

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Thursday, February 16, 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, Horman, Malek, Anderson, Dixon, King, Wintrow  
**ABSENT/EXCUSED:** None  
**CONVENED:** Senator Keough convened the meeting to order at 8:00 A.M.

**AGENCY PRESENTATION:** **STATEWIDE BUDGET DECISIONS —JFAC ADJUSTED**

**LSO STAFF PRESENTATION:** **CATHY HOLLAND-SMITH, DIVISION MANAGER:** explained to the the Governor's and Economic Outlook and Revenue Assessment Committee's recommended General Fund revenue projection of \$3,354,545,000 for the purpose of setting and modifying state agency budgets in FY 2017.  
([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CARRIED:** ORIGINAL MOTION  
Moved by Rep. Youngblood, seconded by Sen. Martin, for FY2017, that the Joint Finance-Appropriations Committee adopt and use the Governor's and Economic Outlook and Revenue Assessment Committee's recommended General Fund revenue projection of \$3,354,545,000 for the purpose of setting and modifying state agency budgets.

AYES: 19

NAYS: 0

ABSENT/EX: 1

The majority having voted in the affirmative, the motion has passed. There being no objection, it was so ordered by Chairman Keough.

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CATHY HOLLAND-SMITH:** Explained to the committee the Governor's and Economic Outlook and Revenue Assessment Committee's recommended General Fund revenue projection of \$3,507,437,000, for the purpose of setting state agency budgets for FY 2018.  
([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CARRIED:**

**ORIGINAL MOTION**

Moved by Sen. Martin, seconded by Rep. Youngblood, for FY2018, move that the Joint Finance-Appropriations Committee adopt and use the Governor’s and Economic Outlook and Revenue Assessment Committee’s recommended General Fund revenue projection of \$3,507,437,000 for the purpose of setting and modifying state agency budgets.

AYES: 19

NAYS: 0

ABSENT/EX: 1

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.

**CONSENT:**

On request by Rep. Youngblood, granted by unanimous consent, to accept the following language:

**SECTION 1: BENEFIT CHANGES:**

To include \$860 increase for health insurance per eligible full-time FTP, changes in variable benefits, and fund shifts by agency as recommended by the Governor.

General Fund	Dedicated Fund	Federal Fund	Total
\$7,936,500	\$5,456,100	\$2,588,200	\$15,980,800

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:**

On request by Sen. Martin, granted by unanimous consent, to accept the following language:

**SECTION 2: INFLATIONARY ADJUSTMENTS:**

The Joint-Appropriations Committee will not include the agency’s request or the Governor’s recommendation for funding from the General Fund, dedicated funds of federal funds for inflationary adjustments in the JFAC Adjusted. Committee members may, at their discretion, add back funding in their motions on a case-by-case basis.

OBJECTION, SEN NYE;

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CARRIED:**

**ORIGINAL MOTION**

Moved by Sen. Martin, seconded by Rep. Youngblood, move that the Joint Finance-Appropriations Committee do not include the agency's request or the Governor's recommendation for funding from the General Fund, dedicated funds, or federal funds for inflationary adjustments in the JFAC Adjusted. Committee members may, at their discretion, add back funding in their motions on a case-by-case basis.

AYES: 18

NAYS: 1

ABSENT/EX: 1

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](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:**

On request by Sen. Mortimer, granted by unanimous consent, to accept the following language:

**SECTION 3: REPLACEMENT ITEMS:**

The Joint Finance-Appropriations Committee will not include the agency's request or the Governor's recommendation for one-time funding for replacement operating expenditures and capital outlay from the General Fund, dedicated or federal funds. Committee members may, at their discretion, add funding in their motions on a case-by-case basis.

OBJECTION NYE;

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CARRIED:**

**ORIGINAL MOTION**

Moved by Sen. Mortimer, seconded by Chairman Bell, move that the Joint Finance-Appropriations Committee do not include the agency's request or the Governor's recommendation for one-time funding for replacement operating expenditures and capital outlay from the General Fund, dedicated, or federal funds. Committee members may, at their discretion, add funding in their motions on a case-by-case basis.

AYES: 19

NAYS: 0

ABSENT/EX: 1

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](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:** On request by Chairman Bell, granted by unanimous consent, to accept the following language:

**SECTION 4: STATEWIDE COST ALLOCATION (SWCAP):**

The Joint Finance-Appropriations Committee will include the Governor's recommendation adjusting risk management, Attorney General fees, State Controller fees, state facilities, and State Treasurer fees.

General	Dedicated	Federal	Total
\$345,000	\$9,200	\$177,000	\$531,200

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:** On request by Rep. Miller, granted by unanimous consent, to accept the following language:

**SECTION 5: ANNUALIZATIONS:** The Joint Finance-Appropriations Committee will include the Governor's revised recommendation of funding for statewide elected official's salary increases, director of information security in the Governor's Office, and adjustment to the Department of Health and Welfare, Idaho State Police, Secretary of State, and the Board of Pharmacy. Excludes the Bureau of Occupational Licenses which will be determined after the supplemental request is acted upon.

General Fund	Dedicated Fund	Federal Fund	Total
\$2,973,500	\$21,400	\$343,700	\$3,338,600

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**MOTION:** ORIGINAL MOTION

Moved by Rep. Anderson, seconded by Sen. Martin, move that the Joint Finance-Appropriations Committee include funding for a 3% pay increase for permanent employees for state agencies, institutions, and the School for the Deaf and Blind. Include 3% pay schedule move and ongoing fund shifts as recommended by the Governor and the CEC Committee and to approve for introduction \$18,522,700 General Fund, \$13,497,000 Dedicated Funds, \$6,013,200, for a total of \$38,032,900.

AYES: 19

NAYS: 0

ABSENT/EX: 1

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](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:** On request by Rep. Youngblood, granted by unanimous consent, to accept the following language:  
**SECTION 7: ELECTED OFFICIALS PAY INCREASE:** The Joint Finance-Appropriations Committee will include funding for pay raises for statewide elected officials approved in prior legislative sessions.

General Fund	Dedicated Fund	Federal Fund	Total
\$5,500	0	0	\$5,500

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:** On request by Sen. Mortimer, granted by unanimous consent, to accept the following language:  
**SECTION 8: 4% BASE SALARY INCREASE FOR CLASSIFIED STAFF AND ADMINISTRATORS IN PUBLIC SCHOOLS:** The Joint Finance-Appropriations Committee will include staff recommendation for a 3% pay increase for classified employees and administrators.

General Fund	Dedicated Fund	Federal Fund	Total
\$6,926,400	0	0	\$6,926,400

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:** On request by Rep. Horman, granted by unanimous consent, to accept the following language:  
**SECTION 9: NONDISCRETIONARY ADJUSTMENTS:** The Joint Finance-Appropriations Committee will include staff recommendation for Public Schools, Governor’s recommendation for enrollment workload growth in Higher Education and Professional-Technical Education, and caseload, utilization, and federal match rate adjustments as recommended by the Governor in Health and Welfare and Medicaid.

General Fund	Dedicated Fund	Federal Fund	Total
\$93,873,00	\$15,742,200	\$35,327,000	\$144,942,200

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:**

On request by Sen. Martin, granted by unanimous consent, to accept the following language:

SECTION 10: ENDOWMENT ADJUSTMENTS: The Joint Finance-Appropriations Committee will include the Governor’s recommendation for changes in spending in the Endowment Funds for Public Schools and for Colleges and Universities.

General Fund	Dedicated Fund	Federal Fund	Total
(\$10,324,800)	\$9,991,300	0	(\$333,500)

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**CONSENT:**

On request by Rep. Youngblood, granted by unanimous consent, to accept the following language:

SECTION 11: CYBERSECURITY INSURANCE/OMNIBUS DECISION: The Joint Financial-Appropriations Committee will include the amount necessary to pay the FY2018 premium to risk management for cybersecurity insurance. The costs associated with cybersecurity insurance for FY2017 that were paid out of insurance reserves will not be reimbursed.

General Fund	Dedicated Fund	Federal Fund	Total
\$623,000	\$196,700	\$53,200	\$872,900

([AUDIO](https://go.usa.gov/xXXzW)) (<https://go.usa.gov/xXXzW>)

**GERMANE COMMITTEE REPORTS**

**HOUSE HEALTH AND WELFARE**

REP. WOOD, Chairman: Reviews the House Health and Welfare Budget recommendations from the committee; ([AUDIO](https://go.usa.gov/xXXzX)) (<https://go.usa.gov/xXXzX>)

**SENATE HEALTH AND WELFARE**

SENATOR HEIDER, Chairman, Senate Health and Welfare : Reviews the Health and Welfare Budget recommendations. ([AUDIO](https://go.usa.gov/xXXz5)) (<https://go.usa.gov/xXXz5>)

**SENATE JUDICIARY AND RULES**

SEN LODGE, Chairman: Reviews the Budget recommendations and reviews the needs for the safety of the public. ([AUDIO](https://go.usa.gov/xXXzN)) (<https://go.usa.gov/xXXzN>)

**HOUSE JUDICIARY, RULES, AND ADMINISTRATION**

REP LUKER, Chairman: Reviews the Budget recommendations and the importance of the openness of the courts for the public. ([AUDIO](#)) (<https://go.usa.gov/xXXzR>)

**SENATE TRANSPORTATION**

SENATOR BRACKETT, Chairman: Reviews the Transportation Budget recommendations from the Committee. ([AUDIO](#)) (<https://go.usa.gov/xXXzQ>)

**ADJOURNED:** There being no further business to come before the committee, Senator Keough adjourned the meeting at 9:57 A.M.

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Senator Keough  
Chair

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Amberlee Honsaker  
Secretary