

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 27, 2017

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Ward-Engelking, Nye
Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King, Wintrow

ABSENT/ EXCUSED: Senator Crabtree

LSO STAFF PRESENT: Cathy Holland-Smith, Paul Headlee, Jared Tatro

CONVENED: **Chairman Bell** called the meeting to order at 8:00 am.
Department of Health and Welfare: Division of Medicaid FY 2018 Appropriation

PRESENTER: **Jared Tatro, Principal Budget and Policy Analyst**
Mr. Tatro reviewed the agency's FY 2018 budget request and the Governor's recommendation.

MOTION: **Original Motion**
Division of Medicaid
Appropriation
Moved by **Malek**, seconded by **Bair**, to approve for introduction \$531,903,900 from the General Fund, \$328,070,300 from dedicated funds, \$1,425,334,400 from federal funds for a total of \$2,285,308,600 and 216.00 full-time equivalent positions for the Department of Health and Welfare, Division of Medicaid, for fiscal year 2018.

CARRIED: **Ayes: 19**
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
Nays: 0
Ab/Ex: 1
Crabtree
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 **Malek**, granted by unanimous consent, the following legislative intent language was accepted:
GENERAL FUND TRANSFERS. As appropriated, the State Controller shall make transfers from the General Fund to the Cooperative Welfare Fund, periodically, as requested by the director of the Department of Health and Welfare and approved by the Board of Examiners.

TRUSTEE AND BENEFIT PAYMENTS. Notwithstanding the provisions of Section 67–3511, Idaho Code, funds budgeted in the trustee and benefit payments expenditure class shall not be transferred to any other expense classes during fiscal year 2018.

PROGRAM INTEGRITY. Notwithstanding any other provisions of law, it is hereby declared to be the intent of the Legislature that the Department of Health and Welfare shall be required to provide those services authorized or mandated by law in each program, only to the extent of funding and available resources appropriated for each budgeted program.

**UNANIMOUS
CONSENT:**

On request by **Malek**, granted by unanimous consent, the following legislative intent language was accepted:

FTP AUTHORIZATION. In accordance with Section 67–3519, Idaho Code, each of the programs in the Department of Health and Welfare listed below is authorized no more than the number of full-time equivalent positions at any point during the period July 1, 2017, through June 30, 2018, unless specifically authorized by the Governor. The Joint Finance-Appropriations Committee will be notified promptly of any increased positions so authorized. Further, notwithstanding any other provisions of law, it is the intent of the Legislature that the Department of Health and Welfare has the authority to transfer authorized full-time equivalent positions between budgeted programs.

**UNANIMOUS
CONSENT:**

On request by **Malek**, granted by unanimous consent, the following legislative intent language was accepted:

MEDICAID TRACKING REPORT. The Department of Health and Welfare, Medicaid Division and Indirect Support Services Division, shall deliver on a monthly basis to the Legislative Services Office and the Division of Financial Management a report that compares the Medicaid budget as appropriated, distributed by month for the year, to actual expenditures and remaining forecasted expenditures for the year. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management.

TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments expenditure class in the Medicaid Division may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, and Medicaid Administration and Medical Management Program, but shall not be transferred to any other budgeted programs or expenditure class within the Department of Health and Welfare during fiscal year 2018.

MEDICAID MANAGED CARE IMPLEMENTATION. The Medicaid Division shall provide reports biannually to the Legislative Services Office and the Division of Financial Management, on progress in integrating managed care approaches into the state Medicaid system. The format of the report, and information contained therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2017, and the second report shall be submitted no later than June 30, 2018.

REPORT ON FLEXIBLE RECEIPT AUTHORITY. The Medicaid Division shall provide a report annually, at time of budget submission, to the Legislative Services Office and the Division of Financial Management that describes the need for having additional dedicated receipt authority built in to the budget. The additional dedicated fund appropriation is not to be considered when calculating the estimated need for ongoing Medicaid costs, but rather to be held in reserve and used in lieu of General Funds when noncognizable receipts are received by the department.

UNANIMOUS CONSENT: On request by **Malek**, granted by unanimous consent, the following legislative intent language was accepted:

NON-EMERGENCY MEDICAL TRANSPORTATION. It is the intent of the Legislature that of the moneys appropriated in Section __ of this act, \$200,000 shall be used solely for purposes of improving the Non-Emergency Medical Transportation (NEMT) Program. This shall include, but is not limited to, the hiring of an outside entity to conduct an audit of the NEMT program and to develop and implement a training program that meets the needs of all provider types, the contracted broker, the Department of Health and Welfare, and most importantly the Idahoans that are participating in this program. The training program is to be developed in collaboration with relevant stakeholder groups. In addition, no later than December 30, 2017, and again on June 30, 2018, the Department of Health and Welfare, Division of Medicaid shall provide to the Legislative Services Office and the Division of Financial Management a report that includes details on the implementation of the audit, trainings, and any other steps that have been taken by the department to improve the NEMT Program. Any unexpended and unencumbered funds that have been appropriated for this purpose are to be reverted at the end of the fiscal year, or as soon thereafter as is practicable.

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Department of Health and Welfare: Division of Welfare FY 2018 Appropriation

PRESENTER: **Jared Tatro, Principal Budget and Policy Analyst**

Mr. Tatro reviewed the agency's FY 2018 budget request and Governor's recommendation.

In response to committee questions, **Mr. Tatro** explained in this budget the Governor's recommendation for federal funds was \$121,418,500 which is an increase from last year of \$94,900.

MOTION: **Original Motion**
Division of Welfare
Appropriation

Moved by **Bair**, seconded by **Wintrow**, to approve for introduction \$43,270,700 from the General Fund, \$7,630,900 from dedicated funds, \$121,418,500 from federal funds for a total of \$172,320,100 and 630.55 full-time equivalent positions for the Department of Health and Welfare for the Division of Welfare for fiscal year 2018.

CARRIED: **Ayes: 19**

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 0

Ab/Ex: 1

Crabtree

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 **Bair**, granted by unanimous consent, the following legislative intent language was accepted:

ACTUAL AND FORECAST DETAIL REPORTING. The Division of Welfare shall deliver the Self-Reliance Programs Forecast biannually to the Legislative Services Office and Division of Financial Management. The report shall include monthly caseload details for Temporary Assistance for Needy Families (TANF), Child Care, Medicaid, Advanced Premium Tax Credit (APTC), Aid to the Aged, Blind, and Disabled, Food Stamps, and Child Support programs. The Self-Reliance Programs Forecast shall also include expenditure details for all of the named programs with the exception of Medicaid. The format of the report, and any additional information contained therein, shall be determined by the Legislative Services Office and Division of Financial Management. The first report shall be submitted no later than December 31, 2017, and the second report shall be submitted no later than June 30, 2018.

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Department of Health and Welfare: Public Health Services FY 2018 Appropriation

PRESENTER: **Jared Tatro, Principal Budget and Policy Analyst**

Mr. Tatro reviewed the agency's FY 2018 budget and requests along with the Governor's recommendation.

MOTION: **Original Motion**
Public Health Services
Appropriation

Moved by **Lee**, seconded by **Souza**, to approve for introduction \$8,330,200 from the General Fund, \$41,319,100 from dedicated funds; and \$64,389,400 from federal funds for a total of \$114,038,700 and 233.69 full-time equivalent positions for the Department of Health & Welfare, Public Health Services Division for fiscal year 2018.

SUBSTITUTE MOTION: **Substitute Motion**
Public Health Services
Appropriation

Moved by **King**, seconded by **Wintrow**, to approve for introduction \$8,401,500 from the General Fund, \$41,319,100 from dedicated funds; and \$64,389,400 from federal funds for a total of \$114,110,000 and 234.69 full-time equivalent positions for the Department of Health & Welfare, Public Health Services Division for fiscal year 2018.

CARRIED: **Vote on Substitute Motion**

Ayes: 10

Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, King, Wintrow

Nays: 9

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Anderson, Dixon

Ab/Ex: 1

Crabtree

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 **Malek**, granted by unanimous consent, the following legislative intent language was accepted:

LEGISLATIVE INTENT REGARDING TRICARE VACCINES. The Legislature continues to recognize the potential gap in coverage created by TRICARE's refusal to participate in the Idaho Immunization Program. The Legislature continues to support and encourage the executive branch in its efforts to negotiate a solution with TRICARE that does not rely on state funded support. Further, it is the intent of the Legislature that moneys appropriated to purchase TRICARE vaccinations are to be used solely for that purpose and any moneys not expended for TRICARE vaccines are to be reverted back to the General Fund at the close of the fiscal year or as soon thereafter as practicable.

REPORT ON ACCREDITATION STATUS. It is the intent of the Legislature that the Department of Health and Welfare, Division of Public Health Services, provide an annual report to the Legislative Services Office and the Division of Financial Management, on the status of becoming an accredited state agency. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 31, 2017.

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Public Schools Support: Administrators Division FY 2018 Appropriation

PRESENTER: **Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis**

Mr. Headlee reviewed the different budget divisions in the Public Schools Support FY 2018 budget, and he reviewed the budget request for the Administrators Division and the Governor's recommendation.

Senator Mortimer stated his comments regarding the overall Public Schools Support FY 2018 budget explaining there will be competing motions for the different divisions. As the committee addresses those divisions, he will explain the differences.

MOTION:

Original Motion
Administrators Division

Appropriation

Moved by **Horman**, seconded by **Mortimer**, to approve for introduction a total of \$90,616,400 from the General Fund.

CARRIED:

Ayes: 19

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 0

Ab/Ex: 1

Crabtree

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 **Horman**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 4. That Section 33–1004E, Idaho Code, be, and the same is hereby amended to read as follows:

33–1004E. DISTRICT'S SALARY- BASED APPORTIONMENT. Each district shall be entitled to a salary -based apportionment calculated as provided in this section.

(1) To determine the apportionment for instructional staff, take the amounts indicated on the career ladder table plus the amounts associated with the additional education allocation amounts pursuant to section 33–1004B, Idaho Code, and calculate the weighted average. The amount so determined shall be multiplied by the district staff allowance for instructional staff determined as provided in section 33–1004 (2), Idaho Code. Full -time instructional staff salaries shall be determined from a salary schedule developed by each district and submitted to the state department of education. No full -time instructional staff member shall be paid less than the minimum dollar amount on the career ladder residency compensation rung pursuant to section 33–1004B , Idaho Code, for the applicable fiscal year.

(2) If an instructional staff member has been certified by the national board for professional teaching standards, the staff member shall receive two thousand dollars (\$2,000) per year for five (5) years from the year in which national board certification was earned. The district staff allotment shall be increased by two thousand dollars (\$2,000) for each national board certified instructional staff member who earned national board certification; provided however, that no such awards shall be paid for the period July 1, 2010, through June 30, 2011, nor shall any liabilities accrue or payments be made pursuant to this section in the future to any individuals who would have otherwise qualified for a payment during this stated time period. The resulting amount is the district's salary-based apportionment for instructional staff. For purposes of this section, teachers qualifying for the salary increase shall be those who have been recognized as national board certified teachers as of July 1 of each year.

(3) To determine the apportionment for pupil service staff, take the amounts indicated on the career ladder table plus the amounts associated with the additional education allocation amounts pursuant to section 33–1004B, Idaho Code, and calculate the weighted average. If the district does not employ any pupil service staff, the district's pupil service staff average salary shall equal the district's instructional staff average salary for purposes of calculating pupil service salary-based apportionment. The amount so determined shall be multiplied by the district staff allowance for pupil service staff determined pursuant to section 33–1004 (3), Idaho Code. Full-time pupil service staff salaries shall be determined from a salary schedule developed by each district and submitted to the state department of education. The resulting amount is the district's salary-based apportionment for pupil service staff. No full-time pupil service staff member shall be paid less than the minimum dollar amount on the career ladder residency compensation rung pursuant to section 33–1004B, Idaho Code, for the applicable fiscal year.

(4) To determine the apportionment for district administrative staff, first determine the district average experience and education index by placing all eligible certificated administrative employees on the statewide index provided in section 33–1004A, Idaho Code. The resulting average is the district index. If the district does not employ any administrative staff, the district administrative index shall equal the statewide average index for purposes of calculating administrative salary-based apportionment. The district administrative staff index shall be multiplied by

the base salary of thirty-~~four~~ five thousand one hundred ~~nine~~ thirty-two dollars (\$34,109 35,132). The amount so determined shall be multiplied by the district staff allowance for administrative staff determined as provided in section 33–1004 (4), Idaho Code. The resulting amount is the district's salary-based apportionment for administrative staff.

(5) To determine the apportionment for classified staff, multiply twenty thousand four hundred twenty-one dollars (\$20,421) by the district classified staff allowance determined as provided in section 33–1004 (5), Idaho Code. The amount so determined is the district's apportionment for classified staff.

(6) The district's salary-based apportionment shall be the sum of the apportionments calculated in subsections (1), (2), (3), (4) and (5) of this section, plus the benefit apportionment as provided in section 33–1004F, Idaho Code.

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Public Schools Support: Teachers Division FY 2018 Appropriation

PRESENTER: **Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis**

Mr. Headlee reviewed this division's FY 2018 budget request and line items, the Joint Finance-Appropriations Committee (JFAC) adjusted budget, and the Governor's recommendation.

MOTION: **Original Motion**
Teachers Division
Appropriation

Moved by **Horman**, seconded by **Ward-Engelking**, to approve for introduction \$909,988,500 from the General Fund and \$15,000,000 from federal funds for a total of \$924,988,500. This is an 8.2% increase from the General Fund and 8.1% from all funds.

SUBSTITUTE MOTION: **Substitute Motion**
Teachers Division
Appropriation

Moved by **Mortimer**, seconded by **Keough**, to approve for introduction \$905,738,500 from the General Fund and \$15,000,000 from federal funds for a total of \$920,738,500. This is an 7.7% increase from the General Fund and 7.6% from all funds.

FAILED: **Vote on Substitute Motion**
Ayes: 7

Keough, Martin, Bair, Mortimer, Souza, Lee, Dixon

Nays: 12

Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, King, Wintrow

Ab/Ex: 1

Crabtree

CARRIED: **Vote on Original Motion**
Ayes: 17

Martin, Bair, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 2

Keough, Mortimer

Ab/Ex: 1

Crabtree

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 **Horman**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 4. LEGISLATIVE INTENT. It is the intent of the Legislature that of the moneys appropriated in Section 3 of this act, \$17,250,000 shall be distributed for professional development that supports instructors and pupil services staff to increase student learning. Professional development efforts should be measurable, provide the instructors and pupil service staff with a clear understanding of their progress, be incorporated into their performance evaluations, and to the extent possible, be included into the school district or charter school continuous improvement plans that are required pursuant to section 33-320, Idaho Code. Funding shall be distributed by a formula prescribed by the Superintendent of Public Instruction and the superintendent shall track usage and effectiveness of professional development efforts at the state and local levels.

SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature that, for the purposes of this act, the term "distributed" means moneys that are transferred to school districts and public charter schools, with no funds withheld for any other contract or administrative costs.

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Public Schools Support: Operations Division FY 2018 Appropriation

PRESENTER:

Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis

Mr. Headlee reviewed the division's FY 2018 budget request and line items, the Governor's recommendation, and JFAC adjusted budget.

MOTION:

Original Motion
Operations Division
Appropriation

Moved by **Mortimer**, seconded by **Keough**, to approve for introduction \$602,412,700 from the General Fund and \$56,049,600 from dedicated funds, for a total of \$658,462,300. This is an increase of 5.5% from the General Fund and 7.3% from all funds.

**SUBSTITUTE
MOTION:**

Substitute Motion
Operations Division
Appropriation

Moved by **Horman**, seconded by **Ward-Engelking**, to approve for introduction \$597,599,400 from the General Fund and \$56,049,600 from dedicated funds, for a total of \$653,649,000. This is an increase of 4.7% from the General Fund and 6.5% from all funds.

CARRIED:

Vote on Substitute Motion

Ayes: 13

Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 6

Keough, Martin, Bair, Mortimer, Souza, Lee

Ab/Ex: 1

Crabtree

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**.

MOTION:

Original Motion
Operations Division

Legislative Intent Language

Moved by **Horman**, seconded by **Ward-Engelking**, to adopt the following legislative intent language:

SECTION 4. That Section 33-1004E, Idaho Code, be, and the same is hereby amended to read as follows:

33-1004E. DISTRICT'S SALARY-BASED APPORTIONMENT. Each district shall be entitled to a salary-based apportionment calculated as provided in this section.

(1) To determine the apportionment for instructional staff, take the amounts indicated on the career ladder table plus the amounts associated with the additional education allocation amounts pursuant to section 33-1004B , Idaho Code, and calculate the weighted average. The amount so determined shall be multiplied by the district staff allowance for instructional staff determined as provided in section 33-1004 (2), Idaho Code. Full-time instructional staff salaries shall be determined from a salary schedule developed by each district and submitted to the state department of education. No full-time instructional staff member shall be paid less than the minimum dollar amount on the career ladder residency compensation rung pursuant to section 33-1004B, Idaho Code, for the applicable fiscal year.

(2) If an instructional staff member has been certified by the national board for professional teaching standards, the staff member shall receive two thousand dollars (\$2,000) per year for five (5) years from the year in which national board certification was earned. The district staff allotment shall be increased by two thousand dollars (\$2,000) for each national board certified instructional staff member who earned national board certification; provided however, that no such awards shall be paid for the period July 1, 2010, through June 30, 2011, nor shall any liabilities accrue or payments be made pursuant to this section in the future to any individuals who would have otherwise qualified for a payment during this stated time period. The resulting amount is the district's salary-based apportionment for instructional staff. For purposes of this section, teachers qualifying for the salary increase shall be those who have been recognized as national board certified teachers as of July 1 of each year.

(3) To determine the apportionment for pupil service staff, take the amounts indicated on the career ladder table plus the amounts associated with the additional education allocation amounts pursuant to section 33-1004B, Idaho Code, and calculate the weighted average. If the district does not employ any pupil service staff, the district's pupil service staff average salary shall equal the district's instructional staff average salary for purposes of calculating pupil service salary-based apportionment. The amount so determined shall be multiplied by the district staff allowance for pupil service staff determined pursuant to section 33-1004(3), Idaho Code. Full-time pupil service staff salaries shall be determined from a salary schedule developed by each district and submitted to the state department of education. The resulting amount is the district's salary-based apportionment for pupil service staff. No full-time pupil service staff member shall be paid less than the minimum dollar amount on the career ladder residency compensation rung pursuant to section 33-1004B, Idaho Code, for the applicable fiscal year.

(4) To determine the apportionment for district administrative staff, first determine

the district average experience and education index by placing all eligible certificated administrative employees on the statewide index provided in section 33-1004A, Idaho Code. The resulting average is the district index. If the district does not employ any administrative staff, the district administrative index shall equal the statewide average index for purposes of calculating administrative salary-based apportionment. The district administrative staff index shall be multiplied by the base salary of thirty-four thousand one hundred nine dollars (\$34,109). The amount so determined shall be multiplied by the district staff allowance for administrative staff determined as provided in section 33-1004(4), Idaho Code. The resulting amount is the district's salary-based apportionment for administrative staff.

(5) To determine the apportionment for classified staff, multiply twenty-one thousand ~~four hundred twenty-one~~ thirty-four dollars (\$~~20,421~~ 21,034) by the district classified staff allowance determined as provided in section 33-1004(5), Idaho Code. The amount so determined is the district's apportionment for classified staff.

(6) The district's salary-based apportionment shall be the sum of the apportionments calculated in subsections (1), (2), (3), (4) and (5) of this section, plus the benefit apportionment as provided in section 33-1004F, Idaho Code.

SECTION 5. Notwithstanding any law to the contrary, for the period of July 1, 2017, through June 30, 2018, it is estimated that the appropriation of state funds to the Public Schools Educational Support Program/Division of Operations will result in total discretionary funds of \$26,748 per support unit. The \$26,748 is further divided into two distributions: \$15,506 per support unit is to be used at the discretion of the school district or charter school and \$11,242 per support unit is to be used to offset the employer costs of health, vision, and dental insurance offered to its employees. If the distribution provided for health, vision, and dental insurance is in excess of the individual school district's or charter school's actual costs, the excess funds may then be used at the school district's or charter school's discretion. Further, the superintendent of public instruction shall work with Legislative Services Office and the Division of Financial Management to determine the information that the state department of education shall collect on school district and charter school health, vision, and dental insurance costs.

SECTION 6. Of the moneys appropriated in Section 3 of this act, \$7,500,000 shall be distributed for public school information technology staff costs. Such moneys shall be distributed pursuant to a formula, with a minimum distribution per school district and public charter school, determined by the Superintendent of Public Instruction.

SECTION 7. Of the moneys appropriated in Section 3 of this act, \$26,000,000 shall be distributed for classroom technology and classroom technology infrastructure, and instructional management systems that assist teachers and students in effective and efficient instruction or learning. Funding shall be distributed based on a formula prescribed by the Superintendent of Public Instruction. Moneys so distributed shall be used to implement and operate an instructional management system of their choice that meets the individual learning needs and progress of all students. An instructional management system must include individual student learning plans, monitoring of interventions, integration with a district's Student Information System (SIS), and analysis of student and classroom levels of learning.

SECTION 8. For the purposes of this appropriation, the term "distributed" means moneys that are transferred to school districts and public charter schools with no funds withheld for any other contract or administrative costs.

SECTION 9. For the period July 1, 2017, through June 30, 2018, the State Department of Education is hereby granted the authority to transfer appropriations among the Administrators, Teachers, Operations, Children's Programs, and Facilities Divisions of the Public Schools Educational Support Program budget, in any amount necessary, to comply with the public school funding provisions of appropriations and the Idaho Code. Additionally, appropriations may be transferred from the Central Services Division to the other divisions of the Public Schools Educational Support Program.

CARRIED: **Ayes: 14**
Martin, Lee, Agenbroad, Ward-Engelking, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
Nays: 5
Keough, Bair, Mortimer, Souza, Nye
Ab/Ex: 1
Crabtree

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**.

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Public Schools Support: Children's Programs Division FY 2018 Appropriation

PRESENTER: **Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis**

Mr. Headlee reviewed the division's FY 2018 budget and request, line items, the Governor's recommendation, and the JFAC adjusted budget.

MOTION: **Original Motion**
Operations Division
Appropriation

Moved by **Ward-Engelking**, seconded by **Miller**, to approve for introduction \$45,497,900 from the General Fund and \$4,024,900 from dedicated funds, and \$249,115,000 of federal funds, for a total of \$298,637,800.

CARRIED: **Ayes: 19**
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow
Nays: 0
Ab/Ex: 1
Crabtree

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 REQUEST: On request by **Ward-Engelking**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 4. The Idaho Digital Learning Academy (IDLA), created pursuant to Chapter 55, Title 33, Idaho Code, shall utilize state appropriated funds for the period July 1, 2017, through June 30, 2018, to achieve the following:

- (1) Tuition charged by IDLA to Idaho school districts and charter schools shall not exceed \$75.00 per enrollment.
- (2) Provide remedial coursework for students failing to achieve proficiency in one (1) or more areas of Idaho's standards-based tests.
- (3) Pursuant to State Board of Education rule, IDAPA 08.02.03, provide advanced learning opportunities for students.
- (4) Pursuant to State Board of Education rule, IDAPA 08.02.03, work with institutions of higher education to provide dual credit coursework. The preceding list shall not be construed as excluding other instruction and training that may be provided by the Idaho Digital Learning Academy.

SECTION 5. Notwithstanding the provisions of any law to the contrary, of the moneys appropriated in Section 3 of this act, up to \$4,024,900 from funds determined by available tobacco, cigarette and lottery income tax revenues accruing, appropriated or distributed to the Public School Income Fund pursuant to Sections 63–2506, 63–2552A, and 63–3067, Idaho Code, for the period July 1, 2017, through June 30, 2018, shall be distributed to school districts and charter schools through a combination of a base amount of \$2,000 plus a prorated amount based on the prior year's average daily attendance. Such funds shall be used to develop and implement school safety improvements and/or to facilitate and provide substance abuse prevention programs in the public school system.

SECTION 6. Of the moneys appropriated in Section 3 of this act, \$4,715,000 shall be distributed for remedial coursework for students failing to achieve proficiency on Idaho's standards-based achievement tests in dollar amounts determined by the Superintendent of Public Instruction. The superintendent shall report to the Joint Finance-Appropriations Committee and the Senate and House Education committees by no later than February 1, 2019, on the uses of funds and effectiveness of the programs and efforts.

SECTION 7. Pursuant to Section 33–1617, Idaho Code, of the moneys appropriated in Section 3 of this act, \$3,820,000 shall be distributed for support of programs for students with non-English or limited English proficiency, as follows:

- (1) The Superintendent of Public Instruction shall distribute \$3,370,000 to school districts pro rata, based upon the population of limited English proficient students under criteria established by the department.
- (2) The Superintendent of Public Instruction shall distribute \$450,000 for a competitive grant program to assist school districts in which the population of English language learners must meet Annual Measurable Achievement Objectives (AMAOs) in math or reading, as defined in federal law. This amount shall be distributed annually to school districts in three-year grant cycles, contingent on appropriation and the ability of grantees to meet program objectives.
- (3) The superintendent shall develop the program elements and objectives governing the use of these funds and include a program evaluation component. The purpose of these funds is to improve student English language skills to allow for better access to the educational opportunities offered in public schools. The superintendent shall report to the Joint Finance-Appropriations Committee and the Senate and House Education committees by no later than February 1, 2019, on the program design, uses of funds and program effectiveness.

SECTION 8. Of the funds appropriated in Section 3 of this act, \$1,000,000 shall be distributed by the Superintendent of Public Instruction for professional training and screening for gifted and talented students and instructors. Funding will be distributed based on a formula prescribed by the Superintendent of Public Instruction that includes a base amount and an amount based on the number identified gifted and talented students.

SECTION 9. Of the funds appropriated in Section 3 of this act, \$950,000 shall be distributed by the Superintendent of Public Instruction to school districts and charter schools to purchase digital content and curriculum of their choice. Funding will be distributed based on a formula prescribed by the Superintendent of Public Instruction that includes a base amount and an amount based on the number of mid-term support units.

SECTION 10. It is legislative intent that the Superintendent of Public Instruction shall compile information concerning the numbers of students enrolling in advanced opportunities courses according to the provisions of Chapter 16, Title 33, Idaho Code, whether coursework is successfully completed, and expenditures for fiscal year 2018. As nearly as possible, the report shall contain information about enrollment of this student population in post-high school education. A report containing such information shall be posted on the website of the State Department of Education no later than December 31, 2019.

SECTION 11. PUBLIC SCHOOL INCOME FUND TRANSFER TO COMMISSION ON HISPANIC AFFAIRS. There is hereby appropriated and the State Controller shall transfer in accordance with Section 63–2552A(3), Idaho Code, on July 1, 2017, or as soon thereafter as practicable, \$80,000 from the Public School Income Fund to the Commission on Hispanic Affairs Miscellaneous Revenue Fund to be used for substance abuse prevention efforts in collaboration with the State Department of Education.

SECTION 12. PUBLIC SCHOOL INCOME FUND TRANSFER TO IDAHO STATE POLICE. There is hereby appropriated and the State Controller shall transfer in accordance with Section 63–2552A(3), Idaho Code, on July 1, 2017, or as soon thereafter as practicable, \$200,000 from the Public School Income Fund to the Idaho State Police Miscellaneous Revenue Fund for the purpose of increasing toxicology lab capacity in Forensic Services.

SECTION 13. DEDICATED FUND REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Public Schools Educational Support Program/Children's Programs Division, the unexpended and unencumbered balance of \$110,000 from the Public School Income Fund appropriated in section 10_ of H620 (2016 session) pursuant to Section 33–1024, Idaho Code, for fiscal year 2017, to be used for the period July 1, 2017, through June 30, 2018. This funding, in full or in part, is intended to be distributed to the Idaho Digital Learning Academy for its development of a portal of parent educational resources, notwithstanding any laws to the contrary.

SECTION 14. For the purposes of this appropriation, the term "distributed" means moneys that are transferred to school districts, public charter schools, and the Idaho Digital Learning Academy, with no funds withheld for any other contract or administrative costs.

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Public Schools Support: Facilities Division FY 2018 Appropriation

PRESENTER: Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis

Mr. Headlee reviewed the division's FY 2018 budget and request, line items, and the Governor's recommendation.

MOTION: **Original Motion**
Facilities Division
Appropriation

Moved by **Miller**, seconded by **King**, to approve for introduction \$17,217,400 from the General Fund and \$31,269,200 from dedicated funds for a total of \$48,486,600.

CARRIED: **Ayes: 19**

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 0

Ab/Ex: 1

Crabtree

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 **Ward-Engelking**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 2. Of the moneys appropriated to the Public Schools Educational Support Program/Division of Facilities, the amount necessary to fund the provisions of Section 33-906, Idaho Code, is hereby transferred and appropriated to the Bond Levy Equalization Fund. If the funding appropriated in Section 1 of this act is insufficient to meet the requirements of Section 33-906, Idaho Code, the difference shall be included in the year-end reconciliation used to calculate funding available to meet the requirements of Section 33-1018, Idaho Code, notwithstanding any laws to the contrary.

SECTION 3. Notwithstanding the provisions of Section 63-2520(b)(4), Idaho Code, the amount of revenue distributed to the General Fund shall be \$7,305,800 for the period July 1, 2017, through June 30, 2018.

SECTION 4. If the funds appropriated from the General Fund in Section 1 of this act exceed the actual expenditures for the specified purposes, the difference shall be included in the year-end reconciliation to calculate funding available to meet the requirements of Section 33-1018, Idaho Code, notwithstanding any laws to the contrary.

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Public Schools Support: Central Services Division FY 2018 Appropriation

PRESENTER: **Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis**

Mr. Headlee reviewed the division's FY 2018 budget and request, line items, and the Governor's recommendation.

MOTION: **Original Motion**
Central Services Division
Appropriation

Moved by **Horman**, seconded by **Mortimer**, to approve for introduction \$13,975,800 from the General Fund for a 4.7% decrease.

CARRIED:

Ayes: 19

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 0

Ab/Ex: 1

Crabtree

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 **Horman**, granted by unanimous consent, the following legislative intent language was accepted:

SECTION 4. Of the moneys appropriated in Section 3 of this act, up to \$2,775,300 shall be expended for the support of literacy programs, for intervention services for non-Title I schools that fail to achieve proficiency on Idaho's standards-based achievement tests, for math initiative programs and regional math labs, and for evaluation of the programs for students with non-English or limited English proficiency. The Superintendent of Public Instruction shall report to the Joint Finance-Appropriations Committee, the Senate Education Committee and the House Education Committee by no later than February 1, 2018, on the uses of funds and effectiveness of the programs and efforts.

SECTION 5. Of the moneys appropriated in Section 3 of this act, the Superintendent of Public Instruction may expend up to \$1,758,500 for the development or administration of student assessments, including a college entrance exam for grade 11 students, an exam for grade 10 students that provides preparation for the college entrance exam, and end-of-course exams for high school science subjects.

SECTION 6. Of the moneys appropriated in Section 3 of this act, \$2,142,000 of one-time moneys shall be expended or distributed, in whole or pro rata, by the Superintendent of Public Instruction for the installation, repair, replacement and support of a wireless technology infrastructure, in each public school serving high school grades, of sufficient capacity to support utilization of mobile computing devices by all users in the following ways:

- (1) Expend for the final year of the current statewide contract entered into by the State Department of Education for wireless technology infrastructure; or
- (2) Distribute \$21.00 per student, certified staff, and administrative staff to school districts and charter schools that have wireless technology infrastructures that meet or exceed the standards established in Idaho Code and that opted in fiscal year 2014 not to participate in the statewide contract for such services.

SECTION 7. Of the moneys appropriated in Section 3 of this act, the Superintendent of Public Instruction may expend up to \$2,700,000 for professional development, teacher training, and to track usage and effectiveness of professional development efforts at the state and local levels.

SECTION 8. CONTENT AND CURRICULUM – DIGITAL CONTENT AND CREDIT RECOVERY. Of the moneys appropriated in Section 3 of this act, up to \$3,100,000 may be expended for the purchase of content and curriculum that includes up to \$650,000 to provide a statewide approach for credit recovery and an alternative pathway to graduation, up to \$1,200,000 for adaptive math instruction, and up to \$1,250,000 for research-based programs to assist with the instruction of students with non-English or limited English proficiency.

SECTION 9. If the funds appropriated and transferred to the Public School Income Fund and the funds appropriated from the General Fund in Section 1 of this act exceed the actual expenditures for the specified purposes, the difference shall be included in the year-end reconciliation to calculate funding available to meet the requirements of Section 33–1018, Idaho Code, notwithstanding any laws to the contrary. If the funding amounts specified in Sections 5 and 6 of this act are insufficient to meet the actual expenditures, the difference shall be included in the year-end reconciliation used to calculate funding available to meet the requirements of Section 33–1018, Idaho Code, notwithstanding any laws to the contrary.

SECTION 10. CONTENT AND CURRICULUM – TECHNOLOGY. Of the funds appropriated in Section 3 of this act, an amount not to exceed \$1,000,000 may be expended by the Superintendent of Public Instruction to contract for services that provide technology education opportunities and/or information technology certifications to students, including faculty, that prepare students for college, career or the workplace. Funding shall be awarded for projects that include three (3) or more of the following components:

- (1) Certification of skills and competencies;
- (2) Professional development for teachers;
- (3) Integration with curriculum standards;
- (4) Online access to research-based content and curriculum; or
- (5) Instructional software for classroom use. The Superintendent of Public Instruction shall provide a report to the Joint Finance-Appropriations Committee, the Senate Education Committee and the House Education Committee by February 1, 2019, regarding the number and type of certificates earned by students and faculty.

SECTION 11. For the purposes of this appropriation, the term "distributed" means moneys that are transferred to school districts and public charter schools with no funds withheld for any other contract or administrative costs. The term "expended" means moneys that pay for the cost of contracts that provide services to school districts, public charter schools or students, or that pay for the State Department of Education's cost of administering the programs for which the moneys are allocated.

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**Public Schools Support: Idaho Educational Services for the Deaf and the Blind
FY 2018 Appropriation**

PRESENTER: Paul Headlee, Deputy Division Manager, Division of Budget and Policy Analysis

Mr. Headlee reviewed the bureau's functions for the deaf and blind students, it's FY 2018 budget request, and the Governor's recommendation.

MOTION: Original Motion
Educational Services for the Deaf and the Blind
Appropriation

Moved by **Miller**, seconded by **King**, to approve for introduction \$10,366,800 from the General Fund, \$294,000 from dedicated funds, and \$223,500 from federal funds for a total of \$10,884,300.

CARRIED:

Ayes: 18

Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Ward-Engelking, Nye, Bell, Youngblood, Miller, Horman, Burtenshaw, Anderson, Dixon, King, Wintrow

Nays: 0

Ab/Ex: 2

Crabtree, Malek

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**.

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ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:13 am.

Representative Bell
Chair

Cody Jessup
Secretary