

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, March 05, 2019
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Wintrow, Toone
ABSENT/EXCUSED: Horman, Wintrow
CONVENED: **Chairman Youngblood** called the meeting to order at 8:00 am.

STATE BOARD OF EDUCATION
Community Colleges

LSO STAFF PRESENTATION: **Janet Jessup, Senior Budget & Policy Analyst**, stated the motion before the Committee is the JFAC action that has already been taken by the Committee for benefit cost, CEC, and Nondiscretionary adjustments

MOTION: **Original Motion**
Community Colleges
Appropriation
Moved by **Rep. Amador**, seconded by **Sen. Johnson** for the State Board of Education, Community Colleges, beginning with the FY 2020 Base, an increase of \$156,800 for benefit costs, an increase of \$933,800 for change in employee compensation, and \$1,018,200 for nondiscretionary adjustments for the enrollment workload adjustment. Also included are the following line items: a net zero transfer of \$10,000 from each institution to the systemwide programs in line item 4; a net zero transfer of \$132,200 from the College of Southern Idaho to the College of Eastern Idaho for two faculty members in line item 5; \$117,400 for Occupancy Costs for North Idaho College in line item 7; and \$55,000 onetime from the Higher Education Surplus Stabilization fund in line item 8 to distribute interest earnings to the College of Eastern Idaho. The totals for this motion for FY 2020 are \$47,751,800 from the General Fund and \$855,000 from dedicated funds for a grand total of \$48,606,800. This motion includes exceptions to budget laws allowing transfer of funds among object class codes and programs and there is no FTP cap.

CARRIED: **Ayes: 18**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone
Nayes: 0
Ab/Ex: 2
Horman and 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 Youngblood**.

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STATE BOARD OF EDUCATION

Special Programs

LSO STAFF PRESENTATION: **Janet Jessup, Senior Budget & Policy Analyst**, stated the Special Programs has six budgeted programs. The JFAC action that has already been taken by the Committee for benefit cost and change in employee compensation.

MOTION: **Original Motion**
Special Programs

Appropriation

Moved by **Rep. Amador**, seconded by **Sen. Johnson** for the State Board of Education, Special Programs Division, beginning with the FY 2020 Base, a reduction of \$400 for benefit costs, an increase of \$34,900 for replacement items, and an increase of \$103,800 for change in employee compensation. Also included are the following line items: \$123,600 from the General Fund for the Mica Creek Watershed Project through the Forest Utilization Research in line item 2; \$1,400,000 for GEARUP Scholarships through the Scholarships and Grants Programs in line item 5; and \$7,000,000 onetime from Opportunity Scholarship Program Account for Opportunity Scholarships in line item 7. The totals for this motion for FY 2020 are 45.59 FTP, \$19,500,000 from the General Fund, \$8,000,000 from dedicated funds, and \$4,525,000 from federal funds for a grand total of \$32,025,000.

DISCUSSION: **Rep. Amador** stated this motion includes replacement items as recommended by the Governor, including \$8,600 to the Idaho Geological Survey for specialized computers and digitizing tablets and \$26,300 to the Idaho Museum of Natural History for specialized computers. Line item 2 includes \$123,600 onetime operating expenditures from the General Fund for the Mica Creek Watershed Project. Funding would support field technicians to maintain infrastructure, collect and analyze data for current studies, and the equipment, sample analysis, and travel needs of positions for one fiscal year. Line item 5 provides \$1,400,000 ongoing from the federal grant fund for GEAR UP Scholarships. Changes in federal regulations are expected to increase the number of students eligible for GEAR UP scholarship funds. Additional funding will be requested for FY 2021 as additional growth is anticipated. The final line item includes \$7,000,000 onetime from the Opportunity Scholarship Program Account to serve more eligible scholarship applicants. In FY 2018, 1,780 applicants were eligible for the Opportunity Scholarship but did not receive the award because of lack of funds.

CARRIED: **Ayes: 18**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone
Nays: 0
Ab/Ex: 2
Horman and 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 Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Rep. Amador**, for unanimous consent to approve the intent language as follows...

**INTENT
LANGUAGE:**

FY 2020. Division of Special Programs, Appropriation Language
SECTION 3. OPPORTUNITY SCHOLARSHIP PROGRAM ACCOUNT.
Moneys appropriated from the General Fund to the Scholarship and Grants Program for fiscal year 2019 that are unexpended and unencumbered on June 30, 2019, are hereby appropriated and shall be transferred by the State Controller to the Opportunity Scholarship Program Account created in Section 33-4303, Idaho Code.

**UNANIMOUS
CONSENT:**

On request by **Rep. Amador**, for unanimous consent to approve the intent language as follows...

**INTENT
LANGUAGE:**

FY 2020. Division of Special Programs, Appropriation Language
SECTION 4. SCHOLARSHIP AWARDS FOR FISCAL YEAR 2020.
Notwithstanding the provisions of Section 33-4303, Idaho Code, and any other provision of law to the contrary, the moneys appropriated in Section 1 of this act from the Opportunity Scholarship Program Account, shall be used for the award of Opportunity Scholarships for fiscal year 2020.
SECTION 5. OPPORTUNITY SCHOLARSHIP PROGRAM ACCOUNT REPORTING. The State Board of Education shall report to the Joint Finance-Appropriations Committee by January 10, 2020, regarding the current balance in the Opportunity Scholarship Program Account and the estimated obligations due to any over-award or early award of scholarships for fiscal year 2021. The report shall include an estimate of the necessary balance in the account to meet these obligations.

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DEPARTMENT OF ADMINISTRATION
Bond Payment Program

**LSO STAFF
PRESENTATION:**

Jill Randolph, Budget & Policy Analyst, reviewed the agency request, the Governor's recommendation, and JFAC action.

MOTION:

Original Motion
Bond Payment Program
Appropriation

Moved by **Sen. Johnson**, seconded by **Rep. Anderson** for the Department of Administration, Bond Payments program, beginning with the FY 2020 Base of \$11,877,000, add \$8,300,000 from the Permanent Building Fund for the Chinden Campus Payment, and remove \$400,000 from the General Fund for the Prison Complex refinance. The totals for this motion for FY 2020 are \$3,930,000 from the General Fund, and \$15,847,000 from dedicated funds, for a grand total of \$19,777,000.

DISCUSSION:

Sen. Johnson stated the Governor's Revised Recommendation included a recommendation for a base reduction of \$400,000 from the General Fund due to the refinancing of the Prison Complex Bond. The Prison Complex Bond is currently the only bond paid from the General Fund.

CARRIED: **Ayes: 18**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone
Nayes: 0
Ab/Ex: 2
Horman and 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 Youngblood**.

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DEPARTMENT OF ADMINISTRATION
Capitol Commission

LSO STAFF PRESENTATION: **Jill Randolph, Budget & Policy Analyst**, reviewed the agency request, the Governor's recommendation, and JFAC action.

MOTION: **Original Motion**
Capitol Commission
Appropriation
Moved by **Sen. Johnson**, seconded by **Rep. Amador** for the Department of Administration, Capitol Commission, a total of \$2,342,000 from dedicated funds, for fiscal year 2020.

DISCUSSION: **Rep. Anderson** invoked Rule 38 stating a possible conflict of interest and he would be voting on the motion.
Sen. Johnson stated this motion reflects a maintenance of current operations budget.

CARRIED: **Ayes: 18**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone
Nayes: 0
Ab/Ex: 2
Horman and 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 Youngblood**.

MOTION: **Original Motion**
Capitol Commission
Appropriation
Moved by **Sen. Johnson**, seconded by **Rep. Amador** that there is hereby appropriated to the Department of Administration for the Idaho State Capitol Commission and the State Controller shall transfer \$250,000 from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund on July 1, 2019, or as soon thereafter as practicable, for the period July 1, 2019 through June 30, 2020.

DISCUSSION: **Sen. Johnson** stated this motion moves the actual cash into the Commission's operating fund, and when combined with their estimated cash balance at the end of the current year, provides a cash balance that supports their appropriation and the annual transfer that is made to support the Capitol Curator Program at the Idaho State Historical Society.

CARRIED: **Ayes: 18**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone

Nays: 0

Ab/Ex: 2

Horman and 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 Youngblood**.

To listen to this presentation please [click here](#).

DEPARTMENT OF ADMINISTRATION

Permanent Building Fund

LSO STAFF PRESENTATION: **Jill Randolph, Budget & Policy Analyst**, reviewed the agency request, the Governor's recommendation, and JFAC action.

MOTION: **Original Motion**
Permanent Building Fund

Appropriation

Moved by **Rep. Syme**, seconded by **Rep. Troy** for the Department of Administration, Division of Public Works, beginning with the FY 2020 Base, an increase of \$39,017,100 in dedicated funds for statewide building alteration and repair projects. Also included are the following line items: line item #2 for \$1,200,000 for the Division of Military Twin Falls Readiness Center Site Utilities; Line item #3 for \$630,000 for the Division of Public Safety Mica Peak Communication Site; line item #4 for \$1,904,800 for the Department of Corrections Wastewater Lagoon Repair; line item #5 for \$12,200,000 for the Department of Corrections North Idaho Reentry Center; and line item #6 for \$7,400,000 for the Department of Corrections St. Anthony Facility Expansion. The total for this motion for fiscal year 2020 is \$62,351,900 onetime from dedicated funds.

DISCUSSION: **Rep. Syme** stated line item #1 was excluded because of the location of the lab and the possibility of saving money. Rep. Syme continued the Department of Public Works accessed the building and reported it needed an extensive remodel. In response to Committee questions, **Dan Salmi**, Bureau Chief of Idaho Department of Agriculture, stated the revamping of the facility is to better serve the needs of the department.

**SUBSTITUTE
MOTION:**

**Substitute Motion
Permanent Building Fund**

Appropriation

Moved by **Sen. Burtenshaw**, seconded by **Sen. Bair** for the Department of Administration, Division of Public Works, beginning with the FY 2020 Base, an increase of \$39,017,100 in dedicated funds for statewide building alteration and repair projects. Also included are the following line items: \$8,000,000 for the Department of Agriculture Pathology Lab in line item #1; \$1,200,000 for the Division of Military Twin Falls Readiness Center Site Utilities in line item #2; \$630,000 for the Division of Public Safety Mica Peak Communication Site in line item #3; \$1,904,800 for the Department of Corrections Wastewater Lagoon Repair in line item #4; \$12,200,000 for the Department of Corrections North Idaho Reentry Center in line item #5; and \$7,400,000 for the Department of Corrections St. Anthony Facility Expansion in line item #6. The total for this motion for fiscal year 2020 is \$70,351,900 onetime from dedicated funds.

DISCUSSION:

Sen. Burtenshaw stated the statewide alteration and repair projects, including ADA and asbestos removal, are all necessary to maintain Idaho's state facilities. This motion includes all three line items recommended by the Permanent Building Fund Advisory Council. This motion also adds all three line items that were recommended by the Governor. A cash transfer will be the next motion to ensure there are adequate funds in the Permanent Building Fund to pay for these projects.

CARRIED:

Ayes: 18

Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone

Nays: 0

Ab/Ex: 2

Horman and 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 Youngblood**.

MOTION:

Original Motion

Fund Transfer

Moved by **Sen. Burtenshaw**, seconded by **Rep. Raybould** that there is hereby appropriated and that the State Controller shall transfer \$21,504,800 from the General Fund to the Permanent Building Fund for fiscal year 2020.

CARRIED:

Ayes: 18

Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Maurin(Troy), Toone

Nays: 0

Ab/Ex: 2

Horman and 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 Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Rep. Amador**, for unanimous consent to approve the intent language as follows...

**INTENT
LANGUAGE:**

SECTION __. ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS. Moneys appropriated in Section 1 of this act, or so much thereof as in each case may be necessary, shall be used for the purpose of paying the cost of any land, building, or equipment, or for the rebuilding, renovation, or repair of buildings, installations, facilities, or structures at the places, institutions, and agencies, or their successors, including those listed in this section. The Permanent Building Fund Advisory Council is hereby authorized and directed to anticipate revenues accruing to the Permanent Building Fund for the purpose of undertaking the construction, renovation, repair, and acquisitions therein authorized, without delay, and to determine the priority of construction pursuant to which the work hereunder will be undertaken. SECTION __. UTILIZATION OF MATCHING FUNDS. Moneys appropriated in this act may be made available for matching any allocation of moneys now in existence or hereafter made available by agencies of the United States and/or private donations; and the Division of Public Works is authorized to expend, for the purpose of paying the cost of any land, building, or equipment, or for the rebuilding, renovation, or repair of buildings, moneys appropriated for public works to various agencies as part of the respective agency operating budgets, provided the express approval by the Permanent Building Fund Advisory Council is granted to make application for such moneys in each instance. SECTION __. REALLOCATION OF PROJECT SAVINGS. The Division of Public Works may have the flexibility to allocate any savings or unused appropriation from any project to any other requested and funded project. The reallocation of such appropriation must be approved by the Permanent Building Fund Advisory Council prior to the funds being spent.

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ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 8:42 am.

Representative Youngblood
Chair

Donna Warnock
Secretary