

**COMMITTEE MINUTES for
ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE**

Date: February 20, 2008

Place: Room 24

Convened: 2/20/2008
10:25 AM

Recessed:

Reconvened:

Adjourned: 2/20/2008
11:25 AM

Present: Senators Danielson-CH, Appel-VC, Hahn-RM, Hartsuch, Stewart
Representatives Hunter-CH, Kelley-VC, Alons-RM, Drake, Gaskill, M., Jochum, Kressig,
Wiencek, Worthan

Absent: None

Excused: None

The Administration and Regulation Appropriations Subcommittee was called to order at 10:25 a.m. on February 20, 2008.

Roll was taken and quorum was present.

Department of Administrative Services Legislative Liaison, Mark Johnson, delivered a presentation regarding the I/3 System rate history.

Johnson said a new billing system has been implemented and used the last four fiscal years. For the first two years, 100 percent of billings reflected FTEs only. The past two years, the formula takes 50 percent from FTEs and 25 percent each from revenue and expenditures. Johnson cautioned that such changes will inevitably produce winners and losers.

Johnson said the Federal Government seeks a formula contingent on CPU usage, or possibly transaction counts.

The I/3 system is currently undergoing an upgrade period that will ultimately produce a secured system capable of enduring major catastrophes. The aim is to refine a backup system ready at the "flip of a switch," so daily business can continue.

Co-Chairman Danielson requested a clarifying document highlighting the changes in the I/3 system relative to Federal expectations. Members of the committee echoed the need for such a "white piece of paper."

Senator Stewart moved to adjourn the meeting at 11:25 a.m.

Senator Jeff Danielson

Joe Winn, Committee Secretary