaning Up Current Joint Rules

Director Milstead noted inconsistencies between printed joint rules and their authorizing resolutions. He stated that 12 or 13 rules had minor inconsistencies, such as capitalization and punctuation; whereas Joint Rule 4 had significant inconsistencies. Director Milstead recommended a concurrent resolution to make those corrections. Pro Tem Hill asked if majority and minority leaders and Judiciary Rules Committee chairs could manage that process. Representative Moyle agreed. Senator Winder requested the Senate Secretary's input. Jennifer Novak, Secretary of the Senate, suggested adopting the joint rules, making a unanimous consent request for the corrections, providing copies of the corrections to members, and presenting a concurrent resolution to adopt rules as corrected, then codified in the journal.

Discussion of Draft Joint Rule 23

Director Milstead reviewed draft Joint Rule 23, which would provide for an administrative session and provide a road map for presenting bills to the Governor before sine die without impacting the session. Director Milstead explained that the Legislature would adjourn or recess at the completion of the session and reconvene for administrative matters only and to present all bills to the Governor prior to adjourning sine die. He added that each house would receive a report of bills being presented to the Governor.

Senator Stennett asked if a two-thirds vote would be necessary to adjourn the administrative session. Director Milstead responded that adjournment of the administrative session could be at sine die. Pro Tem Hill added that the Legislature would still be in session and would not require a two-thirds vote.

Senator Burgoyne recommended adding "temporarily" or "until sine die" to clarify adjournment and thought that some language in the draft joint rule was vague. He suggested that each house coordinate its veto process since the result in one could affect the other. Senator Burgoyne asked if the report of bills would come from the Governor. Ms. Novak confirmed the Governor's Office current practice of time stamping delivered bills. Director Milstead added that further discussion was still needed to tighten up the process. Pro Tem Hill clarified that the draft rule would not impact the veto process, but would provide a framework for an administrative session to deal with potential vetoes. He additionally agreed that revisions were still needed. Senator Winder pointed out that current rules do not prevent the Legislature from doing this, but thought the process should be

more specific. He also recognized Senator Davis for drafting the language. Senator Winder requested that both houses consider the draft rule as a guide during the 2018 Legislative Session. Pro Tem Hill agreed and noted that bills can be presented by anyone at any time. He added that the draft rule was for the Council's consideration and action was not required.

Senator Burgoyne stated that the draft rule should be passed at the beginning of the session to provide guidance and suggested that the current administrative rules review process be held during the administrative session. Senator Bair inquired of the time frame for the administrative session. Ms. Novak responded that it depended on the amount of legislation. The administrative session would allow the Legislature to handle vetoes before sine die. He added that moving rules review to the end of this session was unlikely, as rules typically result in legislation.

Representative King and Senator Burgoyne expressed concern over legislators being paid while potentially doing nothing. Pro Tem Hill acknowledged that as a consequence. Senator Burgoyne suggested using that time productively, such as for passing resolutions. Senator Vick asked if adjourning for a longer period of time would avoid the pay issue and if constitutional amendments could address the sine die issue. Director Milstead responded that adjourning without pay could be difficult without knowing related personnel rules, but would research the matter further. He reminded the Council that the administrative session could potentially be only a half day in length.

Representative King stated that vetoes seemed to be the issue. Pro Tem Hill clarified that the purpose was to address the transmittal of bills before sine die. Senator Vick asked if a specific reconvene date could be set to allow legislators to go home. Pro Tem Hill responded that both bodies must consent to an adjournment of more than three days. Representative Moyle cautioned the Council that a rule would supersede the constitution and that it only takes a majority to sine die.

2018 Legislative Session Plans

Pro Tem Hill reviewed the 2018 Legislative Session calendar and highlighted March 9, 2018, as the target date to complete the Joint Finance Appropriation Committee's (JFAC) budget setting and March 23, 2018, as the target date to complete session business and that no additional bills would be presented following that date. He noted that the clock would run until the March 27, 2018, sine die target date. Representative Moyle suggested and Senator Burgoyne agreed that moving up the budget-setting date by one week could allow an earlier sine die. Senator Bair replied that the JFAC process had significantly improved, but if the process were sped up it would only allow legislators to have a cursory understanding of each budget. Representative Moyle noted that JFAC still finishes earlier than the targeted completion date. Representative King responded that JFAC spends a lot of extra time, including lunch hours, reviewing budgets and agreed that speeding up the process would not be good. Pro Tem Hill asked if budgets were reviewed before the agency hearings. Representative King and Senator Bair both confirmed that budget reviews were done prior to hearings and would not want the budget completion date moved up. Director Milstead added that compressing the calendar would put additional pressure on LSO staff and increase the likelihood of mistakes. Representative Erpelding stated that shortening the calendar would also put pressure on legislators to vote on topics they have not fully reviewed. Paul Headlee, Division Manager, LSO Budget & Policy Analysis Division, added that analysts needed prep time to prepare packets and gather information, but would consider ways of trimming time off the hearing process.

Senator Burgoyne expressed concern with the budget setting completion date being five days after the March 5 transmittal deadline. Senator Bair commented that larger bills are often the cause of delays, not the JFAC budget-setting process itself.

Pro Tem Hill referenced the plenary session on February 9, 2018, that will include a nonpartisan presentation by Dr. David A. Moss, Ph.D., Professor of Business Administration at Harvard Business School, on federalism and how circumstances at the time that the constitution was written affected the constitution.

State Budget Update

Paul Headlee, Division Manager, LSO Budget & Policy Analysis Division, stated that for fiscal year 2017, the estimated ending balance of $73.4 million was met; $55 million above that was subjected to the surplus eliminator (Senate Bill 1206), which splits the surplus 50% to the budget stabilization fund and strategic initiative program (SIP). The 50% was transferred to the Budget Stabilization Fund; however, due to an issue in Senate Bill 1206, the 50% to the SIP remains in the General Fund and will require legislative action to transfer. The adjusted ending balance for fiscal year 2017 was $100.9 million.

Mr. Headlee reported that the General Fund beginning balance for fiscal year 2018 was $103.5 million, which included $100.9 million carried over from fiscal year 2017 plus $2.6 million reverted from the Department of Health and Welfare. Forecasted revenues are ahead by $147.7 million at $3.608 billion, with a beginning balance of $3.712 billion and forecasted appropriations ending balance of $211.5 million. Mr. Headlee noted that current mid-year adjustments were submitted by agencies along with their fiscal year 2019 budget requests. The total revenue and beginning balance after mid-year adjustments was $3.610 billion, less estimated appropriations of $3.485 billion, leaving a total forecasted ending balance of $124.8 million at the end of fiscal year 2018. Mr. Headlee noted that the withdrawal in July 2017 of $20.6 million from the Public Education Stabilization Fund (PESF), as required by Senate Bill 1041, could be an obligation.

Mr. Headlee stated that fiscal year 2019 forecasted revenues would not be available until January 2018. Based on a 20-year average rate of growth, revenues were estimated to increase by 4.61%, totaling $3.775 billion, minus three transfers totaling $103.4 million, including $102 million for the Controller's Office to modernize the statewide accounting system, leaving $3.796 billion available in revenues. Appropriations were estimated at $3.735 billion, which included $137.8 million in maintenance and $164.3 million in transfers, for an estimated ending balance of $61 million - an 11.3% use of general funds. Mr. Headlee reviewed the entire fiscal year 2019 state budget request for general, dedicated, and federal funds totaling $8.335 billion - a 5.4% increase.

Pro Tem Hill asked if Health & Human Services and Health & Welfare were equivalent. Mr. Headlee responded that Health & Welfare was a portion of Health & Human Services, and Health & Human Services included the Health Districts, which were not part of Health & Welfare. Senator Vick asked if transfers to dedicated funds could be tracked as expenditures. Mr. Headlee responded that expenditures could be tracked as dedicated fund expenditures, not general fund expenditures. Senator Burgoyne asked what the percent change was in total appropriation of federal funds. Mr. Headlee responded that the original appropriation was set at sine die, whereas the total appropriation included mid-year appropriations and adjustments. Senator Burgoyne asked for clarification that fiscal year 2019 revenues, appropriations, and adjustments were estimates. Mr. Headlee confirmed and added that mid-year adjustments would not be known until fiscal year 2020.

Interim Committee Updates

Administrative Hearing Officer Interim Committee

Katharine Gerrity, Deputy Division Manager, LSO Research & Legislation Division, reported that the committee had one meeting with one more scheduled. Committee members were briefed on draft legislation based on Senate Bill 1155 (2017) proposing to update the Administrative Procedures Act and adopt portions of the Uniform Act on Administrative Procedures to enhance hearing officer impartiality and due process in contested cases. Written and verbal testimony was taken from multiple state agencies. The committee was also considering the potential use of a central panel system and heard phone presentations from a panel of administrative law judges from Alaska, Colorado, and Illinois. Ms. Gerrity concluded that a subcommittee was assigned to review draft legislation, testimony, and comments, and will report back to the committee at the next meeting. Senator Vick expressed confidence that the next meeting will be the last. Representative King asked

if testimony would be taken at the next meeting. Senator Vick responded that testimony will be taken relative to the draft legislation only.

Natural Resources Interim Committee

Ms. Gerrity stated that the committee will meet in November and will receive updates from the Department of Water Resources, Departments of Lands and Fish & Game, on the Columbia River Treaty, and Hells Canyon Re-licensing. Flood Control District #10 will also report on the Boise River flooding concerns as they relate to development and land use.

Commercial Vehicle Annual Registration Fee Committee

Elizabeth Bowen, Senior Legislative Research Analyst, LSO Research & Legislation Division, reported that the committee had three meetings with one more scheduled. The committee heard presentations from state agencies, the National Conference of State Legislatures (NCSL), and the Attorney General's Office. Lieutenant Governor Little remarked on the transportation policy, and stakeholder testimony was taken. A request for information (RFI) was issued to retain a consultant. The committee will consider respondents to the RFI at the next meeting to make a recommendation.

Criminal Justice Reinvestment Oversight Committee

Ryan Bush, Principal Legislative Research Analyst, LSO Research & Legislation Division, reported that the committee had one meeting and one planned, but not yet scheduled, and heard testimony from the directors of the Department of Correction, Commission of Pardons and Parole, and Supreme Court.

Foster Care Study Committee

Mr. Bush reported that the committee had three meetings and one more scheduled. Input was provided by the Office of Performance Evaluations (OPE) and the Department of Health and Welfare (Department). The committee heard presentations from Magistrate Judge Bryan Murray from Bannock County, Tahna Barton from the 5th Judicial District, and Idaho Voices for Children. Draft legislation was also discussed. Senator Buckner-Webb confirmed that the next meeting will be the last, but hoped the committee continued as oversight was needed for ongoing efforts.

State Employee Group Insurance and Benefits Committee

Kristin Ford, Senior Legislative Research Analyst, LSO Research & Legislation Division, reported that the committee had five meetings with two more scheduled. The committee reviewed RFP responses and selected healthcare consultant, Mercer. Mercer representatives briefed the committee on local and national healthcare trends. The committee is still gathering information and is not ready to make a decision.

Campaign Finance Reform Working Group

Ms. Ford reported that the committee had three meetings with one more scheduled. Testimony was taken by the public, lobbyists, and the Secretary of State. The committee discussed and prioritized major problems that needed to be addressed and reviewed two drafts of legislation reflecting two different approaches. Legislation is expected.

Pro Tem Hill commented that legislation was expected and that the committee was working hard to accomplish that, and pointed out the media interest. Senator Stennett added that the committee initially had vastly different ideas, but was able to narrow down the issues. She stated that a good reporting software and user-friendly system would be needed before expecting increased reporting.

Public School Funding Formula Committee

Robyn Lockett, Principal Policy Analyst, LSO Budget & Policy Analysis Division, reported that the committee had four meetings with one scheduled where draft legislation is likely. The committee heard testimony from the NCSL, State Board of Education, State Department of Education, Career Technical Education, and Attorney General's Office. Dr. Marguerite Roza from Georgetown University's Edunomics Lab was hired to provide expertise on the subject. The committee reviewed various components of the public school funding formula and came to a consensus on a new

formula: a student-centered funding approach which counts students based on enrollment instead of attendance.

Senator Winder commented that the process was not easy and the transition may be traumatic. He added that the committee was reviewing types of transitional periods and that the biggest challenge was to determine the amount of flexibility at the district level. Senator Winder concluded that the new formula should be done right and equitably, for both rural and urban areas, as it would be in place for 25 to 30 years. He also commended Dr. Roza, who was a very good source of information.

Representative Kauffman asked for details on moving to an enrollment basis. Ms. Lockett responded that the intent is to account for those students who are enrolled but not picked up by attendance because they have moved schools or are off campus.

Senator Burgoyne asked Senator Winder about the committee's progress in coming to a consensus without some members feeling aggrieved. Senator Winder responded that it was challenging coming to a balanced decision and that a transition period may be needed to make adjustments over time. He stated that the committee is reviewing two different models to see how funds are distributed and their impact, and that moving to an enrollment approach would be beneficial for accountability purposes. He noted that the biggest political obstacle would be providing flexibility to the districts. Senator Stennett commented that superintendents found it hard to justify taking kids off campus to expose them to outreach programs.

Council on Indian Affairs

Mike Nugent, LSO Research & Legislation Division Manager, reported that the council had two meetings with one more scheduled. He stated that the heavy lift for the council was the potential retrocession of jurisdiction under Public Law 280 allowing states to assume jurisdiction over areas dealing with tribal governments. The council heard testimony from representatives from retroceded states of Washington and Montana, who shared their challenges and successes. The council expressed interest in displaying Idaho's tribal flags in the Idaho capitol as done in Montana. The Idaho Department of Administration will report in December on an appropriate place and display. The council discussed topics on education of tribal members, health and welfare, and a new dental program, which provides for a physician assistant equivalent position to assist in rural areas. Idaho would need to amend its dental practices act to allow for that new position. Senator Buckner-Webb stated that the issues may seem small but are huge to the tribes, and that tribes are looking for retrocession because the government has not lived up to its responsibilities. She added that the dental program was working like a dream in Alaska; however, some professionals felt the program usurped their profession.

Legislative Audits Update

April Renfro, Manager, LSO Audits Division, reported that the division has 28 full-time staff, including the division manager, administrative assistant, five managing auditors, three auditor III, six auditor II, and twelve auditor I; four are new and twelve are Certified Public Accountants. The division performs four types of audits: First, is the audit of the statewide financial statements audit, or CAFR, where large pieces of government are audited to make sure financial statements are materially accurate. The CAFR was issued on December 23, 2016, and was followed up by the Internal Control Report, which was issued on February 13, 2017, and contained no findings. Second, is the audit of statewide federal assistance resulting in the Single Audit Report, which was issued on March 31, 2017, and included nine findings, all are still open. Ms. Renfro noted that guidelines dictate what programs need to be audited. Ms. Renfro referenced an additional handout detailing all open findings, their report type, fiscal year, and agency. Third, are entity-level reports that are typically financial statement reports, except for the Department of Environmental Quality (DEQ) clean water and drinking water revolving funds, which are issued an Agreed-Upon Procedures report - both funds were negative this year. Senator Stennett asked who has audit oversight for the DEQ if opinions are not issued. Ms. Renfro responded that the federal government has oversight and added that

the DEQ also was included in the CAFR audit. She continued stating that Idaho Public Television was audited annually, one finding remained open, and biennial audits are performed for the health districts, except Health District I, which was done annually. Fourth, are Management Reviews done cyclically over three years and reported as follows:

Fiscal year 2014: 16 agencies visited, 15 reports issued (1 outstanding), 9 findings - 8 are open
Fiscal year 2015: 21 agencies visited, 20 reports issued (1 outstanding), 10 findings - 7 are open
Fiscal year 2016: 24 agencies visited, 17 reports issued (7 outstanding), 3 findings - 3 are open

Ms. Renfro added that agencies with findings are visited at 90 days to check progress on their corrective action and again at one year, if necessary.

Ms. Renfro provided a status of the Local Governing Entity Registry. In registry year 2015, 1,524 entities were identified and 1404 were compliant resulting in a 92% compliance rate. In registry year 2016, 1,359 entities were identified and 1,174 were compliant resulting in an 86% compliance rate. The drop in entities identified and in compliance was a result of certain entities being not required to register, part of another entity, or double reported. The 185 entities considered noncompliant have not submitted the required documents. Taxes were withheld by the Tax Commission in the amounts of $2,574 for 2015 and $17,000 for 2016. Ms. Renfro added that the division will continue working with entities to get them compliant, and once they are, the State Tax Commission will release the withheld taxes.

Senator Stennett asked what hurdles have been encountered. Ms. Renfro responded that the smaller districts often do not have access to a computer and/or internet. Additionally, staff turnover at the districts is problematic in that the person taking over is unaware of the registry. Senator Stennett commented that the Campaign Finance Reform Committee recognized the registry's success and the difficulties smaller entities in rural areas are having in complying. Senator Stennett asked how many staff oversee the registry. Ms. Renfro responded that three audit staff members oversee the registry and two IT staff members provide programming support.

Senator Burgoyne asked if there was a problem with nonfunctional or defunct entities. Ms. Renfro responded that there were not a lot of nonfunctional entities, but noted that some statutes were silent on how to handle those entities. She added that smaller districts have no way to dissolve and were encouraged to contact their legislator for guidance. Senator Burgoyne asked if the issue was big enough to pass legislation. Ms. Renfro responded that the registry does not encounter many, but counties may consider it a bigger issue.

Ms. Renfro reported on upcoming work, including issuing outstanding reports, completing fiscal year 2017 statewide CAFR by December 31, 2017, and issuing the Internal Control Report within 60 days, completing fiscal year 2017 statewide Single Audit by March 31, 2018, and continuing efforts to streamline the Local Government Registry review and data collection process.

Pro Tem Hill asked if the division had flexibility in selecting what is audited. Ms. Renfro responded that the division follows strict auditing guidelines to determine what is audited for the CAFR and single audit. The division reviews for materiality and is given latitude to do risk analysis. Management reviews are done every three years. Pro Tem Hill asked if the division is keeping up with the workload. Ms. Renfro replied that the division was able to keep up; however, the division does not have an audit staff specifically for IT, which complicates matters. The division will need to plan for the Controller's Office implementation of the new accounting system.

Pro Tem Hill asked who audits LSO. Ms. Renfro responded that the division was part of LSO, which is audited on a biennial basis by Eide Bailly, and that the division has a peer review every three years.

Senator Winder asked what tools were used to share compliance. Ms. Renfro responded that the division follows the same standards that CPAs use and that letters were issued throughout the audit process and reports were sent to JFAC. She commended JFAC's involvement and support in communicating with agencies.

Technology Update

Glenn Harris, Division Manager, LSO Information Technology (IT) Division, reported that Jonathan Martin took employment in the private sector and Jeff McFarland assumed his duties, and that Chad Sherfick joined the Network Administration Staff.

Mr. Harris stated that WiFi access points were added to the first floor rotunda. Legislators are migrating to a new WiFi signal, ID Legislature. To add security, Legislators must be on a state laptop. Support for Office 2007 is ending and will be replaced with Office 365. Five devices can be used per user. The anti-virus program will be changed to Sophos and passwords will require a twelve-character phrase, and all members are requested to complete a cybersecurity training. Pro Tem Hill asked what the council thought of the training and if it should be mandatory. The council responded that the training was easy and important to do. Pro Tem Hill suggested Glenn work with Director Milstead to remind legislators to complete the training, and that it was mandatory.

Mr. Harris continued to report that the LSO website was moved to dedicated servers, website and GEMS enhancements were made, and server security updates were applied.

Senator Bair noted that legislator laptops would eventually need to be replaced. Mr. Harris suggested replacing laptops over the next election cycle. Pro Tem Hill confirmed that the cost was appropriated in House and Senate budgets.

The Council recessed for lunch at 11:57 a.m. and reconvened at 1:16 p.m.

LSO Bill Drafting Services for Executive Agency Bills

Director Milstead reported that LSO has provided bill drafting services as a courtesy to the executive branch and statewide elected officials for at least 40 years. He added that there was no law or governing document pertaining to this courtesy. He stated that the current practice and workload was manageable, as bills are received in October and November.

Senator Vick noted concern with the separation of powers, workload, and increasing transparency aspects of the process. He suggested additional restrictions on the executive agencies and asked if requiring a legislative sponsor on bills prior to a print hearing would help. Representative King thought having a bill sponsor was a good idea.

Mr. Nugent reported that approximately 100-200 bills with purple slips come through LSO. Representative Monks agreed that sideboards should be in place and with having a sponsor before introduction. Representative Erpelding stated that a Memorandum of Understanding (MOU) might be useful, but did not think the current system was broken and that DFM's assistance helped.

Pro Tem Hill suggested tracking the process and requiring bills go through a legislator if outside the October-November period. Senator Bair recommended being cognizant of the Governor's bill approval process and that it would be helpful if LSO notified committee chairs when bills were received. Senator Burgoyne stated that requiring a bill sponsor would incentivize agencies to adhere to deadlines. Pro Tem Hill thought that requiring a sponsor might exacerbate the process. Senator Burgoyne responded that it was better to be asked at the beginning of the process instead of at the end. Pro Tem Hill suggested Director Milstead present a list of bills to the committee chairs and ask them to sign off.

Senator Vick explained that the issue was with different branches of government using LSO staff. He agreed with an MOU to add sponsor requirement to maintain separation of powers. Pro Tem Hill suggested that the executive branch draft their own bills or are billed for LSO services. He noted concerns about causing additional work for legislators, their ability to sign off on bills while living far away from Boise, and not being familiar with the subject matter of the bills. Senator Winder suggested reviewing the issue with the Governor's office, and if a change was still needed, recommended charging for bill writing services and having a sponsor once the bill was introduced. Senator Burgoyne commented that he did not see an issue with the separation of powers, thought

the process worked fairly well, and that change was not necessary. Senator Buckner-Webb agreed that a written process would be helpful. Director Milstead suggested collaborating with DFM and the Governor's Office to formalize a process and report back to the Council. Pro Tem Hill agreed and suggested working with Senator Vick.

Fiscal Note Pilot Project Update

Keith Bybee, Deputy Division Manager, LSO Budget & Policy Analysis Division, reported that the pilot project lacked participation in 2017, with only 13 formal reports resulting from the project. He proposed the following changes for the 2018 Legislative Session, while keeping the project voluntary: 1) increase sample by pre-selecting committee chairs to encourage sponsors to go through the project; 2) shorten analysts' turnaround time to strengthen the process; 3) alert committee chairs if project needed a pause due to workload; and 4) end the project around time budget-setting starts.

Senator Vick suggested a standard format for fiscal notes. Mr. Bybee agreed that a standard format was intended so that the fiscal note could be easily converted to the Statement of Purpose. Senator Stennett agreed with reminding legislators of the project and commended the service. Mr. Bybee responded that he will communicate with committee chairs and devise a strategy.

GovDelivery

Soren Jacobsen, Sr. IT Specialist, LSO IT Division, reviewed the current GovDelivery subscriber services on the legislative web page and options available for viewing legislator participation in subscription services. Senator Stennett and Representative Monks agreed that an indication was needed for each legislator as to whether or not they were participating, and Senator Winder suggested increasing the font size and bolded format. Pro Tem Hill confirmed the recommendation to keep the format and emphasize legislator participation.

Office of Performance Evaluations Update

Rakesh Mohan, Director, Office of Performance Evaluations (OPE), reported that OPE was working on four projects, two of which were related to foster care: 1) Reducing the Risk of Adverse Outcomes for Kids; 2) Court Appointed Special Advocates (CASA); 3) Licensing and Certification of Residential Facilities; and 4) Commission of Pardons and Parole.

Director Mohan stated that the foster care study involved taking a systems approach while reviewing issues relating to keeping kids out of foster care, youth crossing between child protection and juvenile justice, and youth preparing for independent living as adults. He stated that there were 60 new child protection cases filed, none of which went into foster care, and that the analysis would explain when protection without foster care was used and ways to improve the practice. Director Mohan stated that the study would also help to understand the reasons youth cross between child protection and juvenile justice and provide methods to address the issue. Additionally, a comprehensive list of services and benefits would be made available for youth preparing for independent living as adults. The list would also assist legislators in assessing whether sufficient services were provided. Pro Tem Hill recognized OPE's close work with the interim committees.

Director Mohan reported that OPE was conducting a focus group with youth and advocates to determine whether the CASA program provided effective advocacy for children. OPE surveyed state residential facilities and analyzed data to identify possible efficiencies in licensing and certification of residential facilities. Director Mohan stated that depending on time and resources, OPE also hoped to complete the study of the Commission of Pardons and Parole by the end of the 2018 Legislative Session to see what changes have been made.

Representative Jordan noted concern with the support provided to kids transferring through the foster care system. Director Mohan responded that OPE was working closely with Juvenile Corrections and deferred to Lance McCleve, OPE's Principal Evaluation and Team Lead for the foster care study. Mr. McCleve responded that OPE was looking into intervention options and data sharing between

child protection services and juvenile corrections. Representative Jordan suggested looking for ways to help kids get onto a path for success and a program to keep them from falling through the cracks.

Director Mohan concluded with the announcement of the birth of his second grandson. Pro Tem Hill congratulated Director Mohan and extended appreciation to OPE staff.

Miscellaneous Announcements and Adjournment

Director Milstead announced that the cell phone infrastructure contract with Verizon to improve service in the garden level was signed and work should be completed before the 2018 Legislative Session. He stated that The Galley's Kevin Servatius would be the new legislative dining room vendor, and distribution of the legislative directories may be delayed until the end of January or February.

Pro Tem Hill adjourned the meeting at 2:37 p.m.