

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 30, 2023

TIME: 9:00 AM (TIME CHANGE)

PLACE: Room C310

MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Co-Chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, and Nash

ABSENT/EXCUSED: None

CONVENED: **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 9:01 a.m.

DISCUSSION: **Keith Bybee**, Division Manager, Legislative Services Office (LSO) Budget and Policy Analysis, updated the Committee on various sections of the General Fund Budget Update as of March 30, 2023 (see attachment 1). He explained the appropriation total amounts and how **H 376** and **H 292** would impact those amounts.

LSO STAFF PRESENTATION: **DEPARTMENT OF REVENUE AND TAXATION - STATE TAX COMMISSION - TRAILER APPROPRIATION FOR H 376; Keith Bybee, Division Manager, LSO Budget and Policy Analysis**
Mr. Bybee reviewed past action which will impact this trailer appropriation due to distribution of sales tax in fiscal year (FY) 2023 and FY 2024 to counties for public defense services. He stated **H 376** eliminated the sales tax distribution for the counties as the state transitions from a locally run and funded program to a state run and funded program. Therefore, this Committee would need to take action to move monies into the Public Defense Fund to be able to provide appropriation. **Mr. Bybee** summarized the amounts that would need to be transferred for each coming FY.

MOTION: Moved by **Representative Horman**, to transfer \$36,000,000 and language shown on the screen; seconded by **Senator Bjerke**.

INTENT LANGUAGE: **FISCAL YEAR 2024 CASH TRANSFER TO THE PUBLIC DEFENSE FUND.** There is hereby appropriated and the Office of the State Controller shall transfer \$36,000,000 from the General Fund to the Public Defense Fund on July 1, 2023, or as soon as practicable for the period July 1, 2023, through June 30, 2024.

CARRIED: **AYES: 20**
Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

MOTION: Moved by **Representative Horman**, for fiscal year 2024 an additional \$36,000,000 from the Public Defense Fund to the State Tax Commission for public defense at the county level of government; seconded by **Senator Bjerke**.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Raybould, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 1
Representative Furniss

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

UNANIMOUS CONSENT: Requested by **Representative Horman**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE: The State Tax Commission shall distribute funding in Section 2 of this act to the forty-four (44) counties in the proportion that the expenditures of each county for indigent defense services during county fiscal year 2021, excluding any state funding or grants, bear to the expenditures of all counties in the state for indigent defense services during county fiscal year 2021, excluding any state funding or grants.

LSO STAFF PRESENTATION: **CASH TRANSFERS - TRAILER TO H 292 ; Keith Bybee, Division Manager, LSO Budget and Policy Analysis**

Mr. Bybee discussed the cash transfers which need to take place to make sure that statewide special purpose taxing districts received an increase in their funding. He noted there was specific methodology provided in statute for special purpose taxing districts to receive its share of the 11.5 percent of revenue sharing.

MOTION: Moved by **Representative Horman**, for FY 2024 a cash transfer of \$20,000,000 and language as shown on the screen; seconded by **Senator Bjerke**.

INTENT LANGUAGE: FISCAL YEAR 2024 CASH TRANSFER TO THE SCHOOL DISTRICT FACILITIES FUND. There is hereby appropriated and the Office of the State Controller shall transfer \$20,000,000 from the General Fund to the School District Facilities Fund on July 1, 2023, or as soon as practicable for the period July 1, 2023, through June 30, 2024.

CARRIED:

AYES: 19

Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Raybould, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative Furniss

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Horman**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

CONTINUOUS APPROPRIATION. The Office of the State Controller and the State Department of Education are hereby granted continuous appropriation authority for the School District Facilities Fund pursuant to Section 33-911(2), Idaho Code, for the period July 1, 2023 through June 30, 2024, for the purpose of paying property tax levies for existing school bonds, supplemental school levies, savings for future school facility construction or renovations, or securing and making payments on new school facilities bonds which reduces property taxes for taxpayers.

DISCUSSION:

In response to Committee questions, **Mr. Bybee** reviewed that the cash transfer to the Sales Tax Distribution Reserve Account was a one time cash infusion for the special purpose taxing districts.

MOTION:

Moved by **Representative Horman**, for FY 2024 a cash transfer of \$2,000,000 and language as shown on the screen; seconded by **Senator Bjerke**.

**INTENT
LANGUAGE:**

FISCAL YEAR 2024 CASH TRANSFER TO THE SALES TAX DISTRIBUTION RESERVE ACCOUNT. There is hereby appropriated and the Office of the State Controller shall transfer \$2,000,000 from the General Fund to the Sales Tax Distribution Reserve Account to be distributed to special purpose taxing districts pursuant to methodology in Section 63-3638(10)(c), Idaho Code, on July 1, 2023, or as soon as practicable for the period July 1, 2023, through June 30, 2024.

CARRIED:

AYES: 18

Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Raybould, Lambert, Tanner, Petzke, and Handy

NAYS: 1

Representative Nash

ABSENT/EXCUSED: 1

Representative Furniss

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

ADJOURNED:

There being no further business before the Committee, Co-Chairman Grow **Co-Chairman Grow** adjourned the meeting at 9:37 a.m.

Senator Grow
Chair

Erin Miller
Secretary