

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, March 07, 2018

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Lee, Agenbroad, Crabtree, Ward-Engelking, and Nye

Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, and King

ABSENT/ EXCUSED: Senator Souza and Representative Wintrow

LSO STAFF PRESENT: Christine Otto, Maggie Smith, and Jill Randolph

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

CARRIED: **Original Motion**
Transportation Services

Moved by **Dixon**, seconded by **Crabtree** for the Idaho Transportation Department, in the Transportation Services Division, beginning with the FY 2019 Base, a reduction of \$256,000 for benefit costs, an increase of \$1,417,200 in replacement items, an increase of \$61,100 for statewide cost allocation, and an increase of \$461,000 for change in employee compensation. Also included are the following line items: line item 7 includes \$200,000 for an increase to the Idaho Airport Aid Program; line item 8 includes \$210,000 to replace the maintenance shop at the Smiley Creek Airport; line item 10 includes \$1,225,000 for a Target Operating Model for Technology; line item 11 includes \$310,000 for the Configuration Management Database; line item 12 includes \$350,000 for an increase in federal funding; and line item 14 includes \$2,000,000 from which \$525,000 will come from the State Aeronautics Fund and \$1,475,000 will come from the State Highway Fund for the purchase of a replacement aircraft. The totals for this motion for FY 2019 are 209.00 FTP, \$35,714,300 from dedicated funds, and \$1,735,700 from federal funds for a grand total of \$37,450,000.

DISCUSSION: **Representative Dixon** stated this motion includes all JFAC adjusted items and adds \$1,417,200 in replacement items. Additionally, this motion adds six line items. Line item 14, for a replacement aircraft, is being funded with \$525,000 from the State Aeronautics Fund and \$1,475,000 is being transferred onetime from the Highway Operations Division. Line item 8 only includes funding for the Smiley Creek Airport. Funding for a new District 4 building was not included. All other line items are funded as requested. This motion has an overall increase of 0.2%.

Ayes: 18
Keough, Bair, Mortimer, Martin, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King

Nays: 0

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

**UNANIMOUS
CONSENT:**

On request by **Representative Dixon**, granted by unanimous consent, that the legislative intent language, as follows, regarding re-appropriation be accepted as part of the FY 2019 appropriation bill for the Idaho Transportation Department.

**INTENT
LANGUAGE:**

Intent Language for Idaho Airport Aid
SECTION_. RE-APPROPRIATION AUTHORITY FOR AIRPORT DEVELOPMENT GRANTS. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances to the Idaho Transportation Department from State Aeronautics Fund as trustee and benefit payments for Airport Development Grants for fiscal year 2018 to be used for nonrecurring expenditures related to Airport Development Grants for the period July 1, 2018, through June 30, 2019.

CARRIED:

Original Motion
Motor Vehicles

Moved by **Crabtree**, seconded by **Dixon**, for the Idaho Transportation Department, Motor Vehicles Division, beginning with the FY 2019 Base, a reduction of \$308,800 for benefit costs, an increase of \$625,400 in replacement items, an increase of \$7,300 for statewide cost allocation, and an increase of \$362,900 for change in employee compensation. Also included are the following line items: line item 4 includes \$250,000 for a DMV VoIP System upgrade; line item 5 includes \$203,500 for DMV County Equipment; and line item 6 includes \$28,300 for software for the DMV computers. The totals for this motion for FY 2019 are 237.00 FTP, \$34,000,500 from dedicated funds, and \$3,600,000 from federal funds, for a grand total of \$37,600,500.

Ayes: 18

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

Nays: 0

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

CARRIED:

Original Motion
Highway Operations

Moved by **Youngblood**, seconded by **Crabtree** for the Idaho Transportation Department, in the Highway Operations Division, beginning with the FY 2019 Base, a reduction of \$1,519,200 for benefit costs, an increase of \$19,031,100 in replacement items; a reduction of \$233,400 for statewide cost allocation, and an increase of \$2,445,300 for change in employee compensation. Also included are the following line items: line item 2 includes \$500,000 for behavioral safety funding; line item 3 includes \$744,200 for highway operation equipment; line item 9 includes \$2,350,000 for the purchase of a new TAMS system; line item 13 includes \$526,100 for a FAST Act increase; and add a line item to reduce \$1,475,000 of excess personnel costs, onetime, from the State Highway Fund. The totals for this motion for FY 2019 are 1,202.00 FTP, \$158,810,100 from dedicated funds, and \$35,356,400 from federal funds for a grand total of \$194,166,500

DISCUSSION: **Representative Youngblood** stated line item 15 temporarily reduces the appropriation for excess personnel costs in the Highway Operation Division by transferring the appropriation to the Transportation Services Division to replace an aircraft.

Ayes: 18

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

Nays: 0

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

CARRIED: **Original Motion**
Contract Construction and Right-of-Way Acquisition

Moved by **Dixon**, seconded by **Crabtree** for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Division, beginning with the FY 2019 Base, the addition of line item 1 to include an increase of \$46,731,500 for excess revenue and receipts. The totals for this motion for FY 2019 are \$154,425,500 from dedicated funds, and \$277,172,100 from federal funds, for a grand total of \$431,597,600.

DISCUSSION: **Representative Dixon** stated this line item is for spending authority from excess funds derived from fuel taxes and registrations.

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 **Representative Dixon**, granted by unanimous consent, that the legislative intent language, as follows, be accepted as part of the FY 2019 appropriation bill for the Idaho Transportation Department.

INTENT LANGUAGE: SECTION_. RE-APPROPRIATION AUTHORITY. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances appropriated or reappropriated to the Idaho Transportation Department from the State Highway Fund, Strategic Initiatives Program Fund, and the Transportation Expansion and Congestion Mitigation Fund for the Contract Construction and Right-of-Way Acquisition Division for fiscal year 2018 to be used for nonrecurring expenditures for the Contract Construction and Right-of-Way Acquisition Division for the period July 1, 2018, through June 30, 2019. SECTION_. CONTINUOUSLY APPROPRIATED MONEYS. It is the intent of the Legislature that all moneys transferred to the Local Bridge Inspection Fund and to the Railroad Grade Crossing Protection Fund, as provided in Section 63-2412, Idaho Code, are hereby continuously appropriated to the Idaho Transportation Department for the stated purpose of those funds. SECTION_. GATEWAY VISITOR CENTERS TRANSFER. There is hereby appropriated and the State Controller shall transfer \$25,000 from the State Highway Fund within the Idaho Transportation Department to the Tourism and Promotion Fund within the Department of Commerce on July 1, 2018, or as soon thereafter as practicable, for the period July 1, 2018, through June 30, 2019, for the purpose of providing the matching fund support for the Gateway Visitor Centers. SECTION_. BOND PAYMENT AUTHORIZATION. The federal GARVEE bond payment for fiscal year 2019 is approximately \$52,500,000. It is

hereby appropriated and the Idaho Transportation Board is hereby authorized to transfer up to \$4,800,000 from within the State Highway Fund to the GARVEE Debt Service Fund to pay the state match as required for federal funds committed to pay the annual scheduled debt service for fiscal year 2019.

CARRIED:

Original Motion
Public Employee Retirement System (PERSI)

Moved by **Anderson**, seconded by **Burtenshaw** for the Public Employee Retirement System, beginning with the FY 2019 Base, a reduction of \$93,700 for benefit costs, an increase of \$317,700 for replacement items, an increase of \$38,900 for statewide cost allocation, and an increase of \$130,300 for change in employee compensation. Also included is one line item: 1.00 FTP and \$76,300 to hire a Purchasing Agent. The totals for this motion for FY 2019 are 68.00 FTP, and \$8,111,700 from dedicated funds.

Ayes: 18

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

Nays: 0

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

**UNANIMOUS
CONSENT:**

On request by **Representative Anderson**, granted by unanimous consent, to include the intent language as follows.

**INTENT
LANGUAGE:**

SECTION __. CONTINUOUS APPROPRIATION. Notwithstanding Section 59-1311(4)(d), Idaho Code, moneys appropriated in Section 1 of this act for the Portfolio Investment Program are for administrative costs of the Portfolio Investment Program as provided in Section 59-1311(3), Idaho Code. Amounts necessary to pay all other investment expenses related to the Portfolio Investment Program are perpetually appropriated to the Public Employee System Board as provided in Section 59-1311(4)(a), (b) and (c), Idaho Code.

CARRIED:

Original Motion
State Controller

Moved by **Anderson**, seconded by **Crabtree** for the State Controller, beginning with the FY 2019 Base, a reduction of \$135,400 for benefit costs, an increase of \$60,300 for replacement items, an increase of \$6,400 for statewide cost allocation, an increase of \$1,000 for a salary annualization for the State Controller, and an increase of \$213,200 for change in employee compensation. Also included is one line item: \$3,000,000 to Redistribute Computer Service Center Costs. The totals for this motion for FY 2019 are 95.00 FTP, \$10,945,000 from the General Fund, and \$7,866,500 from dedicated funds, for a grand total of \$18,811,500.

DISCUSSION:

Senator Mortimer stated he has concerns about the \$3,000,000 in line item 1. He realizes the position the committee is in and the lack of “customers” in the controller’s office is an ongoing cost that is created. Senator Mortimer continued, he is hopeful this is short lived and knows the department is working on a new computer system. He continued the \$3,000,000 needs to be reduced in the near future and there are significant discussions within the next twelve months to figure out how to reduce the ongoing expense.

Ayes: 17

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

Nays: 0

Ab/Ex: 3 — Senator Souza and Representative Wintrow and Representative 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**.

**UNANIMOUS
CONSENT:**

On request by **Representative Anderson**, granted by unanimous consent to include the intent language as follows.

**INTENT
LANGUAGE:**

SECTION __. INDIRECT COST RECOVERY. The moneys assessed by the Division of Financial Management in accordance with Section 67-3531, Idaho Code, for State Controller services shall be placed in the Indirect Cost Recovery Fund. SECTION __. DEDICATED FUND RE-APPROPRIATION AUTHORITY. There is hereby reappropriated to the State Controller any unexpended and unencumbered balances appropriated or reappropriated to the State Controller for the Computer Service Center Program for fiscal year 2018, to be used for nonrecurring expenditures in that program for the period July 1, 2018, through June 30, 2019.

MOTION:

Original Motion
State Liquor Division

Moved by **Agenbroad**, seconded by **King** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; 4.00 FTP and \$738,100 for Two New Liquor Stores for Line Item #2; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9; and \$12,800 to Add Sunday Hours of Operation to Three Stores for Line Item #10. The totals for this motion for FY 2019 are 229.00 FTP, and \$21,423,700 from dedicated funds.

DISCUSSION:

Senator Agenbroad spoke specifically about the two new liquor stores. He continued the state has responsibly managed the consumption in Idaho, evidence being well below the national average and have not saturated the market with stores. Store numbers have not increased since 2008 and because increased population the agency would like to open two new stores. The two new stores are expected to provide 100% return in the first two years and the stores are funded by dedicated funds.

Representative King stated liquor distributions come back to the state, county and cities.

**SUBSTITUTE
MOTION:**

Substitute Motion
State Liquor Division

Moved by **Martin**, seconded by **Mortimer** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9; The totals for this motion for FY 2019 are 225.00 FTP, and \$20,672,800 from dedicated funds.

DISCUSSION: **Senator Martin** stated there are approximately 40 liquor stores in the Treasure Valley and 20 in the greater Boise metro area. He continued that he supports the move, remodel or expansion of stores, but does not support the two new stores or the additional hours on Sunday.

CARRIED: **Vote on Substitute Motion**

Ayes: 10

Bair, Mortimer, Martin, Lee, Bell, Miller, Burtenshaw, Horman, Anderson, Malek
Nays: 8— Keough, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Dixon, King

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

Representative Malek requested a recess, **Co-chairman Keough** stated there are rules regarding reconsideration and an opportunity to do that according to the JFAC rules. Co-chairman Keough read rule #12 as follows: Reconsideration: Any member of the Joint Committee may move to reopen a budget previously established by the Joint Committee prior to the time an appropriation measure has been finally acted upon by the houses into which it is originally introduced, and any member may likewise move to reopen consideration of an appropriation request for which funding has been denied. A two-thirds affirmative roll call vote of the quorum present is necessary to reopen.

CARRIED: **Original Motion**

Reopen Liquor Division Budget

Moved by **Malek**, seconded by **Dixon** to reopen the Liquor Division Budget for FY 2019.

Ayes: 12

Keough, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Miller, Horman, Malek, Dixon, King

Nays: 6

Martin, Bair, Mortimer, Bell, Burtenshaw, Anderson,

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

**ORIGINAL
MOTION:**

**Original Motion
State Liquor Division**

Moved by **Agenbroad**, seconded by **King** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; 4.00 FTP and \$738,100 for Two New Liquor Stores for Line Item #2; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9; and \$12,800 to Add Sunday Hours of Operation to Three Stores for Line Item #10. The totals for this motion for FY 2019 are 229.00 FTP, and \$21,423,700 from dedicated funds.

**SUBSTITUTE
MOTION:**

**Substitute Motion
State Liquor Division**

Moved by **Martin**, seconded by **Mortimer** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9; The totals for this motion for FY 2019 are 225.00 FTP, and \$20,672,800 from dedicated funds.

FAILED:

Vote on Substitute Motion

Ayes: 9

Martin, Bair, Mortimer, Lee, Bell, Miller, Horman, Burtenshaw, Anderson

Nays: 9

Keough, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Malek, Dixon, King

Ab/Ex: 2 — Senator Souza and Representative Wintrow

FAILED:

Vote on Original Motion

Ayes: 8

Keough, Agenbroad, Crabtree, Youngblood, Malek, Dixon, King

Nays: 10

Martin, Bair, Mortimer, Lee, Nye, Bell, Miller, Horman, Burtenshaw, Anderson

Ab/Ex: 2 — Senator Souza and Representative Wintrow

**ORIGINAL
MOTION:**

**Original Motion
State Liquor Division**

Moved by **Keough**, seconded by **Dixon** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; 4.00 FTP and \$738,100 for Two New Liquor Stores for Line Item #2; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9. The totals for this motion for FY 2019 are 229.00 FTP, and \$21,410,900 from dedicated funds.

SUBSTITUTE MOTION:

Substitute Motion
State Liquor Division

Moved by **Mortimer**, seconded by **Horman** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9; and \$12,800 to Add Sunday Hours of Operation to Three Stores for Line Item #10. The totals for this motion for FY 2019 are 225.00 FTP, and \$20,685,600 from dedicated funds.

AMENDED SUBSTITUTE MOTION:

Amended Substitute Motion
State Liquor Division

Moved by **Anderson**, seconded by **Miller** for the State Liquor Division, beginning with the FY 2019 Base, a reduction of \$332,600 for benefit costs, an increase of \$117,400 for inflationary adjustments, an increase of \$276,700 for replacement items, an increase of \$6,400 for statewide cost allocation, and an increase of \$272,600 for change in employee compensation. Also included are the following line items: \$525,800 to Relocate or Remodel Seven Stores for Line Item #1; 2.00 FTP and \$369,100 for One New Liquor Store for Line Item #2; \$138,100 for Additional Labor for Liquor Stores for Line Item #3; \$24,000 for Warehouse Improvements for Line Item #4; 1.00 FTP and \$131,100 to Restore a Deputy Director Position for Line Item #5; \$6,000 for Online Training Resources for Line Item #6; \$36,000 for Furnishings for Newly Built Office Space for Line Item #7; \$99,800 for Software Enhancements for Line Item #8; \$64,600 for Warehouse Career Ladder Restructuring for Line Item #9. The totals for this motion for FY 2019 are 227.00 FTP, and \$21,041,900 from dedicated funds.

FAILED: **Vote on Amended Substitute Motion**
Ayes: 9
Keough, Lee, Agenbroad, Ward-Engelking, Bell, Miller, Burtenshaw, Anderson, Dixon
Nays: 9
Martin, Bair, Mortimer, Crabtree, Nye, Youngblood, Horman, Malek, King
Ab/Ex: 2 — Senator Souza and Representative Wintrow

FAILED: **Vote on Substitute Motion**
Ayes: 4
Bair, Mortimer, Lee, Horman
Nays: 14
Keough, Martin, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Miller, Malek, Burtenshaw, Anderson, Dixon, King
Ab/Ex: 2 — Senator Souza and Representative Wintrow

CARRIED: **Vote on Original Motion**
Ayes: 11
Keough, Agenbroad, Crabtree, Ward-Engelking, Nye, Bell, Youngblood, Malek, Burtenshaw, Dixon, King
Nays: 7
Martin, Bair, Mortimer, Lee, Miller, Horman, Anderson
Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

CARRIED: **Original Motion**
State Board of Education
Division of Vocational Rehabilitation

Moved by **King**, seconded by **Ward-Engelking** for the Division of Vocational Rehabilitation beginning with the FY 2019 Base, a reduction of \$217,400 for benefit costs, an increase of \$14,500 for inflationary adjustments, an increase of \$103,900 for replacement items, an increase of \$9,900 for statewide cost allocation, and an increase of \$271,100 for change in employee compensation. Also included are two line items. Line item #1 is for 0.50 FTP and \$48,700 for a community outreach coordinator for the Council for the Deaf and Hard of Hearing. Line item #2 is for 1.00 FTP and \$61,500 for a social security reimbursement coordinator for the Vocational Rehabilitation program. The totals for this motion for FY 2019 are 154.00 FTP, \$8,648,300 from the General Fund, \$2,112,600 from dedicated funds, and \$17,545,200 from federal funds for a grand total of \$28,306,100.

DISCUSSION: **Representative King** stated the Community Outreach Coordinator has been requested for about three years in a row and she asked the coordinator what he did that would support the half-of-person. Representative King explained that the coordinator does ongoing need assessment, data gathering, data analysis for the Council of the Deaf and Hard of Hearing, reviews regulations and legislation, develops, monitors and evaluates programs sponsored by the council. She continued that the replacement items were cut down and the social security reimbursement is to capture the federal funds. **Representative Anderson** asked if the coordinator had been cut to half why was the budget not cut, Representative King responded there were still office items and lease space needed.

Ayes: 18

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

Nays: 0

Ab/Ex: 2 — Senator Souza and 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 so ordered by **Chairman Bell**.

**UNANIMOUS
CONSENT:**

On request by **Representative King**, granted by unanimous consent, to include the intent language as follows.

**INTENT
LANGUAGE:**

DIVISION OF VOCATIONAL REHABILITATION FOR FISCAL YEAR 2019
SECTION 3. P R O G R A M A N D O B J E C T T R A N S F E R S.

Notwithstanding the provisions of Section 67-3511, Idaho Code, of the amount appropriated in Section 1 of this act, funding provided for trustee and benefit payments in the Extended Employment Services Program shall not be transferred to any other budgeted program or expense class during fiscal year 2019. SECTION 4. P R O V I D E R R E V I E W A N D R E C O M M E N D A T I O N S.

It is the intent of the Legislature that the division administrator of the Division of Vocational Rehabilitation shall work with community rehabilitation providers to understand the impact that the level of fee for services set by the administrator has on the providers' ability to recruit and retain qualified workers who can deliver services in a safe and effective manner, and that the administrator shall report back to the Joint Finance-Appropriations Committee during the 2019 legislative session on the results of the review and any recommendations. SECTION 5. R E A P P R O P R I A T I O N . There is hereby reappropriated to the Division of Vocational Rehabilitation any unexpended and unencumbered balances appropriated to the Extended Employment Services in trustee and benefit payments for fiscal year 2018, in an amount not to exceed \$80,000 from the General Fund, to be used for a one-year rate increase to community rehabilitation providers for the period July 1, 2018, through June 30, 2019.

ADJOURN:

There being no further business to come before the Committee, **Chairman Bell** adjourned the Committee at 9:21 a.m.

Representative Bell
Chair

Donna Warnock
Secretary