

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, March 10, 2021
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Syme, Bundy, Giddings, Nate, Green, Nash
ABSENT/EXCUSED: Rep. Amador
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

LSO STAFF PRESENTATION: **DEPARTMENT OF THE STATE POLICE, Brand Inspection, LBB 3-73. Christine Otto, Senior Analyst.**

Ms. Otto introduced the budget for the Brand Inspection. The Brand Inspection Division provides protection to the livestock industry, from losses by theft and illegal slaughter. The division is funded completely by dedicated funds.

MOTION: Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Syme**, for the Brand Inspection Division, beginning with the FY 2022 Base, an increase of \$8,700 for benefit costs, \$188,600 for replacement costs, \$4,400 for statewide allocation of costs, and \$45,000 for change in employee compensation. Also included are the following line items: Line item 1, which provides \$60,000 for traceability software maintenance; and line item 2, which provides 1 FTP and \$36,100 for a financial technician position. The totals for this motion for FY 2022 are 40.09 FTP, and \$3,439,300 from dedicated funds.

CARRIED: **AYES: 17.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Nye, Youngblood, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 3.
Ward-Engelking, Troy, Amador.

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 Youngblood**.

LSO STAFF PRESENTATION: **DEPARTMENT OF THE STATE POLICE, Division of Idaho State Police, LBB 3-77. Christine Otto, Senior Analyst.**

Ms. Otto introduced the budget for the Division of Idaho State Police. The division has seven budgeted programs, including the director's office, executive protection, investigations, patrol, law enforcement programs, support services, and forensic services. The programs are funded through the General Fund, dedicated funds, and federal funds.

ORIGINAL MOTION:

Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Grow**, for I move for the Idaho State Police division beginning with the FY 2022 Base, an increase of \$203,600 for benefit costs, \$12,700 for inflationary adjustments, \$2,446,400 of which \$449,500 is from the General Fund, \$1,821,500 from the dedicated funds, \$175,400 from the federal funds for a replacement item, a reduction of \$44,700 for statewide cost allocation, an increase of \$35,100 for annualizations, \$858,800 for change in employee compensation, and a net-zero transfer of \$354,400 from operating expenditures to capital outlay to conform with the new GASB standards. Also included are the following line items: line item 1, which provides \$36,000 for an increase for the national law enforcement telecommunications system; line-item 2, which provides 1 FTP, and \$378,100 for the high-intensity drug trafficking grant; line item 3, which provides \$3,910,000 for Cares Funding; line item 4, which provide as fund shift of \$3,925,000 from dedicated funds to the General Fund; line item 5, which provides \$190,000 for an overdose to action grant; line item 6, which provides \$85,000 for a federal grant; and line item 7, which provides \$80,900 for Microsoft 365. The totals for this motion for FY 2022 are 543.34 FTP, \$34,325,300 from the General Fund, \$33,047,300 from the dedicated funds, and \$13,280,700 from the federal funds; for a grand total \$80,653,300.

CARRIED:

AYES: 15.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Nye, Youngblood, Horman, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 3.

Ward-Engelking, Troy, Amador.

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 Youngblood**.

UNANIMOUS CONSENT:

Requested by **Rep. Syme**, granted by unanimous consent, the following language was added:

SECTION_. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Idaho State Police any unexpended and unencumbered balances appropriated to the Idaho State Police from the General Fund for the purpose of purchasing a residential unit in Driggs, Idaho, rifles with suppressors, and cold weather jackets, for fiscal year 2021, in an amount not to exceed \$742,500 from the General Fund, to be used for nonrecurring expenditures related to purchasing a residential unit in Driggs, Idaho, rifles with suppressors, and cold weather jackets for the period July 1, 2021, through June 30, 2022. The Office of 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: **DEPARTMENT OF THE STATE POLICE, POST Academy, LBB 3-85. Christine Otto, Senior Analyst.**

Ms. Otto introduced the budget for the POST Academy. The post academy provides training and assistance to all levels of law enforcement and provides both basic and specialized training within their division.

ORIGINAL MOTION: Original Motion: Moved by **Sen. Grow**, seconded by **Rep. Green**, for the POST Academy division beginning with the FY 2022 Base, an increase of \$8,900 for benefit costs, \$13,200 for inflationary adjustments, \$98,600 for replacement items, a reduction of \$8,000 for statewide cost allocation, and an increase of \$41,600 for a change in employee compensation. The totals for this motion for FY 2022 are 29.67 FTP, \$4,621,800 from dedicated funds, and \$258,500 from the federal funds; for a grand total of \$4,880,300.

CARRIED: **AYES: 19.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1.
Amador.

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 Youngblood**.

ORIGINAL SECOND MOTION: Original Second Motion: Moved by **Sen. Grow**, seconded by **Rep. Green**, for the POST Academy division for the Fiscal Year 2022, the appropriation and transfer of \$400,000, one time, from the General Fund to the Peace Officers Training Fund.

CARRIED: **AYES: 19.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1.
Amador.

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 Youngblood**.

LSO STAFF PRESENTATION: **DEPARTMENT OF THE STATE POLICE, Racing Commission, LBB 3-89. Christine Otto, Senior Analyst.**

ORIGINAL MOTION:

Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Agenbroad**, for the Racing Commission division beginning with the FY 2022 Base an increase of \$500 for benefit costs, \$4,800 for statewide cost allocation, \$3,300 for change in employee compensation. The totals for this motion for FY 2022 are 3.00 FTP, \$428,700 from dedicated funds.

CARRIED:

AYES: 17.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Amador.

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 Youngblood**.

LSO STAFF PRESENTATION

PERSI (Public Employee Retirement System), LBB 6-95. Maggie Smith, Senior Analyst.

Ms. Smith introduced the budget for the PERSI agency. PERSI manages several retirement funds for the state. There are two budgeted programs: the retirement administration program, and the portfolio investment program. The bill include language, as a separate motion, regarding the portfolio investment program. By statute, the moneys in this program would be perpetually appropriated. However, JFAC has the ability under section 67–3514, Idaho Code, to appropriate continuously appropriated funds, so all staff personnel costs for the investment are appropriated by JFAC.

ORIGINAL MOTION:

Original Motion: Moved by **Sen. Nye**, seconded by **Rep. Syme**, for the Public Employment Retirement System, beginning with the FY 2022 Base, add \$20,100 for the benefit cost, add \$292,500 for replacement items, decrease \$6,900 for statewide cost allocation, and add \$106,300 for change in employee compensation. There are no line items included in this budget. The totals for this motion for FY 2022 are 73.00 FTP and \$9,143,400 from the dedicated funds.

CARRIED:

AYES: 17.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.

NAYS: 1.

Giddings.

ABSENT/EXCUSED: 2.

Amador, Nate.

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 Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Syme**, granted by unanimous consent, the following language was included in PERSI's FY 2022 appropriation bill: SECTION _.

CONTINUOUS APPROPRIATION. Notwithstanding the provisions of Section 59-1311(4)(d), Idaho Code, moneys appropriated in Section 1 of this act for the Portfolio Investment Program are for administrative costs of the Portfolio Investment Program as provided in Section 59-1311(3), Idaho Code. Amounts necessary to pay all other investment expenses related to the Portfolio Investment Program are perpetually appropriated to the Public Employee System Board as provided in Section 59-1311(4)(a), (b) and (c), Idaho Code.

**LSO STAFF
PRESENTATION**

STATE CONTROLLER, LBB 6-33. Maggie Smith, Senior Analyst.

Ms. Smith introduced the budget for the State Controller. The agency has four budgeted programs: the administration program, the statewide accounting program, the statewide program, and the computer service center. The agency is largely funded by the General Fund, but also receives a dedicated fund appropriation for the computer service center.

**ORIGINAL
MOTION:**

Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook**, for the State Controller, beginning with the FY 2022 Base, \$31,100 for the benefit costs, \$1,300 for the statewide cost allocation, and \$158,900 for change in employee compensation. Also included are the following line-items: line-item 1, which provides four FTP to support state agencies in the implementation of the budget and the procurement modules of Luma; line-item 2, which provides \$375,000 to create a meeting notice website for all state agency public meetings; line-item 4, which provides \$3 million from the General Fund for an e-procurement system and phase one of an ERP study for the four institutions of higher education; and a cash transfer, which transfers \$3 million for line-item 4 to the dedicated business information infrastructure fund. The totals for this motion for FY 2022 are 101.00 FTP, \$11,765,400 from the General Fund, and \$8,184,200 from the dedicated funds; for a grand total of \$19,949,600.

CARRIED:

AYES: 17.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Giddings. Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 3.

Cook, Amador, Nate.

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 Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Horman**, granted by unanimous consent, the following two sections of standard language were included in the FY 2022 appropriation bill for the Office of the State Controller.

SECTION __. INDIRECT COST RECOVERY. The moneys assessed by the Division of Financial Management in accordance with Section 67-3531, Idaho Code, for State Controller services shall be placed in the Indirect Cost Recovery Fund.

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Office of the State Controller any unexpended and unencumbered balances appropriated or re appropriated to the Office of the State Controller from the Data Processing Services Fund for fiscal year 2021, in an amount not to exceed \$2,500,000 from the Data Processing Services Fund, to be used for nonrecurring expenditures related to the Computer Service Center for the period July 1, 2021, through June 30, 2022. The Office of 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:**

STATE TREASURER, SUPPLEMENTAL - LBB 6-161. Maggie Smith, Senior Analyst.

Ms. Smith explained that before the action for the FY 2022 budget for the State Treasure, an action needs to be taken regarding the FY 2021. This action is to re-purpose a portion of the funding provided in a previous supplemental to cover the moving costs for the State Treasurer who will be relocating from the State Capitol.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Syme**, granted by unanimous consent, the budget for the Office of the State Treasurer for FY 2021 was reopened.

**ORIGINAL
MOTION:**

Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Crabtree**, for the for FY 2021, a reduction of \$196,000 and one time operating expenditures from the General Fund for payment card industry compliance, and the addition of \$75,000 in one-time operating expenditures from the General Fund to relocate the Office of the State Treasurer.

**DISCUSSION:
CARRIED:**

Rep. Youngblood declared rule 80.

AYES: 17.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Giddings. Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 3.

Cook, Amador, Nate.

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 Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Syme**, granted by unanimous consent, the following new section of language was included in the FY 2021 appropriation bill for the Office of the State Treasurer, which provides requirements regarding the relocation of office furniture from the Capitol:

SECTION __. CAPITOL FURNITURE. Notwithstanding the provisions of Section 67-1608 (4), Idaho Code, and any other provision of law to the contrary, the Office of the State Treasurer is permitted to relocate any office furniture identified by the Speaker of the House of Representatives, or his designees.

PRESENTATION: **Ms. Smith** introduced the budget for the State Treasurer, pointing out the bill includes also some standard intent language for the Fiscal Year 2022 budget regarding bank fees.

ORIGINAL MOTION: Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Crabtree**, for the Office of the State Treasurer, beginning with the FY 2022 Base, an increase of \$8,500 for benefit costs, a decrease of \$30,600 for statewide cost allocation, and an increase of \$43,300 for change in employee compensation. The totals for this motion for FY 2022 are 26.00 FTP, \$1,455,200 from the General Fund, and \$2,902,500 from dedicated funds; for a grand total of \$4,357,700.

CARRIED: **AYES: 17.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Giddings. Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 3.
Cook, Amador, Nate.

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 Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Syme**, granted by unanimous consent, the following standard language, which limits the amounts that may be paid for bank service fees, as a section of the FY 2022 appropriation bill for the Office of the State Treasurer:

SECTION __. PAYMENT OF BANK SERVICE FEES. Of the amount appropriated in Section 1 of this act, no more than \$406,600 from the General Fund and \$221,700 from the Professional Services Fund may be used for the payment of bank service fees for the period July 1, 2021, through June 30, 2022.

LSO STAFF PRESENTATION: **TAX COMMISSION, LBB 6-151. Keith Bybee Deputy Division Manager**

Mr. Bybee introduced the budget for the Tax Commission. The State Tax Commission is the revenue, collection agency. Funding for the department's operations is typically 85% from the General Fund, 5% from the multi-state tax compact fund, and 10% from the administrative services for transportation fund. The agency request was 0.8 % increase above the original appropriation for Fiscal Year 2021. The recommendation did include two enhancements to the budget and a 2.3% total increase. The first line item provided the funding for a 2% salary increase for the tax commissioners, including variable benefits. The second line-item would provide ongoing funding for the fast enterprises to host on their servers the gen tax software.

ORIGINAL MOTION:

Original Motion: Moved by **Sen. Grow**, seconded by **Rep. Horman**, for the state Tax Commission, beginning with the Fiscal Year 2022 Base, include \$104,700 for benefit costs, include \$137,500 for inflationary adjustments, include \$247,100 for replacement items, include \$213,900 reduction for statewide cost allocation, include \$634,700 for change in employee compensation. Also included are the following line-items: line item 1, which provides \$10,000 for a 2% increase for the commissioner salary; line-item 2, which provides \$933,600 for the fast enterprises to host Gen Tax on their servers; and line-item 3, which reduces the 5 FTP, and \$180,000 from personnel costs. Moved for Fiscal Year 2022, \$37,874,800 from the General Fund, \$8,472,500 from the dedicated funds, and \$8,000 from the federal funds; for a grand total of \$46,355,300, with full-time equivalent positions capped at 443.00.

CARRIED:

AYES: 15.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.

NAYS: 1.

Giddings.

ABSENT/EXCUSED: 4.

Riggs, Cook, Amador, Nate.

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 Youngblood.

UNANIMOUS CONSENT:

Requested by **Sen. Grow**, granted by unanimous consent, it was introduced as a separate section of the Tax Commission's FY 2022 original appropriation bill, amendments to section 63, 102, Idaho Code, to increase the salaries of the state tax commissioners to \$106,072, annually.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 7:45 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary