

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 21, 2017
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye
Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King, Wintrow
ABSENT/ EXCUSED: None
LSO STAFF PRESENT: Paul Headlee, Janet Jessup, Keith Bybee
CONVENED: **Chairman Bell** called the meeting to order at 8:00 am.
Department of Finance FY 2018 Appropriation
PRESENTER: **Keith Bybee, Principal Budget and Policy Analyst**
Mr. Bybee reviewed the primary functions of the agency and their FY 2018 budget line item requests.
Senator Mortimer disclosed he has a possible conflict of interest under applicable law; he does plan to vote on the issue currently before the committee. **Rep. Youngblood** disclosed he has a possible conflict of interest under applicable law; he does plan to vote on the issue currently before the committee. **Senator Agenbroad** disclosed he has a possible conflict of interest under applicable law; he does plan to vote on the issue currently before the committee.
MOTION: **Original Motion**
Department of Finance
Appropriation
Moved by **Youngblood**, seconded by **King**, to approve for introduction \$8,355,300 from dedicated funds and cap full-time equivalent positions (FTP) at 66.
CARRIED: **Ayes: 19**
Keough, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
Nays: 1
Martin
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**.
UNANIMOUS CONSENT: On request by **Youngblood**, granted by unanimous consent, the following legislative intent language was accepted:

The Department of Finance is hereby granted continuous appropriation authority for reimbursement of persons to whom an Idaho court awards actual damages resulting from acts constituting violations of the Idaho Residential Mortgage Practices Act by a mortgage broker , mortgage lender or mortgage loan originator who was licensed or required to be licensed, per Section 26-31-109, Idaho Code.

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Department of Insurance FY 2018 Appropriation

PRESENTER: **Keith Bybee, Principal Budget and Policy Analyst**

Mr. Bybee reviewed the agency's FY 2018 budget requests and line items. **Senator Martin** voiced his reasons for not supporting any motion that includes the agency's request for replacements items, specifically the request for new vehicles and computer equipment.

MOTION: **Original Motion**
Department of Insurance
Appropriation

Moved by **Anderson**, seconded by **Youngblood**, to approve for introduction \$9,013,200 from dedicated funds, \$677,400 from federal funds for a total of \$9,690,600 and cap full-time equivalent positions at 76.5.

CARRIED: **Ayes: 19**

Keough, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 1

Martin

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**.

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Department of Labor FY 2018 Appropriation

PRESENTER: **Keith Bybee, Principal Budget and Policy Analyst**

Mr. Bybee reviewed the primary functions of agency, and reviewed the agency's FY 2018 budget requests and number of line items.

MOTION: **Original Motion**
Department of Labor
Appropriation

Moved by **Mortimer**, seconded by **Youngblood**, to approve for introduction \$341,200 from the General Fund, \$27,557,800 from dedicated funds, and \$69,886,700 from federal funds for a total of \$97,785,700 and cap full-time equivalent positions at 700.

SUBSTITUTE MOTION: **Substitute Motion**
Department of Labor
Appropriation

Moved by **Nye**, seconded by **Ward-Engelking**, to approve for introduction \$341,200 from the General Fund, \$27,557,800 from dedicated funds, and \$69,886,700 from federal funds for a total of \$97,785,700 and cap full-time equivalent positions at 700. This motion included a transfer of \$5,000,000 from the General Fund to the Workforce Development Training Fund whereas the original motion had the transfer amount at \$2,500,000.

Senator Nye spoke further to his motion explaining the importance of funding the Workforce Development Training program in the Department of Labor because there are thousands of jobs available from businesses and industries that people need to be trained for. And too, the Governor recommended the amount stated in this motion.

Senator Mortimer spoke further to his motion explaining how him and others looked at the revenues and expenditures in the General Fund and Workforce Development Training Fund. Their assessment, which included looking forward and assessing the current situation, concluded that \$2.5 million was enough to expand the Workforce Development Training Program, and also have funds available for the Governor's Task Force to start and recommend new programs.

**AMENDED
SUBSTITUTE
MOTION:**

Amended Substitute Motion
Department of Labor
Appropriation

Moved by **Martin**, seconded by **Keough**, to approve for introduction \$341,200 from the General Fund, \$26,908,800 from dedicated funds, and \$69,886,700 from federal funds for a total of \$97,136,700 and cap full-time equivalent positions at 700.

FAILED:

Vote on Amended Substitute Motion

Ayes: 4

Keough, Martin, Souza, Dixon

Nays: 16

Bair, Mortimer, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, King, Wintrow

Ab/Ex: 0

FAILED:

Vote on Substitute Motion

Ayes: 4

Ward-Engelking, Nye, King, Wintrow

Nays: 16

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon

Ab/Ex: 0

CARRIED:

Vote on Original Motion

Ayes: 19

Keough, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 1

Martin

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**.

MOTION: **Original Motion**
Department of Labor
Appropriation

Moved by **Mortimer**, seconded by **Youngblood**, to move the appropriation and transfer of \$2,500,000 from the General Fund to the Workforce Development Training Fund for ongoing activities like Apprenticeship Idaho, Industry Sector Grants and Rural Micro Grants, and Workforce Training Centers.

CARRIED: **Ayes: 20**
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
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**.

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Endowment Fund Investment Board FY 2018 Appropriation

PRESENTER: **Ray Houston, Principal Budget and Policy Analyst**

Mr. Houston reviewed the agency's functions and their FY 2018 budget request.

MOTION: **Original Motion**
Endowment Fund Investment Board
Appropriation

Moved by **Agenbroad**, seconded by **Burtenshaw**, to approve for introduction \$753,600 in dedicated funds and cap full-time equivalent positions at 3.7.

CARRIED: **Ayes: 20**
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
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**.

UNANIMOUS CONSENT: On request by **Agenbroad**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 3. The Endowment Fund Investment Board is hereby granted continuous appropriation authority for consulting fees, bank custodial fees, and portfolio-related external costs for the period July 1, 2017, through June 30, 2018.

SECTION 4. LEGISLATIVE INTENT. It is the intent of the legislature that for fiscal year 2018, the Endowment Fund Investment Board transfer ~~\$63,158,400~~ \$73,483,200 as follows: ~~\$36,724,800~~ \$47,049,600 from the Public School Earnings Reserve Fund to the Public School Income Fund; \$1,347,600 from the Agricultural College Earnings Reserve Fund to the Agricultural College Income Fund; \$5,544,000 from the Charitable Institutions Earnings Reserve Fund to the Charitable Institutions Income Fund; \$4,262,400 from the Normal School Earnings Reserve Fund to the Normal School Income Fund; \$1,965,600 from the Penitentiary Earnings Reserve Fund to the Penitentiary Income Fund; \$4,708,800 from the Scientific School Earnings Reserve Fund to the Scientific School Income Fund; \$4,562,400 from the Mental Hospital Earnings Reserve Fund to the Mental Hospital Income Fund; and \$4,042,800 from the University Earnings Reserve Fund to the University Income Fund.

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Office of the Governor: Office of Energy & Mineral Resources FY 2018 Appropriation

PRESENTER: Ray Houston, Principal Budget and Policy Analyst

Mr. Houston reviewed the agency's fund sources and FY 2018 budget line items.

MOTION: Original Motion

**Office of Energy & Mineral Resources
Appropriation**

Moved by **Ward-Engelking**, seconded by **King**, to approve for introduction \$888,000 in dedicated funds and \$412,700 in federal funds for a total of \$1,300,700 and cap full-time equivalent positions at 8.00.

CARRIED: Ayes: 19

Keough, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 1

Martin

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**.

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Public Utilities Commission FY 2018 Appropriation

PRESENTER: Ray Houston, Principal Budget and Policy Analyst

Mr. Houston reviewed the functions of the agency and their FY 2018 budget line item requests.

MOTION: Original Motion

**Public Utilities Commission
Appropriation**

Moved by **Dixon**, seconded by **Keough**, to approve for introduction \$6,237,800 in dedicated funds and \$324,000 in federal funds for a total of \$6,561,800 and cap full-time equivalent positions at 52.

SUBSTITUTE MOTION: Substitute Motion
Public Utilities Commission

Appropriation

Moved by **Ward-Engelking**, seconded by **King**, to approve for introduction \$6,286,100 in dedicated funds and \$324,000 in federal funds for a total of \$6,610,100 and cap full-time equivalent positions at 52.

In response to committee questions, **Senator Ward-Engelking** explained in her motion to grant funds to increase the pay for nine existing incumbents toward policy, was a first step toward the goal of increasing their pay, but not all the way. The reason being was to ensure good stewardship of the public's money and her belief that it was affordable this year.

In response to committee questions, **Mr. Houston** explained the compensation comparisons of the nine employees to the public and private sector was based solely on their salaries not including their health insurance, retirement, or other benefits.

FAILED: Vote on Substitute Motion

Ayes: 4

Ward-Engelking, Nye, King, Wintrow

Nays: 16

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon

Ab/Ex: 0

CARRIED: Vote on Original Motion

Ayes: 20

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

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**.

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Lava Hot Springs Foundation FY 2018 Appropriation

PRESENTER: **Ray Houston, Principal Budget and Policy Analyst**

Mr. Houston reviewed the functions and various revenue streams as well as their FY 2018 budget line items.

MOTION: Original Motion
Lava Hot Springs Foundation

Appropriation

Moved by **Miller**, seconded by **Martin**, to approve for introduction \$2,249,200 in dedicated funds and cap full-time equivalent positions at 15.8.

SUBSTITUTE MOTION: Substitute Motion
Lava Hot Springs Foundation

Appropriation

Moved by **Burtenshaw**, seconded by **Mortimer**, to approve for introduction \$2,291,500 in dedicated funds and cap full-time equivalent positions at 15.8.

CARRIED: Vote on Substitute Motion

Ayes: 18

Keough, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, King, Wintrow

Nays: 2

Martin, Dixon

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**.

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ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:07 am.

Representative Bell
Chair

Cody Jessup
Secretary