

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 12, 2015
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Cameron, Keough, Mortimer, Bair, Nuxoll, Johnson, Guthrie, Schmidt, Lacey
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Burtenshaw, Horman, Malek, Monks, King, Gannon
ABSENT/ EXCUSED: Thayn
CONVENED: Senator Cameron convened the meeting at 8:00 A.M.

STAFF PRESENT: Burns, Lockett, Tatro

BUDGET SETTING: SETTING FY 2016 APPROPRIATIONS

DEPARTMENT OF CORRECTION
State Prisons

PRESENTER: Richard Burns, Principal Budget and Policy Analyst, Legislative Services Office

CORRECTION Technical correction to FY 16 budget for State Prisons

UNANIMOUS CONSENT: On request by Gannon, granted by unanimous consent, the FY 16 budget for the Department of Correction, State Prisons was reopened.

UNANIMOUS CONSENT: On request by Gannon, granted by unanimous consent, to add \$10,000 from the General Fund to the Department of Correction for State Prisons for FY 2016, in order to make a technical correction to the Original Motion that passed the Committee on Wednesday, March 11, 2015. With this technical correction the budget for State Prisons would read: to approve for introduction \$96,331,700 General Funds, \$9,517,100 Dedicated Funds, \$154,500 Federal Funds for a total of \$106,003,300.

DEPARTMENT OF ADMINISTRATION

PRESENTER: Robyn Lockett, Principal Budget and Policy Analyst, Legislative Services Office

CARRIED:

Original Motion

Moved by Guthrie, seconded by Gibbs, to approve for introduction \$3,393,700 General Funds, \$16,208,800 Dedicated Funds, \$0 Federal Funds for a total of \$19,602,500 with FTP of 139.50

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, Miller

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.

CARRIED:

Original Motion

(Fund Transfer)

Moved by Guthrie, seconded by Keough, to approve for introduction \$0 General Funds, \$1,737,500 Dedicated Funds, \$0 Federal Funds for a total of \$1,737,500 with FTP of 0.00
elected official rent

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, Miller

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.

**UNANIMOUS
CONSENT:**

On request by Guthrie, granted by unanimous consent, the legislative intent language for the Department of Administration shown below was accepted.

**INTENT
LANGUAGE:**

Legislative Intent Language for the Department of Administration

1) NOTIFICATION OF CONTRACT RENEWALS OR EXTENSIONS. The director of the Department shall notify the Legislature prior to any contract extensions or renewals in excess of \$1,000,000. As part of the budget submission process, the Department shall submit a list of contracts due for renewal in the upcoming fiscal year that exceed \$1,000,000 on an annual basis. Further, the director shall notify the members of legislative leadership, the JFAC chairmen and the germane committee chairmen, in writing, of any proposed early contract renewal or extension at least 90 days prior to signing the contract.

2) HEALTH INSURANCE PREMIUM. The Office of Group Insurance shall maintain the current health insurance program structure and benefit package for state employees. The office shall also maintain the employer and employee cost sharing split recommended by the Governor and the Legislature's Joint Change in Employee Compensation Committee.

3) LEGISLATIVE INTENT REGARDING BROADBAND CONNECTIVITY. Notwithstanding Sections 67-5745D and 67-5745E, Idaho Code, money for broadband services for schools are provided for in the appropriation made to the Superintendent of Public Instruction for the period July 1, 2015, through June 30, 2016.

4) LEGISLATIVE INTENT REGARDING ISSUANCE OF CONTRACTS RELATING TO THE IDAHO EDUCATION NETWORK. Notwithstanding Sections 67-5745D and 67-5745E, Idaho Code, the Department of Administration shall not enter into any contracts relating to educational services previously provided under the Idaho Education Network until a longer-term policy direction is established by this Legislature in concert with the Governor.

5) EMERGENCY CLAUSE. An emergency existing therefor, which emergency is hereby declared to exist, Section ___ of this act shall be in full force and effect on and after its passage and approval.

6) LEGISLATIVE INTENT REGARDING ISSUANCE OF CONTRACTS RELATING TO BROADBAND FOR STATE AGENCIES. It is the intent of the Legislature that, prior to the expiration of the six-month emergency contract currently in place for broadband-related services at state agencies, the Department of Administration shall analyze and justify the cost, benefits, and flexibility of a statewide contract, as compared to individual contracts issued by state agencies, for the purchase of broadband and related services for state agencies. Said analysis and justification may include, but is not limited to, issuance of a Request for Information or Request for Proposal and the Department of Administration is hereby directed to issue contract(s) based on the results of said analysis. In addition, the Department of Administration shall not enter into any contract with an initial term, or a renewal option, that is longer than one year until a longer-term policy direction is established by this Legislature in concert with the Governor.

Capitol Commission

CARRIED:

Original Motion

Moved by Monks, seconded by Lacey, to approve for introduction \$0 General Funds, \$2,642,000 Dedicated Funds, \$0 Federal Funds for a total of \$2,642,000 with FTP of 0.00

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, Burtenshaw

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.

Capitol Commission
(Fund Transfer)

CARRIED:

Original Motion Moved by Monks, seconded by Lacey, to approve for introduction \$0 General Funds, \$200,000 Dedicated Funds, \$0 Federal Funds for a total of \$200,000 with FTP of 0.00

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, Burtenshaw

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.

**UNANIMOUS
CONSENT:**

On request by Monks, granted by unanimous consent, to include the following section of language in the Capitol Commission's Fiscal Year 2016 appropriation bill which provides carryover authority for the Commission's operating funds.

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Administration for the Idaho State Capitol Commission any unexpended and unencumbered balances of moneys categorized as dedicated funds in the Capitol Commission Operating Fund as appropriated for Fiscal Year 2015, to be used for nonrecurring expenditures in the Capitol Commission Operating Fund, for the period July 1, 2015, through June 30, 2016.

Bond Payments

CARRIED:

Original Motion

Moved by Gannon, seconded by Keough, to approve for introduction \$4,330,000 General Funds, \$7,973,000 Dedicated Funds, \$0 Federal Funds for a total of \$12,303,000 with FTP of 0.00

Ayes: 19

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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.

Permanent Building Fund

Moved by Monks, seconded by Lacey, to approve for introduction \$0 General Funds, \$29,315,800 Dedicated Funds, \$0 Federal Funds for a total of \$29,315,800 with FTP of 0.00

Ayes: 19

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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.

**UNANIMOUS
CONSENT:**

On request by Monks, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

Legislative Standard Intent Language for the Permanent Building Fund

ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS. Moneys appropriated in Section ___ of this act, or so much thereof as in each case may be necessary, shall be used for the purpose of paying the cost of any land, building, equipment, or the rebuilding, renovation or repair of buildings, installations, facilities or structures at the places, institutions and agencies, or their successors, including those listed in this section. The Permanent Building Fund Advisory Council is hereby authorized and directed to anticipate revenues accruing to the Permanent Building Fund for the purpose of undertaking the construction, renovation, repair and acquisitions therein authorized, without delay, and to determine the priority of construction pursuant to which the work hereunder will be undertaken.

UTILIZATION OF MATCHING FUNDS. It is legislative intent that the moneys appropriated in this act may be made available for matching any allocation of moneys now in existence or hereafter made available by agencies of the United States and/or private donations; and it is further the express intention of the Legislature to authorize the Division of Public Works to expend, for the purpose of paying the cost of any land, building, equipment or the rebuilding, renovation or repair of buildings, moneys appropriated for public works to various agencies as part of the respective agency operating budgets; provided the express approval by the Permanent Building Fund Advisory Council is granted to make application for such moneys in each instance.

EXEMPTION OF APPROPRIATIONS FROM CERTAIN PROVISIONS. All appropriations made herein shall be exempt from the provisions of Chapter 36, Title 67, and Section 67-3516, Idaho Code, but shall be available for expenditure only after allotment in accordance with the other provisions of Chapter 35, Title 67, Idaho Code, and all appropriations made hereunder shall be subject to the provisions of Section 67-5711, Idaho Code, except as otherwise provided herein.

REALLOCATION OF PROJECT SAVINGS. It is the intent of the Legislature that the Division of Public Works have the flexibility to allocate any savings or unused appropriation from any capital, line-item project to any other requested and funded capital project. The reallocation of such appropriation must be approved by the Permanent Building Fund Advisory Council prior to the funds being spent.

DEPARTMENT OF HEALTH AND WELFARE

PRESENTER: **Jared Tatro, Principal Budget and Policy Analyst, Legislative Services Office**
Indirect Support Services

Moved by Schmidt, seconded by Johnson, to approve for introduction \$16,460,600 General Funds, \$4,507,100 Dedicated Funds, \$17,090,200 Federal Funds for a total of \$38,057,900 with FTP of 289.60

Ayes: 15

Cameron, Keough, Bair, Johnson, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Malek, Burtenshaw, King, Gannon

Nays: 3

Mortimer, Nuxoll, Monks

Ab/Ex: 2

Thayn, Horman

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.

UNANIMOUS CONSENT: On request by Schmidt, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

Standard Legislative Intent Language for Indirect Support Services

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 reports biannually 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. The format of the report, and information contained therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2015 and the second report shall be submitted no later than June 30, 2016.

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.

Independent Councils

DISCLOSURE: Disclosure of Possible Conflict of Interest

Pursuant to House Rule 38, Representative Monks disclosed he has a possible conflict of interest under applicable law; he does plan to vote on the issue currently before the Committee.

CARRIED: Original Motion

Moved by Nuxoll, seconded by Schmidt, to approve for introduction \$121,500 General Funds, \$640,100 Dedicated Funds, \$8,236,800 Federal Funds for a total of \$8,998,400 with FTP of 9.00

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, 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.

UNANIMOUS CONSENT: On request by Nuxoll, granted by unanimous consent, the legislative intent language shown below was accepted.

INTENT LANGUAGE: **Legislative Intent Language for the Domestic Violence Council**
REPORTING ON USE OF ADDITIONAL VOCA FUNDS. The Domestic Violence Council shall provide a report to the Legislative Services Office and the Division of Financial Management that describes the status of the additional Federal Victims of Crime Act (VOCA) funds that were appropriated in fiscal year 2016. These funds were provided to the council by the federal government with little notice and at an amount that more than doubled the normal distribution. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be provided no later than December 31, 2015.

Licensing and Certification

CARRIED: **Original Motion**
Moved by Malek, seconded by King, to approve for introduction \$1,663,900 General Funds, \$755,200 Dedicated Funds, \$3,887,100 Federal Funds for a total of \$6,306,200 with FTP of 67.90

Ayes: 18

Cameron, Keough, Bair, Mortimer, Nuxoll, Johnson, Guthrie, Schmidt, Lacey, Bell, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 2

Thayn, 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.

UNANIMOUS CONSENT: On request by Malek, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

Legislative Intent Language for Licensing and Certification

REPORT ON FACILITY LICENSING AND CERTIFICATION WORKLOAD AND CASELOAD. It is the intent of the Legislature that the Department of Health and Welfare, Licensing and Certification Program, provide an annual report to Legislature Services Office and the Division of Financial Management, on the status of facility licensing and certifications, as well as staff workload and caseload issues. For the past several years the program has noted staffing issues related to retention which in turn has created a large backlog of facility inspections and licensures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 31, 2015.

Public Health Services

MOTIONS:

Original Motion

Moved by Malek, seconded by Burtenshaw, to approve for introduction \$6,787,700 General Funds, \$41,009,300 Dedicated Funds, \$62,562,900 Federal Funds for a total of \$110,359,900 with FTP of 221.50

FAILED:

Substitute Motion

Moved by Johnson, seconded by King, to approve for introduction \$6,705,500 General Funds, \$41,009,300 Dedicated Funds, \$62,562,900 Federal Funds for a total of \$110,277,700 with FTP of 220.50

Ayes: 7

Cameron, Mortimer, Nuxoll, Johnson, Guthrie, Monks, King

Nays: 11

Keough, Bair, Schmidt, Lacey, Bell, Miller, Youngblood, Horman, Malek, Burtenshaw, Gannon

Ab/Ex: 2

Thayn, Gibbs

CARRIED:

Vote on Original Motion

Ayes: 14

Cameron, Keough, Bair, Johnson, Schmidt, Lacey, Bell, Miller, Youngblood, Horman, Malek, Burtenshaw, King, Gannon

Nays: 4

Mortimer, Nuxoll, Guthrie, Monks

Ab/Ex: 2

Thayn, 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.

UNANIMOUS CONSENT: On request by Malek, granted by unanimous consent, the legislative intent language shown below was accepted.

INTENT LANGUAGE: **Public Health Standard 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.

UNANIMOUS CONSENT: On request by Malek, granted by unanimous consent, the intent language shown below was accepted.

INTENT LANGUAGE: **Intent Language for Public Health Services**
REPORT ON ACCREDITATION STATUS. It is the intent of the Legislature that the Department of Health and Welfare, Division of Public Health Services, provide an annual report to Legislature Services Office and the Division of Financial Management, on the status of becoming an accredited state agency. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 31, 2015.

DEPARTMENT OF ADMINISTRATION
Permanent Building Fund

UNANIMOUS CONSENT: On request by Lacey, granted by unanimous consent, the FY 16 budget for the Department of Administration was reopened.

UNANIMOUS CONSENT: On request by Lacey, granted by unanimous consent, to remove \$1,737,500 from the Permanent Building Fund budget for a new total in Dedicated Funds of \$27,578,300; spending authority for the Elected Official Rent was already in the base budget for the Department of Administration in the Division of Public Works..

ADJOURNED: There being no further business to come before the Committee, Senator Cameron adjourned the meeting at 9:44 A.M.

Senator Cameron
Chair

Peggy Moyer
Secretary