

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 05, 2020
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Bair, 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: Johnson, Lee
CONVENED: **Senator Bair** called the Joint Finance-Appropriations Committee (JFAC) (Committee) to order at 8:00 a.m.

LSO BOARD OF TAX APPEALS

PRESENTATION: **Keith Bybee, Deputy Division Manager, Budget & Policy Analysis, LSO**
MOTION: Moved by **Representative Anderson** for the Board of Tax Appeals, beginning with the FY 2021 Base, a decrease of \$2,000 for benefit costs, an increase of \$1,200 for inflationary adjustments, an increase of \$700 for statewide cost allocation, and an increase of \$8,500 for change in employee compensation. Also included are the following line items: \$100 for OITS operating costs; \$700 for OITS servers and licensing; \$2,400 for OITS billings; and a 2% General Fund reduction of \$12,700, all of which is from operating expenditures. The totals for this motion for FY 2021 are 5.00 FTP, and \$634,500 from the General Fund; seconded by **Senator Grow**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye
Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone
NAYS: 0
ABSENT/EXCUSED: Senators Johnson and Lee
The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

LSO STATE TAX COMMISSION

PRESENTATION: **Keith Bybee, Deputy Division Manager, Budget & Policy Analysis, LSO**

MOTION: Moved by **Representative Anderson** for the State Tax Commission, beginning with the FY 2021 Base, a decrease of \$138,500 for benefit costs, an increase of \$305,000 for inflationary adjustments, an increase of \$155,000 for replacement items, an increase of \$40,000 for statewide cost allocation, and an increase of \$705,600 for change in employee compensation. Also included are the following line items: line item 1, which provides \$171,800 for the increase in rent at the Chinden Campus; line item 2 which provides \$10,000 for a 2% CEC for the Commissioners, whose salary is set by statute; \$6,200 for OITS operating costs; \$204,100 for OITS billings; and a 1% General Fund reduction of \$369,400, all of which is from operating expenditures. The totals for this motion for FY 2021 are 448.00 FTP, \$37,681,400 from the General Fund, \$8,163,800 from dedicated funds, and \$8,000 from federal funds for a grand total of \$45,853,200; seconded by **Senator Grow**.

DISCUSSION: The Committee discussed the motion.

CARRIED: **AYES: 18**

Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye

Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: Senators Johnson and Lee

The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

UNANIMOUS CONSENT: Requested by **Representative Anderson**, granted by unanimous consent, the following language was adopted.

INTENT LANGUAGE: Section 3. That Section 63-102, Idaho Code, be, and the same is hereby amended to read as follows:

63-102. Organization – Chairman – Compensation – Quorum – Hearings. (1) A member of the state tax commission shall be appointed by the governor, to serve at his pleasure, as chairman. Each member of the state tax commission shall devote full time to the performance of duties. Commencing on July 1, 2019 20, the annual salary for members of the state tax commission shall be one hundred ~~two four~~ thousand ~~forty-nine~~ ninety dollars (\$1024,04990).

(2) A majority of the state tax commission shall constitute a quorum for the transaction of business. The state tax commission may delegate to any member of the commission or to its employees, the power to make investigations and hold hearings at any place it may deem proper, and such other matters as will facilitate the operations of the commission.

3) The chairman of the state tax commission shall delegate to each commissioner the responsibility for policy management and oversight of one (1) or more of the taxes collected and/or activities supervised or administered by the commission. The state tax commission shall perform the duties imposed upon it by law and shall adopt all rules by majority decision. In any case in which the state tax commission sits as an appellate body upon an appeal from a tax decision from one (1) of the various administrative units subject to its supervision, the state tax commissioner charged with responsibility for policy management and oversight of the tax in controversy shall not vote upon the appeal but may advise the remaining members of the commission on the technical aspects of the problems before them.

(4) The chairman shall be the chief executive officer and administrative head of the state tax commission and shall be responsible for, or may assign responsibility for, all personnel, budgetary and/or fiscal matters of the state tax commission.

**UNANIMOUS
CONSENT:**

Requested by **Representative Anderson**, granted by unanimous consent, the following language was adopted.

**INTENT
LANGUAGE:**

SECTION . MANAGEMENT REVIEW. In accordance with Section 67- 702(c), Idaho Code, the Audit Division of the Legislative Services Office shall perform a management review of the Idaho State Tax Commission for the period July 1, 2019, through June 30, 2020. The review will evaluate compliance with Section 63-809, Idaho Code, to determine whether the Idaho State Tax Commission has carefully examined the statements furnished to it, as provided in Section 63-808, Idaho Code, and if it has notified the county commissioners of each county of the approval of all previously certified levies on or before the fourth Monday in October. Additionally, the review will include determining whether the Idaho State Tax Commission properly notified the county commissioners of each county and the governing authorities of any city, school district, or any other taxing district or municipality no later than the fourth Monday of October if it appeared that the county commissioners or governing authorities had fixed a levy or certified a property tax budget increase that exceeded any limitation provided by law; and, if it appeared that the county commissioners of any county have fixed a levy for any purpose or purposes not authorized by law, or in excess of the maximum permitted by law for any purpose or purposes, whether the Idaho State Tax Commission properly notified the Attorney General.

**LSO
PRESENTATION:
MOTION:**

DEPARTMENT OF COMMERCE

Keith Bybee, Deputy Division Manager, Budget & Policy Analysis, LSO

Moved by **Representative Syme** for the Department of Commerce beginning with the FY 2021 Base, a decrease of \$15,000 for benefit costs, an increase of \$20,400 for statewide cost allocation, and an increase of \$67,500 for change in employee compensation. Also included are the following line items: line item 1, which provides \$113,100 for a broadband coordinator; an additional line item that reduces federal appropriation by \$5,000,000; \$500 for OITS operating costs; \$5,100 for OITS servers and licensing; and a 2% General Fund reduction of \$118,000 all of which is from operating expenditures. The totals for this motion for FY 2021 are 43.00 FTP, \$5,950,900 from the General Fund, \$20,251,300 from dedicated funds, and \$11,285,600 from federal funds for a grand total of \$37,487,800; seconded by **Senator Agenbroad**.

DISCUSSION:

The Committee discussed the motion.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye

Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: Senators Johnson and Lee

The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

LSO

DEPARTMENT OF LABOR

PRESENTATION: **Keith Bybee, Deputy Division Manager, Budget & Policy Analysis, LSO**

MOTION:

Moved by **Representative Toone** for the Department of Labor, beginning with the FY 2021 Base, a decrease of \$140,000 for benefit costs, an increase of \$556,300 for replacement items, a decrease of \$37,100 for statewide cost allocation, and an increase of \$900,800 for change in employee compensation. Also included are the following line items: line item 1, which provides \$150,000 for visual threat analysis software to protect the iUS tax and benefit system as well as other operations; line item 2, which provides \$690,000 for additional servers and hardware; line item 3 which provides 26.00 FTP and \$6,248,700 for the Job Corps Demonstration Project; \$6,800 for OITS operating costs; \$200 for OITS billings; and a 2% General Fund reduction of \$10,700, all of which is from operating expenditures. The totals for this motion for FY 2021 are 708.58 FTP, \$529,800 from the General Fund, \$18,489,900 from dedicated funds, and \$78,232,500 from federal funds for a grand total of \$97,252,200; seconded by **Representative Syme**.

DISCUSSION:

The Committee discussed the motion.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye

Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: Senators Johnson and Lee

The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Toone**, granted by unanimous consent, the following language was adopted:

**INTENT
LANGUAGE:**

Section 3. JOB CORPS DEMONSTRATION PROJECT. The Department of Labor shall submit a report on July 20, 2020, to the Joint Finance-Appropriations Committee providing an update on the JOB Corps Demonstration Project. The report shall detail the number of students enrolled in the program, the number of students enrolled in the residential program, the number and job classes of employees currently hired for implementation, future numbers of jobs and job classes, a financial report detailing how year one moneys were expended, the terms of contracts let to the various community colleges, and providing any other relevant details for progress of the project. No moneys from the General Fund shall be used for the implementation of the demonstration project.

**LSO
PRESENTATION:**

IDAHO STATE HISTORICAL SOCIETY, SELF-GOVERNING AGENCIES

Jill Randolph, Senior Budget & Policy Analyst, LSO

MOTION:

Moved by **Representative Wintrow** for the Idaho State Historical Society, beginning with the FY 2021 Base, a decrease of \$20,800 for benefit costs, an increase of \$3,300 for inflationary adjustments, an increase of \$49,100 for replacement items, a decrease of \$8,800 for statewide cost allocation, and an increase of \$66,500 for change in employee compensation. Also included are the following line items: line item 1, which provides a net zero fund transfer of \$181,500 from federal funds to dedicated funds; line item 2 for \$700,000 for the Cultural Resources Information System (ICRIS); line item 3 for \$250,000 for exhibits, interpretive signs, and scholarships; \$700 for OITS operating costs; \$1,200 for OITS servers and licensing; and a 2% General Fund reduction of \$78,600 from operating expenditures. The totals for this motion for FY 2021 are 57.00 FTP, \$3,864,300 from the General Fund, \$3,114,700 from dedicated funds, and \$1,436,000 from federal funds for a grand total of \$8,415,000; seconded by **Senator Nye**.

DISCUSSION:

The Committee discussed the motion.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye

Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: Senators Johnson and Lee

The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

**LSO
PRESENTATION:**

COMMISSION ON THE ARTS, OFFICE OF THE GOVERNOR
Jill Randolph, Senior Budget & Policy Analyst, LSO

MOTION: Moved by **Representative Horman** for the Commission on the Arts, beginning with the FY 2021 Base, a decrease of \$4,000 for benefit costs, an increase of \$900 for statewide cost allocation, and an increase of \$13,200 for change in employee compensation. Also included are the following line items: \$100 for OITS operating costs; \$2,600 for OITS servers and licensing; and a 2% General Fund reduction of \$17,700, all from operating expenditures. The totals for this motion for FY 2021 are 10.00 FTP, \$874,800 from the General Fund, \$106,300 from dedicated funds, and \$1,090,600 from federal funds for a grand total of \$2,071,700; seconded by **Senator Nye**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Crabtree, Burtenshaw, Grow, Woodward, Ward-Engelking, Nye
Representatives Youngblood, Horman, Anderson, Kauffman, Troy, Syme, Amador, Raybould, Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: Senators Johnson and Lee

The majority having voted in the affirmative, the motion passed, and without objection, carried a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

ADJOURNED: There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 9:36 a.m.

Senator Bair
Chair

Elaine Leedy
Secretary