

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, April 09, 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, Amador, Syme, Bundy, Giddings, Nate, Green, Nash
ABSENT/ EXCUSED: None
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.
AGENCY PRESENTATION: **BUDGET HEARING. Department of Health and Welfare - ARPA Budget Requests.**
Dave Jeppesen, Director. LSO Analyst Jill Randolph.
1a. Child Care Development Block Grant
1b. Child Care Stabilization Grants
1c. Child Care Entitlement to States

Ms. Randolph introduced the budget overview of the three childcare allocations from ARPA, yield to **Director Jeppesen** for more details. **Director Jeppesen** explained the child care system in Idaho is critical, not only as its industry, but it allows the adults to go to work, to school, or to a secondary education to further their education to get better jobs.

The goal of the agency is to make sure that there is as little friction as possible in allowing those adults to find high-quality child care for their children.

There are three goals for this upcoming program's funding money. The first is to stabilize and to store up a high-quality childcare network across the state. The second is to ensure that low-income families can afford childcare. The third is to help children who have also had a rough year stay on grade level.

The majority of the money will go to stabilize child care providers, as many of them have reduced enrollment as a result of the pandemic.

The distribution of the funding will happen through several programs. One is the monthly grants assigned to those who qualify, similar to what is being done since May of 2020.

The agency expects \$27 million of this money to go towards grants used to stabilize the child care providers and their workforce. To help the child care centers to reach qualified workers, the agency is providing money for training and reimbursement for certifications needed for child care staff.

The agency also addresses to support the cost of childcare for low-income families. With the current system, when a family qualifies for childcare subsidy, the subsidy goes to the provider, and the family still pays a portion of the cost (cost-sharing or co-pay).

The agency is planning to increase the number of families who qualify for this program. Currently, the subsidies are available to those at 130% of the federal

poverty level or below. The agency is planning to expand the level to 145% of the poverty level and below, only for the duration of the upcoming grant. To support the goal of keeping kids on grade level, the funding is going to support technology, computers, online school connections, tutor programs, and after-school networks. The funding must be used for child care, it cannot be used for any school, pre-school, or direct school support. The funding must go to licensed or certified child care programs, and cannot be used for programs outside of the scope of their business.

DISCUSSION:

Dir. Jeppesen answered a question from **Rep. Horman**, explaining the majority of the funding is covered by the government.

He also provided details about the three types of child care providers that are supported:

family-based day-care child care providers, when someone is taking care of other family member's children; group home, where someone is taking care of non-family members to watch as a business; and the traditional child care center.

Rep. Giddings asked how many families would be able to re-enter the workforce if they had this access to child care subsidies.

Dir. Jeppesen replied that the number of eligible children in the lower bracket is around 8,000 to 9,000, the expansion would increase this number by 1 to 2 thousand.

Rep. Giddings asked if the child care providers will be required to mandate vaccinations to be eligible for this funding. **Dir. Jeppesen** explained there is no mandate of vaccination.

Dir. Jeppesen also replied to a question from **Rep. Nate** by explaining the agency is using enrollment trends to determine whether a provider is closed due to COVID-19 or some other reason. The director also clarified the monthly grant amounts is \$5,000 for the large providers, \$2,500 for group homes, and \$500 for the family day-care. These amounts tend to be about 5% to 7% of the total revenue.

Dir. Jeppesen explained to **Rep. Green** the funds can be used for child care and day-care activities but cannot be used for any type of school or formal education perspective.

The director clarified to **Rep. Horman** the agency is planning to provide a longer update with more detail of the program at the Senate Health and Welfare Committee on Monday.

In summary for 2022, the spending would be about \$27.1 million for the provider grants, \$13.8 million for wage enhancement, \$31 million for training and tuition, \$6.1 million for family supports, and \$6.6 million for an increase in the FPL.

Dir. Jeppesen agreed with **Rep. Horman's** request to provide the presentation material to the Committee.

**AGENCY
PRESENTATION:**

BUDGET HEARING. Department of Health and Welfare - ARPA Budget Requests. Dave Jeppesen, Director. LSO Analyst Jill Randolph
2. Low-Income Home Energy Assistance Program
3. Low-Income Household Drinking Water Program .

Ms. Randolph introduced the programs, specifying the Low Income Energy Program is an existing program for which the department receives an annual appropriation from the Federal Government or allocation from the Federal Government. The Low-Income Household Drinking Water Program is a new program that was created under these COVID Relief Act bills.

Dir. Jeppesen explained the energy assistance program is an existing program that the program administers now on behalf of these federal funds. As of the current program, the local community action agencies, once somebody is qualified, will pay their bills directly to the providers.

The funds will be used to augment this program in two ways: one is by extending the current program from just winter months, into the first months of summer and first months of fall; another is to extend the definition of who pre-qualifies for the program.

The water program is a brand new program that will be similar to the energy assistance program but will be targeted towards water and wastewater bills for low-income families who qualify or who are in a crisis. The funding for this program is \$3 million. The agency doesn't know yet if the water assistance program will be ongoing or not.

DISCUSSION: Following up on a question from **Rep. Amador**, **Dir. Jeppesen** provided more details about the process to avoid double-counting between the two programs. This will be done by working with the providers, making sure there is no double payment for the same invoice.

AGENCY PRESENTATION: **BUDGET HEARING. Department of Health and Welfare - ARPA Budget Requests. Dave Jeppesen, Director. LSO Analyst Jill Randolph**
4. COVID-19 Vaccines.

Ms. Randolph introduced the program and yielded to **Dir. Jeppesen** for more details. **Dir. Jeppesen** explained that for FY 2022, there will be a switch where there is more supply than demand for the vaccine. So, the agency is planning to provide the service to the people to make it easier to be vaccinated. For example, mobile clinics can go to specific locations that are more inefficient for the providers such as home-bound or rural communities without the pharmacy or another type of provider. There is also a plan to continue an ongoing campaign to build vaccine confidence for the COVID-19 vaccine.

DISCUSSION: Following up on a question from **Rep. Nate**, **Dir. Jeppesen** explained the funding can only be used for vaccination efforts and it cannot be used for testing, contact tracing, infrastructure building, any other things associated with the COVID-19 pandemic response.

Dir. Jeppesen addressed the question from **Rep. Horman** about the support to disabled people. A provision in ARPA allows for a 10% increase in Medicaid, that is targeted towards home and community-based services. The agency is still investigating how the increase is going to be administered, the changes in provider rates for Medicaid, and - as it is one-time impact – what will happen at the end of that one year.

AGENCY PRESENTATION: **BUDGET HEARING. Public School Support Program - ARPA Budget Requests. Sherri Ybarra, Superintendent of Public Instruction. LSO Analyst Jared Tatro**
1. ESSER III Funding
2. Individuals w/Disabilities Ed. Act (IDEA), Part B
3. Individuals w/Disabilities Ed. Act (IDEA), Special Education Preschool Grants

Mr. Tatro introduced the ARPA budget hearing for the Public School Support Program.

Ms. Ybarra provided details about the four items requested. The first item is the American Rescue Plan Act (ARPA), for \$439,942,000 in federal spending authority. The U.S. Department of Education has awarded, on March 24, ESSER III funds of which 90% need to flow directly to districts and charters. The U.S. Department of Education requires those funds to be divided into two cases: 20% of those are addressing learning loss while 80% is for discretionary allowable activities, such as school facility repairs and improvements to reduce the risk of virus transmission and exposure to health hazards, or support student health needs.

The amount being requested reflects the need for local education agency funds to help with the safe operation of schools and address the extraordinary financial impact of the Coronavirus pandemic for students, educators, staff, and families. There is a 10%, equivalent to \$43,994,204, used as a reserve or “set-aside”. There is also a request of \$100,000 for personnel costs per year to administer the grant. ARPA ends on September 30, 2023, but the agency could request a tidings waiver, that could go through September 30 of 2025.

DISCUSSION: **Ms. Ybarra** addressed a question from **Rep. Horman** by explaining the provided numbers are still preliminary, and the agency is working on the language of the act as the legislature has not approved all the appropriations yet. **Ms. Ybarra** continued on the introduction of the IDEA program. The first section is relative to Part B, or grants to states. This is not a new program as Idaho has been administering this program for several years. This funding is an enhancement to the awards the agency has already received or will be receiving shortly. The department is requesting \$13,233,700 for each of three years as the total amount of enhancement.

Ms. Ybarra also addressed IDEA for Special Education Preschool Grants for \$1,156,100. These are long-standing programs for students with disabilities. There will be pass through dollars under the Individuals with Disabilities Education Act (IDEA), the federal funding model, and they are subject to the same requirements under IDEA. The office of special education, also known as OCEP, has stated the funds are intended to give significant additional resources to address the challenges posed by the pandemic, and to continue to meet the needs of children, youth with disabilities, and their families.

AGENCY PRESENTATION: **BUDGET HEARING. Department of Education - ARPA Budget Requests. Sherri Ybarra, Superintendent of Public Instruction. LSO Analyst Jared Tatro**
1. Emergency Assistance to Non-Public Schools.

Mr. Tatro introduced the ARPA budget request for the Department of Education. This pertains to the emergency assistance for non-public schools. About \$19 million was approved by JFAC to the Department of Education as a supplemental with the carryover being approved from 2021 into 2022.

Ms. Ybarra provided details about the budget request. Spending authority is being requested because non-public schools are experiencing the impacts of COVID. States are waiting for guidance from the U.S. Department of Education. Funds cannot be used to reimburse non-public schools directly and states have the information about specific allowable uses of the fund.

DISCUSSION:

Ms. Ybarra addressed a question from **Rep. Horman** explaining that of 100 non-public eligible schools, 20 have applied to the program, and she will provide more details about the total number of students. **Ms. Ybarra** also explained that per the ESSER act, \$2.1 million is available in administrative costs, and the agency is asking for a smaller amount to fund the three staff working on the grants.

**AGENCY
PRESENTATION:**

BUDGET HEARING. Idaho Commission on Libraries - ARPA Budget Requests. Stephanie Bailey-White, State Librarian. LSO Analyst Janet Jessup

1. Institute for Museum and Library Services

Ms. Jessup introduced the ARPA budget requests for the Idaho Commission on Libraries. The Idaho Commission for Libraries has been recognized to receive a distribution of funding through the Institute Of Museum and Library Services. Those moneys were distributed to the local libraries for broadband availability and also grants for other services provided by the libraries.

There is an anticipation that there would be an additional request coming forward in FY 2023 to apply for an appropriation to spend funds that have not been spent at the end of FY 2022. The agency is going to try to spend down the full amount that they are requesting, but since these are one-time funds, some of those funds may be re-requested in FY 2023.

Ms. Bailey-White provided more details about the request. The ARPA funds allotted from the Institute of Museum and Library Services total \$2.4 million. Each state was awarded a \$2 million base, plus a percentage based on population. The agency is planning to sub-grant the majority of the funds to public school and tribal libraries. These funds would provide a significant boost to libraries that have focused efforts on keeping students learning and adults earning throughout the pandemic. Libraries will be able to use the funds to upgrade the public access computers and software, support workforce development needs, and enhance the summer reading programs, purchase books and online content, support textbook, affordability initiatives, telehealth, provide online and after school tutoring, and much more.

The agency has a line item for a project coordinator using limited-service personnel funds to help existing staff carry out the grant program for the next Fiscal Year.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 9:44 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary