

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 15, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye

Co-chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

**ABSENT/
EXCUSED:** None

CONVENED: **Chairman Bair** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:00 a.m.

AGENCY PRESENTATION: **PUBLIC HEALTH DISTRICTS, Geri Rackow, Director VII Director; Jared Tatro, LSO Analyst**

Idaho public health districts work closely with Health and Welfare and other state and local agencies. Each district has a board of health appointed by county commissioners within that region. The districts are not part of any state agency. Each district responds to local needs to provide services that may vary from district to district, ranging from community health nursing and home health nursing to environmental health, dental hygiene and nutrition. Many services are provided through contracts with the department.

Historical Summary: Their original appropriation was \$10,594,400 and the Districts are requesting a 1.6 percent increase and the Governor is recommending a .6 percent increase. The primary difference is in health insurance increases. This is a maintenance level budget.

FY 2020 Actual Expenditures Variance Report: The Health Districts appropriations are funded via a cash transfer into the Public Health Trust Fund. All funds received are expended, and any funds coming back into the Trust are related to the recommended holdbacks. State appropriations are funded from General Fund and Millennium Income Fund dollars.

Comparative Summary: The Governor's recommendation mirrored the agency's request with the exception of benefit costs and CEC. The agency was a part of the Governor's five percent general fund holdback, which was restored.

FY 2021 Budget: There were three line items that funded. The first was for \$105,400 for Community Health Collaborative; the second was for \$178,500 for Citizen Review Panels (\$42,000 was transferred from the Department of Health and Welfare (DHW)); and \$1,000,000 through a transfer from DHW for home visitation programs.

The Districts were awarded a noncognizable adjustment from the Division of Financial Management (DFM) in the amount of \$6,909,700.

FY 2020 Budget Report: The requests for benefit costs and CEC are associated with the General Fund and Millennium Income Fund, which account for 20 percent of all the changes. The other requests are off budget and borne by the counties and or contracts that the health districts have.

See [Presentation](#) and [Audio](#) Here

AGENCY PRESENTATION: **DEPARTMENT OF FISH AND GAME, Paul Kline, Deputy Director, Programs and Policy; Rob Sepich, LSO Analyst**

Idaho Fish and Game's mission is to protect, preserve, perpetuate and manage Idaho's wildlife resources. A 1938 voter initiative created the Idaho Fish and Game Commission structure that governs the agency today.

Historical Summary: There are six separate budgeted programs in the department. The majority of funding comes from dedicated fees, which makes up 52 percent of the overall budget. The remainder comes from federal funds. There are no General Funds in this budget.

Organizational Chart: There are 553.00 FTP and 32.00 vacant positions.

Performance Report: **Michael Pearson**, Bureau Chief, gave an overview of the performance report, and addressed the outcomes of the performance metrics from each goal outlined in the Department's strategic plan.

FY 2020 Actual Expenditures Variance Report: There were some FTP adjustments which are very common for the agency, as well as small transfers that net out to zero. \$900,000 was transferred from operating into capital outlay to replace fish screens in the Salmon Valley. The receipt adjustment for two appropriations that totaled \$217,700 was related to the explosion of the Powell residence two years ago. \$1,100,000 from the Expendable Big Game Deprivation was paid out to landowners for damages done by wildlife. This year all funds were expended due to an increase in claims. A total of \$12,835,200, (10 percent) was reverted across all of funds sources; the highest reversion was in Licenses which amounted to \$3,839,300. This amount varies annually.

Comparative Summary: There are four line items for FY 2022. Agency requested a 4.2 percent increase and the Governor recommended a 3.7 percent increase.

FY 2021 Budget: There were 11 line items funded and Mr. Pearson gave a brief overview of those items:

- \$408,100 for wolf population estimates
- \$329,300 for pheasant stocking
- \$2,156,000 for Albeni Falls Dams mitigation projects
- \$300,000 for replacement residence at Hayspur Fish Hatchery
- \$1,085,000 to restore Black Lake Ranch WMA
- \$650,300 for the Coeur d'Alene Restoration Partnership
- \$213,000 for smolt transportation costs
- \$275,000 for habitat restoration and population evaluation
- \$120,000 for Black Canyon Dam remediation
- \$330,000 for equipment storage buildings
- Consolidation of IT services

Mr. Pearson and **Mr. Klein** answered questions from the Committee.

FY 2022 Budget Request: The base adjustments included a request to move 3.00 FTP and \$141,200 from the Communications Program in personnel costs to the Administration Program for their headquarters front desk staff. There's also \$100,000 from the Game Set-Aside Fund to the Wildlife Mitigation and Habitat Conservation Program. The department is requesting \$5,182,200 from dedicated funds and \$78,000 federal funds in replacement costs that include 70 vehicles, 300 personal computers, boats, motor bikes and snowmobiles.

There are four line items requested:

1. Regional lease pay off that includes onetime funds of \$2,000,000, a reduction of \$500,000 ongoing for a net request of \$1,500,000.
2. \$6,426,500 for the next phase of the mitigation efforts on the Clark Fork Delta, funded by a negotiated settlement between Bonneville Power Administration and the state of Idaho for hydropower impacts of the Albeni Falls Dam project.
3. Good Neighbor Authority request for \$175,000 for the Nez Perce Clearwater National Forest for aspen restoration
4. \$344,500 for salmon monitoring and evaluation through federal contracts. The Lower Snake River Compensation Office has requested to eliminate the Pacific State's contract and instead add one hundred percent of that federal funding to its annual contract with US Fish and Game. Idaho Fish and Game would contact directly with Pacific States Marine Fisheries Commission allowing for improved budget management and operational coordination. This shift would not change the scope of work operations or costs.

The Governor's recommendation was a 3.7 percent increase for \$4,573,300.

See [Presentation](#) and [Audio](#) Here

**AGENCY
PRESENTATION:**

**OFFICE OF SPECIES CONSERVATION, Mike Edmondson, Interim
Administrator; Rob Sepich, LSO Analyst**

The Office of Species Conservation was created in 2000 with the addition of Idaho Code §67–818. The new law established an agency within the Office of the Governor with the purpose of providing coordination and cooperation among and between various state and federal agencies with responsibilities for species management under the Endangered Species Act (ESA).

Historical Summary: The majority of funding for this division is from federal grants. In FY 2020, 35.1 percent of the total appropriation was reverted, with the majority coming from federal grants. The Governor's recommendation for the FY 2022 budget is \$1,629,000 in the General Fund, \$15,000 in dedicated funds and 13,516,700 in federal funds.

Organizational Chart: There are 15.00 FTP with 3.00 vacant positions.

Performance Report: **Mr. Edmondson** gave a brief overview of three high level goals that deal with the coordination and implementation of state policy among agencies pertaining to ESA programs.

FY 2020 Actual Expenditures Variance Report: There were object transfers of \$57,700 from operating to capital outlay to purchase of some office supplies. The agency had a 35.1 percent reversion, largely due to federal grants not fully utilized.

Comparative Summary: There was one line item that was requested for FY 2022 that was also recommended by the Governor. The agency requested a .3 percent increase and the Governor's recommendation was a .2 percent increase.

FY 2021 Budget: There were three line items:

- \$15,000 for support of the Idaho Roadless Commission
- \$75,000 for year six of sage grouse study
- 1.00 FTP and \$95,000 for a federal lands coordinator

FY 2020 Budget Report: There were the standard adjustments.

There was one line item request for \$75,000 in onetime operating expenditures from the General Fund for year seven of the Sage Grouse Study.

Mr. Edmondson responded to the question on Judge Winnill's decision regarding the Sage-Grouse and indicated he would provide an answer in writing.

See [Presentation](#) and [Audio](#) Here

AGENCY

PRESENTATION:

OFFICE OF THE GOVERNOR; Office of Energy and Mineral Resources, John Chatburn, Administrator; Rob Sepich, LSO Analyst

The Idaho Governor's Office of Energy and Mineral Resources (OEMR) is responsible for coordinating energy and mineral resource planning and policy development for the State. OEMR works with state and federal stakeholders to develop and utilize Idaho's energy and mineral resources in an efficient, effective, and responsible manner that serves to enhance the state's economy and sustain the quality of life for its citizens.

Historical Summary: There is one budgeted program that is made up of 65 percent dedicated funds and 35 percent federal funds. FY 2022 showed an increase in federal funds due to the recently approved supplemental appropriation.

Organizational Chart: There are 8.00 FTP with 1.00 vacant position.

Performance Report: **Mr. Chatburn** highlighted the agency's goals and outcomes.

FY 2020 Actual Expenditures Variance Report: 32.8 percent of the total appropriated funds were reverted with the majority coming from various dedicated funds, such as the Petroleum Price Violation Fund, the Renewable Energy Resources Fund. These funds will be retained in the Treasury.

Comparative Summary: There is a maintenance budget. The agency requested a 13.3 percent increase and the Governor recommended a 13.1 percent.

FY 2021 Budget: There was one line item for \$1,300 for the Governor's IT modernization, a statewide IT item that was approved last year. This was a maintenance budget. There was \$157,700 in increased federal grants of which \$60,600 is from the Indirect Cost Recovery Fund and \$97,000 is in federal funds.

FY 2022 Budget Report: This is a maintenance budget, with a replacement request for \$5,200 for laptops and office furniture that will come from the Petroleum Price Violation Fund.

Mr. Sepich answered questions regarding the Indirect Cost Recovery Fund.

See [Presentation](#) and [Audio](#) Here

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 9:14 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary