

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Friday, January 15, 2016  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS PRESENT:** Senators Co-chairman Keough, Bair, Mortimer, Brackett, Nuxoll, Johnson, Thayn, Guthrie, Schmidt, Lacey  
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Burtenshaw, Horman, Malek, Monks, King, Gannon  
**ABSENT/ EXCUSED:** None  
**CONVENED:** **Chairman Bell** convened the meeting at 8:00 AM.

**PRESENTER:** **Senator Dan Johnson and Representative Marc Gibbs, Co-Chairs, Joint-Financial-Appropriations-Committee**  
**Economic Outlook & Revenue Assessment Committee (EORAC)**

**Senator Johnson and Representative Gibbs** delivered a brief overview of the projections on the above and descriptions about the state of the economic outlook of the State of Idaho. Together they responded to concerns about Idaho incomes. Questions about an actual dollar amounts were raised by committee members. Economic Outlook & Revenue Assessment Committee (EORAC)

**IDAHO DEPARTMENT OF TRANSPORTATION**

**PRESENTER:** **Robyn Lockett, Principal Analyst, Division of Budget and Policy Analysis**

**Analyst Robyn Lockett** presented to the Budget Committee a brief overview of the Contract Construction & Right of Way Acquisition Division. The request is ongoing capital outlay from the Dedicated State Highway Fund for road and bridge maintenance and replacement projects on the State Highway System. Just after Sine Die of the 2015 Session, H 312 was signed into law. It raised the gas tax by 7 cents and increased registration fees by \$21 for personal vehicles and \$25 for commercial vehicles. At that time the new revenue was estimated to generate \$94 million dollars annually. The ongoing increase in registration and motor fuels is split 60%-40% between the State Highway Account and local highway jurisdictions.

The request for the appropriation will be to spend the equivalent of the first ten months of the new revenue on 27 projects that were identified by the Transportation Board in May 2015. Project selection was based on the criteria of project readiness, bridge restoration or preservation, and pavement rehabilitation or preservation.

**UNANIMOUS CONSENT** On Request by **Monks**, granted by unanimous consent, the FY 2016 budget for the Idaho Transportation Department, was reopened.

**CARRIED:**        **Original Motion**

**Idaho Transportation Department**  
**Contract Construction & Right-of-Way Acquisition**  
**New Ongoing Revenue: H312 and H132**  
*Supplemental*

Moved by **Monks**, seconded by **Youngblood**, to approve for introduction \$0 General Funds, \$49,886,700 Dedicated Funds, \$0 Federal Funds for a total of \$49,886,700 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**CARRIED:**        **Original Motion**

**Idaho Transportation Department**  
**Strategic Initiatives Program Fund**  
*Supplemental*

Moved by **Youngblood**, seconded by **Monks**, to approve for introduction \$0 General Funds, \$54,700,000 Dedicated Funds, \$0 Federal Funds for a total of \$54,700,000 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**DEPARTMENT OF ADMINISTRATION**

**PRESENTER:** **Robyn Lockett, Principal Analyst, Division of Budget and Policy Analysis**

**Analyst Robyn Lockett** presented the FY 2016 Supplemental Appropriation Request for the Department of Administration. This request is broken into three parts.

First, a request for approval to introduce \$229,300 one-time from the General Fund for legal fees related to the Idaho Education Network lawsuit. This is the amount the department believes will be necessary to complete the appeal of Syringa Networks, LLC versus Idaho Department of Administration. The items being contested are the ruling by the District Court regarding the validity of two state-wide blanket purchase orders and the award of all legal fees, all of which are yet to be determined.

Second, is a request for the Department of Administration: Information Technology, to transfer Grant Funds to Public Schools.

Third, is a supplemental request from the Department of Administration: Information Technology to return the Albertson Foundation Grant. These funds were granted by the J.A. and Katherine Albertson Family Foundation. The Albertson Family granted these funds originally to be used for the build-out of the Idaho Education Network and because the funds were not used the request is to have them returned.

**UNANIMOUS CONSENT** On Request by **Mortimer**, granted by unanimous consent, the FY2016 budget for the Department of Administration, was reopened.

**CARRIED:** **Original Motion**

**Department of Administration**  
**Purchasing**  
**Legal fees for the IEN Lawsuit**  
*Supplemental*

Moved by **Mortimer**, seconded by **Keough**, to approve for introduction \$229,300 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$229,300 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**CARRIED:**            **Original Motion:**

**Department of Administration**  
**Information Technology**  
**Transfer Grant Funds to Public Schools**  
*Fund Transfer*

Moved by **Mortimer**, seconded by **Gannon**, to approve for introduction \$0 General Funds, \$176,000 Dedicated Funds, \$0 Federal Funds for a total of \$176,000 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**CARRIED:**            **Original Motion**

**Department of Administration**  
**Information Technology**  
**Return Albertson Foundation Grant**  
*Supplemental*

Moved by **Mortimer**, seconded by **Horman**, to approve for introduction \$0 General Funds, \$461,800 Dedicated Funds, \$0 Federal Funds for a total of \$461,800 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**REVISION:**        **Chairman Bell** requested to shift the agenda to allow for appropriations to be heard on the Department of Labor and Self-Governing Agencies, before the Catastrophic Health Program and the Department of Health and Welfare.

**DEPARTMENT OF LABOR**

**PRESENTER: Keith Bybee, Principal Analyst, Division of Budget and Policy Analysis**

**Analyst Keith Bybee** presented the FY 2016 Supplemental Appropriation Request for the Employment Services program through the Department of Labor. This supplemental is in two parts. First, the Board of Education received a federal grant in June of 2012, the Department of Labor has been contracting with the board to build the Statewide Longitudinal Data System (SLDS) for higher education by providing information about students in the system that have joined the workforce. The objective of this grant is to expand the capacity of the post-secondary education of the SLDS to include workforce data and improve teacher preparation programs, manage research requests, and provide access to workforce outcomes. Second, this Supplemental includes unemployment insurance fraud prevention, with the intent on improving the integrity of the unemployment insurance program by detecting and preventing benefit fraud.

**UNANIMOUS CONSENT** On Request by **Mortimer**, granted by unanimous consent, the Fiscal Year 2016 budget for the Department of Labor, was reopened.

**CARRIED: Original Motion**

**Department of Labor**  
**Employment Services**  
**Longitudinal Data System and Other Activities**  
*Supplemental*

Moved by **Mortimer**, seconded by **Horman**, to approve for introduction \$0 General Funds, \$1,553,100 Dedicated Funds, \$0 Federal Funds for a total of \$1,553,100 with FTP of 0.00  
OE Shift FTP: Fed(10.00) to Misc 10.00

**Ayes: 20**

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

**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 Bell**.

**CARRIED:**        **Original Motion**

**Department of Labor**  
**Unemployment Insurance Administration**  
**Fraud Prevention**  
*Supplemental*

Moved by **Mortimer**, seconded by **Keough**, to approve for introduction \$0 General Funds, \$255,000 Dedicated Funds, \$0 Federal Funds for a total of \$255,000 with FTP of 0.00

**Ayes: 20**

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

**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 Bell**.

**SELF-GOVERNING AGENCIES**

**PRESENTER:**    **Keith Bybee, Principal Analyst, Division of Budget and Policy Analysis**  
**Analyst Keith Bybee** presented to the committee the FY 2016 Supplemental Appropriation Request for the Division of Building Safety. This supplemental appropriation is for a new school security program at the Division of Building Safety. This supplemental will allow the Division of Building Safety to review the original 75 inspections, initiate an additional 75 security assessments, and begin to identify a model approach to school security inspections in FY 2016

**UNANIMOUS CONSENT:**    On Request by **Horman**, granted by unanimous consent, the Fiscal Year 2016 budget for the Self-Governing Agencies, Division of Building Safety, was reopened.

**CARRIED:**        **Original Motion**

**Self-Governing Agencies**  
**Building Safety**  
**School Safety Inspections**  
*Supplemental*

Moved by **Horman**, seconded by **Johnson**, to approve for introduction \$0 General Funds, \$300,000 Dedicated Funds, \$0 Federal Funds for a total of \$300,000 with FTP of 0.00

OE

**Ayes: 20**

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

**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 Bell**.

## **DEPARTMENT OF HEALTH AND WELFARE**

**PRESENTER:** **Jared Tatro, Principal Analyst, Division of Budget and Policy Analysis**  
**Analyst Jared Tatro** presented to the committee the FY 2016 Supplemental Appropriation Requests for the Catastrophic Health Care Program, the Department of Health and Welfare: Psychiatric Hospitalization, and Indirect Support Services/Independent Councils.

As a result of increased medical reviews, implementation of a dual application for Medicaid eligibility and determination of being indigent, more Idahoans have insurance than historical levels for the past two years. This has resulted in an excess of General Funds being made available in both the FY 2015 and FY 2016. Without legislative action, these funds could not have been transferred back to the General Fund.

The FY 2016 supplemental appropriation to the Department of Health and Welfare/Psychiatric Hospitalization, will provide ongoing dedicated and federal fund appropriation for personnel costs. For the past several years, the hospital has had to rely on and transfer personnel costs from other department programs to meet payroll needs. Unlike many state agencies, the hospital does not have the ability to leave positions open or vacant because it needs to maintain adequate staffing levels for patient and staff safety. As for the Independent Support Services the FY 2016 appropriation request will reduce the need for already appropriated General Funds that have been previously appropriated for IT projects. The department has been receiving federal dollars as a result of an enhanced revenue rate (EPR) for various IT projects including: the Medicaid Readiness Initiative, and System Modernization.

For the Domestic Violence Council, the requested appropriation will be used to provide additional oversight for programs that receive funds related to the Victim of Crimes Act (VOCA). VOCA funds are awarded to local community-based organizations and public agencies, throughout Idaho, that provide services directly to victims of crime.

**UNANIMOUS CONSENT:** On Request by **Schmidt**, granted by unanimous consent, the Fiscal Year 2016 budget for the Catastrophic Health Care Program, Catastrophic Health Care Program, was reopened.

**CARRIED:**        **Original Motion**

**Catastrophic Health Care Program**  
**Reduce Excess OT Funding**  
*Fund Transfer*

Moved by **Schmidt**, seconded by **Malek**, to approve for introduction \$0 General Funds, \$28,892,700 Dedicated Funds, \$0 Federal Funds for a total of \$28,892,700 with FTP of 0.00

**Ayes: 19**

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, 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 Bell**.

**UNANIMOUS CONSENT:**    On Request by **Schmidt**, granted by unanimous consent, the Fiscal Year 2016 budget for the Department of Health and Welfare, was reopened.

**CARRIED:**        **Original Motion**

**Department of Health and Welfare**  
**Psychiatric Hospitalization**  
**State Hospital South**  
**Personnel Funding Shortfall**  
*Supplemental*

Moved by **Schmidt**, seconded by **Malek**, to approve for introduction \$0 General Funds, \$273,100 Dedicated Funds, \$238,500 Federal Funds for a total of \$511,600 with FTP of 0.00

**Ayes: 19**

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, 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 Bell**.

**CARRIED:**        **Original Motion**

*Supplemental*  
**Department of Health and Welfare**  
**Indirect Support Services**  
**Federal Earned Revenue Rate**  
*Supplemental*

Moved by **Schmidt**, seconded by **Malek**, to approve for introduction \$0 General Funds, \$0 Dedicated Funds, \$1,349,800 Federal Funds for a total of \$1,349,800 with FTP of 0.00

OE

**Ayes: 19**

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

**Nays: 0**

**Ab/Ex: 1**

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 Bell**.

**CARRIED:**        **Original Motion**

**Department of Health and Welfare**  
**Independent Councils**  
**Domestic Violence Council**  
**Victim of Crimes Act- Additional Oversight**  
*Supplemental*

Moved by **Schmidt**, seconded by **Malek**, to approve for introduction \$0 General Funds, \$0 Dedicated Funds, \$14,900 Federal Funds for a total of \$14,900 with FTP of 1.00

\$1,000 is OT (OE)

**Ayes: 20**

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

**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 Bell**.

**ADJOURN:** There being no further business to come before the committee, Chairman Bell adjourned the committee at 9:22 AM.

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Representative Bell  
Chair

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Christi Cox  
Secretary