

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, April 03, 2019

TIME: 1:30 P.M.

PLACE: Room C310

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

ABSENT/ EXCUSED: None

CONVENED: **Chairman Youngblood** called the meeting to order at 1:30 pm.

LSO STAFF PRESENTATION: **Rob Sepich, Senior Analyst**
The proposed trailer appropriation action relates to the addition of 1.50 FTP, \$142,500 in ongoing personnel costs, \$7,500 in ongoing operating expenditures, \$50,000 in onetime personnel costs and \$100,000 in onetime operating expenditures from the General Fund, as outlined in the fiscal note of **H 122**.

UNANIMOUS CONSENT: On request by **Rep. Troy**, granted by unanimous consent to reopen the FY 2019 budget for the Department of Agriculture.

MOTION: **Original Motion**
Trailer Appropriation
H 122 — Hemp Research and Development Act
Moved by **Rep. Troy**, seconded by **Sen. Lee** for the Department of Agriculture, in addition to any other appropriation provided by law, the addition of 1.00 FTP and \$20,000 from the General Fund for FY 2019.

CARRIED: **Ayes: 16**
Bair, Mosman(Johnson), Lee, Agenbroad, Crabtree, Burtenshaw, Woodward, Ward-Engelking, Nye, and Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone
Nayes: 3
Grow, Horman and Amador
Ab/Ex: 1
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 Youngblood**.

MOTION: **Original Motion**
Trailer Appropriation
H 122 — Hemp Research and Development Act
Moved by **Rep. Troy**, seconded by **Sen. Lee** moved for the Department of Agriculture, in addition to any other appropriation provided by law, the addition of 0.50 FTP and \$280,000 from the General Fund for fiscal year 2020.

CARRIED: **Ayes: 16**
Bair, Mosman(Johnson), Lee, Agenbroad, Crabtree, Burtenshaw, Woodward, Ward-Engelking, Nye, and Youngblood, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone
Nayes: 3
Grow, Horman and Amador
Ab/Ex: 1
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 Youngblood**.

To listen to the above presentations please [click here](#).

LSO STAFF **Jared Tatro, Principal Analyst**
PRESENTATION: The proposed trailer appropriations for the Department of Health and Welfare; Division of Welfare is \$2,942,000 and the Division of Medicaid is \$1,196,200 for a grand total of \$4,138,200.

DISCUSSION: In response to Committee questions **Chairman Youngblood** explained if JFAC passes the trailer appropriation and the House changes any portion of the bill that affect the fiscal impact, then the trailer appropriation would come back to JFAC. If there are no changes to the fiscal impact, then it would stay as is.
In response to Committee questions **Mr. Tatro** explained the state does not collect copays, it is between the individual and the provider.
In response to Committee questions **Lisa Hettinger, Deputy Director, Medicaid, Behavioral Health & Public Health Services** explained the cost the department would incur in order to seek the waiver that would be necessary to implement the copays that are linked to the work requirements as described in the bill.
In response to Committee questions **Lori Wolff, Deputy Director, Family and Welfare Services** explained the costs of the work program, which is contracted out to help with employment and training.

MOTION: **Original Motion**
Trailer Appropriation
S 1204aa — Medicaid Expansion Eligibility
Moved by **Sen. Crabtree**, seconded by **Sen. Lee** to **HOLD** trailer appropriation for **S 1204aa** in committee.

CARRIED: **Ayes: 12** Mosman(Johnson), Lee, Agenbroad, Crabtree, Woodward, Ward-Engelking, Nye, Horman, Troy, Amador, Wintrow, Toone
Nayes: 8
Bair, Burtenshaw, Grow, Youngblood, Anderson, Kauffman, Syme, Raybould
Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and the trailer appropriation will be held in Committee. There being no objection, it was so ordered by **Chairman Youngblood**.

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

LSO STAFF **Christine Otto, Budget Analyst**

PRESENTATION: The motion before the Committee is a total of \$38,200,000 from the Strategic Initiative Fund for FY 2020. \$1,719,000 will be used on pedestrian safety, \$14,592,400 for onetime trustee and benefit payments and \$21,888,600 to the transportation department.

MOTION: **Original Motion**

Trailer Appropriation

S 1126aaH — Surplus Eliminator

Moved by **Rep. Kauffman**, seconded by **Sen. Crabtree** for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Program, for FY 2020, an additional \$23,607,600 from the Strategic Initiatives Program (Dedicated) Fund, and \$14,592,400 from the Strategic Initiatives Program (Local) Fund, for a total of \$38,200,000 onetime from dedicated funds.

DISCUSSION: **Rep. Kauffman** stated the motion includes the addition of \$38,200,000 with \$1,719,000 in trustee and benefit payments to be spent on child pedestrian safety projects. The remainder is to be split 60% or \$21,888,600 in onetime capital outlay to the Idaho Transportation Department (ITD), and 40% or \$14,592,400 in onetime trustee and benefit payments to the local units of government to be spent in accordance with **Section 40-719, Idaho Code**.

CARRIED: **Ayes: 19**

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

Nays: 1

Woodward

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 Youngblood**.

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

LSO STAFF **Paul Headlee, Division Manager**

PRESENTATION: The following motions will be for the renovation of the Borah Building or other reasonable office space for the relocation of either all or part of the Treasure's office. The second project would be for the renovation of the First Floor North Wing and the First Floor East Wing and the Gardens level of the Capitol for the legislative staff and for the House of Representatives offices and the third project would be for the purchase of real property near or adjacent to the Capitol Mall.

UNANIMOUS CONSENT: On request by **Rep. Troy**, granted by unanimous consent to reopen the FY 2019 budget for the Department of Administration, Division of Public Works.

DISCUSSION: **Rep. Anderson** invoked Rule 38 stating a possible conflict of interest but he would be voting on the motion.

MOTION: **Original Motion**
Supplemental Appropriation
Borah Building Renovation
Moved by **Rep. Troy**, seconded by **Rep. Horman** for the Department of Administration, Division of Public Works, an FY 2019 supplemental appropriation of \$529,000 from the Permanent Building Fund for the necessary renovation costs of the Borah Building, or for other reasonable office space, to relocate all, or part, of the office of the State Treasurer. Included in this amount is funding for moving costs and any necessary capital outlay for computer and office equipment. This appropriation includes lump sum spending authority.

CARRIED: **Ayes: 15**
Bair, Lee, Agenbroad, Woodward, Grow, Burtenshaw, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy
Nayes: 5
Mosman(Johnson), Crabtree, Ward-Engelking, Wintrow, Toone
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 Youngblood**.

MOTION: **Original Motion**
Supplemental Appropriation
Cash Transfer for Borah Building Renovations
Moved by **Rep. Troy**, seconded by **Rep. Horman** for FY 2019, that there is hereby appropriated and the State Controller shall transfer, \$529,000 from the General Fund to the Permanent Building Fund.

CARRIED: **Ayes: 15**
Bair, Lee, Agenbroad, Woodward, Grow, Burtenshaw, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy
Nayes: 5
Mosman(Johnson), Crabtree, Ward-Engelking, Wintrow, Toone
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 Youngblood**.

MOTION: **Original Motion**
Supplemental Appropriation
North and East Wing Renovations
Moved by **Rep. Troy**, seconded by **Sen. Bair** for the Department of Administration, Division of Public Works, an FY 2019 supplemental appropriation of \$3,890,700 from the Permanent Building Fund to renovate the First Floor North Wing and to begin the first phase of the East Wing renovations in the Capitol. This appropriation includes lump sum spending authority.

CARRIED:

Ayes: 15

Bair, Lee, Agenbroad, Woodward, Grow, Burtenshaw, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy

Nayes: 5

Mosman(Johnson), Crabtree, Ward-Engelking, Wintrow, Toone

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 Youngblood.**

MOTION:

Original Motion

Supplemental Appropriation

Cash Transfer for North and East Wing Renovations

Moved by **Rep. Troy**, seconded by **Sen. Bair** for FY 2019, that there is hereby appropriated and the State Controller shall transfer, \$3,890,700 from the General Fund to the Permanent Building Fund.

CARRIED:

Ayes: 15

Bair, Lee, Agenbroad, Woodward, Grow, Burtenshaw, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy

Nayes: 5

Mosman(Johnson), Crabtree, Ward-Engelking, Wintrow, Toone

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 Youngblood.**

MOTION:

Original Motion

Supplemental Appropriation

Purchase of Property

Moved by **Rep. Troy**, seconded by **Sen. Bair** for the Department of Administration, Division of Public Works, an FY 2019 supplemental appropriation of \$1,955,000 from the Permanent Building Fund for the acquisition of available properties near or adjacent to the Capitol Mall area. The Department shall initiate purchase negotiations as soon as practicable and shall complete such purchase on behalf of and in the name of the State of Idaho.

CARRIED:

Ayes: 18

Bair, Lee, Agenbroad, Woodward, Grow, Burtenshaw, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

Nayes: 2

Mosman(Johnson) and Crabtree

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 Youngblood.**

MOTION: **Original Motion**
Supplemental Appropriation
Cash Transfer for Purchase of Property
Moved by **Rep. Troy**, seconded by **Sen. Bair** for FY 2019, that there is hereby appropriated and the State Controller shall transfer, \$1,955,000 from the General Fund to the Permanent Building Fund.

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

UNANIMOUS CONSENT: On request by **Rep. Troy**, granted by unanimous consent to accept the following language.

INTENT LANGUAGE: Any property acquired under Section 2 of this legislation shall become part of the Capitol Mall and the Department of Administration shall promulgate rules as required to implement same. Further, the Department shall bring forth legislation during the next legislative session to specifically include the property as part of the Capitol Mall.

UNANIMOUS CONSENT: On request by **Rep. Troy**, granted by unanimous consent to accept the following language to be included in each of the appropriation bills for the previous three projects approved by this committee for the Department of Administration, Division of Public Works.

INTENT LANGUAGE: Notwithstanding the provisions of Section 5, Chapter 302, Laws of 2018, and any other provision of law to the contrary, of the amounts appropriated in Section 2 of this act, the Division of Public works shall notify the State Controller of any unexpended and unencumbered moneys upon completion of each project and the State Controller shall transfer such moneys from the Permanent Building Fund to the General Fund, as soon as practicable.

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LSO STAFF PRESENTATION: **Paul Headlee, Division Manager**
In addition to legislative action, Idaho Code provides three ways to address revenue shortfalls, which include:
1. **Section 67-3512, Idaho Code**, authorizes the State Board of Examiners to reduce appropriations,
2. **Section 67-3512A, Idaho Code**, authorizes the Governor through executive order to reduce agency spending authority in the current fiscal year, and
3. **Section 57-814A, Idaho Code**, authorizes the State Board of Examiners to transfer moneys from the Budget Stabilization Fund to the General Fund. This authority is limited to 0.5% of the General Fund Original Appropriation for the

year just ending and would be the final accounting adjustment for the fiscal year. For the current fiscal year 2019, this amount would be limited to \$18.3 million.

**UNANIMOUS
CONSENT:**

On request by **Rep. Anderson**, granted by unanimous consent to accept the language for the State Board of Examiners, FY 2019 year-end transfer authority as follows.

**INTENT
LANGUAGE:**

TRANSFER FROM BUDGET STABILIZATION FUND TO GENERAL FUND. Notwithstanding the provisions of **Section 57-814A, Idaho Code**, and any other provision of law to the contrary, at the end of fiscal year 2019, if the state board of examiners determines that insufficient general fund moneys are available to meet the total revenues as stated in the legislative record for fiscal year 2019, the board is hereby authorized to direct the state controller to transfer certain unencumbered moneys from the budget stabilization fund to the general fund. Such transfers will be the final accounting adjustment to close fiscal year 2019 and shall be limited to the amount of the insufficiency or three and eighty-five one-hundredths percent (3.85%) of the original general fund appropriations made for fiscal year 2019, whichever is less. Any transfer made pursuant to this section from the budget stabilization fund to the general fund shall be specifically addressed in the governor's executive budget recommendation for the following year which is then subject to review or action by the legislature.

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ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 3:00 pm.

Representative Youngblood
Chair

Donna Warnock
Secretary