

SINE DIE REPORT

THE IDAHO STATE LEGISLATURE



A Summation of the 2019 Legislative Session

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This report and a complete listing of all legislation are available at www.legislature.idaho.gov. Full text of all bills is available on the website, including statements of purpose, fiscal notes and legislative action.

Cover photo by John M. Carver

2019 Legislative Leadership

Senate

Brent Hill, President Pro Tempore

Chuck Winder, Majority Leader

Steven Vick, Assistant Majority Leader

Kelly Arthur Anthon, Majority Caucus Chair

Michelle Stennett, Minority Leader

Cherie Buckner-Webb, Assistant Minority Leader

Maryanne Jordan, Minority Caucus Chair

House of Representatives

Scott Bedke, Speaker of the House

Mike Moyle, Majority Leader

Jason Monks, Assistant Majority Leader

Megan Blanksma, Majority Caucus Chair

Mathew W. Erpelding, Minority Leader

Ilana Rubel, Assistant Minority Leader

Elaine Smith, Minority Caucus Chair



2019 Committee Chairs

Senate

Jim Guthrie
Agricultural Affairs

Todd Lakey
Judiciary and Rules

Jim Patrick
Commerce and Human Resources

Jim Rice
Local Government and Taxation

Dean Mortimer
Education

Lee Heider
Resources and Environment

Steve Bair
Finance

Patti Anne Lodge
State Affairs

Fred Martin
Health and Welfare

Bert Brackett
Transportation

House of Representatives

Judy Boyle
Agricultural Affairs

Thomas Dayley
Judiciary, Rules and Administration

Rick Youngblood
Appropriations

Ron Mendive
Local Government

Sage Dixon
Business

Marc Gibbs
Resources and Conservation

James Holtzclaw
Commerce and Human Resources

Gary Collins
Revenue and Taxation

Lance Clow
Education

Steven Harris
State Affairs

John Vander Woude
Environment, Energy and Technology

Joe Palmer
Transportation and Defense

Fred Wood
Health and Welfare

Robert Anderst
Ways and Means

Introduction

Medicaid, public schools, campaign finance, water rights and the voter initiative were among the predominant themes of the First Regular Session of the 65th Idaho Legislature. The Session began on January 7, 2019, and newly elected Governor Brad Little gave his first State of the State and budget address to a joint session of the Legislature that afternoon.

During the 2019 session, the Legislature grappled with implementing Medicaid expansion stemming from the approval of a voter initiative passed at the 2018 general election. Among other aspects of Medicaid expansion, the Legislature approved funding for the expansion and added provisions governing work requirements, substance use disorders risk assessments and the use of Medicaid funds to cover treatment of adults for mental disease. On another important topic, the Legislature approved an increase in minimum public school teacher pay and again funded the career ladder compensation for teachers. Also, in House Bill 001, the legislature adopted an agreement between various stakeholders governing water users in the Boise River Basin and outlining the role of the Idaho Department of Water Resources in authorizing water rights for new water storage. The Legislature also revised provisions relating to the voter initiative; however, that effort was vetoed by the Governor (Senate Bill 1159 and House Bill 296).

Other high-profile legislative actions included strengthening campaign finance laws by extending reporting requirements to local campaigns that meet a certain threshold and requiring the filing of regular monthly reports with the Secretary of State's office during election years. The Legislature also revised urban renewal laws by requiring voter approval for the construction or remodel of a municipal building or multipurpose sports stadium complex when the cost of the project exceeds \$1 million (not including infrastructure costs) and when at least 51% of the project will be paid for by public funds (not including federal funds).

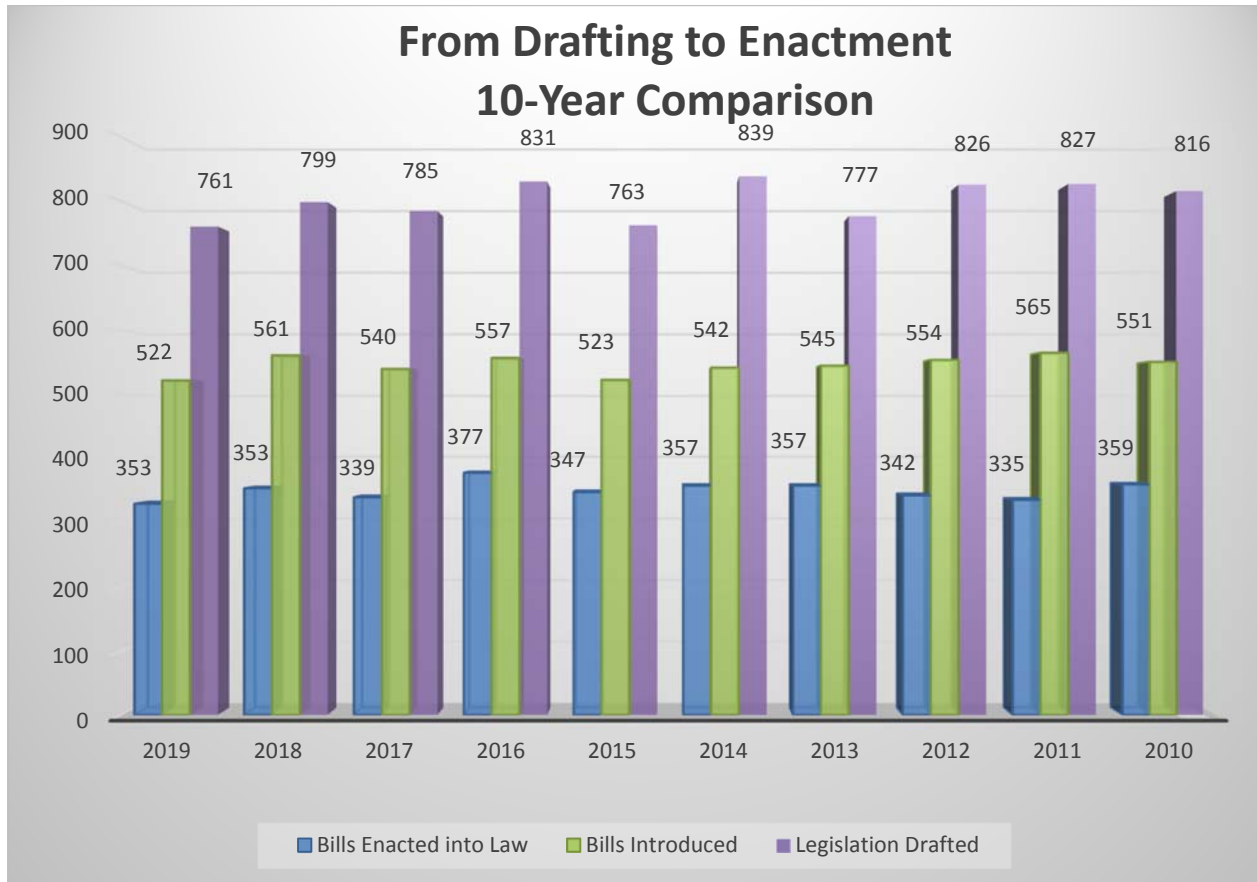
Regarding public education, for the fifth year in a row, the Legislature increased the General Fund appropriation for K-12 by more than \$100 million. For FY 2020, the appropriation increased by \$113 million from the General Fund over last year's appropriation. This increase includes \$49.7 million for the fifth year of the five-year phase-in of the career ladder compensation system for teachers, bringing the total amount of new career ladder funding since FY 2016 to \$226 million. The FY 2020 appropriation also includes \$3.8 million for the increase in the minimum teacher salary to \$38,500 beginning July 1, 2019, and to a minimum of \$40,000 in FY 2021. The salary increases will be implemented over a two-year period. The increase in FY 2021 is anticipated to be \$7.6 million and that funding will be budgeted next Legislative Session. The FY 2020 appropriation also adds \$7.3 million for a 3% base salary increase for administrators and classified staff, which are categories of employees not on the career ladder. It also adds \$21.8 million in discretionary dollars that includes funding for health insurance costs and other general operations at the districts and charter schools, and well as fully funding the Governor's K - 3 literacy initiative recommendation at \$13.1 million, bringing the new total for K-3 literacy to \$26.1 million. There are additional increases and decreases in several other funding distributions that net to a \$113 million General Fund increase over the current year, which reflects a 6.3% increase.

As for other statewide budget matters, revenue projections for FY 2020 represent the ninth consecutive year of economic growth in the state. In January 2019, the Division of Financial Management revised the FY 2019 forecast upward to \$3.75 billion, reflecting a 0.5% revenue growth over actual FY 2018 collections. The Economic Outlook and Revenue Assessment Committee concurred with the projections from the executive branch for the purposes of setting budgets. For FY 2020, the Division of Financial Management provided an original forecast of \$4.06 billion; however, EORAC recommended JFAC and the Legislature use a forecast of \$3.96 billion due to uncertainty regarding income tax withholdings and estimated income tax payments. For the purposes of setting budgets, JFAC used a revenue projection of \$4.01 billion. Through several pieces of legislation, the Legislature added \$11.8 million, mostly from House Bill 183, to estimated revenues in FY 2020, for a total revenue projection in FY 2020 of \$4.02 billion

Legislators wrote more than 720 pieces of draft legislation, of which approximately 68% were introduced as bills. The following is a summary list of selected key actions that successfully made their way through the legislative process in the 2019 Legislature.

Volume of Legislation and Length of Session

During the 2019 legislative session, 761 proposed pieces of legislation were prepared for legislative committees and individual legislators. From that initial group of draft proposals, 522 bills were actually introduced, along with another 67 resolutions, memorials and proclamations. By the end of the session, 331 bills had been passed. After final legislative action, and following the Governor’s review, 329 introduced bills became law, with the majority of the new laws to become effective July 1, 2019. Two bills were vetoed by the Governor.



Length of Session

When the Legislature adjourned sine die on April 11th, it had been in session for 95 days. The 2019 legislative session was fifteen days longer than the previous session and the longest since 2009.

Length of Recent Sessions (Days)

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
95	80	80	75	89	74	88	81	88	78

Rules Review

At the beginning of each legislative session, the Legislature takes up the important task of reviewing all pending, pending fee and temporary rules that have been promulgated by state agencies. The Legislature can prevent pending rules from going into effect, as well as prevent final rules from remaining in effect, by rejecting them. Pending fee rules go into effect only if the Legislature approves them. Temporary rules expire at the end of the legislative session unless approved by the Legislature.

During the 2019 legislative session, the Senate and the House of Representatives were each asked to review 239 individual rulemaking dockets, totaling 1,766 pages. This figure is up from the 191 dockets reviewed during the 2018 legislative session.

9 of the 220 pending rule dockets reviewed were rejected entirely or in part:

1. An entire rulemaking docket of the Department of Fish and Game relating to Rules Governing the Importation, Possess, Release, Sale, or Salvage of Wildlife (HCR 7);
2. An entire rulemaking docket of the State Tax Commission relating to Property Tax Administrative Rules (HCR 17);
3. Parts of a Division of Vocational Rehabilitation docket relating to Rules and Minimum Standards Governing Extended Employment Services (HCR 18);
4. Parts of a Department of Administration docket relating to Rules of the Division of Purchasing (SCR 103);
5. Parts of a Division of Building Safety docket relating to Rules Concerning Idaho State Plumbing Code (SCR 106);
6. Parts of a State Tax Commission docket relating to Property Tax Administrative Rules (SCR 107);
7. Parts of a State Tax Commission docket relating to Sales and Use Tax Administrative Rules (SCR 108);
8. Parts of a State Tax Commission docket relating to Income Tax Administrative Rules (SCR 109); and
9. Parts of an Idaho Soil and Water Conservation Commission docket relating to the Resource Conservation and Rangeland Development Program (SCR 110).

Two temporary rule dockets concerning Rules of the Idaho Outfitters and Guides Licensing Board and Rules Governing Nominations for Appointment as a Commissioner to the Idaho Potato Commission were rejected. The other seven temporary rule dockets were approved (SCR 113).

A pending fee rule docket concerning Rules Governing the Administration of Temporary Permits on Lands Owned by the Idaho Department of Parks and Recreation and parts of a pending fee rule docket concerning Rules of the Barber and Cosmetology Services Licensing Board were rejected. The other eight pending fee rule dockets were approved (SCR 114).

The Legislature did not pass legislation that would have extended administrative rules set to expire on July 1, 2019.

2019 Legislative Action on Major Issues

Agriculture

H 025 ANNEXATION - Requires the express written permission of an owner of land that is five acres or greater and actively devoted to agriculture, regardless of whether the land is surrounded or bounded on all sides by lands within a city, prior to annexation by a city.

H 080 FISH AND GAME - Expands the ability of owners and lessees to file damage claims for irrigation equipment and seedbed damage caused by pronghorn antelope, elk, deer, and moose.

H 176 POTATOES - Revises the definitions of "shipper," "grower," and "processor" as they relate to the Potato Commission and restricts rule promulgation by the commission associated with the revisions for a period of one year.

S 1024 CROP RESIDUE BURNING – Simplifies the fee payment process associated with crop residue burning by providing that fees no longer have to be paid prior to burning to ensure farmers do not risk paying for acres they do not burn.

S 1039 IDAHO WOLF DEPREDATION CONTROL BOARD – Removes a sunset date, resulting in the continuation of the wolf depredation control board.

S 1082 STATE BRAND BOARD - Revises fee provisions regarding ownership and transportation certificates, brand inspection fees for horses, mules, and asses, and provides for equine farm service fees.



S 1083 IRRIGATION AND DRAINAGE – Clarifies that the protections and obligations of water delivery rights-of-way extend to the operators of such rights-of-way, in addition to the owners.

S 1086 IRRIGATION AND DRAINAGE – Clarifies that the right to remove and deposit debris from water delivery rights-of-way extends to vegetation within the rights-of-way.

S 1087 ARTESIAN WELLS – Provides that the director may implement a cost-sharing program to assist owners of wells that have been ordered repaired or plugged due to noncompliance with minimum well construction standards to preclude the wasting or commingling of water. Cost-sharing is limited to fifty percent of the total cost to repair or plug the well and shall be based on an applicant's ability to pay or ability to obtain other funding, as well as the amount of money available for such cost-sharing.

S 1125 WAREHOUSES - Authorizes warehouses to issue negotiable warehouse receipts for agricultural commodities stored in the warehouse in electronic form or on forms prepared and supplied by the Idaho State Department of Agriculture.

Criminal Justice and Public Safety

H 078a CRIMES AND PUNISHMENTS – Creates an optional diversion program for first-time DUI offenders that includes ignition interlock, labor detail or community service, and drug and alcohol education, with successful completion resulting in the charges being dismissed.

H 114 CHILDREN - Provides that female genital mutilation of a child shall be a felony.

H 116 SEXUAL ASSAULT EVIDENCE KITS - Clarifies who enters information into the sexual assault kit tracking system through the Idaho State Police and defines criteria for evidence to be submitted to and processed by the ISP Forensic Services laboratory for potential entry into the Combined DNA Index System (CODIS).

H 117 CRIME VICTIMS - Provides that defendants may be fined for the crimes of felony domestic violence and attempted strangulation and for attempted murder and attempted rape.

H 118a CRIMINAL PROCEDURE - Provides certain transparency requirements for pretrial risk assessment tools used to determine bail or conditions of release from jail, pending trial.

H 137a DANGEROUS AND AT-RISK DOGS – Provides that anyone who owns, possesses, or harbors a dog found to be a dangerous dog or at-risk dog is guilty of a misdemeanor and may be ordered to pay a victim restitution due to injury caused by the dog.

H 156 FIREARMS - Amends the definition of a “qualified retired law enforcement officer” to allow for issuance of a concealed carry license by reducing the years of service required from fifteen to ten.

H 199a CONCEALED WEAPONS - Revises the definition of “deadly weapon” by increasing the length of a knife blade from four inches to six inches and clarifies provisions regarding the carrying of concealed weapons.

H 206 CONCEALED WEAPONS - Allows persons who are between the ages of 18 and 21 to carry or possess a concealed handgun within city limits without a license.

H 209 PEACE OFFICERS - Authorizes a peace officer to arrest a person without a warrant for threatening violence on school grounds.

H 266 SEXUAL ASSAULT EVIDENCE KITS - Clarifies that when an adult victim of sexual assault visits a hospital for administration of an anonymous sexual assault evidence kit, the hospital shall withhold certain information from law enforcement to protect the anonymity of the victim.

S 1003a HUMAN TRAFFICKING - Provides minor victims of human trafficking with a diversion program instead of criminal prosecution for non-violent crimes and provides conditions for diversion.

S 1004 IDAHO STATE POLICE - Establishes the Blue Alert system in Idaho when a suspect for

a crime involving the death or serious injury of a peace officer has not been apprehended and law enforcement personnel have determined that the suspect may be a serious threat to the public, or when a peace officer becomes missing while in the line of duty under circumstances warranting concern for such peace officer's safety.



S 1005a HUMAN TRAFFICKING - Revises the definition of "human trafficking" to add identifying conduct and revises the penalty for human trafficking by no longer requiring that it be committed in conjunction with another crime.

S 1023 ASSAULT AND BATTERY - Provides for the crime of assault or battery upon employees of the Department of Parks and Recreation.

S 1049 ABORTION - Updates existing law regarding partial-birth abortion so it is consistent with federal law that bans the performance of partial-birth abortion except when necessary to save a mother's life.

S 1074a COUNTY JAILS – Clarifies that county sheriffs shall only be responsible for medical care of inmates in their custody and only for the duration of their incarceration.

S 1093 PRETRIAL SUPERVISION – Provides for pretrial release supervision programs such as electronic monitoring, alcohol testing, or drug testing for persons released from jail while awaiting trial and establishes that fees for such programs shall be paid to the clerk of the court.

Economic Development

H 084 GENERAL BUSINESS CORPORATIONS - Amends existing law to bring the requirements for general business corporations into conformity

with the Model Business Corporations Act and to harmonize it with the Uniform Business Organizations Code (UBOC).

H 134 ALCOHOLIC BEVERAGES - Allows persons under the age of 21 to enter or be in a town plaza when alcohol is being served.

H 157 ALCOHOL - Provides that movie theaters built before 1950 and listed on the National Register of Historic Places may obtain a license to sell beer at retail.

S 1053 BARBER AND COSMETOLOGY SERVICES - Provides for barber and barber-stylist apprenticeships.

S 1078 BEER - Authorizes contract brewing by allowing a craft brew facility in Idaho to contract with other entities wishing to brew at such facility.

S 1111 REVISED UNIFORM LAW ON NOTARIAL ACTS - Authorizes notarization of a document by an Idaho notary for an individual remotely located through the use of communication technology and in concert with a process for identity proofing.

S 1182 RESIDENTIAL SOLAR ENERGY SYSTEM DISCLOSURE ACT - Provides that all retailers of solar energy systems sold to residential consumers shall deliver certain disclosures in writing in the interests of consumer protection.

Education

H 091 DEVELOPMENT IMPACT FEES - Exempts public charter schools from development impact fees. School districts are already exempt, and this legislation ensures that public charter schools will be treated in the same way as school districts for purposes of development.

H 093a EDUCATION - Allows nontraditional educator preparation programs approved by the State Board of Education to receive state funding if the program provides matching private dollars.

Such programs must be able to place teachers in hard-to-fill positions and must demonstrate success in preparing teachers whose students achieve above-average academic growth.

H 150 OPEN MEETINGS - Provides that the governing board of a public school district, charter district, or public charter school may enter into executive session on a simple roll call majority vote if the board has vacancies, such that less than two-thirds of the board members have been seated. This will enable boards with vacancies to enter executive session when appropriate.

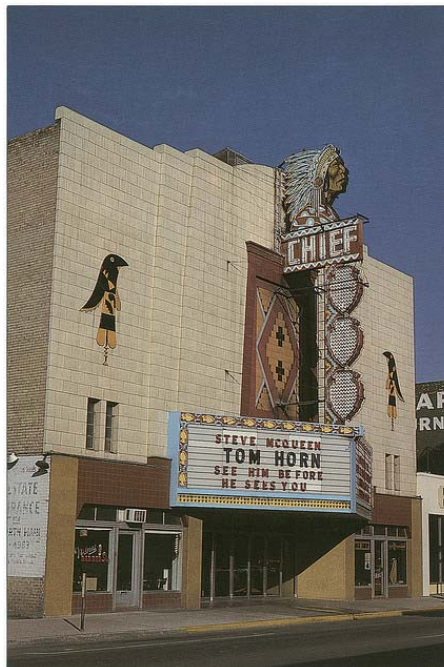
H 153 EDUCATION - Increases minimum teacher pay to \$38,500 in FY 2020 and \$40,000 in FY 2021.

H 293 EDUCATION - Authorizes the State Board of Education to promulgate rules on student enrollment counts and requires reports from school districts, public charter schools, and the State Board of Education on the number of enrolled students, per district or school, who meet the definition of at-risk, economically disadvantaged, English language learner, or gifted and

talented. The purpose of this legislation is to collect information that will allow for a transition to enrollment-based funding for public schools.

S 1058 EDUCATION - Provides for an alternative certificate for charter school administrators and qualifications for the alternative certificate, including a bachelor's degree, professional experience, training in the state framework for teacher evaluation, and a job offer from a charter school board of directors. This legislation will make it easier for charter schools to hire experienced administrators who lack a traditional certificate, such as administrators moving to Idaho from another state.

S 1060a EDUCATION - Provides opportunities for flexible academic schedules and early graduation for high school students. To qualify, students



must satisfy several requirements, including attaining a 3.5 GPA and achieving a college and career readiness score on a college entrance exam.

Elections

H 103 ELECTIONS - Requires that the ballot for a property tax election shall state the estimated average annual cost to the taxpayer of the proposed levy per \$100,000 of assessed value.

H 171 ELECTIONS - Revises the timelines for various election process deadlines to fall on certain Fridays to avoid any deadlines falling on weekends and revises language in the election laws.

H 173 ELECTIONS - Increases the maximum population threshold for a mail ballot precinct.

H 210 LEGISLATORS - Amends existing law to match the constitutional requirement that a candidate for state senator or representative must have been a registered elector within his or her legislative district for one year prior to the general election.

H 270 ELECTIONS - Provides that public school facilities shall be made available as polling places.

S 1113a CAMPAIGN FINANCE - Revises campaign finance reporting laws by extending reporting requirements to local campaigns that meet a certain financial threshold, increases the threshold reporting amount for political committees to \$1,000, requires regular monthly reports during election years and an annual report in nonelection years; consolidates campaign finance reporting in a central online database in the Secretary of State's office; and divides duties between county clerks and the Secretary of State's office.

General Government

H 113 WAGE CLAIMS - Increases the time period in which a claim to collect unpaid wages, penalties, or interest must be commenced with the Department of Labor or district court from six months to twelve months.

H 139 FOREIGN DEFAMATION JUDGMENTS - Provides protection from defamation judgments in foreign courts.

H 158a HOMEOWNER'S ASSOCIATIONS - Provides that a homeowner's association may not enforce any restriction that limits or prohibits the installation of solar panels or solar collectors on any property rooftop or structure within the homeowner's association jurisdiction, with exceptions.

H 177 PUBLIC EMPLOYEE RETIREMENT SYSTEM - Allows local school districts to hire retired law enforcement officers to support school security without requiring such individuals to suspend their PERSI benefits.

S 1028 WORKER'S COMPENSATION - Provides that psychological injuries suffered by first responders shall be compensable.

S 1037 ENGINEERS AND LAND SURVEYORS - Provides that private land surveyors may be authorized to conduct surveys of private property boundaries, subject to certain restrictions.

S 1043 JUDGES – Adds one new district judge for the Fourth Judicial District in Ada County.

S 1047 PURCHASING BY POLITICAL SUBDIVISIONS - Allows political subdivisions to cooperate with the state of Idaho, other Idaho political subdivisions, and other government entities and or associations thereof, to engage in purchasing.

S 1071 CIVIL ACTIONS - Revises the definition of a "licensing authority," enabling the prevailing party in an administrative procedure between a licensee and a licensing authority to recover reasonable investigative and defense costs, subject to judicial review if requested.

S 1072 ADMINISTRATIVE PROCEDURE - Provides for the elimination of publication fees in the Idaho Administrative Bulletin when a publication is for administrative rule removal.

S 1075a INDIVIDUALS WITH DISABILITIES – Clarifies Idaho's statutes regarding individuals with disabilities and access for service dogs in areas of public accommodation.

S 1110a BAIL ENFORCEMENT AGENTS - Provides requirements and prohibitions for bail enforcement agents.

S 1138 ELECTRICAL CONTRACTORS AND JOURNEYMEN - Provides for qualified electricians to work in Idaho under a provisional license until they are able to take and pass the journeyman electrician's examination.

S 1146 JUDGES – Provides a salary increase for justices of the Idaho Supreme Court.

SCR 112 OCCUPATIONAL LICENSING - Amends existing law to authorize the reappointment of an interim committee to study occupational licensing and certification laws and rules in Idaho.

Health and Human Services

H 009 BOARD OF MEDICINE - Updates the Medical Practice Act to provide for physician assistants and to revise provisions regarding licensure, registration, discipline, disability, and board composition.

H 012 PHARMACY - Provides that any licensed health professional may prescribe or dispense an opioid antagonist. Previously, the law limited the ability to prescribe or dispense opioid antagonists to pharmacists or practitioners with prescriptive authority, such as physicians. This change is intended to make opioid antagonists more widely available in order to prevent opiate-related overdoses.

H 058 PHARMACY - Allows for the donation of legend drugs (drugs that require a prescription) to persons who lack the means to pay for the drugs. Under this legislation, donations may be made by various facilities or by members of the public to a donation repository, such as a free health clinic. The repository may then dispense the drugs to persons with a valid prescription.

H 109 HEALTH - Establishes a Maternal Mortality Review Committee to investigate causes and factors associated with deaths relating to pregnancy or childbirth and to make recommendations to reduce Idaho's maternal death rate, which is currently about 27 deaths per 100,000 live births.

H 144 BARBER AND COSMETOLOGY SERVICES - Provides for personal care of residents by workers without a cosmetology license in facilities licensed by the Department of Health and Welfare, Division of Licensing and Certification.

H 180 SYRINGE AND NEEDLE EXCHANGE ACT - Allows for the operation of syringe and needle exchange programs by various entities, including government agencies and private organizations. The purpose is to reduce the spread of blood-borne diseases. Programs will be monitored by the Department of Health and Welfare, which will provide periodic reports to the Legislature on whether the programs have reduced the incidence of blood-borne diseases as well as whether the programs have contributed to an increase in the use of illegal drugs.

H 182 PHARMACISTS - Revises the definition of "practice of pharmacy" to increase patient access to certain categories of medications that are low risk if used under the supervision of a pharmacist.

H 244 NATUROPATHIC MEDICINE - Provides for the licensure of naturopathic medical doctors.

S 1129a DENTISTS - Authorizes the Idaho Board of Dentistry to license dental therapists who have completed certain education and training requirements. Dental therapists must discharge duties on behalf of the United States through the Public Health Service, Indian Health Service, or for an Indian tribe contracted to perform such services on behalf of the United States.



S 1204a MEDICAID - Establishes several provisions of law regarding Medicaid. First, the Director of the Department of Health and Welfare must include questions regarding substance use disorders on a health risk assessment for Medicaid participants, so that participants may be referred to appropriate treatment if necessary. Second, the Director must research federal waivers that would allow Medicaid funds to cover the treatment of adults in institutions for mental disease; under federal law, Medicaid funds are prohibited from being used in such institutions, even if the treatment is medically necessary. Third, the Director, in cooperation with the Director of the Department of Insurance, must seek a waiver that would allow persons eligible for Medicaid under Medicaid expansion (Proposition 2) to stay on the Idaho health insurance exchange, unless they request a transfer to Medicaid. Fourth, the Director of the Department of Health and Welfare must seek a waiver imposing work requirements on persons participating in Medicaid through Medicaid expansion, unless a person qualifies for an exemption. Fifth, eligibility for Medicaid under Proposition 2 will not be delayed while the Department is seeking or negotiating any waivers, and the Department will not implement any waivers that would result in a reduction in federal funding for Medicaid expansion. Sixth, the Legislature shall nullify Medicaid expansion if expansion is held unlawful or unconstitutional by the United States Supreme Court. Seventh, if federal funding for Medicaid expansion is reduced, the Senate and House of Representatives Health and Welfare Committees shall review the effects of the reduction and make a recommendation as to whether Medicaid expansion should remain in effect. Eighth, Medicaid participants eligible for the program through Medicaid expansion must be placed in managed care to the extent possible. Ninth, Medicaid participants with a medical home under a managed care plan must have a referral to obtain family planning services and supplies from a provider outside the participant's medical home. Tenth, a legislative review of the health and financial impacts of Medicaid expansion must be conducted during the 2023 session. Finally, a task force will be appointed by the Legislative Council to study the effects of Medicaid expansion on county and state programs serving indigent persons, including the county medically

indigent program and the catastrophic health care costs program.

SCR 117 MEDICAID - Authorizes the Legislative Council to appoint a committee to undertake and complete a study and to make recommendations regarding the effects of Medicaid eligibility expansion on existing programs that serve medically indigent individuals, including the County Medically Indigent Program and the Catastrophic Health Care Costs program. Funding for these programs has been identified as a potential source of funding for the state's share of Medicaid expansion. The purpose of the committee is to study whether the programs should continue in light of Idaho's Medicaid expansion, since the programs serve many of the same people who will now be eligible for Medicaid.

Insurance

H 149a SELF-FUNDED HEALTH CARE PLANS - Allows the director of the Department of Insurance to waive surplus requirements for self-funded health benefit plans offered by certain public employers, such as cities or school districts. To qualify for a waiver, the employer must demonstrate that funding and stop-loss insurance coverage are sufficient to meet the plan's liabilities.

S 1097 INSURANCE - Provides coverage under health benefit plans for persons participating in clinical trials. While plans will not be required to pay for costs associated with the trial itself, they will not be able to deny coverage that would otherwise be provided because a person is participating in a clinical trial.

Military/Veterans

H 089 HIGHWAYS AND BRIDGES - Designates Idaho's portion of U.S. Highway 20, which begins near Parma, Idaho and ends at the Idaho state line at the Continental Divide/Targhee Pass entering Montana west of West Yellowstone, as the Idaho Medal of Honor Highway, honoring current and future Medal of Honor recipients.

H 124 MILITARY – Updates the Idaho Code of Military Justice to align the code with the Uniform Code of Military Justice that was revised by the federal Military Justice Act of 2016, modernizes

the criminal code to add offenses like computer crimes, workplace retaliation, and credit card fraud, and updates definitions of processes regarding courts martial panel composition.

H 248 OCCUPATIONAL LICENSING - Establishes the Occupational Licensing Reform Act that recognizes military training, expedites applications for military members and their spouses, and expedites licensure by endorsement for military members and their spouses.

S 1079 VETERANS – Authorizes the Idaho Division of Veterans Services to offer financial relief and assistance to all eligible Idaho destitute veterans and their dependents instead of only those who fall under the classifications of disabled or wartime.



S 1088a FISH AND GAME - Provides that the Fish and Game Commission shall issue five free big game permits or tags to military veterans with disabilities and authorizes the Idaho Division of Veterans Services to screen all applicants and provide the commission with a list of applicants in priority for issuance.

Natural Resources

H 001 WATER - Provides that the director of the Department of Water Resources shall subordinate permits and licenses for projects to store more than 1,000 acre-feet of surface water issued after a specified date to the capture and retention of water in existing on-stream storage reservoirs during and following flood control operations until the date of allocation.

H 002a LOGGING – Authorizes the Idaho State Police and the Idaho Transportation Board to perform safety inspections and safety training programs, issue orders to detain vehicles where there is an immediate threat of serious bodily harm or loss of life, and enforce administrative rules if a logging truck is operating on a public highway.

H 024 RECREATIONAL ACTIVITIES – Modifies the definition of "utility type vehicle" to remove weight restrictions.

H 026 UNDERGROUND STORAGE TANK SYSTEMS – Establishes the compliance date for regulations relating to testing and inspection of petroleum underground storage tanks (USTs), conforms Idaho regulations to those of other states, and maintains compliance of insurance contracts providing for environmental cleanup of USTs issued by the Petroleum Clean Water Trust Fund.

H 075 RECREATIONAL ACTIVITIES – Imposes a \$12.00 sticker fee on nonresidents for off-highway vehicle travel in Idaho, consistent with the fee for residents.

H 090 RECREATIONAL ACTIVITIES – Increases the maximum width for all-terrain vehicles and utility type vehicles and also removes weight restrictions for utility type vehicles.

H 097 FISH AND GAME - Limits the liability of an owner of land who grants public access for recreational purposes pursuant to an agreement with a governmental entity as long as the landowner does not directly charge individual members of the public for such access.

H 141 MINES - Addresses the surface impacts of underground mines and provides for actual cost estimation of reclamation and related environmental activities, updates financial assurance methods, requires financial assurance for reclamation and long-term post-closure management activities, requires reclamation plan and financial assurance reviews, and ensures there will be no duplication in financial assurances between government agencies.

H 189a FISH AND GAME – Repeals law that authorized officers to conduct inspections and searches in the event there was probable cause of a fish and game violation.

H 207 WETLANDS - Prohibits state agencies, officers, and employees, as part of any action related to issuance of a Clean Water Act permit, from requiring mitigation for impacts to wetlands more stringent than federal compensatory mitigation requirements for impacts to wetlands under the Clean Water Act and the 2008 mitigation rule.

HCR 010 WATER - Supports the 2018 settlement agreement between the cities, the Surface Water Coalition, and members of the Idaho Ground Water Appropriators, supports state management through the ESPA Ground Water Management Area, and supports the continued funding and implementation of efforts to stabilize and reverse the trend of declining water levels in the ESPA.

HJM 004 WATER - Supports the construction of new water infrastructure in Idaho and, in particular, the raising of the Anderson Ranch Dam.

HJM 008 WILDERNESS - Supports scientific adaptive management to implement the multiple-use concept and urges the release of specified wilderness study areas.

S 1041 GROUND WATER DISTRICTS - Provides for emergency assessments, for mitigation by a district due to a member's noncompliance with a mitigation plan, and for the levy of a special assessment against such noncomplying member.

S 1050 WATER - Allows for ground water to be diverted and used at any time with or without a water right for the purpose of firefighting.

S 1056a GROUND WATER DISTRICTS - Authorizes districts to apportion among district members mitigation plan obligations requiring district members to limit the amount of water diverted under their ground water rights or perform other actions to mitigate material injury to senior priority water rights caused by ground water use within the district.

S 1151 FISH AND GAME - Revises conditions and requirements associated with the payment of damages caused by depredation by placing a cap on the amount paid on any single claim, including any payment to any pass-through entity, to not exceed 10% of the original expendable Big Game Depredation Fund appropriation for the fiscal year.

Taxation

Income Tax

H 165 INCOME TAX REFUNDS - Consolidates the list of charities to which an individual taxpayer may donate a tax refund, reduces the minimum collection threshold a charity must receive each

year to remain qualified to appear on the tax return form, and requires an annual report by the State Tax Commission.

H 183 INCOME TAXES - Conforms Idaho law for calculating multinational corporate taxable income to the Internal Revenue Code so that the same deductions are made at the state level as at the federal level.

S 1123 COURTS - Provides that the State Tax Commission shall withhold and transmit to the court an income tax refund of a taxpayer who owes a debt of any amount to the courts, to the extent of the debt.

Property Tax

H 062 OCCUPANCY TAX - Extends existing circuit breaker tax relief for residents who qualify for occupancy tax as well as the property tax.

H 087 PROPERTY TAXES - Clarifies the application of the personal property tax exemption to farm equipment and machinery used in the production or harvest of field crops or animals in an agricultural operation.

H 164 PROPERTY ASSESSMENTS - Requires the State Tax Commission to provide notice to a county assessor and board of county commissioners if it believes a category of property has been improperly assessed and provides for circumstances under which the State Tax Commission may issue an equalization order.

H 193a STATE TAX COMMISSION - Revises the State Tax Commission's duties when it receives changes to a taxing district's boundaries that fail to provide proper legal descriptions or fail to correctly identify boundaries.

H 201 PROPERTY TAX LEVIES - Provides a narrow window in which certain nonschool taxing districts may certify a budget request in excess of the usual limitations under certain circumstances in order to fund a judicially confirmed obligation.

H 217a LOCAL ECONOMIC DEVELOPMENT ACT - Requires voter approval for the construction or remodel of a municipal building or multipurpose sports stadium complex if 51% of the project cost

(not including infrastructure costs) will be paid for by public funds (not including federal funds).

Sales Tax

H 015 SALES AND USE TAX - Provides an exemption from the sales or use tax for any fees associated with public records requests.

H 086 SALES TAX - Provides a sales tax exemption for the labor charged by a motor vehicle dealer to add accessories to a new factory-delivered vehicle.

H 259a SALES TAX - Provides for the powers and duties of certain out-of-state retailers and marketplace facilitators to collect the state sales tax on purchases made by Idaho residents and directs the revenues to the Tax Relief Fund.

Transportation

H 024 RECREATIONAL ACTIVITIES - Removes the weight limit of a "utility type vehicle," allowing additional vehicles to fit within that definition.

H 075 RECREATIONAL ACTIVITIES - Imposes a fee on nonresidents that matches the resident fee for off-highway vehicle travel.

H 076 TRANSPORTATION - Provides for the recognition of electric-assisted bicycles and clarifies that electric-assisted bicycles must follow existing laws and rules of the road for bicycles.

H 105 LICENSE PLATES - Provides for Idaho Humane Society pet friendly license plates.

H 106a RULES OF THE ROAD - Provides that a driver shall slow down and move over upon approaching a stationary tow truck displaying flashing lights or a stationary highway incident response vehicle displaying flashing lights.

H 126 TRANSPORTATION - Establishes uniform requirements regarding flags placed on overhanging or projecting loads.

H 167 MOTOR VEHICLES - Eliminates statutory pilot project routes for vehicles up to 129,000

pounds gross weight and grants the Idaho Transportation Department authority to establish such routes.

H 168 MOTOR VEHICLES - Establishes new pilot projects for the Idaho Transportation Department and local highway authorities to designate routes and issue permits for vehicles with gross weights between 105,501 and 129,000 pounds.

H 179a MOTOR VEHICLE INSURANCE - Requires the Idaho Department of Transportation to develop a system to continually monitor the status of insurance coverage as to registered vehicles, to provide owners with notification of lapsed motor vehicle insurance, and, after notice has been provided, to revoke the registrations of vehicles with lapsed insurance.

HJM 006 WILDLIFE CROSSINGS - Addresses concerns about transportation projects that may involve wildlife crossings and related infrastructure.

S 1046 HIGHWAY DISTRICTS - Allows a highway district to sell surplus property without a public hearing if the value does not exceed



\$10,000.

S 1065 TRANSPORTATION FUNDING - Amends the Transportation Expansion and Congestion Mitigation (TECM) program fund to provide a bonding mechanism, provides for the Idaho Transportation Board to consider the mitigation of traffic congestion caused by a new state office campus, and specifies that the 1% sales tax used to fund TECM, but not less than \$15 million dollars, is continually appropriated to the TECM fund for the ability to support and finance TECM projects.

S 1131a TRAFFIC ENFORCEMENT - Provides increased fines for overtaking and passing a stopped school bus with activated signals. A portion of such fines shall be used for the acquisition of stop arm enforcement cameras.

2019 Interim Committees

New Committees:

Committee on Federalism: Authorized by H 169 in the 2019 legislative session to monitor and review federal acts, laws, and regulations that may impact the jurisdiction, governance, and sovereignty of the state of Idaho.

Equitable Assessment of Costs Related to Medicaid Expansion Interim Committee: Authorized by SCR 117 in the 2019 legislative session to undertake and complete a study and to make recommendations regarding the effects of Medicaid eligibility expansion on existing programs that serve medically indigent individuals.

Ongoing or Reauthorized Committees:

Child Protection Legislative Oversight Committee: Authorized by S 1341 in the 2018 legislative session to provide oversight for the foster care system in Idaho, to review citizen review panel reports and the department's annual response, and for other purposes related to child protection.

Criminal Justice Reinvestment Oversight Committee: Authorized by S 1393 in the 2014 session to monitor performance and outcome measures as set forth in the Justice Reinvestment Act and to study the data-driven justice reinvestment and resource allocation approach and policies to improve public safety, reduce recidivism and reduce spending on corrections in Idaho. In the 2019 legislative session, the sunset date was extended to 2023.

Idaho Council on Indian Affairs: Authorized by H 155aa in the 1999 legislative session, the Idaho Council on Indian Affairs monitors and reviews legislation and state policies that impact state/tribal relations and advises the Governor, the Legislature, and state departments and agencies on state/tribal relations. The council consists of two members of the House of Representatives, two members of the Senate, one person representing the Office of the Governor, and five members to represent each of the five Indian tribes of the state.

Natural Resources Interim Committee: Reauthorized by HCR 12 in the 2019 legislative session to undertake and complete a two-year study of natural resource issues.

Occupational Licensing and Certification Laws Interim Committee: Reauthorized by SCR 112 in the 2019 legislative session to undertake a study of occupational licensing and certification laws and rules in Idaho.

2019 Legislation Vetoed by the Governor

H 296 - INITIATIVES - Revises the time and number of legislative districts within which to gather signatures for an initiative petition.

S 1159aa - INITIATIVES - Amends and adds to existing law to revise ballot initiative requirements.

Budget Summary

General Fund Budget Update

FISCAL YEAR 2019

<u>REVENUES</u>	<u>Legislative Action</u>
1. Beginning Balance	\$118,358,300
2. Reappropriations	2,758,100
3. After Year-End Cash Reversions	6,050,500
4. Adjusted Beginning Balance	<u>127,166,900</u>
5. JFAC Revised Revenue Estimate 0.5% above FY 2018 Collections	3,750,320,500
6. H13 Income Tax Conformity	(320,000)
7. H183 Corporate Income Tax Conformity	7,700,000
8. Total Revenues	<u>3,757,700,500</u>
9. TOTAL REVENUES & BEGINNING BALANCE	3,884,867,400
10. 2018 Session Transfers (H612, H669, H677, H700, H715, S1349)	(89,774,200)
11. Transfer from Budget Stabilization Fund §57-814, Idaho Code	40,365,300
12. H28 Exotic Pests Deficiency Warrants - Dept of Agriculture	(140,200)
13. H281 Transfer in from Consumer Protection Fund	9,000,000
14. H285 Transfer to Water Mgt Fund - Dept. of Water Resources	(20,000,000)
15. H285 Transfer to Water Mgt Fund (Flood Dmg) - Dept. of Water Resource:	(1,000,000)
16. S1031 Hazardous Materials Deficiency Warrants - Military Division	(26,800)
17. Total Transfers in (out)	<u>(\$61,575,900)</u>
18. NET REVENUES	3,823,291,500
<u>APPROPRIATIONS</u>	
19. FY 2019 Original Appropriations	3,652,724,800
20. Reappropriations	2,758,100
21. Net Supplementals and Rescissions	45,957,700
22. FY 2019 Total Appropriations	<u>3,701,440,600</u>
23. FY 2019 ESTIMATED ENDING BALANCE (line 18 - 23)	\$121,850,900

General Fund Budget Update

FISCAL YEAR 2020

<u>REVENUES</u>	<u>Legislative Action</u>
1. Estimated Beginning Balance	\$121,850,900
2. JFAC Orig Revenue Estimate 7.0 % over FY 2019 Estimate	4,012,842,900
3. H015 - Sales Tax on Public Records	(5,000)
4. H062 - Circuit Breaker Occupancy Tax	(68,000)
5. H078 - Criminal Diversion Program	(35,700)
6. H086 - Sales Tax on Vehicle Accessories	(1,000,000)
7. H183 - Corporate Income Tax Conformity	12,800,000
8. H191 - UCC Business Filings	150,000
9. S1080 - Veterans Recognition Income Fund Interest Earnings	(500)
10. Total Revenues	<u>4,024,683,700</u>
11. TOTAL REVENUES & BEGINNING BALANCE	4,146,534,600
12. H215 - Transfer out to STEM Education Fund	(1,000,000)
13. H233 - Transfer out to Fire Suppression Deficiency Fund	(20,000,000)
14. H258 - Transfer out to Peace Officer Standards Training Fund	(1,030,800)
15. H260 - Transfer out to Wolf Control Board	(200,000)
16. H281 - Transfer out to Disaster Emergency Fund	(2,000,000)
17. H281 - Transfer out to Public Education Stabilization Fund	(8,600,000)
18. H281 - Transfer out to Tech Infrastructure Stabilization Fund	(8,053,500)
19. S1198 - Transfer out to Permanent Building Fund	<u>(21,504,800)</u>
20. NET REVENUES	4,084,145,500
 <u>APPROPRIATIONS</u>	
21. FY 2020 Original Appropriations	3,910,354,400
22. FY 2020 ESTIMATED ENDING BALANCE (Line 20 - 21)	\$173,791,100

General Fund Revenue Collections and Estimates

The Economic Outlook and Revenue Assessment Committee (EORAC), appointed by leadership and made up of nine members from the Senate and nine members from the House, convened before the session and heard testimony from economists and key industry representatives from throughout the state. The committee then reviewed the FY 2019 and FY 2020 General Fund revenue forecasts presented to the First Regular Session of the 65th Idaho Legislature in the Governor's State of the State speech. The committee concluded that total General Fund revenues available for appropriation be \$3,750.3 million for FY 2019 and \$3,964.2 million for FY 2020. The committee's median forecast was greater than the executive forecast by 0.9%, or \$33.7 million, for FY 2019, and less than the executive forecast by 2.3%, or \$93.2 million, less for FY 2020.

The Joint Finance-Appropriations Committee used the executive forecast for FY 2019. But in FY 2020 JFAC used \$4,012.8 million, or 7.0%, for the purposes of setting budgets. This was \$48.6 million more than EORAC's recommendation. The numbers below include adjustments from legislation impacting General Fund revenues. The bill number, description, and estimated fiscal impact of each law change can be found on the General Fund Budget Update.

REVENUE SOURCE	Revenue Estimates				
	FY 2018	FY 2019		FY 2020	
	Actual Collections	January Forecast	With Law Changes	January Forecast	With Law Changes
Individual Income Tax	\$1,828,281,687	\$1,773,800,300	\$1,773,480,300	\$1,954,258,600	\$1,909,671,600
Corporate Income Tax	238,708,455	223,180,900	\$230,880,900	256,323,000	269,123,000
Sales Tax	1,490,015,437	1,575,564,000	\$1,575,564,000	1,667,036,000	1,665,963,000
Product Taxes					
Cigarette Tax	7,305,804	10,387,800	10,387,800	7,939,000	7,939,000
Tobacco Tax	13,253,406	14,176,600	14,176,600	14,581,400	14,581,400
Beer Tax	1,965,451	1,972,200	1,972,200	1,989,300	1,989,300
Wine Tax	4,814,685	5,043,100	5,043,100	5,323,800	5,323,800
Liquor Transfer	30,960,001	33,235,000	33,235,000	33,866,200	33,866,200
Total Product Taxes	58,299,347	64,814,700	64,814,700	63,699,700	63,699,700
Miscellaneous Revenue					
Kilowatt Hour Tax	2,592,173	2,200,000	2,200,000	2,000,000	2,000,000
Mine License Tax	24,247	100,000	100,000	125,000	125,000
State Treasurer	4,654,493	6,389,000	6,389,000	12,389,800	12,389,800
Judicial Branch	9,183,950	7,851,600	7,851,600	7,885,800	7,850,100
Insurance Premium Tax	70,485,925	67,885,500	67,885,500	68,416,500	68,416,500
State Police	(270)	0	0	0	0
Secretary of State	3,483,937	3,684,400	3,684,400	3,884,900	4,034,900
Unclaimed Property	8,506,529	9,000,000	9,000,000	9,000,000	9,000,000
Estate Tax	0	0	0	0	0
Other/Dept. Transfers	17,370,441	15,850,200	15,850,200	12,410,700	12,410,200
Total Miscellaneous Revenue	116,301,425	112,960,700	112,960,700	116,112,700	116,226,500
TOTAL REVENUES*	\$3,731,606,351	\$3,750,320,600	\$3,757,700,600	\$4,057,430,000	\$4,024,683,800
<i>% Change from prior year</i>	<i>8.2%</i>	<i>0.5%</i>	<i>0.7%</i>	<i>8.2%</i>	<i>7.1%</i>
With Beginning Balances Revenue Adjustment	109,420,900	127,166,900	127,166,900	115,476,200	115,476,200
REVENUES & BALANCES	\$3,841,027,300	\$3,877,487,500	\$3,884,867,500	\$4,172,906,200	\$4,140,160,000

*Revenue forecast numbers have been adjusted for rounding

FY 2019 General Fund Revenues

In January 2019, the Division of Financial Management (DFM) revised the FY 2019 August forecast upward by \$25.6 million to \$3,750,320,500, which increased the expected percentage growth from 0.2% to 0.5% over the FY 2018 actual revenue collections. Both the Governor and the Economic Outlook and Revenue Assessment Committee (EORAC) concurred with that recommendation, which was \$81.1 million more than estimated last year at Sine Die.

The Joint Finance-Appropriations Committee (JFAC) formally adopted \$3,750,320,500, or 0.5% over FY 2018 actual revenue collections, for setting budgets.

To finalize the General Fund budget for FY 2019, the Legislature relied upon a beginning balance of \$118.4 million accumulated from the previous year, \$2.8 million for reappropriations, and \$6.1 million for after-year-end reversions, for an available balance of \$3,877,487,400. That amount was affected by two pieces of legislation. **H 013** was the annual tax conformity bill, which reduced revenues by an estimated \$320,000. **H 183** increased General Fund revenue by an estimated \$7.7 million for corporate income tax conformity to the federal Tax Cuts and Jobs Act. **H 183** also adjusted the treatment of income for water's edge and multi-national tax filers and was enacted retroactively to January 1, 2017. Those actions resulted in \$3,884,867,400 available for appropriations and transfers.

FY 2019 Deficiency Warrants and FY 2019 Transfers

Beginning with the \$3,884,867,400, the Legislature addressed deficiency warrants in two separate actions. First, it appropriated and transferred \$26,800 through **S 1031** for deficiency warrants to address the cleanup of hazardous materials. Second, it appropriated and transferred \$140,200 through **H 028** to the Pest Control Deficiency Fund for deficiency warrants to address exotic and invasive species monitoring and control, including Japanese Beetles and exotic pest treatment paid for in FY 2018.

In addition to deficiency warrants, a net amount of \$61.6 million was transferred from the General Fund into various dedicated funds. Of this amount, \$89.8 million was transferred out during the 2018 session for several building projects and the following \$28.4 million transferred in was the net result of statute or new legislation during the 2019 session:

- \$40,365,300 statutory transfer in from the Budget Stabilization Fund (**Section 57-814, Idaho Code**)
- \$9,000,000 in from the Consumer Protection Fund (**H 281**)
- \$21,000,000 to the Water Management Fund for large projects and flood reparation (**H 285**)

Supplemental Appropriations

The Legislature approved \$45,957,700 of supplemental appropriations from the General Fund for FY 2019, as shown in the table below:

Agency	General Fund	Purpose
Catastrophic Health Care Program	\$2,000,000	Estimated claim costs
Dept. of Health & Welfare	(\$2,107,800)	Onetime Adult Mental Health rescission, graduate medical education rescission, home visitation program and substance abuse services contract
DHW, Medicaid Division	\$43,062,200	Backfill for FY 2018 payments, shift appropriation to align with actual costs, and increased caseload and utilization costs
Dept. of Correction	\$2,195,200	Population-driven costs
Idaho State Police	\$240,000	Hemp testing stations and equipment
Legislative Services	\$45,000	Costs for the Redistricting Commission to supply data to the United States Census Bureau
Board of Tax Appeals	\$9,900	Ongoing cost for new leased office space
State Tax Commission	\$513,200	Additional moving costs to the Chinden Campus, and an employee for the Circuit Breaker Program
Total Supplementals	\$45,957,700	

The FY 2019 Total Appropriation of \$3.7 billion resulted in an estimated ending balance of \$121.9 million to be carried over as the beginning balance for FY 2020.

FY 2020 General Fund Revenues

The Governor supported using DFM's General Fund forecast of \$4,057,429,900, which was 8.2% over the FY 2019 estimate, to build the FY 2020 budgets. EORAC recommended that the Legislature use \$3,964,200,000, or 5.7% over the FY 2019 estimate, while JFAC formally used \$4,012,842,900 or 7.0% over the FY 2019 estimate. The estimate was then adjusted upward by several pieces of legislation estimated to increase the General Fund revenues by a net amount of \$11,840,800. These included:

- **H 015** – Exempted public records from sales tax, \$5,000 reduction;
- **H 062** – Provided the Circuit Breaker Program for occupancy taxes, \$68,000 reduction;
- **H 078** – Created a diversion program for 1st time DUI offenders, \$35,700 reduction;
- **H 086** – Exempted sales tax for vehicle accessories, \$1,000,000 reduction;
- **H 183** – Corporate income tax conformity, adjusted the treatment of income for water's edge and multi-national filers to the federal Tax Cuts and Jobs Act. This was enacted retroactive to January 1, 2017, \$12,800,000 increase;
- **H 191** – UCC business filings update, \$150,000 increase; and
- **S 1080** – Interest earnings for the Veteran's Recognition Fund to stay with the fund, \$500 reduction.

After accounting for legislation affecting General Fund revenues, the adjusted revenue forecast of \$4,024,683,700 represented a 7.3% increase over the revenue forecast JFAC adopted for FY 2019. Lastly, the adjusted revenue amount, plus the beginning balance of \$121,850,900 carried forward from FY 2019, provided a total of \$4,146,534,600 available for setting FY 2020 budgets.

FY 2020 Transfers and Appropriations

A net amount of \$62.4 million was transferred from the General Fund into various dedicated funds during the 2019 legislative session. The transfers included:

- **H 215** – Transferred \$1,000,000 to the STEM Education Fund;
- **H 233** – Transferred \$20,000,000 to the Fire Suppression Deficiency Fund;
- **H 258** – Transferred \$1,030,800 to the Peace Officer Standards Training Fund;
- **H 260** – Transferred \$200,000 to the Wolf Depredation Control Board;
- **H 281** – Transferred \$8,053,500 to the Technology Infrastructure Stabilization Fund for large technology projects;
- **H 281** – Transferred \$8,600,000 to the Public Education Stabilization Fund; and
- **S1198** – Transferred \$21,504,800 to the Permanent Building Fund for the following:
 - \$1,904,800 for the Dept. of Correction Wastewater Lagoon Repair
 - \$12,200,000 for the Dept. of Correction North Idaho Reentry Center
 - \$7,400,000 for the Dept. of Correction St. Anthony Facility Expansion

Lastly, the Legislature appropriated \$3,910,354,400 from the General Fund for FY 2020, which is a \$257,629,600, or 7.1% increase, over the FY 2019 Original Appropriation. Of this amount, \$3,885.5 million was for ongoing expenditures and \$24.8 million was for onetime expenditures. This left an estimated \$173.8 million ending balance to be carried over as the FY 2021 beginning balance.

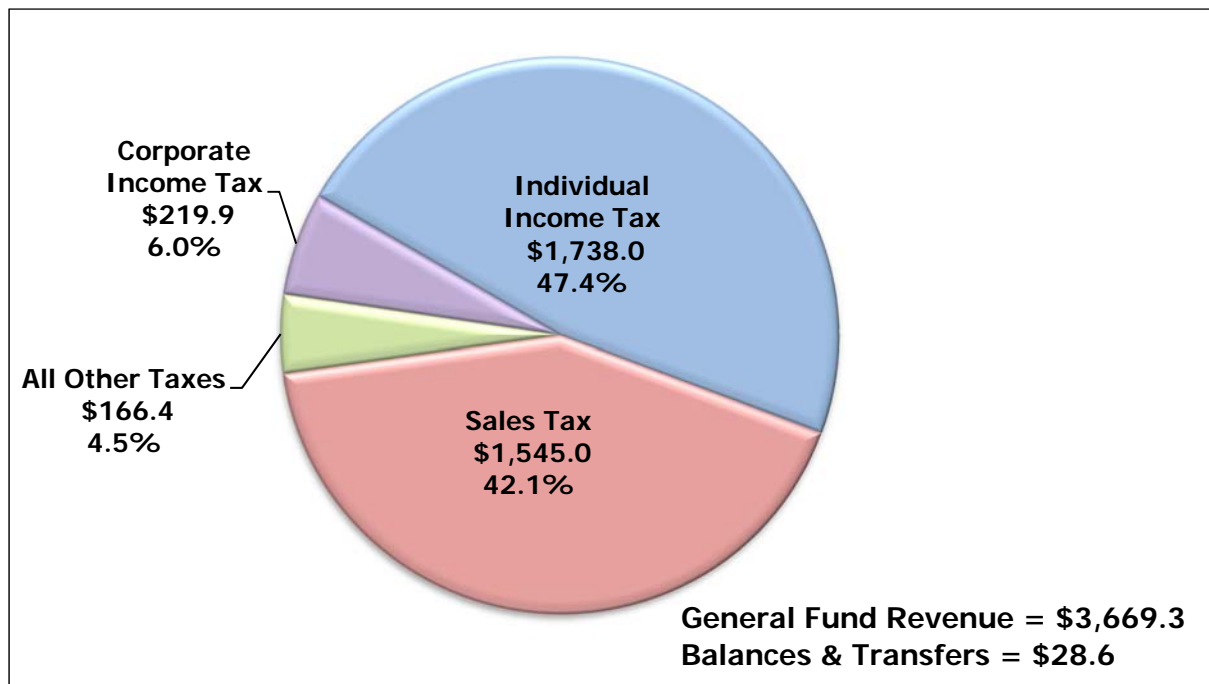
General Fund Comparison: Original Appropriation to Governor's Recommendation and JFAC Action

Department/Agency	FY 2019 Orig Approp	FY 2020 Gov's Revised Rec	Change from 2019 Orig	FY 2020 JFAC Action	Dollar Difference from Gov	Dollar Difference from FY 2019	Change from 2019 Orig
Education							
Public School Support	1,785,265,900	1,894,894,300	6.1%	1,898,407,200	3,512,900	113,141,300	6.3%
Ag Research & Extension Service	31,307,100	32,169,500	2.8%	32,530,700	361,200	1,223,600	3.9%
College and Universities	295,763,200	304,280,700	2.9%	306,030,600	1,749,900	10,267,400	3.5%
Community Colleges	46,126,600	47,368,200	2.7%	47,751,800	383,600	1,625,200	3.5%
Education, Office of the State Board	6,374,900	6,847,100	7.4%	5,615,100	(1,232,000)	(759,800)	(11.9%)
Health Education Programs	18,714,500	21,280,100	13.7%	21,296,700	16,600	2,582,200	13.8%
Career Technical Education	66,397,900	68,172,700	2.7%	68,455,500	282,800	2,057,600	3.1%
Public Television, Idaho	2,585,300	2,632,400	1.8%	2,925,200	292,800	339,900	13.1%
Special Programs	19,242,200	26,472,100	37.6%	19,500,000	(6,972,100)	257,800	1.3%
Superintendent of Public Instruction	14,909,800	15,030,500	0.8%	15,690,600	660,100	780,800	5.2%
Vocational Rehabilitation	8,648,300	8,759,300	1.3%	8,874,000	114,700	225,700	2.6%
Health & Human Services							
Catastrophic Health Care Program	9,999,700	15,000,500	50.0%	10,000,500	(5,000,000)	800	0.0%
Health & Welfare, Department of	180,016,700	179,166,700	(0.5%)	177,886,900	(1,279,800)	(2,129,800)	(1.2%)
Medicaid	585,221,400	684,430,500	17.0%	687,410,600	2,980,100	102,189,200	17.5%
Public Health Districts	9,421,600	9,709,900	3.1%	9,887,900	178,000	466,300	4.9%
Independent Living Council, State	223,700	227,700	1.8%	228,800	1,100	5,100	2.3%
Public Safety							
Correction, Department of	240,738,600	249,472,100	3.6%	249,856,000	383,900	9,117,400	3.8%
Judicial Branch	47,055,600	50,887,300	8.1%	50,334,900	(552,400)	3,279,300	7.0%
Juvenile Corrections, Department of	41,771,200	42,566,600	1.9%	42,824,500	257,900	1,053,300	2.5%
Police, Idaho State	32,772,200	31,290,000	(4.5%)	31,606,000	316,000	(1,166,200)	(3.6%)
Natural Resources							
Environmental Quality, Department of	20,461,700	22,465,400	9.8%	22,576,600	111,200	2,114,900	10.3%
Lands, Department of	6,021,400	6,298,200	4.6%	6,355,200	57,000	333,800	5.5%
Parks & Recreation, Department of	4,217,700	4,010,700	(4.9%)	3,733,900	(276,800)	(483,800)	(11.5%)
Water Resources, Department of	19,502,100	19,586,100	0.4%	19,658,700	72,600	156,600	0.8%
Economic Development							
Agriculture, Department of	14,506,100	14,738,700	1.6%	14,790,900	52,200	284,800	2.0%
Commerce, Department of	5,800,900	5,883,200	1.4%	5,901,000	17,800	100,100	1.7%
Industrial Commission	300,000	300,000	0.0%	300,000	0	0	0.0%
Labor, Department of	342,200	347,100	1.4%	553,600	206,500	211,400	61.8%
Self-Governing Agencies							
Building Safety	239,600	250,900	4.7%	252,300	1,400	12,700	5.3%
Hispanic Affairs, Commission	188,200	192,500	2.3%	223,800	31,300	35,600	18.9%
Historical Society	4,042,400	4,065,600	0.6%	4,084,400	18,800	42,000	1.0%
Libraries, State Commission for	4,193,000	4,137,700	(1.3%)	4,154,700	17,000	(38,300)	(0.9%)
Public Defense Commission	5,814,800	894,400	(84.6%)	11,498,000	10,603,600	5,683,200	97.7%
State Appellate Public Defender	2,948,100	3,009,300	2.1%	3,024,400	15,100	76,300	2.6%
Veterans Services, Division of	1,127,500	1,216,200	7.9%	1,224,200	8,000	96,700	8.6%
General Government							
Administration, Department of	6,582,900	6,389,800	(2.9%)	6,398,400	8,600	(184,500)	(2.8%)
Attorney General	23,639,800	24,177,900	2.3%	24,421,000	243,100	781,200	3.3%
Controller, State	10,951,200	11,005,300	0.5%	11,032,200	26,900	81,000	0.7%
Office of the Governor							
Aging, Commission on	4,597,900	4,605,800	0.2%	4,609,500	3,700	11,600	0.3%
Arts, Commission on the	841,000	856,900	1.9%	884,700	27,800	43,700	5.2%
Blind, Commission for the	1,473,800	1,525,500	3.5%	1,531,200	5,700	57,400	3.9%
Drug Policy, Office of	339,300	333,500	(1.7%)	334,600	1,100	(4,700)	(1.4%)
Financial Management, Division of	1,887,500	1,954,300	3.5%	1,963,600	9,300	76,100	4.0%
Governor, Executive Office of the	2,403,500	2,269,800	(5.6%)	2,283,000	13,200	(120,500)	(5.0%)
Information Technology, Office of	1,594,400	1,624,200	1.9%	1,629,800	5,600	35,400	2.2%
Military Division	7,069,900	7,455,900	5.5%	7,488,300	32,400	418,400	5.9%
Species Conservation, Office of	1,397,200	1,419,800	1.6%	1,423,600	3,800	26,400	1.9%
STEM Action Center	2,575,900	2,586,400	0.4%	2,589,600	3,200	13,700	0.5%
Legislative Transfer	6,755,000	6,755,000	0.0%	6,755,000	0	0	0.0%
Legislative Services Office	5,312,700	5,444,200	2.5%	5,475,200	31,000	162,500	3.1%
Office of Performance Evaluations	899,500	947,100	5.3%	952,100	5,000	52,600	5.8%
Lieutenant Governor	177,600	182,600	2.8%	183,900	1,300	6,300	3.5%
Board of Tax Appeals	608,600	637,400	4.7%	635,600	(1,800)	27,000	4.4%
State Tax Commission	36,154,600	36,924,600	2.1%	37,172,600	248,000	1,018,000	2.8%
Secretary of State	3,770,000	3,662,400	(2.9%)	5,681,400	2,019,000	1,911,400	50.7%
State Treasurer	1,430,400	1,459,100	2.0%	1,463,900	4,800	33,500	2.3%
	3,652,724,800	3,900,271,700	6.8%	3,910,354,400	10,082,700	257,629,600	7.1%

FY 2019 General Fund Revenue & Appropriations

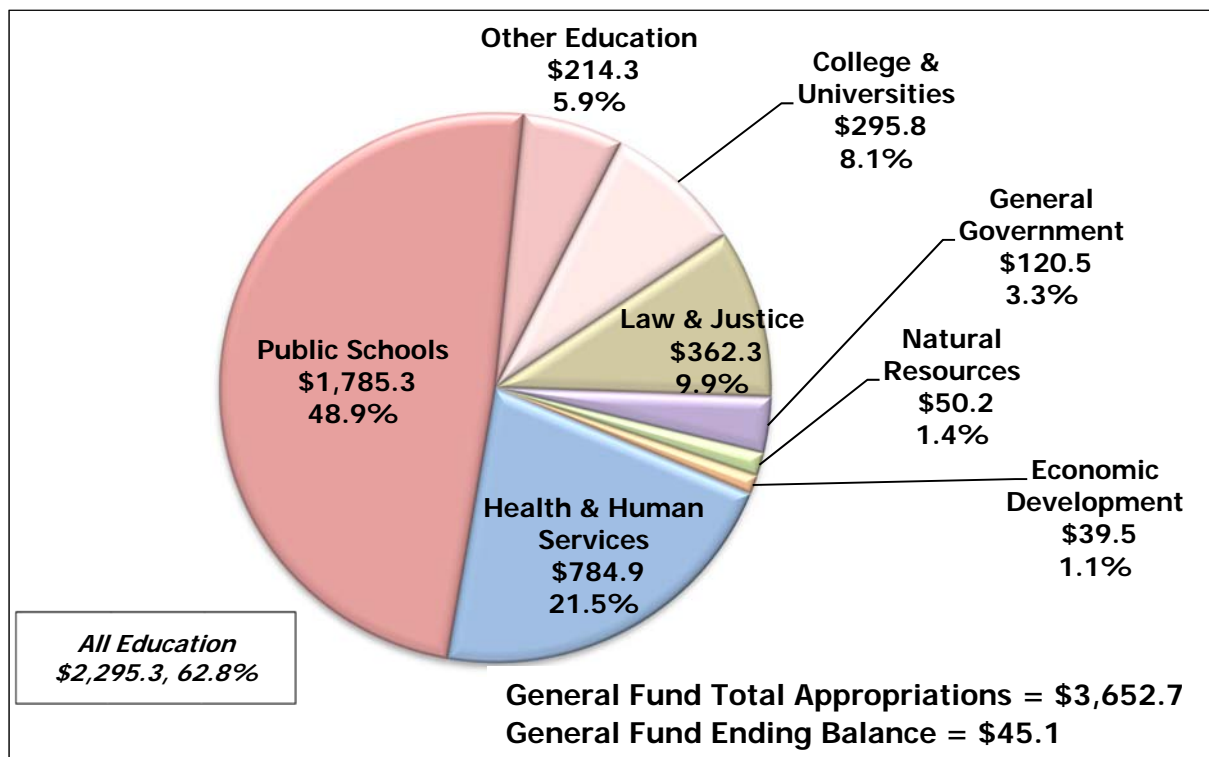
"Where the money comes from ..."

Dollars in Millions (Percent of Revenue)



"Where the money goes..."

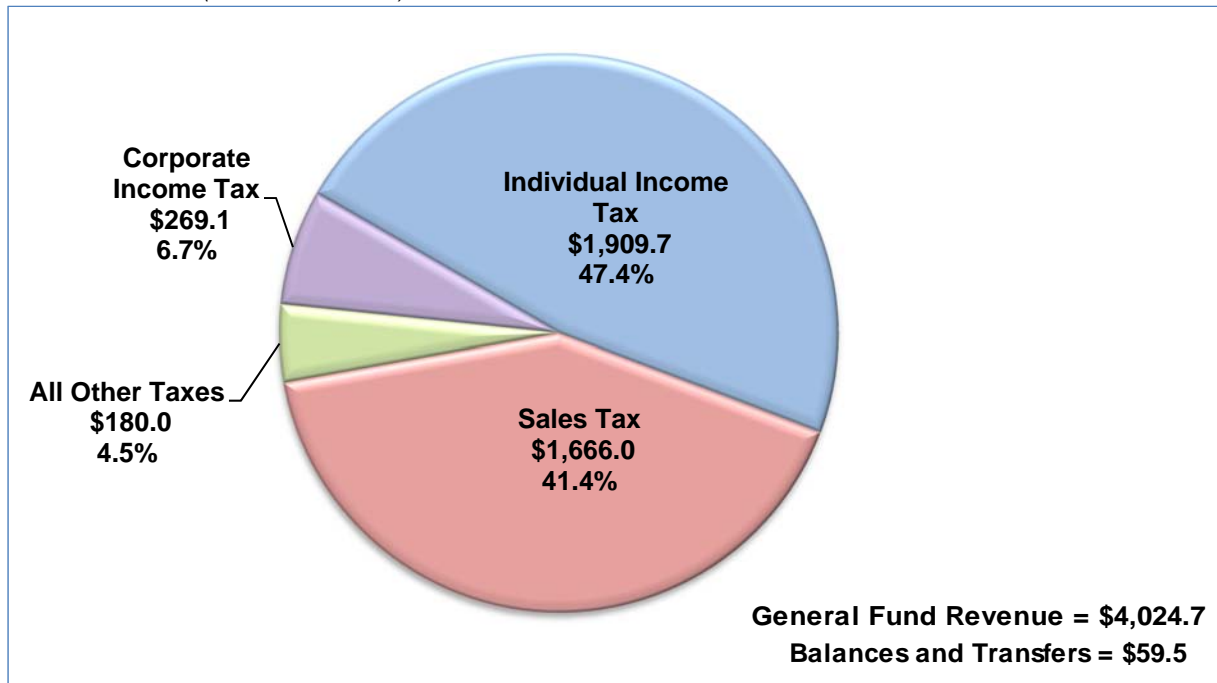
Dollars in Millions (Percent of Appropriations)



FY 2020 General Fund Revenue & Appropriations

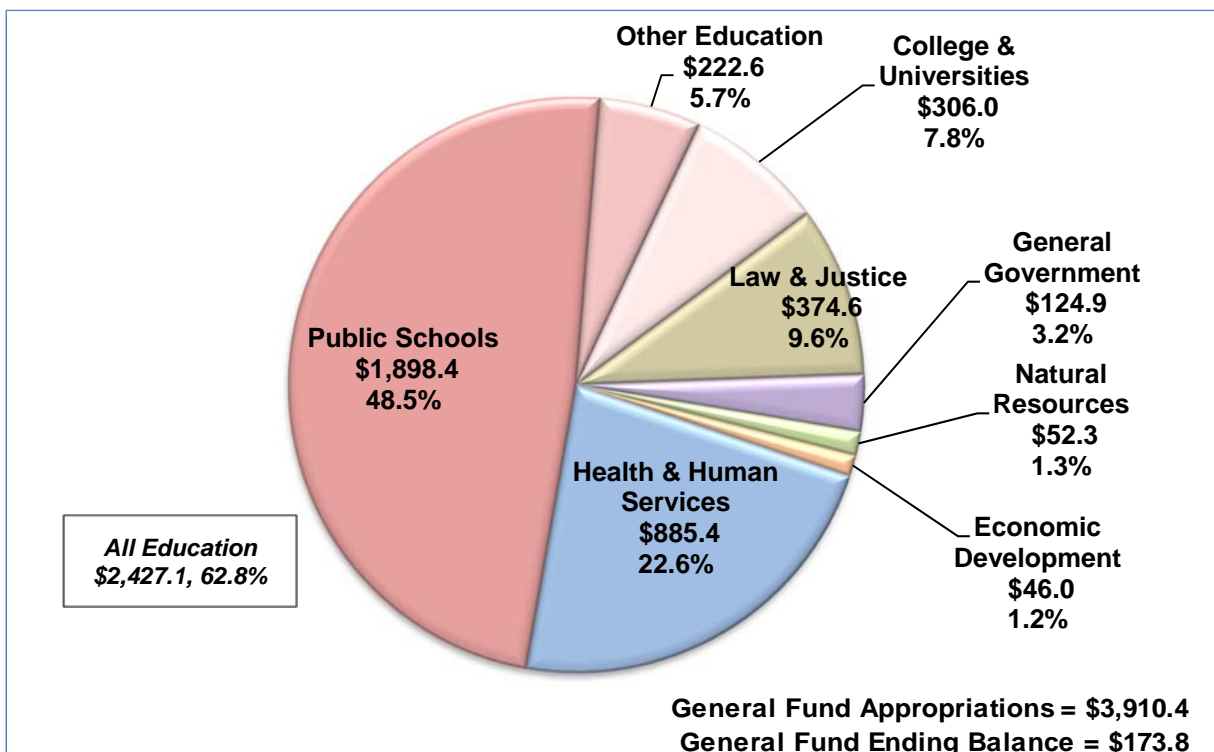
"Where the money comes from . . ."

Dollars In Millions (Percent of Revenue)



"Where the money goes . . ."

Dollars In Millions (Percent of Appropriations)



State of Idaho Major Reserve Fund Balances

Emergency Funds include: 1) Governor's Emergency, Section 57-1601, Idaho Code; and 2) Disaster Emergency, Section 46-1005A, Idaho Code, which includes both Federal Emergency Management Act and state moneys.

Budget In Millions of Dollars Fund	Public Ed Stabilization	Economic Stabilization Fund	Idaho Recovery Reserve	Idaho Millennium Fund	Higher Ed Stabilization Fund	Emergency Funds	TOTAL
1. Balance June 30, 2003	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	(\$ 0.218)	(\$ 0.218)
2. Balance June 30, 2004	\$ 0.000	\$ 7.135	\$ 0.000	\$ 22.872	\$ 0.000	\$ 0.154	\$ 30.161
3. Balance June 30, 2005	\$ 15.971	\$ 12.135	\$ 22.044	\$ 44.677	\$ 0.000	\$ 0.132	\$ 94.960
4. Balance June 30, 2006	\$ 108.648	\$ 7.771	\$ 24.632	\$ 67.436	\$ 0.000	\$ 0.281	\$ 208.768
5. Balance June 30, 2007	\$ 121.566	\$ 109.030	\$ 2.657	\$ 64.079	\$ 0.000	\$ 0.875	\$ 298.207
6. Balance June 30, 2008	\$ 140.625	\$ 112.046	\$ 66.133	\$ 70.207	\$ 0.000	\$ 3.337	\$ 392.349
7. Balance June 30, 2009	\$ 128.225	\$ 17.979	\$ 68.101	\$ 74.206	\$ 0.000	\$ 0.720	\$ 289.231
8. Balance June 30, 2010	\$ 30.820	\$ 23.174	\$ 48.847	\$ 76.967	\$ 0.000	\$ 0.792	\$ 180.600
9. Balance June 30, 2011	\$ 0.100	\$ 11.154	\$ 0.054	\$ 74.589	\$ 0.000	\$ 3.339	\$ 89.235
10. Balance June 30, 2012	\$ 23.869	\$ 36.968	\$ 0.056	\$ 14.156	\$ 0.367	\$ 4.233	\$ 79.648
11. Balance June 30, 2013	\$ 135.138	\$ 49.049	\$ 0.057	\$ 15.492	\$ 0.942	\$ 3.424	\$ 204.103
12. Balance June 30, 2014	\$ 161.514	\$ 72.851	\$ 0.057	\$ 20.235	\$ 3.227	\$ 3.373	\$ 261.256
13. Balance June 30, 2015	\$ 243.821	\$ 90.948	\$ 0.057	\$ 25.409	\$ 3.492	\$ 2.795	\$ 366.522
14. Balance June 30, 2016	\$ 259.444	\$ 88.551	\$ 20.092	\$ 29.787	\$ 3.064	\$ 2.567	\$ 403.505
20. Balance June 30, 2017	\$ 318.746	\$ 85.043	\$ 0.370	\$ 33.584	\$ 8.866	\$ 53.901	\$ 500.510
FY 2018 Actuals							
21. Interest Earnings and Revenues		0.676	0.076	0.479	0.076	4.483	5.789
22. Transfers In (Out)				4.728	1.337		6.064
23. Disbursements		(21.369)		(1.296)	(5.000)	(16.910)	(44.575)
24. Transfers from GF §57-814 Δ 8.21%	34.484						34.484
25. End-of-Year Surplus Eliminator	60.296						60.296
26. Balance June 30, 2018	\$ 413.526	\$ 64.350	\$ 0.446	\$ 37.494	\$ 5.278	\$ 41.474	\$ 562.569
General Fund Revenue = \$ 3,731.6	11.1%	1.7%	0.0%	1.0%	0.1%	1.1%	15.1%
The balance in Idaho's major reserve funds at the end of FY 2018 (line 26) was \$562.6 million or 15.1% of the FY 2018 General Fund Revenue Collections.							
* FY 2019 Estimates							
27. Interest Earnings and Revenues		0.826	0.036	0.279	0.074	5.291	6.507
28. Transfers In (Out)		32.210		5.000	2.331		39.541
29. Disbursements		(16.635)	(0.442)	(1.500)		(16.824)	(35.401)
30. Transfers from GF §57-814 Δ .50%	(40.365)						(40.365)
31. Estimate* June 30, 2019	\$ 373.161	\$ 80.752	\$ 0.041	\$ 41.273	\$ 7.683	\$ 29.941	\$ 532.851
General Fund Revenue = \$ 3,750.3	10.0%	2.2%	0.0%	1.1%	0.2%	0.8%	14.2%
The balance in Idaho's major reserve funds at the end of FY 2019 (line 31) is estimated to be \$532.9 million or 14.2% of the FY 2019 General Fund Revenue Estimate.							
* FY 2020 Estimates							
32. Interest Earnings and Revenues		0.826	0.036	0.407	0.088		1.358
33. Transfers In (Out)		12.000		5.000		2.000	19.000
34. Disbursements				(1.685)			(1.685)
35. Transfers from GF §57-814 Δ 8.19%							
36. Estimate* June 30, 2020	\$ 373.161	\$ 93.578	\$ 0.077	\$ 44.995	\$ 7.772	\$ 31.941	\$ 551.523
General Fund Revenue = \$ 4,057.4	9.2%	2.3%	0.0%	1.1%	0.2%	0.8%	13.6%
The balance in Idaho's major reserve funds at the end of FY 2020 (line 36) is estimated to be \$551.5 million or 13.6% of the FY 2020 General Fund Revenue Estimate.							

Budget Highlights

Education

Public Schools

H 219 – H 225 and **H 286** comprised the FY 2020 K-12 Public Schools appropriation and resulted in a total of \$2,267,808,000. The increase from the General Fund was \$113 million over the current year, or 6.3%, which is the fifth year in a row that the Legislature has committed over \$100 million from the General Fund to K-12 education.

FY 2020 PUBLIC SCHOOLS SUPPORT PROGRAM		FY 2019 Original Approp.	FY 2020 Legislation
		<i>NEW General Fund Amount Above the FY 2019 Original Approp</i>	
			\$113,141,300
APPROPRIATION BY Fund Source			
General Fund		\$1,785,265,900	\$1,898,407,200
Dedicated Funds		\$91,010,700	\$105,062,300
Federal Funds		\$264,338,500	\$264,338,500
TOTAL APPROPRIATIONS		\$2,140,615,100	\$2,267,808,000
General Fund Percent Change:		5.9%	6.3%
Total Funds Percent Change:		4.9%	5.9%

The new funding included the following highlights:

- Teachers:
 - Added a \$49.7 million increase from the General Fund to fully fund year five of the five-year phase-in of the career ladder compensation system for Idaho's educational instructors.
 - **H 153** increased the minimum starting teacher pay in FY 2020 to \$38,500 and in FY 2021 to \$40,000. The fiscal impact of that legislation for FY 2020 was \$3,796,200 from the General Fund and **H 286** provided that funding.
- Added \$7.3 million for a 3% base salary increase for administrators and classified staff, which are categories of employees not on the career ladder.
- Added \$21.8 million in discretionary funding. Of this amount, \$7.2 million is needed to maintain the current year funding per support unit at \$27,481, and \$14.6 million is included to increase the discretionary amount to \$28,416 per support unit for FY 2020. This equates to a 3.4% increase in discretionary funding over FY 2019, and includes funding for health insurance costs and other general operations at the districts and charter schools.
- Fully funded the Governor's K - 3 literacy initiative recommendation at \$13.1 million for FY 2020.
- There were additional increases and decreases in several other distributions that netted to the \$113.14 million General Fund increase over the current year. The FY 2019 appropriation was based on 15,339 full-term support units and the FY 2020 appropriation is based on a projected 15,601 full-term support units, which is a 1.7% increase year-over-year.

The five-year commitment to the career ladder compensation system for teachers has resulted in \$226 million appropriated since FY 2016. Additionally, **H 281** transferred \$12 million to the Public Education Stabilization Fund (PESF). Of this amount, \$8.6 million was from the General Fund and \$3.4 was from dedicated funds. This brought the balance in PESF to approximately \$93.4 million prior to the FY 2019 year-end reconciliation.

College and Universities

H 267 was the FY 2020 original appropriation bill for College and Universities, which appropriated a total of \$604,248,500 and did not cap the number of authorized full-time equivalent positions. Overall, the budget was a 4.8% increase from the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$50,000 to pilot the development of open education resources, a no-cost or low-cost electronic textbook option for students;
- \$150,000 for Idaho's postsecondary institutions to join a dual enrollment registration system; and
- 3.18 FTP and \$887,800 ongoing from the General Fund for occupancy costs at Boise State University, Idaho State University, and the University of Idaho.

The individual General Fund increases for the institutions were: BSU, 5.4%; ISU, 3.0%; UI, 2.0%; and LCSC, 2.7%.

Agricultural Research & Extension Service

S 1145 was the FY 2020 original appropriation bill for the Office of the State Board of Education, Agricultural Research & Extension Service, which appropriated \$32,530,700. Overall, the budget was a 3.8% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$118,300 for an additional 4-H Extension Educator to increase engagement with youth and community 4-H leaders;
- 2.00 FTP and \$217,600 for staff support at the Rock Creek Ranch and to expand research opportunities related to rangeland utilization; and
- 0.57 FTP and \$122,600 for occupancy costs.

Office of the State Board of Education

H 297 was the FY 2020 original appropriation bill for the Office of the State Board of Education, which appropriated \$15,357,400 and capped the number of authorized full-time equivalent positions at 35.25. Overall, the budget was a 3.8% decrease over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$108,400 for the Associate Academic Officer to oversee the development of policy and implementation of student success initiatives;
- \$20,000 for Career Information System Enhancements;
- \$263,000 for Master Educator Premium Portfolio review;
- \$100,000 onetime for a K-12 Task Force to evaluate next steps in the strategic funding of public schools; and
- \$100,000 for external program evaluations.

Health Education Programs

H 174 was the FY 2020 original appropriation bill for Health Education Programs under the State

Board of Education, which appropriated a total of \$21,625,700 and capped the number of authorized full-time equivalent positions at 36.65. Overall, the budget was a 13.6% increase from the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$215,000 onetime from the General Fund for Project ECHO through the WWAMI program;
- \$90,800 for year four of four of the University of Utah medical seat build-out;
- \$22,700 for student leave of absence at the University of Utah School of Medicine;
- \$180,000 for psychiatry resident expansion in partnership with the University of Utah School of Medicine;
- 2.00 FTP and \$450,000 for resident support through Family Medical Residencies;
- \$227,500 for resident support and expansion through Boise Internal Medicine;
- \$550,000 for resident support and expansion through Eastern Idaho Medical Residencies;
- \$110,000 for resident support and expansion through Bingham Internal Medicine residencies; and
- 1.50 FTP and \$300,000 ongoing from the General Fund for the rural training track for residents through Family Medical Residencies.

Special Programs

S 1193 was the FY 2020 original appropriation bill for the Division of Special Programs under the State Board of Education, which appropriated a total of \$32,025,000 and capped the total number of authorized positions at 49.59. Overall, the budget was a 37.1% increase from the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$123,600 for the Mica Creek Watershed Project through the Forest Utilization Research program;
- \$1,400,000 for GEARUP Scholarships through the Scholarships and Grants Programs; and
- \$7,000,000 onetime from the Opportunity Scholarship Program Account for Opportunity Scholarships.

Community Colleges

S 1188 was the FY 2020 original appropriation bill for Community Colleges, which appropriated a total of \$48,606,800 and did not cap the number of authorized full-time equivalent positions. Overall, the budget was a 3.6% increase from the FY 2019 original appropriation. Enhancements for FY 2020 included:

- A net-zero transfer of \$10,000 from each of the community colleges to Systemwide Programs;
- A net-zero transfer of \$132,200 from the College of Southern Idaho to the College of Eastern Idaho for personnel;
- \$117,400 for Occupancy Costs for North Idaho College; and
- \$55,000 from the Higher Education Stabilization Fund for the College of Eastern Idaho.

The individual General Fund increases for the institutions are as follows: CSI, 1.1%; NIC, 1.7%; CWI, 9.9%; and CEI, 5.2%.

Career Technical Education

H 257 was the FY 2020 original appropriation bill for the Division of Career Technical Education, which appropriated a total of \$78,760,200 and did not cap full-time employees. Overall, the budget was a 3.7% increase from the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$95,000 for program alignment;
- \$200,000 for the workforce readiness incentive grant;
- \$100,000 for the Program Quality Initiative;
- \$319,600 for the nuclear energy and advanced reactor manufacturing;
- \$800,000 for the Perkins Federal Grant income;
- \$264,800 to offset projected shortfalls in added cost funding; and
- \$25,000 for the Idaho Quality Program Standards Incentive Grant.

Idaho Public Television

S 1155 was the FY 2020 original appropriation bill for Idaho Public Television, which appropriated a total of \$9,601,100 and capped the number of authorized full-time equivalent positions at 69.48. Overall, the budget was a 1.6% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$839,000 for replacement items, including the final year of funding \$400,000 for the microwave ethernet system, which was funded from the Technology Infrastructure Stabilization Fund;
- \$49,400 for a federal video production grant; and
- 1.00 FTP and \$66,900 in federal funds for a kindergarten readiness grant.

Division of Vocational Rehabilitation

H 237 was the FY 2020 original appropriation bill for the Division of Vocational Rehabilitation, which appropriated a total of \$28,755,400 and capped the number of authorized full-time equivalent positions at 150.00. Overall, the budget was a 1.6% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$8,000 from the General Fund for interpreter training around the state for the Council for the Deaf and Hard of Hearing;
- 1.00 FTP and \$91,200 from the General Fund for a full-time interpreter for the Council for the Deaf and Hard of Hearing; and
- a reduction of 5.00 FTP and \$16,000 for this agency's share of the Governor's statewide technology initiative for consolidation for IT modernization.

Health and Human Services

Catastrophic Health Care Cost Program

S 1157 was the FY2020 original appropriation and FY 2019 supplemental appropriation for the Catastrophic Health Care Program, which appropriated \$12,000,000 from the General Fund to be used in conjunction with existing cash balances to pay claims.

Department of Health and Welfare

The FY 2020 original appropriation for the Department of Health and Welfare was \$3,420,095,900, and consisted of \$865,297,500 from the General Fund, \$331,154,800 in dedicated funds, and \$2,223,643,600 in federal funds. This reflects an increase of 13.1% from the General Fund and 12.0% in all funds from the FY 2019 original appropriation. The number of authorized positions decreased by 5.60. The appropriation bills for the department were **S1139, S1140, S1163, S1170, S1171, S1173, S1184, S1185, S1199, and S1214**, which are described in more detail below.

Child Welfare

S 1185 was the FY 2020 original appropriation bill for the Department of Health and Welfare for the family and community services programs, which appropriated a total of \$118,793,500, with \$38,750,900 from the General Fund, and capped the number of full-time equivalent positions at 744.51. Enhancements for FY 2020 included:

- \$8,628,000 to continue developing a new case management system for the Child Welfare Program; and
- \$300,600 to increase the starting pay for social workers.

Behavioral Health (Mental Health and Substance Use)

S 1173 was the FY 2020 original appropriation bill for the Department of Health and Welfare for the behavioral health services programs, which appropriated a total of \$107,579,800, with \$63,466,100 from the General Fund, and capped the number of full-time equivalent positions at 717.58. Enhancements for FY 2020 included:

- \$6,400,000 in General Fund cost offsets that were appropriated in **S 1171** for Medicaid expansion;
- \$4,110,000 in federal funds for the opioid response grant; and
- \$2,592,500 for the annualized costs needed to operate three community-based crisis centers in Nampa/Caldwell, Pocatello/Blackfoot, and Lewiston/Moscow areas.

Medicaid

S 1171 was the FY 2020 original appropriation bill for the Department of Health and Welfare for the Medicaid Division, which appropriated a total of \$2,831,697,000, with \$687,410,600 from the General Fund, and capped the number of full-time equivalent positions at 216.00. Enhancements for FY 2020 included:

- \$198,391,000 for six months of operations for Medicaid Expansion;
- \$127,409,900 for nondiscretionary adjustments which included changes for increased caseload, increased medical pricing, decreased utilization, onetime claim payments, and a decreased Title XIX and Title XXI Federal Medical Assistance Percentage (FMAP) rates.
- \$7,973,300 for a rate increase for nonemergency medical transportation service providers;
- \$4,400,000 for a rate increase for dental providers;
- \$3,825,000 for a rate increase for community-based providers for the developmentally disabled; and
- \$5,628,900 for a rate increase for school-based service providers.

Public Health Services

S 1184 was the FY 2020 original appropriation bill for the Department of Health and Welfare for the Public Health Services Division, which appropriated a total of \$124,331,400, with \$8,825,900 from the General Fund, and capped the number of full-time equivalent positions at 236.02. Enhancements for FY 2020 included:

- \$200,000 to the Suicide Prevention and Awareness Program to continue developing a plan for suicide prevention and awareness; and
- \$401,000 was reduced from the General Fund as a cost-offset for Medicaid expansion as appropriated in **S 1171**.

Other Department of Health and Welfare Budget Highlights

S 1199 was the FY 2020 original appropriation to the Department of Health and Welfare for Indirect Support Services, Licensing and Certification, Health Care Policy Initiatives, Domestic Violence Council, and the Developmental Disabilities Council. The bill provided a total appropriation of \$70,397,600 with \$22,700,200 from the General Fund, and capped the number of authorized full-time equivalent positions at 384.50. Enhancements for FY 2020 included:

- \$4,000,000 for increased distributions for organizations that provide domestic violence support services;
- \$625,800 and 2.00 FTP to continue identifying ways to reform health care costs in Idaho;
- \$345,200 for workplace safety at the various health and welfare facilities around the state; and
- \$78,600 for an additional staff position in the Licensing and Certification Division to reduce workload and caseload issues with health care facilities.

S 1214 was the FY 2020 trailer appropriation bill for the Department of Health and Welfare for the Divisions of Medicaid and Welfare. The bill included \$2,610,600 to implement and evaluate the added requirements for Medicaid expansion services as approved with passage of **S 1204aa,aaH**.

Public Health Districts

H 200 was the FY 2020 original appropriation bill for the Public Health Districts, which appropriated a total of \$10,656,800. Enhancements for FY 2020 included:

- \$119,400 for health care reform; and
- \$104,500 to fully implement citizen review panels.

S 1163 was an FY 2019 supplemental appropriation that provided \$1,600,000 from the General Fund to the Public Health Districts from the Department of Health and Welfare for the Home Visitation Program.

Law and Justice

Department of Correction

S 1162 was the FY 2020 original appropriation bill for the Department of Correction, which appropriated a total of \$273,246,600 and capped the number of authorized full-time equivalent positions at 2,021.85. Overall, the budget was a 0.4% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$2,354,100 for correctional officer entry-level pay;
- 17.00 FTP and \$1,465,900 for probation and parole staff;
- 2.00 FTP and \$140,200 for presentence investigators;
- \$300,000 for electronic monitoring;
- \$575,300 for base software licensing;
- \$1,030,200 for PREA screenings;
- \$461,800 for cybersecurity upgrades;
- \$216,900 for inmate pay;
- A reduction of \$4,340,000 due to Medicaid expansion; and
- The reappropriation of \$7,016,000 of unexpended FY 2019 funding from the Technology Infrastructure Stabilization Fund to be used for replacement of the department's offender management system.

Commission of Pardons and Parole

S 1144 was the FY 2020 original appropriation bill for the Commission of Pardons and Parole, which appropriated a total of \$3,497,400 and capped the number of authorized full-time equivalent positions at 37.00. Overall, the budget was a 3.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$20,000 to validate the predictive ability of the commission's risk-based instrument, which is used to guide parole decisions; and
- \$9,500 for the maintenance costs associated with the commission's Access database, which tracks all parole decisions and is the central data repository for the agency.

Judicial Branch

S 1164 was the FY 2020 original appropriation bill for the Supreme Court, which appropriated a total of \$72,869,300. Overall, the budget was a 1.2% decrease over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$340,500 for court reporter pay;
- 2.00 FTP and \$258,800 for Ada County magistrate judges;
- 1.00 FTP and \$109,500 for a senior financial specialist;
- 1.00 FTP and \$99,800 for a research and evaluation analyst;
- \$34,000 for an ADA consultant;
- 1.00 FTP and \$194,500 for a court education specialist;
- \$735,000 as a direct appropriation for problem-solving courts;
- \$75,000 for juror compensation;
- \$70,000 for an advocate coordinator; and
- The ongoing removal and onetime replacement of \$913,100 for Medicaid expansion offsets.

S 1206 appropriated an additional \$255,400 to the Supreme Court for FY 2020 to address the fiscal impact of **S 1043**, which added a new district judge and court reporter in the Fourth Judicial District.

S 1207 appropriated an additional \$785,000 to the Supreme Court for FY 2020 to address the fiscal impact of **S 1146**, which provided for judicial salary increases.

Department of Juvenile Corrections

H 212 was the FY 2020 original appropriation bill for the Department of Juvenile Corrections, which appropriated a total of \$53,272,500 and capped the number of authorized full-time equivalent positions at 414.00. Overall, the budget was a 2.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$71,900 for education program manager pay;
- A net-zero transfer of \$102,900 in General Fund trustee and benefit payments from the Community-Based Substance Abuse Treatment Program to the Institutions Program to be used as personnel costs for clinical staff pay; and \$196,100 for instructor pay.

Idaho State Police

S 1166 appropriated an additional \$240,000 to the Forensic Services Program for FY 2019 to purchase equipment to test hemp.

H 258 appropriated \$85,108,800 for FY 2020 and capped the number of authorized full-time equivalent positions at 606.85. Eighteen line items were included, which provided:

- \$438,200 for expansion of project choice;
- 5.00 FTP and \$1,021,900 for statewide motor units and an office specialist;
- 1.00 FTP and \$166,000 for a detective specialist;
- \$95,500 for trooper smartphones;
- \$559,400 for an evaluation of the record management system (RMS);
- \$15,000 for the security system update;
- \$100,000 for cybersecurity maintenance;
- \$47,800 for a Taser assurance plan;
- \$130,100 for a resident trooper housing unit;
- 1.00 FTP and \$43,400 for a forensic scientist;
- \$179,500 for radio communication maintenance;
- \$11,900 for software and instrument maintenance;
- \$112,400 for Western Identification Network (WIN) membership fees;
- \$232,000 for ITD interface updates;
- \$650,500 for federal grants;
- A reduction of 1.00 FTP and \$198,400 for a Commercial Vehicle Safety (CVS) grant that was not received;
- \$1,030,800 for replacement items and to cover a shortfall for one year in the POST Division; and
- \$37,200 for network equipment replacement.

This bill also provided a cash transfer of \$1,030,800 from the General Fund to the Peace Officers Training Fund to help fund a revenue shortfall for one year. Additionally, the bill provided reappropriation authority of \$762,600 to purchase the Watertower lots.

H 288 authorized 1.00 FTP and appropriated \$188,100 for a forensic scientist to test sexual assault evidence kits as a result of **H 116**.

Natural Resources

Department of Environmental Quality

H 268 was the FY 2020 original appropriation bill for the Department of Environmental Quality, which appropriated a total of \$68,415,600 and capped the number of authorized full-time equivalent positions at 389.00. Overall, the budget was a 2.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 3.00 FTP and \$757,300 for the Idaho Pollution Discharge Elimination System (IPDES), which Idaho assumed primacy over in June of 2018;
- The transfer of \$1,500,000 from the Water Pollution Control Fund to be appropriated out of over the next decade for remediation at the Triumph Mine;
- The reduction of \$1,345,300 from the Water Pollution Control Fund and increase of \$1,050,400 in the General Fund for a total decrease of \$294,900 to shift the Beneficial Use Reconnaissance Program and the Lakes Management Plan back to the General Fund;

- The reduction of \$100,000 in federal funds and shift of \$100,000 from operating expenditures to personnel costs as part of the \$6 million remaining in federal match requirements for the Basin Superfund site;
- \$167,200 for water quality monitoring to establish naturally occurring background levels for arsenic;
- \$50,100 for a boat and trailer to monitor and respond to time-critical issues such as harmful algal blooms and provide access to the Snake River for water quality monitoring;
- \$340,000 onetime for remediation project costs at the Triumph Mine; and
- Reappropriation of funding related to the Agricultural Best Management Practices Program appropriated last year.

Department of Fish and Game

H 057 was an FY 2019 supplemental appropriation bill for the Department of Fish and Game, which appropriated \$1,825,100 from dedicated funds for endangered species habitat improvement projects across the state. The dedicated funds were derived from the National Oceanic and Atmospheric Administration and the Bonneville Power Administration.

S 1200 was the FY 2020 original appropriation bill for the Department of Fish and Game, which appropriated a total of \$127,453,100 and capped the number of authorized full-time equivalent positions at 569.00. Overall, the budget was a 13.1% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$1,500,000 from the Expendable Big Game Depredation Fund as an FY 2019 supplemental to pay for historically large claims for crop damages this winter.
- \$2,338,100 to conduct endangered species habitat projects in the Pend Oreille, Bear River, and Blackfoot River drainages;
- \$5,940,400 for mitigation projects due to the inundation of the Albeni Falls Dam;
- \$500,000 added to the base appropriation to pay lease payments on the new headquarters building in Boise;
- \$1,195,000 for angler access and fish screen construction and maintenance;
- \$1,109,000 for biosecurity updates at the Hagerman Hatchery;
- \$991,700 for increased hatchery trout production;
- \$200,000 to increase testing capacity at the Eagle Fish Genetics Lab;
- \$309,700 to conduct hunter surveys and research;
- \$1,270,000 for a water control structure on the Fort Boise WMA;
- \$550,000 for mining restoration projects in north Idaho;
- \$100,000 for landscape scale Mule Deer habitat projects;
- \$120,000 for the second phase of mitigation for the Black Canyon Dam fish kill;
- \$350,000 to build a Payette River Wildlife Management Area Shop;
- \$50,000 for Payment Card Industry (PCI) compliance costs;
- \$35,300 for asbestos remediation at the Market Lake WMA;
- A net zero shift of FTP and associated personnel costs to eliminate the Engineering Budgeted Program;
- \$52,200 for GOV TECH 1 Core Network Equipment Replacement; and
- Reappropriation for unencumbered and unexpended portions of the \$500,000 appropriated in FY 2019 for design costs of the new headquarters building.

Endowment Fund Investment Board

S 1142 was the FY 2020 original appropriation bill for the Endowment Fund Investment Board, which appropriated a total of \$745,500 and capped the number of authorized full-time equivalent positions at 4.00. Overall, the budget was a 3.2% increase over the FY 2019 original appropriation.

Enhancements for FY 2020 included:

- \$300 for GOV TECH 1 Core Network Equipment Replacement;
- \$1,900 for GOV TECH 2 Mobile Device Security; and
- \$2,900 for GOV TECH 4 Department of Administration Billings.

Department of Lands

H 233 was the FY 2020 original appropriation bill for the Department of Lands, which appropriated a total of \$60,255,200 and capped the number of authorized full-time equivalent positions at 323.82. Overall, the budget was a 1.5% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$83,900 to hire a right-of-way agent focused on cooperative agreements with federal and industrial partners to acquire access;
- 1.00 FTP and \$86,600 for an IT Systems Coordinator to address cybersecurity issues and address the growth in technical assistance requests;
- \$391,600 to build two insulated tree cooler buildings to prevent heat stress on 1 million saplings annually;
- 0.67 FTP and \$32,400 to bring a temporary and unbenefited position to a permanent part-time position to address turnover in the Eastern Area Office;
- \$26,200 for a 3% CEC and inflationary adjustment for the Clearwater-Potlatch and Southern Idaho Timber Protective Associations;
- \$357,000 to address the fiscal impact of the Forest Practices Act (H44 of 2019);
- \$20 million transferred from the General Fund to the Fire Suppression Deficiency Fund for firefighting costs;
- \$23,600 for GOV TECH 1 Core Network Equipment Replacement; and
- Reappropriation for development of two software systems that were appropriated in FY 2019.

The budget for the Forest and Range Fire Protection Program is lump sum, meaning that the department may transfer appropriation from operating expenditures to personnel costs in that program if needed. It also included authorization to make prior period adjustments.

Department of Parks and Recreation

H 254 was the FY 2020 original appropriation bill for the Department of Parks and Recreation, which appropriated a total of \$44,141,000 and capped the number of authorized full-time equivalent positions at 158.39. Overall, the budget was a 2.1% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$42,000 for a targeted pay raise for park rangers to combat turnover;
- 1.00 FTP and \$43,500 to add an office specialist at the new Lake Cascade administrative building;
- 0.75 FTP and \$30,800 to convert three part-time FTP to full-time at Dworshak, Bruneau Sand Dunes, and Three Island Crossing Parks;
- \$2,025,000 to build the Thousand Springs Administrative Building;
- \$432,000 for Americans With Disabilities Act (ADA) enhancements at Lake Cascade;
- \$400,000 to increase the department's base pass-through funding for registration fees to local governments;
- \$3,100 for GOV TECH 1 Core Network Equipment Replacement; and
- Reappropriation for projects spanning more than one fiscal year in the Capital Development Program.

Lava Hot Springs Foundation

S 1143 was the FY 2020 original appropriation bill for the Lava Hot Springs Foundation, which appropriated a total of \$2,505,100 and capped the number of authorized full-time equivalent positions at 15.80. Overall, the budget was an 8.3% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$40,000 for hardscaping of the main entrance to the city and the hot springs;
- \$300,000 to build a public restroom facility; and
- \$1,400 for GOV TECH 1 Core Network Equipment Replacement.

Department of Water Resources

H 256 was the FY 2020 original appropriation bill for the Department of Water Resources, which appropriated a total of \$27,032,000 and capped the number of authorized full-time equivalent positions at 163.00. Overall, the budget was a 2.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$716,000 transferred to the Aquifer Planning and Management Fund from the Revolving Development Fund for aquifer measuring and monitoring;
- \$177,800 for a software application development contractor;
- \$42,700 from the General Fund to replace the phone system with Voice Over Internet Protocol (VoIP) phones;
- \$6,000 for data entry automation software;
- \$149,000 for off-site disaster recovery equipment; and
- \$3,800 for GOV TECH 1 Core Network Equipment Replacement.

H 285 was an FY 2019 trailer and supplemental appropriation bill in two parts for the Department of Water Resources. The first portion provided a \$20,000,000 General Fund transfer to address the fiscal impact of **HJM 004**, which urged the completion of the federal feasibility study and the NEPA analysis required for expanding Anderson Ranch Dam. The bill allowed for funding to be used for the Mountain Home Air Force Base water delivery system, should those projects be authorized. The second portion provided a \$1,000,000 General Fund transfer for the second year of the Flood Management Program for flood damage mitigation, prevention, water quality monitoring, and stream channel correction on a merit basis as determined by the Water Resources Board.

Economic Development

Department of Agriculture

H 028 was an FY 2019 deficiency warrant appropriation bill for the Department of Agriculture, which transferred \$140,200 from the General Fund to reimburse the Pest Control Deficiency Fund for FY 2019.

S 1197 was the FY 2020 original appropriation bill for the Department of Agriculture, which appropriated a total of \$45,169,000 and capped the number of authorized full-time equivalent positions at 220.00. Overall, the budget was a 0.8% increase over the FY 2019 Original Appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$72,100 to hire an additional analyst in the Seed Lab;
- 1.00 FTP and \$116,500 for a weights and measures inspector based in Coeur d'Alene;
- 1.00 FTP and \$57,400 to hire a technical records specialist at the Animal Health Lab;

- \$175,000 from the Livestock Disease Control Fund to address increased regulatory testing at the Animal Health Lab; and
- \$25,900 for GOV TECH 1 Core Network Equipment Replacement.

Soil and Water Conservation Commission

H 213 was the FY 2020 original appropriation bill for the Soil and Water Conservation Commission, which appropriated a total of \$3,437,100 and capped the number of authorized full-time equivalent positions at 21.75. Overall, the budget was a 3.4% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$400 for GOV TECH 1 Core Network Equipment Replacement;
- \$1,000 for GOV TECH 2 Mobile Device Security; and
- \$16,300 for GOV TECH 4 Department of Administration billings.

Department of Finance

S 1147 was the FY 2020 original appropriation bill for the Department of Finance, which appropriated a total of \$8,934,800 and capped the number of full-time equivalent positions at 63.00. Overall, the budget was a 3.3% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$384,000 to move the department to the Chinden Campus;
- \$81,900 transferred from personnel costs to operating expenditures to realign the agency's appropriation with anticipated expenditures;
- \$6,100 for the department's portion of the network equipment replacement in the Office of Information Technology Services (OITS) budget; and
- A reduction of 4.00 FTP and \$179,000 in accordance with the Governor's Technology Initiative to consolidate and secure IT services.

Department of Labor

S 1203 was the FY 2020 original appropriation bill for the Department of Labor, which appropriated a total of \$93,815,900 and capped the number of full-time equivalent positions at 681.58. Overall, the budget was a 6.3% increase above the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$426,000 for additional network equipment;
- \$4,323,500 for the JOBCorps Pilot Project, the first year of a three-year demonstration pilot project, for education, training services, guidance, counseling, and other services and support to residential students;
- \$20,000 for strategic planning and hosting a rural summit to evaluate the best method for providing services to rural Idaho; and
- \$45,200 for the department's portion of the state's network equipment replacement.

H 287 was an FY 2020 trailer appropriation bill for the Department of Labor, which appropriated an additional \$184,000 and authorized 1.00 additional full-time equivalent position. The bill addressed the fiscal impact of **H 113**, which extended the period for which claims for unpaid wages can be made to the Department of Labor from 6 months to 12 months.

Idaho Transportation Department

H 066 appropriated an additional \$330,000 to replace the roof at the District 5 headquarters located in Pocatello and \$90,240,000 for a federal grant to be used on I-84 between the Karcher Interchange and Franklin Boulevard. This bill also appropriated \$62,160,300 with \$37,697,800 going to the Idaho Transportation Department and \$24,462,500 going to the local units of government for the Strategic Initiatives Program.

H 274 appropriated \$727,637,200 for FY 2020 and capped the number of authorized full-time equivalent positions at 1,648. Enhancements included:

- \$450,000 for an increase to the Idaho Airport Aid Program;
- \$458,000 for video conference equipment;
- \$2,100,000 for statewide capital facilities;
- \$350,000 for District 3 material lab testing facility;
- \$206,000 for additional data storage;
- \$146,400 for software license compliance;
- \$200,000 for network access security;
- \$985,000 for Information Technology Service Management;
- \$1,200,000 for integration service layer for technology;
- \$8,800 for DMV equipment;
- \$45,600 for the Department of Correction to issue ID cards;
- \$2,343,200 for highway operation equipment;
- \$750,000 for AASHTO data analytics;
- \$1,255,000 for a GIS integration initiative;
- \$582,900 for FAST act increase;
- \$1,416,000 for public transportation federal grants;
- \$8,737,400 for an increase to Transportation Expansion and Congestion Mitigation;
- \$50,242,400 in excess revenue and receipts to be spent on construction projects; and
- \$147,600 for network equipment replacement.

This bill also provided requirements for continuously appropriated moneys to the Local Bridge Inspection Fund and the Railroad Grade Crossing Protection Fund; provided reappropriation authority for the Capitol Facilities Program; provided reappropriation authority in the Contract Construction and Right-of-Way Acquisition Division for the State Highway Fund, Strategic Initiative Fund, and the Transportation Expansion and Congestion Mitigation Fund; provided reappropriation authority for airport development grants; provided for the GARVEE bond payment authorization; and provided a cash transfer from the GARVEE Capital Project Fund.

Idaho Historical Society

H 262 was the FY 2020 original appropriation bill for the Idaho State Historical Society, which appropriated a total of \$7,617,200 and capped the number of authorized full-time equivalent positions at 57.00. Overall, the budget was a 1.1% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$106,800 for replacement of computer equipment and telephones;
- 1.00 FTP and \$52,600 for a state museum maintenance craftsman;
- 1.00 FTP and \$70,100 for a state museum educator; and
- \$48,000 for a security and fire vulnerability assessment.

S 1016 was an FY 2019 supplemental appropriation bill for the Idaho State Historical Society, which provided an additional \$1,500,000 in onetime dedicated funds for the Idaho State Historical Society to close out final construction and design contracts at the Idaho State Museum.

Idaho Commission for Libraries

H 230 was the FY 2020 original appropriation bill for the Commission for Libraries, which appropriated a total of \$5,878,800 and capped the number of authorized full-time equivalent positions at 37.50. Overall, the budget was a 0.4% decrease over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$60,000 for child literacy grants; and
- \$12,600 for known costs for broadband internet reimbursement.

Idaho Commission on Hispanic Affairs

H 187 was the FY 2020 original appropriation bill for the Commission on Hispanic Affairs, which appropriated a total of \$370,300 and capped the number of authorized full-time equivalent positions at 3.00. Overall the budget was a 12.0% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$30,000 ongoing for the enhancement of Statewide Outreach Efforts;
- \$1,000 for Mobile Device Security, as this agency's share of the Governor's statewide technology initiative; and
- \$3,200 for Modernization of Department of Administration billings, as this agency's share of the Governor's statewide technology initiative.

Public Defense Commission

S 1158 was the FY 2020 original appropriation bill for the Public Defense Commission, which appropriated a total of \$11,498,000 and capped the number of authorized full-time equivalent positions at 7.00. Overall, the budget was a 97.7% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$83,100 for a research analyst to interpret data and confirm indigent defense funding needs throughout the state, analyze attorney caseload information, and research parity between defending attorneys and prosecuting attorneys;
- \$5,560,000 as pass-through funding for counties in order for them to comply with recently promulgated and accepted administrative rules governing public defender workload standards (IDAPA 61.01.08.004.02.);
- \$15,000 for additional training to be provided to county public defenders, which will be used to pay their membership dues, host seminars, and provide them with scholarships for out-of-state training opportunities; and
- \$3,700 for Office of Information Technology Services billings, as initiated by the Governor.

State Appellate Public Defender (SAPD)

S 1141 was the FY 2020 original appropriation bill for the State Appellate Public Defender, which appropriated a total of \$3,024,400 and capped the number of authorized full-time equivalent positions at 24.00. Overall, the budget was a 2.6% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included \$2,600 for cybersecurity.

Division of Veterans Services

H 186 was an FY 2019 supplemental appropriation bill for the Division of Veterans Services which appropriated \$800,000 for the design and architecture costs for a fourth veterans home in Post Falls, Idaho.

H 211 was the FY 2020 original appropriation bill for the Division of Veterans Services, which appropriated a total of \$78,592,100 and capped the number of authorized full-time equivalent positions at 344.00. Overall, the budget was a 129.5% increase over the FY 2019 Original Appropriation. Enhancements for FY 2020 included:

- \$42,223,400 to construct a fourth veterans home in Post Falls Idaho;
- \$1,423,000 for additional staff and to address personnel compensation issues; and
- \$100,000 for veterans recognition awards that were provided to various veterans support organizations throughout the state.

General Government

Department of Administration

S 1194 was the FY 2020 original appropriation bill for the Department of Administration, which appropriated a total of \$23,743,300 and capped the number of authorized full-time equivalent positions at 121.00. Overall, this budget was a 0.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- 8.00 FTP and a net-zero transfer of \$484,200 within dedicated funds for maintenance personnel at the Chinden Campus;
- 2.00 FTP and \$160,000 for additional contract personnel within the Division of Purchasing;
- A reduction of 3.00 FTP and \$466,200 to move the Administrative Rules program to the Division of Financial Management per **H73**;
- \$10,500 for Core Network Equipment Replacement as this agency's share of the Governor's statewide technology initiative;
- \$45,800 for Mobile Device Security as this agency's share of the Governor's statewide technology initiative; and
- A reduction of \$353,300 for Office of Information Technology Services billings.

S 1032 was an FY 2019 supplemental appropriation bill for the Department of Administration, which provided an additional 1.00 FTP for Chinden Campus maintenance staff, \$181,000 for ongoing project management software subscriptions from the Permanent Building Fund, and \$87,800 for Central Postal Services increases from the Administration and Accounting Services Fund.

Permanent Building Fund

S 1198 was the FY 2020 original appropriation bill to the Permanent Building Fund, which appropriated a total of \$70,351,900.

Projects with a subtotal of \$39,017,100 for alterations and repairs were appropriated for the following items:

- Statewide Building Alterations and Repairs: \$35,957,100;
- Asbestos Abatement: \$500,000;
- Statewide Americans With Disabilities Act Compliance: \$1,300,000;
- Capitol Mall Maintenance: \$260,000; and

- Chinden Campus Facilities Maintenance: \$1,000,000.

Additionally, this appropriation included \$31,334,800 in dedicated funds for six capital construction projects:

- \$8,000,000 for the Department of Agriculture Pathology Lab;
- \$1,200,000 for Division of Military Twin Falls Readiness Center Site Utilities;
- \$630,000 for Division of Public Safety Mica Peak Communication Site;
- \$1,904,800 for Department of Correction Wastewater Lagoon Repair;
- \$12,200,000 for Department of Correction North Idaho Reentry Center; and
- \$7,400,000 for Department of Correction St. Anthony Facility Expansion.

The appropriation also included a cash transfer in the amount of \$21,504,800 from the General Fund to the dedicated Permanent Building Fund.

Attorney General

S 1156 was the FY 2020 original appropriation bill for the Attorney General, which appropriated a total of \$26,505,000 and capped the number of authorized full-time equivalent positions at 214.10. Overall, the budget was a 2.2% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$73,200 for e-discovery software;
- \$65,000 for data backup;
- 0.50 FTP and \$27,100 for an administrative assistant's increase in hours;
- 3.00 FTP and \$330,400 for a Criminal Disability Investigations Unit;
- \$118,900 for an affiliate investigator in the Idaho Falls Police Department; and
- A net-zero transfer of 1.00 FTP and \$275,000 in federal funds within the agency in order to align the appropriation for the ICAC Taskforce Commander with its budget structure.

Military Division

S 1031 provided a cash transfer in the amount of \$26,800 to the Hazardous Response Fund for the cleanup of hazardous materials throughout Idaho.

S 1170 appropriated \$83,232,600 for FY 2020 and capped the number of authorized full-time equivalent positions at 398.80. Enhancements included:

- \$109,000 for land leases;
- 1.00 FTP and \$87,700 for a supervisory HR specialist;
- 1.00 FTP and \$102,900 for a statewide interoperability coordinator;
- 1.00 FTP and \$68,600 for a purchasing agent;
- 1.00 FTP and \$102,900 for a software engineer;
- 2.00 FTP and \$126,100 for Youth ChalleNGe cadre team leaders;
- \$650,000 for an armory revenue fund increase;
- 8.00 FTP and \$551,100 for construction and maintenance positions at the Orchard Combat Training Center (OCTC);
- 2.00 FTP and \$175,400 for environmental protection technicians;
- \$5,545,000 for OCTC equipment; and
- \$778,600 for funding of 12.00 FTP that were approved through the noncognizable process.

This bill provides a continuous appropriation from the Idaho Office of Emergency Management's Miscellaneous Revenue Fund for indirect cost recovery related to hazardous substance incidents.

Commission on the Arts

S 1189 was the FY 2020 original appropriation bill for the Commission on the Arts. It appropriated a total of \$2,077,500 and capped the number of authorized full-time equivalent positions at 10. Overall, this budget was a 2.8% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included \$25,000 for enhancement of grant funds.

Division of Financial Management

H 284 was an FY 2020 trailer appropriation bill for the Division of Financial Management, which appropriated an additional \$468,100 and authorized 3.00 additional full-time equivalent positions for FY 2020. The bill addressed the fiscal impact of **H73**, which transferred the Office of the Administrative Rules Coordinator from the Department of Administration to the Division of Financial Management.

STEM Action Center

H 215 was the FY 2020 original appropriation bill for the STEM Action Center, which appropriated a total of \$4,695,800 and capped the number of authorized full-time equivalent positions at 6.00. Overall, the budget was a 0.4% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$5,000 for an object transfer for an analyst position;
- \$5,600 for agency billings from the Office of Information Technology Services; and
- Appropriation and transfer of \$1,000,000 from the General Fund to the STEM Education Fund for FY 2020 for the Computer Science Initiative.

Office of Species Conservation

H 216 was the FY 2020 original appropriation bill for the Office of Species Conservation, which appropriated a total of \$14,928,800 and capped the number of authorized full-time equivalent positions at 14.00. Overall, the budget was a 4.8% increase over the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$640,000 for federal salmon habitat grants provided by the Bureau of Reclamation; and
- \$7,100 for GOV TECH 4 Department of Administration Billings.

Wolf Depredation Control Board

H 260 was the FY 2020 appropriation bill for the Wolf Depredation Control Board that transferred \$200,000 from the General Fund to the Wolf Control Fund Other Money Subaccount for depredation investigations and lethal removal of problem wolves. The board funding is continuously appropriated and has no personnel as it is supported by staff at the Department of Fish and Game and the Department of Agriculture. The board has cooperative services agreements and a work plan with Wildlife Services to implement the depredation actions.

State Tax Commission

H 132 was an FY 2019 supplemental appropriation bill for the State Tax Commission, which appropriated a total of \$553,200 and authorized an additional 0.25 full-time equivalent position. Enhancements for FY 2019 included:

- \$500,000 for additional moving costs to the Chinden Campus;

- \$13,200 and 0.25 FTP for a technical records specialist to implement **H 492** from the 2nd Regular Session of the Sixty-Fourth Idaho Legislature; and
- \$40,000 for the property tax education program.

S 1202 was the FY 2020 original appropriation bill for the State Tax Commission, which appropriated a total of \$45,096,000 and capped the number of authorized full-time equivalent positions at 448.00. Overall, this budget was a 3.1% increase above the FY 2019 original appropriation. Enhancements for FY 2020 included:

- \$115,000 to improve employee safety by fortifying and strengthening the front taxpayer service counters and windows with bulletproof glass and materials at the Lewiston and Idaho Falls field offices;
- \$81,500 to contract with FAST Enterprises, LLC to monitor batch processing of tax returns;
- 2.00 FTP and \$107,400 for additional tax return processing staff;
- 1.00 FTP and \$35,500 to convert a temporary position to permanent in the taxpayer services program;
- 2.00 FTP and \$124,000 for one additional Multistate Tax Compact auditor, and one non-filer auditor;
- \$14,400 for a 3% CEC for the tax commissioners;
- \$6,300 for the commission's portion of the state's network equipment replacement; and
- A reduction of 17.00 FTP and \$238,800 in accordance with the Governor's IT Modernization Initiative to consolidate and secure IT services.

Secretary of State

S 1190 was the FY 2020 original appropriation bill for the Secretary of State, which appropriated a total of \$5,681,400 and capped the number of authorized full-time equivalent positions at 30.00. Overall, the budget was a 14.3% increase over the FY 2019 Original Appropriation. Enhancements for FY 2020 included:

- 1.00 FTP and \$98,600 for a cybersecurity policy analyst;
- \$25,000 to increase operating expenditures to educate users about new online resources for corporate filing and elections;
- \$40,000 for the biennial publication of the Idaho Blue Book pursuant to Section 67-915, Idaho Code; and
- \$2,000,000 to reimburse counties for costs related to the 2020 presidential primary pursuant to Section 34-738, Idaho Code.

Employee Compensation, including Salary and Benefits

The Division of Human Resources recommended a 3% salary increase for state employees in its statutorily required report to the Governor on state employee compensation and benefits, and the Governor concurred with that recommendation. The Legislature's Change in Employee Compensation Committee (CEC) recommended funding for the equivalent of a 3% change in employee compensation for permanent employees, with a minimum increase of \$550 for each permanent employee and the remaining amount to be distributed based on merit. There was no compensation increase for group and temporary positions.

The CEC Committee also recommended that the pay schedule be shifted upwards by 3% at the minimum, policy, and maximum pay rates in each pay grade and the Legislature funded that shift. For benefit costs, every agency's appropriation bill maintains the current appropriated amount for health insurance at \$11,650 per eligible FTP. Concurrently, the health insurance premium costs will increase for both the state and its employees. The exact amount of the increase per employee de-

depends on which plan the employee is enrolled in and whether or not there are dependents on their plan. Additionally, the appropriation for variable benefit costs provided a 5.5% increase for the employer's share of PERSI contributions, made adjustments to workers' compensation that vary by agency, and temporarily reduced the rate agencies pay the Division of Human Resources for its services.

Appointed Official	Current	FY 2020
Public Utilities Commissioner	\$106,868	\$110,074
Tax Commissioner	\$99,077	\$102,049
Industrial Commissioner	\$104,020	\$107,141

Appointed officials in the Public Utilities Commission, Tax Commission, and Industrial Commission all received a 3% CEC through statutory amendments in their respective appropriation bills: **S 1149** (PUC), **S 1202** (Tax Commission), and **H 235** (Industrial Commission).

The Legislature funded the PERSI contribution rate change that is scheduled to take effect in FY 2020. The change is equal to a 5.5% increase. The employer contribution rate is scheduled to increase from 11.32% to 11.94% of each employee's salary. The employee contribution will increase from 6.79% to 7.16%. At the end of FY 2018, the portfolio value was approximately \$17.7 billion and 91.2% funded. The annual payout to PERSI retirees is approximately \$884.8 million, with an average monthly payment of \$1,532. Nearly 90% of PERSI benefits are paid to retirees living in Idaho that pay state and federal income tax on their retirement income.

Technology Infrastructure Stabilization Fund

The Legislature transferred \$8,053,500 from the General Fund to the Technology Infrastructure Stabilization Fund (TISF) for FY 2020. This was the second year of a transfer to this new fund that was created during the 2018 session. The table below outlines the onetime FY 2020 projects appropriated from TISF and all funds. The appropriated funds from TISF are less than the amount transferred because the Department of Health and Welfare's child welfare database project was appropriated for nine months for FY 2020 with the intent of evaluating progress during the 2020 legislative session, at which time a supplemental appropriation could be provided for the remaining three months of FY 2020. Further, the Legislative Services Office and the Department of Correction were each provided the authority to carry over to FY 2020 any unspent and unencumbered moneys from this fund that were appropriated in FY 2019.

State Agency	Project	Funding from TISF	Total from All Funds
Idaho Public Television	Ethernet Microwave System (Year 3 of 3)	\$400,000	\$400,000
Dept. Health & Welfare	Child Welfare Information System	\$4,314,000	\$8,628,000
Dept. of Correction	Cybersecurity Upgrades, Software, and Training	\$140,000	\$461,800
Dept. of Correction	Offender Management System	Carryover from FY 2019	Carryover from FY 2019
Idaho State Police	Update Records Mgmt. System	\$534,100	\$534,100
Dept. of Water Resources	Off-Site Recovery of Tier 1 Systems and Software Applications	\$322,800	\$322,800
Attorney General	Disaster Recovery Data Backup	\$65,000	\$65,000
Office of the Governor, Office of Information Technology Services	GOV TECH 1 Network Replacement, GOV TECH 2 Mobile Device Security, and Cybersecurity Software	\$690,600	\$1,507,400
Legislative Services Office	Technology Assistance for Project Reviews	Carryover from FY 2019	Carryover from FY 2019
	<i>Total</i>	<i>\$6,466,900</i>	<i>\$11,919,100</i>

Governor's Information Technology Modernization Initiatives

The Governor's budget recommendation for FY 2020 included four information technology modernization initiatives that appeared as line items in individual agency budget requests. The initiatives included the following:

GOV TECH 1: Network Equipment Replacement

The Division of Financial Management assessed each state agency for its share of the cost to replace the state's core network equipment, and appropriations were recommended accordingly in each agency budget. The Idaho State Network supports all state agencies and is relied upon to provide critical network communications and to support Idaho citizens accessing state-provided services. Replacement of the core network equipment will provide continuity of reliable, high-speed network communications across state government. The total appropriation to replace the core network is \$1,262,800. Of that amount, agencies with dedicated funding sources were appropriated funds in their FY 2020 Original Appropriations. Appropriations for agencies funded by the General Fund were funded from the Technology Infrastructure Stabilization Fund (TISF), which was created by the 2018 Legislature to fund and track large agency technology projects on a onetime basis. **H246** provided a onetime appropriation of \$620,800 from TISF directly to the Office of In-

formation Technology Services rather than distributing the TISF appropriation among numerous General Fund agencies.

GOV TECH 2: Mobile Device Management and Security

The Governor recommended software to provide end-point security capability, including mobile technology. The software will provide security of state information on all mobile devices working outside the state network. JFAC funded \$217,900 for a third-party vendor to assist in onetime implementation and training. Similar to GOV TECH 1, appropriations from TISF for General Fund agencies were instead provided in a direct onetime appropriation of \$61,300 to the Office of Information Technology Services.

GOV TECH 3: Modernization / Consolidation

H246 provided \$3,373,200 for the first phase of the Governor's technology modernization and consolidation initiatives. The goal of the modernization is to enhance cybersecurity and increase efficiency in IT services across agencies, enabling agencies to become IT consumers rather than IT providers. When netted across all the agencies, the initiative removed 16.00 FTP and \$1,008,600 in personnel costs to consolidate information technology positions from eight agencies into the Office of Information Technology Services. The eight agencies included in the first phase are as follows: the Tax Commission, Industrial Commission, Public Utilities Commission, Division of Building Safety, Department of Finance, Department of Insurance, Division of Veterans Services, and Division of Vocational Rehabilitation.

The IT Modernization is planned to take five years and may include all executive agencies except constitutional officers; some agencies may retain an embedded IT component. Agencies in Phase I were identified based on several criteria, including: pending moves to the new State Chinden Campus; complexity, size, and common services; and single points of failure. Agencies under consideration for Phase II include the Department of Fish and Game, Department of Water Resources, Department of Labor, and Department of Correction. Phase II and the following phases will focus on adding needed functions, such as systems architecture, innovation, data sharing, project management, and software licensing.

GOV TECH 4: Modernization – Admin Billing

This initiative increased the appropriation to small agencies that receive IT support from the Office of Information Technology Services to more accurately reflect the amount they are billed.