

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Monday, February 24, 2014  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS PRESENT:** Senators: Co-chairman Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey  
Representatives: Co-chairman Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King  
**ABSENT/ EXCUSED:** None  
**STAFF PRESENT:** Tatro, Lockett  
**CONVENED:** Chairman Cameron convened the meeting at 8:04 a.m.

**BUDGET SETTING:** **SETTING FY 2015 APPROPRIATIONS**

**DEPARTMENT OF HEALTH AND WELFARE**  
**Indirect Support Services**

**PRESENTER:** **Jared Tatro, Senior Budget & Policy Analyst**

**CARRIED:** **Original Motion**  
Moved by Schmidt, seconded by Stevenson, to approve for introduction \$18,124,600 General Funds, \$2,361,000 Dedicated Funds, \$20,203,800 Federal Funds for a total of \$40,689,400 with FTP of 288.50

**Ayes: 17**

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

**Nays: 0**

**Ab/Ex: 3**

Mortimer, Nuxoll, Gibbs

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

**INTENT  
LANGUAGE:**

**Department-Wide Legislative Intent Language**

GENERAL FUND TRANSFERS. As appropriated, the State Controller shall make transfers from the General Fund to the Cooperative Welfare Fund, periodically, as requested by the director of the Department of Health and Welfare and approved by the Board of Examiners

TRUSTEE AND BENEFIT PAYMENTS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funds budgeted in the trustee and benefit payments expenditure class shall not be transferred to any other expense classes during fiscal year 2015.

PROGRAM INTEGRITY. Notwithstanding any other provisions of law, it is hereby declared to be the intent of the Legislature that the Department of Health and Welfare shall be required to provide those services authorized or mandated by law in each program, only to the extent of funding and available resources appropriated for each budgeted program.

**Unanimous Consent Request**

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**Division Legislative Intent Language**

MEDICAID TRACKING REPORT. The Department of Health and Welfare, Medical Assistance Services Division and Indirect Support Services Division shall deliver on a monthly basis to the Legislative Services Office and Division of Financial Management a report that compares the Medicaid budget as appropriated, distributed by month for the year, to actual expenditures and remaining forecasted expenditures for the year. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and Division of Financial Management.

MEDICAID PROGRAM INTEGRITY COLLECTIONS. It is the intent of the Legislature that the Indirect Support Services Division provide quarterly reports to the Legislative Services Office and Division of Financial Management comparing the total costs from all funding sources used for the Medicaid Program Integrity Unit and the collections related to those efforts.

PROGRAM TRANSFER REPORT. The Department of Health and Welfare, Indirect Support Services Division shall provide, on a quarterly basis, to the Legislative Services Office and the Division of Financial Management a report that compares the Department budget as appropriated to the estimated expenditures of the Department for each budget unit to include transfers of FTP authority between and amongst budget units; transfers of appropriation, by fund, between and amongst budget units; and transfers of funds by expense class, between and amongst budget units.

**Unanimous Consent Request**

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**Legislative Intent Language regarding Appropriation by Fund**

LEGISLATIVE INTENT REGARDING APPROPRIATION BY FUND. The Legislature recognizes the benefits of the Cooperative Welfare Fund for the Department of Health and Welfare, however, Management Review MR27012, as conducted by Legislative Services Office, Audit Division, identified areas of concern that included all three programs in the Division of Public Health Services exceeding their appropriated amounts, and transfers of appropriation between expenditure categories lacked proper approvals. Given the seriousness of these findings, along with the antiquated software system being used by the Department, it is the intent of the Legislature that the Department of Health and Welfare provide to the Legislative Services Office and the Division of Financial Management a multi-faceted plan by December 31, 2014 that shall include:

1. Ensuring appropriation compliance and providing transparency with appropriation remaining in the Cooperative Welfare Fund;
2. Providing the departments solution to handling accounting transactions in the coming years, which may include: a. Replacing the current software system; b. Working with the Office of the State Controller and use the new accounting system, when developed;
3. Identifying the steps and projected costs that would need to occur if the Legislature was to appropriate by a specific fund source, rather than the Cooperative Welfare Fund for a program or programs.

**Unanimous Consent Request**

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**Independent Councils**

**PRESENTER:**  
**CARRIED:**

**Jared Tatro, Senior Budget & Policy Analyst**

**Original Motion**

Moved by Stevenson, seconded by Schmidt, to approve for introduction \$118,500 General Funds, \$551,400 Dedicated Funds, \$4,124,800 Federal Funds for a total of \$4,794,700 with FTP of 9.00

**Ayes: 19**

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

**Nays: 0**

**Ab/Ex: 1**

Nuxoll

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

**Licensing and Certification**

**PRESENTER:** Jared Tatro, Senior Budget & Policy Analyst

**CARRIED:** Original Motion

Moved by Stevenson, seconded by Schmidt, to approve for introduction \$1,558,200 General Funds, \$737,200 Dedicated Funds, \$3,538,000 Federal Funds for a total of \$5,833,400 with FTP of 63.90

**Ayes: 19**

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

**Nays: 0**

**Ab/Ex: 1**

Nuxoll

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

**Public Health Services**

**PRESENTER:** Jared Tatro, Senior Budget & Policy Analyst

**CARRIED:** Original Motion

Moved by Schmidt, seconded by Stevenson, to approve for introduction \$6,771,200 General Funds, \$40,777,300 Dedicated Funds, \$59,952,300 Federal Funds for a total of \$107,500,800 with FTP of 213.50

**Ayes: 20**

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

**Nays: 0**

**Ab/Ex: 0**

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

**INTENT  
LANGUAGE:**

**Legislative Intent Language**

LEGISLATIVE INTENT REGARDING TRICARE VACCINES. The Legislature continues to recognize the potential gap in coverage created by TRICARE's refusal to participate in the Idaho Immunization Program. The Legislature continues to support and encourage the executive branch in its efforts to negotiate a solution with TRICARE that does not rely on General Fund support. Further it is the intent of the Legislature that moneys appropriated to purchase TRICARE vaccinations are to be used solely for that purpose and any moneys not expended for TRICARE vaccines are to be reverted back to the General Fund at the close of the fiscal year or as soon thereafter as is practicable.

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**OFFICE OF THE GOVERNOR**

**Commission on Aging**

**PRESENTER:  
CARRIED:**

**Jared Tatro, Senior Budget & Policy Analyst**

**Original Motion**

Moved by Ringo, seconded by Lacey, to approve for introduction \$4,483,200 General Funds, \$0 Dedicated Funds, \$8,463,300 Federal Funds for a total of \$12,946,500 with FTP of 13.00

**Ayes: 18**

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

**Nays: 2**

Vick, Nuxoll

**Ab/Ex: 0**

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

**STATE TREASURER**

**Idaho Millennium Fund**

**PRESENTER:  
CARRIED:**

**Jared Tatro, Senior Budget & Policy Analyst**

**Original Motion**

Moved by Schmidt, seconded by King, to approve for introduction \$0 General Funds, \$7,843,900 Dedicated Funds, \$0 Federal Funds for a total of \$7,843,900 with FTP of 1.20 for the Department of Juvenile Corrections.

**Ayes: 20**

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

**Nays: 0**

**Ab/Ex: 0**

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

**INTENT  
LANGUAGE:**

**Legislative Intent Language**

SECTION \_\_\_\_\_. Notwithstanding any other provision of law to the contrary, on June 30, 2015, or as soon thereafter as is practicable, any remaining unexpended and unencumbered balance of moneys appropriated in this act shall be reverted to the Idaho Millennium Income Fund.

**Unanimous Consent Request**

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**Legislative Intent Language**

SECTION \_\_\_\_\_. Notwithstanding any other provision of law to the contrary, on June 30, 2015, or as soon thereafter as if practicable, the State Controller, at the request of the State Treasurer, shall transfer any remaining unexpended and unencumbered balance of moneys in the Idaho Millennium Income Fund to the Idaho Millennium Fund.

**Unanimous Consent Request**

Moved by Schmidt, granted by unanimous consent, the legislative intent language shown above was accepted.

**SELF-GOVERNING AGENCIES**

**Idaho Commission for Libraries**

**PRESENTER:**

**Robyn Lockett, Senior Budget & Policy Analyst**

**Original Motion**

**CARRIED:**

Moved by King, seconded by Eskridge, to approve for introduction \$3,510,700 General Funds, \$74,400 Dedicated Funds, \$1,571,200 Federal Funds for a total of \$5,156,300 with FTP of 39.50

**Ayes: 18**

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

**Nays: 1**

Nuxoll

**Ab/Ex: 1**

Vick

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

**STATE CONTROLLER**

**PRESENTER:** **Robyn Lockett, Senior Budget & Policy Analyst**

**Original Motion**

**CARRIED:** Moved by Thompson, seconded by Lacey, to approve for introduction \$6,884,100 General Funds, \$7,398,200 Dedicated Funds, \$0 Federal Funds for a total of \$14,282,300 with FTP of 94.00

**Ayes: 19**

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

**Nays: 0**

**Ab/Ex: 1**

Thayn

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

**INTENT  
LANGUAGE:**

**Legislative Intent Language**

SECTION \_\_\_\_. The moneys assessed by the Division of Financial Management in accordance with Section 67–3531, Idaho Code, for State Controller services shall be placed in the Indirect Cost Recovery Fund. On June 30, 2015, the State Controller shall transfer the amount assessed in the statewide cost allocation plan from the Indirect Cost Recovery Fund to the state General Fund.

SECTION \_\_\_\_. NON-GENERAL FUND REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the State Controller any unexpended and unencumbered balances appropriated or reappropriated to the State Controller for the Computer Service Center program for fiscal year 2014 to be used for nonrecurring expenditures in that program for the period of July 1, 2014, through June 30, 2015.

**Unanimous Consent Request**

Moved by Thompson, granted by unanimous consent, the legislative intent language shown above was accepted.

**FY 2014  
SUPPLEMENTAL:**

**DEPARTMENT OF ADMINISTRATION**  
**Information Technology Program, (Idaho Education Network)**

**PRESENTER:** Robyn Lockett, Senior Budget & Policy Analyst

**REOPEN** Unanimous Consent Request

**BUDGET:** Moved by Bell, granted by unanimous consent, the FY 2014 budget for the Department of Administration was reopened.

**Original Motion**

Moved by Bell, seconded by Keough, to approve for introduction \$6,600,000 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$6,600,000 with FTP of 0.00

**Ayes: 20**

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

**Nays: 0**

**Ab/Ex: 0**

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

**INTENT  
LANGUAGE:**

**Legislative Intent Language**

It is the intent of the Legislature that the Idaho Department of Administration (the "Department") shall use the FY 2014 supplemental appropriation in the amount of \$6,600,000 to pay the outstanding funds due in FY 2014 to Education Networks of America, Inc./ENA Services, LLC ("ENA") from Universal Service Administrative Company ("USAC") for services rendered to the Department of Administration, but not paid for by USAC pursuant to RFP02160 and any purchase orders and amendments (the "IEN Contract").

Prior to disbursement of the funds from the General Fund to the Department, the Department and ENA shall amend the IEN Contract with the following provisions, at a minimum:

- (1) Disbursement of funds under this appropriation shall not constitute acknowledgement of any liability due and owing by the State of Idaho to ENA.
- (2) ENA shall immediately return to the Department any funds paid to ENA under this appropriation, if and when USAC pays ENA for any of the services ENA rendered to the Department pursuant to the IEN Contract.
- (3) Nothing in this amendment shall displace ENA's responsibility under Paragraph 9.13 or any other provision of the IEN Contract to directly bill and secure funding from USAC.

Upon completion of the contract amendment required under this section, and also upon the receipt of any funds paid back to the Department by ENA pursuant to (2) above, the Department shall immediately notify members of IPRAC. If

ENA returns any appropriated funds to the Department pursuant to (2) above, the Department shall immediately transfer such funds to the General Fund.

If the Department does not use the entire appropriation for the purposes stated herein in FY 2014, it shall return the unused funds to the General Fund on or before June 30, 2015.

**Unanimous Consent Request**

Moved by Bell, granted by unanimous consent, the legislative intent language shown above was accepted.

**ADJOURNED:** Chairman Cameron adjourned the meeting at 9:25 a.m.

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Senator Cameron  
Chair

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Peggy Moyer  
Secretary