

MINUTES  
**HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, April 13, 2021

**TIME:** 1:30 P.M.

**PLACE:** Room EW05

**MEMBERS:** Chairman Holtzclaw, Vice Chairman Syme, Representatives Harris, Kingsley, Christensen, Giddings, Wisniewski, Horman, Hanks, von Ehlinger, Weber, Chew, Necochea, Toone

**ABSENT/  
EXCUSED:** Representative(s) Giddings, Chew

**GUESTS:** Sharon Duncan, Division of Human Resources (DHR); Haley Westenskow, DHR; Susan Buxton, DHR; Scott Smith, State Controller's Office (SCO); Josh Whitworth, SCO

**Chairman Holtzclaw** called the meeting to order at 1:30 P.M.

**S 1051:** **Rep. Moyle** presented **S 1051**, stating it would require the Division of Human Resources to do an audit of any money budgeted for salaries. The report would detail how much of this money is not spent on salaries to get an idea of what salary savings exist, what can be improved upon, and where the money is spent.

**Susan Buxton**, Director, Idaho DHR, stated knowing where state agency budgets are spent is important. She stated the legislation would require a level of detail in the report requiring added staff or man-hours which is not reflected in the fiscal note.

In response to Committee questions **Ms. Buxton** generating this report becomes more difficult when the number of statewide positions and vacancies are considered. Some positions which appear unfilled for over a year are impacted by turnover or multiple positions under the same job description. Personnel cost funds can be used to fix equipment to enable staff to continue working. A formal definition for "salary savings" is also necessary to generate the requested report but does not appear in code or the legislation. Additionally, most of the necessary data would need to be tracked on an individual level to address long term and new hire differences in salaries which would most likely be redistributed among other employee salaries. Instances where starting wages need to be increased to attract job applicants is another difficulty posed by the detailed accounting required by this bill.

In response to further Committee questions **Josh Whitworth**, SCO, further defined personnel costs. Based on reports of previous salaries, the current year's salaries are appropriated and the difference is usually called salary savings. The SCO can show the actual transfer of money saved on payroll and used for operations costs; but the SCO does not record where the money is spent. There is also no tagging of these expenditures as money transferred from salary savings. Although agencies track changes in personnel cost funds use the use of left over funds are up to agency interpretation. There is no existing statewide system for comparison of the personnel cost appropriation to the actual payroll expenditure. The data is tracked only by individual agencies. The SCO would require large amounts of time and money to generate the report required by this legislation.

**Rep. Moyle** stated the \$100 million salary allocation to the state agencies should be spent on salaries with a record of any deviations. The current system incentivizes agencies to request money for positions they have no intention of filling to gain extra funds. This legislation requests reporting of data that either already exists or should be tracked. For this reason the cost to generate this report should be low.

**Sen. Guthrie** stated he has served on the Committee for Employee Compensation for ten years and has asked for this report for each of those years. This report is not asking for overly detailed information, it is simply requesting an aggregate number of fund expenditures and the reverted amount. If the state departments cannot delineate how they spend this money, the state has a much larger problem. Nobody is questioning the integrity of the state agencies, they are simply asking for more transparency.

In response to a Committee question, **Sen. Guthrie** stated this legislation would require the report of requested information for future, not past, expenditures.

**MOTION:**

**Rep. Harris** made a motion to send **S 1051** to the floor with a **DO PASS** recommendation.

**Rep. Syme** stated concern with the fiscal note as aggregate numbers are generated from many smaller numbers. He stated generating this report will take state employees away from their regular duties and time costs translate to monetary costs. He requested a better fiscal note and plan to develop this report without taking employees away from their normal duties.

**SUBSTITUTE MOTION:**

**Rep. Syme** made a substitute motion to send **S 1051** to General Orders.

Committee members commenting in support of the original motion stated concern for time due to the late date. They were also unsure how an amendment could possibly fix any perceived issues with this legislation and stated that any allocated money for salaries spent elsewhere should be reported.

Committee members commenting in support of the substitute motion stated they would also like to see how this money is being spent, but could not support legislation that creates greater expenses and burdens on already busy employees.

**VOTE ON SUBSTITUTE MOTION:**

**Substitute motion failed by voice vote.**

**VOTE ON ORIGINAL MOTION:**

**Motion carried by voice vote. Rep. Moyle** will sponsor the bill on the floor.

**MOTION:**

**Rep. Toone** made a motion to approve the minutes of the March 17th, 2021 meeting. **Motion carried by voice vote.**

**Chairman Holtzclaw** thanked the page **Bella O'Neil** for her service to the committee.

**ADJOURN:**

There being no further business to come before the Committee the meeting adjourned at 2:20 P.M.

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Representative Holtzclaw  
Chair

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Emma Wall  
Secretary