

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, January 19, 2018

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, Dixon, King, Wintrow

ABSENT/ EXCUSED: Anderson

CONVENED: Senator Keough convened the meeting at 8:01 A.M.

AGENCY PRESENTATION: **OFFICE OF THE GOVERNOR: PERSI**

LSO STAFF PRESENTATION: **DON DRUM, EXECUTIVE DIRECTOR:** Reviews FY 2017–FY 2018 and Reviews the agency. 10.2% return as of yesterday (1/18) 95% funded as of yesterday.
([AUDIO](https://go.usa.gov/xnZRy)) ([PRESENTATION](https://go.usa.gov/xnZRy))
(<https://go.usa.gov/xnZrg>)

MAGGIE SMITH: Reviews the FY 2017 Expenditures;
DRUM: Explains the FY2017 Expenditures;
SMITH: Reviews the B-12 Form for Administration
DRUM: Further reviews the B-12 Form for Administration
SMITH: Reviews the B-12 Form for Portfolio Fund
DRUM: Further Reviews the B-12 Form for Portfolio Fund
SMITH: Reviews the B-12 Form for the Judges Retirement Fund. Moves onto the FY2017 appropriations
DRUM: Further explains why the position that was appropriated has not been filled.
SMITH : Reviews the historical summary and reviews the FY2019 budget.
DRUM: Further reviews the FY2019 replacement items.
([AUDIO](https://go.usa.gov/xnZRy)) ([PRESENTATION](https://go.usa.gov/xnZRy))
(<https://go.usa.gov/xnZrg>)

In response to committee questions, **DON DRUM, EXECUTIVE DIRECTOR,** reviews how PERSI does not do inhouse investing. They allocate funds to investors and money managers. Also have a board of directors that monitor funds in case of a possible recession. They have projections for short terms which would be 10 years and they project for long term which is 20+ years. They also do an annual evaluation of the people that fall in the Rule of 80 and the in Rule of 90 so that one group does not subsidize for another.
([AUDIO](https://go.usa.gov/xnZRy)) (<https://go.usa.gov/xnZRy>)

**AGENCY
PRESENTATION**

OFFICE OF THE GOVERNOR: STATE CONTROLLER

PRESENTER:

BRANDON WOOLF, STATE CONTROLLER: Reviews the agency and introduces staff. Reviews the FY 2019 Budget Request.

MAGGIE SMITH: Reviews the FY 2017 Expenditures, moves into reviewing the B-12 Form of Misc. Rev. Fund and Data Processing Services and moves into FY 2018 appropriations.

WOOLF: Reviews the FY 2018 Line items.

([AUDIO](https://go.usa.gov/xnzxJ)) (<https://go.usa.gov/xnzxJ>) ([PRESENTATION](https://go.usa.gov/xnzxS))

(<https://go.usa.gov/xnzxS>)

SMITH: Reviews the FY 2019 Budget Request and reviews the FY 2019 replacement items and line item.

WOOLF: Reviews the three line items and reviews the importance of updating the technology of the agency and thanks the committee and the staff of the agency.

In response to committee questions, **BRANDON WOOLF**, states the new technology system will last as long as necessary. The last system was over 30 years old. They worked with the Governor's office with the configuring of the amount for the funding. The proposal would be for 5 years, the monies would be deposited into this technology fund for a period of 5 years and at the end of the 5 years, will be able to fully purchase the system.

([AUDIO](https://go.usa.gov/xnzxJ)) (<https://go.usa.gov/xnzxJ>) ([PRESENTATION](https://go.usa.gov/xnzxS))

(<https://go.usa.gov/xnzxS>)

**AGENCY
PRESENTING**

OFFICE OF THE GOVERNOR: LIEUTENANT GOVERNOR

PRESENTER:

BRAD LITTLE, LIEUTENANT GOVERNOR: Thanks the JFAC Committee for the great job they have done. Reviews the Cyber Security line item and also reviews the legislation that is in the works.

MAGGIE SMITH: Reviews the FY 2017 Expenditures and reviews the FY2018 appropriation then reviews the FY 2019 line item.

([AUDIO](https://go.usa.gov/xnzak)) (<https://go.usa.gov/xnzak>) ([PRESENTATION](https://go.usa.gov/xnza5))

(<https://go.usa.gov/xnza5>)

**AGENCY
PRESENTING:**

SELF-GOVERNING AGENCIES: DIVISION OF BUILDING SAFETY

PRESENTER:

CHRIS JENSEN, DIVISION ADMINISTRATOR: Reviews the agency

CHRISTINE OTTO: Reviews the FY2017 expenditures and reviews the B-12 Form for State Regulatory Fund and B-12 Form for Federal — HUD, Federal —SDP (Grant), Misc. Revenue Fund —Industrial Safety, Misc. Revenue Fund — Logging Safety and Misc. Revenue Fund — Office of School Safety and Security.

([AUDIO](https://go.usa.gov/xnzan)) (<https://go.usa.gov/xnzan>) ([PRESENTATION](https://go.usa.gov/xnzCT))

(<https://go.usa.gov/xnzCT>)

In response to committee questions, **CHRIS JENSEN**, states the large reversions for the last couple years in the Industrial Safety Fund is because of a timing issue. The Logging Safety Program is in the negative because there has not been an investment for the past several years and that is where it is at for FY 2019.

([AUDIO](https://go.usa.gov/xnzan)) ([PRESENTATION](https://go.usa.gov/xnzCT))
(<https://go.usa.gov/xnzCT>)

OTTO: Reviews line item for FY2018;

JENSEN: Reviews and details the 7 line items.

OTTO: Reviews the FY2019 Budget Request.

JENSEN: Reviews the FY2018 Expenditures.

OTTO: Reviews the FY2019 Budget Request and FY2019 line items.

JENSEN: Reviews all 8 of the FY2019 Line Items.

In response to committee question, **CHRIS JENSEN**, states they have about 93 building inspectors out of 147 personnel. The inspectors roughly have 500 inspections to do daily throughout the state. They try to limit overtime. DFM states they have enough sufficient funds for those 6 FTP but did not recommend an additional appropriation for the 6 FTPs.

([AUDIO](https://go.usa.gov/xnzan)) ([PRESENTATION](https://go.usa.gov/xnzCT))
(<https://go.usa.gov/xnzCT>)

**AGENCY
PERSONATION:
PRESENTER:**

**SELF-GOVERNING AGENCIES: ECONOMIC OUTLOOK AND
REVENUE ASSESSMENT COMMITTEE**

REP. YOUNGBLOOD AND SEN. MARTIN: The Committee reviewed and analyzed business, tax, financial data, and trends relating to the state's economy, and obtained testimony from economic, business, and industry experts regarding those aspects of the state's economy and revenues. Further reviews the analysis for FY2018–FY2019.

([AUDIO](https://go.usa.gov/xnzCm)) ([PRESENTATION](https://go.usa.gov/xnzCh))
(<https://go.usa.gov/xnzCh>)

In response to committee questions, **REP. YOUNGBLOOD**, states that the projection for the next couple of years, 2020, Idaho's number are in the green and the economists feel confident about Idaho's revenue growth.

CARRIED:

Moved by Rep. Bell, that the Committee accepts the report of the Joint Legislative Economic Outlook and Revenue Assessment Committee's report as presented, seconded by Sen. Mortimer.

**VOICE VOTE ON
MOTION**

SEN. KEOUGH: All in favor say 'aye', The motion has carried.

([AUDIO](https://go.usa.gov/xnzCm)) ([PRESENTATION](https://go.usa.gov/xnzCh))
(<https://go.usa.gov/xnzCh>)

ADJOURNED:

There being no further business, Senator Keough adjourned the meeting at 10:32 A.M.

Senator Keough
Chair

Amberlee Honsaker
Secretary