

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 09, 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 Hale(Wintrow)

**ABSENT/
EXCUSED:** None

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

CARRIED: **Original Motion**
Secretary of State
Reconsideration of FY 2019 Appropriation

Moved by **Anderson**, seconded by **Keough** to reopen the FY 2019 budget for the Secretary of State.

Ayes: 19

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

Nays: 0

Ab/Ex: 1 — 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**.

CARRIED: **Original Motion**
Secretary of State
Additional appropriation to Secretary of State

Moved by **Anderson**, seconded by **Crabtree** for the Secretary of State, in addition to the action taken by JFAC on March 1, 2018, an additional \$1,200,000 onetime be added to the FY 2019 original appropriation from the Technology Infrastructure Stabilization Fund.

DISCUSSION: **Representative Anderson** stated the committee had met with the Secretary of State. Representative Anderson continue it was always the committee's intent to appropriate the \$1.2 million and the question was if the committee could hold off and appropriate the funds next fiscal year through a supplemental appropriation, it appeared there was a conflict with the timing. Representative Anderson continued there was also a \$90,000 request, but the decision was to withhold funding and the cybersecurity position may come up later in the year.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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 accept the following intent language as part of the FY 2019 appropriation bill for the Secretary of State.

**INTENT
LANGUAGE:**

Legislative Intent Language

Section . ELECTIONS SYSTEM UPGRADE. It is the intent of the Legislature that the Secretary of State shall provide the Legislative Services Office with the necessary information on the elections system upgrade to allow the Legislature to make informed decisions regarding the amounts appropriated in Section 1 of this act, and any other future funding requests. Information provided shall address the merit, need, cost, compatibility, and maintenance of the elections system upgrade. Further, periodic updates and reports may be requested by the Legislative Services Office from the Secretary of State to be provided to the Joint Finance-Appropriations Committee.

CARRIED:

Original Motion

Department of Health and Welfare

Indirect Support Services

Moved by **Bair**, seconded by **King** for the Department of Health and Welfare, for Indirect Support Services, beginning with the FY 2019 Base, a reduction of \$379,900 for benefit costs; an increase of \$2,567,600 for replacement items with \$458,000 being appropriated from the Technology Infrastructure Stabilization Fund; an increase of \$588,000 for statewide cost allocation; and an increase of \$675,600 for change in employee compensation. Also included are the following line items: add \$989,400 for the Cisco Enterprise License Agreement as requested in line item 10. Then add \$1,067,400 for the additional State Controller Mainframe Costs as requested in line item 12. Then add 2.00 FTP and \$118,900 for new Criminal History Unit staff as requested in line item 16. Then add 1.00 FTP and \$60,800 for new Medicaid Program Integrity Unit staff as requested in line item 24. Then add 1.00 FTP and \$68,400 for new Fraud Analysis Staff as requested in line item 28. Then add \$700,000 for the Criminal History Unit Grant as explained in line item 50 with the state share being appropriated from the Technology Infrastructure Stabilization Fund. The totals for this motion for FY 2019 are 299.60 FTP, \$19,508,700 from the General Fund, \$4,072,400 from dedicated funds, and \$25,139,100 from federal funds for a grand total of \$48,720,200.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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 Bair**, granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE: **MEDICAID TRACKING REPORT.** The Department of Health and Welfare, Medicaid Division and Indirect Support Services Division, shall deliver on a monthly basis to the Legislative Services Office and the Division of Financial Management a report that compares the Medicaid budget as appropriated, distributed by month for the year, to actual expenditures and remaining forecasted expenditures for the year. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management.

MEDICAID PROGRAM INTEGRITY COLLECTIONS. It is the intent of the Legislature that the Indirect Support Services Division provide reports biannually to the Legislative Services Office and the Division of Financial Management comparing the total costs from all funding sources used for the Medicaid Program Integrity Unit and the collections related to those efforts. The format of the report, and the type of information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The first report is to contain information from July 1, 2018, through December 31, 2018, and shall be submitted no later than January 15, 2019, and the second report shall include information from January 1, 2019, through June 30, 2019, as well as information for the entire year, and shall be submitted by June 30, 2019, or as soon thereafter as practicable.

PROGRAM TRANSFER REPORT. The Department of Health and Welfare, Indirect Support Services Division, shall provide to the Legislative Services Office and the Division of Financial Management three (3) reports, with each report providing information that compares the department budget, as appropriated, to the estimated expenditures of the department for each budget unit to include: transfers of FTP authority between and among budget units; transfers of appropriation, by fund, between and among budget units; and transfers of funds by expense class between and among budget units. The first report shall be submitted no later than December 1, 2018, the second report shall be submitted no later than March 1, 2019, and the third report shall be submitted by June 1, 2019.

VACANCY REPORT. On a monthly basis, the Department of Health and Welfare, Indirect Support Services Division, shall provide to the Legislative Services Office and the Division of Financial Management a staff vacancy report that compares filled positions to authorized positions for each budgeted program. The format of the report, and the type of information contained therein, shall be determined by the Legislative Services Office and the Division of Financial Management.

CARRIED: **Original Motion**
Department of Health and Welfare
Independent Councils

Moved by **Lee**, seconded by **King** for the Department of Health and Welfare, for the Independent Councils, beginning with the FY 2019 Base, a reduction of \$14,000 for benefit costs, and an increase of \$21,900 for change in employee compensation. The totals for this motion for FY 2019 are 10.00 FTP, \$195,700 from the General Fund, \$555,800 from dedicated funds, and \$8,330,500 from federal funds for a grand total of \$9,082,000.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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

**Department of Health and Welfare
Licensing and Certification**

Moved by **Agenbroad**, seconded by **Malek** for the Department of Health and Welfare, Licensing and Certification Division, beginning with the FY 2019 Base, a decrease of \$83,800 for benefit costs, a decrease of \$700 for statewide cost allocation, and an increase of \$145,300 for change in employee compensation. Then add 2.00 FTP and \$171,200 for new assisted living facility surveyors as explained in line item 11. The totals for this motion for FY 2019 are 71.90 FTP, \$1,964,000 from the General Fund, \$818,400 from dedicated funds, and \$4,539,100 from federal funds for a grand total of \$7,321,500.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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 Agenbroad**, granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

REQUIRING BIENNIAL REPORTS ON FACILITY LICENSING AND CERTIFICATION. It is the intent of the Legislature that the Department of Health and Welfare, Licensing and Certification Program, provide biennial reports to the Legislative Services Office and the Division of Financial Management on the status of facility licensing and certifications as well as staff workload and caseload issues. For the past several years, the program has noted staffing issues related to retention, which in turn has created a large backlog of facility inspections and licensures. The format of the report, and the type of information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2018, and the second report shall be submitted no later than June 30, 2019.

CARRIED: **Original Motion**
Department of Health and Welfare
Healthcare Policy Initiatives

Moved by **Souza**, seconded by **King** for the Department of Health and Welfare, for the Healthcare Policy Initiatives Program, beginning with the FY 2019 Base, a reduction of \$10,300 for benefit costs, and an increase of \$17,200 for change in employee compensation. Then add \$5,000,000 for the final year of the SHIP Grant as requested in line item 9. The totals for this motion for FY 2019 are 7.60 FTP, \$251,500 from the General Fund, and \$17,693,900 from federal funds for a grand total of \$17,945,400.

DISCUSSION: **Representative Hale** declared Rule 38.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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 Souza**, granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE: **REPORTING ON IMPLEMENTATION OF THE SHIP GRANT.** On an annual basis, the Healthcare Policy Initiatives Program shall report the status of the State Healthcare Innovation Plan (SHIP) to the Legislative Services Office and the Division of Financial Management. The report shall include comments and suggestions from private insurers, private providers, and other active stakeholders on the process of moving from the current fee-for-service medical model to a capitated model of healthcare delivery. The report shall also include results of any performance metrics required by the grant, in addition to updates on potential solutions for the state of Idaho. This report shall be submitted no later than December 31, 2018.

CARRIED: **Original Motion**
State Treasurer
Idaho Millennium Fund

Moved by **King**, seconded by **Martin** for approval of the intent language for the Idaho Millennium Fund Program for FY 2019.

Ayes: 20

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

Nays: 0

Ab/Ex: 0

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**.

**INTENT
LANGUAGE:**

SECTION 1. Notwithstanding any other provision of law to the contrary, on June 30, 2019, or as soon thereafter as practicable, any remaining unexpended and unencumbered balance of moneys appropriated from the Idaho Millennium Income Fund shall be reverted to the Idaho Millennium Income Fund.

SECTION 2. Notwithstanding any other provision of law to the contrary, there is hereby appropriated on June 30, 2019, or as soon thereafter as practicable, the State Controller, at the request of the State Treasurer, shall transfer any remaining unexpended and unencumbered balance of moneys in the Idaho Millennium Income Fund to the Idaho Millennium Permanent Endowment Fund. Discussion: This motion reflects the recommendation of the Joint Legislative Millennium Fund Committee. The current estimated amount to be transferred to the Endowment Fund is about \$9.1 million.

CARRIED:

Original Motion
Department of Agriculture

Moved by **Burtenshaw**, seconded by **Bair** for the Department of Agriculture, beginning with the FY 2019 Base, a reduction of \$472,300 for benefit costs, an increase of \$1,022,900 for replacement items, an increase of \$44,000 for statewide cost allocation, and an increase of \$530,700 for change in employee compensation. Also included are the following five line items: 1.00 FTP and \$94,800 to hire a lab quality assurance manager. 2.00 FTP and \$260,600 to hire two dairy inspectors. \$26,000 to the Marketing Program to hire temporary staff to promote local food. 3.00 federally funded FTP to hire two inspectors and an administrative assistant as a result of the Food Safety Modernization Act. \$500,000 to build additional office space at the Idaho Food Quality Assurance Laboratory. The totals for this motion for FY 2019 are 217.00 FTP, \$11,846,900 from the General Fund, \$26,631,900 from dedicated funds, and \$6,336,500 from federal funds for a grand total of \$44,815,300.

DISCUSSION:

Representative Burtenshaw stated this was an overall decrease of .3% and **Director Gould** has done a tremendous job looking within her budget and taking care of the shifting needs in agriculture in the state of Idaho. He continued there are 3 FTP that come out of federal funds and there were no requests for additional funds, those funds were found in their budget to take care of those FTP's.

Ayes: 19

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

Nays: 0

Ab/Ex: 1 — Representative Bell

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 **Cochairman Keough**.

**UNANIMOUS
CONSENT:**

On request by **Representative Burtenshaw**, granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

**Standard Intent Language for Idaho State Department of Agriculture (ISDA)
budget:**

SECTION 3. WATERCRAFT INSPECTION PROGRAM. It is the intent of the Legislature that the Idaho State Department of Agriculture (ISDA) maximize the use of the appropriation provided for the Watercraft Inspection Program to minimize the chances of spreading zebra mussels, quagga mussels, and other aquatic invasive species into Idaho waters. The department is encouraged to use roving inspection stations when appropriate and for expanded hours of coverage during holidays when boat transport traffic is likely to increase. It is also encouraged to use extra staffing on busy holiday weekends. The department shall gather data regarding the number of watercraft that are bypassing the stations and shall gather data regarding nighttime transport of watercraft across Idaho's borders. Furthermore, it is the intent of the Legislature that ISDA seek to secure federal funding to further enhance invasive species detection and prevention efforts. The ISDA shall report back to the Joint Finance-Appropriations Committee, the Senate Agricultural Affairs Committee and the House of Representatives Agricultural Affairs Committee, during the 2019 legislative session, the results of the data gathering, securement of federal funds and an operational review of the boat stations.

**ORIGINAL
MOTION:**

**Original Motion
Wolf Depredation Control Board**

Moved by **Crabtree** seconded by **Bair** the Idaho Wolf Depredation Control Board for fiscal year 2019, \$400,000 one-time from the General Fund to be transferred to the Wolf Control Fund Other Moneys Subaccount. There are no positions for this program.

DISCUSSION:

Senator Crabtree stated this money will serve as the state's match to contributions from the livestock industry and sportsmen to control wolves depredating livestock and wildlife. This transfer would bring the estimated total balance available for FY 2019 to \$1,239,200. For FY 2017 the Wolf Depredation Control Board expended \$461,900, funding 121 depredation investigations related to wolf complaints. Of these complaints, the board found 69% involved confirmed wolf depredations while 12% were definitively not caused by wolves and the remainder were either unknown or possible wolf depredations.

**SUBSTITUTE
MOTION:**

Moved by **King**, seconded by **Dixon** to make no general fund transfer to the Wolf Control Fund Other Moneys Subaccount for fiscal year 2019. There are no positions for this program.

DISCUSSION

Representative King stated there is \$744,000 in this fund and about \$400,000 is used during the year. She continued that she would like to see language, which has not passed in the Germane committee, stating they use no lethal methods as well as lethal methods to control the wolves.

FAILED:

Vote on Substitute Motion

Ayes: 2

King and Dixon

Nays: 17

Keough, Martin, Bair, Souza, Lee, Crabtree, Nye, Ward-Engelking, Youngblood, Miller, Horman, Malek Burtenshaw, Anderson, Hale (Wintrow)

Ab/Ex: 1 — Representative Bell

CARRIED: **Vote on Original Motion**
Ayes: 18
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, Hale (Wintrow)
Nays: 1 — King
Ab/Ex: 1 — Representative Bell
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 **Cochairman Keough**.

CARRIED: **Original Motion**
Reopen the FY 2019 budget for the Idaho State Police
Moved by **Burtenshaw**, seconded by **Martin** to reopen the FY 2019 budget for the Idaho Sate Police.
Ayes: 19
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, Hale (Wintrow)
Nays: 0
Ab/Ex: 1 — Representative Bell
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 **Cochairman Keough**.

CARRIED: **Original Motion**
Idaho State Police
Patrol — Watercraft Inspection Stations
Moved by **Burtenshaw**, seconded by **Bair** for fiscal year 2019, for the Idaho State Police, in the Patrol Program, an additional \$394,000 in ongoing personnel costs from the Miscellaneous Revenue Fund.
Ayes: 19
Keough, Martin, Bair, Mortimer, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye, Youngblood, Miller, Horman, Malek, Burtenshaw, Anderson, Dixon, Hale (Wintrow)
Nays: 0
Ab/Ex: 1 — Representative Bell
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 **Cochairman Keough**.

ADJOURN: There being no further business to come before the Committee, Co-chairman **Keough** adjourned the meeting at 8:54 a.m.

Representative Bell
Chair

Donna Warnock
Secretary