

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 02, 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, Tanner, and Nash

ABSENT/ EXCUSED: None

CONVENED: **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee or JFAC) to order at 8:01 a.m.

LSO STAFF PRESENTATION: **STATE APPELLATE PUBLIC DEFENDER TECHNICAL CORRECTION; Tim Hibbard, Analyst, Legislative Services Office (LSO) Budget and Policy Analysis**
Mr. Hibbard explained the reappropriation authority language for the fiscal year (FY) 2024 budget coincided with the FY 2023 supplemental appropriation the Committee approved on February 20, 2023, which was inadvertently left out.

UNANIMOUS CONSENT: Requested by **Representative Nash**, granted by unanimous consent, the FY 2024 budget for the State Appellate Public Defender was reopened.

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

INTENT LANGUAGE: SECTION _ . REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the State Appellate Public Defender any unexpended and unencumbered balances appropriated to the State Appellate Public Defender from the General Fund for fiscal year 2023, in an amount not to exceed \$1,309,400 from the General Fund, to be used for nonrecurring expenditures for the period July 1, 2023, through June 30, 2024. The Office of the State Controller shall confirm the reappropriation amount by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF COMMERCE TECHNICAL CORRECTION; Matt Farina, Analyst, LSO Budget and Policy Analysis

Mr. Farina explained the technical corrections for the Department of Commerce are due to the agency currently going through the request for proposal process for Idaho broadband and economic development grants, but does not have signed contracts. He stated as a result, the agency needs the full amount to be reappropriated into FY 2024. **Mr. Farina** explained there are two actions related to these corrections, the first removes the incorrect language from the budget, and the second provides the agency \$35 million in reappropriation authority from the Idaho Broadband Fund and \$1 million in reappropriation authority from the American Rescue Plan Act of 2021 (ARPA) fund.

**UNANIMOUS
CONSENT:**

Requested by **Representative Furniss**, granted by unanimous consent, the FY 2024 budget for the Department of Commerce was reopened.

**UNANIMOUS
CONSENT:**

Requested by **Representative Furniss**, granted by unanimous consent, the following intent language was removed:

**INTENT
LANGUAGE:**

SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Commerce any unexpended and unencumbered balances appropriated or reappropriated to the Department of Commerce from the Idaho Broadband Fund for fiscal year 2023, not to exceed \$15,000,000, to be used for nonrecurring expenditures for broadband infrastructure for the period July 1, 2023, through June 30, 2024. The Office of the State Controller shall confirm the reappropriation amount by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Commerce any unexpended and unencumbered balances appropriated or reappropriated to the Department of Commerce from the Idaho Broadband Fund for fiscal year 2023, not to exceed \$35,000,000, to be used for nonrecurring expenditures for broadband infrastructure for the period July 1, 2023, through June 30, 2024. The Office of the State Controller shall confirm the reappropriation amount by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Commerce any unexpended and unencumbered balances appropriated or reappropriated to the Department of Commerce from the American Rescue Plan Fund for fiscal year 2023, not to exceed \$1,000,000, to be used for nonrecurring expenditures for economic planning for the period July 1, 2023, through June 30, 2024. The Office of the State Controller shall confirm the reappropriation amount by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**LSO STAFF
PRESENTATION:**

**STATE BOARD OF EDUCATION - AGRICULTURAL RESEARCH
AND EXTENSION SERVICE (ARES) FY 2024 ORIGINAL; Nathan
Osborne, Analyst, LSO Budget and Policy Analysis**

Mr. Osborne reviewed that the College of Agriculture and Life Sciences at the University of Idaho has a land grant mandated, three-pronged mission which includes education, research, and extension. The research and extension components are specifically funded through this program, which supports research and extension applications across the state. He summarized the budget line item requests and the Governor's recommendation, including the standard budget adjustments regarding personnel benefit costs and change in employee compensation. **Mr. Osborne** stated the agency requested, and Governor recommended, one line item which would provide for three animal and plant assistant professors at the CAFE Research Dairy in Rupert, Idaho.

MOTION:

Moved by **Senator Lent** for the Agriculture Research and Extension Service, beginning with the FY 2024 base include JFAC adjusted budget items: \$391,200 for benefit costs, and \$1,023,300 for change in employee compensation. Also included is one line item which provides 2.77 FTP and \$394,000 for animal and plant research faculty positions. The totals for this motion for the Agriculture Research and Extension Service for FY 2024 are 340.21 FTP, \$36,798,300 from the General Fund, and \$390,100 from federal funds for a grand total of \$37,188,400. There is no FTP cap as part of this motion; seconded by **Representative Miller**.

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**.

**UNANIMOUS
CONSENT:**

Requested by **Senator Lent**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION . EXEMPTIONS FROM OBJECT TRANSFER LIMITATIONS.
The Agricultural Research and Cooperative Extension Service is hereby exempted from the provisions of Sections 67-3511(1) and (3), Idaho Code, allowing unlimited transfers between object codes for all moneys appropriated to it for the period July 1, 2023, through June 30, 2024. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

**LSO STAFF
PRESENTATION:**

**STATE BOARD OF EDUCATION - COMMUNITY COLLEGES FY 2024
ORIGINAL; Nathan Osborne, Analyst, LSO Budget and Policy Analysis**

Mr. Osborne reminded the Committee there are four distinct community colleges in Idaho: College of Eastern Idaho (CEI), College of Southern Idaho (CSI), College of Western Idaho (CWI), and North Idaho College (NIC), with each having a local board of trustees who provide oversight and have decision making authority. He stated that each college receives a state appropriation and as part of their operating budget, property tax, student tuition and fees, and other funds, which all contribute to the total operating budget. **Mr. Osborne** reviewed each institutions' specific budget requests, the Governor's Recommendation, and standard budget adjustments, including personnel benefit costs and change in employee compensation. He explained a third standard adjustment, Enrollment Workload Adjustment (EWA), which is a method of adjusting the institution's budget based upon the credits being taken through each individual institution. He then reviewed each line item in the budget and what it funded.

MOTION:

Moved by **Representative Petzke** for the Community Colleges, beginning with the FY 2024 base include JFAC adjusted budget items: \$463,300 for benefit costs, \$1,623,900 for change in employee compensation, and \$51,100 for the Enrollment Workload Adjustment. Also included are the following line items: line item 1, which provides \$82,200 for compensation equalization at the College of Eastern Idaho; line item 2, which provides \$261,000 for compensation equalization at the College of Southern Idaho; line item 3, which provides \$303,700 to increase nursing capacity at the College of Western Idaho; line item 4, which provides \$447,300 to increase capacity for STEM students at the College of Western Idaho; line item 5, which provides \$294,800 for student outreach and recruitment at the College of Western Idaho; and line item 9, which provides \$454,300 for an additional CEC at each of the four institutions. The totals for this motion for Community Colleges for FY 2024 are \$60,910,500 from the General Fund, and \$800,000 from dedicated funds, for a grand total of \$61,710,500. There is no FTP cap as part of this motion; seconded by **Senator VanOrden**.

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**.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

SECTION __. EXEMPTIONS FROM OBJECT AND PROGRAM TRANSFER LIMITATIONS. The State Board of Education for Community Colleges is hereby exempted from the provisions of Sections 67-3511(1), (2), and (3), Idaho Code, allowing unlimited transfers between object codes and between programs for all moneys appropriated to it for the period July 1, 2023, through June 30, 2024. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

**LSO STAFF
PRESENTATION:**

IDAHO STATE DEPARTMENT OF AGRICULTURE (ISDA) FY 2024 ORIGINAL; Alex Williamson, Analyst, LSO Budget and Policy Analysis

Ms. Williamson discussed that ISDA guarantees Idaho agriculture products are of high quality, disease free, and meet federal and state laws, rules and regulations. It oversees disease, invasive species, and predator control, and performs inspections of growers, handlers, and processors of animal, plant, seed, and fertilizer commodities. She reviewed the agency's request, summarizing its four line items, and the Governor's Recommendation.

MOTION:

Moved by **Senator VanOrden** for the Department of Agriculture, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: \$224,800 for benefit costs, \$156,500 for statewide cost allocation, \$682,200 for change in employee compensation, and remove 5 FTP and \$203,700 for Human Resources consolidation. Include \$1,100 for inflationary adjustments and \$947,000 for replacement items. Also included are the following line items: line item 1 provides 5 FTP and \$163,000 for invasive species personnel and equipment; line item 2 provides \$80,000 for the Weights and Measures program; line item 3 provides \$150,000 for Animal Lab supplies and software; and line item 4 provides \$264,800 for a CEC increase for Fresh Fruits and Vegetables Inspectors. The totals for this motion for FY 2024 are \$13,084,900 from the General Fund, \$30,609,400 from dedicated funds, and \$7,489,000 from federal funds for a total of \$51,183,300, and cap full-time equivalent positions at 225.00; seconded by **Representative Miller**.

CARRIED:

AYES: 18

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

NAYS: 0

ABSENT/EXCUSED: 2

Representatives Lambert and Handy

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 **Senator VanOrden**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

OFFICE OF THE GOVERNOR - WOLF DEPREDATION CONTROL BOARD FY 2024 ORIGINAL; Alex Williamson, Analyst, LSO Budget and Policy Analysis

Ms. Williamson reviewed that this agency's budget is strictly a maintenance budget, noting there is additional revenue available to the agency from Idaho Fish and Game and the Department of Agriculture. Those additional revenue amounts are off budget and not included in the JFAC adjusted budget.

MOTION:

Moved by **Senator Burtenshaw** for the Idaho Wolf Depredation Control Board for FY 2024, a total of \$392,000 from the General Fund; seconded by **Representative Miller**.

CARRIED:

AYES: 17

Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just

Representatives Horman, Miller, Bundy, Furniss, Tanner, Petzke, and Nash

NAYS: 0

ABSENT/EXCUSED: 3

Representatives Raybould, Lambert, and Handy

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 **Senator Burtenshaw**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

IDAHO DEPARTMENT OF AGRICULTURE - SOIL AND WATER CONSERVATION COMMISSION (SWCC) FY 2024 ORIGINAL; Alex Williamson, Analyst, LSO Budget and Policy Analysis

Ms. Williamson presented that SWCC facilitates non regulatory, voluntary, and locally led conservation efforts in Idaho's 50 conservation districts with the mission to conserve, sustain, improve, and enhance the state's natural resources. She stated the agency provides technical assistance and financial resources to land owners as they develop their agricultural best management practices.

Ms. Williamson detailed the budget request line items, which included the statewide cost and inflationary adjustments that have already been acted upon by the Committee. She reiterated that last session the agency received authority for two additional commissioners, taking their total from five to seven.

MOTION: Moved by **Representative Miller** for the Soil and Water Conservation Commission, beginning with a FY 2024 base of \$5,475,800, include the following items as part of the JFAC adjusted budget: \$15,400 for benefit costs, \$5,300 for statewide cost allocation, \$56,800 for change in employee compensation, and \$16,700 for Human Resources consolidation. Include \$25,200 for inflationary adjustments and \$33,100 for replacement items. Also include the following: line item 1, which provides \$13,900 for new commissioners' compensation. The totals for this motion for FY 2024 are \$3,519,800 from the General Fund, \$425,500 from dedicated funds, and \$1,696,900 from federal funds for a total of \$5,642,200, and cap full-time equivalent positions at 18.75; seconded by **Representative Horman**.

CARRIED: **AYES: 17**
Senators Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, and Petzke

NAYS: 0

ABSENT/EXCUSED: 3
Representatives Raybould, Handy, and Nash

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 Miller**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE: SECTION __. TRUSTEE AND BENEFIT PAYMENTS DISTRIBUTION. Of the amount appropriated in Section 1 of this act for trustee and benefit payments, \$300,000 shall be distributed equally between the fifty (50) soil and water conservation districts in addition to the amounts authorized under Section 22-2727, Idaho Code.

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

INTENT LANGUAGE: SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

ADJOURNED: There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at 8:40 a.m.

Senator Grow
Chair

Erin Miller
Secretary