

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, March 16, 2020

TIME:

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, Seegmiller(Troy), Wintrow, Toone

ABSENT/EXCUSED: None

CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) (Committee) to order at 1:08 p.m.

LSO STAFF PRESENTATION: **DIVISION OF HUMAN RESOURCES, OFFICE OF THE GOVERNOR; Robyn Lockett, Principal Budget & Policy Analyst, LSO**
Governor Little has signed an emergency declaration to aid in the COVID-19 response effort in Idaho. In conjunction with this, the executive branch is working to issue statewide policies and procedures for workforce, leave, and travel guidance regarding COVID-19. To effectively implement these policies, the Governor has requested a budget revision for an FY 2020 supplemental appropriation, with carryover of the funding allowed through FY 2021.

UNANIMOUS CONSENT: **Senator Bair** requested unanimous consent to reopen the fiscal year 2020 budget for the Division of Human Resources. **Chairman Youngblood** called for any objections; hearing no objections, it was so ordered.

MOTION: Supplemental Motion:
Senator Bair made a motion to add \$500,000 in onetime operating expenditures from the General Fund for fiscal year 2020 for the Division of Human Resources. Motion seconded by **Rep. Raybould**.
Administrator Susan Buxton, Division of Human Resources, discussed the motion, which addresses leave of absence and sick leave issues that apply to all state employees.

CARRIED: **AYES: 20**
Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Seegmiller(Troy), Wintrow, Toone
NAYS: 0
ABSENT/EXCUSED: 0
The majority having voted in the affirmative, the motion carried, and without objection, carried a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

MOTION: Carryover Motion:
Senator Bair made a motion to reconsider the fiscal year 2021 budget for the Division of Human Resources. Motion seconded by **Rep. Kauffman**.

Alex Adams, Administrator, Division of Financial Management (DFM) and **Administrator Susan Buxton** answered Committee questions.

CARRIED:

AYES: 20

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

NAYS: 0

ABSENT/EXCUSED: 0

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

**UNANIMOUS
CONSENT:**

Senator Bair requested unanimous consent to accept the standard carryover language associated with this motion for the fiscal year 2021 budget for the Division of Human Resources. **Chairman Youngblood** called for any objections; hearing no objections, it was so ordered.

**INTENT
LANGUAGE:**

SECTION X. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Division of Human Resources any unexpended and unencumbered balances appropriated to the Division of Human Resources from the General Fund for the purpose of advanced sick leave and paid administrative leave for fiscal year 2020, in an amount not to exceed \$500,000 from the General Fund, to be used for nonrecurring expenditures related to advanced sick leave and paid administrative leave for the period July 1, 2020, through June 30, 2021. The State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**LSO STAFF
PRESENTATION:**

OFFICE OF INFORMATION TECHNOLOGY SERVICES, OFFICE OF THE GOVERNOR; Robyn Lockett, Principal Budget & Policy Analyst, LSO

**UNANIMOUS
CONSENT:**

Senator Bair requested unanimous consent to reopen the FY 2020 budget for the Office of Information Technology Services. **Chairman Youngblood** called for any objections; hearing no objections, it was so ordered.

MOTION:

Supplemental Motion

Senator Bair made a motion to add \$800,000 in onetime operating expenditures from the General Fund for fiscal year 2020 for the Office of Information Technology Services. Motion seconded by **Rep. Horman**.

Senator Bair discussed the motion. State agencies will be using telecommunications in an effort to prevent the COVID-19 virus from spreading. The purpose of the funding is to assist agencies that are short or in need of improved technology.

CARRIED:

AYES: 19

Senators Bair, Johnson, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye
Representatives Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Seegmiller(Troy), Wintrow, Toone

NAYS: 0

ABSENT/EXCUSED: 1

Lee

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

MOTION:

Carryover Motion

Senator Bair moved to reconsider the fiscal year 2021 budget for the Office of Information Technology Services. Motion seconded by **Rep. Horman**.

AYES: 19

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

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

NAYS: 0

ABSENT/EXCUSED: 1

Lee

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

**UNANIMOUS
CONSENT:**

Senator Bair requested unanimous consent to accept the standard carryover language associated with this motion for the fiscal year 2021 budget for the Office of Information Technology Services. **Chairman Youngblood** called for any objections; hearing no objections, it was so ordered.

**INTENT
LANGUAGE:**

SECTION X. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Office of Information Technology Services any unexpended and unencumbered balances appropriated to the Office of Information Technology Services from the General Fund for the purpose of telework support for fiscal year 2020, in an amount not to exceed \$800,000 from the General Fund, to be used for nonrecurring expenditures related to telework support for the period July 1, 2020, through June 30, 2021. The State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein. See [Audio](#) and [Motion 1](#) and [Motion 2](#) and [Ballot](#).

**LSO STAFF
PRESENTATION:**

FY 2020 AND FY 2021 CASH TRANSFERS; Paul Headlee, Division Manager, Budget & Policy Analysis, LSO

On March 12, 2020, JFAC took action on year-end cash transfers for FY 2020 and FY 2021. Of the ten cash transfers approved, three would occur in FY 2020 and seven would occur in FY 2021. It is now determined that it would be in the best interest of the FY 2020 ending cash balance if the \$8.8 million transfer from Permanent Building Fund to the General Fund occurred in FY 2020 instead of FY 2021. This change simply requires that the emergency clause in **Section 11** includes **Section 10**. This change is supported by the Governor's Office and the Division of Financial Management. **Mr. Headlee** provided clarification concerning reopening a budget and reconsidering a budget.

MOTION:

Original Motion:

Senator Johnson made a motion to reconsider the cash transfers made by JFAC on March 12, 2020. Motion seconded by **Rep. Horman**.

Paul Headlee and the Committee discussed the motion.

CARRIED: **AYES: 19**
Senators Bair, Johnson, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye
Representatives Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Seegmiller(Troy), Wintrow, Toone
NAYS: 0
ABSENT/EXCUSED: 1
Lee
The majority having voted in the affirmative, the motion carried, and without objection, carried a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

MOTION: Original Motion
Senator Johnson made a motion to accept the fiscal year 2020 and 2021 cash transfers in **RS 28018** associated with this motion. Motion seconded by **Rep. Horman**.

CARRIED: **AYES: 19**
Senators Bair, Johnson, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye
Representatives Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Seegmiller(Troy), Wintrow, Toone
NAYS: 0
ABSENT/EXCUSED: 1
Lee
The majority having voted in the affirmative, the motion carried, and without objection, carried a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**. See [Audio](#) and [Motion](#) and [Bill Content](#) and [Ballot](#).

LSO STAFF PRESENTATION: **COLLEGE AND UNIVERSITIES, STATE BOARD OF EDUCATION;**
Janet Jessup, Senior Budget & Policy Analyst, LSO
Administrator Adams, DFM, answered Committee questions.

MOTION: Original Motion:
Rep. Anderson made a motion for the State Board of Education, College and Universities, beginning with the FY 2020 Total Appropriation, include 118.26 FTP and \$17,356,300 from dedicated funds, remove 0.48 FTP and \$472,300 to adjust expenditures. Then include a base reduction of \$6,467,000, remove \$132,860,000 for onetime expenditures, and restore \$3,977,500 for previous rescissions. Then provide a decrease of \$2,730,600 for benefit costs, an increase of \$2,164,600 for inflationary adjustments, an increase of \$6,324,100 for replacement items, an increase of \$526,100 for statewide cost allocation, an increase of \$8,456,200 for change in employee compensation, an increase of \$1,842,600 for nondiscretionary adjustments, and an increase of \$1,081,000 for endowment adjustments. Also included are the following line items: line item 1, which provides 1.73 FTP and \$707,300 for occupancy costs; line item 4, which provides a decrease of \$20,800 for adjusted rent for the Idaho Law & Justice Learning Center; line item 5, which provides \$1,000,000 for cybersecurity programs; and a 2 percent General Fund reduction of \$6,118,300, of which \$4,770,800 is from personnel costs, \$1,184,300 is from operating expenditures, \$80,000 is from capital outlay, and \$83,200 is from trustee and benefit payments. The totals for this motion for FY 2021 are 4,873.05 FTP, \$307,079,600 from

the General Fund and \$321,043,600 from dedicated funds, for a grand total of \$628,123,200 and provide for carryover authority for previously appropriated non-General Fund moneys; exceptions to budget laws allowing transfer of funds among object class codes and programs; and there is no FTP cap. Lastly, there is legislative language to accompany this motion. **Senator Burtenshaw** seconded the motion.

**SUBSTITUTE
MOTION:**

Substitute Motion:

Representative Amador made a motion for the State Board of Education, College and Universities, beginning with the FY 2020 Total Appropriation, include 118.26 FTP and \$17,356,300 from dedicated funds, remove 0.48 FTP and \$472,300 to adjust expenditures. Then include a base reduction of \$6,467,000, remove \$132,860,000 for onetime expenditures, and restore \$3,977,500 for previous rescissions. Then provide a decrease of \$2,730,600 for benefit costs, an increase of \$2,164,600 for inflationary adjustments, an increase of \$6,324,100 for replacement items, an increase of \$526,100 for statewide cost allocation, an increase of \$8,456,200 for change in employee compensation, an increase of \$2,373,600 for nondiscretionary adjustments, and an increase of \$1,081,000 for endowment adjustments. Also included are the following line items: line item 1, which provides 1.73 FTP and \$707,300 for occupancy costs; line item 4, which provides a decrease of \$20,800 for adjusted rent for the Idaho Law & Justice Learning Center; line item 5, which provides \$1,000,000 for cybersecurity programs; and a 2 percent General Fund reduction of \$6,118,300, of which \$4,770,800 is from personnel costs, \$1,184,300 is from operating expenditures, \$80,000 is from capital outlay, and \$83,200 is from trustee and benefit payments. The totals for this motion for FY 2021 are 4,873.05 FTP, \$307,079,600 from the General Fund and \$321,574,600 from dedicated funds, for a grand total of \$628,654,200 and provide for carryover authority for previously appropriated non-General Fund moneys; exceptions to budget laws allowing transfer of funds among object class codes and programs; and there is no FTP cap. Lastly, there is legislative language to accompany this motion. Motion seconded by **Senator Johnson**.

Rep. Amador explained the modification in the substitute motion. **Rep. Raybould** commented on a potential misprint on the College and Universities motion sheet.

CARRIED:

AYES: 16

Bair, Johnson, Agenbroad, Crabtree, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Amador, Kauffman, Raybould, Syme, Seegmiller(Troy), Wintrow, Toone

NAYS: 3

Burtenshaw, Grow, Anderson

ABSENT/EXCUSED: 1

Lee

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

**UNANIMOUS
CONSENT:**

Rep. Amador requested unanimous consent to accept the language associated with this motion.

**INTENT
LANGUAGE:**

SECTION 4. SYSTEMWIDE NEEDS. Of the amount appropriated in Section 1, Subsection V. of this act, the following amounts may be used as follows: (1) an amount not to exceed \$902,600 may be used by the Office of the State Board of Education for systemwide needs that benefit all of the four-year institutions including, but not limited to, projects to promote accountability and information transfer throughout the higher education system; and (2) an amount of approximately \$1,960,500 may be used for the mission and goals of the Higher Education Research Council as outlined in State Board of Education Policy III.W., which includes awards for infrastructure, matching grants, and competitive grants through the Idaho Incubation Fund program.

SECTION 5. STUDENT TUITION AND FEES. Notwithstanding the provisions of Section 673516(2), Idaho Code, the Division of Financial Management may approve the expenditure of dedicated state funds pursuant to the noncognizable process for student tuition and fees during fiscal year 2021. Each of the institutions' budget requests for fiscal year 2022 shall reflect all adjustments so approved by the Division of Financial Management.

SECTION 6. EXPENDITURE REPORT. It is the intent of the Legislature that each institution continue with budget reduction considerations and cost containment efforts and where possible, priority should be placed on reducing administrative overhead and the elimination of expenditures that are not integral to each institution's core instructional mission. The State Board of Education shall provide a written report to the Joint Finance & Appropriations Committee and the House and Senate Education committees detailing these budget reductions and costs containment efforts no later than January 15th of 2021. See [Audio](#) and [Motion](#) and [Ballot](#).

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 1:47 p.m.

Representative Youngblood
Chair

Jenny Miller
Secretary