

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 30, 2018
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, and Nye
Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King, and Wintrow
ABSENT/EXCUSED: None
LSO STAFF PRESENT: **Jared Hoskins and Rob Sepich**
CONVENED: **Chairman Bell** call the meeting to order at 8:00 am.
AGENCY PRESENTATION: **State Appellate Public Defender**
PRESENTER: **Eric Fredericksen** gave an overview of the State Appellate Public Defender (SAPD) program. This program was developed in 1998 by Idaho Code section 19-863A. To have access to the SAPD, counties must participate in the capital defense fund, all forty-four counties are participating.
Jared Hoskins reviewed the FY 2017 actual expenditures highlighting the reversions and the analysis of fund balances.
Mr. Fredericksen reviewed the FY 2018 line items and provided an update on the status of their implementation.

1. Capital Evidentiary Hearing Costs
2. Deputy SAPD Retention Plan

Mr. Hoskins reviewed the following:

1. Onetime amounts appropriated for FY 2018 to pay costs associated with the agency's unusually high capital caseload.
2. Inflationary adjustment includes \$2,600 for communication costs; \$1,000 for professional services; \$5,500 for computer services; \$1,600 for rentals and operating leases; and \$1,800 for miscellaneous expenditures.

Mr. Fredericksen reviewed the replacement item for computers and related software/hardware on a rotating basis.

Mr. Hoskins reviewed the following four line items request for FY 2019 budget:

1. Legal Assistant – 1.00 FTP and \$23,900 from the General Fund to hire a legal assistant to support its Appellate Unit. The Governor recommends fully funding the requested FTP.
2. Hearing Travel Costs — \$5,000 in ongoing operating expenditures from the General Fund to pay costs associated with traveling for oral arguments in front of the Idaho Court of Appeals. This is in the Governor’s recommendation.
3. Attorney Training — \$3,000 in ongoing operating expenditures from the General Fund to supplement out-of state, specialized training costs for appellate and capital attorneys. This is not in the Governor’s recommendation.
4. IT/Telecommunications — \$300 in ongoing operating expenditures from the General Fund for internet/security and state network costs as billed by the Office of the Chief Information Officer (OCIO) in the Department of Administration. This is in the Governor’s recommendation.

Mr. Fredericksen addressed the FY 2019 requests stating there has been nine additional attorneys hired since 2001 with only two legal assistants to help and that is the reason for the request of another legal assistant. He continued with the hearing travel costs, the SAPD cut their travel cost and the Idaho Supreme Court was able to accommodate them by not scheduling anything outside of Boise.

**AGENCY
PRESENTATION:**

Public Defense Commission

PRESENTER:

Kimberly Simmons, Executive Director, stated the Public Defense Commission was established in 2014 and was granted additional duties and powers in 2016. She continued their purpose is to improve the public defense delivery system throughout Idaho, their goal is to establish standards and provide resources to counties so they can provide representation to Idaho citizens. Ms. Simmons reviewed the FY 2018 line item Recruit and Retain Regional Coordinators, stating the division was able to fund the pay increases through an object transfer, which helped with the hiring of three regional coordinators.

Jared Hoskins reviewed the FY 2017 actual expenditures.

Jared Hoskins reviewed the following FY 2019 agency requests:

- 1) County Indigent Defense Funds — The agency requests \$186,100 in ongoing trustee and benefit payments from the General Fund to provide to counties for indigent defense. This line item was not recommended by the Governor.
- 2) Public Defender Training — The commission requests \$15,000 in ongoing operating expenditures from the General Fund to provide training to Idaho public defenders. This line item was not recommended by the Governor.
- 3) Commissioner Travel Costs — The agency requests \$10,000 in ongoing operating expenditures from the General Fund to pay travel costs associated with the addition of two new commission members. This line item was recommended by the Governor, but is dependent upon the passage of germane legislation.
- 4) IT/Telecommunications — The commission requests \$3,900 from the General Fund to make IT and Telecommunications upgrades as recommended by the Office of the Chief Information Officer (OCIO) in the Department of Administration.

Kimberly Simmons, Executive Director reviewed the \$10,000, it would help cover travel expenses for the Commissioner's to attend the division's monthly meetings.

**AGENCY
PRESENTATION:**

Attorney General

PRESENTER:

Lawrence Wasden, Attorney General gave an overview of the Attorney General's office, Special Litigation, State Legal Services, and Internet Crimes against Children.

Jared Hoskins reviewed the FY 2017 actual expenditures.

Tara Orr, Chief of Administration Budget Division reviewed the FY 2018 line items. She continued there were two deputy Attorney Generals hired, one for DEQ and the other for the Tax Commission, the hiring of a crime analyst is under way and the CEC was implemented in May.

Jared Hoskins reviewed the FY 2018 Original Appropriation of Removal of Onetime Expenditures — This adjustment removes amounts appropriated in FY 2018 for replacement items and onetime portions of line items in the amount of \$341,300.

Tara Orr, Chief of Administration Budget Division reviewed the replacement items — Requested replacement items include \$91,500 for PCs, laptops, and workstations; \$11,000 for a photocopier; \$30,000 to repair and rewire the data connections on the fourth floor of the Joe R. Williams Building; \$189,400 for servers, storage, and switches; and \$106,800 for software.

Ms. Orr continued with the FY 2019 requests as follows:

- 1) Deputy Attorney General & Paralegal — Revised request and eliminated the request for a paralegal. The revised request is for 1 FTP for a deputy attorney general to help with the Master Settlement Agreement (MSA) with the tobacco industry.
- 2) Deputy Attorney General – ID Department of Correction (IDOC) - The Attorney General requests 1.00 FTP to hire a deputy attorney general (DAG) to assist the Idaho Department of Correction (IDOC) with its litigation of the Walter D. Balla et al. v. Idaho State Board of Correction (Balla) court case.
- 3) ICAC Investigators - The agency requests 2.00 FTP and \$393,800 from the General Fund to hire a forensic computer examiner, a criminal investigator, and an affiliate investigator to address workload increases and investigation backlogs in criminal cases involving internet crimes against children.
- 4) Legal Assistant Increase in Hours - The Attorney General requests \$10,100 in ongoing personnel costs from the General Fund to increase the hours of a legal assistant assigned to the State Tax Commission from 32 to 40 hours per week.
- 5) Time Billing Software - The agency requests \$10,000 in ongoing operating expenditures from the General Fund to purchase time billing software in order to comply with an audit update from the Legislative Audits Division of the Legislative Services Office regarding the Statewide Cost Allocation Plan (SWCAP).

Mr. DeLang stated the money from the Master Settlement Agreement could be perpetual.

**AGENCY
PRESENTATION:**

Department of Fish and Game

PRESENTER: **Virgil Moore**, Director gave an overview of the Department of Fish and Game, highlighting the depredation issues, the hiring of a marketing manager, they are a dedicated fund agency and license sells are key to funding.

Rob Sepich reviewed the following for the FY 2017 actual expenditures:

1) Net Object Transfer was about \$4.7 million and transferred into capital outlay.

Mr. Sepich continued with the following analysis of fund balances:

1) Fish and Game Account - This fund receives money from the sale of licenses/tags/permits, federal grants, and other sources. Expenditures are used to administer fish and game laws and regulate the protection of wildlife.

2) Fish and Game Set Aside – noting the large increase in FY 2018 in revenues due to the increase of license fees.

Virgil Moore, Director reviewed the FY 2018 line items. He continued most of the projects are seasonal and are in the process with the majority of them to be completed by the end of June. The plans for the Region 3 office are being finalized with occupancy projected for March 2019. The sockeye weir reconstruction is nearing completion and should be done by summer.

Director Moore continued with the review of the following FY 2019 requests:

1) Statewide Sportsman's Access - The department requests \$1,000,000 from the Fish and Game Set-aside Fund as the final element of H#230 of 2017 to provide increased access for hunters and anglers. The trailer bill H#317 of 2017 appropriated, among other items, funding primarily for depredation, with \$500,000 for depredation control, and another \$500,000 to fund depredation compensation. This request is to provide ongoing appropriation for access in response to the funds raised through the Access/Depredation fee created in H#230.

2) Headquarters Feasibility Study - requests \$500,000 onetime split between dedicated license fees (\$300,000) and federal funds (\$200,000), to conduct a feasibility study to demolish the existing headquarters building on Walnut Street in Boise and build a new structure to house all staff in one location.

3) Sportsmen's Access Easements - requests \$375,000 in federal Pittman-Robertson Funds to secure a ten year sportsman's access easement that would open up and solidify hunter access on an estimated 2.4 million acres of land. The required state match of \$125,000 for the federal funds would be paid from dedicated set-aside funds already appropriated in the FY 2019 Base. The department has confirmed that it could secure the grant for all ten years of funding up front, ensuring that Pittman-Robertson apportionment would not be forfeited to other states.

4) Fish Screening and Fishing Access - requests \$895,000 in capital outlay for the fish screening program and the fishing and boating access program. The screening program, funded by federal Bonneville Power Administration and NOAA Mitchell Act moneys, installs new screens and fish ways and maintains over 200 existing installations to keep juvenile salmon and steelhead out of irrigation ditches and canals.

5) Hatchery Maintenance and Repairs - department requests \$1,100,000 for hatchery maintenance and repairs. This request is in two parts: \$800,000 from the dedicated Fish and Game Expendable Trust Fund from the Bonneville Power Administration (BPA); and \$300,000 from dedicated license and tag moneys. This request would replace residences at the American Falls and Grace Fish Hatcheries, construct an additional residence at the Nampa Fish Hatchery, and modernize the septic system at the Hayspur Fish Hatchery.

- 6) Credit Card Fees - this request may rise to \$190,000. Payment Card Industry (PCI) compliance costs associated with credit card fees would be covered by the existing \$40,000 in the FY 2019 Base pursuant to H320 of 2017.
- 7) Black Canyon Dam Mitigation - requests \$360,000 from the dedicated Fish and Game Expendable Trust Fund and planned improvements include adding amenities at facilities such as ramps for watercraft, restrooms, parking areas, fencing, and appropriate signage.
- 8) CJ Strike WMA Housing - requests a total of \$200,000 in capital outlay to construct a house for the habitat biologist that manages the CJ Strike Wildlife Management Area (WMA), who currently lives off-site. Housing the biologist on the WMA would help enhance community relations by having a local presence, decreased response time for issues that may arise, and enhanced security.
- 9) Furbearer Monitoring - requests \$51,300 in federal Pittman-Roberson Funds to monitor fisher and wolverine populations, two species reviewed for listing under the Endangered Species Act. Wolverine listing is currently under review in the court system, and a status review is underway for fisher in the Northwest.
- 10) Network Services Upgrades - requests an ongoing enhancement of \$60,000 to cover the increased cost of network services in regional offices and other locations after the transition from T1 copper lines to high speed fiber optic. This request would allow the department to purchase increased speeds and bandwidth for day to day operations and ensure a fast connection at the data backup location. This increase in bandwidth aids in disaster recovery, data intensive services such as GIS, and more responsive connections for daily access.
- 11) Health Insurance for Temporaries - requests a reduction of \$250,700 to cover decreases in health insurance costs for benefited temporary employees.
- 12) OHV Outreach Campaign - ongoing reduction to the FY 2019 Base in the amount of \$116,900 as the Idaho Department of Fish and Game (IDFG) has relinquished the banking duties associated with the Idaho Recreation and Tourism Initiative's Off Highway Vehicle (OHV) public outreach campaign to the Department of Parks and Recreation. IDFG originally assumed the banking duties ten years ago for the "Stay on the Trails" program, however the focus of the campaign has shifted in recent years to a more safety oriented program and is less topical to the mission of IDFG. The Department of Parks and Recreation has sufficient appropriation to assume banking duties.

**AGENCY
PRESENTATION:**

Office of Species Conservation

PRESENTER:

Dustin Miller, Administrator gave an overview of the Office of Species Conservation. It is housed within the executive office of the Governor with a mission to coordinate and implement policies and programs related to the conservation recovery and de-listing of species listed as threaten and endangered candidate for the endangered species act.

Rob Sepich reviewed the FY 2017 reverted Federal grants in the amount of approximately \$5.4 million, this is abnormal for the history of the agency.

Dustin Miller, Administrator stated the division could have many grants open at onetime causing the large reversion.

Dustin Miller, Administrator reviewed the one audit finding from FY 2014–2016. He continued the unearned revenue from grant advances was not properly reported in the fiscal year 2015 or 2016 closing packages. The finding was specifically for the Snake River Basin adjudication trust fund grant.

Rob Sepich reviewed the analysis of fund balances for the Federal Fund.

Dustin Miller, Administrator, reviewed the following FY 2018 line items:

- 1) Sage-Steppe Ecosystem Conservation — Idaho Sage Grouse Conservation Strategy
- 2) Outreach and Coordination

Dustin Miller, Administrator, reviewed the following FY 2019 line items:

- 1) Financial Officer FTP — The Office of Species Conservation (OSC) requests \$95,000 from the General Fund to hire a financial officer position. Accounting and bill paying services are currently being provided by the Division of Financial Management (DFM) at a rate of \$15,000 per year. However, the expansion of programs at the OSC is straining DFM resources. DFM does not typically provide budgeting or grant work, and grants are expected to grow in the future.
- 2) Increase FTP to Full-Time — requests 0.37 FTP to increase a part-time employee to full-time. The employee is entirely federally funded through the Bonneville Power Administration for work on salmon and steelhead conservation and recovery projects, and converting this position to full-time would help distribute workload on projects. This position is out of the Salmon office and would be assigned a pay grade of L, and be eligible for benefits. Increasing this employee to full-time costs an additional \$14,200, paid out of the FY 2019 Base for federal funds.
- 3) Object Transfer OE to PC requests to transfer \$75,000 of General Fund operating expenditures to personnel costs. As the Sage Grouse and Sage Steppe Conservation program has grown, the staff member assigned to oversee and implement the program has been unable to charge time to the General Fund. The current base amount for operating expenditures is \$750,000 annually, of which, the agency is requesting a 10% shift to personnel. These funds will be allocated towards restructuring the duties of an existing FTP and shifting personnel costs to the General Fund.
- 4) IT/Telecommunications — requests \$6,000 from the General Fund to become compliant with the Department of Administration's phone replacement plan, as well as implement updates for cybersecurity.
- 5) Wildlife Policy Work — The Governor recommends the agency retain the \$15,000 ongoing General Fund and federal appropriation currently utilized to pay the Division of Financial Management (DFM) for services and assistance. The agency did not originally request the reduction of \$15,000 paid to DFM that was recommended in the first line item. This recommended line item has been added to retain funding for wildlife policy work in the program.

Director Miller stated there roughly 6 ½ FTP's on Federal funds.

ADJOURN:

There being no further business to come before the Committee, **Chairman Bell** adjourned the meeting at 10:40 a.m.

Representative Bell
Chair

Donna Warnock
Secretary