

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 10, 2023

TIME: 8:00 A.M.

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, and Tanner

ABSENT/ EXCUSED: Representative Green

CONVENED: **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:00 a.m.

LSO STAFF PRESENTATION: **REVIEW OF JOINT FINANCE-APPROPRIATIONS COMMITTEE (JFAC) BUDGET HEARING SCHEDULE AND PROCESSES; REVIEW OF FISCAL YEAR (FY) 2023 LEGISLATIVE BUDGET BOOK (LBB) AND OTHER BUDGET RESOURCES; and REVIEW BUDGET STABILIZATION FUND AND OTHER FUND BALANCES; Keith Bybee, Division Manager, Legislative Services Office (LSO), Budget and Policy Analysis**

Mr. Bybee reviewed for the Committee the budget hearing schedule spreadsheet outlining what would be taking place over the next six weeks. He summarized the various upcoming agency budget presentations and the four week process of budget setting which followed. He pointed out the difference between having a one time budget surplus versus an ongoing revenue stream. **Mr. Bybee** presented an overview of how statewide agencies report; how the LBB is organized and to be utilized; explanation of decision units; and a comparative analysis of state agencies requests and the Governor's priorities.

AGENCY PRESENTATION: **REVIEW OF GOVERNOR'S FY 2023 AND FY 2024 BUDGET RECOMMENDATIONS; Alex Adams, Administrator, Office of the Governor, Division of Financial Management**

Mr. Adams briefed the Committee on:

- the Governor's approach to budgeting and how he makes his budget decisions;
- the revenue environment, which is the starting point of the budget, and how uncertainty is managed;
- budget key expenditures; and
- a summary to highlight items that are most important to the Governor in his budget recommendations.

He presented data regarding the General Fund revenue forecasts, revenue adjustments, maintenance adjustments, and recommended amounts for kindergarten through grade 12 education, the in-demand career fund, transportation, natural resources, medicaid, and miscellaneous priorities of

deferred maintenance, broadband, and human resources consolidation (see attachment 1).

In response to Committee questions, **Mr. Adams** explained the federal American Rescue Plan Act of 2021 (ARPA) and its allowable use to cover COVID expenses thereby saving General Fund reserves. He also addressed a couple specific dollar amount questions.

ADJOURNED: There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at 10:14 a.m.

Senator Grow
Chair

Erin Miller
Secretary