THE STATE OF IDAHO
MILITARY DIVISION
4040 West Guard Street
Boise, Idaho 83705-5044

Attachment 2

January 30, 2017

OFFICE OF STATE PURCHASING & CONTRACTING

SUBJECT: HB 17 – Approval of Board of Examiners – Quick Fact Sheet

1. **What does HB 17 do?** HB 17 amends Title 46-714 of Idaho Code. Chapter 7 of Title 46 is the chapter that deals with armories and other military property under the control of the Idaho National Guard (IDNG). Section 713 empowers the Adjutant General to let contracts to design, construct and maintain Idaho Military Division Facilities. Subsequently Title 46-714 was issued for the Board of Examiners to have oversight and approval authority. These sections were first passed in 1953, back in a time when construction and maintenance projects were funded differently. Today a significant amount of the construction and maintenance projects are executed with 100% federally reimbursed funds. HB 17 adds the words "with state matching funds." This continues the oversight and approval of the Board of Examiners on State appropriated funds.

2. **Why is HB17 needed?** The current approval process puts a significant burden on the execution of 100% federally reimbursed construction contracts, and is a redundant process for the State of Idaho. Currently the State has oversight on what the IDNG executes through contracts. This is done in the spending authority approved by JFAC and oversight of the Budget unit, fund and object level is done by DFM. The BUCK Slip process, which is the process of approval through the Board of Examiners, induces an unneeded time delay. The first effect of this time delay is in the ability of the contract to be executed in the economic environment and season that it was bid in. Causing significant weather delays and increases in cost. Secondly it affects the ability for Idaho to accept additional end of year funds that other states fail to use. These funds are typically redistributed to States in September, and due to the 2-6 week time of processing a BUCK Slip, it limits the ability of Idaho to accept these funds. The purpose of this bill is to update the statute and narrow the terminology so that State appropriated funds are targeted for approval and position the State of Idaho to benefit from the end of year funds available from NGB (National Guard Bureau.)

3. **What is the fix?** HB 17 proposes to add the words "with state matching funds" to Title 46-714 when describing the type of contracts requiring Board of Examiners approval. This continues the oversight and approval on construction contracts that the IDNG issues by the Board of Examiners where State appropriated funds are used.

4. Point of Contact for this Memorandum is CPT Jackson D. Gray at 208-422-6752 or jgray@imd.idaho.gov.