

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 23, 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, Anderson, Dixon, King, Wintrow

ABSENT/EXCUSED: None

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

UNANIMOUS CONSENT: On request by **Representative Horman**, granted by unanimous consent to reopen the fiscal year 2019 budget for the Division of Central Services in the Public School Support Program.

CARRIED: Original Motion
Public School Support — Division of Central Services
Moved by **Horman**, seconded by **Mortimer**, to clarify that of the \$1,341,500 appropriated from the General Fund for the Division of Central Services for the FY 2019 Public School Support Program, for student achievement assessments in line item #9, \$500,000 shall be ongoing and \$841,500 shall be onetime.
Ayes: 19
Keough, Bair, Mortimer, Martin, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King, Wintrow
Nays: 0
Ab/Ex: 1 — Senator Souza
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 **Senator Ward-Engelking**, granted by unanimous consent, to reopen the fiscal year 2019 budget for the Commission on Hispanic Affairs.

CARRIED: Amended Motion
Budget Corrections
Commission on Hispanic Affairs
Moved by **Ward-Engelking**, seconded by **Miller**, for the Commission on Hispanic Affairs for fiscal year 2019 an increase of \$100 from the Federal Grant Fund for the Fund Shift and Reduction in line item #3.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

CARRIED:

Original Motion

State Board of Education

Idaho Public Television

Moved by **Mortimer**, seconded by **Horman**, for Idaho Public Television, beginning with the FY 2019 Base, a reduction of \$85,300 for benefit costs, an increase of \$921,300 for replacement items, a decrease of \$5,100 for statewide cost allocation, and an increase of \$111,500 for change in employee compensation. Also included are the following line items: Line item #2 for 1.00 FTP and \$76,500 for an additional FCC engineer. Line item #4 for \$74,100 for an Office of Special Educational Rehabilitation Service Grant. Line item #5 for 1.00 FTP and \$125,000 for the Idaho Experience Grant. Line item #6 for 1.00 FTP for the American Graduate Grant. The totals for this motion for FY 2019 are 68.48 FTP, \$2,585,300 from the General Fund, \$6,522,900 from dedicated funds, and \$340,400 from federal funds for a grand total of \$9,448,600.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

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**.

CARRIED:

Self-Governing Agencies

Commission for Libraries

Moved by **Martin**, seconded by **Mortimer**, for the Commission for Libraries, beginning with the FY 2019 Base, a reduction of \$53,600 for benefit costs, an increase of \$19,200 for replacement items, an increase of \$600 for statewide cost allocation, and an increase of \$64,100 for the change in employee compensation. Also included are two line items. Line item #1 for \$200,000 onetime from the General Fund for the Talking Book Service. Line item #3 for \$9,500 for IT/telecommunications upgrades. The totals for this motion for FY 2019 are 37.50 FTP, \$4,193,000 from the General Fund, \$70,000 from dedicated funds, and \$1,637,700 from federal funds for a grand total of \$5,900,700.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

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 **Senator Martin**, granted by unanimous consent, to include the following section of intent language for the Commission for Libraries for FY 2019:

**INTENT
LANGUAGE:**

SECTION 3. TALKING BOOK SERVICE COSTS. Of the amount appropriated in Section 1 of this act, \$200,000 from the General Fund, or so much therefore as is necessary, shall be used solely to pay personnel costs and operating expenditures of the Talking Book Service in the event that the Library Services and Technology Act grant funding is eliminated. Any remaining unexpended and unencumbered amounts not used shall revert to the General Fund.

CARRIED:

Original Motion

State Independent Living Council

Moved by **Wintrow**, seconded by **Martin**, for the State Independent Living Council, beginning with the FY 2019 Base, a reduction of \$5,600 for benefit costs, an increase of \$700 for inflationary adjustments, and an increase of \$9,400 for change in employee compensation. Also included are two line items. Line item #1 for \$6,600 for a Title VII grant administrative fee. Line item #2 for \$1,300 for IT/telecommunications upgrades. The totals for this motion for FY 2019 are 4.00 FTP, \$223,700 from the General Fund, \$356,400 from dedicated funds, and \$117,700 from federal funds for a grand total of \$697,800.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

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**.

DISCUSSION:

Representative Wintrow stated this is recommended by the Governor and is a maintenance budget.

CARRIED:

Original Motion

Department of Health and Welfare

Mental Health Services

Moved by **Lee**, seconded by **Malek**, move for the Department of Health and Welfare, Division of Mental Health Services, beginning with the FY 2019 Base, reduce \$408,900 for benefit costs, reduce \$17,500 for statewide cost allocation, and add \$603,800 for the change in employee compensation. Also included are the following line items: \$2,567,500 for partial funding on the remaining three community crisis centers as recommended in line item 2; and reduce \$681,600 for the Jeff D lawsuit settlement implementation as explained in line item 7, with the dedicated funding being appropriated from the Technology Infrastructure Stabilization Fund. The totals for this motion for FY 2019 are 308.23 FTP, \$42,072,200 from the General Fund,

\$876,600 from dedicated funds, and \$10,188,500 from federal funds for a grand total of \$53,137,300.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

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 **Senator Lee**, granted by unanimous consent, to accept the intent language as shown...

**INTENT
LANGUAGE:**

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 expense class shall not be transferred to any other expense classes during fiscal year 2019. PROGRAM INTEGRITY. Notwithstanding any other provision of law to the contrary, it is 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.

CARRIED:

Original Motion

Department of Health and Welfare

Psychiatric Hospitalization

Moved by **Wintrow**, seconded by **Agenbroad**, move for the Department of Health and Welfare for the Psychiatric Hospitalization Division, beginning with the FY 2019 Base, reduce \$520,800 for benefit costs; add \$124,000 for inflationary adjustments; add \$608,200 for replacement items, which are to be determined by the hospital administrators; reduce \$27,400 for statewide cost allocation; add \$45,200 for annualizations; add \$757,400 for the change in employee compensation; shift \$7,600 from federal funds to the General Fund for nondiscretionary adjustments related to the changes in the FMAP; and shift \$375,500 from the General Fund to the dedicated endowment funds. Also included is line item 57 to reduce \$295,700 as recommended by the Governor, for funds that were added in FY 2018 for contractual beds at the Idaho Department of Correction. The totals for this motion for FY 2019 are 392.35 FTP, \$23,054,700 from the General Fund, \$11,010,800 from dedicated funds, and \$4,684,700 from federal funds for a grand total of \$38,750,200.

Ayes: 19

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

Nayes: 0

Ab/Ex: 1 — Senator Souza

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**.

DISCUSSION:

Representative Wintrow stated this motion includes all JFAC adjusted items, provides funding for inflationary adjustments and replacement items with funding amounts as recommended by the Governor, but with project discretion given to the hospital administrators. Finally, this motion includes the Governor's recommendation to move \$295,700 from this budget to the Department of Correction's budget. Funding for line item 18 regarding the pay increases for the two hospital medical directors, will be considered upon passage of H431, which is currently in the Senate Commerce and Human Resources Committee. The bill passed the House 53-17-0 on 02/14/2018.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

Health and Welfare Requests the Following Budget Law Exemption SECTION . Notwithstanding the provisions of Section 67-3511(2), Idaho Code, funding may be transferred into the Community Hospitalization budget in excess of ten percent (10%) of the appropriation from within the Department of Health and Welfare.

CARRIED:

Original Motion

Department of Health and Welfare

Substance Abuse Treatment and Prevention

Moved by **Agenbroad**, seconded by **King**, move for the Department of Health Welfare for the Substance Abuse Treatment and Prevention Program, beginning with the FY 2019 Base, reduce \$21,900 for benefit costs, and add \$31,500 for the change in employee compensation. Also included are the following line items: add \$256,000 for provider rate increases as requested in line item 14; add \$1,955,000 onetime for the opioid crisis grant as explained in line item 29; and add \$160,000 from the Idaho Millennium Income Fund for tobacco permit fees for the purpose outlined in line item 52. The totals for this motion for FY 2019 are 16.00 FTP, \$2,733,200 from the General Fund, \$1,341,100 from dedicated funds, and \$13,132,000 from federal funds for a grand total of \$17,206,300.

Ayes: 18

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

Nayes: 0

Ab/Ex: 2 — Senator Souza and Representative Youngblood

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**.

DISCUSSION: **Senator Agenbroad** stated this motion includes all JFAC adjusted items and provides funding for all requested line items with two modifications. The first modification relates to the opioid crisis grant and provides a onetime appropriation instead of the requested ongoing, since the grant will end during FY 2019. The second modification is for the tobacco permit fees. The policy bill failed in committee and as a result, a funding shortfall was not filled and this motion provides that funding from the Millennium Income Fund, which aligns with how this program has been partially funded since 2003.

CARRIED: **Catastrophic Health Care Program (CAT)**
Moved by **Bair**, seconded by **King**, move for the Catastrophic Health Care Program, beginning with the FY 2018 estimated expenditures, reduce \$7,999,500 from the FY 2019 base, then reduce \$300 for statewide cost allocation. The totals for this motion for FY 2019 are \$9,999,700 from the General Fund.

Ayes: 18

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

Nays: 0

Ab/Ex: 3 — Senator Souza and Representative Youngblood

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**.

DISCUSSION: **Senator Bair** stated historically this is an agency that has needed to be adjusted either up or down with supplementals.

ADJOURN: There being no further business to come before the Committee, **Chairman Bell** adjourned the Committee at 8:54 a.m.

Representative Bell
Chair

Donna Warnock
Secretary