

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 21, 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, Patano (Malek), Anderson, Dixon, and King

LSO STAFF PRESENT: Janet Jessup and Maggie Smith, Budget & Policy Analysts

ABSENT/EXCUSED: Wintrow

CONVENED: **Chairman Bell** called the meeting to order at 8:00 a.m.

AGENCY PRESENTATION: **State Board of Education**

CARRIED: **Original Motion**
Agricultural Research & Extension

Moved by **Burtenshaw** seconded by **Mortimer** to for the State Board of Education, Agricultural Research & Extension Service, beginning with the FY 2019 Base, a reduction of \$427,100 for benefit costs, an increase of \$127,900 for replacement items, and an increase of \$694,000 for change in employee compensation. The totals for this motion for FY 2019 are \$31,307,100 from the General Fund and \$24,000 from dedicated funds for a grand total of \$31,331,100. This motion provides exemptions to budget laws that will allow funds to be transferred between object codes; and consistent with other higher education budgets, there is no FTP cap.

Ayes: 18
Keough, Bair, Mortimer, Martin, Souza, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King

Nay: 0

Ab/Ex: 2
Senator Lee
Representative Wintrow

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 ordered by **Chairman Bell**.

UNANIMOUS CONSENT: On request by **Representative Horman**, granted by unanimous consent to reopen the fiscal year 2018 budget for the Division of Career-Technical Education.

CARRIED: **Original Motion**
Supplemental

Moved by **Mortimer**, seconded by **Horman**, moved for a fiscal year 2018 supplemental appropriation to the Division of Career-Technical Education to direct that an amount not to exceed \$598,900, appropriated for Fiscal Year 2018 for the purpose of establishing a dental hygiene program at the College of Western Idaho, be re-purposed for a practical nursing program at the College of Western Idaho.

Ayes: 19

Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King

Nay: 0

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

CARRIED:

Original Motion

Career and Technical Education

Moved by **Mortimer**, seconded by **Horman**, for the State Board of Education, Division of Career and Technical Education, beginning with the FY 2019 Base, a reduction of \$803,800 for benefit costs, an increase of \$1,700 for statewide cost allocation, an increase of \$22,700 for replacement items, and an increase of \$1,072,800 for change in employee compensation. Also included are the following line items: 2.00 FTP and \$176,900 for the CTE Middle School Quality Program; \$300,000 for CTE Secondary Incentive Funding; 12.30 FTP and \$1,683,300 for Postsecondary Expansion; \$750,000 for Workforce Training Centers; \$178,000 for Program Alignment; \$70,000 for Online CTE Course Development; \$82,000 for Standard Alignment for Trades; \$0 for a Reorganization Correction within the agency; a decrease of 17.00 FTP and \$1,111,100 for the shift of funding to the College of Eastern Idaho; \$500 for IT/Telecommunications; and \$100,000 for Adult Education. The totals for this motion for FY 2019 are 580.26 FTP, \$66,397,900 from the General Fund, \$634,800 from dedicated funds, and \$8,930,500 from federal funds for a grand total of \$75,963,200. This motion includes carry-over authority of dedicated and federal funds and provides exceptions to budget laws that will allow funds to be transferred between object codes for the Post-Secondary Program only. Consistent with other higher education budgets, there is no FTP cap.

Ayes: 19

Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King

Nay: 0

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

DISCUSSION: **Senator Mortimer** stated line item #3, Postsecondary Capacity Expansion, is increased from the Governor’s recommendation because the people who worked on the budget felt it was important to include both the first and second priorities of the postsecondary capacity expansion. He continued that there is a waiting list for those positions and there are jobs waiting.

UNANIMOUS CONSENT: On request by **Senator Mortimer**, granted by unanimous consent, to accept the intent language as shown...

INTENT LANGUAGE: FY 2019 — Division for Career and Technical Education, Appropriation Intent Language

SECTION 3. LEGISLATIVE INTENT. In addition to the appropriation made in Section 1, Chapter 310, Laws of 2017, and any other appropriation provided for by law, there is hereby directed that an amount not to exceed \$598,900, appropriated for Fiscal Year 2018 for the purpose of establishing a dental hygiene program at the College of Western Idaho, be re-purposed to support a practical nursing program at the College of Western Idaho.

SECTION 4. LEGISLATIVE INTENT. An emergency existing therefor, which emergency is hereby declared to exist, the provisions of Section 3 of this act shall be in full force and effect on and after passage and approval.

SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature that the cash balance of the Seminars and Publication Fund (0401-00), not to exceed \$90,900, be transferred to the Division of Human Resources Fund (0475-12) within the Division of Human Resources.

CARRIED: **Original Motion**
State Board of Education

Moved by **Horman** seconded by, **Ward-Engelking** move for the Office of the State Board of Education, beginning with the FY 2019 base, a reduction of \$39,300 for benefit costs, an increase of \$4,000 for inflationary adjustments, an increase of \$14,400 for replacement items, a decrease of \$45,200 for statewide cost allocation, and an increase of \$79,200 for change in employee compensation. Also included are following line items: add \$11,000 for IT/Telecommunications as requested in line item 1; add \$125,000 for Accreditation for Psychology Internships as requested in line item 2; add \$80,000 for the Graduate Medical Education Council in line item 3; add \$250,000 for a Systems Integration Consultant as described in line item 4; add 3.00 FTP and \$413,800 for the Transfer of Career Information System (CIS) to the Board of Education in line item 5; and add \$6,125,000 for the annual lease payments from the Idaho National Laboratory in line item 7. The totals for this motion for FY 2019 are 34.25 FTP, \$6,374,900 from the General Fund, \$6,846,200 from dedicated funds, and \$2,740,100 from federal funds for a grand total of \$15,961,200

Ayes: 19

Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King

Nay: 0

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

DISCUSSION:

Representative Horman discussed line items #1 IT/Telecommunications, line item #4 Systems Integration Consultant, line item #5 Transfer CIS to Board of Education, line item #7 Idaho National Laboratory (INL) lease payments.

Senator Lee declared Rule 38–H potential conflict, she works for a community college that is registered as a private not for profit school under the office of the State Board of Education.

**UNANIMOUS
CONSENT:**

On request by **Representative Horman**, granted by unanimous consent, to accept the standard intent language as shown...

**INTENT
LANGUAGE:**

FY 2019 — Office of the State Board of Education, Standard Intent Language SECTION 3. LEGISLATIVE INTENT. There is hereby appropriated to the Office of the State Board of Education any unexpended and unencumbered balance of moneys in the Federal Grant Fund as appropriated or reappropriated for fiscal year 2018, to be used for nonrecurring expenditures, for the period July 1, 2018, through June 30, 2019.

SECTION 4. LEGISLATIVE INTENT. There is hereby reappropriated to the Office of the State Board of Education any unexpended and unencumbered balance of moneys in the Public Charter School Authorizers Fund as appropriated or reappropriated for fiscal year 2018, to be used for nonrecurring expenditures, for the period July 1, 2018, through June 30, 2019.

**UNANIMOUS
CONSENT:**

On request by **Representative Horman**, granted by unanimous consent, to accept the non-standard intent language as shown...

**INTENT
LANGUAGE:**

FY 2019 — Office of the State Board of Education, Non-Standard Intent Language

SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature that the President of State Board of Education shall provide a written report to the Joint Finance- Appropriations Committee, the Senate Education Committee, and the House Education Committee on the utilization of dual credit by students in Idaho high schools. The Board shall provide a history for the state funding for dual credit enrollment, data regarding the short-term achievement of students engaged in dual credit enrollment, and the costs incurred by institutions of higher education providing dual credits with the opportunity for input from said institutions. Reporting to the Legislature should occur no later than February 1, 2019 and shall be formatted in such a manner that allows consistent comparison across all institutions.

SECTION 6. LEGISLATIVE INTENT. The State Board of Education shall provide an annual update to the Joint Finance and Appropriations Committee of all sublease rent payments made and any amount due and outstanding related to Senate Concurrent Resolution No. 105 (2017).

**AGENCY
PRESENTATION:**

Office of the Governor

CARRIED:

Original Motion
STEM Action Center

Moved by **Mortimer**, seconded by **Ward-Engelking**, moved for the STEM Action Center, beginning with the FY 2019 base, a reduction of \$5,600 for benefit costs, an increase of \$1,200 for statewide cost allocation, and an increase of \$10,200 for change in employee compensation. Also included are the following line items: add 1.00 FTP and \$85,100 for a financial officer position as recommended in line item 1; add 1.00 FTP for a senior research analyst as discussed in line item 2; and \$1,800 for IT/Telecommunications as recommended in line item 4. The totals for this motion for FY 2019 are 6.00 FTP, \$2,575,900 from the General Fund and \$2,100,700 from dedicated funds for a grand total of \$4,676,600.

Ayes: 18

Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King,

Nay: 1

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

CARRIED:

Original Motion

STEM Action Center

Moved by **Mortimer**, seconded by **Horman**, for the appropriation and transfer of \$2,000,000 from the General Fund to the STEM Education Fund for fiscal year 2019 as requested in line item 3.

Ayes: 18

Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell Youngblood, Miller, Burtenshaw, Horman, Patano (Malek), Anderson, Dixon, and King

Nay: 1

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

DISCUSSION:

Senator Mortimer stated that the third line item provides \$2,000,000 onetime from the General Fund to the STEM Education Fund for the Computer Science Initiative as recommended by the governor.

CARRIED:

Original Motion

Office of Energy and Mineral Resources

Moved by **Ward-Engelking**, seconded by **King**, move for the Office of Energy and Mineral Resources, beginning with the FY 2019 base, a reduction of \$11,300 for benefit costs, an increase of \$6,400 for replacement items, a reduction of \$4,900 for statewide cost allocation, and an increase of \$21,300 for change in employee compensation. The totals for this motion for FY 2019 are 8.00 FTP, \$893,100 from dedicated funds, and \$415,600 from federal funds for a grand total of \$1,308,700.

Ayes: 19

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

Nay: 0

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

DISCUSSION:

Senator Ward-Engelking stated the \$4,000 difference between the agency request and Governor's recommendation for statewide cost allocation is due to a decrease in fees for legislative audits, which were billed after the September 01, 2017 budget deadline.

**AGENCY
PRESENTATION:**

Public Utilities Commission

CARRIED:

Original Motion

Moved by **Dixon**, seconded by **Martin**, move for the Public Utilities Commission, beginning with the FY 2019 base, a reduction of \$70,800 for benefit costs, an increase of \$9,800 for inflationary adjustments, an increase of \$91,900 for replacements items, an increase of \$49,700 for statewide cost allocation, and an increase of \$109,300 for change in employee compensation. Also included is one line item: \$11,400 as recommended for the CEC for Commissioners. The totals for this motion for FY 2019 are 52.00 FTP, \$6,356,700 from dedicated funds, and \$325,900 from federal funds, for a grand total of \$6,682,600.

Ayes: 19

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

Nay: 0

Ab/Ex: 1

Representative Wintrow

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 ordered by **Chairman Bell**.

**UNANIMOUS
CONSENT:**

On request by **Representative Dixon**, granted by unanimous consent to introduce, as a separate section of the Public Utilities Commission's FY 2019 original appropriation bill, amendments to Section 61-215, Idaho Code, as reflected on the screen, to increase the salaries of the Public Utilities Commissioners, with a do-pass recommendation.

ADJOURN:

There being no further business to come before the Committee, **Chairman Bell** adjourned the Committee at 8:36 a.m.

Representative Bell
Chair

Donna Warnock
Secretary