

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 25, 2017
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye
Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Reed(Horman), Malek, Anderson, Dixon, King, Wintrow
ABSENT/ EXCUSED: None
CONVENED: Senator Keough convened the meeting at 8:00 A.M.
AGENCY PRESENTATION: UNIVERSITY OF IDAHO
LSO STAFF PRESENTATION: **Chuck Staben, President:** Have a three part mission, we prepare students for work, for life and for research; We have made great progress as an institution. We have a partnership with the State Board for high school students. We calculate on a 16 month go-on rate. We eliminated the admin fee or application fee of \$60 in the enrollment process. Since 2014 we have been enhancing our scholarship programs. Federal score card gave us the best education in Idaho under federal financial aid. Home is in Moscow but have locations in Coeur d Alene, Boise and Idaho Falls. Reviews the overview of the University.
JANET JESSUP: Reviews the expenditures and budget from FY2016
[PRESENTATION LINK](http://goo.gl/TVYNkY) (goo.gl/TVYNkY) [AUDIO LINK](http://goo.gl/gQ5dSC) (goo.gl/gQ5dSC)
STABEN: Complete College Idaho, two new professors, this investment is a building block; Computer Science Program UI/NIC; Rental Costs was for just that; Mill fund for education for vap smoking;
JESSUP: Reviews FY2018 budget and line items. ([PRESENTATION LINK](http://goo.gl/TVYNkY) (goo.gl/TVYNkY)) [AUDIO LINK](http://goo.gl/gQ5dSC)(goo.gl/gQ5dSC)
STABEN: Line item 7, third year computer science coursework at NIC in Coeur d' Alene which began the fall semester 2016.
QUESTIONS: **REP MILLER:** On misc receipt on page 7 of 28, those ending balances are ending up with nothing. Do understand what I am asking?
JESSUP: I believe that is because we are not to the end of FY2017 yet.
SEN SOUZA: I commend you on your acceptance letters and streaming FASFA. On page 8 of the packets, the funds for enrollment, we should see numbers next year?
STABEN: Changes to FASFA have been nationwide. With respect to funds, lets ask Ms. Jessup;
JESSUP: That line is from the EWA. The number for next year will be the numbers that would be appropriated by the Committee this year.
REP ANDERSON: Looking on page 17, besides the inflation rates, how was the inflation rate determined, and why are your numbers twice that of other colleges?
STABEN: Our library is the largest in the state. We conduct twice as much research in the state. Cost of the cost of the providers.
REP ANDERSON: Replacement items costs is the same as BSU, is it the same

as the previous question?

STABEN: Yes, it would be a similar story. One would not look at that number in regards to the number of students but from the overall activity of the University.

SEN LEE: The balance funding, raising tuition and fees , how will that affect you?

STABEN: We are needing to increase our tuition, for every 1% of CEC would need to increase the tuition if the recommended CEC of 3% is approved.

SEN NYE: What is the overall percentage to run the school?

STABEN: Its in the budget book, but I believe its about 20%.

JESSUP: It is on page 13 in your packet and page 1–55 in your budget book.

SEN NYE: Over time can you give us a feel as that 20% has changed over the past 15 years?

STABEN: In Idaho, if we go back 20 years, it use to be 3/4 from the state and 1/4 from the student. There has been a dramatic shift of cost of education.

SEN AGENBROAD: Do you have a statistic of the funding through the years?

STABEN: The national average for real constant dollars is about \$12,000 per student. Its about \$10,000 per student in Idaho today. It use to be 60/40 state to student and now it is about 40/60 state to student.

[AUDIO LINK](http://goo.gl/gQ5dSC) (goo.gl/gQ5dSC)

AGENCY

PRESENTATION: **AGRICULTURAL RESEARCH AND EXTENSION**

LSO STAFF

PRESENTATION:

Dr. Michael P. Parrella, Dean UI College of Ag and Life Science: We have a land grant mandated, three-pronged mission: education, research, and extension. These research centers have benefited the students and communities. Reviews the overview of the Program. [PRESENTATION](http://go.usa.gov/x9tzw)(http://go.usa.gov/x9tzw) [AUDIO LINK](http://go.usa.gov/x9tzA)(http://go.usa.gov/x9tzA)

JANET JESSUP: Reviews FY2016/FY2017 [LINK TO PRESENTATION](http://go.usa.gov/x9tz)(http://go.usa.gov/x9tz) with no comments from Dr. Parrella, Reviews FY2018 budget and replacement item.

PARRELLA: We are wanting to replace a 20 year old tractor with a new one.

JESSUP: Has one multipurpose line item.

PARRELLA: The request is really to improve the program and trying to partner with the different agencies throughout the State. We feel it is very important to the research enterprise. [AUDIO LINK](http://go.usa.gov/x9tz) (http://go.usa.gov/x9tz)

QUESTIONS:

SEN WARD: Page 8, agency requested in the change in employee compensation is much less than what the Governor's recommended amount is?

JESSUP: It is 3 times as much, the agency requested 1% and the Governor recommends 3%

REP MILLER: Meteric based budgets, can you explain that.

PARRELLA: It leads to a budget transparency; the money that we allocated this year was actually allocated last year; I think it reflects the growth of the agency. We are in the final stages of that.

SEN CRABTREE: Equipment costs, looks like 5,000 hours in 30 years. Have you looked into leasing the tractor instead of purchasing the tractor?

MARK MCGUIRE, DIRECTOR OF IDAHO AGRICULTURAL: We do lease equipment at other locations but we feel as though purchasing the tracker would be more cost efficient.

SEN LEE: As ongoing appropriation, I look at the Parma Extension Center, what is the change and what does it look like and how is that going to impact these labs and research, with these pretty old facilities?

PARRELLA: I believe in updating the facilities. We are hiring modern biologist

and the equipment is much older than they are. We are in a situation where we are focused on facilities.

DAVID HAHN: We were operating on a rotating budget and if we could do an ongoing request for the next several years, because the Governor understands the importance of these.

[AUDIO LINK](http://go.usa.gov/x9tz) (http://go.usa.gov/x9tz)

AGENCY

PRESENTATION: FOREST UTILIZATION RESEARCH

LSO STAFF PRESENTATION: **Kurt Pregitzer, Dean UI college of Natural Resources:** It was conducted in 1939. The Forest Utilization bill was passed in 1976. There are four areas, Policy and Analysis group, Forest Nursery and Seeding group, Experimental Station and Range land Center. Reviews the overview of the FUR programs.

[PRESENTATION](http://go.usa.gov/x9tu2)(http://go.usa.gov/x9tu2) [AUDIO](http://go.usa.gov/x9tuW) (http://go.usa.gov/x9tuW)

JANET JESSUP: Reviews FY2016 /FY2017 [PRESENTATION](http://go.usa.gov/x9tu2) (http://go.usa.gov/x9tu2)

PREGITZER: We were successful in hiring a research scientist. And was also successful in hiring a communications specialist.

JESSUP: Reviews FY2018 Budget and requests [PRESENTATION](http://go.usa.gov/x9tu2) (http://go.usa.gov/x9tu2) [AUDIO](http://go.usa.gov/x9tuW)(http://go.usa.gov/x9tuW)

PREGITZER: This request is replacing a mulching attachment for an excavator and a excavator that was purchased in 1982.

AGENCY

PRESENTATION: GEOLOGICAL SURVEY

LSO STAFF PRESENTATION: **Janet Nelson, Vice President UI Research and economic Develop:** The survey collects, analyzes and disseminates geologic and mineral-based asset data for the state of Idaho. Reviews the Geological Survey in Idaho [AUDIO LINK](http://go.usa.gov/x9tu9)

(http://go.usa.gov/x9tu9)

JANET JESSUP: Reviews FY 2016/2017 and line items.

[PRESENTATION](http://go.usa.gov/x9tuK)(http://go.usa.gov/x9tuK)

NELSON: We have a new analyst that started in January in Moscow and we hired a GIS analyst that will start in February.

JESSUP: Reviews FY2018 and requests [PRESENTATION](http://go.usa.gov/x9tuK)(http://go.usa.gov/x9tuK)

NELSON: We are requesting a computer with special programming capabilities, a computer without special capabilities, computer work stations, and a desk that is 20 years old.

QUESTIONS:

REP WINTROW: Why did the Governor choose to not recommend inflation adj?

HAHN: We will take a look at those, but for the past 16 years, it has been very, very rare have we approved general inflation and we focus on replacement items, are typically more important. But we take a look at contract inflation.

SEN LEE: We haven't seen anything in your budget that addresses the emerging gas and oil here in Idaho. Is that a developing field?

MICHAEL RASFORD, STATE GEOLOGIST FOR THE IDAHO

GEOLOGICAL SURVEY: We have taken steps to address that Idaho and have hired a petroleum geologist from Exxon/Mobile. We have secured a \$12 million donation for specialized 3D mapping software used in the industry. We have some really good resources in place.

[AUDIO LINK](http://go.usa.gov/x9tu9)(http://go.usa.gov/x9tu9)

AGENCY

PRESENTATION: WWAMI

LSO STAFF

PRESENTATION: **Dr. Mary Barinaga, Family Physician:** WWAMI provides Idaho citizens access to public medical education. Students get their first introductory medical course through the University of Idaho. 75% of the WWAMI graduates, stay in the Idaho. WWAMI is a solid investment. Reviews the overview of the program.

[AUDIO LINK](http://go.usa.gov/x9tuV)(http://go.usa.gov/x9tuV)

JANET JESSUP: Reviews FY 2016/2017 and line items [PRESENTATION](http://go.usa.gov/x9tuE) (http://go.usa.gov/x9tuE)

DR. JEFF SEEGMILLER: The additional hire was required to run this facilities.

JESSUP: Reviews FY 2018 budget and requests; [PRESENTATION](http://go.usa.gov/x9tuE) (http://go.usa.gov/x9tuE)

SEEGMILLER: These are some replacement vehicles for clinical students to transport for their rotations for different hospitals.

JESSUP: WWAMI has two line item requests and both are recommended by the Governor.

SEEGMILLER: This is to update additional equipment and for additional laboratory space for students.

[AUDIO LINK](http://go.usa.gov/x9tuV)(http://go.usa.gov/x9tuV)

QUESTIONS:

SEN NYE: On Page 6, the turn around investment 50% of investment on return of Idaho students.

MARY: The rate of return on Idaho students is 50% and the return on investment is about 73% total number of WWAMI graduates and total number of Idaho WWAMI ;

[AUDIO LINK](http://go.usa.gov/x9tu)(http://go.usa.gov/x9tu)

AGENCY

PRESENTATION: WASHINGTON/IDAHO VETERINARY EDUCATION

LSO STAFF

PRESENTATION: **Dr. Michael P. Parrella, Dean UI College of Ag and Life Science:** The program provides access to a veterinary medical education through a cooperative agreement between the University of Idaho and Washington State University; Reviews the overview of the program. [AUDIO LINK](http://go.usa.gov/x9zEe)(http://go.usa.gov/x9zEe)

JANET JESSUP: Reviews FY2016/2017 budgets and with no comments from Dean Parrella, goes into the FY2018 budget and requests and Governor's recommendation. [PRESENTATION](http://go.usa.gov/x9zEM)(http://go.usa.gov/x9zEM) [PRESENTATION](http://go.usa.gov/x9zEM) (http://go.usa.gov/x9zEM) [AUDIO](http://go.usa.gov/x9zEe)(http://go.usa.gov/x9zEe)

Chuck Staben, President of University of Idaho: Hope you have seen the broad aspect of what we do. I hope you understand the importance of this investment. Next week will mark the 110th anniversary of the opening of the university. [AUDIO LINK](http://go.usa.gov/x9zEe)(http://go.usa.gov/x9zEe)

AGENCY

PRESENTATION: FAMILY MEDICINE RESIDENCIES

LSO STAFF

PRESENTATION:

DR. TED EPPERLY, CEO: The three programs provide the final three years of family physician residency training and encourage newly graduated medical doctors to practice in Idaho. Here is the education pipeline: high school, college then medical school, then residency program. These programs are critical to this state, if we do not have residency programs, we will lose residency students. We must expand the residency pipeline. I appreciate the Governor's recommendation for the program. Reviews the overviews of the program. [AUDIO LINK](http://go.usa.gov/x9tus) (<http://go.usa.gov/x9tus>)

JANET JESSUP: Reviews the FY 2016/2017 budget. [PRESENTATION](http://go.usa.gov/x9tu7) (<http://go.usa.gov/x9tu7>)

EPPERLY: Residency build out, training opportunities. We expanded to sports man medicine, geriatrics, and build a rural training track and helped the site director to be paid.

JESSUP: Reviews FY2018 budget and requests. [PRESENTATION](http://go.usa.gov/x9tu7) (<http://go.usa.gov/x9tu7>)

EPPERLY: The updates are needed for the technology and the growth of the programs.

[AUDIO LINK](http://go.usa.gov/x9tus) (<http://go.usa.gov/x9tus>)

QUESTIONS:

SEN SOUZA: What is the potential of the D.O. Schools residencies and how that is going to impact your school?

EPPERLY: I think anything that expands the medical education is a good thing. [AUDIO LINK](http://go.usa.gov/x9tus) (<http://go.usa.gov/x9tus>)

REP MILLER: Help me understand how the build out works? How do they stay here?

EPPERLY: [AUDIO LINK](http://go.usa.gov/x9tus) (<http://go.usa.gov/x9tus>)

REP KING: You mention about the 4 things and HIV being the last thing, how did you come to that priority?

EPPERLY: We have about 700 people, in the HIV community, here in the Treasure Valley. It takes specific skills, needs, and medicines. We take care of all the HIV patients here in the Treasure Valley. We have improved care of the HIV community.

REP YOUNGBLOOD: Thank you for all you do. Help me understand the relationship you have with WWAMI?

EPPERLY: We have a close relationship with WWAMI and the University of Washington. We have agreements with University of Washington and Utah. The majority of our students are from University of Washington.

REP YOUNGBLOOD: How do we get that 50% number up to 65–70%?

EPPERLY: By inspiring these young residents to train in Idaho. We have 34 rural sites, but there are particular challenges. I'm thankful for the cup being half full with students. If we can improve scholarship programs and getting more into rural areas.

[AUDIO LINK](http://go.usa.gov/x9tus) (<http://go.usa.gov/x9tus>)

AGENCY

PRESENTATION: UNIVERSITY OF UTAH MEDICAL EDUCATION

LSO STAFF

PRESENTATION: **Chet Herbst, CFO, State Board of Education:** This program provides medical school opportunities for Idaho. We take about 10 students a year and so about 40 student at a time during the year. Reviews the overview of the program. [AUDIO LINK](http://go.usa.gov/x9tu6)(http://go.usa.gov/x9tu6)

JANET JESSUP: Reviews the FY2016/2017 and line items [PRESENTATION](http://go.usa.gov/x9tuJ) (http://go.usa.gov/x9tuJ)

HERBST: These were the two additional seats.

JESSUP: FY2018 budget and request and was recommended by the Governor.

HERBST: University of Utah Medical School, 2nd year, this reflects the additional seats.

[AUDIO LINK](http://go.usa.gov/x9tu6)(http://go.usa.gov/x9tu6)

AGENCY

PRESENTATION: BOISE INTERNAL MEDICINE

LSO STAFF

PRESENTATION: **DR. Scott Smith:** I have 3 things to highlight, 70% will practice within 200 miles after residency. Beginning in 1977 and were the first residency program in Idaho. Reviews the overview of the program. [AUDIO LINK](http://go.usa.gov/x9tJC)(http://go.usa.gov/x9tJC)

JANET JESSUP: Reviews FY 2016/2017 budget

[PRESENTATION](http://go.usa.gov/x9tJq)(http://go.usa.gov/x9tJq)

SMITH: We need another administrative assistant and the a new infrastructure. This is half of 3 residents and administrative assistant.

[AUDIO LINK](http://go.usa.gov/x9tJC)(http://go.usa.gov/x9tJC)

QUESTIONS:

SEN SOUZA: Is \$70,000 their income and/or benefits combined?

SMITH: That is their income and benefits.

[AUDIO LINK](http://go.usa.gov/x9tJC) (http://go.usa.gov/x9tJC)

AGENCY

PRESENTATION: PSYCHIATRY EDUCATION

LSO STAFF

PRESENTATION: **Dr. Kirsten Aaland, Director:** The program was established in 2007 in partnership with University of Washington, whereby residents spend years 3 and 4 of their residencies. in Idaho. Reviews the program. [AUDIO LINK](http://go.usa.gov/x9tJw)(http://go.usa.gov/x9tJw)

JANET JESSUP: Reviews the FY2016/2017 budget with no comments from Dr. Aaland. Reviews FY2018 budgets. [PRESENTATION](http://go.usa.gov/x9tJ4)(http://go.usa.gov/x9tJ4)

QUESTIONS:

SEN SOUZA: You said there was a 64% retention rate, was that for only one year or long term?

AALAND: Our program is small, so we have only had 17 graduates. The two doctors did two rotations was here in Idaho, but were not part of the program and one resident is doing research at John Hopkins.

REP MILLER: What is the number we should be thinking about for future graduates?

AALAND: Everywhere is needing psychiatrists. Its hard to see where we need to be in 10 years. We need to slowly grow and as they graduate and possibly stay, hopefully they would stay and become faculty, and then we can try to grow.

SEN NYE: Why is our suicide rate so high? How many is that per day?

AALAND: I don't have the specific number by day, but a lot of it has to do with limited access and especially in rural communities. Idaho didn't have a suicide hot line, but do now.

SEN SOUZA: Have the Crisis Center been able to help?

AALAND: I do not have those numbers but I assume they are helping.

[AUDIO LINK](http://go.usa.gov/x9tJw)(http://go.usa.gov/x9tJw)

SUPPLEMENTAL MOTIONS

AGENCY PRESENTATION:

EXECUTIVE OFFICE OF THE GOVERNOR

LSO STAFF PRESENTATION:

CATHY HOLLAND-SMITH: The request is for a Director of Information Security position. \$64,000 from the general fund.

[AUDIO LINK](http://go.usa.gov/x9tJG)(http://go.usa.gov/x9tJG) [PRESENTATION](http://go.usa.gov/x9tJs)
(http://go.usa.gov/x9tJs)

UNANIMOUS CONSENT

On Request by Sen. Mortimer, granted by unanimous consent, the FY 2017 budget for the Executive Office of the Governor, was reopened

Original Motion

Moved by Sen. Mortimer, seconded by Rep. Youngblood, to approve for introduction of \$64,900 from the General Funds.

AYES: 20

NAYS: 0

ABSENT/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 Keough.

[AUDIO LINK](http://go.usa.gov/x9tJG)(http://go.usa.gov/x9tJG)

AGENCY PRESENTATION:

JUDICIAL BRANCH

LSO STAFF PRESENTATION:

JARED HOSKINS: Supreme Court requests \$384,100 in one-time operating expenditures from the General Fund. This was due to bids coming back higher than expected.

[AUDIO LINK](http://go.usa.gov/x9zmY) (http://go.usa.gov/x9zmY)

REP YOUNGBLOOD: The Court had requested this money from the General Fund and it was advanced in 2016 to the Department of Administration. So this money is not coming from the General Fund, it is coming out of the Permanent Building Fund.

[AUDIO LINK](http://go.usa.gov/x9zmY) (http://go.usa.gov/x9zmY) [MOTION SHEET](http://go.usa.gov/x9zm4)
(http://go.usa.gov/x9zm4)

UNANIMOUS CONSENT

On Request by Rep. Youngblood, granted by unanimous consent, the FY 2017 budget for the Department of Administration, was reopened

[AUDIO LINK](http://go.usa.gov/x9zmY) (http://go.usa.gov/x9zmY)

Original Motion

Moved by Rep. Youngblood, seconded by Sen. Mortimer, to approve for introduction of, \$384,100 from the Dedicated Funds, for a total of \$384,100 with FTP of \$0.

AYES: 20

NAYS: 0

ABSENT/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 Keough.

[AUDIO LINK](http://go.usa.gov/x9zmY) (http://go.usa.gov/x9zmY) [BALLOT](http://go.usa.gov/x9zmT) (http://go.usa.gov/x9zmT)

AGENCY

PRESENTATION: DEPARTMENT OF COMMERCE

LSO STAFF

PRESENTATION: KEITH BYBEE: Department of Commerce, one-time General Fund appropriation with carry over into the FY2018 budget to support education and promotion and outreach efforts to recruit the F-35 Mission.

[AUDIO LINK](http://go.usa.gov/x9zmj) (http://go.usa.gov/x9zmj)

SEN. MARTIN: The Governor recommends a one-time General Fund appropriation, to support education, promotion and outreach efforts to recruit the F-35 mission to Gowen Field. Activities by the Department of Commerce include informational outreach to Idaho citizens on the value and economic impacts of the National Guard and securing this mission for the State, and education of key United State lawmakers and Senior United States Air Force Leadership about Idaho's ability to carry out this mission.

[AUDIO LINK](http://go.usa.gov/x9zmj) (http://go.usa.gov/x9zmj)

QUESTIONS:

REP KING: F-35 are very noisy and there has been talk of you purchasing 500 of those homes and there has been some talk about a third runway?

GENERAL GARY SAYLOR: The Air Force requirement for the F-35 is to have airway strip of 8,000 feet or greater and Boise has two greater than that. It would be up to the airport to put a third run way in.

SEN WARD-ENGELKING: I support this because I think there is a lot of misinformation out there in my district and I want to see all the education on this.

[AUDIO LINK](http://go.usa.gov/x9zmj) (http://go.usa.gov/x9zmj)

**UNANIMOUS
CONSENT**

On Request by Sen. Martin, granted by unanimous consent, the FY 2017 budget for the Idaho Department of Commerce, was reopened

[AUDIO LINK](http://go.usa.gov/x9zmj) (http://go.usa.gov/x9zmj)

Original Motion

Moved by Sen. Martin, seconded by Rep. Dixon, to approve for introduction of \$100,000, from the General Fund, with re-appropriation authority into FY2018.
AYES: 19

NAYS: 1

ABSENT/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 Keough.

[AUDIO LINK](http://go.usa.gov/x9zmj) (<http://go.usa.gov/x9zmj>) [MOTION SHEET](http://go.usa.gov/x9zmZ)
(<http://go.usa.gov/x9zmD>) [BALLOT](http://go.usa.gov/x9zmZ) (<http://go.usa.gov/x9zmZ>)

ADJOURNED

There being no further business, Senator Keough adjourned the meeting at 10:57 A.M.

Senator Keough
Chair

Amberlee Honsaker
Secretary