

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 18, 2019

TIME: 8:30 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye.
Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

ABSENT/EXCUSED: None

CONVENED: **Co-Chairman Bair** called the Joint Finance and Appropriations Committee (Committee) (JFAC) to order at 8:30 a.m.

AGENCY PRESENTATION: **2020 IDAHO PUBLIC SCHOOL SUPPORT PROGRAM APPROPRIATION (K-12)**

LSO STAFF PRESENTER: **Robyn Lockett, Analyst, Legislative Services Office (LSO)**

Administrators

CARRIED: Original Motion
Moved by **Rep. Horman** for the Administrators Division of the Public School Support Program, beginning with the FY 2020 Base, to include \$498,400 for the increased cost of benefits, \$2,829,100 for a 3% base salary increase for administrators, and \$1,518,300 for nondiscretionary adjustments. The grand total for this motion for FY 2020 is \$98,570,500 from the General Fund, seconded by **Sen. Ward-Engelking**.

DISCUSSION: **Rep. Horman** explained that nondiscretionary adjustments include an enrollment increase based on a projected increase of 254 support units. No line items are included in this motion. This motion results in a 5.2% increase from the General Fund. Intent language accompanies this motion.

AYES: 20
Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT: On request by **Rep. Horman**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Teachers

CARRIED:

Original Motion

Moved by **Sen. Ward-Engelking** for the Teachers Division of the FY 2020 Public School Support Program, beginning with the FY 2020 Base, an increase of \$4,972,300 for variable benefit rate increases and \$58,144,900 for nondiscretionary adjustments. The totals for this motion for FY 2020 are \$1,018,196,800 from the General Fund and \$15,000,000 from federal funds for a grand total of \$1,033,196,800 seconded by **Rep. Raybould**.

DISCUSSION:

Sen. Ward-Engelking stated that the nondiscretionary adjustments in this motion include \$49,681,500 for instructors and pupil services staff for year five of the five-year phase-in of the career ladder compensation system. Also included is \$627,100 for leadership awards and premiums for additional full-time equivalent instructional and pupil service positions, and \$660,900 for additional high school math and science requirements. Also included is \$7,175,400 for the estimated impact of the Master Educator Premium payments. This motion results in a 6.6% increase from the General Fund. Intent language accompanies this motion.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT:

On request by **Sen. Ward-Engelking**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Operations

CARRIED:

Original Motion

Moved by **Sen. Crabtree** for the Operations Division for the FY 2020 Public School Program, beginning with the FY 2020 Base, an increase of \$795,800 for benefit costs, \$4,517,400 for a 3% base salary increase, and a net increase of \$12,007,300 for nondiscretionary adjustments. The endowment adjustment included a decrease of \$934,400 from the General Fund and an increase of \$934,400 from dedicated funds.

Also included in the motion were the following line items: Line item #2 increases the ongoing discretionary funding for health insurance by \$7,454,900. Line item #3 increases the ongoing discretionary funding by \$7,134,400. Line item #5 removes \$100,000 for the Innovation Schools distribution. Also included in this motion are the following line items: Line item #2 increases the ongoing discretionary funding for health insurance by \$7,454,900. Line item #3 increases the ongoing discretionary funding by \$7,134,400. Line item #5 removes \$100,000 for the Innovation Schools distribution.

The totals for this motion for FY 2020 are \$660,315,600 from the General Fund and \$59,260,000 from dedicated funds for a grand total of \$719,575,600, seconded by **Rep. Horman**.

DISCUSSION:

Sen. Crabtree explained that this is an increase of 4.4 percent from the General Fund and 4.6 percent from all funds. Of the nondiscretionary amounts, \$7,200,000 is needed to maintain discretionary funding at \$27,481 per support unit, \$2,482,600 is for salaries and benefits, and \$2,324,700 is needed for the increase in pupil transportation. The combination of funding in line items #2 and #3 increases discretionary funding to \$28,416 per support unit, which is a 3.4% increase over the current year. Individually, the \$7,454,900 from the General Fund is for health insurance and is the result of several calculations and analyses of school district health insurance costs, rate increases, and staffing levels, just like last year. The \$7,134,400 in additional discretionary dollars is tied to the 2018 Consumer Price Index (CPI) increase of 2.9%.

The intent language shows, among other things, how the \$28,416 per support unit of discretionary funding is further allocated. Note that the \$100,000 distribution for Innovation Schools is being moved out of this budget and into the State Dept. of Education's appropriation. It is still fully funded. Intent language accompanies this Motion.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT:

On request by **Sen. Crabtree**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Children's Programs

CARRIED:

Original Motion

Moved by **Sen. Grow**, for Children's Programs of the FY 2020 Public School Support Program, beginning with the FY 2020 Base, an increase of nondiscretionary adjustments from the General Fund of \$5,435,800. This includes \$2,065,700 for the Idaho Digital Learning Academy, \$370,100 for Exceptional Contracts and Tuition Equivalents, and \$3,000,000 for an increase in the Advanced Opportunities Program. Also included is line item #2 for an increase of \$13,156,500 for Literacy Proficiency, of which \$10,000,000 is ongoing from the General Fund and \$3,156,500 is onetime from the dedicated Opportunity Scholarship Program Account.

This motion also includes line item #3 for \$650,000 for Content, Curriculum and Credit Recovery. The totals for this motion for FY 2020 are \$72,990,500 from the General Fund, \$7,181,400 from dedicated funds, and \$249,115,000 from federal funds for a grand total of \$329,286,900, seconded by **Rep. Raybould**.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT: On request by **Sen. Grow**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Facilities

CARRIED: Original Motion
Moved by **Sen. Woodward** for the Facilities Division of the FY 2020 Public School Support Program, beginning with the FY 2020 Base, a nondiscretionary decrease of \$1,303,500 from the General Fund and an increase of \$6,932,200 from dedicated funds. There are no line items in this motion. The totals for this motion for FY 2020 are \$20,883,000 from the General Fund and \$38,291,400 from dedicated funds for a grand total of \$59,174,400.

DISCUSSION: **Sen. Woodward** explained that this motion funds the Bond Levy Equalization Program, the Charter School Facilities Program, and the School Facilities Maintenance Program. It results in a General Fund decrease of 5.9% and an increase of 22.1% from dedicated fund sources. The funding sources and amounts for the individual programs are as follows and net to \$5,628,700:

1. An increase of \$199,000 from the General Fund and \$4,280,000 from the Idaho Lottery dividend for the school facilities maintenance match requirement;
2. An increase of \$2,652,200 for the Bond Levy Equalization Program from dedicated sources, resulting in an overall General Fund decrease of \$2,448,800 for the program; and
3. An increase of \$946,300 from the General Fund for charter school facilities.

Based on the three adjustments above, the FY 2020 estimated cost of the Bond Levy Equalization Program is \$23,387,900 and is funded from a mix of \$7,939,000 from the General Fund (transferred from cigarette tax revenue), \$13,625,000 of Idaho Lottery proceeds directed by statute to the Bond Levy Equalization Program, and a cash balance in the Bond Levy Equalization Fund of \$1,823,900. The estimated cost for charter school facilities is \$8,840,000, all from the General Fund. The estimated cost of the state facilities maintenance match is \$26,946,500 and is funded from a combination of \$4,104,000 from the General Fund and \$22,842,500 from the School District Building Account, which receives moneys directly from the Idaho Lottery.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT: On request by **Sen. Woodward**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Central Services

CARRIED:

Original Motion

Moved by **Rep. Raybould**, for the Division of Central Services for the FY 2020 Public School Support Program, beginning with the FY 2020 Base, the following three line items: a reduction of \$650,000 for line item #5, a reduction of \$166,200 for legacy reading indicator costs, and a reduction of \$150,000 for online class portals. The grand total for this motion for FY 2020 is \$12,667,600 from the General Fund, seconded by **Sen. Ward-Engelking**.

DISCUSSION:

Rep. Raybould explained that this motion is an overall decrease of 12.5% from the General Fund. It moves \$650,000 of the content, curriculum, and credit recovery dollars out of this Division and into the Division of Children's Programs so it can be distributed to school districts and charters. It removes \$166,200 for legacy reading indicator costs that are no longer needed. Additionally, the online class portals will be moved into the State Department of Education's budget, where the bulk of it is then passed through to the Idaho Digital Learning Academy. Both items are still fully funded, they have just been moved within the budgets. Intent language follows this motion.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**.

CONSENT: On request by **Rep. Raybould**, granted by unanimous consent, the Committee incorporated intent language. See [Motion](#) and [Audio](#).

Educational Services for the Deaf and Blind

CARRIED: Original Motion
Moved by **Rep. Toone**, for the Idaho Educational Services for the Deaf and the Blind, beginning with the FY 2020 Base, an increase of \$11,100 from the General Fund for benefit costs, an increase of \$147,600 for replacement items, and an increase of \$103,000 from the General Fund for a change in employee compensation.

Also included are the following line items: Line item #1 for \$279,800 from the General Fund for career ladder equivalence, line item #2 for \$86,100 from the General Fund for a speech-language pathologist, line item #4 for \$79,500 for a sign language interpreter, and line item #5 for \$61,600 for paraprofessional classified staff.

The totals for this motion for FY 2020 are \$10,987,000 from the General Fund, \$329,500 from dedicated funds, and \$223,500 from federal funds for a grand total of \$11,540,000, seconded by **Sen. Grow**.

DISCUSSION: **Rep. Toone** explained that this budget is an overall increase of 5.1% from the current year and provides funding for much needed staff positions at the agency.

AYES: 20

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/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 Bair**. See [Motion](#) and [Audio](#).

SELF-GOVERNING AGENCIES

AGENCY: **Commission on Hispanic Affairs**

LSO STAFF

PRESENTER: **Jill Randolph, Analyst, LSO**

CARRIED: Original Motion
Moved by **Rep. Kauffman**, for the Commission on Hispanic Affairs, beginning with the FY 2020 Base, an increase of \$600 for benefit costs, an increase of \$300 for statewide cost allocation, and an increase of \$4,600 for change in employee compensation.

Also included are the following line items: \$30,000 ongoing for Statewide Outreach Efforts; \$1,000 for Gov Tech 2 for mobile device security; and \$3,200 for Gov Tech 4 for Modernization and Department of Administration Billings.

The totals for this motion for FY 2020 are 3.00 FTP, \$223,800 from the General Fund, \$111,500 from dedicated funds, and \$35,000 from federal funds, for a grand total of \$370,300, seconded by **Sen. Ward-Engelking**.

DISCUSSION:

Rep. Kauffman explained that Gov Tech 1 and Gov Tech 2 are different from the Governor's recommendation, because any recommended appropriation from the Technology Infrastructure Stabilization Fund (TISF) will be funded as a direct appropriation to the Office of Information Technology Services instead of smaller appropriations from TISF to each agency. The portion that remains in the Commission for Hispanic Affairs budget is from other dedicated funds or the General Fund.

In answer to questions by **Rep. Anderson** concerning the \$30,000 for statewide outreach efforts, **Rep. Kauffman** explained that the JFAC Work Group agreed on its goal to reach more Hispanic students in rural towns to increase the go-on rate for the Hispanic population.

AYES: 19

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/EX: 1 Rep. Horman

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 Bair**. See [Motion](#) and [Audio](#).

Commission for the Blind and Visually Impaired

CARRIED:

Original Motion

Moved by **Sen. Johnson**, for the Commission for the Blind and Visually Impaired, beginning with the FY 2020 Base, an increase of \$5,200 for benefit costs, an increase of \$27,900 for replacement items, an increase of \$5,600 for statewide cost allocation, and an increase of \$74,100 for change in employee compensation.

Also included are the following line items: line item #1 for \$9,600 for a Microsoft Office 365 upgrade and \$2,500 for Gov Tech 1 Network Equipment Replacement.

The totals for this motion for FY 2020 are 41.12 FTP, \$1,531,200 from the General Fund, \$343,100 from dedicated funds, and \$3,246,000 from federal funds, for a grand total of \$5,120,300, seconded by **Rep. Troy**.

DISCUSSION:

Sen. Johnson explained that the amount for Gov Tech 1 differs from the Governor's recommendation because the amount recommended for this agency, from the Technology Infrastructure Stabilization Fund, will be provided as a direct appropriation to the Office of Information Technology Services, rather than to individual agencies.

AYES: 19

Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, and Nye. Representatives Co-chairman Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

NAYS: 0

ABSENT/EX: 1 Rep. Horman

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 Bair**. See [Motion](#) and [Audio](#).

ADJOURNED:

Having no further business before the Committee, **Chairman Bair** adjourned the meeting at 9:39 a.m.

Senator Bair
Chair

Elaine Leedy
Secretary