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JFAC COMMITTEE MEETING MINUTES

1/31/13

The hearing was held in Room C310, Statehouse, commencing at 8:00 a.m. and concluding at 10:17 a.m. with Chairman Bell and Chairman Cameron presiding.

Roll Call:

Senators: Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey

Representatives: Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Absent/Excused: None

Staff present: Holland Smith, Burns, Houston, Ellsworth, Bybee, Lockett, Tatro

Others Present: Russ Barron, and David Taylor, Department of Health & Welfare; Sara Stover, Division of Financial Management

GENERAL FUND UPDATE

Presenter: Cathy Holland Smith, Division Manager, Budget and Policy Analyst

- ❖ Governor's revised recommendation
 - Ending balance for FY 2013: \$51,738,000
- ❖ Fiscal Year 2014
 - Estimated Ending Balance: \$9,852,900

DEFICIENCY WARRANTS

OFFICE OF THE GOVERNOR: Military Division

Presenter: Richard Burns, Principal Budget & Policy Analyst

In cooperation with the Attorney General's Office, the Military Division seeks recovery of costs from the responsible party. The liability for costs associated with a hazardous substance emergency is the responsibility of the spiller. If the spiller is unknown, the Military Division may petition the Board of Examiners for issuance of a deficiency warrant to assure that local agencies are reimbursed for their expenses as soon as possible.

Unanimous Consent Request

On request by Bolz, granted by unanimous consent, the FY 2013 budget for the Military Division was reopened.

Carried

Original Motion

Moved by Bolz, seconded by Thompson, to approve for introduction \$28,100 General Fund, \$0 dedicated funds, \$0 federal funds for a total of \$28,100.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

IDAHO DEPARTMENT OF LANDS

Presenter: Ray Houston, Principal budget & Policy Analyst

Fire Deficiency Warrants: The budget request of \$6,013,200 matches the amount of the Fire Deficiency Warrant Fund as of June 30, 2012. Costs were incurred in the Fire Deficiency fund and are reimbursed by the Legislature annually from the General Fund. The Governor recommends the appropriation and transfer of \$6,013,200 from the General fund to the Fire Suppression Deficiency Warrant Fund for fiscal year 2013.

Unanimous Consent Request

On request by Eskridge, granted by unanimous consent, the FY 2013 budget for the Idaho Department of Lands was reopened.

Disclosure of Possible Conflict of Interest

Pursuant to Rule 39 (H), Senator Schmidt disclosed he has a possible conflict of interest under applicable law. He does plan to vote on the issue currently before the Committee.

Carried

Original Motion

Moved by Eskridge, seconded by Johnson, to approve for introduction \$6,013,200 General Fund, \$0 dedicated funds, \$0 federal funds for a total of \$6,013,200.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

IDAHO DEPARTMENT OF AGRICULTURE

Presenter: Ray Houston, Principal Budget & Policy Analyst

Funding is requested to reimburse actual expenditures incurred in FY 2012 for exotic and invasive species monitoring including gypsy moth, karnal bunt, exotic pest, and cyst nematode. The existence of exotic or invasive pests in the state and the lack of information about the distribution of those pests can cause economic losses to the public by the direct effects of the pests and the placement of quarantines and import restrictions by other states and countries. There is no funding in the Base budget for most monitoring, control, and eradication activities. These programs are carried out under the authority of Title 22, Chapters 19 and 2, Idaho Code. The request will reimburse expenditures of \$134,500 in personnel costs and \$214,900 in operating expenditures for a total of \$349,400 from the General Fund. Fiscal year 2012 costs included \$40,600 for exotic pest monitoring and \$308,800 for potato cyst nematode monitoring and control. One-time spending.

Unanimous Consent Request

On request by Youngblood, granted by unanimous consent, the FY 2013 budget for the Department of Agriculture was reopened.

Disclosure of Possible Conflict of Interest

Pursuant to Rule 38, Representative Gibbs disclosed he has a possible conflict of interest under applicable law; he does plan to vote on the issue currently before the Committee.

Carried **Original Motion**

Moved by Youngblood, seconded by Gibbs, to approve for introduction \$349,400 General Fund, \$0 dedicated funds, \$ federal funds for a total of \$349,400.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

IDAHO DEPARTMENT OF LANDS: Forest and Range Fire Protection

Presenter: Ray Houston, Principal Budget & Policy Analyst

Fire Preparedness Fund Shift: On March 6, 2012, the department received notice from the U.S. Forest Service that funding for the Consolidated Payments Grant (CPG) would be reduced for FY 2013. The department depends on this grant to support the Fire Presuppression (Readiness) Program. This mid-year request is to shift \$97,000 in personnel costs from the federal grant to the Department of Lands Fund. The source of funding is from private forest landowner assessments including those collected from state endowment lands. One-time spending.

Carried **Original Motion**

Moved by Eskridge, seconded by Johnson, to approve for introduction \$0 General Fund, \$97,000 dedicated funds, (\$97,000) federal funds.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF PARKS AND RECREATION

Market Passport Program

Presenter: Ray Houston, Principal Budget & Policy Analyst

Last session, the Legislature approved H446 which offers Idahoans the opportunity to purchase the State Parks Passport when registering their passenger vehicle. Funds will be used to inform the public about the availability of the new Passport Program through an extensive, ongoing effort including radio and television buys, production and distribution of promotional materials, public relations efforts, and social media.

Unanimous Consent Request

On request by Eskridge, granted by unanimous consent, the FY 2013 budget for the Department of Parks and Recreation was reopened.

Carried

Original Motion

Moved by Eskridge, seconded by Youngblood, to approve for introduction \$0 General Fund, \$120,000 dedicated funds, \$0 federal funds for a total of \$120,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Management Services - Marketing Plan

The request is to spend park entry and camping fees to implement key elements of the agency's strategic, business and marketing efforts. Funding includes \$17,300 for specific use equipment, \$13,500 for promotional materials necessary to increase awareness of park offerings, \$22,200 for advertising, and \$7,000 for park-specific enterprise efforts. One-time spending.

Carried

Original Motion

Moved by Eskridge, seconded by Schmidt, to approve for introduction \$0 General Fund, \$60,000 dedicated funds, \$0 federal funds for a total of \$60,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Park Operations – Retail Sales

Additional spending authority needed to restock the inventory.

Carried

Original Motion

Moved by Eskridge, seconded by Youngblood, to approve for introduction \$0 General Fund, \$150,000 dedicated funds, \$0 federal funds for a total of \$150,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Lava Hot Springs Foundation

Disinfection System and Pool Toys. One-time spending

Unanimous Consent Request

On request by Gibbs, granted by unanimous consent, the FY 2013 budget for the Lava Hot Springs Foundation was reopened.

Carried

Original Motion

Moved by Gibbs, seconded by Lacey, to approve for introduction \$0 General Fund, \$140,000 dedicated funds, \$0 federal funds for a total of \$140,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF AGRICULTURE: Soil and Water Conservation Commission

Presenter: Ray Houston, Principal Budget & Policy Analyst

The USDA Natural Resources Conservation Service Technical Assistance Grant.

Unanimous Consent Request

On request by Youngblood, granted by unanimous consent, the FY 2013 budget for the Soil and Water Conservation Commission was reopened.

Carried

Original Motion

Moved by Youngblood, seconded by Thayn, to approve for introduction \$0 General Fund, \$0 dedicated funds, \$20,000 federal funds for a total of \$20,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF HEALTH AND WELFARE – Indirect Support Services

Presenter: Matt Ellsworth, Senior Budget & Policy Analyst

Unanimous Consent Request

On request by Keough, granted by unanimous consent, the FY 2013 budget for the Department of Health and Welfare, was reopened.

Unanimous Consent Request

On request by Mortimer, granted by unanimous consent, to hold the supplementals for Indirect Support Services - Medicaid Readiness Object Transfer, and for the Division of Welfare - Medicaid Readiness, until February 7, 2013 time certain.

Indirect Support Services

This supplemental requests \$59,600, ongoing, consisting of \$3,100 from the General Fund, \$53,400 in dedicated funds, and \$3,100 in federal funds, to pay increased costs of processing fingerprint background checks through the Idaho State Police.

Carried

Original Motion

Moved by Keough, seconded by Bolz, to approve for introduction \$3,100 General Fund, \$53,400 dedicated funds, \$ 3,100 federal funds for a total of \$59,600.

Ayes: 19

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 1

Bell

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Division of Welfare – Benefit Payments – Grocery Tax Credit Donation

Grocery Tax Credit Donations. This request is for ongoing spending authority to spend donated grocery tax credit funds on energy assistance for low-income individuals. To use the accumulated balance from this funding source, \$831,900, and ongoing spending authority for anticipated annual receipts in the amount of \$226,700.

Carried

Original Motion

Moved by Keough, seconded by Bell, to approve for introduction \$0 General Fund, \$831,900 dedicated funds, \$0 federal funds, for a total of \$831,900

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF LABOR

Presenter: Keith Bybee, Principal Budget & Policy Analyst

Professional Services: Additional funds from the Equal Employment Opportunity Commission (EEOC) for 30 extra cases processed beyond the existing contract for 307 cases. This funding can be used to offset operating expenditures in the professional services category.

Unanimous Consent Request

On request by Mortimer, granted by unanimous consent, the FY 2013 budget for The Department of Labor was reopened.

Carried

Original Motion

Moved by Mortimer, seconded by Nuxoll, to approve for introduction \$0 General Fund, \$0 dedicated funds, \$19,500 federal funds for a total of \$19,500.

Ayes: 19

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 1

Bell

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Spending Adjustment: Transfer \$16,100 from Penalties and Interest Fund, and \$9,000 from Special Administration Fund to Miscellaneous Revenue

Carried

Original Motion

Moved by Mortimer, seconded by Keough, to approve for introduction \$0 General Fund, \$25,100 dedicated funds, \$0 federal funds.

Ayes: 19

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 1

Bell

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF REVENUE AND TAXATION – State Tax Commission

Presenter: Keith Bybee, Principal Budget & Policy Analyst

The Governor recommends \$181,300 for additional personnel costs for the Audit & Collections Division, and \$18,700 for the Revenue Operations Division, for a total of \$200,000

Unanimous Consent Request

On request by Bolz, granted by unanimous consent, the FY 2013 budget for the Department of Revenue and Taxation, State Tax Commission, was reopened.

Carried

Original Motion

Moved by Bolz, seconded by Youngblood, to approve for introduction \$200,000 General Fund, \$0 dedicated funds, \$0 federal funds for a total of \$200,000.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

SELF-GOVERNING AGENCIES – Regulatory Boards

Bureau of Occupational Licenses

Presenter: Keith Bybee, Principal Budget & Policy Analyst

The Bureau will be reverting excess appropriation of \$1,125,000 to dedicated funds. The original appropriation was for capital outlay to replace the licensing management system in FY 2013.

Unanimous Consent Request

On request by Mortimer, granted by unanimous consent, the FY 2013 budget for Bureau of Occupational Licenses was reopened.

Carried

Original Motion

Moved by Mortimer, seconded by Vick, to approve for introduction \$0 General Fund, (\$1,125,000) dedicated funds, \$0 federal funds.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF ADMINISTRATION

Presenter: Robyn Lockett, Budget & Policy Analyst

The Department of Administration requests \$49,400 in ongoing operating expenditures for purchasing contract costs. During FY 2013, the dollar volume increased by 30% on purchasing contracts costs primarily due to increased usage of the state's open contract system.

Unanimous Consent Request

On request by Johnson, granted by unanimous consent, the FY 2013 budget for the Department of Administration was reopened.

Carried

Original Motion

Moved by Johnson, seconded by Nuxoll, to approve for introduction \$0 General Fund, \$49,400 dedicated funds, \$0 federal funds

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

SELF GOVERNING AGENCIES – Commission on Hispanic Affairs

Presenter: Jared Tatro, Budget & Policy Analyst

The Governor recommends an ongoing increase of \$10,000 to the Miscellaneous Revenue Fund to accommodate contributions received in excess of previous expectations for community activities such as the Hispanic Youth Summit.

Unanimous Consent Request

On request by Keough, granted by unanimous consent, the FY 2013 budget for the Commission on Hispanic Affairs was reopened.

Carried

Original Motion

Moved by Keough, seconded by Youngblood, to approve for introduction \$0 General Fund, \$10,000 dedicated funds, \$0 federal funds.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

OFFICE OF THE GOVERNOR – Commission for the Blind and Visually Impaired

Presenter: Jared Tatro, Budget & Policy Analyst

This supplemental reflects a one-time request of \$21,200 for federal funds spending authority to be used in federal fiscal year 2013. The request also includes \$289,400 in on-going Title 1 federal funds, which is the result of the new split with the Division of Vocational Rehabilitation. This supplemental also includes a request for an ongoing increase of \$2,200 and 0.12 FTP to fully support the sale of adaptive aids and appliances that sold by the agency

Unanimous Consent Request

On request by Bayer, granted by unanimous consent, the FY 2013 budget for the Commission for the Blind and Visually Impaired was reopened.

Carried

Original Motion

Moved by Bayer, seconded by Thompson, to approve for introduction \$0 General Fund, \$2,200 dedicated funds, \$310,600 federal funds for a total of \$312,800, with 0.12 FTP.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection it was so ordered by Chairman Bell.

ADJOURNED

Maxine Bell, Chairman

Kathryn Yost, Secretary