

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, February 11, 2016

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS: Senators Co-chairman Keough, Bair, Mortimer, Brackett, Nuxoll, Johnson, Thayne, Guthrie, Schmidt, Lacey
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

**ABSENT/
EXCUSED:** None

CONVENED: Chairman Keough convened the meeting at 8:00 A.M.

**STAFF
PRESENT:** Hoskins, Burns, Lockett

**AGENCY
PRESENTATION:** **JUDICIAL BRANCH**
Idaho Supreme Court

PRESENTER: Senior Justice Linda Copple Trout, Interim Administrative Director of the Courts
To view the presentation, please click on the following link: [The Idaho Judiciary](#)
Senior Judge Barry Wood, the Interim Deputy Administrative Director of the Courts, was introduced. The mission and Constitutional mandate of the Idaho Courts (the third branch of government) is to provide fair, timely, and impartial justice. The Courts are guided by core values of integrity, fairness, independence, respect, excellence and innovation.
FY 2016 state funding for the Idaho Courts was \$65.3 million and the Governor's 2017 recommended budget is \$67.7 million (\$42.9 million in General Funds, \$23.9 million in Dedicated Funds, and \$1.8 million in Federal Funds). Counties also play a critical role in funding the Courts. By statute, counties are responsible for facilities, staff, supplies, and other expenses of the district court; counties bear a substantial portion of the costs of court operations. When court costs, fees and fines are ordered by judges, Idaho Code provides the method by which those amounts are processed by county court clerks and then distributed to various accounts.
The Judiciary is in the process of replacing its legacy technology system with a new system called iCourt which includes Odyssey, the case management system through which the Idaho courts will process and track court cases. However, iCourts is much broader than this; it includes electronic filing which will allow attorneys and self-represented litigants to file cases and other court documents online. There is a public portal that will allow members of the public to view the court record and some court documents online. There is also a module called Guide and File which includes interactive forms and interviews that guide self-represented litigants through the process of electronically preparing and filing divorce, custody, civil protection and small claims cases. The pilot deployment of iCourt in Twin Falls last summer was successful. Idaho's counties will greatly benefit from the iCourt project by maximizing the efficiency and effectiveness of

court business processes and allowing trial courts to make the best use of their resources. For FY 2017 the Governor's recommendation is for \$2,000,000 for court technology (the third of five one-time appropriations). Revenue comes from filing fees for infraction, misdemeanor and felony convictions. Since revenues are not coming into the Technology Fund as projected two years ago, the Courts will monitor the situation to see if additional funding is needed and notify the Legislature.

The recruitment and retention of highly qualified judges is essential. Idaho is rated at the bottom in judicial salaries compared to surrounding western states. Compensation continues to be a priority for the Judiciary. The Courts are requesting consideration of at least the same percentage level of CEC that other state employees may receive; separate legislation would be required for any compensation increase. The Court would also request the statutorily set compensation for judicial leadership positions from a fixed \$2,000 per year to 3% of the salary. This year that would amount to \$26,400 and would also require legislation.

Problem-solving courts (Drug Court, Mental Health Court and Family Court Services Fund) allow offenders to be treated in the community, allowing families to stay together while still being held accountable. It promotes the policy goals of the Justice Reinvestment Initiative by improving public safety, slowing recidivism rates, and keeping more offenders in the community at a far lower cost to the State. (The average annual cost of drug court per offender is under \$4,000 compared to that of prison which costs about \$21,000.) The judiciary is requesting a shift in funding to help stabilize the Drug Court Fund. In 2010, the Legislature added a new funding source called the Emergency Surcharge which provided that 80% of the monies collected would go into the Drug Court Fund and 20% would go to the Court's Technology Fund. However, funds going into that account have been declining which means the Courts have been relying on a declining revenue source to pay salaries and operate many court programs. The Courts worked on a solution and came up with two options, either option would result in a net cost to the General Fund of approximately \$865,000.

State and federal law require that the Idaho courts be open and accessible to every person and that no individual be prohibited from meaningful participation in the courts as a result of a communication disability or limited proficiency in the English language. The Supreme Court has the ultimate responsibility for providing access to the courts. It is critical that language access services be provided equally in every county. Therefore, the Court is requesting a total of \$442,600 (\$248,600 ongoing, and \$194,000 one-time) to meet the demand for sufficient and qualified interpreter services. Last year language access services were provided in 45 different languages. The budget request will provide additional funding in areas where the need is greatest and growing the fastest. These funds will also be used to ensure effective communications with people who have a hearing, vision, or speech disability, including video remote interpreting (VRI) services when an interpreter is not available.

The Court would like to establish a Judicial Excellence and Education Program to enhance judicial performance, education and wellness throughout a judge's service. The program would provide feedback to every trial judge on how that judge is performing and provide training to help build skills in listening and communication, fairness and impartiality, case management and leadership. The Court is also requesting \$39,500 in ongoing operating expenditures from the General Fund to cover the cost of recent changes to per diem rates. Judges routinely travel to other counties or districts to hear cases where caseloads are high.

In closing, **Senior Judge Trout** discussed the following changes and accomplishments of the past year: 1) the success of the pilot iCourt deployment, 2) there is a new Chief Justice (Jim Jones), and a new Court of Appeals Judge (Molly Huskey). There are two new magistrates judges, one in Kootenai County and one in Canyon County, which has made judicial workloads more manageable and reduced the need for senior judges. 3) In September, 2015, the Idaho Law and Justice Learning Center, a collaborative effort between the Legislature, University of Idaho College of Law and the Supreme Court, opened in Boise. It houses the State Law Library and some of the Judiciary's education training facilities as well as serving as a campus for second and third year law students from the University of Idaho. 4) Regarding water adjudication, three of the five basins in the Coeur d'Alene-Spokane River Basin Adjudication have been substantially completed, the petition for the Palouse River Basin Adjudication is scheduled to be filed this spring, and the last one will conclude sometime next year. 5) Idaho's problem-solving courts continue to receive national recognition. Bonneville County Mental Health Court was selected by the Council of State Governments (CSG) as a national learning site, which will serve as a resource to others across the country seeking to start or expand a mental health court. Idaho's Judiciary is a dynamic organization continually striving to innovate and achieve excellence.

PRESENTATION: **Idaho Judicial Council**

PRESENTER: **David Cantrill, Executive Director**

To view the presentation, please click on the following link: [Idaho Judicial Council](#)

The Idaho Judicial Council is empowered by statute to nominate persons to the Governor for appointment to vacancies on the Supreme Court, Court of Appeals, and District Courts, and to make recommendations to the Supreme Court for the removal, discipline, and retirement of judicial officers. The Council also conducts studies for the improvement of administration of justice, makes reports to the Supreme Court and Legislature, and carries out such duties as assigned by law. Current members of the Judicial Council are Chief Justice Jim Jones; Honorable Thomas J. Ryan, District Judge; Honorable Thomas H. Borresen, Adjunct Magistrate Member; Joel P. Hazel, Elizabeth S. Chavez, Kathy Simpson, and David W. Cantrill, Executive Director.

The newly appointed Executive Director practiced trial law for 50 years prior to his appointment to the Judicial Council two months ago. The following process is used to select and thoroughly vet all candidates: 1) notice is given to all Idaho attorneys about judicial openings, 2) a background investigation thoroughly vetting each applicant including criminal, credit report, Idaho State Bar, criminal case records check, and information from the Idaho State Tax Commission, 3) surveys are sent to all attorneys and are available to members of the public at each county clerk's office, 4) a personal interview with each applicant by the Idaho Judicial Council, and 5) the names of two to four candidates are sent to the Governor.

In 2015 there were five vacancies, one on the Court of Appeals and four District Judge positions; there were between nine and twelve applicants for each of the five vacancies. In 2015, a chart showed there were 86 complaints filed against attorneys and during that same year, the Council responded to over 51 requests for ethics opinions from judges.

AGENCY

PRESENTATION: **IDAHO DEPARTMENT OF JUVENILE CORRECTIONS (IDJC)**

PRESENTER: **Sharon Harrigfeld, Director**

To view the presentation, please click on the following link: [Department of Juvenile Corrections](#)

Harrigfeld commended her 410 employees for their dedication and commitment for the care and safety of the juveniles in custody. The staff works diligently every day with juveniles, families, victims, and each other to support the overall Department processes and community partners. The number of juveniles in custody is lower than they have ever been which means juveniles are getting the services they need in their communities. Juveniles committed to IDJC are high risk and many are high need. Because of the lower numbers, ratios are closer to the national industry standards so staff has been able to effectively address the risks and needs of the more complex juveniles. IDJC employees are the true heroes behind the young people who are rehabilitated.

Idaho's recidivism numbers are strong, averaging around 30%, when compared to other states. Other measures of juvenile justice system success include better family functioning, education attainment and skill development.

The Director expressed appreciation for FY 2016 additions of two service coordinators and four teachers as well as the 3% CEC. **Harrigfeld** also expressed appreciation for supplementals providing funding for the Substance Use Disorder system, the education network and broadband. The \$100,000 invested in community programs helps reduce the number of juveniles in state custody. Federal funds have decreased dramatically from \$3 million in the year 2000 to less than \$500,000. IDJC is requesting \$130,000 in inflationary adjustments and also requesting use of the IDJC Endowment Income Fund for replacement items. Also requested is another clinician position, a maintenance craftsman position, and \$25,300 in ongoing operating expenditures and \$55,000 in ongoing trustee and benefit payments to provide POST training to county juvenile detention and probation officers, and \$6,600 for an existing FTP. The Department would like to transfer an additional \$50,000 in trustee and benefits from the Institutions program to Community Operations and Programs to be used for the Community

Incentive Program, and an ongoing operating expenditure from the General Fund for travel costs.

IDJC'S strategic plan is a working document with cascading goals which are in the process of being developed; when finished, there will be action steps and strategies for each job classification and performance evaluations will be based on those steps. The Director's Dashboard provides IDJC staff with instant access to critical performance information so employees can monitor their outcomes. The Department has been working on a program that matches current juveniles with juveniles committed to IDJC in the past to obtain information that will aid in refining population forecasting. The Department has come up with four distinct risk needs profiles for males and three unique profiles for females.

The overarching goal of the juvenile justice system is to support positive social development of young people who become involved in the system, and thereby assure the safety of communities.

AGENCY

PRESENTATION: OFFICE OF THE STATE CONTROLLER (SCO)

PRESENTER: Brandon D. Woolf, Idaho State Controller

To view the presentation, please click on the following link: [Idaho State Controller](#)

On the FY 2014 Comprehensive Annual Financial Report (CAFR) audit, there were two items referenced by the auditors; SCO is implementing both recommendations and awaiting final closure.

The State Controller, Idaho's chief fiscal officer and a member of the Executive Branch of government, is responsible for providing state government with all state accounting and payroll services and for running state government's primary data center. The State Controller is also Idaho's state Social Security Administrator. **Woolf** introduced his leadership team and provided an organization chart showing the following four divisions in the office: Administration, Accounting, Payroll, and the Computer Service Center. Administration provides the infrastructure and services needed to function as a state agency. Accounting pays the state's bills, processes fund transfers for agencies, accounts for the people's money, and reports on financial activities. Payroll pays approximately 25,000 state employees across all branches of government including the university system. The Computer Service Center provides IT services to the state's accounting and payroll operations as well as to other agencies.

The State Controller gave a progress report on three ongoing initiatives: 1) Affordable Care Act (ACA) compliance is a challenging project and the office has worked with LSO, Group Insurance, Division of Human Resources, and the Division of Financial Management to ensure compliance with the law. SCO has completed programming to certify the offering of insurance coverage to state employees, implemented ACA lookback measurement periods, and met the employee reporting requirements. 2) Regarding Social Security 218 compliance, SCO is working diligently toward meeting this federal compliance mandate. Idaho is one of only seven states to provide guidance to local governments. 3) SCO has made progress in helping PERSI connect their Idaho Retirement Information System (IRIS) to the state's financial system.

The Governor's FY 2017 **amended** budget recommendation is for \$15,147,900 (with a \$994,000 reduction explained below). After the budget was submitted in September, 2015, SCO found they did not need a line item for \$994,000 which would have covered increased costs associated with processing payroll and accounting transactions. External business partners changed their plans and timelines thus leaving sufficient operating capital. Another factor that will allow for this reversion is having carryover authority for the Computer Service Center which will help reduce the General Fund impact on the FY 17 budget. In the future when the customer base normalizes, most of the data center's computing environment costs will shift to the General Fund at which time an additional appropriation will be needed.

The capital outlay request of \$69,900 covers the replacement of obsolete personnel computer workstations and hardware. Another line item request for \$350,000 will complete a Request For Information (RFI) of potential solutions from qualified vendors to modernize the accounting, financial, payroll, HR and procurement infrastructure. SCO is also requesting carryover of remaining unspent ongoing General Fund money in the Payroll Division for compliance with the federal healthcare mandate, the Affordable Care Act (ACA).

AGENCY

PRESENTATION: STATE INDEPENDENT LIVING COUNCIL (SILC)

PRESENTER: **Mel Leviton, Executive Director**

To view the presentation, please click on the following link: [State Independent Living Council](#)

The State Independent Living Council (SILC) was created in response to the federal Rehabilitation Act Amendment of 1992 to carry out the powers and duties set forth in 29 U.S.C. Section 796(b) and 34 CFR 364.21. SILC is a unique state entity. It is not a single department of state government unto itself, nor is it a part of any of the twenty (20) departments of state government authorized by the Idaho Constitution or of the departments prescribed by Idaho Code. As provided in Chapter 12, Title 56, Idaho Code, "It is legislative intent that the Idaho State Independent Living Council operate and be recognized not as a state agency or department, but as a governmental entity whose creation has been authorized by the state, much in the same manner as other single purpose districts."

There are 208,830 (1.1%) Idahoans who report having a disability according to the U. S. Census Bureau, of those 105,862 are of working age (18 to 64). SILC is engaged in activities that assist people with disabilities to live and work in their chosen communities and have a greater voice in obtaining services that are cost-effective, consumer-driven, self-directed and community-based. The Governor appoints 22 individuals from across Idaho to the Independent Living Council; each member of the Council is appointed for a three-year term. At least 51% of people with disabilities must make up the Council and they cannot work for a state agency or CIL. Membership can include parents of children or adults with disabilities, advocates for people with disabilities, CIL representatives, service providers and/or business representatives. Non-voting members can include people from the Division of Vocational Rehabilitation, Commission for the Blind and Visually Impaired, Department of Health and Welfare, Division of Special Education in the Department of Education, and/or the Idaho Commission on Aging.

Responsibilities of SILC and partner agencies are to: 1) develop, monitor, review and evaluate the implementation of the State Plan for Independent Living (SPIL), 2) support the Centers for Independent Living (CILs) and advocate for Independent Living (IL) Services provided through state and federal programs, and 3) gather information, conduct studies and analysis, develop model policies, conduct training on the IL Philosophy, outreach to unserved/underserved populations, and carry out demonstrations to expand and improve independent living services and community living across the state.

Five core services of Centers for Independent Living (CILS) under WIOA include: independent living skills training, information and referral, advocacy (individual and systemic), peer support, and transition services. SILC accomplishments include helping with: voter accessibility, accessible parking and transportation, disability awareness training to domestic violence organizations, Medicaid for workers with disabilities, and an activity known as “Hands Around the Capitol,” 25th Anniversary of the ADA.

The Governor’s FY 2017 recommended budget is \$649,200 with 4.0 FTPs. The one decision unit is for expanding outreach and training for \$21,000.

ADJOURNED: There being no further business, Chairman Keough adjourned the meeting at 10:00 A.M.

Senator Keough
Chair

Peggy Moyer
Secretary