

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 12, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

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

**ABSENT/
EXCUSED:** None

CONVENED: **Co-Chairman Bair** called the Joint Finance-Appropriation Committee (Committee) (JFAC) to order at 8:01 a.m. He welcomed members, and introduced staff and pages.

LSO STAFF PRESENTATION: **Paul Headlee, Division Manager, Legislative Services Office (LSO), Budget Policy Analysis.**

Mr. Headlee described the JFAC Budget hearing process and with the members. He went over the Idaho Legislative Budget Book FY 2022 (LBB), the publication of the Legislative Service Office (LSO) Budget and Policy Analysis which is the primary reference document used by JFAC in setting the Idaho State Budget. This publication is also available on the Legislative website. The LBB contains LSO budget analysts' assignments, Statewide Reports and all the analysis for each agency for the past, present and upcoming fiscal years, and included the Governor's recommendations for each agency request.

Mr. Headlee explained in detail how the Decision Unit Budget Model is used in making budget decisions and requests for funding. He noted the different trends of the agencies over the years in the General Fund Appropriation history table, touched on the Budget Stabilization fund's growth from its 1984 balance of \$4.3 million to \$423 million. Last year the legislature increased the cap from 10 percent to 15 percent allowing for additional growth. The newest pages in the binder are related to the COVID Relief Fund, totaling \$7.86 billion, funds received from four different Federal Acts passed back in March and April 2020.

Representative Nate asked how much of the \$7.86 billion is tied to the Governor's Emergency Declaration.

Mr. Headlee deferred to Alex Adams, Administrator, Office of the Governor, Division of Financial Management to further explain.

Mr. Adams explained that Coronavirus Relief Fund, the Personal Protection Equipment (PPE) Loans, the Stimulus, etc. were not tied directly to an emergency declaration. There were some programs that ran through FEMA, specifically the Lost Wages Assistance program, National Guard costs and some of the PPE to Critical Access Hospitals and Rural Communities associated with the FEMA match under the Stafford Act, and those programs do require a Declaration of a State Emergency.

Representative Nate asked if there was a dollar amount of those funds received from FEMA.

Mr. Adams said he did not have that information with him but would be presenting to the committee tomorrow and would be addressing federal funding.

Mr. Headlee covered the Rules Governing JFAC and pointed out those most frequently used by the committee, reviewed the COVID safety protocols in LSO areas, and he provided committee members a copy of the State of Idaho Constitutional laws governing the State budget. He went over expenditure codes. He also detailed what to expect in the coming days as the committee heads into the hearings. February 19th is when the Budget Setting hearings begin. All members would be instructed to choose what budgets they will be working on.

Co-Chairman Bair let the members know they are free to choose any budget they would like to work on but suggested getting in touch with the analyst sooner than later.

Representative Nate, in referring to State of Idaho Constitution, Section 11, "Expenditure not to Exceed Appropriation", asked if using funds from the Stabilization Fund be considered unconstitutional.

Mr. Headlee said he would get back to him with an answer.

AGENCY

PRESENTATION:

Mr. Adams presented an overview of Governor Little's FY 2022 Budget Recommendations and outlined six important aspects:

Managing the Uncertainty of the Revenue Forecast. The FY 2021 General Fund's estimated ending balance at the end of June was \$54.9 million. Then COVID-19 hit. 90 percent of Idaho's general fund revenue comes from income tax and sales tax and is subject to economic conditions. One way they managed this was to forecast monthly. Mr. Adams showed the different scenarios using those monthly numbers.

FY 2021 Budget Recommendation. Mr. Adams explained options discussed in closing the revenue gap. a) Raise Taxes. Ruled out by the Governor b) Use Rainy Day Funds. Metered out multi-year 3-4 years c) Leverage Federal Funds. The \$1.2 billion for COVID could not be used to backfill revenue losses. Instead it was used for grants, public safety and property tax relief. d) Cut spending. Governor Little's recommendation of a .5 percent reduction.

When the July revenue forecast was done, it seemed the economy rebounded close to where the revenue target was. One key factor was due to the shutdown being brief. Key industries, like construction, continued and since the governor made significant investments in PPE for small businesses, this helped inspire consumer confidence. The federal package encouraged strong spending, and unemployment dropped to the five percent range. Idaho became attractive for remote workers, and the income tax withholding targets shattered previous forecasts. The relatively low cost of living and beautiful outdoors prompted a population growth even during the pandemic. Tourism rose as social distancing could be maintained in all outdoor activities

In December revenue numbers exceeded previous forecast numbers by \$36 million, 14 percent above income tax, 25 percent above corporate income and 7 percent above sales tax. There was no adjustment for the COVID Relief Act that passed in December. With another round of stimulus checks, extended unemployment benefits and another round of PPE funding, Mr. Adams said this will have a positive lift to the Idaho economy above and beyond what was forecasted.

FY 2022 Budget Recommendation. Mr. Adams did an overview of how they arrived at this budget recommendation. A more in-depth analysis will be presented in coming committee meetings and can be found online.

Building Idaho's Future Investment Package. This new plan came about by reinvesting spending cuts and efficiencies gained, to the extent possible, into infrastructure projects.

Tax Relief. a) Tax conformity: FY 21: (\$59,984,100) , FY 22 (\$55,175,300) b) One-time tax relief in FY 21 (\$180,000,000) and c) On-going tax relief in FY 22 (\$160,000,000) – paired with Governor Little's Transportation Plan.

Topline Summary.

- Education Remains Top Priority. Funding for K-12 grows 16% this year and 5.5% next year.
- Invests in Economic Stimulus Projects. The budget includes Governor Little's Building Idaho's Future \$332 million investment package.
- Provides Tax Relief. More that \$455 million in tax relief for Idaho families and small businesses.
- Leaves a Prudent Surplus. Leaves a projected ending balance of \$185 million this year and \$135 million next year, ensuring a cushion for economic uncertainty.
- Bolsters Rainy Day Funds. Bolsters state rainy day funds by \$230 million, augmenting the state's preparedness for economic uncertainty as federal funding tapers off.
- Strengthens Public Health Response. More that \$250 million to respond to COVID-19.

Senator Ward-Engleking asked for an explanation regarding sales tax and on-line purchasing and its affect on Tax Relief v. General Fund.

Mr. Adams explained that the revenue forecast that is projected for the current year actually exceeds the forecast projected on Sine die by \$125 million. There is more going to the tax relief fund, but the sales tax at brick and mortar is still exceeding the forecast.

Co-Chairman Bair asked if the tax conformity money, which typically is handled by legislature through a tax conformity bill at the beginning of the session and now listed as executive legislation is something new.

Mr. Adams it would still require legislation in order to conform.

ADJOURN:

Having no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 10:35 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, January 13, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
8:00 - 8:40	General Fund FY 2021 - FY 2022 Budget Review	Paul Headlee, Div. Manager <i>LSO Budget and Policy Analysis</i>
8:40 - 9:00	Deficiency Warrants, Supplementals, and Rescissions 1. Deficiency and Supplemental Comparison Reports 2. Order of Consideration 3. 2/3 Majority of JFAC to Reopen Budget	Rob Sepich, Senior Analyst <i>LSO Budget and Policy Analysis</i>
9:00 - 9:20	The Public Education Stabilization Fund (PESF), Section 33-1018C, Idaho Code	Jared Tatro, Principal Analyst <i>LSO Budget and Policy Analysis</i>
9:20 - 9:30	<i>Break</i>	
9:30 - 10:00	LSO Audit Division Update	April Renfro, Division Manager <i>LSO Audits</i>
10:00 - 11:00	Federal CARES Act and COVID-19 Emergency Funding	Alex Adams, <i>Office of the Governor, Division of Financial Management</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 13, 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-Appropriation Committee (JFAC) to order at 8:00 a.m.

LSO STAFF

PRESENTATION: Paul Headlee Manager, LSO Budget and Policy Analysis

Mr. Headlee followed up the question **Rep. Nate** addressed to the JFAC Committee on Jan. the 12th regarding art. 7 Sec. 11 of the Constitution about the expenditure not exceeding appropriations. Mr. Headlee pointed to case law saying that other sources of revenue can be used, and there will be no conflict. Mr. Headlee presented a general overview of the FY 2021- FY 2022 budget request and Governor's recommendations. **Mr. Headlee** introduced the beginning balance of \$247.8 million, and explained the revised weighted average forecast at 5.5% for FY 2021 calculated by the DFM (Department of Financial Management). The General Fund Summary for FY 2021 contains various transfers either going out of the General Fund or coming back into the General Fund based on Governor's recommendation. Fifty-Six million dollars were transferred during last session 2020 and include \$20 million transfer to the Budget Stabilization Fund and \$30-31 million as transfer to the Public Education Stabilization Fund. There are some new proposed transfers to the Budget Stabilization Fund, Public Education Stabilization Fund, Building Idaho's Future Initiative, Fire Suppression Fund, Risk Management Fund, Legislative Branch Transfer (include a proposed transfer to the Legislative Legal Defense Fund, and to increase the amount to Legislative Accounts for both House and Senate). The expenditures have \$91 million for education supplemental request that are offset by rescission for \$85 million. For FY 2022 the DFM Weighted Avg. Revenue Forecast at 3.5%.

LSO STAFF

PRESENTATION: Rob Sepich Senior Analyst, LSO Budget and Policy Analysis

Mr. Sepich introduced the working process analysis for Deficiency Warrants, Supplemental Appropriations and Rescissions. He highlighted two deficiency warrants requested, the Agricultural Pest Control and the Hazardous Substance Response. The Governor also recommended inclusion of the Fire Suppression Costs for the FY 2021. Supplemental for the current year include additional appropriations, such as transfers, moving money between funds or making additional adjustment. Rescissions are all reductions to the current year; some are the based on Governor's recommendations. **Mr. Sepich** called the Committee's attention to JFAC rule 13, that requires a unanimous consent or two-thirds vote to reopen a current year budget. Once reopened, those budgets only require a simple majority vote to approve a deficiency warranty, a supplemental, or a rescission. The budget closes upon the adjournment of the committee. **Mr. Sepich** also called the committee's attention to Section 22, Art. 3 of the Idaho Constitution which requires an emergency for the Supplement Requests.

LSO STAFF

PRESENTATION: Mr. Tatro Principal Analyst, LSO Budget and Policy Analysis.

Mr. Tatro presented the Public Education Stabilization Fund. The Idaho Code 33-1018C requires JFAC to consider a transfer into PESF in the same fund, for FY 2020 this was \$32.3 million and the current cash balance is \$61.2 million. For FY 2021, the Governor is recommending a cash transfer to cover the \$31.1 million that was withdrawn for FY 2020. For FY 2020 the biggest withdraws were in Transportation, Advanced Opportunities, Career Ladder, and Charter School Facilities. The historical withdrawn ranged from 1.0% to 1.8% of the total appropriations from the General Fund.

LSO STAFF

PRESENTATION: Ms. Renfro Division Manager, LSO Audits MS.

Ms. Renfro gave an update of the audit process and how the reports get approved. She presented three examples findings as the results of the audit work. She presented different types of Reports based on Idaho Code 67-702 the Financial Audit of the Comprehensive Annual Financial Report (CAFR); the Annual Single Audit Report; the Management Review Reports; and additional audit services as authorized by Legislative Council. The audit plan works in cycles based on the deadlines for the required work. Reports are submitted to JFAC Co-Chairs for approval before being released. **Sen. Crabtree** posed a question related to the corrective actions taken the second time by the Brand Board asking if they are the only one been proposed by the agency or they are kind of corrective actions prudent to work by others. Answering **Ms. Renfro** said that they did not complete the original corrective action plan because they were unable to implement a new system. **Rep. Giddings** posed a question inquiring as to they include a dollar amount related to other funding in their reports? **Ms. Renfro** said yes, they do.

AGENCY

PRESENTATION: Alex Adams, Administration, Office of the governor, Division of Financial Management.

Mr. Adams illustrated the Federal Fund, breaking it up into Cares Act and COVID Relief Act. COVID Relief Act passed at the end of December 2020. Mr. Adams talked about the Coronavirus Relief Fund of \$8.1 Billion (as of the Peterson Foundation) that come through the Cares Act Fund into the State of Idaho under a variety of programs. One of them was the stimulus check of \$1.5 Billion, another large component was the unemployment received through the Federal Pandemic and Employment Compensation. This is based on a bill that was signed by **President Trump** on March 27 2020. **Mr. Adams** explained that Idaho received a smaller amount per capita than other smaller states. No Idaho local governments received direct payments from Federal Government as there are no counties above the 500,000 residents. The use of Coronavirus Relief Funds was limited by law, specifically the Cares Act Test, the U.S. Department of Treasury with issuing guidance on the use of the funds and permissible uses. The funds could only be used to cover costs that are incurred due to the public health emergency, meaning COVID. The Governor setup an oversight structure in the executive order 2020, the Coronavirus Financial Advisory Committee, recommending that the Federal Funding must be managed judiciously and prudently on behalf of all taxpayers.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 11:04 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, January 14, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
	BUDGET HEARINGS	
8:00 AM	State Treasurer, LBB p. 6-161 <i>(LSO Analyst: Maggie Smith)</i>	Julie Ellsworth <i>Idaho State Treasurer</i>
	Secretary of State, LBB p. 6-157 <i>(LSO Analyst: Maggie Smith)</i>	Lawerence Denney <i>Idaho Secretary of State</i>
	Industrial Commission, LBB p. 5-29 <i>(LSO Analyst: Maggie Smith)</i>	Tom Limbaugh, Commissioner
9:30	<i>Break</i>	
9:40	Self-Governing Agencies Division of Veterans Services, LBB p. 5-105 <i>(LSO Analyst: Christine Otto)</i>	Pete Koehler <i>Interim Chief Administrator</i>
10:00	Governor Little's Initiative - Building Idaho's Future	Alex Adams, Administrator, Office of the Governor, Division of Financial Management

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, January 14, 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: **Co-Chairman Bair** called the Joint Finance-Appropriation Committee to order at 8:01 a.m.

AGENCY PRESENTATION: **STATE TREASURER, Julie Ellsworth**
Maggie Smith, LSO Analyst

The State Treasurer is one of seven constitutional officers of Idaho. The State Treasurer serves as the banker for all Idaho agencies, deals with all the policies that impact the State's credit rating, chairman of the Idaho College Savings Account, the 529 programs, and the Treasury's Investment Advisory Committee.

Historical Summary: The State Treasurer's Office receives approximately one-third of its budget from General Funds and the remainder from four additional dedicated funds.

Organizational Chart: Under the Treasurer are the deputy treasurer, four divisions: Banking operations, investments, IT and unclaimed property. The Treasurer's office is authorized 26 full time positions (FTP) and as of January 2021 has 3 vacant positions.

Performance Report: As a constitutional officer, the State Treasurer is not required to submit a performance report. The Treasurer's Office has no open audit findings.

Variance Report: The FY 2020 Actual Expenditures by Division detail the total original appropriation and any adjustments made throughout the year. The FY 2020 expenditures totaled \$4.138 million or 94.8% of the total of appropriated funds. This included a one-time supplemental appropriation for \$50,000 for commemorative silver medallions, rescissions related to the sick leave fund which were removed from all agency budgets that had personnel costs in them, and a statewide omnibus decision for the two percent general fund reduction that was put in place last year.

2021 Comparative Summary: The Treasurer's office received a total FY 2021 appropriation of \$4.336 million. There is a five percent executive holdback put in place by the governor. As a constitutional officer, the State Treasurer's Office was not required to be subject to the hold back. However, she complied on a voluntary basis.

The Governor's Recommendation includes a one-time supplemental for Payment Card Industry Compliance in FY 2021.

Legal Note: Current litigation costs are being paid with salary savings from a vacant position. There is no estimate of what legal fee will be and has not requested a FY 2022 line item for legal fees. The Treasurer would like to fill the position

FY 2022 Total Appropriation: The State Treasurer requests a total appropriation of \$4.375 million. The Governor recommends \$4.357 million.

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

**AGENCY
PRESENTATION:**

**SECRETARY OF STATE, Lawrence Denney
Maggie Smith, LSO Analyst**

The Secretary of State is one of seven constitutional officers in Idaho. The officeholder's constitutional and statutory responsibilities include membership on the State Board of Land Commissioners and the Board of Examiners.

Mr. Denney gave a brief overview and said that Idaho's Business Solutions Project is in the final stages. The agency is setting record revenue numbers. Revenue for 2020 was \$4.8 million, and through December of this year, \$2.7 million. The elections project went live after the May primary and fully functional in August and November. The GIS component is next, which will put every elector on the map.

Historical Summary: There are two budgeted programs and one continuously appropriated program in the Office of the Secretary of State (Secretary). The majority of the Secretary's budget is in the Administration Program funded entirely from General Funds.

Organizational Chart: Under the Secretary is the Chief Deputy Secretary, and two Deputy Secretaries. There are 30 authorized FTP, 2 are vacant.

Performance Report: Not required for the Secretary of State. There are no open audits.

Variance Report: The FY 2020 Actual Expenditures by Division details the total original appropriation and any adjustments made throughout the year. Most of the appropriated general fund monies of \$ 5.68 million were spent. Only .9 percent were reverted.

FY 2021 Line Items - this included \$300,000 for the printing and mailing of voter pamphlets and \$12,800 for the Commission on Uniform State Laws to attend their annual conference.

FY 2022 Line Items - \$30,000 for the publication of the Idaho Blue Book which set in statute that every other year the Secretary of State publishes this comprehensive reference book of Idaho facts.

FY 2022 Total Appropriation: The Secretary of State requests a total appropriation of \$3.639 million. The Governor recommends \$3.615 million.

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

**AGENCY
PRESENTATION:**

**INDUSTRIAL COMMISSION, Thomas Limbaugh, Commissioner
Maggie Smith, LSO Analyst**

The Industrial Commission ensures that the Idaho Workers' Compensation Law is impartially and efficiently administered. The commission encourages safe working environments, prompt and accurate benefit payments, timely dispute resolutions and vocational rehabilitation services.

Historical Summary: The legislature authorized the consolidation of the Adjudication program into the Compensation Program in FY 2021. Moving forward, there will be three programs. Compensation, Rehabilitation, and Crime Victim Compensation. The Industrial Commission (IC) budget consists of General, dedicated and federal funds, the largest of which is dedicated funds. The Crime Victims Compensation Program is primarily funded by dedicated funds but does receive a General fund appropriation as well.

Performance Measures: **Commissioner Limbaugh** detailed specific measures and project accomplished in FY 2020. There were no open audit finding.

Variance Report FY 2020 Actual Expenditures details the dedicated funds source for the Industrial Commission comes from a premium tax that is paid by all insurance companies that provide workers compensation insurance, includes a peace officers disabled fund to pay for these officers that are injured on the job, a Crime Victims Compensation Dedicated Fund and federal program fund.

The agency received a supplemental appropriation last year, and this was with regard to the industrial logging and safety program that is administered by the Division of Building Safety.

FY 2021 Approved Lines Items: Five items were funded. Year-one of the technology modernization project that included \$3.29 million to select a vendor and begin implementation of the project. There were two new positions added and was a consolidation of two budgeted programs.

FY 2022 line item requested for the IT modernization - year two. The legislature funded year one last year, and now a contract has been entered into.

FY 2022 Total Appropriation Requested: \$22.5 million, Total Governor recommendation: \$22.4 million.

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

**AGENCY
PRESENTATION:**

**DIVISION OF VETERANS SERVICES, Pete Koehler, Interim Chief
Administrator
Christine Otto, LSO Analyst**

The Idaho Division of Veterans Services (Division) assists veterans and their families by operating the veteran's homes in Boise, Lewiston and Pocatello; managing the state veterans cemetery and other services.

Historical Summary: FY 2020 total appropriation of \$44.9 million was made up of three percent from the General Fund, fifty-one percent from dedicated funds and forty-six percent was federal funds. In FY 2020, the Division used 52 percent of its appropriated funds.

Organization Chart: FY 2021 appropriation for FTP was 367.20 and the Division has requested no changes for FY 2022. There are 40.80 vacant positions.

Performance Measures: **Mr. Koehler** detailed specific measures and projects accomplished in FY 2020. He touched on the affect COVID had on the homes, however, in spite of it, all three have been nationally recognized as the Army's top nursing care facilities in the country, and the home in Pocatello was selected as outstanding. The division had no open audit findings.

In the interest of time, the analyst moved on FY 2022.

FY 2022 line item requests. There were 6 Division line item requests, and the Governor recommended an additional line item for CARES funds that was received just prior to the session starting.

New Leases and Capital Outlay \$66,400 - \$37,800 Dedicated / \$28,600 Federal Medicaid Reimbursement Change \$1.0 million - Miscellaneous Revenue Fund Construction Grant \$1.844 Million - Federal Grant
Veteran's Cemetery Expansion \$790,200 — Federal Grant
COVID-19 Construction Grant \$1.916 Million
Veterans' Recognition Fund \$195,000
COVID Relief Act - CARES \$3.732 Million

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

**AGENCY
PRESENTATION:**

**GOVERNOR LITTLE'S INITIATIVE - BUILDING IDAHO'S FUTURE
Alex Adams, Administrator, Office of the Governor, Division of Financial Management**

Mr. Adams presented an overview of Building Idaho's Future key parts as part of Governor Little's State of the State Address. First key part was tax relief and second was strategic investments. The FY 2021 supplemental appropriation is over \$300 million from general funds and \$35 million in federal funds, and the dedicated fund is the spending authority for those that are transferred to the dedicated funds.

Ten departments were prepared to present before the Committee, however, due to time constraints, the committee only heard from:

Mr. Scott Stokes – Transportation Department

Mr. Jeff Raybould - Department of Water Resources

Mr. Tom Keely – Department of Commerce

Superintendent Ybarra - Public School Support – Children's Programs

Matt Freeman - State Board of Education – Community Colleges and Division of Career Technical Education, Jess Byrne - Department of Environmental Quality

General Michael Gacek – Permanent Building Fund

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

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 10:55 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, January 15, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
8:00	Economic Outlook & Revenue Assessment Committee (EORAC) Report to JFAC	Senator Jeff Agenbroad & Caroline Nilsson-Troy, EORAC Co-Chairs
	General Fund Daily Update: 1) General Fund Revenue Estimates 2) General Fund Daily Update (Green Sheet)	Keith Bybee, Deputy Division Manager LSO, Division of Budget & Policy Analysis
	BUDGET HEARING	
8:30	Office of Information Technology Services, LBB 6-75 (<i>LSO Analyst: Rob Sepich</i>)	Jeff Weak, Administrator
9:00	ACTION on SUPPLEMENTAL APPROPRIATIONS	LSO ANALYST
	LEGISLATIVE SERVICES OFFICE Session Staff for Audio/Video Support, LBB 6-127	Paul Headlee, Manager
	LEGISLATIVE SERVICES OFFICE Closed Captioned Services for Committees, LBB 6-127	Paul Headlee, Manager
	LEGISLATIVE BRANCH Transfer to the Legislative Legal Defense Fund	Paul Headlee, Manager
	OFFICE OF THE STATE BOARD OF EDUCATION IT Move from SDE to OSBE, LBB 1-77	Janet Jessup, Senior Analyst
	OFFICE OF THE GOVERNOR - MILITARY DIVISION HazMat Deficiency Warrants, LBB 6-91	Christine Otto, Senior Analyst
	DEPARTMENT OF AGRICULTURE Pest Control Deficiency Warrants, LBB 5-8	Rob Sepich, Senior Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, January 15, 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: Rep. Amador
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

AGENCY PRESENTATION: **ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE (EORAC), Co-Chairs Sen. Jeff Agenbroad & Rep. Caroline Nilsson-Troy**

Sen. Agenbroad and the **Rep. Nilsson -Troy**, the Co-chairs of the Revenue Assessment and Economic Outlook, reported the work of the Committee based on the testimony from economists and industry experts about the U.S. and Idaho Economies. The Co-Chairs spoke about the economic effects of the pandemic as well as the unprecedented transfer of funds from the federal government. They also spoke about Idaho's strong recovery, economic recovery rebound, and performance, making Idaho the first State in the Nation to return to pre-pandemic employment levels. Idaho's economy also has been fueled by a strong immigration from other States. While many businesses in Idaho are thriving, the Committee also must recognize the struggles of others, particularly, in the service and hospitality industries.

Rep. Nilsson -Troy thanked Committee members and other staff members who work very close to **Governor Little's** General Fund Projections or their services. The Co-Chairs of the Joint Finance-Appropriation Committee presented the General Fund Revenue available for the Appropriation to be \$4,254.6 million for the FY 2021 and \$4,404.4 million for the FY 2022. They also added a note of caution to their report, saying that the pandemic continues to impact not just Idaho, but the State and the Nation and the World, so there is economic uncertainty. They think it is going to impact different Industries in the State of Idaho, so they recommend using caution on the Budget.

UNANIMOUS CONSENT REQUEST: **Chairman Rep. Youngblood** asked for the unanimous consent request that the Committee accept the Economic Outlook and Revenue Assessment. There being no objection, the request was granted.

LSO STAFF PRESENTATION: **Mr. Bybee, Deputy Division Manager LSO, Division of Budget & Policy Analysis.**

Mr. Bybee provided an overview of the General Fund for the current FY 2021 comparing the Governor's forecast and the Legislative action for the current year. **Mr. Bybee** illustrated the Governor's recommendation column in the General Fund Budget Update, confirming it matches exactly what the Governor presented. **Mr. Bybee** then presented a total revenue of 4,254.6 million for the FY 2021 in the General Fund Budget that the Committee accepted. He spoke also of the transfers that the Governor has recommended both in and out of the General Fund. **Mr. Bybee** introduced supplemental to be voted later in the session. He pointed out an estimated ending balance of \$185.4 million. **Mr. Bybee** affirmed the original Appropriations Fund for the FY 2022 has an increase based on Governor's recommendation by 3.8% compared to the FY 2020 original appropriation.

**LSO STAFF
PRESENTATION:**

Mr. Sepich, Senior Analyst, LSO Budget & Policy Analysis.

**DEPARTMENT
PRESENTATION:**

OFFICE OF INFORMATION TECHNOLOGY SERVICES (OITS), Jeff Weak, Administrator

Mr. Weak emphasized IT Modernization Initiative has been dedicated to phase two of Governor Little's for nine new Agencies. Of the 69 allocated positions, 68 of them were successfully filled. **Mr. Weak** pointed out that for the current year they are taking a strategic pause in another phase of IT modernization for various reasons. COVID has caused an unprecedented strain on the organization, such as transitioning employees from their office to their homes. Technicians met those challenges with exuberance, greatly impacting the previous committed project plans. Hiring during a global pandemic has presented unique challenges, as well, but COVID has also brought opportunity. Having 11 major projects approved by the CFAC representing \$13 million in total fundings. **Mr. Weak** concluded that even as the state will undoubtedly benefit from these projections for years to come, they have finite resources. Implementing those projects, forces them to pause previously scheduled work. Because of multiple scheduling shifts, previously planned work, unplanned increase in workload, and the Cares projects; they recommended a strategic pause for phase three in IT Modernization Initiative to the Governor, which he fully supported.

Mr. Sepich addressed the Committee for the historical summary. The budgeted IT program under the Office of the Governor started from 66 FTP in FY 2020 and an increased to 135 in FY 2021.

Mr. Sepich addressed the Committee for the historical summary. The budgeted IT program under the Office of the Governor started from 66 FTP in FY 2020 and an increased to 135 in FY 2021.

The General Fund appropriated about 17% of the revenue, and the rest is from the dedicated funds. **Mr. Sepich** pointed out how at some point, in the Historical Summary, there was a breakdown of where those buildings come from. These are Annual Agency IT Support, networks, phones, Idaho technology authority, and annual billing for security and internet. **Mr. Weak** presented the performance measures and affirmed the penetration testing was accomplished in May by a private company, and they identified two critical and 13 high priority findings. They immediately mitigated the two critical and took corrective actions to resolve one of the high findings. Then **Mr. Weak** detailed the performance goals. **Mr. Sepich** spoke on the Actual for FY 2020. Some adjustments in both the General and the Technology Infrastructure Stabilization Fund were made. The first is related to \$901,000. The code allows agencies to move some money between

certain object codes, so money can be moved from personnel costs into any of the object codes. Once money is allocated into the Capital Outlay cannot be moved out of Capital Outlay, and correspondingly money cannot be moved from any other object code into Personnel Costs. Also, there was highlighted that \$400,000 was used to work on purchasing equipment. The Agency carried \$372,200 as re-appropriation for the FY 2021. The total amount that was reverted was about 7.7% for the year. **Mr. Sepich** presented the summary for the Original Agency Request for FY 2022. Based on the Governor recommendations, the total has been set to \$15.7 million as one-time allocation. **Mr. Weak** highlighted the appropriations for FY 2021. **Mr. Weak** affirmed that 2 million were for replacement items, providing the increased capacity, capability, and licensing. The storage capacity of our existing backup systems was expanded, the unified support was also increased. The only piece that hasn't been implemented to date is the \$480,000 that will be executed in the next the next few weeks. **Mr. Weak** stated that phase two of the Governor's IT Modernization Initiative was a resounding success as they were able to scale the core services appropriately to meet the growing requirements of the customer base, and, most importantly, able to introduce much needed functionality. **Mr. Weak** mentioned also that there was around 5% reduction in personnel on the overall cost saving, and that they were able to reduce the costs due to the scaling of network equipment. The re-appropriations for the current year are equal to \$372,200 million. With the 13.9 million received from CFAC, it was possible to decrease the capability of the core network, enhanced cyber-security capabilities, and implement remote administrative tools.

**LSO, STAFF
PRESENTATION:**

Mr. Headlee, Manager, LSO, Budget & Policy Analysis.

Mr. Headlee, outlined the process for taking actions on some recommendations and requests that if the Committee does act, these actions would then be developed into an appropriation bill.

**DEPARTMENT
PRESENTATION:**

LEGISLATIVE BRANCH Legislative Service Office Description: Session Staff for Audio and Video Support to Committees. **Mr. Headlee**, Manager, LSO, Budget & Policy Analysis.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Nate**, granted by unanimous consent, the FY2021 for LSO was reopened.

MOTION:

Supplemental Request. Moved by **Rep. Nate**, seconded by **Sen. Ward-Engelking**. the Legislative Services Office Division is requesting \$27,000, one-time from the general fund for staffing during the 2021 session to support the audio, video, and remote meeting logistics of the Senate and House committees that were not contemplated or known when appropriations were made during the 2020 legislative session.

DISCUSSION:

This support is needed to ensure opportunities for legislator and citizen participation in the legislative process. Currently, LSO has hired two of three staff to provide the additional support and they are assisting with Zoom meetings on a daily basis.

CARRIED: 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**.

DEPARTMENT PRESENTATION: **LEGISLATIVE BRANCH Legislative Service Office Description:** Closed Captioning Services for Interim/Session Committees. **Mr. Paul Headlee**, Manager, LSO, Budget & Policy Analysis.

MOTION: Supplemental Request. Moved by **Sen. Ward-Engelking**, seconded by **Rep. Nate** the Legislative Services Office is requesting \$250,000 ongoing from the General Fund to provide closed captioning technology for both television and internet streaming of the legislative session and legislative interim committees. This service will provide the deaf and hard of hearing the ability to participate in legislative proceedings.

DISCUSSION: Currently, LSO is appropriated funds for closed captioning the legislative floor session; this supplemental appropriation would expand the service to include all committees during the legislative session and the interim. Currently, LSO has contracted with LNS to provide the closed captioning services, which are fully operational.

CARRIED: 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 Rep. Youngblood**

DEPARTMENT PRESENTATION: **LEGISLATIVE BRANCH Legislative Service Office Description:** Transfer to the Legislative Legal Defense Fund. **Mr. Paul Headlee**, Manager, LSO, Budget & Policy Analysis.

MOTION: Transfer Request. Moved by **Sen. Agenbroad**, seconded by **Rep. Nilsson-Troy**. The President Pro Tempore of the Senate and the Speaker of the House request \$4.0 million from the General Fund be appropriated and transferred to the Legislative Legal Defense Fund in FY 2021. This fund was created through S1428 of 2012 and is authorized in Section 67- 415A. This fund consists of moneys as are placed into it by appropriation and is continuously appropriated to the Senate and House of Representatives.

DISCUSSION: The funds are to be used at the direction of the Senate Pro Tempore and the Speaker of the House of Representatives for any necessary legal expenses of the Legislature. There have been three previous transfers to the fund. The first was \$200,000 when the fund was created in 2012. The second was \$1,050,000 in 2015 to defend against the potential listing of the Greater Sage Grouse as an endangered species. The third was \$8,000,000 in 2016 to both resolve outstanding tort claims concerning the Idaho Education Network and to continue ongoing Greater Sage Grouse litigation. The Senate and House each manage their own portion of the account. The current balance in the Senate account is \$286,170 and the balance in the House is \$0.00.

CARRIED: 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**

DEPARTMENT PRESENTATION: **STATE BOARD OF EDUCATION** Office of the State Board of Education, IT & Data Management Description: IT Move to OSBE from SDE. Ms. Janet Jessup, Senior Analyst, LSO, Budget & Policy Analysis.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the FY 2021 budget for the Office of the State Board of Education was reopened.

MOTION: supplemental Request. Moved by **Rep. Horman**, seconded by **Sen. Crabtree**. Motion for an additional \$166,500 from the General Fund to the Office of the State Board for contracting services for the FY 2021.

DISCUSSION: During the 2020 Legislative Session, the Legislature moved the 18.00 FTP and \$2,714,800 from the Department of Education to the Office of the State Board of Education to centralize IT and data management. This budget included \$200,000 in indirect funds that were previously received by the Department of Education but will not be received by the Office of the State Board. This funding has historically been used to pay for a contract that supports data used for the K-12 allocation. Board staff identified some savings related to the contract and the Board is requesting \$166,500 to continue the contract.

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

DEPARTMENT PRESENTATION: **OFFICE OF THE GOVERNOR** Division: **Military Division Program:** Office of Emergency Management Description: HAZMAT Deficiency Warrants Ms. Christine Otto, Senior Analyst, LSO, Budget & Policy Analysis.

UNANIMOUS CONSENT:: Requested by **Rep. Giddings**, granted by unanimous consent, the FY 2021 budget for the Military Division was reopened.

MOTION: Transfer Request. Moved by **Rep Giddings** seconded by **Rep. Horman**. Motion for the Military Division, in the Office of Emergency Management Program, the onetime appropriation and transfer of \$34,300 from the General Fund to the continuously appropriated Hazard Substance Emergency Response Funds for FY 2021.

DISCUSSION The Military Division requests \$34,300 be transferred from the General Fund to the Hazard Substance Emergency Response Fund to reimburse the expenditures incurred during FY 2020 for hazardous materials cleanup projects. These programs are carried out under the statutory authority provided in Chapter 71, Title 39, Idaho Code.

CARRIED 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**.

DEPARTMENT PRESENTATION: **IDAHO STATE DEPARTMENT OF AGRICULTURE Program: Plant Industries Description:** Pest Control Deficiency Warrants Rob Sepich, Senior Analyst, LSO, Budget & Policy Analysis.

UNANIMOUS CONSENT: Requested by **Rep. Nash**, granted by unanimous consent, the FY 2021 budget for the Department of Agriculture was reopened.

MOTION: Transfer Request. Moved by **Sen. Crabtree**, seconded by **Rep. Nash**. Motion for the Department of Agriculture in the Plant Industry Program a onetime appropriation and transfer of \$279,000 from the General Fund to the continuously appropriated Pest Control Deficiency Warrant Fund for Fiscal Year 2021.

DISCUSSION: Funding is requested to reimburse actual expenditures incurred in FY 2020 for exotic or invasive species monitoring and mitigation, including Japanese Beetles and other exotic pests. The below FY 2020 costs included \$21,000 for exotic pest monitoring, \$182,000 for Mormon crickets, and \$76,000 for Japanese beetle treatment. The existence of exotic or invasive pests in the state, and the lack of information about the distribution of those pests, can cause economic losses to the public by the direct effects of the pests and the placement of quarantines and import restrictions by other states and countries. These programs are carried out under the deficiency warrant authority provided in Chapters 19 and 20, Title 22, Idaho Code. FY 2020 costs for grasshoppers and Mormon Crickets totaled \$323,900. Of these costs, \$142,000 was covered by a onetime federal grant that had sustained those programs since 2004 but has since been depleted.

CARRIED: 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**.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 9:40 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, January 18, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
	IDAHO HUMAN RIGHTS DAY - STATE HOLIDAY	
8:00 AM	BUDGET HEARINGS	
	Commission on Aging, LBB 6-41 (LSO Analyst: Jill Randolph)	Judy Taylor, Administrator
	Division of Vocational Rehabilitation, LBB 1-113 (LSO Analyst: Jill Randolph)	Jane Donnellan, Administrator
	Commission for Libraries, LBB 5-69 (LSO Analyst: Janet Jessup)	Stephanie Bailey-White, State Librarian
	Office of Drug Policy, LBB 6-51 (LSO Analyst: Janet Jessup)	Marianne King, Interim Director
	Commission for the Blind and Visually Impaired, LBB 6-55 (LSO Analyst: Janet Jessup)	Beth Cunningham, Administrator
	Governor's Revised Budget Recommendation	Alex Adams, Office of the Governor, Division of Financial Management

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, January 18, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green and Nash.

ABSENT/ EXCUSED: Representative(s) Amador

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

AGENCY PRESENTATION: **IDAHO COMMISSION ON AGING, Judy Taylor, Administrator Jill Randolph, LSO Analyst**

The Idaho Commission on Aging (ICOA) was designated by the Governor in 1968 and implements the federal Older American Act and the Idaho Senior Services Act. ICOA plans, coordinates, and promotes a statewide network designed to support aging Idahoans live healthy and dignified lives in the communities of their choice. ICOA is advised by a seven-member commission on aging that is appointed by the Governor.

Historical Summary: The commission is organized within the office of the governor and has one budgeted program and two funding sources. The General Fund makes up 33 percent of the total funds available and federal funds account for 67 percent of the total appropriation. A majority of the agency's appropriation is within the Trustee and Benefits column which accounts for about 86 percent of the total FY 2020 appropriation.

Organizational Chart: ICOA has a staff of 13 FTP and currently there are no vacant positions. There are 7 statewide commissioners that are appointed by the Governor.

Performance and Audit Reports: **Administrator Taylor** gave a brief overview of specific measures and projects accomplished in FY 2020. All of these reports are found on the Division of Financial Management's website. ICOA's strategic goal is to support older Idahoans to live independent and healthy lives in the communities of their choice and allow caregivers to choose who will care for their loved ones. There were no open audit findings.

FY 2020 Actual Expenditures: Two expenditures were highlighted: Line 1.12 Noncognizable Increases in the amount of \$3.797 million was the amount of the Cares Act funding that was awarded to the agency. Total Reverted Appropriation was \$3.566 million. \$2.41 million was the unspent portion of that Cares Act funding. This money was added as noncognizable for the current FY 2021. Those funds from the Cares Act increased the Commission's total appropriation, with a 15% increase over appropriation in trustee benefits.

Included in the packet was the FY 2021 information pages for the Commission that detailed the funds each county received from the CARES ACT and the federal Family's First Coronavirus Response Act funding.

Comparative Summary: The agency requested a .3 percent increase on the General Fund and the Governor recommended a .2 percent increase.

FY 2021 Original Appropriation: There was one line item which included \$207,000 to align federal appropriation with available funds due to new grants. Also included was a 2 percent General Fund reduction and the agency's share of the statewide adjustments for funding at the Office of Information Technology Services. All funds were used to advance the strategic plan and vision of ICOA and the state plan that is submitted every four years.

FY 2021 Supplemental Requests: The Governor recommends onetime federal funds in trustee and benefit payments. A supplemental request for COVID Relief Act funds for \$851,000 will come before the committee later in the appropriation process. The Governor also recommended any unspent funds be reappropriated into FY 2022.

FY 2021 Noncognizable Funds and Transfers adjustment of \$2.933 million accounts for the CARES Act funds received and was distributed to the six Area Agencies on Aging. This was used for expanded meal service delivery and curbside pickup as well as PPE.

FY 2022 Inflationary Adjustments: There was a significant difference between Agency request and the Governor's recommendation. This was due to an error in preparing the budget. The actual amount was exactly that of the Governor's recommendation.

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

There was a change to the Agenda, and due to computer issues, the presentation from the Division of Vocational Rehabilitation will be heard later.

**AGENCY
PRESENTATION:**

**GOVERNOR'S REVISED BUDGET RECOMMENDATION, Alex Adams,
Office of the Governor, Division of Financial Management**

Mr. Adams presented the Governor's final budget, which is revised under Idaho Code §6735-06 . This year's revision was due to the influx of federal funds and grants that had been awarded in late in December after the time for submitting the budget revisions had passed. He provided the updated numbers based on the COVID Relief Act:

1. The Board of Education received \$7.7 million for a childhood learning grant.
2. Community colleges received \$23.3 million.
3. Colleges received \$49.4 million.
4. Idaho public TV received \$450,000

These funds have been built into the budget as supplemental appropriations pending legislative action.

DISCUSSION:

Mr. Adams explained how payouts of these funds are awaiting legislative action via supplemental appropriations. One noncognizable item from the COVID Relief Act was for funds for vaccine and testing. Health and Welfare will receive \$102 million of which \$35 million was used prior to legislative action.

Mr. Headlee presented the Decision Table to explain the supplemental process versus the noncognizable process using COVID Relief Act funding. **Co-Chairman Bair** requested a refinement of the table so that it would be easier to read.

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

**AGENCY
PRESENTATION:**

**DIVISION OF VOCATIONAL REHABILITATION, Jane Donnellan,
Administrator
Jill Randolph, LSO Analyst**

Administrator Donnellan introduced Kean Miller, Fiscal Operations Manager and Nanna Hanchett, Deputy Administrator.

The Idaho Division of Vocational Rehabilitation has three distinct programs, the Vocational Rehabilitation Program, (VR) the Extended Employment Services Program, (EES) and the counsel for the Deaf and Hard of Hearing (CDHH). The Vocational Rehabilitation Program is one of the oldest state and federal programs in the nation and the largest program under the Idaho Division of Vocational Rehabilitation.

2020 marks the 100th anniversary of the state federal VR program. VR is a state and federally funded program with the \$21.3 million non-federal match. The VR program does not receive enough general funds for the non-federal match portion and relies on partners to capture the match requirement and is an inherent risk to the VR program

Historical Summary: The division is organized under the State Board of Education and there are three different budgeted programs. The vocational rehabilitation program accounts for about 86 percent of the total appropriation. The Extended Employment Services program accounts for about 13 percent and the Council for the Deaf and Hard of Hearing accounts for about 1 percent of the total appropriation. There are three different funding sources for this division. The general fund is about 29 percent of the total appropriation. Dedicated funds make up about 8 percent, and federal funds are about 63 percent of their total appropriation.

Organizational chart: There is a continued challenge for the Division and has been experiencing ongoing difficulties with applicant recruitment and retention. The Division has 150 FTP and 11 vacant positions. The majority of these vacancies are rehabilitation counselors. During FY 2020 there was a 23 percent turnover rate for the rehabilitation counselor positions.

Administrator Donnellan highlighted areas of success specific to the VR program. Their earnings are estimated to result in \$5.8 million in state sales taxes and \$13.5 million in state income taxes paid over the remaining working life. The total return on Idaho's \$4.0 million General Fund investment is estimated to be \$19.4 million or \$4.75 return to the state and taxes for every \$1.00 of General Fund.

FY 2020 Actual Expenditures were broken out by division as a whole first, then into the each of the programs. The division reverted \$5.6 million dollars from their total appropriation, which is about 19 percent of their total appropriation. The Extended Employment Services Program which is 100 percent funded from the General Fund reverted \$1.2 million or 28 percent of the total appropriation. The Counsel for the Deaf and Hard of Hearing is also funded from the General Fund and received dedicated funds through donations. They reverted .8 percent of their total appropriation. The Vocational Rehabilitation program was also impacted by COVID which resulted in an 18.6 percent revision of their total appropriation.

Comparative Summary: The Agency requested a 1.3 percent increase on the General Fund and the governor recommended a .9 percent increase.

FY 2021 two main items were appropriated. First was a transfer of \$600,000 from the EES program to allow for matching funds to raise the provider rate for Medicaid for comparable services. The second was for the Council for the Deaf and Hard of Hearing. This was a statewide outreach increase of \$400 and was based upon the recommendation from the Government Accountability Office Fact Committee.

Under the statewide cost allocation in FY 2021, the Agency has requested that the CDHH have OITS billing added to its program budget for increased transparency.

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

AGENCY

PRESENTATION:

**COMMISSION FOR LIBRARIES, Stephanie Bailey-White, State Librarian
Janet Jessup, LSO Analyst**

The Idaho Commission for Libraries (ICfL) assists in statewide library development, and provides continuing education and consultant services to the library community. The library community consists of 147 library buildings that are open year-round, evenings and weekends, as well as school and academic libraries. ICfL coordinate various statewide programs, administers grants, advocates for library services and facilitates planning for library development.

Historical Summary: The Operating Budget includes FY 2020 actuals, and the difference between the Agency request and Governor's recommendation for FY 2022.

Organizational Chart: The organization chart was revamped in 2020 to allow staff to better focus on the priority areas. They are in the process of permanently reducing their full time employee count from 37.5 to 36.5, due in part to advances in technology. There are 10.0 FTP funded with Federal Institute System funds and Library Services funds and 26.5 FTP funded with State funds. There are two vacant positions.

Performance Report: **Ms. Bailey White** detailed the three goals and six performance measures in their annual performance report.

Comparative Summary: There are a few differences between the agency's request and Governor's recommendation, including noncognizable funds, changes for benefit costs, and a changes in employee compensation.

FY 2021 Original Appropriation: There were no line items for the Commission for Libraries.

FY 2022: There is a change for the noncognizable amounts previously noted in the comparative summary. The agency's request was for \$880,300 and the governor's recommendation was for significantly more. This was due to funding that became available after the agency revision deadline. There were changes to benefit costs and changes in employee compensation, as well as the statewide cost allocation. There was also an inflationary adjustment of \$54,,000 for computer services and contract inflation. This was requested by the agency and recommended by the Governor.

FY 2022 Line Item: The Agency requested \$307,000 ongoing General Funds to ensure Idaho's students have access to eBooks and audio titles prior to the pandemic.

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

AGENCY

PRESENTATION: Janet Jessup, LSO Analyst

OFFICE OF DRUG POLICY, Marianne King, Interim Director

Ms. King introduced Jesse Dexter, Program Specialist for the Office of Drug Policy (ODP). She has been serving as the current interim administrator and has been with ODP since 2013.

ODP has established a dedicated focus on primary prevention efforts keeping Idaho youth, families and communities safe while reducing the overwhelming costs and negative impacts of substance abuse. ODP helps to develop, implement and fund substance use primary prevention programs statewide. The activities and services ODP supports are evidence based built upon prevention, science with demonstrated outcomes and based on the idea that local conditions deserve local solutions. ODP's prevention programs are delivered in collaboration with community coalitions, counties, tribes, statewide agencies and organizations, and with the behavioral health impacts of COVID just beginning to be documented.

Historical Summary: Detailed information can be found on page 65 of the Legislative Budget Book.

Organizational Chart: There are 6.0 FTP and they have one unfilled FTP as the result of interim Director King stepping from one position into the other.

Performance Measures: **Ms. King** explained that ODP has successfully met or exceeded all assigned performance measures as reported and demonstrated and documented on the performance report.

FY 2020 Actual Expenditures: Last year there were some partially corrected audit findings for ODP. Currently, those audit findings still stand as being partially corrected. and there is no status update. A follow up on the status is scheduled to for March of 2021.

Variance Report: The object code transfer relates to the distribution of Naloxone, an opioid overdose reversal drug. Funding was received for the distribution of this drug and was budgeted as trustee and benefit, as the funds are intended for distribution to third parties. However, these funds were distributed via contract, which requires it be coded as operating expenditures.

Comparative Summary: The Governor's recommendation mirrors the agency's request with some minor changes in the area of maintenance. There were no line items for FY 2021.

FY 2022 Base Adjustments : The office transferred \$600,000 in ongoing federal funds from trustee and benefit payments to operating expenditures to align the appropriation with current grant awards. The office would like to make this ongoing, and would no longer need to transfer the funds as they would be in the budget code where they were being spent from.

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

**AGENCY
PRESENTATION:**

**COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED, Beth
Cunningham, Administrator
Janet Jessup, LSO Analyst**

The Idaho Commission for the Blind and Visually Impaired was established in 1967 and is dedicated to providing direct services to Idahoans who are blind and visually impaired. These services include vocational rehabilitation, independent living services, teaching blindness skills such as mobility and computers, providing assessment in the Low Vision Clinic and managing the business enterprise programs. All of the services provided support the commission's mission to empower persons who are blind or visually impaired by providing vocational rehabilitation skills and skills training and educational opportunities to achieve self-fulfillment through quality employment and independent living.

Historical Summary: This summary provides the Governor's recommendation and the request from the Commission side by side.

Organizational Chart: There are currently 40.77 FTE and no vacant positions.

Performance Measures: **Ms. Cunningham** highlighted a couple of performance measures. The Commission anticipated fewer vocational rehabilitation clients this year due to focusing spending on transition age students with disabilities; however, they actually increased the total number of clients served in this program. Client decrease was due to the cancellation of March session and fewer students in summer due to COVID.

Ms. Jessup next discussed the management report, which is a 90 day follow up from the Legislative Audits Division. There are two outstanding, partially corrected findings. The 12 month follow-up for this latest report is scheduled for March of 2021. Both audits and the commission are working together to resolve the outstanding issues. Details of the actual initial audit are available on the Legislative Audits website.

Variance Report: Net object transfers are allowable according to Idaho Code §6735-11. Compared to the past years, the transfer of \$9,100 is a very small amount. There was a reverted appropriation of \$473,800, with federal funds larger than in previous years due to the direct the impact that COVID had on direct services and client interactions which are often reimbursable with federal funds.

Comparative Summary: The Governor's recommendation mirrors the agency's request very closely with only some changes that we see down in this maintenance support. There was a line item for of \$10,000 for sight restoration services.

FY 2021 Original Appropriation: There was one line item \$10,000 for site restoration services and included adjustments for the Office of Technology Services.

There will be a supplemental appropriation for vehicle replacement in the amount of \$27,900 that will come before the Committee at a later date.

FY 2022 Budget: There is one replacement item request for \$550,800 from dedicated funds for two vehicles due to high mileage. There are four vehicles that have in excess of 100,000 miles. They are requesting to use dedicated funds as here has not been approval to use federal funds.

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

ADJOURNED: There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 10:29 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, January 19, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Department of Correction <i>(LSO Analyst: Jared Hoskins)</i> Management Services, LBB p.3-7 State Prisons, LBB p.3-13 County & Out-of-State Placements, LBB p.3-19 Correctional Alternative Placement Program (CAPP), LBB p.3-23	Josh Tewalt, Director
9:30	<i>Break</i>	
9:40	Community Corrections, LBB p.3-27 Community-Based Substance Abuse Prevention, LBB p.3-31 Medical Services, LBB p.3-35 Commissions for Pardons and Parole, LBB p.3-39	Ashley Dowell, Executive Director

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 19, 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.

LSO STAFF PRESENTATION: **Mr. Jared Hoskins** emphasized how COVID19 had a significant impact to the agency but it was an opportunity to show what the department truly value. The department objective is to improve public safety outcomes for the State of Idaho.

AGENCY PRESENTATION: **DEPARTMENT OF CORRECTION, Josh Tewalt, Director. Jared Hoskins, LSO Analyst.**

Mr. Tewalt presented the historical summary.

Department of Correction

The Department of Correction consists of eight budgeted divisions, 18 budgeted programs, and nine budgeted fund sources, including the Commission of Pardons and Parole.

The Commission is organized as a budgeted division under the department, it is actually a separate agency that receives a separate appropriation bill and a separate budget hearing. FY 2022 requests, including the Commission, amounts to \$315.1 million, and a recommendation of \$313.3 million.

The department has a total FTP authorization of 2,029.85, FTP, composed of seven budgeted divisions. Management Service has 125.00 FTP, Community Correction has 459.35 FPT. State Prison has 1,427.50 FTP and 10 budgeted programs, one for each of the nine State prisons and one for prisons administration.

They also have one program for each of community-based substance abuse treatment, correctional alternative placement, county and out-of-State placement, and medical services. From a budgeting standpoint, the department accounts for the per diem costs of housing inmates in the private, correctional alternative placement facility, overflow beds. county jails, out-of-State prisons, the cost of providing medical services to in-State prisons, and re-entry centers. The performance report was also presented. Highlights a steady increase in the recidivism rate, this is the common measurement used to determine success or failure of the correctional system. The objective is to see crime rate reduces, and also an increased time of liberty for released people. It was also highlighted the

number of investments the Governor recommended, and the legislature funded to help the criminal justice system.

The Department is targeting a 15% of staff turnover, and this year the metric was sub-10%. The Department is working not just on the compensation aspect, but also helping the staff find more satisfaction in their work, and wellness outside the workplace.

Management Services Division.

Mr. Hoskins noted there is an outstanding audit finding for the Department of Correction. The Department implemented a procurement system and a significant amount of training to the staff that has purchasing authority.

This is to ensure they adhere to the procurement processes and rules. Actual and Variance report were also presented. For the FY 2020 the expenditures for the Management Service Division has a total appropriation of approximately \$21.7 million, between the General Fund and four other fund sources.

The report shows also a transfer of \$308,000 for General Fund personnel costs to other programs, mainly in the State Prisons' Division. \$8,000 are recorded as a receipt to appropriation, for insurance proceeds related to a transit van.

The agency request is for approximately for \$21.7 million, while the Governor's is recommending approximately \$21.6 million - both of them represent a 9% decrease. For the FY 2021 the budget shows an original appropriation of \$23.8 million included funding \$4.5 million for the Offender Management System Replacement Plan.

For the FY 2022 budget for the Management Service Division, it is noted there are \$422,000 removed in accordance with the executive hold-back. \$325,000 is personnel costs, and \$97,000 is operating expenditures. The budget shows non-standard inflationary adjustments in lease rates, and \$456,000 in replacement items.

The agency is requesting dedicated funds to be able to meet technology related needs. Enhancements for the Management Service Division were also requested for the FY 2022 budget, related for the fourth and final phase of the Offender Management System (Atlas) replacement plan. These include \$2.4 million one-time, and along with the request for re-appropriations of \$2.1 million in excess personnel costs from the current year.

State Prisons Division. The State Prisons Division include Prisons Administration and the nine-adult correctional institution in Idaho. The Idaho State Correctional Institution, South Idaho Correctional Institution, Idaho Maximum Security Institution, and the South Boise Women's Correctional Center are located south of Boise and comprise the single largest complex of institutions. The FY 2022 budget for the State Prisons Division the Department is requesting \$132.1 million and has a Governor's recommendation of \$130.9. This includes General and Federal Fund sources. FY 2020 actual expenditures for the Prisons Division has a total appropriation of approximately \$124.3 million, between five different fund sources, including the General Fund, three different dedicated sources, and the Federal Grant Fund. For FY 2021 the total appropriation for the Prisons Division is \$125.4 million, including funding for instructor pay, for correctional officers at the St. Anthony work camp, and for the State Criminal Alien Assistance Grant.

County and Out-Of-State Placement Program.

The County and Out of State Placement Program provides funding to house

and provide medical care for offenders placed in county jails and in out of state facilities.

For this Division the cost is associated using overflow beds and county jails and out of State prisons.

For the County and Out-Of-State Placement Division, the cost is associated using overflow beds and county jails and out of State prisons.

FY 2022 request, and recommendations amounts are slightly more than \$40 million, and the request is entirely from the General Fund.

The variance report or the FY 2020 expenditures, shows a total appropriation of \$42.7 million, all from the General Fund, no transfers, \$2,400 were reverted.

There are no supplemental requested for this division. The original appropriation amount was sufficient to fund the projected population counts in county and out of State beds, even with the Governor's holdback of \$10.8 million. COVID had an impact on the population due to the suspended jury trials. The in-State capacity is increased and minimizes the footprint in the out-of-State placement and in county jails.

Correctional Alternative Placement Program

The Correctional Alternative Placement Program is a privately built, owned, and operated treatment facility that provides intensive residential substance abuse and cognitive programming for parole violators, reentry offenders, and retained jurisdiction offenders.

This program helps probation and parole officers more effectively manage their offenders and improve the transition from prison to the community and is housing inmates in the privately owned and operated facilities south of Boise.

The Correctional Alternative Placement Program is housing inmates in the privately owned and operated facilities south of Boise. For the FY 2022 request and recommendations match at \$10.6 million. The division has a total appropriation of \$10.3 million, and it is funded by the General Fund.

The department has a \$200,000 appropriation from the miscellaneous revenue funds. There were no program transfers, and a reversion of \$189,700, which amounts to a 1.9% variance. The request and recommends for the Division amount to \$10.6 million and constitutes a 3.3% increase.

FY 2021 budget request includes a Governor's holdback of \$1.1 million. The department inadvertently holdback this amount from the CAPP division instead of Medical Services.

Community Corrections Division .

The community Corrections Division includes the supervision of probationers and parolees (Community Supervision Program) and the operation of community reentry centers throughout the state (Community Reentry Centers Program).

Parole and probation officers and presentence investigators work out of regional offices located in each of the seven judicial districts. Officers have the responsibility of supervising all probationers and parolees.

Probationers are persons with a court sentence that does not involve confinement but does impose conditions. Parolees are offenders who have served a portion of their sentence in an institution and are selected for release by the Commission of Pardons and Parole while under the continued custody of the state.

FY 2022 accounts for felony probationers and parolees and those preparing for release into the community. The request for this division is for \$44.8 million, and the recommendation amounts to \$44.4 million, including general dedicated and Federal Fund sources. The division has a total authorization of 459.35 FTP and is

composed of community supervision and re-entry centers programs. For the FY 2020 the Community Corrections Division had appropriations for \$36.8 million, from General Fund, four different dedicated funds, and the Federal Grant Fund. For the FY 2022 the request is for \$44.8 million, and Governor's recommendation is for \$44.4 million. The FY2021 the original appropriation is \$45.6 million. These include \$5.9 million for community interventions, 23 FTP and \$2.7 million for the operational cost fir the Twin Falls community re-entry center, and the reauthorization of 17 FTP and \$1.1 million for a probation and parole officers.

The Community-Based Substance Abuse Treatment Division.

The Community-Based Substance Abuse Treatment Division provides treatment and education to offenders who fall within its jurisdiction. All offenders are assessed to determine their medical condition, programmatic needs, education level, and mental health.

The Division is requesting FY 2022 \$4.3 million, it matches the Governor's recommendation. This division has a total of 18 authorized FTP and is composed of one budgeted program. The Division has a total appropriation of \$7.1 million from two source, the General Fund and the Millennium Income Fund.

There are no current year adjustments and no enhancement for FY 2022.

Medical Services Division.

The Medical Services Division accounts for costs paid to a for-profit, private medical service provider for Idaho offenders housed in state prisons, community reentry centers, and the Correctional Alternative Placement (CAP) facility. The request for FY 2022 amounts to \$57.6 million, this matches with the Governor's recommendation.

For FY 2020 the Division had a total appropriation for \$55.6 million, there are no transfers, and there is a reversion of \$1,250,000. For FY 2021, the original appropriation amounts to \$55.1 million, including ad addition of \$3.1 million for population driven costs, and a reduction for \$1.58 million for Medicaid expansion. This is due to the decreased cost of inpatient care for the contract provider and a decrease in the contract rate.

AGENCY

PRESENTATION:

COMMISSION OF PARDONS & PAROLE, Ashley Dowell, Executive Director. Jared Hoskins, LSO Analyst.

The Idaho Commission of Pardons and Parole is charged with the responsibility for parole (inmates selected for release by the commission after serving at least the minimum portion of their sentence), commutation (modification of an offender's sentence), and pardon (forgiveness of a sentence).

Ms. Ashley reported the commission is comprised of seven part-time commissioners from various parts of the State appointed by the Governor and confirmed by the Senate.

These commissioners make decisions on a variety of issues ranging from pardons to parole releases.

The commission has 37 full-time staff, including three vacancies. The decision was to leave the vacancies open to accomplish the 5% hold-back implemented for FY 2021 and address any unanticipated costs related to the pandemic.

The commission is requesting \$3.7 million from general and dedicated fund sources. The Governor's recommendation is for \$3.6 million. Performance

Measures. The Commission has four goals in 17 measures and obtained overall success on providing victim contact letters for hearing notifications, positive feedback from victims throughout the pandemic, and increased efficiency and transparency in the hearing process to the public.

The commission has one audit finding that has been addressed by correcting and tightening the internal controls and developing a written policy for accounts receivable.

The Commission had an FY2020 total appropriation of \$3.4 million, coming from the General Fund Miscellaneous Revenue Fund. There were no transfers, and one reversion from the General Fund for \$333,500. For the current year's adjustments, the agency has two supplemental totaling \$70,000. One for extradition transport costs, and one for minute-taking services.

Current year's adjustments have a holdback of \$173,700. Of this amount, \$128,800 are from personnel costs and \$44,900 from operating expenditures.

There are non-standard adjustments for inflationary increases associated with the office space lease, and replacement items in the amount of \$20,800 for computers.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:40 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, January 20, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Office of the Governor PERSI, LBB p.6-95 (LSO Analyst: Maggie Smith)	Don Drum, Director
	State Controller, LBB p.6-33 (LSO Analyst: Maggie Smith)	Brandon Woolf, <i>Idaho State Controller</i>
	Lieutenant Governor 6-139 (LSO Analyst: Maggie Smith)	Janice McGeachin, <i>Lieutenant Governor</i>
	Department of Water Resources, LBB p.4-51 (LSO Analyst: Rob Sepich)	Gary Spackman, Director
	Department of Agriculture, LBB p.5-5 (LSO Analyst: Rob Sepich)	Celia Gould, Director
	Wolf Depredation Control Board, LBB p.6-109 (LSO Analyst: Rob Sepich)	Brian Oakey, Deputy Director, Department of Agriculture
	Federal COVID-19 Relief Funding - Emergency Rental Assistance, LBB 6-69 (LSO Analyst: Paul Headlee, Division Manager)	Alex Adams, Office of the Governor, Division of Financial Management Brady Ellis, Idaho Finance and Housing Association

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 20, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green and Nash.

**ABSENT/
EXCUSED:** None

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

AGENCY PRESENTATION: **OFFICE OF THE GOVERNOR, PERSI, Don Drum, Director
Maggie Smith, LSO Analyst**

The mission of Public Employee Retirement System of Idaho, (PERSI) is to provide members and their beneficiaries with reliable, secure, long-term retirement, survivor and disability benefits as specified by law, and to assist members in planning a secure retirement by providing high quality service, retirement education and information. There are two programs within PERSI: The Retirement Administration program administers the PERSI Base Plan, and the Portfolio Investment program is responsible for the management of PERSI assets to ensure secure long-term returns on investments.

Historical Summary: PERSI is entirely funded by dedicated funds. There are two programs; the Retirement Administration program and the Investment program. There is the three year window of the prior year appropriation and actuals, the current year's appropriation and the FY 2022 request of \$9.279 million and the governor's recommendation is \$9.143 million.

Organizational Chart: There are 69 FTP and 8 vacant. There were 4 new positions approved last session, but due to a hiring freeze, they have not been filled.

Performance Measures: **Director Drum** gave a brief overview of the measures, focusing on COVID actions taken. PERSI surveyed stakeholders, its retirees, its active employees and received extremely good responses. He said in the last two weeks, they are almost 100 percent funded.

FY 2020 Actual expenditures: There are three different dedicated fund sources for PERSI, Administration Program, the Portfolio Investment Program and the Judge's Retirement Fund. There is an appropriation for one FTP to support the judge's retirement program. There were no transfers and the total reversions were 12.2 percent.

Comparative summary: There was one original line item request, but it was withdrawn by the agency at some point during the fall after the budget deadlines.

FY 2021 line items: There were four line items

1. 1.00 FTP and \$185,100 for an internal actuary;
2. 2.00 FTP and \$152,100 for two retirement specialists;
3. 1.00 FTP and \$69, 700 for additional support staff; and
4. \$7,000 for increased software licenses.

\$292,500 is requested for replacement items this year for technology related peripheral equipment as well as computers. PERSI has a regular replacement cycle for their technology as part of their ongoing plan.

FY 2022: There was one line item for \$83,400 for an unfilled officer position that was requested by the agency, but later withdrawn, so it was not recommended by the Governor.

See [Presentation](#), [Handout](#), [Information](#) and [Audio](#).

**AGENCY
PRESENTATION:**

**OFFICE OF THE STATE CONTROLLER, Brandon Woolf, Idaho State
Controller
Maggie Smith, LSO Analyst**

The State Controller is one of seven constitutional officers in Idaho and serves as secretary for the Board of Examiners. He is a member of the State Board of Land Commissioners, the Idaho Technology Authority (ITA) and the Deferred Compensation and College Savings Boards.

The office is organized into four programs: Administration, Statewide Accounting, Statewide Payroll and Computer Services Center (CSC). Administration includes central support employees, administrative staff, and the LUMA management team. Statewide Accounting maintains the Statewide Accounting and Reporting Systems (STARS), preparing statewide and agency-specific financial reports and processing statewide vendor payments. Statewide payroll is responsible for paying and keeping personnel and payroll records for the state through the Employee Information System (EIS). The CSC maintains one of the State of Idaho's primary data centers and provides computing technologies and environments.

Historical Summary: There are four programs that are budgeted separately: Administration, Statewide Accounting and Statewide Payroll receive their appropriations from the general fund. The dedicated funds source here is for the Computer Service Center, which is a cost center that provides services to other state agencies and charges them for those services. That revenue goes into a dedicated funds to funds the program.

Organizational Chart: Controller Woolf introduced members of his staff. Currently the office is authorized for 97 FTP. There are 10 vacant positions, five of those positions will be filled by the end of the month, and the other current vacancies are planned to be filled.

FY 2020 actual expenses: There is one other dedicated fund source here. It's a miscellaneous revenue fund. This is a \$10,000 appropriation each year to put on the annual payroll conference that the state controller's office offers to state employees. Each year, the controller's office requests re-appropriation authority which allows for any unspent funds in the dedicated fund to be carried forward into the next year.

Comparative Summary: There were several items included in the governor's recommendation that were not in the original request from the agency.

FY 2021 line item: There was one line item funded for the current year. This was done in a trailer appropriation. There was germane legislation that passed last year creating the criminal justice integrated data system and funds were appropriated to the state controller's office to hire individuals to build and maintain that system.

The re-appropriation was for \$2.5 million carried forward from the prior year into FY 2021. There are two supplemental requests that were included in the governor's recommendation: the local government reporting and transparency initiative needs resources to begin the development of the Uniform Accounting Manual and to work with various local stakeholders, including associations, to help create a collaborative process that reduces workload and increases transparency. The second is Building Idaho's Future and seeks funds to modernize the back office systems for the State's four-year institutions with the LUMA project.

As part of the Building Idaho's Future supplemental request for \$4.5 million, there is a corresponding cash transfer from the general fund into the Business Information Infrastructure Fund, which is a dedicated fund source that the controller's office uses for the LUMA project. It operates under a continuous appropriation and when that transfer is made, they'll have the spending authority to use the funds. Constitutional officers are not subject to the 5 percent but they did take part in the five percent reduction voluntarily. There is a non-cognizable amount here for \$2.3 million of CARES Act funding that was provided to the comptroller's office for auditing purposes related to the distribution of the federal funds associated with the US CARES Act.

FY 2022 Line Item Requests: There are three line item requests.

1. LUMA Budget and Procurement FTP for 4.00 FTP in the amount of \$354,100.
2. The Governor's recommendation for a meeting notice website for agendas and notices of public meetings to be utilized throughout the state, and
3. Local government reporting that includes 3.00 FTP and costs to finalize implementation of the program in FY 2022.

FY 2022 Total appropriation agency request is \$20 million. The Governor's recommendation \$21.88 million.

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

**AGENCY
PRESENTATION:**

**OFFICE OF THE LIEUTENANT GOVERNOR, Janice McGeachin,
Lieutenant Governor
Maggie Smith, LSO Analyst**

The Lieutenant Governor is one of the seven constitutional officers in Idaho and serves as the presiding officer of the Idaho State Senate. She serves as Acting Governor when the Governor is absent from the state and is first in line for the governorship if the Governor is unable to continue in Office.

Historical summary: the Lieutenant Governor's Office is funded entirely by the General Fund. As a constitutional office, they are not required to comply with the Governor's holdbacks. However, in FY 2020, the office agreed to the two percent ongoing reduction, and in the FY 2021 budget, the five percent reduction.

Organizational Chart: There is just the lieutenant governor and her chief of staff. There is an additional FTP that's allocated to that office.

Variance Report: 9.8 percent of the General Fund appropriation was reverted back to the General Fund.

FY 2021 There were no line item requests. Executive holdback adjustment reflects the 5% temporary reduction and removes the onetime appropriated amount of \$700 for Office of Information Technology Services.

FY 2022: There is a request for Lump Sum authority, and the Governor supported that request. It is a zero dollar line item and it provides the ability to move money between object codes.

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

**AGENCY
PRESENTATION:**

**DEPARTMENT OF WATER RESOURCES, Gary Spackman, Director
Rob Sepich, LSO Analyst**

Historical Summary: There were four appropriated programs and a new Bear River Basin Adjudication. The Legislature passed H382 from 2020 that authorized the general water rights adjudication for the Bear River Basin. The agency receives \$19.5 million from the General Fund, which accounts for about 73 percent of the department's overall appropriation; seven percent is federal, with the remainder being dedicated funds.

Organizational chart: FY 2022 requests 154.0 FTP. There are 5.0 vacant FTP.

Performance Report: **Director Spackman** spoke about three of the performance measures.

Variance Report: There were two net object transfers which are allowed through statute to be moved from personal costs to any other object code. \$51,000 was moved from the water management account to purchase computer equipment. \$50,000 was moved from personnel costs to operating expenses. The Receipt to Appropriation was for vehicles that were damaged and replaced. 11.1 percent or \$3.0 million of the appropriation was not utilized and was reverted.

Comparative summary: The Governor recommended about a two point eight percent increase over the prior year.

FY 2021 There were four line items that were appropriated that included:

1. \$716,000 for aquifer measuring and monitoring transfer;
 2. A zero dollar authorization for the adjudication of the Clark Fork-Pend Oreille River Basin;
 3. \$ 410,000 for operations and maintenance of the Priest Lake outlet control structure; and
 4. \$1.0 million from the General Fund went to flood management mitigation.
- Grants are still being awarded through the water board process and it is anticipated that the funds will be expended during FY 2021.

The Governor recommended a \$50.0 million supplemental request for Building Idaho's Future.

FY 2022 requests include four different line items:

1. \$716,000 for aquifer measuring and monitoring;
2. \$356,400 Bear River Adjudication
3. \$111,000 Water Projects Manager 1.0 FTP
4. \$36,700 for Content Management System.

The department requested an appropriation bill to authorize two cash transfers:

1. \$716,000 Dedicated Fund Cash Transfer from the continuously appropriated Revolving Development Fund to the Aquifer Planning and Management Fund.
2. Department request for \$5.0 million of the General Fund trustee and benefit payments appropriation in the base budget for the Planning and Technical Services Program be transferred to the continuously appropriated Secondary Aquifer Planning, Management and Implementation Fund.

Total FY 2022 Agency request was \$26.77 million, Governor recommendation was for \$26.66 million.

DISCLOSURE:

Senator Nye disclosed his legal work and representation for the Department and said he didn't think this was a conflict of interest, but wanted to state it for the record.

See [Presentation](#), [Handout](#), and [Audio](#).

AGENCY

PRESENTATION:

DEPARTMENT OF AGRICULTURE, Celia Gould, Director
Rob Sepich, LSO Analyst

The mission of the Idaho State Department of Agriculture is to guarantee that Idaho agriculture products are of high quality, disease free, and meet federal and state laws, rules and regulations. The department protects consumers and producers from fraud and provides marketing assistance to the industry.

Historical Summary. There are eight budgeted programs within the department, and the General Fund makes up approximately 26 percent of the total appropriation, 14 percent from federal funds and the remainder is dedicated funds.

Organizational Chart: There are 216.0 FTP, and there was not a change in the request for FY 2022. There are 14.0 vacant FTP.

Performance measures: **Ms. Gould** gave a brief overview of the performance measures and focused on fulfillment of their statutory duties, of ensuring confidence in the marketplace, and fostering opportunity for Idaho agriculture. Trends saw an increase of work and productivity, even during COVID work continued to grow.

Variance report: This report is extensive due to all the numerous dedicated funds that are appropriated directly for the department. \$1.2 million dollars was reverted from the general fund in trustee and benefits, out of a total of \$ 3.2 million that was appropriated for FY 2020.

FY 2021 Original appropriation included seven line items:

1. Net zero shift between programs to create a Farm Forward Program;
2. \$2.0 million for the new Agricultural Lab in Boise;
3. \$54,300 and 0.67 FTP for a weights and measures inspector;
4. \$41,800 for CEC for the Fresh Fruit and Vegetable Inspectors;
5. Shift of \$88,900 from federal funds to dedicated funds for a pest control specialist;
6. \$50,000 to move office space at the College of Southern Idaho
7. Reduction of 4.0 FTP and a net increase of \$195,000 for consolidation under the Governor's initiative.

Building Idaho's Future: The Governor recommended a one-time General Fund appropriation of \$427,500 to purchase laboratory equipment.

\$890,000 was requested for multiply replacement items which was mirrored by the Governor's recommendation.

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

**AGENCY
PRESENTATION**

**WOLF DEPREDATION CONTROL BOARD, Brian Oakey, Deputy
Director, Department of Agriculture
Rob Sepich, LSO Analyst**

The Legislature passed H470 of 2014 to recognize that additional financial resources were needed to continue the implementation of Idaho's wolf management plan. It established a fine-member Wolf Depredation Control Board in the office of the Governor and created a set of new continuously appropriated funds and sub accounts to be administered by the Department of Agriculture. The responsibility of the Wold Control Board is to allocate the moneys for control actions approved by the Idaho Fish and Game Commission.

Historical Summary: The fees that are collected from sportsmen and from the livestock producers are transferred from the General Fund to continuously appropriate this fund. There are no FTP for this agency because those projects are carried out with staff from the Department of Agriculture and the Department of Fish and Game.

FY 2021 the General Fund was directly appropriated for the first time. Prior .years had been transfers from the General Fund into those dedicated funds.

Performance Measures: There is only one performance measure directly related to its statutory responsibilities. The goal of this performance measure is to effectively manage and allocate funds in order to continue the service of wolf depredation control within the state of Idaho.

FY 2020 Variance Report: There was no original appropriation because these funds were continuously appropriated.

Comparative Summary. This will be a flat budget as there are no requested adjustments.

In the interest of time, the remaining time was yielded for other things on the agenda. All details for the budget and any discussion can be found here.

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

**AGENCY
PRESENTATION**

**Federal COVID-19 Relief Funding — Emergency Rental Assistance.
OFFICE OF THE GOVERNOR , Alex Adams, Division of Financial
Management;, Brady Ellis, Finance and Housing Association**

Alex Adams spoke briefly on the federal COVID relief funding for emergency rental assistance.

The COVID relief fund that was signed by President Trump on December 27th had a program called the Emergency Rental Assistance Program, and you'll see that the state of Idaho was awarded \$200 million for emergency rental assistance. \$170 million is currently sitting in the state treasury in an account that's generating interest.

There is a supplemental appropriation for legislative action for use in providing emergency rental assistance. It has tightly defined parameters on who is eligible, who may qualify for assistance, and how long the assistance might be.

Mr. Ellis from Idaho Housing and Finance Association (IHFA) spoke briefly on the implementation of the program. He said in the state of Idaho, there is approximately 76,000 or so households that earn less than 18 percent of median income. The program must have a COVID related financial hardship. Of the \$15 million that was administered last year, they served about 6,000 households and about 19,000 individuals.

The funds would be handled by an external auditor to monitor compliance throughout the process and 10 percent of this award would be eligible for administrative costs.

Due to time constraints, this presentation was shortened.

See [Information](#), [Information-2](#), [Report](#) and [Audio](#).

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 11:01 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, January 21, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
Self-Governing Agencies		
8:00	Idaho Division of Occupational and Prof. Licenses, LBB p.5-55, p.5-83, p.5-93 (Formerly Div. of Building Safety, Reg. Boards, and Medical Boards) (LSO Analyst: Christine Otto)	Russ Barron, Administrator
	DEPARTMENT OF JUVENILE CORRECTIONS, LBB p.3-63 (LSO Analyst: Jared Hoskins)	Monty Prow, Director
Office of the Governor		
	Commission on the Arts, LBB p.6-47 (LSO Analyst: Jared Hoskins)	Michael Faison, Executive Director
	Commission on Hispanic Affairs, LBB p.5-61 (LSO Analyst: Jared Hoskins)	Margie Gonzales, Executive Director

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, January 21, 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, Nate, Giddings, Bundy, Green, Nash
ABSENT/ EXCUSED: Rep. Amador, Rep. Syme
CONVENED: **Chairman Rep. Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.
LSO STAFF PRESENTATION: **Mr. Headley** introduced new tables that summarize the Supplemental Appropriations based on the Governor's recommendations.
AGENCY PRESENTATION: **DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSES, Russ Barron, Administrator. Christine Otto, LSO Analyst.**

The Division of Occupational and Professional Licenses (DOPL) was created during 2020 Legislative Session with House Bill 318, which also dissolved the Bureau of Occupational Licenses (IBOL). The Bill also provided the Governor the authority to reorganize the Department of Self-Governing Agencies as needed.

Ms. Otto explained the FY 2022 budget request for DOPL would zero out the 11 program budgets and consolidate 271.20 FTP and \$31.3 million into a single division. This is requested as a net-zero adjustment across all funds.

Mr. Barron described the new organization and stated it will take a couple of years to have it complete because of the work involved in determining the best organizational structure, moving all staff in the Treasure Valley to the new campus and making necessary changes and update responsibilities and structure for the success of the new division.

Four of the 11 agencies are in the campus in a temporary space, waiting for the completion of the permanent space. Another agency will join in a couple of months. The Administrator also explained the focus of the Agency is on customer service and public safety by considering timeliness and quality of licensing, investigations and inspections. As the Agency continues to transition into one division, it will develop performance measures to ensure they are meaningful and more consistent where possible.

Ms. Otto yielded to **Mr. Barron** to report two audit findings. First finding was in the Division of Building Safety and is about federal expenditures under-reported on the Schedule of Expenditures of Federal Awards (SEFA). The schedule of expenditure did not include one grant in the total amount reported. Corrective actions have been taken to ensure timely and

accurate information on this report will provided.

The second finding was in the Idaho Board of Nursing and is about a supporting documentation for travel expenditures that was not maintained in accordance with the State Travel Policy.

The board has already updated the travel request and reimbursement procedures to mirror the State travel policy, the board has also updated the approval and the reimbursement processes to prevent this type of issue from happening again.

Comparative Summary for Division of Building Safety.

Ms. Otto pointed out that the Legislative Budget Book for the Division of Building Safety has a total for FY 2020 of zero. She yielded to the Administrator **Barron** for details about the FY 2021 Original Appropriations. **Mr. Barron** stated the Damaging Prevention Management Position and Inspector Position, have been filled or in the process to be filled. The development of the anonymous tip line for school threats was completed and is operational. The School Safety Analyst position is in the process of being filled now. The purchase of the office building in Blackfoot has been completed.

Ms. Otto will have another hearing for the supplemental request for the division to move to the Chinden Campus and also mentioned the division had an executive holdback, a Non-cognizable Fund, and a Federal Grant Fund. Two requests from the Division, include moving the Office of School Safety and Security from the Division of Building Safety to the Office of the State Board of Education. The second item is about DPOL consolidation, requesting to move the FTP and the federal and dedicated spending authority from the Division of Building Safety into the Division of Occupational and Professional Licenses.

Ms. Otto pointed out that the Legislative Budget Book for the Medical Boards has a total for FY 2020 of zero as the budget is moved into the Division of Occupational and Professional Licenses.

The Administrator **Mr. Barron** stated that the Business Analyst Position for the Board of Medicine has been filled. The position reclassification for the Board of Medicine and the salary increase for the Board of Nursing and the Executive Director have been implemented. There are also \$5,500 for replacement of laptop computers. Comparative Summary for the Regulatory Boards.

The Regulatory Boards has total recommendation of 271.2 FTP and \$31.3 million for FY 2022.

The reappropriation for the FY 2021 include the move to the Chinden Campus and it over a million dollars for a database upgrade. Replacements item include \$19,000 for laptop computers, a line item for the Statewide Gateway system, and a line item for the Damage Prevention Federal Grant Other line items were related to the DPOL consolidation.

**AGENCY
PRESENTATION:**

**DEPARTMENT OF JUVENILE CORRECTIONS, Monty Prow, Director.
Jared Hoskins, LSO Analyst**

The Department of Juvenile Corrections is responsible for all juvenile offenders committed to it by the Idaho courts and for the establishment of minimum standards for detention, care, and certification of approved detention facilities. The Agency's staff does a variety of research-based efforts that impact the life of juveniles who receive cognitive behavioral therapy and counseling.

Dir. Prow highlighted the recidivism rate is at 22% and the recommitment rate is at a historic low of 7%. A total of 98% of eligible youth received a high school diploma or GED while in custody. Youths dedicated 55,000 hours of community service and service learning in the past year. The Agency has a total of 414 dedicated staff divided in four units, and 19 vacancies.

Mr. Hoskins introduced the budget for the Agency. The FY 2022 request for the department amounts to \$54.01 million, and a recommendation of \$53.7 million coming from General, dedicated and Federal Fund sources. The organizational chart shows one budgeted division and four budgeted programs. The total FTP authorization for the Department of Juvenile Corrections is 414. Performance Report shows 10 measures, but the Agency uses additional 25 internal measures, for a total of 35 quarterly based measures. The community pass-through funding served 2,800 youth in 2020, the agency obtained between 94 and 98% success rates with these funding streams.

Mr. Hoskins pointed out the agency had one audit finding and the **Dir. Prow** explained it was for the period 2009 and 2018 where six purchases were made against State purchasing rules and internal policies. The items purchased were not the cause of the finding, but the purchases were made using the wrong contract vehicle. The correction plan included daily review of transactions and warnings for violation of the policy.

Actual Expenditures for FY 2020 included appropriations of \$52.8 million from six different fund sources, including the General Fund and four different dedicated sources and Federal Funds. There were \$557,000 transfers from the General Fund. These funds were used for various items, such as interstate compact dues, various and sundry repairs and replacements, and such as roof repairs and replacement of a freezer and water heater, as well as some medical expenses at three facilities. A total of \$2.4 million were reverted, leaving \$3,053,400 in excess trustee and benefit payments for this year. This is caused by a reduction in the juvenile population.

The comparative analysis shows a FY 2022 request for \$54.01 million against a recommendation of \$53.7 million.

The FY 2021 shows an original appropriation of \$52.6 million for the department included funding for one line item. The Department of Juvenile Corrections is requesting a total of \$450,000 in one-time funds with re-appropriation authority in FY 2023 as they anticipate a two-year build time to develop a new case management system that will allow system partners to access information on justice involved youth and allow officials to effectively work together and coordinate youth services.

**AGENCY
PRESENTATION:**

COMMISSION ON THE ARTS, Michael Faison, Executive Director. Jared Hoskins, LSO Analyst

The Commission on the Arts seeks to stimulate and encourage the study and presentation of the arts, and public interest and participation therein, and to encourage and assist freedom of artistic expression.

The Commission helps Idaho's arts community to leverage the local dollars and in-kind commitments, thereby, broadening the statewide impact of the arts and providing access to public programs in the arts for residents and visitors in every region of the State.

The agency also delivers non-granting services, in the form of professional development and training to Idaho's arts managers, professional artists and arts educators. The agency performance has been negatively impacted by the pandemic. Idahoans want greater arts for the children and rural constituents also need greater access to grants. The agency staff have been working with constituents for changes in schedules and scopes of grants so the activities can pivot and adapt to the challenges. Changes in rules over the previous year gave the agency permission to work in creative arts therapies.

The commission had an FY 2020 total appropriation of \$2,067,200 from the General Fund, dedicated funds, and Federal Funds. There were no adjustments nor object transfers. There was a small General Fund reversion of \$29,200. The comparative summary shows a 1.1% of increase for the original request and a 0.8% increase for the Governor's recommendation. The agency had an FY-2021 original appropriation of \$2,071,700.

For FY 2022 requests include an adjustment of \$43,700 from the General Fund, pursuant to the executive holdback. The agency did receive additional spending authority through the non-cognizable process, for 430,700 in trustee and benefit payments for arts organizations to support salaries, fees for artists, and other contracted personnel, as well as some facility costs.

**AGENCY
PRESENTATION:**

COMMISSION ON HISPANIC AFFAIR, Margie Gonzales, Executive Director. Jared Hoskins, LSO Analyst

The Idaho Commission on Hispanic Affairs (ICHA) was established by the Legislature in 1987.

The commission provides various services to the Hispanic community and serves as a liaison between the community and government entities. Working toward economic, educational, and social equality, the commission addresses issues facing Idaho's Hispanic community.

The commission also provides recommendations to the Governor, Legislature, state agencies, and other organizations on issues of interest or concern to the Hispanic community. **Dir. Gonzales** described Hispanics remain the largest minority group in the State of Idaho and the fastest growing segment of population. Hispanics are the largest minority group representing 13% of the total population and are represented at all income and educational levels.

The Hispanic students make up a growing share of enrollment in Idaho's schools

and universities. Hispanic students make up 18% of Idaho's K-12 enrollment, and Hispanic administrators, teachers and staff made up of only 3% of all employees, dramatically less than the 18% share of Hispanic student enrollment. The Commission applied to receive \$21,200 from the department of commerce Cares Funds. The funds covered a statewide COVID-19 media campaign to encourage the use of masks to prevent the spread statewide in the Hispanic community.

For FY 2022 Agency is requesting \$420,800, with a recommendation slightly less at \$418,400. Sourced by the General Fund as well as the Miscellaneous Revenue Fund. The performance report shows a reduced academic achievement gap between the Hispanic and non-Hispanic students, and improved access and use of health care by Hispanics.

In FY 2020 the agency focused to support and provide guidance to the Hispanic community on the facts and the consequences of COVID-19; as of January 12, 2021 the Hispanic population makes up 20.13% of the positive COVID-19 cases in Idaho and 9.88% of the deaths related to the virus. The agency successfully organized successful virtual conferences and summits on issues ranging from education and civic engagement to listening sessions on the State's health climate. The Commission has also taken the lead on expanding the collaboration efforts to rural parts of Idaho that seldom receive outreach and have high numbers of Hispanic residents.

FY 2020 actual expenditures shows total appropriation of \$367,700, from the General Fund dedicated funds, and Federal Funds. There were no adjustments, including object transfers. There was a small General Fund reversion of the \$6,500. Comparative summary shows a 6.5% increase in the request compare to the Governor's recommendation of 5.9% increase.

The FY 2021 original appropriation of \$395,100 included three-line items: equity pay for the Executive Director, a net zero fund shift from Federal Funds to the dedicated funds, and a statewide outreach. The current year shows an executive holdback of \$12,400, the restoration of the Governor's holdback, and FY 2022 base of \$393,700. There is a single FY 2022 enhancement for a Smoking Cessation Federal Grant.

ADJOURN:

There beings no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:21 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, January 22, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Department of Environmental Quality, LBB 4-3 <i>(LSO Analyst: Rob Sepich)</i>	Jess Byrne, Director
	Soil and Water Conservation Commission, LBB 5-13	Teri Murrison, Administrator
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	DEPARTMENT OF CORRECTION Pardons and Parole Commission	Jared Hoskins, Principal Analyst
	Extradition Transport, LBB p. 3-41	
	Parole Hearing Minutes, LBB p. 3-41	
	DEPARTMENT OF HEALTH AND WELFARE Substance Use Disorder Grant, LBB p. 2-59	Jill Randolph, Senior Analyst
	OFFICE OF THE GOVERNOR Legal Notice for Rule Making, LBB p. 6-65	Paul Headlee, Division Manager

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, January 22, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Syme, Bundy, Giddings, Nate, Green and Nash.

ABSENT/ EXCUSED: Representative Amador

CONVENED: **Co-Chairman Bair** called the Joint Finance-Appropriations Committee (Committee) meeting to order at 8:01 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF ENVIRONMENTAL QUALITY, Jess Byrne, Director;**
Rob Sepich, LSO Analyst

The Legislature created the Department of Environmental Quality (DEQ) in the public's interest to protect human health and the environment as its sole mission. The Department is organized into six budgetary programs: Administration and Support Services; the Air Quality Program; the Water Quality; the Coeur d'Alene Basin Project Commission; Waste Management and Remediation; and Idaho National Laboratory Oversight Program.

Historical Summary: The General Fund accounts for 32 percent of the total appropriation for all programs. Federal funds account for 41 percent and the remainder is from dedicated sources.

Organizational Chart: For FY 2021, there were 379.0 authorized FTP, which are split between the State office and six regional offices. FY 2022 requests saw some internal changes, but there were no requests for additional full-time positions (FTP). At the end of December, there were 36 vacant positions, 16.0 of which are currently being filled. There are 11.0 FTP on hold.

Performance Report: DEQ's goals and benchmark performance measures are now outcomes based rather than activity-based. They are monitoring measurable environmental improvements. One of the biggest challenges when issuing permits is the quality and completeness of the applications received. Typically, less than half the applications received are complete.

FY 2020 Actual Expenditure Variance Report: DEQ has six budgetary programs with "bucket funds" that allow them to expend fund sources and allocate those expenses through each of those funds individually. The analyst gave a brief overview of the actual expenditures due to the extensive activity in the programs.

Comparative Summary: DEQ requested a 5 percent increase, and the Governor's recommendation was for a 4.6 percent increase.

FY 2021 Budget: There were 12 line items requested. Additionally there were:

- Reappropriation request of \$363,000 from FY 2020 into FY 2021 for Agricultural Best Management Practices (Ag BMP). There will be legislation in the 2021 session to create the Ag BMP fund.
- A supplemental appropriation was approved for \$311,300 from the Idaho Pollution Discharge Elimination System (IPDES) funding to replace the 5 percent General Fund per the Governor's 2020 holdback and split between other programs;
- A budget realignment with a shift of 2.0 FTP and \$248,900 from Water Quality to Administration. The Governor recommended a \$8.9 million one-time General Fund cash transfer to the Water Pollution Control Fund and \$1 million to the Ag BMP fund
- Base Adjustments: \$2.3 million shift from the General Fund in the Administration and Support Services program from operating expenditures to capital outlay and a \$1.2 million shift in federal funds in the Air Quality Program from operating expenditures to trustee and benefits to pass through and award grants for air-quality improvements.

FY 2022 Budget Request:

Five Line Items:

- \$2.12 million for Bunker Hill Central Treatment Plant (CTP) to assume management and operations of the CTP.
- \$1.5 million for Water Pollution Control Fund Transfer to Triumph Fund to provide remediation.
- \$560,000 for spending authority from the Environmental Remediation Triumph Mining fund to maintain treatment operations and conduct required monitoring.
- \$980,400 Triumph Mine Tunnel Closure – to repair the mine tunnel.
- \$573,200 Coeur d'Alene Lake Study to study the health of the lake.

There were two cash transfers:

- \$279,000 ongoing general fund based appropriation with possible FY 2021 carryover to Ag BMP.
- \$1.5 million from the Water Pollution Control fund into the in the Transformation Fund for the Basin Fund to meet the 10 percent match obligation.

Budget Law Exemptions and Adjustments: DEQ is requesting language be included in its FY 2022 appropriations bill for:

- Reporting requirements for the work that DEQ is doing in the Portland Basin, so that the report is submitted annually to the Governor and the Legislature.
- Use of the Water Pollution Control Fund. Per statute, this fund was set up for specific uses for wastewater and drinking water facility match grants. In this case, the Agency requests setting aside statute and allowing this fund to be utilized.

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

**AGENCY
PRESENTATION:**

**IDAHO SOIL AND WATER CONSERVATION COMMISSION, Teri
Murrison, Administrator; Rob Sepich, LSO Analyst**

The Soil and Water Conservation Commission has five members who are appointed to staggered five-year terms by the Governor to assist the 50 Soil and Water Conservation Districts (SWCDs) in accordance with Idaho Code. Its mission is to facilitate coordinated non-regulatory, voluntary, and locally led conservation by federal, state, and local governments including Idaho's conservation districts and other partners, in order to conserve, sustain, improve and enhance soil, water, air, plant, and animal resources.

Historical Summary: There is one budgeted division organized under the Department of Agriculture, but it is a separate entity and receives its own separate appropriation. The General Fund makes up 87 percent of the appropriation and the rest is dedicated funds. The National Fish and Wildlife Foundation grants have been terminated.

Organizational Chart: There are 7.75 FTP, with one position vacant position. The engineer position in eastern Idaho is slated to be filled soon.

Performance Report: **Ms. Murrison** gave a brief overview of core measures that make up the performance report. She noted that the Commission recently revised its measures to more closely reflect Department of Financial Management (DFM) requirements.

Actual Expenditures Variance Report: The original appropriation funded three funds. Of the \$3.4 million total appropriated, approximately \$301,000 was reverted, with most of the reversion coming from federal funds.

Comparative Summary: The Commission requested a 1.9 percent increase, and the Governor recommended a 1.5 percent increase.

FY 2021 Budget: The original appropriation funded two line items that included a reduction of all federal personnel costs and FTP, and funding for the Governor's Information Technology Modernization Initiatives.

FY 2022 Budget Request: There was one line item requested for the removal of 1.0 FTP and for a supplemental authority to transfer \$54,000 in General Fund personnel costs to trustee and benefit payments to increase distributions to the local districts. The FTP was the technical records specialist position that has been vacant since September of 2019 and held open to satisfy General Fund holdbacks.

There was an agenda change: the presentation from the Office of the Governor, "Legal Notice for Rule Making" presented by Paul Headlee, Division Manager, will be presented at another time.

Senator Nye stated he had a conflict of interest pursuant to Rule 38 but intended to vote nonetheless.

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

**AGENCY
PRESENTATION:**

**DEPARTMENT OF CORRECTION, Pardons and Parole Commission
Jared Hoskins, Principal Analyst**

**UNANIMOUS
CONSENT:**

Requested by **Senator Agenbroad**, granted by unanimous consent, the Commission of Pardons and Parole FY 2021 budget was reopened.

**UNANIMOUS
CONSENT:**

Requested by **Senator Agenbroad**, granted by unanimous consent, the following language was added to the FY 2021 appropriation:

INTENT Creation of Federal COVID-19 Relief Fund
LANGUAGE: The Federal COVID-19 Relief Fund shall be included as a section in the Commission of Pardons and Parole's FY 2021 supplemental appropriation bill.

MOTION: Moved by **Senator Agenbroad**, seconded by **Representative Syme**, a motion was made to increase a one-time operating expenditure of \$50,000 from the federal COVID-19 Relief Fund for the purpose of extradition transport costs for the Commission of Pardons and Parole in FY 2021.

CARRIED: **AYES: 18**
 Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Giddings, Nate, Green and Nash.
NAYS: 0
ABSENT/EXCUSED: 2 (Senator Grow and Representative Amador)
 The majority having voted in the affirmative, the motion passed without objections, and will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Co-Chairman Bair**.
 See [Supplemental Motion](#), [Supplemental](#) and [Audio](#)

MOTION: Moved by **Senator Cook**, seconded by **Representative Syme**, a motion was made for an increase of \$20,000 in one-time operating expenditures from the federal COVID-19 Relief Fund for the purpose of taking minutes at parole hearings.

CARRIED: **AYES: 18**
NAYS: 0
ABSENT/EXCUSED: 2 (Senator Grow and Representative Amador)
 The majority having voted in the affirmative, the motion passed without objections, and will carry a **do pass** recommendation. Hearing no objections, it was so ordered by **Co-Chairman Bair**.
 See [Supplemental Motion](#), [Supplemental](#) and [Audio](#)

AGENCY **DEPARTMENT OF HEALTH AND WELFARE**
PRESENTATION: **Substance Abuse Disorder Grant**
Jill Randolph, LSO ANALYST

UNANIMOUS Requested by **Representative Troy**, granted by unanimous consent, the
CONSENT: Commission of Pardons and Parole's FY 2021 budget was reopened.

MOTION: Moved by **Representative Troy**, seconded by **Senator Agenbroad**, a motion was made for the Department of Health and Welfare, in the Division of Substance Abuse Treatment and Prevention for the addition of \$4,000,000 in ongoing trustee and benefit payments in the Cooperative Welfare (Federal) Fund.

CARRIED: **AYES: 18**
NAYS: 0
ABSENT/EXCUSED: 2 Senator Grow and Representative Amador

The majority having voted in the affirmative, the motion passed without objections, and will carry a **do pass** recommendation. Hearing no objections, it was so ordered by **Co-Chairman Bair**,

See [Supplemental Motion](#), [Supplemental](#) and [Audio](#)

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 9:31 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, January 25, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	State Board of Education Overview (LSO Analyst: Janet Jessup)	Debbie Critchfield, President, <i>State Board of Education</i>
	University and College Presidents - Presentation	C. Scott Green, President, University of Idaho Marlene Tromp, President, Boise State University Kevin Satterlee, President, Idaho State University Dr. Cynthia Pemberton, President, Lewis-Clark State College
	University of Idaho, LBB p.1-55 (LSO Analyst: Janet Jessup)	C. Scott Green, President, University of Idaho
	Agriculture Research & Extension Service, LBB p.1-49	Michael Parrella, Dean, <i>College of Agriculture & Life Sciences</i>
	Health Education Programs, LBB p.1-81	
	<i>Washington-Idaho-Montana-Utah (WIMU) Veterinary Education</i>	Michael Parrella, Dean, <i>College of Agriculture & Life Sciences</i>
	WWAMI Medical Education	Dr. Jeff Seegmiller, Director, WWAMI Medical Education Program
	Special Programs under the University of Idaho, LBB p.1-101	
	<i>Forest Utilization Research</i>	Dr. Dennis Becker, Dean, <i>College of Natural Resources</i>
	<i>Geological Survey</i>	Claudio Berti, Director, Geologic Survey

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, January 25, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

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

ABSENT/ EXCUSED: Senator Grow

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

AGENCY PRESENTATION: **BOARD OF EDUCATION, Debbie Critchfield, President. Janet Jessup, LSO Analyst.**

The Idaho State Board of Education oversees four institutions, including three comprehensive universities and one college. Codified college and universities in Idaho include Boise State University (BSU) in Boise, Idaho State University (ISU) in Pocatello, Lewis-Clark State College (LCSC) in Lewiston, and the University of Idaho (UI) in Moscow.

Funding for Systemwide Programs is included in the College and Universities appropriation and is either distributed to the institutions by the Office of the State Board of Education; or expended for projects or services that benefit all institutions.

Ms. Critchfield specified how the Board has been involved in a transformative process over the last 18 months moving from more transactional to strategic, and they have completed a significant amount of work related to the mission, vision, goals, and guiding values.

For the FY 2021, one million dollars was given to the board and to the institutions for a joint cyber-security initiative. An additional \$7 million went into the General Fund and have been used to provide scholarships to 5,820 students, with an average of around \$3,200.

In the FY 2020 there was a one-time appropriation of \$50,000 for open educational resources. These funds have been used for textbooks and reducing the cost associated with taking classes. Thanks to the Legislature's support of higher education through the Permanent Building Fund, the institutions have been able to address deferred maintenance and completion of new buildings.

Ms. Jessup introduced the presidents of the Idaho universities and colleges: **Mr. C. Scott Green**, President of the University of Idaho; **Dr. Marlene Tromp**, President of Boise State University; **Mr. Kevin Satterlee**, President of the Idaho State University; **Dr. Cynthia Pemberton**, President of Lewis & Clark State College.

Mr. Satterlee, President of Idaho State University, highlighted how the Idaho universities and colleges have made significant budget adjustments to ensure the alignment of the resources to the core mission, as well as, to respond to the State budget and the challenges of COVID-19 on the institutional finances.

Some of the measures undertaken included a position-by-position review of the organizational charts, leading to the eliminated 493 positions from the four college and university budgets. Each institution also conducted a thorough review of the operating expenses and made even further cuts, up to \$77 million in savings throughout the system. These eliminations were necessary to offset the deficits, to compensate for the financial impacts of the pandemic, and to identify the areas of strategic reallocations to areas of highest student impact.

Unfortunately, these strategic reallocations also coincided with the COVID-19 events as well as State budget holdbacks, so the universities were not able to reinvest the relative savings in their core mission. Furthermore, it was necessary to implement a furlough programs resulting in another \$11 million of lost-time wages.

The Idaho universities are asking the Legislature to approve the Governor's budget recommendation to allow them to access the Higher Education Stabilization Fund.

On the appropriations side, colleges and universities represent 7.8% of the current State appropriated budget. This is a decline of 50% from 30 years ago, when it was 15% of the State budget.

**AGENCY
PRESENTATION:**

UNIVERSITY OF IDAHO. C. Scott Green, President of University of Idaho. Janet Jessup, LSO Analyst.

Mr. Green, President of the University of Idaho, pointed out how the University of Idaho produces graduates ready to contribute to industry and the economy of Idaho, and conduct research that supports the Idaho industry. The University of Idaho support **Governor Little's** budget recommendation as well as his inclusion of \$3 million in matching funds to create the Idaho Center for Plant and Soil Health, and \$700,000 for the industry requested greenhouses to expand tree production to better manage the forests in the Permanent Building Fund Budget.

The University of Idaho engaged in various measures, including workforce reductions, to insure the financial stability, despite spending to control COVID in the community. After losing \$45 million over the past three year, the University of Idaho ended the FY 2020 with a small operating surplus of approximately \$900,000, and a headcount reduction of 160.

The University of Idaho also implemented mandatory furlough to meet the Governor's 5% holdback for FY 2021. Changes made last spring to the retirement benefit program, are projected to reduce the liability by \$11 million in FY 2021, which follows a \$14.4 million reduction in FY 2020.

The university is also implementing a new budget model that will guide the future resource allocation. This new hybrid budget model will reward programs with increases in enrollment, student persistence, and collaboration.

Of the 11,000 students of the University of Idaho, 72% are from Idaho, 41% of the undergrads are first in their family to attend college, new graduate student numbers increased by 4.2%. The university is offering \$30 million of scholarships and waivers to counter students' costs.

The Governor included \$3 million allocation in the budget request, which have been matched in \$3 million in private donations from eight different commodity groups. The Legislature allocated \$10 million to the research dairy project in South Central Idaho, which has been matched with \$10 million raised from the dairy and related industries. Cyber-security education and research projects represented \$113 million in research that the university conducted last year.

Ms. Jessup illustrated the budget for the university, starting from the University of Idaho. This university is one of four institutions of five specifically budgeted programs within the College and University's budget.

President Green explained for FY 2020 the target of 74% of new degree seeking freshmen completing a gateway math course within two years represents an increase over the last three years, and the current measure is now at 70%.

The re-appropriation report for the University of Idaho, shows the University of Idaho as part of the Governor's executive holdback. This 5% decrease for the University of Idaho was \$4,679,800 of the total reflected in the Legislative Budget Book. The University of Idaho requested adjustments related to COVID relief funds.

The reports also include adjustments related to tuition revenues being lower than anticipated, and an adjustment to the FTP.

Maintenance adjustments include Governor's recommendation for benefit costs, for \$518,500, split between the General Fund and the tuition and fees for dedicated funds owned by the institution and CEC.

**AGENCY
PRESENTATION:**

AGRICULTURE RESEARCH & EXTENSION SERVICE, Michael Parrella, Dean of College of Agriculture & Life Sciences. Janet Jessup, LSO Analyst.

Mr. Parrella highlighted how the college serves as the research and development engine to Idaho's enterprise, which accounts for 18% of the economic output. The college has nearly 1,000 students within seven academic departments. The research arm, the Idaho agricultural experiment stations, includes nine research and extension centers, access 14,000 acres of land across the State, and includes faculty and staff who are physically located in 42 of the 44 counties.

In 2020, due to COVID, the college pivoted from the in-person programming to a method of digital delivery in the form of classes, webinars, and short courses. In 2020, extension faculty and volunteers received training in mental health, first aid, arming them with the knowledge to reduce the suicidal behaviors and save lives for the benefit of farmers, ranchers, loggers, and Idaho youth.

Ms. Jessup provided comments about the budget, saying the variance report includes a net object transfer of moving money from operating expenditures to personnel and capital outlay, and a reverted appropriation. For current and 2022 fiscal years the agency request is in line with the Governor's recommendation, with the only variation occurring in the maintenance adjustments. .

The benefit cost for agriculture research and extension services and change in employee compensation are outlined, with a total appropriation recommended by the Governor of \$32,695,100.

AGENCY PRESENTATION: WASHINGTON-IDAHO-MONTANA-UTAH (WIMU) VETERINARY EDUCATION, Michael Parrella, Dean of College of Agriculture & Life Sciences. Janet Jessup, LSO Analyst

Ms. Jessup introduced the veterinary program as a collaboration between Washington, Idaho, Montana and Utah. It is within the College of Agriculture and Life Sciences at the University of Idaho. The variance report for the WIMU program includes one object transfer from PC to OE in accordance with I.C. 65-3511.

The comparative summary for health education program shows \$23.5 million for the WIMU, which is all General Fund with the exception of \$100,000 in dedicated funds.

These dedicated funds are transferred annually from the Fish and Game account to the University of Idaho for the disease research. There are no FY 2021- line items for the veterinary program, and it was affected by the Governor's 5% holdback.

Adjustments for the WIMU program include \$41,900 in contract costs escalation with Washington State University.

AGENCY PRESENTATION: WWAMI MEDICAL EDUCATION, Dr. Jeff Seegmiller, Director of WWAMI Medical Education Program. Janet Jessup, LSO Analyst

The WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) Medical Education Program provides Idaho students with the opportunity to attend medical school through a cooperative agreement with the University of Washington.

Dr. Seegmiller provided comments about how 50% of Idaho WWAMI students graduates are practicing in Idaho, this is higher than the national average of 39%. For every \$1 invested by the state in WWAMI, Idaho gets back \$5.10 into the state economy.

The school has raised more than \$5 million in scholarship support to help lessen the financial burden of medical education for the students.

Ms. Jessup introduced the budget for the WWAMI program, explaining the program is entirely funded by the General Fund, and no dedicated funds or federal funds are appropriated through this program.

The variance report for FY 2020 shows a net object transfer consistent with previous years within the programs. No line item were appropriated in FY 2021. The Governor's holdback impacted the WWAMI program at a slightly less degree than the other health education programs. The medical program requested a contract cost escalation with the University of Washington School of Medicine, for an amount of \$162,300.

AGENCY PRESENTATION: FOREST UTILIZATION RESEARCH, Dr. Dennis Becker, Dean of the College of Natural Resources. Janet Jessup, LSO Analyst

The Forest Utilization Research (FUR) program, located at the University of Idaho, conducts research and analyzes policy to increase the productivity of Idaho's forests and rangelands.

Dr. Dennis Becker stated the mission for the program is to conduct research for the citizens of Idaho focusing on five key areas. The program worked with over 1,000 stakeholders, business leaders and community residents and submitted more than \$14 million in new grant proposals this year.

The program supports the Governor's Budget recommendation of a one-time appropriation to the Permanent Fund for \$700,000 to expand and modernize the greenhouse facilities in partnership with the Idaho Department of Lands.

Ms. Jessup introduced the budget's details, including a net object transfer and a reverted appropriation for the FY 2020. The combined comparative summary for special programs shows \$33.6 million included in the Governor's recommendation, \$1.4 million of these are for Forest Utilization Research. In FY 2021, Forest Utilization Research received no line items and there are no supplemental requested.

The program was affected by the Governor's holdback and did not receive any direct non-cognizable funds for FY 2021. The total recommended benefit costs requested by the Governor amounts to \$4,900. Change in employee compensation is for \$21,800 for the Forest Utilization Research program.

**AGENCY
PRESENTATION:**

Geological Survey, Claudio Berti, Director of the Geologic Survey. Janet Jessup, LSO Analyst.

The Idaho Geological Survey (IGS) collects, analyzes, and disseminates geologic and mineral-based asset data for the state of Idaho. IGS is headquartered at the University of Idaho in Moscow, ID, with an office in Boise.

Dr. Berti explained the mission of the program is to support and improve the Idaho's economy through a variety of services and technical expertise.

The program engaged in various efforts to monitor geologic hazards and to research and develop products in response for an increasing demand to geologic information as it relates to population growth.

Ms. Jessup introduced the budget's details.

The program has 12.28 FTP, for FY 2020 there was a net object transfer that took money down from personnel costs to operating expenditures. The comparative summary shows a total recommendation from the Governor for \$1.128 million.

For the FY 2021 there were no line items for the program, but there is a supplemental rescission that will be discuss by the Committee at a later date. Idaho Geological Survey was affected by the holdback, and did not receive any non-cognizable funds, of Federal Funds.

The Governor's recommendation includes benefit costs of \$4,200 for the program.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:48 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, January 26, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Colleges and Universities, LBB p.1-55 <i>(LSO Analyst: Janet Jessup)</i> Lewis - Clark State College	Dr. Cynthia Pemberton, President, Lewis - Clark State College
	Idaho State University	Kevin Satterlee, President, Idaho State University
9:45	Break	
	Museum of Natural History, LBB p.1-101	Dr. Leif Tapanila, Museum Director
	Health Education Programs, LBB p.1-81 Idaho Dental Education Program	Dr. Jeff Ybarguen, Program Director
	Family Medicine Residencies	Dr. Bill Woodhouse, FMR Director at ISU
	Eastern Idaho Medical Residencies	Dr. Jaren Blake, Resident Supervisor
	University of Utah Medical Education	Dr. Benjamin Chan, Associate Dean of Idaho Affairs and Dr. Elizabeth Botts, Asst. Prof. for Psychiatry

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 26, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash.

ABSENT/ EXCUSED: None

CONVENED: **Chairman Bair** called the Joint Finance-Appropriation Committee (Committee) meeting to order at 8:02 a.m.

AGENCY PRESENTATION: **LEWIS-CLARK STATE COLLEGE, Dr. Cynthia Pemberton, President; Janet Jessup, LSO Analyst**
Lewis-Clark State College (LCSC), located in Lewiston, is one of five budgeted Colleges and Universities, providing education opportunities from GED to bachelor's degree in a small college setting.
Performance Report: **Dr. Pemberton** gave a brief overview of LCSC's performance measures and emphasized the success of the online evening and weekend bachelor degree programs.
FY 2020 Actual Expenditures Variance Report: The noncognizable increase of \$1,979,800 is from CARES Act funds that came in FY 2020. These same funds were reverted.
FY 2021 Budget: There were no line items in FY 2021.
LCSC was authorized to reappropriate unspent funds of \$15,051,200 from FY 2020 to FY 2021.
The Governor recommended \$1,637,500 from the HESF Strategic Interest Fund and \$98,600 from the HESF Surplus Stabilization Fund and this recommendation will be presented to the Committee as a supplemental request.
Noncognizable Funds and Transfers adjustments included:
1. \$691,100 decrease due to lower than anticipated tuition revenue.
2. \$2,341,600 for CARES Act Funds received by LCSC.
3. 23.69 decrease in FTP.

FY 2022 Budget Request:
There was an endowment adjustment increase of \$76,800 and included two line items, both of which were recommended by the Governor. The first included CARES Act funding of \$23,926,600 made available due to the deadline extension. The second included a recommendation of \$400,000 for ongoing personnel cost for Nursing Program Support. LCSC requested a budget law exemption for authority to move money between the different object codes. These are permissions historically included in the appropriation bill for college and universities.

Dr. Pemberton answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

**IDAHO STATE UNIVERSITY, Kevin Satterlee, President;
Janet Jessup, LSO Analyst**

Idaho State University (ISU) is a Carnegie classified Doctoral University and is a public research-based institution that advances scholarly and creative endeavors. ISU serves the largest geographic portion of the state.

Historical Summary: ISU is one of four 4-year public institutions in Idaho. All four schools are grouped together with systemwide programs into one budgeted appropriation. It derives its funding both from General Funds and dedicated funds and included student tuition and fees.

Organizational Chart: ISU began a comprehensive review of all budgetary units and all positions on campus. Permanent budget reductions will equate to almost \$12,000,000 by FY 2022, with 94 positions eliminated.

Performance Report: **President Satterlee** reviewed specific measures and accomplishments in FY 2020 with the main focus on increasing the degree production and graduation rates, with increases in both despite COVID-19.

FY 2020 Actual Expenditures Variance Report: There was a noncognizable increase of \$7,097,800 from CARES Act funds that were appropriated in the spring of 2020. These funds were reverted.

FY 2021 Budget: There were three line items appropriated by the Legislature and included occupancy costs, the University of Idaho, and \$1.0 million for collaborative cybersecurity program development between the institutions.

ISU was authorized to reappropriate \$78,313,200 of its unspent appropriation from FY 2020 to FY 2021. The Governor recommended \$6,573,000 onetime personnel costs from the Higher Education Standards Framework (HESF) SIF and \$363,700 from the HESF SSF. This supplemental appropriation will be addressed in a future Committee meeting. There was a \$6,081,200 noncognizable adjustment in CARES Act funds received.

There was an expenditure adjustment with a \$7,832,000 reduction to reflect actual tuition received in FY 2021.

FY 2022 Budget Request:

There were standard adjustments in benefit costs, statewide allocation, CEC, as well as nondiscretionary adjustments. There was an endowment adjustment of \$1,800.

There were three line items and the first was the

The Governor recommended \$23,926,600 for COVID relief funding. The second was for a requested a budget law exemption for an appropriation to move money between the different object codes. These permissions have been historically included in the appropriation bill for college and universities.

President Satterlee answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

**IDAHO MUSEUM OF NATURAL HISTORY (INMH), Dr. Leif Tapanila, Museum Director;
Janet Jessup, LSO Analyst**

The Museum of Natural History, based at ISU, is one of six special programs. It preserves Idaho history, educates, enlightens, entertains, and gives meaning and purpose to Idaho's shared heritage.

Historical Summary: The Museum derives most of its funding from General Funds. Other sources include corporate sponsorships, public giving, and visitors to the Museum.

Organizational Chart: There are 8.20 FTP supported by the General Fund.

FY 2020 Actual Expenditures Variance Report: There was one object transfer of \$45,000 from personnel costs to operating expenditures. There was \$6,600 reverted.

FY 2021 Budget: The Scholarship and Grants program was authorized to reappropriate its unspent appropriation of \$434,300 from the Opportunity Scholarship Program Fund from FY 2020 to FY 2021.

FY 2022 Budget Request included the standard adjustments. There were no line items requested.

Dr. Tapanila answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

**IDAHO DENTAL EDUCATION PROGRAM, Dr. Jeff Ybarguen, Program Director;
Janet Jessup, LSO Analyst**

The Idaho Dental Education Program (IDEP) has a two-fold mission: to provide a high quality education for Idaho residents seeking a dental education at an affordable cost, and provide Idaho residents with high-quality dental professionals.

Historical Summary: The FY 2022 total appropriation requested by the agency is \$2,012,600. The Governor's recommendation is \$2,010,900. This program includes 3.25 FTP.

Performance Report: **Dr. Ybarguen** presented an overview of the performance measures, reviewed specific measures, and reported on the program's progress.

FY 2020 Actual Expenditures Variance Report: ISU runs the IDEP program and the tuition and fees paid show up as dedicated funds. ISU requested and received authorization for reappropriation of the dedicated fund when needed. More detail on the student statistics and funding is highlighted on the Agency profile.

FY 2021 Budget: There were no FY 2021 line items. There was reappropriation of \$702,100 of dedicated funds from FY 2020 to FY 2021, and a noncognizable adjustment increase of \$8,700 due to tuition and fees received in excess of expectations.

FY 2022 Budget included the standard deductions. There were no line item requests and there was an inflationary adjustments of \$31,600 for contract cost escalation with Creighton University School of Dentistry.

Dr. Ybarguen, answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

FAMILY MEDICINE RESIDENCIES, Dr. Bill Woodhouse, FMR Director at Idaho State University (ISU); Janet Jessup, LSO Analyst

The Family Medicine Residencies Program (FMR) works to build Idaho's future physician workforce. The FMR programs operate in Boise, Pocatello and Coeur d'Alene, with seven separate accredited programs. These programs provide the final three-years of family physician residency training and encourage newly graduated medical doctors to practice in Idaho.

FY 2020 Actual Expenditures Variance Report: FMR is the umbrella organization for three distinct programs in Boise, Pocatello and Coeur d'Alene (Cd'A). The program at ISU is a state program and its budget follows the same state budget guidelines. Due to a different budget structure used by Boise and Cd'A programs, their appropriations appear in the Benefits/Trust columns.

FY 2021 Budget: There was one line item appropriated to provide one new resident to the Rexburg Rural Training Track.

FY 2022 Budget Request: There were the standard adjustments, and one line item requested for the residency expansion for 2.00 FTP and \$120,000 for two new residents.

Dr. Woodhouse answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

EASTERN IDAHO MEDICAL RESIDENCIES (EMIR), Dr. Jaren Blake, President Supervisor; Janet Jessup, LSO Analyst

The Eastern Idaho Medical Residencies (EIMR) program provides training in rural and under-served areas in Eastern Idaho in conjunction with the Eastern Idaho Regional Medical Center in Idaho Falls.

Historical Summary: EIMR has seen a significant increase in funds due to the build-out of new residency positions.

FY 2020 Actual Expenditures Variance Report: Due to separate budget system, the EIMR appropriation is listed in the trustee/benefit column and is used to support residents.

Comparative Summary: This summary is for all health education programs, there will be no costs included in the benefit cost or CEC, but there is one line item.

FY 2021 Budget: There was one line item appropriated for 16 new residents, 10 for internal medicine and 6 for family medicine.

FY 2022 Budget Request: There was one line item requested for \$360,000 for six new family medicine residencies in Idaho Falls.

Dr. Blake answered questions from the Committee.

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

**AGENCY
PRESENTATION:**

**UNIVERSITY OF UTAH SCHOOL OF MEDICINE (UUSOM), Dr. Benjamin Chan, Associate Dean of Idaho and Dr. Elizabeth Botts, Assistant Professor for Psychiatry;
Janet Jessup, LSO Analyst**

The University of Utah Medical Education Program (UUSOM) provides medical school opportunities for Idahoans.

Historical Summary: The FY 2022 Governor's recommendation mirrored UUSOM's appropriation for \$2,446,600.

2020 Actual Expenditures Variance Report: Due to separate budget system, the UUSOM appropriation is listed in the Trustee/Benefit column. This appropriation is used to support students and residents in their programs.

Comparative Summary: This summary is for all health education programs. There will be no costs included in benefit costs or CEC.

FY 2021 Budget: There was one line item requested to create three new psychiatry residents through the UUSOM program in collaboration with ISU.

FY 2022 Budget Request: There was an inflationary adjustment requested for \$57,800 for contract cost escalation with UUSOM due to UUSOM's increased tuition costs. There was one line item requested for \$180,000 for three new psychiatry residents that will serve in eastern Idaho through collaboration with ISU.

Dr. Chan and Dr. Botts answered questions from the Committee.

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

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:34 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, January 27, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Office of the State Board of Education, LBB p.1-75 <i>(LSO Analyst: Janet Jessup)</i>	Matt Freeman, Executive Director, <i>State Board of Education</i>
	Scholarships & Grants, LBB p.1-101	
	System-wide Programs under Community Colleges, LBB p.1-67	
	Community College Presidents - Presentation, LBB p. 1-67	
	College of Southern Idaho <i>(LSO Analyst: Janet Jessup)</i>	L. Dean Fisher, President
	North Idaho College	Rick MacLennan, President
	College of Western Idaho	Bert Glandon, President
	College of Eastern Idaho	Rick Aman, President

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 27, 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, Morales(Green), Nash.
ABSENT/ EXCUSED: None
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.
AGENCY PRESENTATION: **OFFICE OF THE STATE BOARD OF EDUCATION, Matt Freeman, Executive Director. Janet Jessup, LSO Analyst.**

The Office of the State Board of Education (OSBE) provides professional staff support to the State Board of Education. OSBE is responsible for the general supervision, governance, and control of Idaho's public education system from kindergarten through the doctoral level, including oversight of public schools, colleges and universities, and community colleges. The board is composed of eight members, seven of whom are appointed to five-year terms by the Governor and are subject to Senate confirmation. The eighth member is the Superintendent of Public Instruction.

Mr. Freeman pointed to the hard and good work all the staff members provided for the best interest of students.

Ms. Jessup introduced the historical summary, OSBE is comprised of three distinct programs, one of which was added in FY 2022 budget anticipates the creation of a 4th distinct program for 0566. For FY 2021 it has been proposed to join also the Office of School Safety and Security programs.

The summary shows an increase in the appropriation and in the FTPs for the Office of the State Board of Education that is associated with programs added in FY2021 and FY 2022.

For the performance measures, **Mr. Freeman** highlighted how high schools continue to make progress in graduating students for college and remedial education in math and language arts. The four-year institutions are 3 % points better than the target, while our community colleges are just 2 % points higher than the target, and a 4 % point improvement over last year.

Regarding the education readiness measure, which is the number of high school graduates who enroll in a post-secondary institution within 12 months of graduation, the college rate was 53% after graduation up to 2019, then it dropped to 49%. The decline is justified because of the uncertainty on instructional delivery and the overall student experience this past fall.

Ms. Jessup introduced an audit finding for the Office of the State Board of Education, relative to an internal control. The Board is currently reviewing the recommendations.

The variance report shows some net object transfers related to the General Fund and Dedicated Fund. The largest is in the Dedicated Fund relative to the rent for the Battelle Energy facility in Pocatello.

The comparative summary shows a significant increase due to the movement of the school safety and security office, a federal grant from the department of justice, and federal funding related to COVID relief.

The FY 2021 original appropriations include external programs evaluations, a transfer of 18 FTP from technology services and staff, from the Department of Education.

Mr. Freeman pointed out that the Non-cognizable Funds and Transfers include \$4 million from the Cares Act funding to create a post-secondary digital learning consortium called "Online Idaho".

Ms. Jessup stated the "Strong Students, Stronger Families" Program under the non-cognizable funds is a sole source contract the Legislature needs to be made aware of, according to I.C. 67-9219.

Mr. Freeman informed the Committee the Charter School Commission is requesting a new Program Manager position which would bring the total staff of the State Office of the Education to 5.0 FTP. In FY 2022, the commission anticipates serving at least 57 schools with varied and growing programs. This is an increase of 35% since FY 2017, during which time staff at the commission has remained static.

**AGENCY
PRESENTATION:**

SCHOLARSHIPS & GRANTS, Matt Freeman, Executive Director, State Board of Education. Janet Jessup, LSO Analyst.

The Scholarships and Grants program, administered by the Office of the State Board of Education, manages five scholarship and grant programs available to students attending Idaho's postsecondary educational institutions.

Mr. Freeman pointed out that as of January 20th, there are 3,181 new applications for the Opportunity Scholarship compared to 3,541 applications received the same day of last year. This large delta is caused by the uncertainty the high school seniors are experiencing due to the pandemic situation.

Ms. Jessup introduced the variance report, showing a slight reversion of General Funds for uncommitted scholarship dollars. The hand-out packet shows also metrics related to the Scholarships and Grants Program including Opportunity Scholarships, funding, and utilization. The performance measures for FY 2021 include \$7 funded by the legislature for ongoing scholarship opportunities by the Special Programs Division. This program was created in FY 2020 as a one-time with the plan to make it ongoing in FY 2021.

Of the \$1.3 million of the executive holdback, \$1,111,600 are relative to trustee and benefit payments.

The benefit costs budget shows the Governor's recommendation of \$16,400, including \$300 affiliated with the Scholarships and Grants Program. Change in Employee Compensation (CEC) has a Budget Governor's recommendation for \$73,100, including \$1,600 for the Scholarships and Grants Program.

**AGENCY
PRESENTATION:**

**SYSTEMWIDE PROGRAMS UNDER COMMUNITY COLLEGES,
Matt Freeman, Executive Director, State Board of Education. Janet
Jessup, LSO Analyst.**

Ms. Jessup pointed out the Community Colleges Division comprises four community colleges and a system-wide program, housed at the State Board. The program has no affiliated FTP.

The variance report shows a reversion of \$400 from the General Fund. As there is no FTP associated with this program, there are no benefit costs or CEC adjustments. Furthermore, there are no line items for the system-wide program.

The Governor recommended carrying over unspent appropriations relative to the \$1 million supplemental.

Mr. Freeman highlighted the Governor's recommendation of \$665,800 in onetime personnel costs from the HESF Surplus Stabilization Fund for Community Colleges to help offset the impact of COVID-19.

**AGENCY
PRESENTATION:**

**COLLEGE OF SOUTHERN IDAHO (CSI), L. Dean Fisher, Institution
President. Janet Jessup, LSO Analyst.**

Ms. Jessup presented the organizational chart for the College of Southern Idaho and introduced the performance measures for the College of Southern Idaho.

President Fisher highlighted the metrics about timely degree completion rate is at 34%, in line with our peers' colleges in Idaho. Furthermore, in the summer of 2020, the college engaged various activities that led to a fall enrollment increased by 3% and a 1% increase in credit hours.

Ms. Jessup pointed out the variance report includes increases for federal funds related to Cares Act legislation. The board of trustees of each Community College has the authority to oversight their funding and allocations. There are not FTP associated with the community college's budget as they have the authority over personnel.

The General Fund and \$200,000 from the dedicated funds, originated by the State liquor distribution, are the only funds for community colleges. Student tuition and fees are not included as are retained and directed by the institution board of trustees. In FY 2021, the College of Southern Idaho received \$6,700 for occupancy costs.

The executive holdback of \$2.4 million for the Community College budget includes \$726,200 for the College of Southern Idaho. These funds are restored for the FY 2022 budget. The non-cognizable funds amount to \$1,468,900 for the College of Southern Idaho.

The FY 2022 shows a recommendation from the Governor's Office for ongoing Federal Funding of \$200,000 for nursing program support.

**AGENCY
PRESENTATION:**

**NORTH IDAHO COLLEGE (NIC), Rick MacLennan, Institution
President. Janet Jessup, LSO Analyst.**

President MacLennan highlighted the college received reaffirmation of its accreditation status by the Northwest Commission on Colleges and Universities with several commendations.

Ms. Jessup pointed out the Governors recommendation of the North Idaho College and the performance measure of the college. The variance report for North Idaho College is similar to the other community colleges. The comparative summary includes the Governor's recommendation equivalent to a 17.1% increase. There were no FY 2021 line items for North Idaho College. Of the \$2.4 million Governor's hold back for the community colleges, \$621,300 are relative to the North Idaho College. North Idaho College received funds via the CARES Act for costs related to COVID abatement.

**AGENCY
PRESENTATION:**

**COLLEGE OF WESTERN IDAHO (CWI), Bert Glandon, Institution
President. Janet Jessup, LSO Analyst.**

Ms. Jessup introduced the historical summary for the College of Western Idaho, where the institution's request for the FY 2022 being \$16.5 million while the Governor's request is \$19.8 million. The overall college requests for FY 2022 amounts to \$50.1 million while the Governor's recommendation is \$57.3 million.

President Glandon explained the vacancy in the organization chart for the vice President of Human Resources. He also highlighted the institution was able to adjust the new student delivery and were able to not furlough any of members or cut programs. Performance measures also show an increase in the graduation rates.

Ms. Jessup introduced the variance report for the College of Western Idaho. This includes a non-cognizable increase for the FY 2020 of federal funds for the CARES Act, a net object transfer consistent with all our community colleges.

The comparative summary shows an FY 2022 total of 57.3 million for the Governor's recommendation. In FY 2021 there were no line items specifically for the College of Western Idaho. Holdbacks for the college amounts to \$798,300, originated from the \$2.4 million of the Governor. The non-cognizable funds include \$2.5 million dispersed to the College of Western Idaho from the Cares Act.

Benefit-costs for the College of Western Idaho shows a change in employee compensation. Non-discretionary adjustments of \$757,500 for the College of Western Idaho are a result of the enroll workload adjustment calculation. The College has an appropriation for COVID Relief Funding for FY2022 and \$200,000 for the nursing program support.

President Glandon announced this is the sixth year the College of Western Idaho didn't have any tuition increase, and have lowered the levy rate from the high mid \$60.43 in 2014 down to \$12.59 in 2019, and 2020 will likely drop to \$12.42.

**AGENCY
PRESENTATION:**

**COLLEGE OF EASTERN IDAHO (CEI), Rick Aman, Institution
President. Janet Jessup, LSO Analyst.**

President Aman expressed the importance of the \$6.8 million in career technical funds. He also pointed out despite the difficulties with COVID the college increased performance by 11%. President Aman highlighted the capital construction for \$3 million for a future tech building included in The Permanent Building Fund Budget.

Ms. Jessup reviewed the \$600,000 increase from the request to the request to the Governor's recommendation.

President Aman pointed out the 32% graduation rate, the 97% placement rate for CTE students, and the significance of the 14,000 workforce training headcount. In 2018, the college had a capacity of 88 nursing students, and in the spring of 2021 the capacity reached 200 students.

Ms. Jessup showed the variance report is similar to the other community colleges. The College of Eastern Idaho received no specific line item in FY 2021. The executive holdback for CEI was \$260,900. In FY 2021, the College of Eastern Idaho has had \$658,900 in Federal Funds that have been non-cogged or included into their budget for COVID relief and abatement.

The benefit costs budget shows a requests to shift \$4,000 from the Community College Fund to the General Fund to accommodate the increase for personnel costs because receipts from the sale of liquor deposited to the Community College Fund are fixed at \$200,000 per institution.

College of Eastern Idaho is not included in the non-discretionary adjustment recommendation from the Governor's Office. There is one line item recommended by the Governor that would allow the College of Eastern Idaho to carry forward federal relief funds related to the pandemic.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:06 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, January 28, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Public School Support (K-12), LBB p. 1-3 (<i>LSO Analyst: Jared Tatro</i>) <i>Department of Education, LBB p. 1-107</i>	Sherri Ybarra, Superintendent of Public Instruction
9:30	<i>Break</i>	
	Educational Services for the Deaf & Blind, LBB p. 1-43	Brian Darcy, Administrator
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	CATASTROPHIC HEALTH CARE PROGRAM, LBB p. 2-6 Claims Payments	Jared Tatro, Principal Analyst
	DEPARTMENT OF ENVIRONMENTAL EQUALITY IPDES Funding, LBB p. 4-5	Rob Sepich, Senior Analyst
	DEPARTMENT OF HEALTH AND WELFARE, LBB p. 2-44 SHS-Billing Authority	Jill Randolph, Senior Analyst
BRIEFING		
	Governor's 5% Holdback and the Action Required for a Rescission to the FY 2021 Appropriation	Paul Headlee, Manager, Budget & Policy Analysis

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, January 28, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash.

ABSENT/ EXCUSED: Senator Grow

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

AGENCY PRESENTATION: **PUBLIC SCHOOL SUPPORT (K-12), Sherri Ybarra, Superintendent of Public Instruction;**
Jared Tatro, LSO Analyst

The Public School Support budget provides state and federal funding for public education in grades K-12 at 115 local school districts, 66 public charter schools, and one fiscal agent (COSSA Academy). Funding is provided to meet the requirements of Article IX, Section 1 of the Idaho Constitution.

Historical Summary: The total appropriation for the Public School Support is divided into seven programs:
Administrators is 4.5 percent,
Teachers is 46.3 percent,
Operations is 32 percent,
Children's Programs is 13.7 percent,
Facilities is 2.6 percent,
Central Services is .5 percent
Deaf and Blind Educational Service is .5 percent
84 percent of the funds come from the General Fund, 4 percent from dedicated funds, and 12 percent from federal funds.

Performance Report: **Superintendent Ybarra** shared measures and accomplishments, discussed the following goals and objectives:

- Fully implement the Idaho Content Standards
- Provide pathways to success post-high school
- Expand participation in Idaho Mastery Education Network

The FY 2021 Appropriation and Proposed FY 2022 Budget Requests Report detailed statutory distributions, other program distributions, and the state discretionary funds distribution. Additional information was provided that included the Public School Funding Formula Terminology, the FY 2021 Public School Funding Formula, the District and Charter School Enrollment (Headcount) chart for 2019 - 2020, school year metrics and the FY 2020 Federal Grant Fund Expenditures.

FY 2021 Budget: There were three line items. The first line item in the Teachers Division included \$8.315 Million for the Career Ladder, AP, 3rd Ruling, \$1 million for additional professional development and the reduction of federal funds by \$4 million. The second line item in the Operations Division was for \$7.434 million for additional health ins, discretionary, and the third was in the Children's Program Division and included \$3.156 million for Literacy Proficiency and the reduction of federal funds for \$10,115,000.

FY 2021 Supplemental requests included:

- Restoration of Board of Education (BOE) appropriation reductions
- ADA/Enrollment Rule Change
- Children's Reading Program Fund – BIF
- COVID-19 Round 2 of Stimulus Funds

FY 2022 Budget Request: There were nine line items detailing the Agency's request and the Governor's recommendations:

1. Health Insurance – Discretionary
2. Increase Classified Staff Salary
3. Reduce IT Staff Support
4. Reduce Technology Funds
5. Reduce Profession Development
6. Zero Out Gifted and Talented
7. Reduce/Zero Content/Curriculum
8. Reduce Remediation Funds
9. CARES Act Funding

Individual program budgets detailing FY 2021 appropriations and the FY 2022 proposed budgets are available online.

Superintendent Ybarra detailed successes of schools, teachers, and students; and spoke in detail about several line items in the FY 2022 budget request.

Superintendent Ybarra answered numerous questions from the Committee.

See [Presentation](#) and [Audio](#) here.

AGENCY PRESENTATION:

DEPARTMENT OF EDUCATION, Sherri Ybarra, Superintendent of Public Instruction; Jared Tatro, LSO Analyst

The State Department of Education is an executive agency of the State Board of Education and is established pursuant to Idaho Code § 33–125. The State Superintendent of Public Instruction serves as the executive officer of the department and has the responsibility for carrying out policies, procedures, and duties authorized by law or established by the board for all elementary and secondary school matters.

Historical Summary: There are two budgeted programs, Administration and Student Services. The Department is requesting a 4.7 percent increase and Governor is recommending a 4.5 percent increase with most of the funding coming from federal funds.

Organizational Chart: There are 124 FTP and 10 vacant positions

FY 2020 Actual Expenditures Variance Report. There were 4 expenditures highlighted:

- Indirect Cost Recovery
- Driver's Training
- Broadband Infrastructure
- Federal Grants

All fund percentages have been consistent over the last 4 to 7 years.

FY 2021 Budget Request included three line items. The first moved \$26,105,200 from the Administration Program into the newly created Student Services Program. The second transferred \$2,714,800 from the department to the Office of State Board of Education for IT and data management. The third reduced \$100,000 for unspent online class portal funds.

There was a noncognizable adjustment of \$2,021,700 for the ID-AWARE and the State Personnel Development Grants. These are five-year grants, which the department requests in ongoing appropriations, and detailed in the FY 2022 Budget line items requests. There was an appropriation reduction of \$400,500 from the Indirect Cost Recovery Fund.

FY 2022 Budget Request included the standard adjustments and two line items. The first was for \$819,700 for Professional Development for K-3 Disabled Students, and the second was \$1,202,000 for ID-AWARE Rural Mental Health Clinic.

Superintendent Ybarra Marilyn Whitney , Dr. Eric Studebaker and Alex Adams answered numerous questions from the Committee.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**EDUCATIONAL SERVICES FOR THE DEAF & BLIND, Brian Darcy,
Administrator**

Jared Tatro, LSO Analyst

The Educational Services for the Deaf & Blind is an outreach program that serves approximately 2,250 students from birth to age 21 years old. The campus program serves 115 students, ages 3-21 years old.

Historical Summary: There are two programs in this Division: the Campus Operations and Outreach Programs. The fund sources are from General Funds, dedicated funds, and federal funds. The FY 2021 appropriation was for \$11,836,600. The agency is requesting a 2.5 percent increase and the governor recommends a 2.3 percent increase.

Organizational Chart: There is no authorized FTP Cap.

FY 2020 Actual Expenditures Variance Report: There were three funds highlighted:

- \$109,900 in the General Fund relates to the Governor's holdback of 1 percent
- Miscellaneous Revenue – appropriated but not tracked and shown as 100 percent expended.
- Federal Grant Fund - appropriated but not tracked and shown as 100 percent expended.

Comparative Summary: The Agency requested a 2.5 percent increase and the Governor recommended a 2.3 percent increase.

FY 2021 Budget had two line items. The first provided \$193,700 for career ladder equivalence for staff and the second provided \$190,600 for two additional certified teachers. There was a onetime noncognizable adjustment for \$565,200 from the federal coronavirus relief funds and there was an endowment distribution of \$6,300 to be used in operating expenditures.

FY 2022 Budget included the standard adjustments in benefits and CEC. There was one line item pertaining to the Career Ladder Equivalence. The Governor recommended \$200,600 in ongoing personnel costs from the General Fund for certified teachers for the blind, deaf and pupil service personnel; \$102,900 in Campus Operations Program; and \$97,700 in Outreach Programs. There is funding included that typically is included in the CEC portion.

See [Presentation](#) and [Audio](#) here.

Due to time constraints, the Supplemental Appropriations and the Briefing on the Governor's 5 percent holdback were not heard.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:33 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, January 29, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Boise State University, LBB p. 1-55 <i>(LSO Analyst: Janet Jessup)</i>	Marlene Tromp, Institution President
	<i>System-Wide Programs under College and Universities</i>	Matt Freeman, OSBE Executive Director
	Boise Internal Medicine Residency, LBB p. 1-81	Dr. Melissa "Moe" Hagman, Program Director
	Psychiatry Residency - UW/Boise, LBB p. 1-81	Dr. Kristen Aaland, Program Director
9:45	Break	
	Idaho Public Television, LBB p. 1-95	Ron Pisaneschi, General Manager
	STEM Action Center, LBB p. 6-103	Kaitlin Maguire, Interim Executive Director

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, January 29, 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: Representative(s) Green
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.
AGENCY PRESENTATION: **BOISE STATE UNIVERSITY, Institution President Marlene Tromp. Janet Jessup, LSO Analyst.**

Pres. Tromp introduced Boise State University (BSU) as one of the four institutions overseen by the Idaho State Board of Education. She highlighted how the current FY 2021 has been a challenging year due to COVID and how in response, Boise State permanently eliminated 194 positions specifying that is equivalent to \$15.9 million savings. It was reported an increase of 26% in enrollment since 2012, and although there is a 50% decline nationally in college attendance and rural communities during this year BSU saw a 28% increase in enrollment in those communities. A new program "Bronco Gap Year", with a cost of \$1,200 per year, has been introduced. This program allows students to be supported by a dedicated faculty mentor and earn up to 12 hours of credit remotely. This program has a cost of \$1,200 per year. BSU raised over half a million dollars for the "President's True Blue" endowed program for Idaho students.

Pres. Tromp stated that BSU faculty increased in number, bringing in \$58 million external dollars into the state, an increase of 41% in the last five years. Furthermore, BSU launched the Institute for Pervasive Cybersecurity, to be part of the statewide effort to ensure that Idaho can train people in cyber-security. The cost of educating a BSU student is 42% less than the national average; for every dollar, the state invests in BSU, there is a return of \$8 to the state's economy. BSU has over 97,000 living graduates, and 64% of the alumni live and work in the Treasure Valley and surrounding communities.

Pres. Tromp presented the Performance Measures of the Institution, stating that the retention rate for first-year students maintained its positive trajectory after a substantial increase over the last decade. Between the Fall 2013 cohort and the Fall 2016 cohort, the retention rate increased by five percentage points and BSU attained a record high of 79.9% retention for first-time, and a full-time freshmen in the Fall 2016 cohort. In FY 2020, BSU attained a record-high 3,525 students graduated from BSU with baccalaureate degrees, exceeding the target established in August 2010 by the Idaho State Board of

Education. The number of graduates, with graduate degrees and certificates, has nearly doubled over the last decade to over 1,200.

Ms. Jessup proceeded with the Variance Report pointing specifically to the non-cognizable fund increases related to the dedicated funds coming from tuition and fees, and federal funds coming from COVID Relief dollars. For the FY 2020 budget, there are no other dedicated funds for Boise State University. For the FY 2021, the Legislature funded occupancy costs and collaborative Cyber-Security Program Development. Boise State University was authorized to reappropriate or carryover its unencumbered and unspent appropriation of dedicated funds from FY 2020 into FY 2021 for the amount of \$49,544,400. The Governor recommends include \$3,859,700 from the HESF SIF and \$411,800 from the HESF SSF. The revised recommendations also include 20,644,600 from the Coronavirus Response and Relief Supplemental Appropriation Act.

President Tromp pointed out that the Higher Education Stabilization Fund, HESF, will help the institution to offset the loss before December 27, 2020, and the CRRSAA Funds can be used to backfill lost revenue post-December 27, 2020. Lost revenue before December 27 is about \$23 million, while the CRRSAA funding will be about \$20.6 million, including \$5.5 directly to students and \$15.1 million for the institution. BSU anticipates that after lost revenue, incremental loss, cost-saving, CARES Act, CRRSAA, the net loss FY 2020-2021 will be about \$13 million.

**AGENCY
PRESENTATION:**

**SYSTEM-WIDE PROGRAMS UNDER COLLEGE AND
UNIVERSITIES, Executive Director Matt Freeman, OSBE. Janet Jessup,
LSO Analyst.**

The Idaho State Board of Education oversees four institutions, including three comprehensive universities and one college. Codified college and universities in Idaho include Boise State University (BSU) in Boise, Idaho State University (ISU) in Pocatello, Lewis-Clark State College (LCSC) in Lewiston, and the University of Idaho (UI) in Moscow. Funding for Systemwide Programs is included in the College and Universities appropriation and is either distributed to the institutions by the Office of the State Board of Education; or expended for projects or services that benefit all the institutions.

Dr. Freeman introduced the System-Wide Programs under colleges and universities. The appropriation bill for the colleges and universities allocates money for system-wide activities, including \$2 million for the Idaho Global Entrepreneurial Mission, and \$1.9 million for the Higher Education Research Council grants. There is another funding for the EP Score Match (experimental program to stimulate competitive research), this is a Federal-State Partnership that includes an \$800,000 state match, which is included in the above \$1.9 million.

Ms. Jessup directed the Committee to the Actual Expenditures showing multiple net transfers referring to the various grants going out to the institutions. The comparative summary shows for the FY 2021, \$1 million for a collaborative line item motion was reduced to \$950,000 after the 5% holdback. The Governor recommended \$12,070,400 one-time personnel costs from the HESF Strategic Interest Fund for College and Universities (HESF SIF) and \$1,478,600 from the HESF Surplus Stabilization Fund for College and Universities (HESF SSF) to help offset the impact of COVID-19.

This recommendation would leave \$9,000 for the HESF SIF and a negative \$529,848 for the HESF SSF. The Legislature appropriated \$531,000 from the HESF SSF to Lewis-Clark State College for FY 2021. The institution did not draw down funds for this appropriation until January 2021, which was not taken into account in the recommendation. The budget includes a total holdback amount of \$15.3 million for colleges and universities. Of this amount, \$352,100 originated from the system-wide program budget and \$50,000 from the cyber-security item. Adjustments also include transfer of funds from the Higher Education Research Council (HERC), IGEM program awards, and General Fund distributions from the Systemwide Program to the College and Universities, which net to zero. This budget does not have the benefit-cost or CEC, because they do not have any FTP. Furthermore, there are no line items specifically affiliated with the system-wide program within the college and university's budget.

**AGENCY
PRESENTATION:**

BOISE INTERNAL MEDICINE RESIDENCY, Program Director Dr. Melissa "Moe" Hagman. Janet Jessup, LSO Analyst.

The Boise Internal Medicine (BIM) residency program allows training at rural and underserved sites in Idaho, such as small, non-affiliated offices and community-based training sites.

Ms. Jessup explained the agency has a total turnover of 27.3%. The comparative summary for the Division of Health Education Program shows an agency request for \$900,000 for expansion and build of Boise Internal Medicine. The Legislature funded one line item for FY 2021 that included \$1,250,000 for 25 new resident positions across the state. This line item includes the creation of one new resident through the Boise Internal Medicine Program. The total executive holdback for the Health Education Program was \$864,900, and of that amount, \$44,400 was held back from the Boise Internal Medicine program. The Boise Internal Medicine program doesn't have any FTP so, there are no adjustments to CEC, and no inflationary adjustment.

**AGENCY
PRESENTATION:**

PSYCHIATRY RESIDENCY – UW/BOISE, Program Director Dr. Kristen Aaland. Janet Jessup, LSO Analyst.

Dr. Aaland introduced the Idaho Psychiatry Residency Program, explaining it offers training for residents who spend the first two years in Seattle (University of Washington) and the last two years in Boise. Clinical rotations occur at the Boise VA, St. Alphonsus, and St. Luke's medical centers, as well as at rural rotations around the state. In 2020, the agency obtained accreditation for their program and the residents can do the entire training in Idaho. The agency also received funding for the first-year class. This year the agency is requesting an increase in funds to cover the second-year class.

Dr. Aaland, pointed out the program graduated 31 psychiatrists, and 20 of them remained in Idaho after graduation. The program also provided 100 licensed psychiatrists, measuring an increase of 20% in the state psychiatrists.

Ms. Jessup introduced the historical summary for the agency, pointing out the significant growth from FY 2020 to the FY 2022. The variance report for the psychiatry education program shows 62.5% of graduates are practicing in Idaho. The comparative summary for the program shows the agency's request is very close to the Governor's recommendation with the only differences

being the benefit costs and CEC adjustments included in the Governor's recommendation. The Governor's holdback of \$864,000 includes \$29,900 from the Psychiatry Education Program. The Psychiatry Education Program does not have any allocated FTP, as the entirety is in trustee and benefit payments. Hence, there are no adjustments for the program. The Legislature funded one line item for FY 2021 that includes \$1,250,000 for 25 new resident positions across the State. This line item includes four new residents in the Psychiatry Education Residency Program and an additional \$40,000 to the program's budget.

**AGENCY
PRESENTATION:**

**IDAHO PUBLIC TELEVISION, General Manager Ron Pisaneschi.
Janet Jessup, LSO Analyst.**

Mr. Pisaneschi introduced the Idaho Public Television (Idaho PTV) highlighted it operates under the State Board of Education and is an integral part of its strategic plan. Idaho PTV has two functional areas: (1) a statewide delivery system; and (2) content creation and acquisition. Idaho PTV operates a statewide television network via five main transmitters and 47 repeaters called translators that reach 98.8% of Idaho's population. Simultaneously broadcasting five free over the air channels, they continue to be among the most-watched PBS stations per capita in the Nation. Idaho PTV benefits from a public-private partnership. While the majority of the funding comes from private contributions and grants, including an annual grant from the corporation for public broadcasting, the statewide network, is dependent on funding from the State General Fund. The agency also received in the past years competitive federal grants for their education projects.

Ms. Jessup introduced the historical summary for Idaho PTV, showing a significant increase in the request of the Governor.

Ms. Jessup address **Dr. Pisaneschi** to discuss the performance measure of the Idaho PTV.

Dr. Pisaneschi noted the FY 2019 number of channel hours for children is less than prior years due to 1,474 hours of children's programming being removed from the Plus Channel. The expectation is the number to increase next year, as a result of the Classroom Idaho Project. The agency devoted more than 200 hours of broadcast time to locally produced video modules, showcasing pathways to high-paying jobs that don't require a full four-year degree in conjunction with the Workforce Development Council. Furthermore, the agency expanded the free online education portal and PBS learning media.

Ms. Jessup introduced the variance report for Idaho PTV, pointing out object transfers related to the general and federal funds, and additional reverted appropriations from general, dedicated, and federal funds. The first of these is related to a reversion to the General Fund as recommended by the Governor's Office for FY 2020. The comparative summary for Idaho PTV shows requests of change to the Governor's recommendation. Some of these changes are relative to maintenance, benefit costs, and CEC. The FY 2021 has one line item provided to the Idaho PTV, including \$50,000, part of a four-year federal grant the agency received. The Governor's revised recommendation include an additional supplemental of \$450,000 from federal funds related to the preschool development grant, which was also included in the Office of the State Board's budget. This grant is not related to COVID Relief Funding or CARES Funding. The budget shows executive holdback of \$133,900

from the Idaho Public Television budget being restored. The budget also includes an adjustment of \$489,000 related to the Federal COVID — relief fund and an additional \$95,000 in federal grants related to the first portion of the pre-school development grant that was provided in the FY 2021. The benefit costs are calculated for \$16,800 as of Governor's recommendation. The agency and the Governor have recommended \$110,000 for replacement items, this is paid from the Miscellaneous Revenue Fund. The budget also includes one line item of \$50,000 relative to the multi-year Federal Grant and a line item of \$489,000 for COVID Relief Funding that is also included in the Governor's recommendation.

**AGENCY
PRESENTATION:**

STEAM ACTION CENTER, Interim Executive Director Kaitlin Maguire. Janet Jessup, LSO Analyst.

Ms. Maguire introduced the STEM Action Center, explaining that the center was created under the Office of the Governor through H 302 of 2015 to promote the expansion of student engagement in STEM activities. In 2020, 2,400 graduating received a STEM diploma for taking advanced classes in STEM courses. This represents a 67% increase from 2019. Since the inception, the agency raised over \$5 million from businesses and non-profits to enhance and coordinate STEM initiatives across the State. **Ms. Maguire** spoke about the performance metrics explaining that, due to COVID-19, the measure was lower in FY 2020. Over the past five years, the agency experienced an increase in the number of students taking computer science courses.

Ms. Jessup introduced the variance report for the STEM Action Center, showing a net object transfer of \$300 within the STEM Education Fund. She also explained the reverted appropriations from the dedicated fund do not reflect an actual cash balance being reverted. This is because STEM education funds are received through donations from industry and nonprofit organizations to the STEM Action Center. The appropriation provided a total of \$3 million. The request from the agency shows a 2.6% decrease and the recommendation from the Governor shows a 2.7% decrease. The appropriations for FY 2021 include a line for \$500,000 that the Legislature funded for the computer science initiative. The budget shows a Governor's holdback for the STEM Action Center for \$152,400, which has been restored. The non-cognizable funds and transfer include \$98,300 from the CARES Act funding, for instructional videos, curriculum, and materials for STEM libraries. The FY 2022 Budget shows \$1,400 statewide cost allocation adjustment and \$10,300 for change in employee compensation. The budget also included a request from the agency to shift a Research Analyst from the STEM Education Fund to the General Fund. The Center proposes to shift \$75,000 from operating expenditures to personnel costs to absorb the cost of the position, creating a net-zero increase to the General Fund. In a second line item, the agency requests a reduction of \$100,000 from the Miscellaneous Revenue Fund as the fund is no longer utilized and duplicative of other funds.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:39 a.m.

Representative Youngblood
Chair

Paul Headlee
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, February 01, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Department of Health and Welfare, LBB p. 27 (LSO Analyst: Jill Randolph) Director's Overview Child Welfare, LBB p. 2-11 Services for the Developmentally Disabled, LBB p. 2-15 Indirect Support Services, LBB p. 2-23 Public Health Services, LBB p. 2-47	Dave Jeppesen, Director
9:30	Break Service Integration, LBB p. 2-53 Division of Welfare, LBB p. 2-61 Licensing and Certification, LBB p. 2-71 Domestic Violence Council, LBB p. 2-19 Developmental Disabilities Council, LBB p. 2-19	Heather Cunningham, Executive Director Christine Pisani, Executive Director

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 01, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green (Morales), and Nash

**ABSENT/
EXCUSED:** None

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

AGENCY PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE (DHW), Dave Jeppesen, Director;
Jill Randolph, LSO Analyst**

The Idaho Department of Health and Welfare provides services and regulatory programs in partnership with taxpayers, consumers and providers to promote economic well-being, support vulnerable children and adults, enhance public health and encourage self-sufficiency.

Historical Summary: There are 13 programs under the DHW umbrella. In FY 2021, the Health Care Policy Initiatives Division was moved into a program in the Division of Public Health Services. The FY 2022 appropriation funds make up 23 percent from General Funds, 12 percent from dedicated funds, and 65 percent from federal funds. DHW is requesting a 12.7 percent increase from FY 2021 and the Governor recommends the same. The majority of the funds expended is trustee/benefits payments which is used for the benefit of Idahoans.

Organizational Chart: This is the Department wide chart. In FY 2021, DHW was authorized for 2,972.44 FTP. Their FY 2022 request is for an additional 23.50 FTP, for a total of 2,995.94 FTP. There are 249.74 FTP vacant positions as of January 6, 2021.

Performance measures: **Director Jeppesen** provided an overview of the current performance measures highlighting goals and outcomes for the entire Department:

- Ensure affordable, available healthcare that works
- Transform the behavioral healthcare system in Idaho for adults with serious mental illness
- Transform Idaho's healthcare delivery system to promote healthier Idahoans.
- Develop Therapeutic Stabilization and Transition Center
- Implement comprehensive Suicide Prevention Strategies

Comparative Summary: This Department wide summary includes its request alongside the Governor's recommendations. Both requests were for a 12.7 percent increase. Also included was a summary of the Additional Items in the Governor's Revised Recommendations which were not included in Legislative Budget Binder. These items were from the COVID Relief Act which will change those noncognizable funds to supplemental appropriation requests.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

CHILD WELFARE, Dave Jeppesen, Director, and Lori Wolff, Deputy Director; Jill Randolph, LSO Analyst

The Division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions. The Child Welfare Program is responsible for the operating costs of the program including personnel, operating, and capital expenditures. The Foster and Assistance Payments Program includes trustee/benefit payments for services or items purchased directly for children in the child welfare system.

Historical Summary: There are two programs in this Division: Child welfare that makes up 56 percent of the total original appropriation and Foster & Assistance Payment that make of 44 percent. These programs receive 31 percent of their funds from the General Fund, 6 percent from dedicated funds and 63 percent from federal funds. The majority of the funds are expended in trustee/benefit payments. Department requested an increase of 10.8 percent from FY 2021 and the Governor's recommendation is for 11.1 percent increase.

Organizational Chart: There was no increase in FTP in this Division's budget request for FY 2022. There are 408.80 FTP and 7.28 vacant FTP positions as of January 6, 2021.

FY 2020 Actual Expenditures by Division detailed the original appropriation, actual appropriation and actual expenditures. 6.8 percent of the original appropriation was reverted; the majority was in their dedicated funding accounting for 63 percent of the total amount reverted.

Comparative Summary: The summary compares the division's request alongside the Governor's recommendation. The analyst noted that the revised recommendation from the Governor moved \$1,724,000 from noncognizable increases into a supplemental request.

FY 2021 Budget had two line items. The first line item was for \$10,696,000 for the final year of the Child Welfare IT System replacement project. The second was for \$369,200 and 5.00 FTP for new social workers in regions 3,4 and 5. The Governor recommended a onetime increase of \$1,724,000 in federal funds. This reflects the amount awarded to the state through COVID Relief Act and will be used in the Foster Care System.

FY 2022 Proposed Budget: There was a nondiscretionary adjustment of \$26,500 for the Federal Medical Assistance Program (FMAP) Adjustment. This federal matching portion, previously 70.41 percent but lowered to 70.21 percent, was recalculated due to Idaho's robust economy.

Alex Adams, Administrator, Department of Finance, provided additional information on this adjustment.

See [Presentation](#) and [Audio](#) here.

AGENCY **SERVICES for the DEVELOPMENTALLY DISABLED, Dave Jeppesen,**
PRESENTATION: Director, and Lori Wolff, Deputy Director; Jill Randolph, LSO Analyst

The Idaho Development Disabilities Services Act authorizes DHW to assume the leadership role for planning and arranging community services for children and adults with developmental disabilities. The regional programs provide monitoring and quality assurance to determine that the consumer has an opportunity for informed choice and that services are implemented in a safe, cost effective, and efficient manner. The Southwest Idaho Treatment Center (SWITC) is a specialized provider of services to the most severely impaired clients in the state.

Historical Summary: There are two budgeted programs in this Division. Community DD Services makes up 68 percent of the appropriation and Southwest Idaho Treatment Center accounts for 32 percent. The total appropriation is in three funds with 42 percent in General Funds, 4 percent in dedicated funds and 54 percent in federal funds. The majority of the expenditure is in Personnel costs.

Organizational Chart: There are 181.96 FTP and 12.96 vacant FTP as of January 6, 2021.

FY 2020 Actual Expenditure Variance Report: There were standard dedications for this division, with transfers between the different programs. Nine percent of the original appropriation was reverted, driven by the dedicated funding which reverted 71.3 percent of its funds.

Comparative Summary: The Division requested a 2.0% increase from the FY 2021 appropriation and the Governor's recommendation was 1.3% across all funds.

FY 2021 Budget: There were no line items requested. There was a noncognizable transfers of 2.0 FTP from SWITC to the Physical Health Services program to support COVID relief efforts.

FY 2022 Proposed Budget: There was a nondiscretionary adjustment of \$16,400 for the FMAP adjustment which is used for federal matching. This was recalculated to a lower amount due to Idaho's robust economy. FY 2021 was 70.41 percent but was lowered to 70.21 percent.

See [Presentation](#) and [Audio](#) here.

AGENCY **INDIRECT SUPPORT SERVICES, Dave Jeppesen, Director;**
PRESENTATION: Jill Randolph, LSO Analyst

Indirect Support Services provides administrative functions for DHW.

Historical Summary: This Division has one budgeted program. Of the total appropriation, 41 percent is General Funds, 7 percent is dedicated funds and 52 percent is federal funds. The majority of the appropriation is in Personnel costs and is 59 percent of the total program.

Organizational Chart: FY 2022 request is for 288.60 FTP. There is a 34.70 vacant FTP as of January 6, 2021..

FY 2020 Actual Expenditures Variance Report: There were typical expenditures, with allowable transfers within the Division. 7.7 percent of the total appropriation was reverted and this was driven by the 12 percent reversion in federal funds.

Comparative Summary: The Division requested an increase of 0.7 percent and the Governor's recommendation was for a 0.3% percent increase.

FY 2021 Budget: There was 1 line item:

- \$147,600 for the relocation of the north Idaho Regional office.

Noncognizable Funds and Transfers: The Division requested \$48,000,000 from the CARES Act funds and the Governor recommended an additional adjustment of \$17,500,000 approved by CFAC:

- Move \$775,200 from personnel costs to operating expenditures within the General Fund.
- Transfer 11.0 FTP to the Physical Health Services program for COVID related relief efforts.
- Transfer 1.00 FTP and \$38,700 from State Hospital West to correct oversight from FY 2021 line item request.

FY 2022 Budget: There were the standard adjustments and no line items requested.

Director Jeppesen answered questions from the Committee.

See [Presentation](#) and [Audio](#) here.

AGENCY

PRESENTATION: Jill Randolph, LSO Analyst

PUBLIC HEALTH SERVICES, Dave Jeppesen, Director

The Division of Public Health (DPHS) is made up of five programs: Physical Health Services, Emergency Medical Services (EMS), Laboratory Services, Suicide Prevention and Health Care Policy Initiatives. DPHS serve all populations in Idaho regardless of age, resources, or location. These programs and services promote healthy lifestyles and prevention activities while also monitoring for disease and health risks.

Historical Summary: There are five budgeted programs with three fund sources. The total appropriation was divided into those programs as follows:

- Physical Health Services received 84 percent
- Emergency Medical Services received 10 percent
- Laboratory Services received 4 percent
- Suicide Prevention and Awareness received 1
- Health Care Policy Initiatives received 1 percent

Organizational Chart: There is a request for an increase 16.0 FTP, for a total to 254.02 FTP. There are 8.75 vacant FTP as of January 6, 2021.

FY 2020 Actual Expenditures: The following programs were discussed:

- Physical Health Services had a 13.9% reversion of its appropriated funds with majority in federal funds.
- Emergency Medical Services had a 14.5 % reversion of its appropriated funds with the majority in operating expenditures.
- Laboratory Services had a 14.4% reversion of its total appropriation with the majority of reversion in federal funds.
- Suicide Prevention and Awareness had a 17.4% reversion of its total appropriation with the majority of in operating expenditures from the General Fund.
- The Health Care Policy Initiative (which was omitted from the package) had object transfers from personnel costs to trustee/benefit payments. They reverted 40.2% of the total appropriation with the majority in operating expenditures.

Comparative Summary: The summary included two analyst notes pertaining to the Governor's revised recommendations:

1. Moved 180,247,400 from noncognizable increases to a supplemental request and relates to the amount allocated to the state for the COVID relief Act.
2. 1.00 FTP and \$275,000 ongoing from the Cooperative Welfare (General) Fund, of which \$94,700 is in personnel costs and \$180,300 is in operating expenditures for an Alzheimer's Disease Program Coordinator position.

FY 2021 Budget: There were four line items:

- \$1,000,000 in ongoing funding to continue the state funded Home Visitation Program
- \$350,000 to address the fiscal impact for H616
- The transfer of Health Care Policy initiatives from standalone program to budgeted program
- \$200,000 for Project ECHO

Noncognizable Funds and Transfers: The Division requested \$65,660,000 of CARES Act funds. The Governor recommended \$304,705,100 of which \$7,650,000 is allocated by CFAC and \$231,395,100 from the federal COVID Relief Act. Two noncognizable amounts of 1) \$16,000,000 will be used for vaccine, and 2) \$35,000,000 will be used for testing. \$180,000,000 will be moved into a supplemental request.

FY 2022 line item:

- EMS StateComm Receipt Authority request of \$385,100 from Cooperative Welfare dedicated funds to accommodate a change in the **MOU** with the Idaho Transportation Department (ITD) of the statewide dispatch services provided for ITD.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

SERVICE INTEGRATION, Dave Jeppesen, Director, and Lori Wolff, Deputy Director; Jill Randolph, LSO Analyst

The Service Integration focuses on improving customer service to clients and is responsible for 1) promoting coordination across programs; 2) delivering emergency assistance services through a consolidated unit; 3) identifying the services clients are accessing across all divisions and coordinating those services to reduce duplication; and 4) coordinating access to cross-divisional staffing for clients at risk.

Historical Summary: This Division has three fund sources. The General Fund is 12 percent, dedicated funds is 1 percent and federal funds is 87 percent. Personnel Costs account for 39 percent, Operating Expenditures is 5 percent and Trustee/Benefit makes up 56 percent.

Organizational Chart: There are 35.00 FTP. There were no requested additions for FY 2022. There are 00.25 vacant FTP.

FY 2020 Actual Expenditure Variance Report: There were no major changes or shifts throughout FY 2020. The Division reverted a total of 12.7 percent of their appropriation in all funds and object codes. The majority came from federal funds with 13.7 percent of total appropriation reverted.

Comparative Summary: The agency requested a 1.2 percent increase, and the Governor's recommendation came in at 0.7 percent increase.

FY 2021 Budget: There were no line items. The Executive Holdback of \$4,100 was reverted.

FY 2022 Budget Request: There were standard adjustments for this budget, and the Division is requesting a total of \$6,228,000 and the Governor's recommendation is for \$6,196,600.

See [Presentation](#) and [Audio](#) here.

AGENCY

PRESENTATION:

**DIVISION OF WELFARE, Lori Wolff, Deputy Director
Jill Randolph, LSO Analyst**

Overview: The Division of Welfare, also known as Self-Reliance, provides assistance and support services for eligible families and individuals. There are several programs administered by the division that include: Child Support; Supplemental Nutrition Assistance Program, Child Care; Temporary Assistance for Families in Idaho and Aid to the Aged, Blind and Disabled.

Historical Summary: There are two budgeted programs with 42 percent of the total appropriations in the Self Reliance Operations and 58 percent in Benefit Programs. The General Fund accounts for 26 percent of funding, dedicated funds account for 3 percent and the majority of funding is from federal funds which accounts for 71 percent. The majority of the appropriation by object expenditure is in Trustee/Benefit at 58 percent, and 26 percent in Personnel Costs.

Organizational Chart: FY 2021 Original appropriation total FTP was 618.50. There was no change requested for FY 2022/ There were 25 vacant FTP as of 1/6/2021.

FY 2020 Actual Expenditures Variance Report: There were standard deductions and transfers and the activity was considered typical for this budget. The reverted appropriation was a positive 1.6 percent due to \$5,600,000 transferred into this program from the Public Health Department.

Comparative Summary: There was a change noted in the Noncognizable Funds and Transfer for an increase due to the Revised Recommendation from the Governor. This would move \$58,845,000 from Noncognizable Increase to a supplemental request. This amount reflects the allocation of COVID relief Act that was signed into law on December 27, 2020.

FY 2021 Budget: There were no line items. The executive holdback of \$520,800 was reversed.

Noncognizable Funds and Transfers: Agency requested \$23,264,800:

- Net zero transfer of \$350,000 within the Self-Reliance Operation Program.
- The supplemental appropriation request of \$235,200 to be transferred to the State Hospital South to support the new Syringa Nursing Home Facility.
- \$23,500,000 of CARES Act funding which was used for pass-through childcare provider grants and payments.
- The Governor's recommendation was for \$82,109,800 which included the \$58,845,000 from the COVID Relief Act.

FY 2022 Budget Request: There were standard adjustments for this budget. The agency requested \$167,139,400 and the Governor recommended \$166,605,700.

See [Presentation](#) and [Audio](#) here.

AGENCY LICENSING & CERTIFICATION, Lisa Hettinger, Deputy Director
PRESENTATION: Jill Randolph, LSO Analyst

The Licensing and Certification Division became a new budgeted program in 2013, and is responsible for surveying, inspecting, licensing and certifying health care facilities that require certification of licensure by either state or federal requirements. This Division protects the health and safety of vulnerable people receiving health-related services and support.

Historical Summary: There are three fund sources and of the total appropriation, 28 percent is from General Funds, 11 percent is from dedicated funds and the majority is from federal funds. Personnel costs accounts for the majority of expenditures or 88 percent of the appropriation.

Organizational Chart: FY 2021 original appropriation FTP was 71.90. There were no increases requested for FY 2022. There are 11.00 FTP vacant as of 1/6/2021.

There was one open audit finding report from 2019 which is for uncompleted health and safety surveys of long-term care facilities to ensure compliance with the Medicaid program. **Deputy Director Hettinger** gave a status update and remedies the division is taking to correct this issue.

Actual Expenditure Variance Report: Actual expenditures were typical, but analyst pointed out the net object transfer of \$684,100 into Operating Expenditures (OE) and a net transfer between programs with a \$150,000 transfer into OE as well. This created a positive reversion of 58.5 percent making the overall reversion of the total appropriation just 2.9 percent.

Comparative Summary: The Division requested a 2.3 percent increase from FY 2021 and the Governor recommended a 1.7 percent.

FY 2021 Budget: There were no line items. The executive holdback was reverted. Noncognizable Funds and Transfers a \$103,000 adjustment for the CARES Act funding for the purpose of focused infection control surveys performed on behalf of Centers for Medicare and Medicaid Services.

FY 2022 Budget Request: There were standard adjustments for this budget and no line items requested. The Division requested \$7,796,100 and the Governor recommended \$7,753,200.

See [Presentation](#) and [Audio](#) here.

AGENCY INDEPENDENT COUNCIL, Domestic Violence Council, Heather
PRESENTATION: Cunningham, Executive Director; Jill Randolph, LSO Analyst

Independent Councils include the Developmental Disabilities Council and the Domestic Violence Council. The Domestic Violence Council was established to ensure the availability of assistance for victims of crime, with a focus on programs assisting victims of domestic violence, sexual assault or child abuse.

Historical Summary: There are three fund sources with the majority of the funding from federal funds which makes up 96 percent of the appropriated total. 91 percent of the total appropriation is in trustee/benefits payments. There is a state imposed fee of \$15 for each marriage license and \$20 for each divorce action.

Organizational Chart: Currently there are 5.00 FTP and no vacant positions.

The Director spoke to the six open audits from 2019 and detailed the efforts the Council is taking to clear these audits. There have been changes in staff with new policies and procedures put into place.

FY 2020 Actual Expenditures Variance Report: The expenditures were typical for this agency,. There was a 11.6 percent reversion of the total amount appropriated.

Comparative Summary: The summary covers both programs of the Independent Councils. The Council's request was for an increase of 14.7 percent from FY 2021. The Governor recommended a 14.8 percent increase.

FY 2021 budget: There were three line items:

- 1.0 FTP and \$77,100 for Victims of Crime Act (VOCA) staffing.
- 2,600,000 for use of VOCA funds.
- \$30,000 for missing or murdered indigenous people research.

The Executive holdback of \$11,700 was reversed.

Noncognizable Funds and Transfers adjusts CARES Act funding of \$250,000 which was used for pass through grants to victim services agencies.

FY 2022 Budget Request: There was one line item request:

- DV Council-Grants Supervisor – 1.00 FTP, \$85,200 in on-going personnel costs, and \$2,000 in onetime operating expenditures. The Director gave details for this request.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**INDEPENDENT COUNCIL, Developmental Disabilities Council, Christine Pisani, Executive Director
Jill Randolph, LSO Analyst**

The Developmental Disabilities Council was established to maintain a central point for cooperation and coordination between the public and private sectors, ensuring that those with developmental disabilities receive the services or other assistance necessary to achieve maximum independence, productivity and integration into the community.

Historical Summary: There is one budgeted program with 22 percent of the total appropriation coming from General Funds, 31 percent from federal funds and 46 percent from dedicated funds. 61 percent of the expenditures is in personnel costs and 35 percent for operating expenditures.

Organizational Chart: There are 6.00 authorized FTP for this division and no vacant positions.

FY 2020 Actual Expenditures Variance Report: The expenditures were typical for this agency. 7.3 percent of the total appropriation was reverted with the majority in dedicated funds.

Comparative Summary: The summary covers both programs of the Independent Councils. The agency's request was for an increase of 14.7 percent from FY 2021. The Governor recommended 14.8 percent increase.

FY 2021 Budget: There were no line times for this Division. Executive holdback of \$11,700 was reverted.

FY 2022 Budget Request: There were no line items requested. The adjustments were the standard adjustments. Agency requested \$14,591,000. Governor recommends \$14,584,400.

See [Presentation](#) and [Audio](#) here.

ADJOURNED: There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:27 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, February 02, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
<i>(LSO Analyst: Jared Hoskins)</i>		
8:00	State Appellate Public Defender, LBB p. 5-101	Eric Fredericksen <i>State Appellate Public Defender</i>
	Public Defense Commission, LBB p. 5-89	Kathleen Elliot, Executive Director
	Attorney General, LBB p. 6-27	Lawrence Wasden <i>Attorney General</i>
9:30	Break	
State Board of Education		
<i>(LSO Analyst: Janet Jessup)</i>		
	Small Business Development Centers, LBB p. 1-101	Doug Covey, Executive Director
	Tech Help, LBB p. 1-101	Steve Hatten, Executive Director
	Career-Technical Education, LBB p. 1-87	Clay Long, Administrator

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 02, 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: **STATE APPELLATE PUBLIC DEFENDER, Eric Fredericksen.**
Jared Hoskins, LSO Analyst.

Pursuant to Section 19-870(1), Idaho Code, the State Appellate Public Defender provides legal representation to indigent persons. The services of the State Appellate Public Defender are only available to those counties participating in the Capital Crimes Defense Fund (CCDF) established pursuant to Section 19-863A, Idaho Code. Currently, all 44 counties participate in the CCDF. There are two budgeted programs within this division: The Office of the State Appellate Public Defender Program (SAPD) and Capital and Conflict Representation Program.

Mr. Hoskins reviewed the historical summary of the budget. The budget shows a request of \$3.18 million and a recommendation of about \$3.17 million, both from the General Fund. The organizational chart shows 24 FTP for the SAPD. It was pointed out the Capital and Conflict Representation program is not separate from the SAPD program but exists for budgetary purposes to prevent the co-mingling of funds dedicated for capital representation and conflict counsel costs. The Capital and Conflict Representation has no FTP and is not included in the organizational chart. Pursuant to Section 19-870(1), Idaho Code, the State Appellate Public Defender provides legal representation to indigent persons. The services of the State Appellate Public Defender are only available to those counties participating in the Capital Crimes Defense Fund (CCDF) established pursuant to Section 19-863A, Idaho Code. Currently, all 44 counties participate in the CCDF. There are two budgeted programs within this division: The Office of the State Appellate Public Defender Program (SAPD) and Capital and Conflict Representation Program.

For the Performance Report, **Mr. Fredericksen** stated there are no reprimands by the State Bar nor findings of ineffective assistance of counsel to the SAPD. Currently, there is a lawsuit pending against the State of Idaho for indigent representation. FY 2011 has 618 active appeals, which is an increase from the 600 of the previous year. For the FY 2020 expenditures, **Mr. Hoskins** highlighted the appropriation of \$3.1 million, from the General Fund. FY 2020 personnel costs had an object transfer of \$27,000, and \$62,900 in

were reverted. An additional \$186,000 in operating was also reverted. The comparative summary shows an increase of 0.7% in agency request and 0.2% in the Governor's recommendation. The FY 2021 original appropriation of \$3.1 million included funding for two line items: \$1,100 for security software, and \$157,400 for a deputy state appellate public defender to handle juvenile and misdemeanor appeals. The FY 2022 budget request shows one adjustment of \$158,200 for the executive holdback. The breakdown shows \$48,200 from personnel costs in the office of the SAPD program, \$70,000 from operating, and \$40,000 from operating in the Capital and Conflict Representation program. **Mr. Fredericksen** stated the difficulty in retaining and hiring employees in SAPD, so he suggested an addition to the budget request.

AGENCY PRESENTATION: PUBLIC DEFENSE COMMISSION, Kathleen Elliot, Executive Director. Jared Hoskins, LSO Analyst.

The Public Defense Commission consists of nine members and is charged with promulgating administrative rules regarding public defender training and continuing legal education; establishing standards for defending attorneys; providing oversight for counties and defending attorneys; and supplementing the county defense funds and training for public defenders. The commission is working with 44 counties, more than 400 defending attorneys, and thousands of defendants.

Mr. Hoskins reviewed the historical summary for the Public Defense Commission. The FY 2022 request amounts to \$11,295,500 from the General Fund, and the Governor's recommendation is for \$11,290,800. The organizational chart shows one division and one program, with a total of seven FTP.

Ms. Elliot remarked that, in FY 2021, 24 counties received funds to reduce workloads. These funds have been utilized to hire 38.5 attorneys and 13.5 staff members. The Commission, due to COVID, canceled four significant trainings the past year. New virtual training has been planned, in addition to webinars and a virtual learning system for Idaho public defenders. .

Mr. Hoskins reported the FY 2020 expenditures. The Commission had a total appropriation in FY 2020 for \$10,689,200 from the General Fund. Of these, \$9.7 million are in trustee and benefit payments and are divided into three categories: \$9,021,900 for financial assistance, \$100,000 for public defense offices, and \$656,300 in extraordinary litigation costs.

Object transfers are \$3,000 from operating down to capital outlay. Reversions are \$116,300 for personnel costs, and \$122,900 for operating. Trustee and benefit payments have been reverted for \$615,500.

The comparative summary shows an increase of 0.2% in the Governor's recommendation and 0.1 % in the agency request.

FY 2021 appropriation amounts to \$11.2 million, including funding for one line item which provided for a net-zero object transfer of \$60,000 from trustee and benefit payments to personnel costs for staff recruitment and retention. FY 2022 has an executive holdback for \$563,700 from trustee and benefit payments.

AGENCY PRESENTATION: ATTORNEY GENERAL, LAWRENCE WASDEN. Jared Hoskins, LSO Analyst.

The Office of the Attorney General (AG) has three budgeted programs: State Legal Services, Internet Crimes Against Children, and Special Litigation. The AG office adds value to the state government by offering objective and accurate legal counsel to state agencies, officers, and the legislature expert legal counsel every day before they make a decision and advocate on their behalf after they make a decision.

Mr. Wasden specified that in FY 2020 his office recovered just under \$33 million when the appropriation was \$26.4 million. The office has been the primary legal advisors to State officers, agencies, and departments during the pandemic. In FY 2020, the consumer protection division obtained \$1.4 million in consumer restitution and received over \$1.1 million in civil penalties, fees, and costs. At the close of FY 2020, more than \$321,000 in unspent funds from the consumer protection account were transferred to the General Fund. During FY 2020, the fair hearings unit received 628 new cases, conducted 376 hearings, and closed 625 cases. The office of internet crimes against children unit saw a 55% increase in the number of open cases, 86% increase in the number of cyber tips, and a 68% increase in the number of arrests.

Mr. Hoskins reported the historical summary. The FY 2022 has a request of \$27.9 million, and a recommendation for \$27.5 million. These are sourced from the general, dedicated, and Federal Fund. The organizational chart is composed of one budgeted division and three budgeted programs. Funding for the special litigation program has its budgeted program to prevent co-mingling with other funding. Idaho Code excludes the performance report from program requirements. For the FY 2020 expenditures, the agency had a total appropriation of \$26.4 million, from dedicated, General, and Federal Funds. Object transfers include \$34,000 in personnel costs and \$128,600 in operating expenditures. FY 2020 has a reversion for operating expenditures of \$733,800, mostly due to appropriation in special litigation. The comparative summary shows an increase of 3.9% for the Governor's recommendation and 5.1% for the agency request. The FY 2021 appropriation amounts to \$26.5 million for this division including funding for four line items. These included 1.00 FTP and \$108,900 for a deputy attorney general (DAG) at the Department of Labor; 1.00 FTP and \$108,900 for a DAG at the Department of Correction; 1.00 FTP and \$117,500 for a DAG in the Civil Litigation Division; and 1.00 FTP and \$108,900 for a DAG at the Idaho Transportation Department. FY 2022 budget doesn't show any request, but show replacement items for \$211,700. Of this amount, the Governor only recommended \$129,900 by not recommending funding for computer equipment in State Legal Services, data center air conditioning units in State Legal Services, and software subscriptions. **Ms. Lockett**, Administrator and Budget Division Chief in the Office of Attorney General, highlighted the requests for FY2022. The first is for the Litigation Funds Restoration of \$482,800. The second is for Paralegal – Civil Litigation – where the agency requests 1.00 FTP and \$94,200 from the General Fund to hire a paralegal to assist the Civil Litigation Division. The third is for a lump sum that is exempt from Section I.C. 67-3511, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments.

**AGENCY
PRESENTATION:**

**STATE BOARD OF EDUCATION - SMALL BUSINESS DEVELOPMENT
CENTERS (SBDC) Doug Covey, Executive Director.
Janet Jessup, LSO Analyst.**

The Idaho Small Business Development Centers (SBDC) provide counseling, training, research, and technical support services to small businesses and entrepreneurs. The SBDC is headquartered at Boise State University, with field offices at colleges and universities around the state.

Director Covey acknowledged data from a survey conducted to 500 Idaho businesses by the Small Business Development Center Business owners. The output shows 56% of businesses are uncertain about their business surviving, 55% expect to experience a greater than 40% loss in revenue, and 55% expect to lose 40% or greater of their workforce. The agency's network responded to the COVID-19 crisis by adapting and deploying over to 30 statewide trainings that reached over 2,400 Idaho businesses. In the FY 2020, the Idaho SBDC returned \$5 for every \$1 of State funding in the form of new tax revenue from jobs created and leveraged federal funding where State dollars are used to match grant dollars.

Ms. Jessup pointed out in the historical summary the distinct difference between the agency request and the Governor's recommendation. The Governor has recommended an additional \$1.2 million line item in Federal Funds.

Director Covey introduced the performance measure report. In FY 2020, the SBDC spent 26,000 hours with 2,100 businesses that created or saved 11,000 jobs. The agency helped clients to secure \$71 million in capital, provided 32 statewide virtual professional trainings, and 4,087 clients receiving counseling and/or training. Rural areas, minority-owned business, female-owned businesses, and disadvantaged businesses, accounted for 70% of the clients served in 2020.

Ms. Jessup spoke about the actual expenditures for the program. The reports show a transfer of \$427,800 from personnel costs to operating expenditures, these are appropriated for the purpose of paying individuals. For FY 2021 budget there is an executive holdback for the whole Division for \$1.3 million, of which \$34,100 was for Small Business Development Centers. Additionally, the Small Business Development Centers was the recipient of \$182,000 from the Department of Commerce through the CARES Act. The Small Business Development Center has 8.83 FTP. Of the \$16,400 that was recommended by the Governor for benefit costs for the Division, \$3,000 is for Small Business Development Centers.

Director Covey pointed out the \$1.28 million received in March of 2020 have been used to hire additional 20 part-time employees, to create an on-boarding Committee focusing on the increasing needs and statewide processes, to create an Idaho Business Impact survey, and other COVID-19 related activities.

**AGENCY
PRESENTATION:**

**STATE BOARD OF EDUCATION – TechHelp. Steve Hatten, Executive
Director. Janet Jessup, LSO Analyst.**

TechHelp (TH) provides manufacturing consulting services to small and medium-sized companies. TechHelp is a partnership of Idaho's three state universities and is an affiliate of the National Institute of Standards and Technology Manufacturing Extension Partnership. It is also Idaho's Economic Development Administration University Center, targeting economically distressed areas of Idaho.

Director Hatten highlighted the agency in FY 2020 added a new partner, the Southwest Idaho Manufacturers Alliance, and there are no TechHelp position vacancies in the agency's statewide locations.

Ms. Jessup reviewed the historical summary for the agency. The TechHelp line-item shows a nearly 50% increase in the Governor's recommendation, this is tied to the Governor's inclusion of a \$300,000 line-item from the Federal Funds. The size of the budget for Tech Help is about \$373,000. The organizational chart for Tech Help shows 3.25 FTP.

Director Hatten spoke about the performance measures for TechHelp. In FY 2020, 85 manufacturing jobs were created and retained, and provided an economic impact to companies for \$182.9 million in sales, savings, and investment. TechHelp's net promoter score for this period was 9.0, which indicated a high level of customer satisfaction. The net revenue from client projects increased from the prior year by \$322,000, representing 76% of the total annual target. This result is impacted by challenges associated with the COVID-19 pandemic.

Ms. Jessup introduced the FY 2020 actuals, pointing out the net object transfer from personnel to operating expenditures. The budget for FY 2021 for the agency doesn't include any line item but shows a Governor's executive holdback for \$18,100. Additionally, TechHelp received \$300,000 for the CARES Act funding and the COVID relief dollars. The Governor's recommendations include \$1,600 for benefits costs and \$7,100 for CEC. The Governor also recommends, for FY 2022, \$300,000 with federal spending authority for COVID relief funding.

**AGENCY
PRESENTATION:**

**STATE BOARD OF EDUCATION – Career-Technical Education. Clay Long, Administrator.
Janet Jessup, LSO Analyst.**

The Division of Career Technical Education consists of five budgeted programs: the State Leadership and Technical Assistance Program, the General Programs, the Postsecondary Programs, the Dedicated Programs, and the Related Services administers Adult Education (AE) and General Educational Development (GED).

Mr. Long highlighted the industry-relevant "digital badges" programs for secondary education increased 86% over the last year. Post-secondary education enrollment saw an increase of 3%, but a decrease in the full-time equivalence. Almost 40,000 Idahoans received customized and relevant training. Six centers were able to adapt their courses to hybrid or online instruction.

Ms. Jessup introduced the historical summary, highlighting the agency has five distinctly budgeted programs. The vast majority of the funding for the division is dedicated to secondary and post-secondary programs. The audit report shows a finding stating that Federal award information was not provided to sub-recipients and internal controls related to sub-recipient monitoring procedures were not documented. A second finding is stating that sub-recipient monitoring procedures are not in place over CFDA 84.048 the Career and

Technical Education grant as required with Uniform Guidance. The second finding remains uncorrected. The budget for FY 2020 shows a net object transfer from personnel to T/B related to the post-secondary program. The comparative summary shows distinctions between the request from the agency and the Governor's recommendation. This is due to changes in the maintenance section of the budget relative to the benefit costs and the CEC, to a supplemental included in the Governor's recommendations but not the agency's request, and an additional line-item of \$1.7 million for CARES Funding recommended by the Governor. For FY 2021, the Legislature funded four line items for the Division of Career and Technical Education.

Mr. Long provided details about the FY 2021 line items. These included \$400,000 for enrollment growth for secondary programs; \$114,800 for teacher education program phase-out; 1.00 FTP and \$509,300 for the CTE career ladder pursuant to S1329 of 2020; and \$600 for adjustments for the Office of Information Technology Services.

Ms. Jessup highlighted a supplemental in the budget that is part of the Building Idaho Future proposal from the Governor's Office, this provides \$4,750,000 in General Funds to expand and modernize the existing programming. FY 2021 appropriation shows an executive holdback for \$3.4 million from the career technical education budget, including \$2.3 million within the post-secondary program and \$894,000 with the secondary school program. Non-cognizable funds and transfers show \$1.8 million from the Cares Act that was received by the division for the career technical education program, and an additional \$637,000 sourced through the U.S. Department of Labor. FY 2022 budget shows \$157,700 for benefit costs, including \$144,000 for post-secondary programs. The budget shows five line items, two are relative to the LUMA realignment. The third line item is relative to the apprenticeship skills gap. The fourth line item is relative to the reorganization of the fire training program within CTE. The Governor recommended a line item for the CARES Act funding for the amount of \$1,778,000.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:36 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, February 03, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
<i>(LSO Analyst: Keith Bybee)</i>		
8:00	Idaho Tax Commission, LBB p.6-151	Jeff McCray, Chairman
	Board of Tax Appeals, LBB p.6-145	Cindy Pollock, Executive Director
<i>(LSO Analyst: Maggie Smith)</i>		
	Department of Administration, LBB p.6-5	Keith Reynolds, Director
	Bond Repayment Program, LBB p.6-17	
	Capitol Commission, LBB p.6-13	Andy Erstad, Chairman
	Permanent Building Fund, LBB p.6-21	Pat Donaldson, Administrator, Division of Public Works
9:30	Break	
	Division of Human Resources, LBB p.6-71	Susan Buxton, Administrator
	Budget Process Update	Paul Headlee, Division Manager, LSO

Senate Convenes at 10:45 AM
House Convenes at 11:00 AM

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 03, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green (Morales), and Nash.

ABSENT/ EXCUSED: None

CONVENED: **Co-Chairman Bair** called the Joint Finance-Appropriations Committee (Committee) to order at 8:01 a.m.

AGENCY PRESENTATION: **IDAHO STATE TAX COMMISSION, Jeff McCray, Chairman; Keith Bybee, LSO Analyst**

The Idaho State Tax Commission is an executive branch agency, and operates under the guidance of the governor of the state of Idaho. The governor appoints the four tax commissioners, and their appointments must be confirmed by the state Senate. The commissioners serve six-year terms. The tax commissioners also sit as the State Board of Equalization for two weeks in August. In that capacity, they hear and decide appeals for operating property such as railroads and utilities, which cross county lines.

Historical Summary: The tax commission is organized into five divisions, General Services, Audit Division, Collections Division, Revenue operations division, property tax program, and the new Idaho Rebound. The General Fund makes of 82 percent, dedicated funds make up 18 percent, and federal funds are less than 1 percent.

Organizational Chart: There are 448.00 Full Time Positions (FTP) and 41.00 vacant positions as of January 28, 2021.

Chairman McCray and **Alex Adams**, Department of Financial Management, answered multiple questions from the Committee regarding the organizational structure of the Tax Commission.

FY 2020 Actual Expenditures Variance Report: the FY 2020 appropriation was \$45,096,000 which included an adjustment for the omnibus decisions. There was a noncognizable increase of \$300,000,000 from CARES Act funds that was used for the two programs the Commission ran to help with the COVID relief. The Tax Commission spent \$56.6 million in CARES Act funds. They were able to balance the budget by using vacant and open positions, thereby reducing unspent appropriation funds with less reversion at the end of the year.

Mr. Bybee and **Mr. Adams** answered questions regarding the CARES Act funds.

FY 2021 Budget: There were 2 line items requested. The first was for \$171,800 for office space changes and a second one for a \$10,000 increase for the commissioner's CEC.

There was a supplemental request increase of \$15,000,000 recommended by the Governor for Building Idaho's Future. There was a rescission in rent costs for \$647,200 due to the Commission's move to the Chinden Campus. There were two noncognizable adjustments for a total of \$125,100,000 which were used for the Return to Work Initiative and Small Business Grants.

Mr. Adams provided more details on the noncognizable adjustment of \$125,000,000 and the rent reduction. **Nick Landry**, Financial Executive Officer, said the Commission spent \$52.7 million of the \$125.1 million appropriation, and the remainder was reverted, with a remaining balance of \$6,750.

FY 2022 Budget Request: There were two line items. The first was for \$10,000 CEC for a commissioner that the Governor recommended, and the second was for \$933,600 from General Fund in operating expenditures to provide hosting services for GenTax by FAST Enterprises, the Commission's integrated tax software solution. The Governor recommended authority to carryover unspent appropriation up to \$15.0 million for Building Idaho's Future.

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

AGENCY PRESENTATION:

BOARD OF TAX APPEALS, Cindy Pollock, Executive Director; Keith Bybee, LSO Analyst

The Board of Tax Appeals is situated in the executive branch, which provides a quasi-judicial function. The board is comprised of three citizen board members appointed by the Governor and they serve in three year rotating terms.

Historical Summary: In FY 2020 the Board received a total appropriation of \$670,200 and spent \$663,300. That included the one percent reduction at the end of the year and a 5.5 percent less than the FY 2020 appropriation. For FY 2022, the agency requests a 2.3 percent increase over the original appropriation of 2021, and the Governor recommended a 1.6 percent increase. They are completely funded from the General Fund.

Organizational Chart: There are 5.00 FTP and there is 1.00 FTP vacant.

Performance Report: **Director Pollack** presented the measures, outcomes and changes from FY 2020. The Board did not meet the May 1 2020 deadline due to receiving late cases from Bennett County and requested supplemental funding to hear those appeals. All the other counties measures were met. She said the Board does hear a large variety of appeals from the State Tax Commission, with threshold of \$25,000. Any appeals over that amount would go directly to court or to the Tax Commission.

FY 2020 Actual Expenditures Variance Report: The Board had an original appropriation \$635,600. There was a supplemental request that was funded for \$42,100 used for the for Bennett County appeals. There was a small rescission and a one percent holdback. Of the total appropriation of \$670,200, 5.5 percent of the total. was reverted.

Comparative Summary: The Board requested a 2.3 percent increase, driven largely by the health insurance costs and the Governor recommended a 1.6 percent increase.

FY 2021 Budget: There is a current year adjustment for the five percent hold back. There were no line items funded for the agency.

FY 2022 Budget Request: Included the standard adjustments for benefit costs and changes in employee compensation. There is an inflationary adjustment request for a three percent increase in their current rent contract for \$1,300. The biggest changes were in the maintenance area of the budget. The total agency request was for \$648,800 and the Governor's recommended \$644,400.

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

AGENCY PRESENTATION:

DEPARTMENT OF ADMINISTRATION, Keith Reynolds, Director Maggie Smith, LSO Analyst

The Department of Administration provides services to Idaho state agencies, businesses, and citizens by: Promoting effective and innovative business practices through technology, facilitating purchasing and cost savings through statewide contracts and streamlined processes, providing services to minimize overhead and operating costs throughout state government, and effectively managing and protecting facilities assets and controlling on-going building lease expenses.

Historical Summary: Department of Administration is organized into four budgeted programs: Management Services; Public Works; Purchasing and Insurance Management. They are funded by both general funds and dedicated funds. Dedicated funds make up about 90 percent of the of the budget, General funds make up the rest of the 10 percent.

Organizational Chart: There are 124.00 FTP and 12.00 vacant positions as of 2/1/2021. There is a proposed new program with a line item request for FY 2022 to move the functions of the copy service center as well as central postal services and create a fifth budgeted program. This would be a net zero transfer moving 16.52 FTP and the associated personnel costs and operating expenditures to be a standalone program.

Performance Report: **Director Reynolds** discussed the agency's performance measures, which were revamped last year. The performance measures are established with the commitment to save taxpayer dollars and improve services to our customers. 1. Reduce the five year rolling property claims payments by 20 percent 2. Reduce the average length of time for issuing construction contracts.

FY 2020 Actual Expenditures Variance Report: The Department of Administration has a number of dedicated funds and in the interest of time, Ms. Smith directed the committee to the page that explains the source and use of each of the funds. The actual expenditures can be cross-referenced with this list.

Comparative Summary: There are two line items requested for FY 2022, and both are zero dollar line item shifts between the programs or the funds and were recommended by the Governor.

FY 2021 Budget: There were seven line items:

- \$350,000 one-time dedicated funding to evaluate options to self-fund state employee health insurance.
- \$125,000 in dedicated funds for a postal employee and related equipment to help serve the growing number of agencies at the Chinden campus.
- \$95,900 of ongoing dedicated funds and \$5,400 one time for a new safety and loss control program manager.
- \$43,900 and an additional employee for the Capitol Mall due to the volume increases.
- \$80,000 in ongoing dedicated funds to lease a document management system at the Capitol Mall Copy Center.
- \$ 314,000 in one time dedicated funding to remodel and update the office to utilize the square footage as efficiently as possible
- \$25,000 in ongoing dedicated operating spending authority to purchase one hundred additional user licenses for the Public Works Project Management System

The Department of Administration received \$580,000 in CARES Act funding to be used for PPE efforts. This funding was also used to update the audio visual systems in the JRW Building and the Chinden Campus conference rooms, install touchless water fountains, and upgrade the postal loading dock at the Capitol Mall. There was an additional \$10 million from CARES Act funds for the Office of Group Insurance that reimburses a continuously appropriated fund used to pay medical claims on behalf of state employees and their dependents related to COVID-19. The department had been reimbursed for just over \$8.0 million dollars. The Department anticipates most of the remaining balance of \$1.9 million will be recouped. The use of the CARES Act funds has a positive impact on the state's Medical Reserve Fund.

FY 2022 Budget Request: There are two line item requests. The first is to create a new document services budgeted program under the Department of Administration. This is a net-zero transfer. The second is for fund shifts to the Permanent Building Fund that will transfer funds from the facility services group to the design and construction group.

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

**AGENCY
PRESENTATION:**

**BOND PAYMENTS PROGRAM, Keith Reynolds, Director
Maggie Smith, LSO Analyst**

The Department of Administration's Bond Payments Program consolidates payment of the State's bonded indebtedness for the construction of building.

Historical Summary: This budgeted program is organized under the Department of Administration. The majority of bonds are paid from the Permanent Building Fund. There is one paid from the General Fund and one paid from another dedicated fund within the Department of Administration. A summary of the 13 bonds that the state is currently paying was provided for the Committee's review. Director Reynolds gave a brief overview of the bonds.

FY 2021 Budget: There was one base adjustment for a reduction of \$414,000 which represents the annual obligation that was previously used to pay the Department of Parks and Recreation headquarters building, which will be fully paid in FY 2022.

FY 2022 Budget Request: The total agency request was for \$19,363,000, the Governor's recommendation mirrors the request.

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

**AGENCY
PRESENTATION:**

**CAPITOL COMMISSION, Andy Erstad, Chairman;
Maggie Smith, LSO Analyst**

The Capitol Commission consists of nine members appointed by the Governor. The Commission was created by Legislature in 1998 and is charged with developing a master plan for the restoration and refurbishment of the Capitol.

Historical Summary: The Capitol Commission is funded 100 percent by dedicated funds. The dedicated funds are derived from investment earnings on state endowment funds. There are three funding sources: Commission Operating Fund, the Capitol Maintenance Reserve Fund and the Capitol Endowment Income Fund. The earnings from the endowment fund are transferred for operating expenditures and capital outlay purchases. Any remaining funds stay in the fund.

FY 2021 Budget: There are no line item requests. There was reappropriation authority, and the Commission carried forward \$56,000 from the FY 2020 into the FY 2021.

FY 2022 Budget Request: The Commission requested \$2,342,000 which the Governor mirrored in his recommendation.

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

**AGENCY
PRESENTATION:**

**PERMANENT BUILDING FUND, Pat Donaldson, Administrator,
Division of Public Works;
Maggie Smith, LSO Analyst**

The Permanent Building Fund (PBF) is dedicated for the purpose of building needed structures, renovations, repairs to and remodeling existing structures at state institutions and state agencies.

Historical Summary: The PBF is a dedicated fund with seven statutory sources of revenue. The revenues come from a fee associated with income tax filings, a fixed amount from sales tax and the cigarette tax, a third of the beer tax, three eighths of the net lottery revenues and interest earnings from the permanent building fund itself, as well as the Budget Stabilization Fund. The Division of Financial Management (DFM) provides revenue estimates to the Permanent Building Fund Advisory Council. From there, after accounting for the appropriations needed for the Department of Administration there were three new capital projects recommended by the Permanent Building Fund Advisory Council for FY 2022, and were all recommended by the Governor.

FY 2021 Budget: There were five line items and \$36,924,000 funded: \$33,817,400 for a statewide building alteration and repair projects, \$1,300,000 for Americans with Disabilities Act (ADA) projects, \$500,000 for asbestos abatement, and \$1,307,400 for Capitol Mall facilities maintenance. Additionally, \$9,604,000 which funded five capital construction projects.

The Governor recommended a supplemental request in the budget for Building Idaho's Future which was for a onetime General Fund transfer to the PBF and a onetime dedicated fund appropriation for a total of \$96,217,500.

Alex Adams discussed the details of this Building Idaho's Future funds and answered questions from the Committee.

FY 2022 Budget Request: There were replacement items that included alteration and repair projects and are accounted for under replacement items and differ from typical replacement items.

FY 2022 line items which were for the three capital projects approved:

- \$800,000 for a facility for the Idaho State Police in Idaho Falls. We're happy to turn the time over to the administrator to discuss that administrator.
- \$3,200,000 for juvenile corrections to replace a dorm in St. Anthony, to replace a 24 bed dormitory style cottage with a twenty four bed, single room style cottage on the campus of Juvenile Corrections at St. Anthony.
- \$5,429,600 for Military Readiness Center in Twin Falls.

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

AGENCY PRESENTATION:

DIVISION OF HUMAN RESOURCES, Susan Buxton, Administrator; Maggie Smith, LSO Analyst

The Division of Human Resources (DHR) is organized within the Office of the Governor. The division is responsible for employee recruitment, job classification, employee assessment and selection processes, compensation issues, workforce planning and development, employee relations and providing human resource policy to comply with applicable laws and regulations.

Historical Summary: The Division of Human Resources is entirely funded by dedicated funds from all state agencies that have classified employees. There was a onetime \$500,000 supplemental given last session. This was in response to the Governor's emergency declaration and was for advanced sick leave and paid administrative leave for employees. However, that money was reverted at the end of the fiscal year. CARES Act money was used for that purpose instead.

In the interest of time, Ms. Smith moved ahead to the FY 2022 Budget.

FY 2022 Budget Request: There was one line item recommended by the Governor for \$15,400 for additional office space Borah building.

In her closing remarks, **Ms. Buxton** discussed the two line items from FY 2021 which were for \$25,000 spending authority to provide director and agency head training and \$79,200 for one FTP for the personnel complaint line.

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

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 10:44 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, February 04, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Division of Health & Welfare <i>(LSO Analyst: Jill Randolph)</i> Psychiatric Hospitalization, LBB p. 2-41 Mental Health Services, LBB p. 2-37 Substance Abuse Services, LBB p. 2-57 Medicaid Division, LBB p. 2-27	Dave Jeppeson, Director
9:45	<i>Break</i> Catastrophic Health Care Fund, LBB p. 2-3 <i>(LSO Analyst: Jared Tatro)</i>	Kathryn Mooney, CAT Fund Program Director
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	CATASTROPHIC HEALTH CARE PROGRAM Claims Payments, LBB 2-6	Jared Tatro, <i>Principal Analyst</i>
	DEPARTMENT OF HEALTH AND WELFARE State Hospital South - Billing Authority, LBB 2-44	Jill Randolph, <i>Senior Analyst</i>
	OFFICE OF THE GOVERNOR Commission for the Blind and Visually Impaired Vehicle Replacement, LBB 6-51	Janet Jessup, <i>Senior Analyst</i>
	STATE BOARD OF EDUCATION Special Programs - Reversion Correction, LBB 1-101	Janet Jessup, <i>Senior Analyst</i>

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF ENVIRONMENTAL EQUALITY
IPDES Funding, LBB 4-5

OFFICE OF THE GOVERNOR
Office of Energy and Mineral Resources
Increased Federal Grants, LBB 6-61

BUDGET BRIEFING

Update on Budget Schedule and Process

LSO ANALYST

Rob Sepich, *Senior Analyst*

Rob Sepich, *Senior Analyst*

Paul Headlee, Manager,
LSO

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, February 04, 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.

LSO STAFF PRESENTATION: **Ms. Jill Randolph**, LSO Analyst introduced four of the different divisions under the Department of Health and Welfare. The first three are in the behavioral health and are divided into the Psychiatric Hospitalization, the Mental Health Services, and then Substance Abuse Treatment and Prevention. The fourth Division is Medicaid.

AGENCY PRESENTATION: **DIVISION OF HEALTH & WELFARE - Dave Jeppeson, Director.**
Jill Randolph, LSO Analyst.

The Psychiatric Hospitalization Division is organized into four budgeted programs. The first one is Community Hospitalization; it represents about 2% of the total appropriation. This program is used to pay for patient care for an individual who has been committed to state custody but has yet to arrive in the state institution. The remaining three are state hospitals, they represent about 69% of the total appropriation: State Hospital South (SHS), State Hospital North (SHN), and State Hospital West (SHW). Actuals for FY 2020 for the Community Hospitalization program show a net transfer between programs relative to personnel and expenditures to trustee and benefit payment. The program ended with a positive appropriation.

The FY 2020 actuals for the State Hospital North show received money from additional programs and then transferred the amount out of personnel costs into other object codes. The program ended reverting a total of 0% of the appropriation. The FY 2020 actuals for the State Hospital South show mid-year adjustments. The program ended by reverting a total of 0.5% of its total appropriation. Hospital West is a new facility and has yet to accept the patients, so there are no actuals for FY 2020. The comparative summary shows the agency requested a 9.4% increase of all funds and the Governor recommended an 8.7% increase.

FY 2021 has two line-items for appropriation: the first one is for the funding for State Hospital West, and the second is for two bond payments at the State Hospital South's new nursing facility. The budget for FY 2021 has also a line item for the non-cognizable increase. This includes \$200,000 for CARES Act funding received for Community Hospitalization. The base for FY 2020 shows

the removal of one-time expenditures for CARES Act Funds (\$200,000) in Community Hospitalization; the removal for the onetime line item for SHS Nursing Home Bond Payment (\$2,167,700); and removal of the one time line item for State Hospital West Adolescent Unit (\$780,100) from CARES Act funding, and they were approved by the CFAC.

The Mental Health Services Division.

Mr. Jeppeson introduced the Mental Health Services division by explaining the division has two budgets has: Children's Mental Health, accounting for 31% of the total appropriation; and Adult Mental Health, accounting for about 59% of the total appropriation. The majority of the program is funded by the General Fund. The FY 2021 budget has one funded line-item relative to a transfer of 1.00 FTP and \$64,700 from Adult Mental Health for the adolescent unit that was moved from State Hospital South in Blackfoot to the newly created State Hospital West in Nampa. The FY 2021 budget has a non-cognizable fund transfer that accounts for CARES Act funding received by the agency for crisis and recovery centers. Furthermore, the Governor also recommends an additional \$9,831,000 in operating expenses from federal funds to reflect the amount allocated to this program through the federal COVID Relief Act, which was signed into law on December 27, 2020. This funding will be used for mental health treatment.

Substance Abuse Treatment Division.

Mr. Jeppeson presented the Substance Abuse Treatment and Prevention Program. This program provides treatment services for children and adults, and the majority of the appropriation is in federal funds (86% of the total appropriation), and the General Fund (about 4% of the total appropriation). The FY 2021 budget has a funded line-item for community recovery centers amounting to \$500,000. Another line-item is about the Substance Abuse Disorder Grant: the agency requests \$4,000,000 in trustee and benefit payments from federal funds to use already awarded federal grants for the delivery of substance abuse disorder treatment. The federal guidelines recently changed allowing for more reimbursable treatments, such as treatments for other substance abuse drugs beside opioids. FY 2021 budget includes a non-cognizable increase relative to an adjustment that accounts for the CARES Act funding received by the agency for the purpose of increased substance use disorder treatment and support. This line-item has been recommended by the Governor with an additional \$8,264,000 from federal funds to account for the amount allocated to the state through the federal COVID Relief Act, which was signed into law on December 27, 2020. This funding will be used for substance use disorder treatment. FY 2022 budget has a Governor's recommendation of onetime \$450,000 from the Idaho Millennium Income Fund to support Community Recovery Centers. The state has historically supported these centers with funding from the Idaho Millennium Income Fund and various federal grants.

Medicaid Division The Division of Medicaid is responsible for administering plans to finance and deliver health services for people at risk due to low income and other factors, such as youth, old age, pregnancy, or disability. Services are provided pursuant to state and federal Medicaid requirements. The division is organized into five budgeted programs.

Mr. Jeppeson reviewed the historical summary pointing out the five budgeted programs available within the division of Medicaid. The first program is the Medicaid Administration and Medical Management, accounting for about 2% of

the FY 2020 actuals. The second program is the Coordinated Medicaid Plan for Idahoans age 65 and older, accounting for about 27% of FY 2020 actual. The third program is the Enhanced Medicaid plan, about 30% of FY 2020 actuals. The fourth program is the Basic Medicaid Plan, about 26% of the FY 2020 actuals. The last program is the Expansion Medicaid Plan, about 7% of the FY 2020 actuals. The Division of Medicaid received two audit findings, corrective actions have been implemented when and where appropriate. FY 2020 actuals show a total revert for 3.3% of the total appropriation, which accounts for \$95,611,100. The comparative summary shows five supplemental requests recommended by the Governor and six line-items. Two of these are included in the Governor's recommendation. One supplemental is relative to COVID-19 and its impact on the traditional Medicaid. The agency requests a one-time reduction of \$56,000,000 from the General Fund and an increase of \$113,700,000 in federal funds to account for the requirement of maintenance of effort (MOE) of the federal Families First Coronavirus Response Act (FFCRA). Another supplemental is relative to COVID-19 and its impact on Medicaid Expansion. The agency requests \$25,710,600 onetime from federal funds in the Expansion Medicaid Plan, and a net-zero onetime transfer of \$2,856,700 from the General Fund from the Basic Medicaid Plan to the Expansion Medicaid Plan. Another supplemental is for program growth. The agency requests \$227,853,500 all funds on time for unanticipated growth related to Medicaid Expansion. The department based the FY 2021 original request on a 2018 actuarial report compiled by Milliman. An updated actuarial report was completed in fall 2020, which showed an increase of 65.7% in total dollars from the original forecast produced in 2018. The last supplemental is for Receipt Authority. The agency requests a reduction of \$11,097,400 from the General Fund, a decrease of \$74,679,800 from federal funds, and an increase of \$100,777,2000 from the Cooperative Welfare (dedicated) Fund to account for increases in receipts. FY 2022 budget has six line-items. The first one is about Medicaid cost containment, the department requests an appropriation reduction of \$118,400,000 from all fund sources, with the intent that the department will collaborate with the Legislature on identifying policy-driven solutions to contain costs in Medicaid. The second line-item is for the Electronic Visit Verification. The department requests a total of \$763,700 ongoing in operating expenditures for the ongoing system funding for the electronic visiting verification (EVV) system. The third line-item is for Patient Access and Interoperability. The department requests a total of \$935,000, of which \$575,000 is onetime and \$360,000 is ongoing, for a federally required system to share Medicaid payment and provider information with patients receiving services. The fourth line-item is for the Managed Care Accountability and Auditing. The department requests a total of \$424,000, of which \$318,000 is onetime and \$103,000 is ongoing, for reviews and audits of payments to managed care contractors and the data submitted to the Division of Medicaid that supports those payments. The fifth line-item is for Idaho Veterans Services. The department requests a total increase of \$3,400,000 ongoing to change the current reimbursement methodology for the Idaho Division of Veterans Services. This additional appropriation will allow Medicaid to pay the division 100% of the cost-based reimbursement and maximize federal matching funds. The last line-item is for the county contribution for expansion. The Governor recommends \$12,500,000 in dedicated funds to be received from the counties recognizing the estimated savings to the counties as a result of Medicaid Expansion. This decision

unit includes a corresponding General Fund reduction.

LSO STAFF PRESENTATION: CATASTROPHIC HEALTH CARE FUND — , Kathryn Mooney, CAT Fund Program Director. Jared Tatro, LSO Analyst.

Mr. Tatro explained the Catastrophic Health Care Program (CAT Fund) was established in Chapter 35, Title 31, Idaho Code, to meet the needs of the medically indigent residents in Idaho who do not qualify for Government or private insurance but do qualify for county assistance. For FY 2020 the appropriation for the program was \$10,500,000, while the current year appropriation was \$3,500,600, and next year the appropriation is requested at \$8,500,600. The report for the revenue and expenditure payments related to the CAT Fund from 2001 to 2020 shows total payments amounting to a high at \$55.2 million between state and county for 2012. For the past year, the expenditures were \$38.2 million from all sources split almost evenly between the state at \$18-\$19 million. The current year financial situation for the program included a \$4,231,800 beginning cash balance, a \$3,500,600 original appropriation, and an estimated \$3,300,000 in reimbursements and other revenue for a total of \$11,032,400. The supplemental request if approved would provide an additional \$6,000,000 or \$2,032,400 more than is estimated for claims in the current year.

UNANIMOUS CONSENT: Requested by **Sen. Agenbroad**, granted by unanimous consent, the FY 2021 budget for the Catastrophic Health Care Program was reopened.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, and seconded by **Rep. Troy**, for the Catastrophic Health Care Program for FY 2021, for the appropriation and transfer of \$6 million from the General Fund to the Catastrophic Health Care Cost Fund, and of the total \$1 million is provided as one-time funding.

CARRIED: **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash .
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 0.

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. Amador**, granted by unanimous consent, the FY 2021 budget for the Department of Health and Welfare, Division of Psychiatric Hospitalization was reopened.

MOTION: Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Agenbroad**, for the FY 2021 for the Department of Health and Welfare in the Division of Psychiatric Hospitalization for State Hospital South an additional \$3 million in personnel costs from the Cooperative Welfare Federal Fund.

CARRIED: **AYES: 20.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook,
Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate,
Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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. Nash**, granted by unanimous consent, the FY 2021 budget of the Commission for the Blind and Visually Impaired was reopened.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Woodward**, for the FY 2021 for the Commission for the Blind and Visually Impaired an additional \$27,900 from the Adaptive Aids and Appliances fund to purchase a replacement vehicle.

CARRIED: **AYES: 20.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook,
Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate,
Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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. Ward-Engelking**, granted by unanimous consent, the FY 2021 budget for the Department of Environmental Quality was reopened.

MOTION: Original Motion: Moved by **Sen. Ward-Engelking**, seconded by **Rep. Syme**, for the FY 2021 budget for the Department of Environmental Quality and the Water Quality Program an increase of \$229,600 in one-time personnel costs, and \$10,400 in one-time operating expenditures from the IPDES program fund.

DISCUSSION: **Mr. Sepich** answered questions from **Rep. Nate** and **Rep. Horman** about the holdback.

CARRIED:

AYES: 18.

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

NAYS: 2.

Nate, Giddings

ABSENT/EXCUSED: 0.

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**.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 11:05 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, February 05, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
8:00	Judicial Branch, LBB p. 3-45 <i>LSO Analyst: Jared Hoskins</i>	Sara Omundson, Administrative Director of Courts
	Guardian Ad Litem, LBB p. 3-55	Darci Anderson, Program Director, 4th Judicial District, CASA Program
	Judicial Council, LBB p. 3-59	David "Tony" Cantrill, Executive Director
	Department of Lands, LBB p. 4-29 <i>(LSO Analyst: Rob Sepich)</i>	Dustin Miller, Director
	Endowment Fund Investment Board, LBB p. 4-23	Chris Anton, Manager of Investments
	Public Utilities Commission, LBB p. 5-49	Paul Kjellander, Commission President
9:45	<i>Break</i>	
	SUPPLEMENTAL APPROPRIATIONS	LSO ANALYST
	OFFICE OF THE GOVERNOR Office of Energy and Mineral Resources Increased Federal Grants, LBB p. 6-61	Rob Sepich, <i>Senior Analyst</i>
	DEPARTMENT OF REVENUE AND TAXATION State Tax Comm. - Chinden Rent Reduction, LBB p. 6-154	Keith Bybee, <i>Deputy Division Manager</i>
	STATE TREASURER Payment Card Industry Compliance, LBB p. 6-165	Maggie Smith, <i>Senior Analyst</i>
	BUDGET BRIEFING Update on Budget Schedule and Process	Paul Headlee, <i>Manager</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 05, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash.

ABSENT/ EXCUSED: Senator Crabtree

CONVENED: **Chairman Bair** called the Joint Finance-Appropriations Committee (Committee) to order at 8:01 a.m.

AGENCY PRESENTATION: **JUDICIAL BRANCH, Sara Omundson, Administrative Director of Courts; Jared Hoskins, Analyst, LSO**

Idaho's Judicial Branch is a unified court system in which all state courts are administered and supervised by the Idaho Supreme Court. The Supreme Court establishes statewide rules and policies for the operation of its functions and that of the district courts. It is divided into seven judicial districts, each encompassing four to ten counties. This regional structure is designed to delegate authority to the judicial districts and to ensure their participation in policy decisions while maintaining uniform, statewide rules and procedures.

Historical Summary: There are three budgeted divisions that include the court operations division, the guardian ad litem program and the Judicial Council, which are flow through budgets. The Department requested \$76,289,000 and the Governor's recommendation was \$76,139,900. This includes General Fund, dedicated fund and federal fund sources.

Organizational Chart: The total Division FTP is 371.00 and there are 15.00 FTP vacant as of December 1, 2020.

Actual Expenditure Variance Report: The total appropriation was \$72,00,600 and divided between eight fund sources, including the General Fund, six different dedicated funds and federal funds. A few of the object transfers were addressed, specifically a \$776,600 transfer in general fund personnel costs, as well as \$56,400 in trustee and benefit payments that was transferred to operating expenditures. The total Division reverted 6.7 percent of the total appropriated.

Comparative Summary: The original request for this Division was a 2.5 percent increase. The Governor's recommendation is a 2.3 percent increase.

FY 2021 Budget: The original appropriation was \$72,581,200. There was funding for eight line items.

- 2.00 FTP and \$264,400 for District 1 magistrate judges.
- 1.00 FTP and 95,800 a floating court reporter for District 3 and 4.
- \$554,900 for judicial pay.
- \$34,000 for ADA consulting.
- \$20,800 for occupancy costs at the Idaho Law and Justice Learning Center.
- \$35,000 for funding for juror compensation.
- \$600,000 reduction for Medicaid expansion,
- 2.00 FTP and \$265,800 increase for district court judges and a court reporter in District one.

Director Omundson gave a progress report to update the Committee on the appropriations.

The executive hold back of \$550,000 was division wide and was restored.

FY 2022 Budget Request: There were standard adjustments for benefit costs, statewide cost allocation, and CEC. In this case, the CEC is just for non-judicial positions under nonstandard adjustments. There was an annualization for the District Court Judge, the court reporter, as well as the two magistrate judges that were partially funded in FY 2021.

There were two line items recommended by the Governor. The first was a request from the Supreme Court for a the addition of one district judge, the court reporter and two magistrate judges for the 3rd Judicial District and the second was a request from the Supreme Court for a proposed placeholder of a one percent for a judicial seat.

Director Omundson answered questions from the Committee.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**GUARDIAN AD LITEM, Darci Anderson, Program Director, 4th
Judicial District, CASA Program; Jared Hoskins, Analyst, LSO**

Guardian Ad Litem grants are awarded to Court Appointed Special Advocate (CASA) programs to recruit, train, and coordinate volunteers to act as court-appointed special advocates for abused, neglected, or abandoned children under the Child Protective Act.

Historical Summary: The Guardian ad Litem (GAL) program is a pass through budget in which the Supreme Court distributes funding to these local CASA programs to help recruit and train volunteers. The FY 2022 requested amount is \$1,744,600 and the Governor's recommendation of \$200 less than that. The program is entirely funded from the General Fund.

FY 2020 Actual Expenditures Variance Report: There was a total appropriation of \$1,179,200. There was a very small object transfer of \$2,500 from personnel costs to operating expenditures. A total of \$3,100 was reverted.

Comparative Summary: The agency's original request and the Governor's recommendation was a 26.5 percent increase.

FY 2021 Budget: The original appropriation was \$1,379,200. There was one line item for \$150,000 for the guardian ad litem program staff in the first, third, fifth, sixth and seventh judicial districts. \$30,000 each was distributed to those individual programs, and \$50,000 onetime for the grant administrator to procure an independent evaluation of the guardian ad litem program statewide.

FY 2022 Budget Request: There was one line item request which includes \$415,200 for various staff positions. A table showing the Revised Requests for the GAL Program for FY 2022 was provided.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**JUDICIAL COUNCIL, David “Tony” Cantrill, Executive Director;
Jared Hoskins, Analyst, LSO**

The Idaho Judicial Council is empowered by statute to nominate person to the Governor for appointment to vacancies on the Supreme Court., Court of Appeals, and District Courts, and make recommendations to the Supreme Court for the removal, discipline, and retirement of judicial officers.

Historical Summary: This is a flow through budget for the judicial branch. The council is charged with nominating persons for gubernatorial appointment to vacant positions on the Supreme Court and the Court of Appeals and District Courts, as we heard, but is also charged with investigating judicial misconduct. FY 2022 request and Governor's recommendation is \$130,800.

Actual Expenditures Variance Report: There was a transfer of \$3,000 from operating to the personnel costs. The judicial branch is exempt from object transfer requirements. There was 24.1 percent of the total appropriation reverted, which is higher than the five year average but right within the normal variance.

FY 2021 Budget: This is a straight maintenance budget, with no enhancements and no maintenance adjustments, and no current year adjustments.

FY 2022 Budget Request: This is a straight maintenance budget, with a total of \$130,800 requested that was mirrored by the Governor.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**IDAHO DEPARTMENT OF LANDS, Dustin Miller, Director; Rob
Sepich, Senior Analyst, LSO**

The Idaho Department of Lands manages Idaho’s endowment assets to maximize long-term financial returns to public schools and other trust beneficiaries and to provide professional assistance to the citizens of Idaho to use, protect and sustain Idaho’s natural resources.

Historical Summary: There are now six budgeted programs due to the Department’s reorganization. There will be title changes in some of the programs. General Fund is 11 percent, federal funds makes about 14 percent, and 75 percent is dedicated funds.

Organizational Chart: For FY 2022, this chart is different than in the past and was created to show how the organization will be changing under the reorganization. This reorganization would be a net zero adjustment between programs.

Performance Measures: **Director Miller** briefly highlighted two performance measures: one dealt with the volume of timber sold annually, incorporating improved inventory data to more accurately model the existing, desired, and sustainable inventory levels. This creates additional revenue for the endowment beneficiaries, including public schools. The next measure dealt with the percentage of wildfires controlled at 10 acres or less. The objective is to stop fires while they are relatively small and could be suppressed quickly. The annual goal is to suppress 94 percent of fires while they are less than 10 acres in size.

FY 2020 Actual Expenditure Variance Report: There was a \$295,600 transfer used primarily for fire protection for fuel, gas, and meals for the firefighters. The Department expended \$51.6 million of their total appropriation. The total of \$9,007,300 was reverted (14.9 percent). Mr. Sepich noted that the expenditures did not include the fire fund expenditures, which and included that information on that in the last page of the Committee packet.

Comparative Summary: The Governor recommended 3.4 percent increase. There were eight line items, seven being recommended by the Governor. One line item not recommended was for the Rangeland Conservation Manager.

FY 2021 Budget: There were seven line items funded that included:

1. \$765,000 for increased endowment harvest, including starting a seed orchard in Lewiston
2. 3.00 FTP and \$3,411,800 to expand the Shared Stewardship Program and the Good Neighbor Authority
3. 1.00 FTP and 94,500 for person to manage permits for public encroachments and submerged land leases
4. \$96,000 for IT business analyst to support Lands Information Management System
5. 66,600 for continuity training of scaler positions
6. \$182,000 for software licenses
7. \$18,100 for a 2 percent change in CEC and inflationary adjust for two Timber Protection Associations. The Governor recommended a onetime General Fund transfer of \$20,000,000 to the Fire Suppression Deficiency Fund. The Director provided details on the working of this fund.

There was a base adjustment as part of the department's request for their reorganization of \$15 million between programs.

FY 2022 Budget Request: There were the standard adjustments, and a request for replacement items for \$1,522,800.

There were eight line items that included:

1. 10 FTP and \$916,300 with \$281,100 from the General Fund, \$3,000 from the Forest Protection Fund and the remainder is onetime funding from Wildfire Equipment Replacement Fund dedicated funds.
 2. \$150,000 to hire a fire investigations program manager and provide a vehicle.
 3. \$450,000 a general fund appropriation to support timber, harvest and restoration projects on private and federal lands under the Shared Stewardship and Good Neighbor Authority agreements.
 4. \$90,000 in onetime General Funds for three pickup trucks for the GNA program. The
 5. \$57,000 onetime General Fund to be used for outreach to private forest land owners to help them understand the opportunities and engage in the Shared Stewardship Program. This is to increase awareness of and access to technical and cost assistance for forest restoration treatments on their lands.
 6. \$91,000 one-time spending authority to purchase a drone, a lighter sensor, a remote sensing workstation, laptop and phone our data.
 7. A request to reorganize 125 FTP and \$18,458,700 in funding throughout the organization to fully implement the organizational structure that was approved by the Board of Land Commissioners on January 21, 2020.
- There was no inflationary cost adjustment for the two Timber Protective Associations.

Director Miller answered questions from the Committee.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

ENDOWMENT FUND INVESTMENT BOARD, Chris Anton, Manager of Investments; Rob Sepich, Senior Analyst, LSO

The Endowment Fund Investment Board is responsible for managing the investments of the land grant endowment funds, the State Insurance Fund, and other moneys as required by law.

Historical Summary: The endowment fund is funded 100 percent from dedicated funds, which are considered a “pass through” of funds from the Department of Lands on endowment lands. The agency receives endowment land monies and reinvests other endowment moneys. This is budgeted under the Department of Lands, but it does have its own distinct budget.

Organizational Chart: The organization is made up of the Board of Land Commissioners, the investment board, and four staff members.

Performance Measures: The Director highlighted the four primary performance measures that are tracked, and discussed the goals outlined in its strategic plan.

FY 2020 Actual Expenditures Variance Report: There was an object transfer that was moved to capital outlay to purchase computers. There was a reversion of \$60,600 which is an 8.1 percent overall version. Any funds that are reverted stay within the dedicated fund.

Comparative Summary: There is one request for \$66,200 for an investment raise for the investment manager. This was not recommended by the governor.

FY 2021 Budget: There was one line item for \$1,400 for technology modernization. There were some inflationary adjustments for \$2,700 for rent and for auditing services done by an outside auditing company.

FY 2022 Budget Request: There was one line item request for \$66,200 for a Manager of Investments raise. There are budget law exemptions and adjustments which are typical in the budget each year. Consulting fees, custodial fees, and other portfolio costs varies significantly from year to year based on the assets under management. As the assets increase, those fees increase, making it is difficult to forecast and budget. Therefore, they are continuously appropriated just for the capacity to pay those fees.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

PUBLIC UTILITIES COMMISSION, Paul Kjellander, Commission President; Rob Sepich, Senior Analyst, LSO

Idaho Public Utilities Commission was established in 1913. The commission oversees the intrastate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines and railroads. The commission does not regulate publicly-owned municipal or cooperative utilities. The commission serves the citizens and utilities of Idaho by determining fair, just and reasonable rates for utility commodities and services to be delivered safely, reliably and efficiently.

Historical Summary: Most funds come from dedicated funds that make up 94 percent of the FY 2022 Governor's recommendation. Federal funds account for 6 percent, and these grants primarily used for pipeline safety programs.

Organizational Chart: Total requested are 49.00 FTP, no change from the current year. There are 9.00 vacant positions.

Performance Measures: **Mr. Kjellander** discussed one of the performance measures that dealt with the field inspections.

FY 2020 Actual Expenditures Variance Report: There was \$425,100 in capital outlay and \$420,600 operating expenditures reappropriation that was granted to the agency for its move to the Chinden Campus. This move came under budget.

Comparative Summary: This is a maintenance budget. The agency's request is for a 4.6 percent increase, and the Governor's recommendation is for 2.9 percent.

FY 2021 Budget: There were two items. The first was for \$8,100 for CEC for Commissioners and \$17,200 for technology consolidation and modernization.

FY 2022 Budget Request: This is a maintenance budget. There was a request for replacement items for \$49,000 for software license updates, and computers and equipment.

See [Presentation](#) and [Audio](#) here.

SUPPLEMENTAL APPROPRIATIONS

**LSO
PRESENTATION:**

**OFFICE OF THE GOVERNOR, OFFICE OF ENERGY AND
MINERAL RESOURCES; Rob Sepich, Senior Analyst, LSO**

**UNANIMOUS
CONSENT:**

Requested by **Representative Troy**, granted by unanimous consent, the 2021 Budget for the Office Of Energy And Mineral Resources was reopened.

MOTION:

Moved by **Representative Troy** for the fiscal year 2021 budget for the Office of Energy and Mineral Resources an increase of \$60,600 in ongoing personnel costs from the Indirect Cost Recovery Fund and \$97,000 in ongoing personnel costs from the Federal Grants Fund. The total agency-wide is \$157,600 in ongoing for personnel costs, seconded by **Senator Lent**.

CARRIED:

AYES: 16

Senators Bair, Agenbroad, Grow, Woodward, Lent, Cook, Ward-Engleking, Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2

Representatives Nate and Giddings.

ABSENT/EXCUSED: 2

Senators Crabtree and Riggs.

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**.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO
PRESENTATION:**

**DEPARTMENT OF REVENUE AND TAXATION, STATE TAX
COMMISSION, CHINDEN RENT REDUCTION; Keith Bybee, Deputy
Division Manager, LSO**

**UNANIMOUS
CONSENT:**

Requested by **Senator Grow**, granted by unanimous consent, the 2021 Budget for the State Tax Commission was reopened.

MOTION:

Moved by **Senator Grow** for fiscal year 2021 for the State Tax Commission a reduction of \$647,200, from the General Fund, seconded by **Representative Horman**.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Grow, Woodward, Lent, Cook, Ward-Engleking, Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senators Crabtree and Riggs.

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**.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO
PRESENTATION:**

**STATE TREASURER, PAYMENT CARD INDUSTRY COMPLIANCE,
Maggie Smith, Senior Analyst, LSO**

**UNANIMOUS
CONSENT:**

Requested by **Representative Nate** , granted by unanimous consent, the 2021 Budget for the State Treasurer was reopened.

MOTION:

Moved by **Representative Nate** for fiscal year 2021, for the Office- of the State Treasurer, an additional \$196,000 in onetime operating expenditures from the General Fund, seconded by **Senator Agenbroad**.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Grow, Woodward, Lent, Cook, Ward-Engleking, Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senators Crabtree and Riggs.

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**.

See [Audio](#), [Motion](#), and [Ballot](#).

**AGENCY
PRESENTATION:**

BUDGET BRIEFING: “Update on Budget Schedule and Process”, Paul Headlee, Manager

Mr. Headlee gave a budget process update and provided the schedule for the upcoming budget hearings.

See [Audio](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 11:03 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, February 08, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
8:00	BUDGET HEARINGS <i>(LSO Analyst: Christine Otto)</i>	
	Idaho Transportation Department, LBB p. 5-111 Transportation Services, LBB p. 5-117 Motor Vehicles, LBB p. 5-123 Highway Operations, LBB p. 5-127 Contract Construction and Right-of-Way Acquisition, LBB p. 5-133	Brian Ness, Director
9:30	<i>Break</i>	
	SUPPLEMENTAL APPROPRIATIONS	LSO ANALYST
	IDAHO TRANSPORTATION DEPARTMENT Highway Operations, COVID-19 Relief Act Funding, LBB, p. 5-129	Christine Otto, <i>Senior Analyst</i>
	IDAHO TRANSPORTATION DEPARTMENT Contract Construction and Right-of-Way, Surface Transportation Block Grant, COVID-19 Relief Act Funding, LBB p. 5-135	Christine Otto, <i>Senior Analyst</i>
	OFFICE of the GOVERNOR Emergency Rental Assistance, COVID-19 Relief Act Funding, LBB p. 6-69	Paul Headlee, <i>Division Manager</i>
	FIVE PERCENT (5%) GENERAL FUND RESCISSION for FY 2021	Paul Headlee, <i>Division Manager</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 08, 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
Representative(s) Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/EXCUSED: Representative(s) Co-chairman Youngblood.

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

AGENCY PRESENTATION: **IDAHO TRANSPORTATION DEPARTMENT - Transportation Services, Brian Ness Director. Christine Otto, LSO Analyst.**

Dir. Ness started his opening remarks stating how the Idaho Transportation Department using good business principles was able to reduce layers, bureaucracy, and people. Addressing the layers of supervision, the agency was able to speed the decision-making and create more efficiency. A new organization structure took place with the goal to reduce the layers of supervision from nine to five. This simplification left room for more productivity, innovation, and motivated skilled employees. Since July of 2018, ITD has reduced its administrative rules from 80 to 44. The Agency cut their workforce by 10%. Vacancy rate of 5%, last year and down from that this year.

Ms. Otto introduced the summary of the department explaining it is organized into four separate divisions: The Transportation Services Division, the Motor Vehicles Division, the Highway Operations Division, and the Contract Construction and Right-of-Way Acquisition Division. Their total appropriation is based off dedicated and federal funds, for the FY 2021, 58% is from dedicated funds and 42% for federal funds. The organization chart for the Idaho Transportation Department is in line with the open remarks from Dir. Ness.

Dir. Ness spoke about the performance measures, explaining these are based on processes or procedures. One notable measure **Dr. Ness**, pointed out is the agency is currently operating above or close to the target, but Idaho's infrastructure is aging rapidly and is a concern for the department, with the current funding levels is not possible to sustain the roads and bridges in the current conditions.

Ms. Otto introduced the historical summary and explained the **Transportation Services Division** has three budgeted programs: The Administration Program, the Capital Facilities Program, and the Aeronautics Program. For FY 2020 the division was 95% funded by dedicated funds, had a total appropriation just over \$42 million, and a reappropriation just over \$4 million. The expenditures for FY 2020 were \$34.9 million. The difference from the total appropriation was just over \$7.1 million, or 17% of their entire budget.

For FY 2021, the legislature funded four line items. The Capital Facilities and Aeronautics Program that was authorized to reappropriation: 1. LUMA interface 2. Cloud Security Upgrade 3. An Increase to IAAP 4. Increase to Office of Information Technology. From FY 2020 into FY 2021 there was one supplemental request for Building Idaho's Future, the Governor has recommended \$4 million to be transferred from the General Fund into the Aeronautics Fund. This initiative will go towards the Idaho Airport Program and provide grants to small airports. Replacement Items where \$2.9 million to replace items that reached the end of their useful life . There were no line items requested for FY 2022.

The Motor Vehicles Division is about 90% funded from dedicated funds and 10% from federal funds. The FY 2020 expenditure shows a total appropriation of just over \$37.7 million, a reverted of \$7.8 million, and total expenditures of \$29.8 million with a difference of 20.9% with the total appropriation.

For FY 2021, the legislature funded two line-items: one of \$265,800 for county equipment; and one of 3.00 FTP and \$276,600 for the Insurance Compliance Program. For FY 2022 the division requested replacement item; \$912,400 to replace WIFI routers, docking stations, privacy screens, travel keyboards, tablets, and a cisco switch. There were no line items requested for FY 2022.

The Highway Operations Division is funded for FY 2021 by a mixture of dedicated and federal funds, the total appropriation was over \$213 million. For FY 2020 the division had an appropriation of over \$202 million, non-cognizable increases for \$27.3 million due to the Federal Cares Act, and a net object transfer of \$2 million from personnel costs to operating expenditures and capital outlay. For FY 2021 the division had a receipt to appropriation that increased the appropriation by \$636,200, most of the amount is relative to insurance claims. About \$40 million reversed. The difference from total appropriation was 5.9%. For FY 2021 the legislature funded six line-items, these included \$454,400 for highway operations equipment; \$2,754,700 for an Intelligent Transportation System; \$190,000 for a grant management software application; \$1,635,000 for GIS integration initiative; \$3,267,000 for federal funds; and a program transfer of 3.00 FTP and \$276,600 out to fund the Insurance Compliance Program within the Division of Motor.

FY 2021 has a supplemental recommendation by the Governor of \$273,000 onetime from the Federal COVID-19 Relief Fund for the enhanced mobility of seniors and individuals with disabilities. The division received noncognizable funds and transfers approved by the Division of Financial Management for \$25,589,800 from the Cares Act - COVID 19 Fund to be used on public transportation grants. The second entry is for replacement items where the department requested \$24,801,800 to replace radios, data packs, office chairs, office tables, computers and equipment, a drill, drill batteries, various tools, signs, servers, and various trucks and equipment that may be eligible for the Buy Back Program.

For FY 2022 the division requested two line items. One is for personnel costs, the department requests \$3,571,300 from the State Highway (Dedicated) Fund for ongoing personnel costs. The second line item is for a request of \$11,465,000 for federal public transportation grants that were awarded to the division.

The Contract Construction and Right-of-Way Acquisition Division, 42% of the appropriation is from dedicated funds, the other part is from federal funds.

For FY 2021, the appropriation was \$492 million, but the division has a carryover of additional \$250 million, so the total is almost \$800 million for FY 2021. For FY 2021 the legislature funded two line items. These included \$98,744,600 for excess revenue and receipts, and \$1,029,200 for Strategic Initiative Program interest. The division received 250 millions to carryover any unencumbered and unexpended appropriation balance from FY 2020 into FY 2021. There are three supplemental requests from Governor's recommendations. One is for \$6,000,000 onetime for repair and replacement of deficient bridges as a result of the federal omnibus appropriation bill passed in the Coronavirus Relief Act. The second is for a cash transfer of \$122,000,000 from the General Fund for Strategic Initiatives Program, and is to be used for state and local highway improvement projects (\$118,000,000); for bicycle and pedestrian projects (\$2,000,000); and for rail crossing improvement projects (\$2,000,000). The third recommendation is for \$71,023,000 onetime to be used on contract construction as a result of the COVID Relief Act signed into law on December 27, 2020. For FY 2022, the budget has a one line item for an increase in the federal grants, and the division requested reappropriation of all the funds of the division from 2021 into 2022.

LSO STAFF PRESENTATION: **Supplemental Appropriations - Idaho Transportation Department - Highway Operations, COVID-19 Relief Act Funding. Christine Otto, LSO Analyst**

Ms. Otto introduced the supplemental request. The Governor recommended \$273,300 one-time from the federal COVID relief fund for the enhanced mobility of seniors and individuals with disabilities. More information became available and updated amount needed was \$223,500.

UNANIMOUS CONSENT: Requested by **Rep. Green**, granted by unanimous consent, the FY 2021 budget for the Idaho Transportation Department was reopened.

MOTION: Original Motion: Moved by **Rep. Green**, and seconded by **Sen. Woodward**, for the Idaho Transportation Department in the Highway Operations Division an additional \$223,500 one time from the federal COVID relief fund (FY 2021).

CARRIED: **AYES: 20.**
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye. Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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: **Supplemental Appropriations - Idaho Transportation Department - Contract Construction and Right-of-Way, Surface Transportation Block Grant, COVID-19 Relief Act Funding. Christine Otto, LSO Analyst**

Ms. Otto introduced the supplemental request. The Governor had recommended \$71 million for the surface transportation block grant signed by the President in December 27, 2020. Funds can be used for maintenance, operations, including personnel, and personnel administrative leave, even, to pay contractors payments, work on bridges, and construction projects. The division has decided to use these dollars on construction projects.

House Rule 80 was declared by **Rep. Green** and **Rep. Youngblood**.

MOTION:

Original Motion: Moved by **Sen. J. Woodward**, and seconded by **Rep. Green**, for Fiscal Year 2021 for the Idaho Transportation Department in the Contract Construction and Right-of-Way Acquisition Division \$3,500,000 additional from the State Highway COVID Relief Fund and \$46,500 from the State Highway Local Fund all one time funding for FY 2021.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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:**

Supplemental Appropriations - Office of the Governor- Emergency Rental Assistance, COVID-19 Relief Act.
Paul Headlee, LSO Division Manager

Mr. Headlee introduced the supplemental request for emergency rental assistance, from the COVID relief bill. The Governor recommends onetime federal funding from the COVID Relief Act, which was signed into law on December 27, 2020. Funding will be overseen by the Idaho Housing and Finance Association and used for rental assistance programs within the parameters established by the Act. The Governor also recommends reappropriation authority for any unencumbered and unexpended balance of this FY 2021 supplemental appropriation into FY 2022. This funding would address long-term – the long-term eviction moratorium in place since March of 2020 by helping property owners satisfy the debt on their property, and funding would be for the eligible grantee, and the landlords, apartment owners, property managers, and not to individual renters. The current amount of funding available at the state level is \$175,746,400, which can be expended through December 31, 2021

Sen. Grow discloses his potential conflict of interest with a close relative who is a major Administrator with the Idaho Housing Authority citing the **Senate Rule 39**.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Woodward**, granted by unanimous consent, the FY 2021 budget for the Executive Office of the Governor was reopened.

MOTION: Original Motion: Moved by **Sen. Woodward**, and seconded by **Rep. Amador**, for the executive office of the Governor Fiscal Year 2021, one-time appropriation from the federal COVID-19 relief fund of \$175,746,400.

DISCUSSION **Rep. Nate** opposed the motion both in principle and in execution, encouraging a no vote.

CARRIED: **AYES: 16.**
 Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye. Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 4.
 Crabtree, Horman, Nate, Giddings.
ABSENT/EXCUSED: 0.

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**.

DISCUSSION **Mr. Headlee** presented the Section 2 about Emergency Rental Assistance and pointed out the language is relative to increments of \$10 million.
Sen. Woodward request unanimous consent to accept the language on the screen.

UNANIMOUS CONSENT: Requested by **Sen. Woodward**, granted by unanimous consent, the language on the screen is accepted.

LSO STAFF PRESENTATION: **Five Percent (5%) General Fund Rescission for FY 2021, Paul Headlee, LSO Division Manager.**
Mr. Headlee introduced the supplemental request for consideration a rescission of 5% for the state agencies for Fiscal Year 2021. On July 1, Governor Little issued the executive order 2020-14 authorizing a reduction of General Fund spending authority in FY 2021 for all departments, offices, and institutions in the amount to 5% of their General Fund appropriation. Participation in the holdback was optional for elected state constitutional officers, the judicial branch and the legislative branch, and the amount of the holdback is \$96,840,000.
 The Governor recommends that the Legislature reduce the appropriation for each of these agencies on a one-time basis for FY 2021. This rescission could be taken through an omnibus action and included in a single appropriation bill, and this was the approach used last session for a 1% Fiscal Year 2020 General Fund rescission.

UNANIMOUS CONSENT: Requested by **Sen. Agenbroad**, granted by unanimous consent, the FY 2021 budget for the agency and institutions shown on pages 2 through 7 of the motion packet was reopened.

MOTION: Original Motion: Rescission moved by **Sen. Agenbroad**, and seconded by **Rep. Troy**, for a one-time General Fund rescission for the state agency's offices and institutions shown on pages 2-7 of this packet. The total for the motion is a reduction of \$96,840,000 from the fund.

CARRIED: **AYES: 20.**
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye. Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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. Woodward**, granted by unanimous consent, the language on the screen is accepted.

LSO STAFF PRESENTATION: **Transfer from Public Health Trust Fund (General) to the General Fund.**
Paul Headlee,
LSO Division Manager.

Mr. Headlee introduced a request of a cash transfer that needs to be made to a movement back of \$491,100 from the Public Health Trust Fund General, to the General Fund. Original Motion: Moved by **Sen. Agenbroad**, and seconded by **Rep. Troy**, for FY 2021 appropriation and transfer of up to \$491,100 from the Public Trust Funds to the General Fund.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, and seconded by **Rep. Troy**, for FY 2021 appropriation and transfer of up to \$491,100 from the Public Trust Funds to the General Fund.

CARRIED: **AYES: 20.**
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye. Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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 **S Sen. Woodward**, granted by unanimous consent, the language on the screen is accepted.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:05 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, February 09, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARING		
	<i>(LSO Analyst: Keith Bybee)</i>	
8:00	State Liquor Division, LBB p.6-81	Jeff Anderson, Director
	Idaho Lottery, LBB p.5-75	
	<i>(LSO Analyst: Jill Randolph)</i>	
	State Independent Living Council, LBB p. 2-83	Mel Leviton, Executive Director
	Historical Society, LBB p. 5-65	Janet Gallimore, Executive Director
9:30	<i>Break</i>	
	<i>(LSO Analyst: Paul Headlee)</i>	
OFFICE OF THE GOVERNOR		
	Executive Office of the Governor, LBB p. 6-67	Alex Adams, Administrator, Office of the Governor, Division of Financial Management
	Division of Financial Management, LBB 6-63	
TECHNICAL CORRECTION		
	Transfer from Public Health Trust Fund	Paul Headlee, LSO, Division Manager
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	Department of Agriculture Building Idaho's Future - Laboratory Equipment, LBB p. 5-8	Rob Sepich, Senior Analyst
	Office of the Governor Commission on Aging - Federal COVID-19 Relief Funding	Jill Randolph, Senior Analyst

Office of the State Board of Education
OSBE Administration - Idaho Cattle Foundation
Disbursement

Janet Jessup, Senior Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 09, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green and Nash.

ABSENT/ EXCUSED: None

CONVENED: **Chairman Bair** called the Joint Finance-Appropriations Committee (Committee) meeting to order at 8:01 a.m.

AGENCY PRESENTATION: **IDAHO STATE LIQUOR DIVISION, Jeff Anderson, Director; Keith Bybee, LSO Analyst**

The mission of the Idaho State Liquor Division is to provide control over the importation, distribution, sale, and consumption of distilled spirits; curtail intemperate use of beverage alcohol; and responsibly optimize the net revenues to the citizens of Idaho.

Historical Summary: In FY 2020, the division spent 5.5 percent less than appropriated. FY 2022 budget request was an 8.1 percent increase over FY 2021 original appropriation of \$22,732,900. The Governor recommended a 6.9 percent increase for a total of \$24,302,900.

The Distribution Model was discussed, In FY 2020, the liquor division distributed over \$95 million to state and local governments. The General Fund received approximately \$40 million dollars. Cities and counties get 26.4 percent and 18.2 percent respectively. \$800,000 went to community colleges. Two percent of a surcharge goes to court services, \$2.0 million for substance abuse treatment, \$2.7 million for magistrates courts. \$1.2 million to public schools, \$680,000 for core services, the Cooperative Welfare Fund gets \$660,000, Supervision Fund gets \$440,000. There is new legislation concerning the current liquor distribution formula which was presented in House Bill 30.

Organizational Chart: As of January 29, 2021, there were 8.00 vacant positions.

FY 2020 Actual Expenditures Variance Report: original appropriation was for \$22,377,400. \$1,234,100 or 5.5 percent of this original appropriation was reverted.

Comparative Summary: The agency requested 8.1 percent, increase due to the health insurance increases and 1 percent in the CEC. The Governor's recommendation includes a reduction of benefit costs and an increase in CEC.

FY 2021 Budget: There were three line items. The first was for \$124,400 for store relocations, the second was for \$56,000 for warehouse software maintenance contract, \$239,900 to increase store staffing levels. There was an object transfer of \$3,500,000 from operating expenditures to capital outlay to comply with the GASB 87 rule regarding capitalized leases. The replacement items included security systems, warehouse equipment, additional supplies, and fixtures for stores.

FY 2022 Budget Request: There were six line items requested:

- \$582,500 in wage increases for retail and distribution center employees is necessary for us to remain competitive in recruiting and retaining staff.
- \$51,700 for a material handler at the distribution center, due to volume increases.
- \$84,400 to convert group positions to classified positions. This covers the benefits in the PERSI costs to the agency.
- \$198,000 for a normal cycle of relocation and or remodeling of two stores here in Idaho.
- \$720,000 from vacated funds for enterprise resource planning software. for upgrades to the ERP. It was also discovered that LUMA could not meet the needs, more complex than first thought and out of scope of what LUMA is authorized to do.
- \$85,400 recommendation from the Division of Human Resources to add human resources associate.

Questions from the Committee was answered by **Director Anderson** and **Mr. Bybee**.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

IDAHO STATE LOTTERY, Jeff Anderson, Director; Keith Bybee, LSO Analyst

The Idaho State Lottery was established in 1989. The mission of the state lottery is to maximize net income and the resulting annual dividend payment for Idaho public buildings and schools.

Historical Summary: The FY 2021 appropriation was \$6,299,800. The Governor's recommendation is for \$6,450,500 which is a 2.4 percent increase. The Lottery Revenue Distribution page provided details on what was collected and how it was distributed over a three-year period. The Dividend Payment table detailed distributions ranging from FY 2007 up to the forecasted amount for FY 2022.

Organizational Chart: There are two vacant FTP as of January 29, 2021 and are attempting to recruit and fill.

Performance Report: **Director Anderson** stated that FY 2020 participation was less than FY 2019. He expects participation to return to what it was in prior years, once things return to normal, post COVID.

FY 2020 Actual Expenditures Variance Report: The original appropriation was \$6,159,100. \$983,600 or 16 percent of the appropriation was reverted. Actual expenditures were \$5,168,900.

Comparative Summary: The agency requested \$6,483,700, and the Governor recommended \$6,450,500. The difference is in the benefit cost line.

FY 2021 Budget: There were two line items. the first was for \$17,400 for staff salary increase and the second was for \$75,700 for increased shipping and equipment costs.

FY 2022 Budget Request: There were replacement costs for \$44,600 for computer and network equipment. There were two line items for additional shipping costs of \$99,000 and for \$22,500 for IT Infrastructure and software subscriptions.

See [Presentation](#) and [Audio](#) here.

AGENCY

PRESENTATION:

STATE INDEPENDENT LIVING COUNCIL; Mel Leviton, Executive Director; Jill Randolph, LSO Analyst

The Idaho State Independent Living Council (SILC) engages in activities that assist in providing Idahoans across disabilities and age a greater voice in obtaining services that are consumer-responsive, cost-effective, and community based.

Historical Summary: This agency is not organized within one of the 20 constitutional departments, but Idaho code. There is one budgeted program and three funding sources. The largest fund is the dedicated fund at 51 percent of the total appropriation, General Fund at 32 percent, and the Federal Grant Fund which accounts for 16 percent.

Organizational Chart: There are four FTP governed by a council.

Performance Report: **Director Leviton** talked briefly about the Council's goals and outcomes.

FY 2020 Actual Expenditures Variance Report: There were no midyear adjustments. There was a reverted appropriation of \$268,900, 37 percent of their total appropriation. 100 percent of the federal fund appropriation \$117,600 was reverted.

Comparative Summary: The agency requested an increase of 1.2 percent and the Governor recommended a 1.0 percent increase.

FY 2021 Budget: There was one line item funded for the Office of Information Technology Services Billings for \$800.

FY 2022 Budget Request: All of the adjustments are the standard adjustments and is a maintenance budget.

See [Presentation](#) and [Audio](#) here.

AGENCY

PRESENTATION:

HISTORICAL SOCIETY, Janet Gallimore, Executive Director; Jill Randolph, LSO Analyst

The Idaho Historical Society is a system of cultural and historic resources composed of the Idaho State Museum, Idaho State Archives, State Historic Preservation Office, and Historic Sites Program, and was established in 1907 and is organized within the Department of Self-Governing Agencies.

Historical Summary: There is one budgeted program to cover all of the functional areas. Their appropriation is 53 percent General Funds, 26 percent dedicated funds and 21 percent federal funds.

Organizational Chart: There are 57.00 FTP and are 2 vacant positions.

Performance Report: **Director Gallimore** gave a brief overview and focused in three areas of this report discussing their goals and outcomes.

There were four audit findings with two currently open. The agency has taken action to meet all of the recommendations that LSO has submitted.

FY 2020 Actual Expenditures Variance Report: There were two adjustments. One was a transfer from operating expenditures into capital outlay and trustee/benefit payments. There was a receipt to the appropriation for \$5,200 for the sale of three vehicles. The agency reverted \$1,476,400, a total of 19.5 percent of their total appropriation; the largest portions from Miscellaneous Revenue Fund and federal funds.

Comparative Summary: The agency requested a total increase of 2.5 percent and the Governor recommended an increase of 6.3 percent.

FY 2021 Budget: There were three line items funded. The first was a fund transfer of \$181,500 from the federal funds to dedicated funds to correct an audit finding. The second was \$700,000 for new tech system, and the last was for \$250,000 for fund-raising.

FY 2022 Budget Request: The agency received CARES Act funding which was a direct appropriation from their federal partners used to maintain some positions at the Old Idaho Penitentiary, due to COVID closure in the spring. There is one adjustment for replacement items for \$26,600 in dedicated funds to replace computer equipment.

Director Gallimore gave a brief presentation on a “metaphorical artifact” of the state capital. This is the 100th anniversary of the Capitol this year. She provided a fact sheet in with detailed information about that. The exhibit, 16 rare original drawings and one painting of the Idaho Capitol are displayed in the garden level.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**OFFICE OF THE GOVERNOR, EXECUTIVE OFFICE, Alex Adams,
Administrator, Division of Financial Management; Paul Headlee, LSO
Analyst**

There are four divisions within this office; the Administration Division, Division for Acting Governor Pay, Division for Expense Allowance, Division for Governor's Emergency.

Historical Summary: This is funded with a mix of General Fund, dedicated funds, and federal funds. In FY 2020, the agency spent \$2,150,300 in the administration program, \$8,400 in Acting Governor Pay, \$1,200 in Expense Allowance and \$6,838,700, which was not appropriated, and was noncognizable funding made up of CARES Act funds. These funds were payments to sub grantees, with \$5.1 million used for the rental assistance program that was recommended by CFAC, and approved by the Governor.

Organizational Chart: There is 21.0 FTP with 1.00 FTP vacant. There were two changes FY 2021, the Governor has named a deputy chief of staff, and hired a new general counsel.

FY 2020 Actual Expenditures Variance Report: The original appropriation was \$2,283,000. There was a supplemental appropriation that transferred \$2 million from the General Fund into the Governor's Emergency Fund. This fund is different than the disaster emergency fund. Those funds have not been expended and are still in that fund. There was \$1,250,000,000 brought into the budget through the noncognizable process of which \$950,000,000 was transferred from operating into trustee/benefits. There were reverted appropriations for \$96,000 in General Funds, \$2,000,000 in the Governor's Emergency Fund was reverted unspent, and \$1,243,161,300 reverted due to a deadline that was not met. There was a positive reversion of 111.4 percent.

Comparative Summary: This is a maintenance budget; there are no line items, the 5 percent executive hold back of \$113,400 that was restored. FY 2022 there was maintenance costs and no line items, with a decrease in benefits and increase in CEC recommended by the Governor.

FY 2021 Budget: There was a COVID Relief Act supplemental for rental assistance for \$110,000,000, and there was a noncognizable request for \$943,161,300 of CARES Act funds.

FY 2022 Budget Request: There is \$2,000,000 that remains in the Governor's Emergency Fund, but the CARES Act funds have moved out of the base. There are the maintenance item adjustments for benefit costs, statewide cost allocations, and CEC. There were no line items.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**OFFICE OF THE GOVERNOR, DIVISION OF FINANCIAL
MANAGEMENT; Alex Adams, Administrator, Division of Financial
Management; Paul Headlee, LSO Analyst**

The mission of the Division of Financial Management (DFM) is to support the Governor's vision of short and long-term policies through effective resource allocation.

Historical Summary: There are four main units within the division: the Budget Unit, the Economic Analysis, Management Services, and Regulatory and Legislative Affairs which includes the Office of Administrative Rules. It is funded with a mix of general funds and dedicated funds. There are no federal funds in this division.

Organizational Chart: There are 19.00 FTP and 1 vacant FTP appropriated for this division.

FY 2020 Actual Expenditures Variance Report: Of the total appropriation, there was \$260,700 of 10.5 percent reverted.

Comparative Summary: This is a maintenance budget and you can see the overall increase 1.0 percent and a .6 percent recommendation from the Governor.

Performance Report: **Mr. Adams** gave a brief overview.

FY 2021 Budget: There were two line items funded. The first was the FTP for a rule's compliance coordinator position. The other line item was for programing updates. The 5 percent executive hold back was restored. There was the removal of onetime expenditures; and the restoration of the rescission.

FY 2022 Budget Request: There were no line items requested. There were other maintenance item adjustments in benefits, statewide cost allocation and the change in (CEC). The total request of \$2,639,940, is a 1 percent increase from the previous year.

See [Presentation](#) and [Audio](#) here.

LSO STAFF PRESENTATION: **TECHNICAL CORRECTION, Transfer from Public Health Trust Fund, Paul Headlee, LSO Division Manager**

UNANIMOUS CONSENT: Requested by **Senator Agenbroad**, granted by unanimous consent, to reopen the FY 2021 budget for Public Health Districts.

MOTION: Moved by **Senator Agenbroad** for fiscal year 2021 the appropriation and transfer of up to \$491,100 from the General Fund to the Public Health Trust (General) Fund, seconded by **Representative Troy**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senators Lent and Ward-Engelking.

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 **Senator Agenbroad**, granted by unanimous consent, to accept the language shown on the screen.

INTENT LANGUAGE: SECTION 2. CASH TRANSFER. Of the amounts reduced in Subsection (4) of Section 1 of this act from the Public Health Trust (General) Fund, there is hereby appropriated and the Office of the State Controller shall transfer up to \$491,100 from the Public Health Trust Fund to the General Fund as soon as practicable for the period July 1, 2020, through June 30, 2021.

See [Audio](#), [Motion](#), and [Ballot](#) here.

SUPPLEMENTAL APPROPRIATIONS

LSO STAFF PRESENTATION: **DEPARTMENT OF AGRICULTURE, Building Idaho's Future-Laboratory Equipment, Rob Sepich, Senior Analyst, LSO**

UNANIMOUS CONSENT: Requested by **Representative Troy**, granted by unanimous consent, to reopen the fiscal year 2021 budget for the Department of Agriculture.

MOTION: Moved by **Representative Troy** for the fiscal year 2021 budget for the Department of Agriculture an increase of \$427,500 from the General Fund. seconded by **Crabtree**.

CARRIED: **AYES: 19**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Lent

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**.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

OFFICE OF THE GOVERNOR, Commission on Aging-Federal COVID-19 Relief Funding; Jill Randolph, Senior Analyst, LSO

**UNANIMOUS
CONSENT:**

Requested by **Representative Green**, granted by unanimous consent, to reopen the fiscal year 2021 budget for the Commission on Aging.

MOTION:

Moved by **Representative Green** for fiscal year 2021, for the Commission on Aging, an additional \$862,400 in federal funds, seconded by **Senator Ward-Engleking**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Lent

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**.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

OFFICE OF THE STATE BOARD OF EDUCATION (OSBE), Administration-Idaho Cattle Foundation Disbursement; Janet Jessup, Senior Analyst, LSO

**UNANIMOUS
CONSENT:**

Requested by **Senator Crabtree**, granted by unanimous consent, to reopen the fiscal year 2021 budget for the Office of the State Board of Education.

MOTION:

Moved by **Senator Crabtree** for the fiscal year 2021, for the Office of the State Board of Education an additional \$50,000 onetime from the Miscellaneous Revenue Fund to distribute moneys for agricultural research and education programs, seconded by **Representative Bundy**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Lent

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**.
See [Audio](#), [Motion](#), and [Ballot](#).

ADJOURNED: There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:30 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, February 10, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
	BUDGET HEARINGS	
	<i>(LSO Analyst: Keith Bybee)</i>	
8:00	Department of Commerce, LBB p. 5-17	Tom Kealey, Director
	Department of Labor, LBB p. 5-41	Jani Revier, Director
	Workforce Development Council, LBB p. 6-113	Wendi Secrist, Director
	Department of Finance, LBB p. 5-23	Patti Perkins, Director
9:30	<i>Break</i>	
	Department of Insurance, LBB p. 5-33	Dean Cameron, Director
	<i>(LSO Analysts: Christine Otto and Maggie Smith)</i>	
	Change in Employee Compensation (CEC) Committee Report	Senator Jim Patrick & Representative James Holtzclaw, Committee Co-Chairs

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 10, 2021
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Van Orden (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: **DEPARTMENT OF COMMERCE, Tom Kealey, Director.**
Keith Bybee, LSO Analyst.

Dir. Kealey introduced the Department of Commerce highlighting the agency is dedicated to aiding in the creation of jobs, generating economic growth, creating economic opportunities, and advancing the well-being and prosperity of Idaho citizens. The agency offers many economic development programs to both existing and new businesses to the state and is committed to ensuring access to services and information for all its customers and partners.

The agency received almost \$3 billion in funds from Idaho enterprises and organizations. The agency granted almost \$50 million and completed 83 broadband expansion projects for \$38 million, impacting over 110 communities, and improving broadband infrastructure and service for 30,000 households, businesses, libraries, health care clinics, hospital facilities, public safety organizations and local governments across Idaho.

The agency has 43 appropriated positions, of those five are non-classified, including Director of public information specialist, economic development initiative specialist, and two Administrator positions; and 38 positions are classified.

Mr. Bybee presented the historical summary for the Idaho Department of Commerce, pointing out the department is funded by several funds, including General Fund, dedicated funds (which include the Idaho Opportunity Fund), and projects (or Director Fund), and the Idaho Tourism Promotion Fund. This last fund is funded with the 2% tax on hotels, motels, and campgrounds, the funds are split almost 50/50 between local tourism districts and the Idaho Department of Commerce.

The total original appropriation in 2021 amounted to \$37.5. The request for this year is almost \$37.6 million, and the Governor's Budget is at \$37,597,400, a 0.3% increase from FY 2021.

Dir. Kealey introduced the performance measure for the agency. FY 2020 showed strong results. The state's 2% lodging tax declined by just returned 4% in FY 2020 over 2019. A direct result of the COVID-19 impacts in the spring and early summer of the calendar year 2020.

Mr. Bybee spoke about the budget report, highlighting the agency had an original appropriation of \$42,419,000, with almost 6 million originated from the General Fund, and \$16.3 million from federal grants. The budget shows a total reversion of \$13,720,900 million, which is the difference between appropriation and actual expenditures and is composed of 38.5% for the Federal Fund, and 32.4% overall.

For FY 2022, the agency requested \$37.59 million. For FY 2021, the legislature funded two line-items: one for a broadband coordinator position, and one to reduce the Federal Fund appropriation in trustee benefit payments by \$5 million.

The Building Idaho's Future supplemental request has a \$1 million transfer to the Idaho Opportunity Fund which seeks to further the state's economic rebound and create a long-lasting benefit to all Idahoans. There is also a 35 million supplemental for broadband. It is also noted the department of commerce participated in the 5% temporary reduction.

**AGENCY
PRESENTATION:**

**DEPARTMENT OF LABOR, Jani Revier, Director.
Keith Bybee, LSO Analyst.**

Dir. Revier introduced the Department of Labor, its main function is to administer Unemployment Compensation (UC), a social insurance program. It is designed to provide benefits to most individuals out of work, generally through no fault of their own, for periods between jobs.

Due to the pandemic, congress passed additional federal assistance to out of work individuals. These programs expired at the end of December and Congress extended them through March 15 with the Continued Assistance Act. The department was able to immediately pay about 80% of claimants eligible for an extension of benefits. The remaining 20% were paid within one month of the bill's passage.

The department is organized into three divisions: workforce and Commission, Determination, and Administrative Services.

My Bybee introduced the budget, explaining the reorganization of the agency changes the budget programs from five to three. The budget shows a total appropriation for FY 2020 for \$93.9 million, the agency spent \$54.9 million. For FY 2021 the budget was \$97,300,000 with a Governor's recommendation of \$100,400,000.

Dir. Revier spoke about the performance measures, pointing out the department met its established performance target in FY 2020.

Mr. Bybee highlighted the FY 2020 budget for the agency had a large appropriation of \$93.9 million, and \$39 million were reverted as unspent appropriation, most of which in the Federal Fund category. The Wage and Hour program is funded by the General Fund and it participated in the 5% reduction for \$26,500. The agency was authorized for a total of almost \$26 million non-cognizable adjustments, in response to the global pandemic

AGENCY **WORKFORCE DEVELOPMENT COUNCIL, Wendi Secrist, Director.**
PRESENTATION: **Keith Bybee, LSO Analyst.**

Dir. Secrist introduced the Idaho Workforce Development Council, explaining the council has been in existence as an independent entity under the executive office of the Governor since late 2017. The council consists of 37 dedicated members of the business community, state agency leaders, and labor, education, and community organizations.

The objective of the council is to help Idahoans in the careers they choose and puts them on a path of prosperity. The council works to provide employers with highly educated, skilled talent they need to thrive today and into the future.

The council received \$2.5 million from the U.S. Department of Labor to scale youth apprenticeship in DPLOA.

My Bybee explained the historical summary of the budget, highlighting the council had a budget of \$8,571,100 in FY 2020. The council spent \$6.5 million, which is a 23.8% decrease from the budget. FY 2021 shows an increased appropriation of \$12,894,800. FY 2022 has a request of \$9.3 million and the Governor's recommendation of \$9.337 million. The organization chart shows five positions authorized.

The Workforce Development Council is funded with a combination of small federal grants, but the Workforce Development Training Fund is derived from the diversion of Unemployment Insurance taxes equal to 3% of the taxable wage rate authorized and payable under Section 72-1203, Idaho Code, and maintained separately in the state treasury.

Dir. Secrist spoke about the performance measures, pointing out the goals set for the council is focusing on partnerships among agencies and industry associations, along with education and employers specific to outreach responsibilities.

The council developed new performance measures for FY 2022.

Mr. Bybee highlighted the variance report showing the council had \$8,572,100 available in the FY 2020, most of the budget (\$7.7 million) is dedicated to grants. This is due to the slow rollout of grants, payments, and reimbursements.

For FY 2021, the legislature approved two line-items: \$4,315,500 for additional grant awards on a one-time basis, and a \$3,200 fund shift from federal grants to the Workforce Development Training Fund.

The Workforce Development Council (WDC) requests 1.00 FTP and \$750,500 from federal funds for a new program administering Youth Apprenticeship Readiness Grants.

The agency requests authority to carry over its unencumbered and unspent appropriation balances from FY 2021 into FY 2022.

AGENCY **DEPARTMENT OF FINANCE, Patti Perkins, Director.**
PRESENTATION: **Keith Bybee, LSO Analyst.**

Dir. Perkins introduced the Department of Finance, explaining the department is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated lenders, securities issuers, broker-dealers and stockbrokers, residential mortgage brokers and lenders, investment advisers and sales personnel, collection agencies, endowed care cemeteries, and others. The department licenses over 200,000 individual businesses or entities, administers 22 regulatory statutes, and has 66 full-time employees.

The department is funded entirely by the fees paid by the industries that are being regulated. The fees allow the department to be self-funded the next FY and contribute to the General Fund all revenue and salary savings that exceed 125% of the following year's budget. For FY 2021, the department transferred over \$4 million to the General Fund.

The department enforcement actions for the past FY resulted in over \$935,000 in restitution and refunds ordered for the benefit of Idaho residents.

Mr. Bybee spoke about the budget for the Department of Finance, showing that FY 2020 had a total appropriation of \$10,720,800. The large increase in the budget was caused by the move of the offices to the Chinden Campus.

The FY 2020 expenditures were \$8.4 million. The request for this year was \$9,124,000, a 2.2% increase over FY 2021. The Governor recommended a slight reduction, largely due to the changes in the benefit costs.

The department is funded with the fees received from banks, credit unions, savings banks, and finance companies, etc. These are loaded in the main regulatory fund and used to cover the cost of regulating the financial industry in Idaho. The department has also small funds, used for training and also for payments that a court of law should order.

Dir. Perkins spoke about the performance measure, pointing out that in FY 2020 the department licensed over 202,000 professionals to do business in Idaho, and nearly 7% of growth in the mortgage company and branch licenses. Over 95% of the licensees reside outside of Idaho.

In summary, despite the COVID-19, the department conducted 100% of the state-chartered bank examination within the statutory time frame. The department filled 23 open positions.

Mr. Bybee reported the variance report for FY 2020 pointing out the agency did not spend the \$1.8 million appropriated for the move out to the Chinden campus. The actual expenditures for FY 2020 were 21.6% less than the budget.

The original appropriation for 2021 had two line-items, including \$171,000 for two money services business examiners, and \$87,500 for one mortgage financial examiner.

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation of \$1,800,000 for costs associated with designing and constructing space at the Chinden Campus from FY 2020 into FY 2022.

The department has a request that includes \$34,200 to replace 19 laptop, and \$11,400 for 19 monitors and docking stations.

AGENCY DEPARTMENT OF INSURANCE, Dean Cameron, Director.
PRESENTATION: Keith Bybee, LSO Analyst.

Dir. Cameron explained the Department of Insurance (DOI) mission is to serve and protect Idahoans by equitably, effectively, and efficiently administering the Idaho Insurance Code and the International Fire Code. The department has two budgeted programs: the Insurance Regulation Division and the State Fire Marshal's Office.

The department has 69 positions, 5.5 vacant positions, with 13 new hires in FY 2020. The department experienced an 18% turnover rate with 14 separations.

Mr. Bybee reviewed the historical summary for the department, pointing out it is organized in two divisions, the Insurance Regulation, and the State Fire Marshal. The department was funded with fees, penalties, and miscellaneous charges assessed on the insurance industry that are collected and deposited into the insurance administrative account.

For FY 2021 the General Fund distributions are projected to be \$104 million, and \$103.4 million for fiscal 2022. In FY 2020 the distributions were \$110 million.

The organizational chart shows 71.5 authorized full-time equivalent positions.

Mr. Bybee reported the total budget for FY was \$9.7 million. FY 2020 has an unspent amount of \$1.7 million. The comparative summary shows the largest increase for the current and last year was for replacement items. There were no line items in the FY 2021 budget and there are no line items requested for FY 2022 budget.

FY 2022 shows an agency request of \$206,000 increase over FY 2021 and the Governor's recommendation of about \$150,000 over FY 2021.

AGENCY

PRESENTATION:

CHANGE IN EMPLOYEE COMPENSATION (CEC). Sen. Jim Patrick & Rep. James Holtzclaw, Committee Co-Chairs. Christine Otto and Maggie Smith, LSO Analysts.

Sen. Patrick declared in accordance with section 67-5309, Idaho Code, that the intent of the legislature of the State of Idaho, that the goal of the total compensation system for the employees shall be to fund a competitive employee compensation benefits package that will attract qualified applicants to the workforce, retain employees who have a commitment to public service, excellence, motivate employees to maintain a high standards productivity, reward employees for outstanding performance.

The state's compensation program, which includes both salary and benefit components, when taken as a whole will be competitive with relevant labor market averages. Advancement in pay shall be based on job performance and market changes.

Pay performance shall be provided, shall provide salary advancement for high performers, based on merit, and all employees, below the state's market average in salary range meeting expectations of their jobs move through the pay range towards the market average. The studies have shown that the State is 12% below the market for the last several years.

A recommendation for the current year is relative to the salary structure, where adjustment should be shifted up by 2% at the minimum, policy, and maximum pay rates in all pay grades with the exception of Pay grade D, where the minimum is \$7.25 an hour. The state shall maintain job classifications with a pay line exception to address specific recruitment and retention issues recommended by the Change in Employee Compensation report from the Division of Human Resources.

The fiscal impact would be \$324,200 to bring 417 employees up to the new minimum of the salary ranges. Of the total of \$134,400 is from the General Fund, \$39,000 is from the dedicated funds, and \$150,800 is from the federal funds.

The legislature should fund an ongoing 2% increase in the personnel costs to provide a merit-based increase for state employees with flexibility that allows for agency heads and institution presidents to distribute those funds as needed. It is estimated the impact of 2% CEC is \$29,218,500 from all funds.

The legislature should maintain the current employee health benefits package with no significant changes in plan design. Appropriation levels should remain at \$11,650 per FTP.

The legislature should maintain the current PERSI benefit package. Additionally, a one-year holiday for employees that contribute to PERSI — managed sick leave plan, should be implemented.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Bair**, granted by unanimous consent, the Committee report has been accepted.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:50 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, February 11, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Legislative Branch, LBB p.6-119 <i>(LSO Analyst: Paul Headlee)</i>	
	Legislative Services Office, LBB p. 6-125	Eric Milstead, Director, Legislative Services Office
	Redistricting Commission, LBB p. 6-135	
	Office of Performance Evaluations, LBB p. 6-131	Rakesh Mohan, Director Office of Performance Evaluations
	Review of JFAC Statewide Budget Decisions	Paul Headlee, Manager, LSO, Budget & Policy Analysis

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, February 11, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Co-chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/EXCUSED: Representative Amador

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

AGENCY PRESENTATION: **LEGISLATIVE SERVICES OFFICE, Eric Milstead, Director, Legislative Service Office; Paul Headlee, LSO Analyst**

The mission of the Legislative Services Office (LSO) is to provide efficient, non-partisan support services to Idaho's Legislators, to carry out legislative policies so as to strengthen the Legislature's management as a separate branch of government, and to assist the Legislature in carrying out its constitutional responsibilities.

Historical Summary: There is one budgeted division that provides much of the support services for the legislature. It's funded with a mix of general fund and dedicated funds. And there are five divisions; Administration Services, Research and Legislation, Budget and Policy Analysis, Legislative Audits, and Information Technology.

Organizational Chart: There are 66 FTP and 3.00 vacant FTP.

FY 2020 Actual Expenditure Variance Report: There are four funds; General Fund, Miscellaneous Revenue Fund, the Capital Facilities Fund, and the Professional Services Fund that receives the revenue from the audit division. There was a rescission that was related to the sick leave reduction, and the one percent onetime omnibus decision of removal of funds. The reverted amount in the General Fund was \$114,100 or 2.1 percent. The Technology Infrastructure Stabilization Fund was \$107,600. The Miscellaneous Revenue Fund, had a large percentage reversion

Comparative Summary: Both supplemental appropriations have been acted on by the Committee and show up in House Bill 18. The executive holdback of five percent was restored. The difference between the agency request and the Governor's recommendation is in benefits and is due to the reduction on health insurance costs. There was one line item request for a Legislative drafting attorney.

FY 2021 Budget: There were three line items. The first was for 1.00 FTP and \$109,800 from the General Fund for a revenue analyst position. The second was a onetime 1 percent base reduction of \$55,000 and the last was for an ongoing decrease of \$400,000 from the dedicated fund to adjust the appropriation closer to estimated expenditures. There were two supplemental appropriations that were completed by action of the Committee. The five percent temporary reduction was achieved by keeping some positions open and was restored. There were noncognizable funds from the CARES Act for \$1,256,100 used for Audio and Video upgrades.

FY 2022 Budget Request: There are replacement items for \$15,400 for replacement for laptops used out in the field. There was one line item for a legislative drafting attorney \$105,000.

Director Millstead answered questions from the Committee.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

REDISTRICTING COMMISSION, Eric Milstead, Director, Legislative Service Office; Paul Headlee, LSO Analyst

The Redistricting Commission is mandated to fulfill its constitutional responsibilities of drawing new legislative and congressional districts, and the Legislative Council shall furnish secretarial and other staff assistance as the commission requires in the performance of its duties. This support is furnished through the LSO under the direction of Legislative Council.

Historical Summary: The redistricting commission is funded solely with general funds. The appropriation for fiscal year 2021 of \$444,900 and the support staff is furnished through the Legislative Services Office.

FY 2021 Budget: There was one line item for a onetime request for \$444,900 to support the Commission. There is a request for carryover of those funds.

FY 2022 Budget Request: There is one line item request for a onetime amount of \$171,800 from the General Funds to support the Commission's operations and to purchase Geographic Information System (GIS) software.

Mr. Milstead and Keith Bybee answered questions from the committee.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

OFFICE OF PERFORMANCE EVALUATIONS, Rakesh Mohan, Director; Paul Headlee, LSO Analyst

The Office of Performance Evaluations, (OPE), is overseen by the Joint Legislative Oversight Committee and its mission is to promote confidence and accountability in state government by conducting evaluations of state agencies, programs and policies, credibility is based on four components; independence, objectivity, non-partisanship and thoroughness.

Historical Summary: OPE is funded exclusively from the General Fund. The FY 2020 appropriation was \$940,800 with actual expenditures of \$912,000.

Organizational Chart: OPE has 8.00 FTP with no vacant positions.

FY 2020 Actual Expenditure Variance Report: The original appropriation was \$952,100. There was a rescission of \$1,800 for the sick leave reduction, a 1 percent omnibus reduction, and a net object transfer of \$37,000 out of personnel into operating. There was \$28,800 unspent which was a 3.1 percent reversion.

Performance Report: **Director Mohan** gave an overview of the department's performance measure goals and outcomes.

Comparative Summary: This is a maintenance budget. The difference in the agency request and Governor's recommendation is in the benefits costs and CEC.

FY 2021 Budget: There was one line item for a onetime 1 percent base reduction of \$9,500 from personnel costs and was accomplished by cutting down on travel to conferences and training.

FY 2022 Budget Request: There was a request for onetime funding for replacement items for \$6,100 from General Fund for computers, monitors and phones. There are no items and the rest of the budget items are maintenance items. the Agency request is \$988,500 which is a four percent increase on the general fund.

See [Presentation](#) and [Audio](#) here.

**LSO STAFF
PRESENTATION:**

**JFAC STATEWIDE BUDGET DECISIONS, Paul Headlee, Manager, LSO
Budget & Policy Analysis**

Mr. Headlee presented information on the FY 2021 and FY 2022 General Fund Revenue for Budget Setting and Statewide Decisions, which are needed to be made prior to setting the FY 2022 budget. These are the statewide decisions which are applied evenly across all the agencies, at least maybe through revenue number or maybe a rate or a percentage that are applied to all the agencies there.

See [Presentation](#) and [Audio](#) here.

CONVENED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 9:10 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, February 12, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Department of Parks and Recreation, LBB p.4-37 <i>(LSO Analyst: Rob Sepich)</i> Lava Hot Springs Foundation, LBB p.4-47	Susan Buxton, Interim Director Devanee Morrison, Executive Director
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	DEPARTMENT OF PARKS AND RECREATION, LBB p. 4-41 Building Idaho's Future	Rob Sepich, <i>Senior Analyst</i>
	DEPARTMENT OF WATER RESOURCES, LBB p. 4-53 Building Idaho's Future	Rob Sepich, <i>Senior Analyst</i>
	DEPARTMENT OF HEALTH AND WELFARE, LBB p. 2-7	Jill Randolph, <i>Senior Analyst</i>
	Division of Medicaid, COVID-related MOE - Traditional, LBB p. 2-30	
	Division of Medicaid, MOE and Expansion, LBB p. 2-30	
	Division of Medicaid, Receipt Authority, LBB p. 2-31	
	Division of Medicaid, Medicaid Expansion Funding, LBB p. 2-30	
	Division of Medicaid, Program Growth, LBB p. 2-30	
	Division of Welfare, COVID-19 Relief Act Funding	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 12, 2021
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Van Orden(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: Representative(s) P. Amador, B. Green
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF PARKS AND RECREATION, Susan Buxton, Interim Director.**
Rob Sepich, LSO Analyst.

Ms. Buxton introduced the Department of Parks and Recreation explaining that the department's mission is to improve the quality of life in Idaho through outdoor recreation and resources. To accomplish that mission, the department operates 30 state parks, manages programs for snowmobiles, boats, off-highway vehicles, and administers a collection of outdoor recreation grant programs. Board members are appointed to six-year terms, and the agency has two primary divisions, the Operations, and Administration Division. While the Administration division manages supports functions, reservations, and registrations; the Operations division manages the state parks and recreation program.

The agency employs seasonal workers and uses volunteers during peak visitation periods. The parks had a record-shattering 7.7 million visitors, which is about 1.2 million visitors over the previous year. The agency has been able to secure \$1.2 million in CARES Act funding. Approximately 92% of the funds are dedicated funds, and the agency supports the Governor's Budget recommendation.

Mr. Sepich reviewed the budget for the agency explaining the budget has two main divisions, plus a third one that is entirely dedicated to capital development, with no appropriation. The agency is primarily funded on dedicated funds, only 7.5% of its budget is from the General Fund. The organizational chart shows 14.5 vacancies, some of this is due to retirements that have happened at the agency.

Mr. Sepich spoke about the variance report, which shows \$15.2 million in trustee and benefits payments appropriated for the agency. Of these, \$237,500 has been transferred from the trustee and benefit to capital outlay. Receipt to Appropriation shows \$157,100 relative to insurance claims and the sale of some goods. Reverted appropriation has an actual dollar amount of \$4.1 million, this amount is unexpended.

The comparative summary report shows a Governor's recommendation of a 4% increase or about \$1.8 million above the FY 2021 budget.

FY 2021 appropriation shows a Governor's recommendation of a cash transfer of \$3 million from the General Fund into the dedicated Parks and Recreation Fund, which is removed as a revenue adjustment.

Ms. Buxton explained the \$3 million will be used for Sheridan Property Acquisition at Castle Rocks State Park; for the Idaho Centennial Trail Improvements; for the Land of Yankee Fork - Bayhorse rehabilitation; for replacement of the Bruneau Dunes Observatory; and for septic repairs at Massacre Rocks State Park.

Mr. Sepich continued on the FY 2021 budget, by showing the Governor's 5% General Fund holdback of about \$170,000. The Non-cognizable Funds and Transfer category has an adjustment that realigns 0.60 FTP between fund sources for a net of zero to meet staffing needs. This adjustment recognizes \$1,292,300 of CARES Act funding that the department received for cancellation of camper reservations (\$192,300), and maintenance costs due to significant increases in daily use at the parks (\$1,100,000). The department experienced significant parking shortages that led to illegal and unsafe parking. The department proposed using the CARES Act funding to expand parking at Thousand Springs Park for \$300,000, Priest Lake Park for \$300,000, and Lake Cascade Park for \$500,000.

For FY 2022, the agency has replacement items and alteration and repair project requests for a total of \$4,039,900. This include: \$1,715,000 for campsite updates; \$1,032,800 for building improvements; \$21,700 for personal computer hardware; \$775,000 for trail maintenance equipment; \$5,000 to replace the Dworshak boat patrol boat interior; \$4,200 to replace rental stand-up paddle boards; \$58,600 for landscape equipment; \$17,000 for trailers; \$237,500 for autos and light trucks; \$80,000 for a dump truck; and \$93,100 for UTVs, snowmobiles, and motorcycles.

For FY 2022, the Governor is recommending a \$1.8 million overall increase, a 4% from the FY 2021 budget.

**AGENCY
PRESENTATION:**

**DEPARTMENT OF PARKS AND RECREATION - Lava Hot Springs
Foundation, Devanee Morrison, Executive Director.
Rob Sepich, LSO Analyst**

Dir. Morrison introduced the Lava Hot Springs Foundation, by explaining the land administered by the foundation consists of 178 acres along the Portneuf River in Bannock County, including world-famous hot springs, Olympic swimming complex, sunken gardens, parks, and other grounds. Foundation's personnel operating and capital expenditures are funded with revenues from ticket sales, rentals, and land leases and merchandise.

Between the calendar year 2017 and 2019, the foundation saw a continued up trend of attendance. 2019 experienced a record attendance of over 444,000 attendees. The calendar year 2020 saw a decline in attendance and revenues due to COVID-19.

Mr. Sepich presented the budget for the Lava Hot Springs Foundation. The majority of the expenses are in personnel costs.

The organizational chart has no vacancies, currently 15.8 FTP, and request a total at 17.8.

Dir. Morrison spoke about some of the performance measures. The goal of replacing decks and/or sidewalks has an actual value of 500 compared to a target of 1,000 Sq. Ft. /Yr. for FY 2020. The goal of increasing attendance by constructing new features at the Swimming pool has a value of 105,944 compared to a goal of 135,000 for FY 2020.

Mr. Sepich introduced the variance report, by explaining the agency uses two funds: Capital Improvement Fund and General Operating Fund. The overall reversion is for \$161,600 from those dedicated funds. FY 2021 shows three line-items approved by JFAC. These included \$500,000 to demolish the Tumbling Waters Motel to make room for surface parking near the hot springs; \$100,000 to purchase additional merchandise for the gift shop; and \$10,000 for a tractor-mounted bucket attachment.

FY 2022 has three line-items. The first one is for 1.00 FTP and \$63,900 in personnel costs to hire a supervisor for the hot pools and to manage the gift shop. The Governor's recommendation is for \$62,600. The second one is for 1.00 FTP and \$56,700 in personnel costs to hire a senior maintenance craftsman to maintain the pools and pumps. The Governor's recommendation is for \$55,400. The third request is for \$80,000 in capital outlay to purchase a skid steer loader.

Governor recommended putting the Lava Hot Springs Foundation budget on a continuous appropriation.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF PARKS AND RECREATION - Building Idaho's
Future.
Rob Sepich, LSO Analyst.**

Mr. Sepich introduced the supplemental request. The Governor recommends a cash transfer of \$3,000,000 from the General Fund into the dedicated Parks and Recreation Fund and an appropriation from this fund of \$3,000,000. The dedicated fund appropriation would provide the authority to expend the cash that is transferred from the General Fund. The Governor also recommends carryover for any of these projects that are not completed in one fiscal year, which has traditionally been included for the Capital Development Program in previous appropriation bills.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Troy**, granted by unanimous consent, the FY 2021 budget for the Department of Parks and Recreation was reopened.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Lent**, for FY 2021 for the Department of Parks and Recreation in the Capital Development Program, an appropriation in transfer of \$3,000,000 from the General Fund to the Parks and Recreation Fund.

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

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**.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Lent**, for a onetime appropriation of \$3,000,000 from the Parks and Recreation Fund for Fiscal Year 2021.

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

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 WATER RESOURCES - Planning and Technical Services.**
Rob Sepich, LSO Analyst.

Mr. Sepich introduced the supplemental request. The Governor recommended a onetime FY 2021 supplemental transfer of \$50,000,000 from the General Fund to the continuously appropriated Water Management Fund. The Water Management Fund had a cash balance of \$22,173,000 as of December 31st, of that amount \$21,941,900 is obligated by the Water Resources Board for water projects and flood management grants.

UNANIMOUS CONSENT: Requested by **Rep. Bundy**, granted by unanimous consent, the FY 2021 budget for the Department of Water Resources.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Bair**, for the Department of Water Resources in the Planning and Technical Services Program a onetime appropriation and transfer of \$50,000,000 from the General Fund to the continuously appropriated Water Management Fund for Fiscal Year 2021.

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

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 HEALTH AND WELFARE – Medicaid — Expansion Medicaid Plan — Medicaid Expansion Funding.**
Jill Randolph, LSO Analyst.

Ms. Randolph reviewed a summary of the five actions for Medicaid. The tables describe the impact to the traditional Medicaid, Medicaid Expansion, and their combined impact. The objectives are: 1) exempts the traditional Medicaid from the 10% transfer limitation between programs, and 2) restricts the transfers into or out of the Medicaid expansion.

The supplemental request is for \$8,500,000 ongoing from the General Fund in trustee and benefit payments to complete the original estimate of full-year of payments for the expansion population established in Section 56-267, Idaho Code. Last legislative session, the agency requested this amount of money; the Governor did not recommend it, and Legislature did not appropriate it because associated legislation that would have required counties to pay a portion of the state's share for Medicaid Expansion was not approved.

UNANIMOUS CONSENT: Requested by **Sen. Riggs**, granted by unanimous consent, the FY 2021 budget for the Department of Health and Welfare was reopened.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for the Department of Health and Welfare, in the Expansion Medicaid Plan Program, an additional \$8,500,000 from the Cooperative Welfare (General) Fund.

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash
NAYS: 1.
Nate.
ABSENT/EXCUSED: 3.
Amador, Giddings, Green.

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 HEALTH AND WELFARE – Medicaid - Enhanced Medicaid Plan – COVID – related MOE – Traditional.**
Jill Randolph, LSO Analyst.

Ms. Randolph introduced the supplemental request for a onetime reduction of \$56,000,000 from the General Fund and an increase of \$148,700,000 in federal funds to account for the increased federal matching rate and maintenance of effort (MOE) of the federal Families First Coronavirus Response Act (FFCRA). This federal bill increased the federal match by 6.2%, and requires states to maintain Medicaid eligibility for those in Medicaid, allowing dis-enrollment only in the cases of death, change of residency, or participant's request to dis-enroll. As of February 11, 2021, both of the above requirements will remain in place until the end of the Public Health Emergency (PHE), which is currently in place until April 21, 2021.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for fiscal year 2021, for the Department of Health and Welfare, in the Enhanced Medicaid Plan Program a onetime reduction of \$56,000,000 from the Cooperative Welfare (General) Fund, and a onetime addition of \$148,700,000 from the Cooperative Welfare (Federal) Fund, for a net increase of \$92,700,000 for the Medicaid Division.

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash.
NAYS: 2.
Nate, Giddings
ABSENT/EXCUSED: 2.
Amador, Green.

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 HEALTH AND WELFARE – Medicaid - Expansion Medicaid Plan, Traditional Medicaid MOE and Expansion**
Jill Randolph, LSO Analyst.

LSO STAFF PRESENTATION: **Ms. Randolph** introduced supplemental request for \$25,710,600 onetime from federal funds in the Expansion Medicaid Plan, and a net-zero onetime transfer of \$2,856,700 from the General Fund from Traditional Medicaid to the Expansion Medicaid Plan. The agency requests the transfer to offset the costs incurred by the estimated 13,000 people who would otherwise be ineligible for Medicaid Expansion but must remain enrolled due to the requirement of maintenance of effort (MOE) in the federal Families First Coronavirus Relief Act (FFCRA) which requires individuals to remain on the Medicaid roles until the Public Health Emergency (PHE) due to COVID-19 has ended. Traditional Medicaid is able to transfer this money on a onetime basis due to the other aspect of FFCRA, which increases the match rate for traditional Medicaid by 6.2%. The agency has calculated this request's total amount by multiplying the amount of estimated individuals who would otherwise be dis enrolled (7,100) by a per member per month rate (\$575), and then multiplied by the estimated seven months of FY 2021 of the PHE (July through January).

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for fiscal year 2021, for the Department of Health and Welfare, in the Enhanced Medicaid Plan Program the reduction of \$2,856,700 from the Cooperative Welfare (General) Fund; and in the Expansion Medicaid Plan the addition of \$2,856,700 from the Cooperative Welfare (General) Fund and the addition of \$25,710,600 from the Cooperative Welfare (Federal) Fund. The totals for this motion are a net increase of \$25,710,600 for the Medicaid Division.”

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash.
NAYS: 2.
Nate, Giddings
ABSENT/EXCUSED: 2.
Amador, Green.

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 HEALTH AND WELFARE – Medicaid - Expansion Medicaid Plan —Program Grow.**
Jill Randolph, LSO Analyst.

Ms. Randolph introduced supplemental request for \$227,853,500 all funds for unanticipated growth related to Medicaid Expansion. The department based the FY 2021 original request on a 2018 actuarial report compiled by Milliman. An updated actuarial report was completed in fall 2020, which showed an increase of 65.7% in total dollars from the original forecast produced in 2018. The per member per month (PMPM) forecast has changed from an original \$370 to \$548, which represents a 57.8% increase. As per the Milliman report from December 2020, the primary drivers related to this increase are medical and pharmacy benefit costs, as well as COVID-19 impacts and associated economic conditions.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for FY 2021, for the Department of Health and Welfare, in the Expansion Medicaid Plan Program, an additional \$22,785,400 from the Cooperative Welfare (General) Fund, and an additional \$205,068,100 from the Cooperative Welfare (Federal) Fund, for a net ongoing increase of \$227,853,500.

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash.
NAYS: 2.
Nate, Giddings
ABSENT/EXCUSED: 2.
Amador, Green.

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 HEALTH AND WELFARE – Medicaid - Enhanced Medicaid Plan — Expansion Funding.**
Jill Randolph, LSO Analyst.

Ms. Randolph introduced supplemental request for a reduction of \$11,097,400 from the General Fund, a decrease of \$74,679,800 from federal funds, and an increase of \$100,777,2000 from the Cooperative Welfare (dedicated) Fund to account for increases in receipts. Receipts are funds outside of state and federal funds, and are realized through drug rebates, cost settlements, and third-party collections.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for fiscal year 2021, for the Department of Health and Welfare, in the Enhanced Medicaid Plan Program, an additional \$12,657,500 from the Cooperative Welfare (Dedicated) Fund, a reduction of \$3,785,400 from the Cooperative Welfare (General) Fund, and a reduction of \$8,872,100 from the Cooperative Welfare (Federal) Fund; and for the Expansion Medicaid Plan Program, an additional \$88,119,700 from the Cooperative Welfare (Dedicated) Fund, a reduction of \$7,312,000 from the Cooperative Welfare (General) Fund, and a reduction of \$65,807,700 from the Cooperative Welfare (Federal) Fund. The totals for this motion are a net increase of \$15,000,000 for the Medicaid Division.

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash.
NAYS: 2.
Nate, Giddings
ABSENT/EXCUSED: 2.
Amador, Green.

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 HEALTH AND WELFARE – Welfare - COVID Relief Act.**
Jill Randolph, LSO Analyst.

Ms. Randolph introduced supplemental request, pointing out the Governor recommended onetime federal funds in trustee and benefit payments as a result of the COVID Relief Act, signed into law on December 27, 2020. In total, the state will receive \$57,763,900 to spend by October 2023; this supplemental is for \$24,000,000 that the agency anticipates spending in the current FY 2021. The funds are intended to support new initiatives to improve both the access and quality of childcare in Idaho; to provide childcare opportunities for essential personnel; and to ensure the availability of childcare during the pandemic.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Troy**, for fiscal year 2021, for the Division of Welfare, an additional \$24,000,000 onetime from the Cooperative Welfare (Federal) Fund.

CARRIED: **AYES: 16.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Nash.
NAYS: 2.
Nate, Giddings
ABSENT/EXCUSED: 2.
Amador, Green.

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**.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 9:56 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, February 15, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
BUDGET HEARINGS		
8:00	Public Health Districts, LBB p. 2-75 <i>(LSO Analyst: Jared Tatro)</i>	Geri Rackow, District VII Director
	Department of Fish and Game, LBB p. 4-15 <i>(LSO Analyst: Rob Sepich)</i>	Ed Schriever, Director
	Office of Species Conservation, LBB p. 6-99	Mike Edmondson, Interim Administrator
	Office of the Governor, LBB p. 6-39 Office of Energy and Mineral Resources, LBB p. 6-59	John Chatburn, Administrator

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 Winmill'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

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, February 16, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
	BUDGET HEARINGS <i>(LSO Analyst: Christine Otto)</i>	
	Office of the Governor	
8:00	Military Division, LBB p.6-89	Major General Michael Garshak Commanding General
	Idaho State Police	
	Division of Idaho State Police, LBB p.3-77	Colonel Kedrick Wills
	POST Academy, LBB p.3-85	Brad Johnson, Administrator
	Racing Commission, LBB p.3-89	Mark Browning, Racing Commissioner
	Brand Inspection, LBB p.3-73	Cody Burlile, State Brand Inspector
9:30	<i>Break</i>	
	SUPPLEMENTAL APPROPRIATIONS	LSO ANALYST
	IDAHO STATE POLICE Division of Idaho State Police, Building Idaho's Future, LBB p. 3-79	Christine Otto, <i>Senior Analyst</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 16, 2021
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Vice Co-chair Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash
ABSENT/ EXCUSED: Sen. Bair, Rep. Youngblood.
CONVENED: Vice Co-chair **Caroline Nilsson-Troy** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:05 a.m.

AGENCY PRESENTATION: **OFFICE OF THE GOVERNOR - MILITARY DIVISION, Major General Michael Garshak, Commanding General. Christine Otto, LSO Analyst.**

General Garshak introduced the Military Division by explaining the mission of the division is to maintain combat and domestic emergency response readiness in the Idaho National Guard and guide the state through the Office of Emergency Management and effectively preparing for, responding to, and recovering from all hazards.

The Idaho Military Division is comprised of the National Guard, Army National Guard, Idaho Air National Guard, Office of Emergency Management, Public Safety Communication, Idaho Military History Museum, the Youth Challenge Academy, and Star Base.

Ms. Otto presented the budget for the division explaining it is comprised of three budgeted programs: the Military Management, the Federal and State Agreements, and the Office of Emergency Management.

The programs use general, dedicated, and federal funds.

General Garshak spoke about the organization chart of the division. The total FTP is 435.8 with 44 vacant full-time positions.

The performance measures of the division are organized into three goals.

The first is to maintain and sustain a relevant National Guard, and the agency is making progress towards meeting the recruiting and retention goals.

The second goal is to coordinate statewide disaster prevention preparedness response and recovery. The pandemic has occupied the majority of the department time, particularly the Office of Emergency Management. The third goal is to provide quality, management, and support to entities of the Idaho Military Division, and respond to requirements and requests from outside organizations. The division maintained and accounted for 7,000 trackable pieces of equipment and conducted over 200 community engagements.

Ms. Otto provided details about the FY 2020 budget.

Total appropriations are just over \$83 million, with an increase of \$42.1 million in non-cognizable increases for federal funds. Net object transfer amounts to almost \$4 million for personnel, \$25 million of operating expenditures, and \$1.7 out of trustee and benefit, and a total offset of \$31 million in capital outlay. The FY 2020 has reverted appropriations for about \$9.5 million, and total expenditures for \$115.8 million. This represents expending in excess 39.3% over the total appropriation.

The budget reflects an executive holdback for a 5% temporary reduction in General Fund spending authority. Non-cognizable funds amount to \$46 million.

For FY 2022, the agency requests \$460,900 from the Administration and Accounting Services Fund for the replacement of two vehicles, battery banks, microwave equipment, and network equipment. In addition, the division requests \$438,600 for military compensation.

AGENCY

PRESENTATION:

IDAHO STATE POLICE. Colonel Kedrick Wills.

Christine Otto, LSO Analyst.

Colonel Wills introduced the Idaho State Police.

The agency consists of four separate divisions: the Brand Inspection, the Division of Idaho State Police, the Peace Officers Standards and Training Academy (POST), and the Racing Commission. The Idaho State Police has 543,34 FTPs, 39 current vacancies.

Ms. Otto presented the historical summary for the Division of the Idaho State Police. This shows seven programs and uses general, dedicated, and federal funds.

Colonel Wills spoke about the performance measures, by reporting the new strategic plan has been implemented and will begin reporting on the new measures in the next Fiscal Year.

One of the current performance measures is about aggressive enforcement of hazardous moving violations.

During FY 2020 ISP troopers cited 27% more drivers than the year before for traffic violations that threaten motorist safety. Another measure is about tracking the approved amber alert notification process.

The last measure is relative to conduct self-initiated cases and assist agencies in the criminal investigation, this included coordination with federal, state, and local agencies to implement high-intensity drug trafficking area task forces.

Ms. Otto provided details about the FY 2020 budget.

The budget shows original appropriation for just over \$76 million. Net object transfers were just under \$1.6 million. The division reverted \$5.6 million and had an appropriation of \$475,000. Total expenditures for FY 2020 were \$71.3 million, and a difference from total appropriations for \$5.5 million, or 7.2%.

The FY 2021 budget has an original appropriation based on seven line-items funded by the legislature.

The division did receive re-appropriation for two network switches. The Governor recommends \$964,000 onetime from the General Fund for the Building Idaho's Future initiative for the Investigations and Patrol Programs.

For FY 2021 the division has \$4.3 million in non-cognizable increases and federal funds.

FY 2022 shows inflationary adjustments for \$12,700 for contractual increases. Replacement items have a total of just over \$2.5 million to replace ballistic vests, laptops and computers, computer equipment, a gas chromatography-mass spectrometry (GC-MS) testing instrument, a video wall, vehicles with equipment, and scanners.

Colonel Wills explained the agency request for FY 2022.

The first request is for \$36,000 ongoing in operating expenditures for user fee increases on the National Law Enforcement Telecommunications System (NLETS).

The second request is for 1.00 FTP and \$377,000 from the Federal Grant Fund for a High-Intensity Drug Trafficking Area (HIDTA) Grant.

The third request is for \$3,910,000 onetime from the Federal CARES funding for the Coronavirus Emergency Supplemental Funding (CESF) Program.

The fourth request is for a fund shift of \$4,374,500 from the Idaho Law Enforcement Fund to the General Fund to backfill revenue in the Patrol Program.

The fifth request is for \$85,000 ongoing from federal funds with \$75,000 in personnel costs and \$10,000 in operating expenditures.

The last request is for \$80,900 in ongoing operating expenditures from various dedicated funds to purchase Microsoft 365.

AGENCY

PRESENTATION:

IDAHO STATE POLICE - POST Academy. Brad Johnson, Administrator.
Christine Otto, LSO Analyst.

Administrator Johnson introduced the POST Academy and explained the division delivers training and technical assistance to all levels of law enforcement throughout the state by providing both basic and specialized training programs for all commissioned peace officers, adult and juvenile corrections officers, and dispatchers. The division is staffed with 29.67 FTP and currently has no open positions.

Ms. Otto presented the budget for the POST academy. The agency is funded for about 95% from dedicated funds and about 5% from federal funds.

The FY 2020 budget shows original appropriations of just over \$5 million. It contains transfers between programs and appropriation for small amounts. Reverted appropriations amount to \$929,700. The difference between original appropriation and total expenditures is 18.2% of the original appropriation.

For FY 2021 budget, the original appropriation includes three line-items funded by the legislature.

Administrator Johnson explained the appropriation included \$8,700 to upgrade to Office 365, a fund shift of \$56,300 from operating expenditures into personnel costs for a new position, and a fund shift of \$477,900 from the Alcohol Beverage Control Fund to the Peace Officers Training Fund.

Ms. Otto pointed out FY 2022 shows inflationary adjustments for inflation for \$13,200 and replacement items for \$98,600. These items include laptops, computers, an ID card printer, two production scanners, and three Emergency Vehicle Operators Course (EVOC) cars.

AGENCY

PRESENTATION:

IDAHO STATE POLICE - Racing Commission. Mark Browning, Racing Commissioner.
Christine Otto, LSO Analyst.

Commissioner Browning introduced the Racing Commission and explained the commission maintains horse racing requirements that protect racing participants and the public from illegal actions surrounding racing operations.

The Racing Commission is a self-funded agency. It is funded through the fees collected from licenses and pari-mutuel wagering (ADW).

The primary objective of the commission is to build a strong and incredible industry, to operate the Commission as efficiently and economically as possible, and to serve as the steady entity which the industry and public can depend upon to preserve and maintain the integrity of horseracing in Idaho.

During 2020 the Commission issued 773 licenses, during the same year there have been 15 days of racing with a total of 118 total races being run. In November 2020 the Commission approved 26 days of live racing for six racetracks for 2021. During the year 2020 patrons wagered \$1.1 million, 41% less than the calendar year 2019.

Ms. Otto presented Actual Expenditures for the Racing Commission. The FY 2020 shows \$420,000 as original appropriation, reverted appropriations for \$184,700, 44% of the total original appropriation. FY 2022 budget shows only maintenance entries.

**AGENCY
PRESENTATION:**

**IDAHO STATE POLICE - Brand Inspection. Cody Burlile, State Brand Inspector.
Christine Otto, LSO Analyst.**

Inspector Burlile introduced the Brand Inspection and explained the division provides protection to the livestock industry from losses by theft and illegal slaughter.

The board has 39.09 FTE and zero vacancies, it operates on funds from fees collected during the brand inspection, recordings, and livestock dealer licensing. The inspectors performed inspections on 2.1 million cattle and horses. The division has nearly a 96% return rate on livestock that are found. The division registered and maintained over 17,000 brand recordings and 300 dealer licenses.

The organization chart includes four brand supervisors and 31.09 brand inspectors and one office specialist.

One of the performance goals of the agency is relative to the project to increase the inspection quality, data efficiency, and providing immediate access to inspection needs.

This project has met challenges but is progressing towards its goal.

The agency has three audit findings.

First finding speaks about procedures and controls over the proceeds collected under hold orders on the sale of livestock are not adequate to prevent or detect errors or the misappropriation of funds.

The new software allowed the agency to implement changes to track proceeds.

The second finding speaks about brand inspection receipts are not deposited timely in accordance with Idaho Code. This process is being reviewed and updated.

The third finding speaks about travel expenditures which were not documented or reimbursed in compliance with State travel policies. The procedures have been updated and staff has been training within all areas of state policy.

Ms. Otto presented Actual Expenditures for the division. FY 2020 budget shows original appropriation for \$3.2 million, a receipt to appropriation of just over \$35,000, and reverted appropriation just under \$371,000. This is a difference of 10.4% of the original appropriation.

For FY 2021, the legislature funded two line-items, these included \$35,100 for a brand inspector and \$12,200 to upgrade to Office 365.

For FY 2022 the budget shows a replacement item for \$188,600 to replace five trucks and two tablets. The division also requested two line-items.

Inspector Burlile explained the first line-item is for \$60,000 in ongoing operating expenditures from the State Brand Board Fund for the maintenance costs for its new traceability software system. The second line-item is for 1.00 FTP and \$39,400 in personnel costs from the State Brand Board Fund for a financial technician position.

LSO STAFF PRESENTATION: **IDAHO STATE POLICE, Division of Idaho State Police, Building Idaho's Future.**
Christine Otto, LSO Analyst

Ms. Otto introduced a supplemental request for FY 2021.

The Governor recommends \$964,000 onetime from the General Fund for his Building Idaho's Future initiative for the Investigations and Patrol Programs. It would cover money counters and a clothing allowance for the investigations program and the patrol program, it would include a purchase of a remote residential housing unit, 312 rifles with suppressors, 386 cold-weather jackets, and the electronic road flare system.

UNANIMOUS CONSENT: Requested by **Sen. Agenbroad**, granted by unanimous consent, the FY 2021 budget for the Idaho State Police was reopened.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Syme**, for the FY 2021, for the Idaho State Police, \$76,300 in the Investigations Program and \$887,700 in the Patrol Program, for a net increase of \$964,000, all onetime from the General Fund.

CARRIED: **AYES: 13.** Agenbroad, Crabtree, Woodward, Lent, Cook, Ward-Engelking, Nye, Rep. Troy, Amador, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 5.

Grow, Riggs, Horman, Bair, Youngblood.

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 Co-Chair **Caroline Nilsson -Troy**

ADJOURN: There being no further business to come before the Committee, Vice Co-Chair
Caroline Nilsson -Troy adjourned the Committee at 10:23 a.m.

Co-Chair Caroline Nilsson — Troy
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, February 18, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

TIME	DESCRIPTION	PRESENTER
8:00	SUPPLEMENTAL APPROPRIATIONS	LSO ANALYST
	DEPARTMENT OF ADMINISTRATION	Maggie Smith, <i>Senior Analyst</i>
	Permanent Building Fund, LBB p. 6-24, Building Idaho's Future - Capital Projects	
	Permanent Building Fund, LBB p. 6-24, Building Idaho's Future - Alteration and Repairs	
	DEPARTMENT OF LABOR	Keith Bybee, <i>Deputy Division Manager</i>
	Department of Labor, LBB p. 5-45, FEMA Reimbursement	
	STATE BOARD OF EDUCATION	Janet Jessup, <i>Senior Analyst</i>
	Office of the State Board of Education, Early Childhood Learning & School Readiness	
	Idaho Public Television, Early Childhood Learning & School Readiness	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, February 18, 2021
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Van Orden (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: Sen. Bair
CONVENED: **Chairman Youngblood** called the House Appropriations Committee to order at 8:00 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF ADMINISTRATION - Permanent Building Fund - Building Idaho's Future – Capital Projects and Alterations & Repairs. Maggie Smith, LSO Analyst.**

Ms. Smith introduced the supplemental request for FY 2021 for the Permanent Building Fund, found in the Legislative Budget Book 6-24. The supplemental appropriation provides a one-time General Fund transfer of \$89,217,500 to the Permanent Building Fund as part of Governor Little's Building Idaho's Future initiative. This supplemental will fund the capital projects and alterations and repairs listed in the motion below.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the FY 2021 budget for the Department of Administration was reopened.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook** for the fiscal year 2021, the appropriation and transfer of \$89,217,500 from the General Fund to the Permanent Building Fund.

CARRIED: **AYES: 16.**
Sen. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Nye.
Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green.
NAYS: 0.
ABSENT/EXCUSED: 4.
Sen. Bair, Crabtree, Ward- Engelking, Nash.

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**.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook**, for the fiscal year 2021, for the Department of Administration, an additional \$89,217,500 in onetime capital outlay from the Permanent Building Fund. Of that amount, \$45,700,000 is to be used for alterations and repairs identified by the Permanent Building Fund Advisory Council, and \$43,517,500 is to be used for the following capital projects:

- \$6,400,000 to replace the Bitterroot and Targhee Cottages at the Juvenile Corrections Center - St. Anthony;
- \$13,000,000 to replace the east dorm at the South Idaho Correctional Institution;
- \$10,000,000 to develop supportive housing for Connection and Intervention Station clients for the Department of Correction;
- \$7,417,500 to replace the dorms at the Youth Challenge academy for the Military Division;
- \$3,000,000 for the University of Idaho Parma agricultural research campus;
- \$3,000,000 for the College of Eastern Idaho's Future Tech facility; and
- \$700,000 for two University of Idaho greenhouses to increase seedling production.

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

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 LABOR - Employment Services - FEMA Reimbursement. Keith Bybee, Deputy Division Manager.**

Mr. Bybee introduced the supplemental for the Idaho Department of Labor, it can be founded on page 5-45 of the Legislative Budget Book. The Governor recommends a one-time General Fund appropriation in the amount of \$1,000,000 to reimburse FEMA for emergency funding provided to states to make payments for unemployment insurance benefits. As the administrative entity signified by the federal government for emergency unemployment benefits, the Idaho Department of Labor will repay FEMA using the General Fund for improper benefits to beneficiaries through the Lost Wages Assistance Program. These improper benefit payments were the result of fraudulent claims.

UNANIMOUS CONSENT: Requested by **Sen. Woodward**, granted by unanimous consent, the FY 2021 budget for the Department of Labor was reopened.

MOTION: Original Motion: Moved by **Sen. Woodward**, seconded by **Rep. Syme**, for \$1,000,000 one-time from the General Fund for the fiscal year 2021 for the Department of Labor.

CARRIED:

AYES: 17.

Sen. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Nye.

Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash

NAYS: 0.

ABSENT/EXCUSED: 3.

Sen. Bair, Crabtree, Ward-Engelking.

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:

STATE BOARD OF EDUCATION - Office of the State Board of Education, OSBE Administration. Janet Jessup, LSO Analyst.

Ms. Jessup introduced the supplemental for the education development grant included in the Governor's revised recommendation. This is in response to the Office of the State Board being contacted in January of 2021 and being notified that they would be the recipient of a pre-school development grant which will develop educational resources for pre-school-aged children to be utilized by early educators, and parents.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Crabtree**, granted by unanimous consent, the FY 2021 budget for the Office of the State Board of Education was reopened.

MOTION:

Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Amador**, for the fiscal year 2021, for the Office of the State Board of Education an additional 0.50 FTP and \$5,980,500 from Federal Funds for an early childhood education development grant.

DISCUSSION:

Rep. Green objected as not being germane to the question asked by **Rep. Giddings** about the amount of money that would go to the Malek Law Firm with this supplemental.

CARRIED:

AYES: 16.

Sen. Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

Rep. Youngblood, Troy, Amador, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Sen. Bair, Rep. Horman.

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:

STATE BOARD OF EDUCATION - Office of the State Board of Education, OSBE Administration. Janet Jessup, LSO Analyst.

Ms. Jessup introduced the second supplemental for the education development grant included in the Governor's revised recommendation. This supplemental is for \$450,000 specifically provided to the Idaho Public Television, which will develop educational literacy modules for parents and caregivers. This is accomplished in coordination with the strategic relations firm for the projects and the available resources to the public.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Troy**, granted by unanimous consent, the FY 2021 budget for the Office of the Idaho Public Television was reopened.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Rep. Crabtree**, for the fiscal year 2021, for Idaho Public Television an additional 1.00 FTP and \$450,000 from Federal Funds for an early childhood education development grant.

CARRIED:

AYES: 16.

Sen. Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

Rep. Youngblood, Troy, Amador, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Sen. Bair, Rep. Horman.

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**.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:28 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, February 19, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 3-63	Department of Juvenile Corrections	Jared Hoskins, <i>Principal Analyst</i>
LBB 5-101	State Appellate Public Defender	
LBB 5-61	Commission on Hispanic Affairs	
LBB 6-89	Military Division	Christine Otto, <i>Senior Analyst</i>
LBB 5-105	Division of Veterans Services	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 19, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Co-chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash,

ABSENT/EXCUSED:

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

LSO STAFF PRESENTATION: **DEPARTMENT OF JUVENILE CORRECTIONS, Jared Hoskins, Principal Analyst**

MOTION: Original Motion
Moved by **Representative Syme** for the Department of Juvenile Corrections, beginning with the FY 2022 Base, an increase of \$106,700 for benefit costs, \$571,900 for replacement items, \$13,000 for statewide cost allocation, and \$486,600 for change in employee compensation. Also included are the following line items: line item 1, which provides \$450,000 onetime for replacement of the Idaho Juvenile Offender System; and line item 2, which provides \$49,600 for instructor pay. The totals for this motion for FY 2022 are 414.00 FTP, \$43,396,700 from the General Fund, \$7,443,200 from dedicated funds, and \$2,868,900 from federal funds for a grand total of \$53,708,800, seconded by **Senator Riggs**.

CARRIED: **AYE: 19**
Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, and Nash.
NAY: 0
ABSENT/EXCUSED: 1
Representative Giddings
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.
See [Audio](#), [Motion](#), and [Ballot](#).

LSO STAFF PRESENTATION: **STATE APPELLATE PUBLIC DEFENDER, Jared Hoskins, Principal Analyst**

MOTION: Original Motion:
 Moved by **Senator Nye**, for the State Appellate Public Defender, beginning with the FY 2022 Base, an increase of \$7,900 for benefit costs, \$200 for statewide cost allocation, \$25,900 for annualizations, and \$45,400 for change in employee compensation. The totals for this motion for FY 2022 are 25.00 FTP and \$3,171,600 from the General Fund, seconded by **Representative Nash**.

CARRIED: **AYE: 19**
 Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
 Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, and Nash.
NAY: 0
ABSENT/EXCUSED: 1
 Representative Giddings
 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 **Representative Syme**, granted by unanimous consent, that the language regarding outside counsel costs and capital representation costs be accepted as part of the State Appellate Public Defender's FY 2022 appropriation bill.

INTENT LANGUAGE: **OUTSIDE COUNSEL COSTS.** Notwithstanding any other provision of law to the contrary, of the amount appropriated in Section 1 of this act for the Capital and Conflict Representation Program, \$165,900 from the General Fund, or so much thereof as is necessary, shall be used solely to pay outside counsel for non-capital appeals in which a concurrent conflict of interest is identified and only to the extent such costs are exclusive of, and can be identified and accounted for separately and distinctly from, capital representation costs. Any remaining unexpended and unencumbered amounts not so used shall revert to the General Fund.
CAPITAL REPRESENTATION COSTS. Notwithstanding any other provision of law to the contrary, of the amount appropriated in Section 1 of this act for the Capital and Conflict Representation Program, \$76,200 from the General Fund, or so much thereof as is necessary, shall be used solely for costs directly related to the provision of representation in capital cases and only to the extent such costs are exclusive of, and can be identified and accounted for separately and distinctly from, outside counsel costs of non-capital appeals. Any remaining unexpended and unencumbered amounts not so used shall revert to the General Fund.
 See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

COMMISSION ON HISPANIC AFFAIRS, Jared Hoskins, Principal Analyst

MOTION:

Original Motion

Moved by **Senator Ward-Engelking**, for the Commission on Hispanic Affairs, beginning with the FY 2022 Base, an increase of \$400 for benefit costs, \$600 for statewide cost allocation, and \$3,700 for change in employee compensation. Also included is one line item, which provides \$20,000 for a smoking cessation federal grant. The totals for this motion for FY 2022 are 3.00 FTP and \$250,300 from the General Fund, \$148,100 from dedicated funds, and \$20,000 from federal funds for a grand total of \$418,400, seconded by **Representative Green**.

CARRIED:

AYE: 18

Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAY: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

MILITARY DIVISION, Christine Otto, Senior Analyst

MOTION:

Original Motion

Moved by **Representative Syme**, for the Military Division, beginning with the FY 2022 Base, an increase of \$115,200 for benefit costs, an increase of \$460,900 for replacement items, an increase of \$48,400 for statewide cost allocation, an increase of \$654,700 for change in employee compensation, and an increase of \$438,600 for military compensation. The totals for this motion for FY 2022 are 435.80 FTP, \$7,312,600 from the General Fund, \$7,443,300 from dedicated funds, and \$66,617,900 from federal funds for a grand total of \$81,373,800, seconded by **Senator Crabtree**.

CARRIED:

AYE: 20

Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAY: 0

ABSENT/EXCUSED: 0

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 **Representative Syme**, granted by unanimous consent, that the language shown on the screen regarding continuous appropriation be accepted as part of the FY 2022 appropriation bill for the Military Division.

**INTENT
LANGUAGE:**

SECTION_. CONTINUOUS APPROPRIATION. The Military Division is hereby granted continuous appropriation authority for the Idaho Office of Emergency Management's Miscellaneous Revenue Fund for the period July 1, 2021 through June 30, 2022, for the purpose of covering incurred costs arising out of hazardous substance incidents.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

DIVISION OF VETERANS SERVICES, Christine Otto, Senior Analyst

MOTION:

Original Motion

Moved by **Representative Syme**, for the Division of Veterans Services, beginning with the FY 2022 Base, an increase of \$162,400 for benefit costs, an increase of \$379,200 for inflationary adjustments, an increase of \$1,084,400 for replacement items, an increase of \$41,400 for statewide cost allocation, an increase of \$71,000 for annualizations and an increase of \$435,100 for change in employee compensation. Also included are the following line items: line item 1, which provides \$66,400 for new leases and capital outlay; line item 2, which provides \$1,000,000 for a Medicaid reimbursement change; line item 3, which provides \$1,389,800 for a construction grant; line item 4, which provides \$790,200 for a veterans cemetery expansion; line item 5, which provides \$1,915,900 for a COVID-19 construction grant; line item 6, which provides \$195,000 for Veteran Recognition Fund projects; and line item 7, which provides \$3,731,900 for COVID Relief Funds. The totals for this motion for FY 2022 are 367.20 FTP, \$1,228,100 from the General Fund, \$21,049,200 from dedicated funds, and \$27,898,400 from federal funds, for a grand total of \$50,175,700, seconded by **Senator Crabtree**.

CARRIED:

AYE: 20

Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAY: 0

ABSENT/EXCUSED: 0

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 **Representative Syme**, granted by unanimous consent, that the language on the screen regarding reappropriation be accepted as part of the FY 2022 appropriation bill for Division of Veterans Services

**INTENT
LANGUAGE:**

REAPPROPRIATION AUTHORITY FOR A SECOND VETERANS CEMETERY. There is hereby reappropriated to the Division of Veterans Services any unexpended and unencumbered balances appropriated to the Division of Veterans Services from the Federal Grant Fund for a second veterans cemetery for fiscal year 2021, in an amount not to exceed \$3,132,400, to be used for nonrecurring expenditures related to the addition of a second veterans cemetery in southeastern Idaho for the period July 1, 2021, through June 30, 2022. 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.

REAPPROPRIATION AUTHORITY FOR A FOURTH VETERANS HOME. There is hereby reappropriated to the Division of Veterans Services any unexpended and unencumbered balances appropriated to the Division of Veterans Services from the Federal Grant Fund and the Veterans Recognition Income Fund for the construction of a fourth veterans home for fiscal year 2021, in an amount not to exceed \$30,761,800 from the Federal Grant Fund and \$12,157,100 from the Veterans Recognition Income Fund, to be used for nonrecurring expenditures related to the construction of a fourth veterans home for the period July 1, 2021, through June 30, 2022. 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](#), [Motion](#), and [Ballot](#).

ADJOURNED:

There being no further business before the Committee, **Chairman Youngblood** adjourned the meeting at 8:38 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, February 22, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
8:00	BUDGET SETTING	
LBB 5-23	Department of Finance	Keith Bybee, <i>LSO, Deputy Division Manager</i>
LBB 5-33	Department of Insurance	
LBB 6-113	Workforce Development Council	
LBB 6-99	Office of Species Conservation	Rob Sepich, <i>LSO, Senior Analyst</i>
LBB 5-13	Soil & Water Conservation Committee	
LBB 6-59	Office of Energy & Mineral Resources	
LBB 5-49	Public Utilities Commission	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 22, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Van Orden (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 **DEPARTMENT OF FINANCE. Keith Bybee, LSO, Deputy Division Manager.**

LSO STAFF PRESENTATION: **Mr. Bybee** introduced the budget for the Department of Finance. The Department of Finance is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated vendors, security issuers, poker dealers, stock-brokers, residential mortgage brokers and lenders, investment advisers, sales personnel, collection agencies, etc. This year, the department did not request any line items. The Governor recommended a budget of \$9,093,500.

DISCUSSION: **Sen. Grow** disclosed a potential 39H, conflict of interest. **Chairman Youngblood** noted and declared a rule 80 for himself.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Nye**, for the Department of Finance, beginning with the FY 2022 base, to include \$21,400 for benefit costs, \$45,600 for replacement items, \$3,700 for statewide cost allocations, and \$122,700 for Change in Employee Compensation. There are no line items to include with this budget. Therefore, to move 66 FTP and \$9,093,500 for FY 2022.

CARRIED: **AYES: 20.**
Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.
NAYS: 0.
ABSENT/EXCUSED: 0.

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. Troy**, granted by unanimous consent, the following language was added:

SECTION 3. CONTINUOUS APPROPRIATION AUTHORITY. The Department of Finance is hereby granted continuous appropriation authority for reimbursement of persons to whom the Idaho courts have made a final determination of actual damages resulting from acts constituting violations of the Idaho Residential Mortgage Practices Act by a mortgage broker, mortgage lender, or mortgage loan originator who was licensed or required to be licensed pursuant to Chapter 31, Title 26, Idaho Code.

SECTION 4. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Department of Finance any unexpended and unencumbered balances appropriated or re appropriated to the Department of Finance from the State Regulatory Fund for construction and building expenses for fiscal year 2021, in an amount not to exceed \$1,800,000, to be used for nonrecurring expenditures related to building and construction costs 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.

**AGENCY
PRESENTATION:**

DEPARTMENT OF INSURANCE. Keith Bybee, LSO, Deputy Division Manager.

Mr. Bybee introduced the budget for the Department of Insurance. The mission of the Department of Insurance is to serve and protect Idahoans equitably, effectively, and efficiently by administering the insurance code in the international fire code. The department has two budgeted programs, the insurance regulation division and the State Fire Marshal. This year the department did not request any line items and the Governor's recommendation was for 71.5 FTP and a budget of \$10,067,700.

DISCUSSION:

Sen. Grow disclosed a 39H, conflict of interest. **Rep. Troy** applied for rule 80 on the House side.

MOTION:

Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Troy**, for the Department of Insurance beginning with the Fiscal Year 2022 base, include \$19,100 for Benefit Costs. \$177,900 for Replacement Items, \$1,600 for statewide cost allocation, and \$99,300 for Change in Employee Compensation. There are no line items included with this budget. Therefore, is moved for FY 2021 71.50 FTP, \$9,373,300 from dedicated funds, and \$694,400 from the federal funds for a grand total of \$10,067,700.

CARRIED:

AYES: 20.

Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

NAYS: 0.

ABSENT/EXCUSED: 0.

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**.

AGENCY

PRESENTATION:

WORKFORCE DEVELOPMENT COUNCIL. Keith Bybee, LSO, Deputy Division Manager.

Mr. Bybee introduced the budget for the Workforce Development Council. The Workforce Development Council had one line item request for the youth apprenticeship readiness grants. The Workforce Development Council requested 1 FTP and \$750,500 from federal funds. The Workforce Development Council began to administer a youth apprenticeship readiness July 1, 2020. The council was awarded \$2.5 million almost to be used over a four-year period. The Governor did recommend this line item, although at a smaller amount, only for the benefit and cost changes in the statewide JFAC action we just took, and they have requested carryover authority.

MOTION:

Original Motion: Moved by **Sen. Lent**, seconded by **Rep. Syme**, for the Workforce Development Council beginning with the FY 2022 base, include \$1,300 for benefit costs. \$400 for statewide cost allocation, and \$8,600 for change in employee compensation. Also included is one line item which provides 1.00 FTP and \$749,000 for Youth Apprenticeship Readiness Grants. For the FY 2022, is moved 6 FTP, \$8,440,000 from dedicated funds, and \$897,800 from federal funds for a grand total of \$9,337,800.

CARRIED:

AYES: 18.

Rep. Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

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. Lent**, granted by unanimous consent, the following language was added:

SECTION 3. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Workforce Development Council any unexpended and unencumbered balances appropriated or re appropriated to the Workforce Development Council from the Workforce Development Training Fund for grants for fiscal year 2021, in an amount not to exceed \$4,315,500, to be used for nonrecurring expenditures related to grants 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.

**AGENCY
PRESENTATION:**

OFFICE OF SPECIES CONSERVATION. Rob Sepich, LSO, Senior Analyst.

Mr. Sepich introduced the budget for the Office of the Species Conservation. The mission for the office as established the section 578018 Idaho Code is developed to coordinate an integrated state policy and management plan between and in coordination with the various state offices and federal agencies under the endangered species act. The majority of the budget comes from trustee and benefit payments, which are found through various federal grants. The office has been spending \$12 million in these grants in Fiscal Year 2022. The prepared motion includes a reduction of \$500,000 from the Federal Trustee and Benefit Payments.

MOTION:

Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Agenbroad**, for the Office of Species Conservation beginning with the Fiscal Year 2022 base an increase of \$4,600 for benefit costs and an increase of \$6,700 for statewide cost allocation, and an increase of \$26,000 for Change in Employee Compensation. Also, included are the following line items:

- line-item one, which provides \$75,000, one-time for the sage grouse study
- and line item 2 for a \$500,000 reduction in the Federal Trustee and Benefit Payments.

The totals for this motion for Fiscal Year 2022 are 15 FTP, \$1,629,000 from the General Fund, \$15,000 from the dedicated funds, and \$13,016,700 for a total of \$14,660,700.

CARRIED:

AYES: 17.

Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Cook.

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**.

AGENCY PRESENTATION: **SOIL AND WATER CONSERVATION COMMITTEE. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Soil and Water Conservation Commission. The mission, according to section 22-2718 Idaho Code is to facilitate, coordinated non-regulatory voluntary and local led conservation by federal, state, and local governments, including Idaho's conservation districts and other partners in order to conserve, sustain, and improve and enhance soil, water, air, plant, and animal resources.

The Governor had recommended one original line-item which was to remove one FTP and transfer the \$54,000 associated with the personnel costs into trustee and benefit payments. Instead of removing the 1 FTP, the motion would have some additional money added to the \$40,000 from the General Fund and ongoing. Also, there is an addition of \$200,000 from the General Fund for trustee and benefit payments that are distributed to each of those soil and water districts.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Crabtree**, for the Soil and Water Conservation Commission with the FY 22 base, for an increase of \$5,700 for benefit costs, an increase of \$20,700 for statewide cost allocation, an increase of \$25,700 for Change in Employee Compensation. Are also included two line-items: line item 1 provides \$40,000 from the General Fund to convert a vacant position to a program manager for the conservation reserve enhancement program, and line item 2 provides an additional \$200,000 from the General Fund to be distributed evenly to the 50 local soil and water conservation districts. The totals for this motion for FY 2022 are 17.75 FTP, \$2,967,200 from the General Fund, \$402,600 from dedicated funds, for a total of \$3,369,800.

DISCUSSION: **Sen. Van Orden** declared a rule S39.

CARRIED: **AYES: 17.**
Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 1.
Cook.

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. Troy**, granted by unanimous consent, the following language was added:
TRUSTEE AND BENEFIT PAYMENTS DISTRIBUTION. Of the amount appropriated in Section 1 of this act for trustee and benefit payments, \$300,000 shall be distributed equally between the fifty (50) soil and water conservation districts in addition to the amounts authorized under Section 22-2727, Idaho Code.

AGENCY PRESENTATION: **OFFICE OF ENERGY AND MINERAL RESOURCES. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Office of Energy and Mineral Resources resources. The agency mission is to be the clearinghouse and first point of contact for energy and mineral information with policy inquiries and providing information regarding issues and to coordinate the energy and mineral resources efforts. There are no line items requested for the Fiscal Year 2022 budget.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Lent**, for the Office of Energy and Mineral Resources beginning with the FY 2022 base an increase of \$1,900 for benefit costs, an increase of \$5,200 for replacement items, an increase of \$1,900 for statewide cost allocation, an increase of \$18,400 for Change in Employee Compensation. The totals for this motion for FY 2022 are 8 FTP, \$1,005,100 from dedicated funds, and \$530,600 from federal funds, for a grand total of \$1,535,700.

DISCUSSION: **Sen. Van Orden** declared a rule S39.

CARRIED: **AYES: 16.**

Rep. Youngblood, Horman, Amador, Syme, Bundy, Green, Nash, Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Sen. Cook, Rep. Troy.

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**.

AGENCY PRESENTATION: **PUBLIC UTILITIES COMMISSION. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Public Utilities Commission. The mission of the division is to oversee the interstate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines, and railroads. The budget includes some language to adjust the commissioner's salaries and statute that would commiserate with the 2% CEC recommended by the Governor.

MOTION: Original Motion: Moved by **Sen. Woodward**, seconded by **Rep. Horman**, for the Public Utilities Commission beginning with the Fiscal Year 2022 base an increase of \$14,700 for Benefit Costs, an increase of \$49,000 for Replacement Items, increase of \$95,400 for Statewide Cost Allocation, and increase of \$72,900 for Change in Employee Compensation. Also included the following line-items: \$8,200 for the Commissioner CEC, and a decrease of \$40,000 for operating expenses for Chinden campus. The totals for the motion for FY2021 are 49 FTP, \$ 6,367,800 from dedicated funds, \$341,800 from federal funds, for a grand total of \$6,709,600.

CARRIED:

AYES: 18

Rep. Youngblood, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs,
Ward-Engelking, Nye.

NAYS: 0.

ABSENT/EXCUSED: 2.

Rep. Troy, Sen. Cook.

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. Woodward**, granted by unanimous consent, the following language was included to amend Section 61-215, Idaho Code, to provide a 2% change in employee compensation for the Public Utilities Commissioners in the Public Utilities Commission's FY2022 appropriation bill:
Section 61-215, Idaho Code, be, and the same is hereby amended to read as follows:

61-215. SALARIES OF PUBLIC UTILITIES COMMISSIONERS. Each member of the public utilities commission shall devote full time to the performance of his/her duties. Commencing on July 1, 2021, the annual salary of members of the public utilities commission shall be one hundred fourteen thousand two hundred five hundred twenty dollars (114,520) and shall be paid from sources set by the legislature.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:50 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, February 23, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 6-103	STEM Action Center	Janet Jessup, <i>Senior Analyst</i>
LBB 1-49	Agricultural Research & Extension Service	
LBB 1-87	Career-Technical Education	
LBB 6-41	Commission on Aging	Jill Randolph, <i>Senior Analyst</i>
LBB 1-113	Division of Vocational Rehabilitation	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 23, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye.
Representatives Co-Chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash.

ABSENT/ EXCUSED:

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

LSO STAFF PRESENTATION: **STEM ACTION CENTER, Janet Jessup, Senior Analyst**

MOTION: Original Motion:
Moved by **Senator Cook** for the STEM Action Center, beginning with the FY 2022 Base, an increase of \$1,400 for benefit costs, an increase of \$1,400 statewide cost allocation, and an increase of \$10,300 for change in employee compensation. Also included is a line item to decrease of \$100,000 ongoing from the Miscellaneous Revenue Fund to eliminate a fund no longer in use. The totals for this motion for FY 2022 are 6.00 FTP, \$3,056,100 from the General Fund and \$3,004,000 from dedicated funds, for a grand total of \$6,060,100, seconded by **Representative Horman**.

SUBSTITUTE MOTION: Substitute Motion:
Moved by **Representative Green** for the STEM Action Center, beginning with the FY 2022 Base, an increase of \$1,400 for benefit costs, an increase of \$1,400 statewide cost allocation, and an increase of \$10,300 for change in employee compensation. Also included are the following line items: line item 1, which provides a decrease of \$74,100 from dedicated funds and shifts \$74,100 of General Fund from operating expenditures to personnel costs; and line item 2, which includes a decrease of \$100,000 ongoing from the Miscellaneous Revenue Fund to eliminate a fund no longer in use. The totals for this motion for FY 2022 are 6.00 FTP, \$3,056,100 from the General Fund and \$2,929,900 from dedicated funds, for a grand total of \$5,986,000, seconded by **Senator Lent**.

DISCUSSION: **Ms. Jessup** answered questions from the Committee.

VOTE ON SUBSTITUTE MOTION: **AYES: 12**
Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.
NAY: 8

ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the substitute motion passed, and without objection, carried a **do pass** recommendation. Hearing no objection, it was so ordered by Chairman Youngblood. See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:
MOTION:**

AGRICULTURAL RESEARCH & EXTENSION SERVICE, Janet Jessup, Senior Analyst

Original Motion:

Moved by **Representative Troy** for the Agricultural Research & Extension Service, beginning with the FY 2022 Base, an increase of \$107,400 for benefit costs and an increase of \$479,300 for change in employee compensation. The totals for this motion for FY 2022 are 349.35 FTP and \$32,695,100 from the General Fund, includes an exception to budget laws that will allow funds to be transferred between object codes, and there is no FTP cap, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 19 Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, and Nash.

NAY: 1

Representative Giddings

ABSENT/EXCUSED: 0

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. See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:
UNANIMOUS
CONSENT:
MOTION:**

CAREER-TECHNICAL EDUCATION, Janet Jessup, Senior Analyst

Requested by **Senator Grow**, granted by unanimous consent, to reopen the FY 2021 budget for the Division for Career Technical Education.

Moved by **Senator Grow** for the fiscal year 2021, for the Division of Career Technical Education, Dedicated Programs, an additional \$125,000 onetime from the General Fund for workforce training programs, seconded by **Representative Amador**.

DISCUSSION:

Senator Grow answered questions from the Committee.

CARRIED:

AYES: 17 Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Bundy, Green, and Nash.

NAY: 3

Representatives Syme, Nate and Giddings

ABSENT/EXCUSED: 0

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.
See [Audio](#), [Motion](#), [Ballot](#) here.

MOTION:

Original Motion:

Moved by **Representative Horman** for the State Board of Education, Division of Career Technical Education, beginning with the FY 2022 Base, an increase of \$157,700 for benefit costs, an increase of \$400 for statewide cost allocation, and an increase of \$757,200 for change in employee compensation. Also included are the following line items: line item 1, which includes net zero transfers to realign funding in preparation for LUMA; line item 2, which includes net zero transfers to realign new CEC in preparation of LUMA; line item 3, which provides \$647,800 to create apprenticeship opportunities for postsecondary students at Idaho's technical colleges; line item 4, which includes a net zero transfer of the fire safety training program from Dedicated Programs to Postsecondary Programs within the division; line item 5, which provides \$210,000 onetime for COVID relief; line item 6, which provides \$1,000,000 onetime to secondary CTE programs for modernization; line item 7, which provides \$2,500,000 onetime to post-secondary CTE programs for modernization; and line item 8, which provides \$1,125,000 onetime to workforce training centers for training services. The totals for this motion for FY 2022 are 586.01 FTP, \$73,007,500 from the General Fund, \$552,800 from dedicated funds, and \$10,635,300 from federal funds for a grand total of \$84,195,600. This motion includes exceptions to budget laws that will allow funds to be transferred between object codes for the Postsecondary Program only. Consistent with other higher education budgets, there is no FTP cap for the Postsecondary Program, seconded by **Senator Lent**.

CARRIED:

AYES: 18 Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAY: 2

Representatives Nate and Giddings,

ABSENT/EXCUSED: 0

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 **Representative Horman**, granted by unanimous consent to accept the intent language as displayed on the screen.

**INTENT
LANGUAGE:**

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Division of Career Technical Education any unexpended and unencumbered balances appropriated to the Division of Career Technical Education from federal funds for fiscal year 2020 to be used for nonrecurring expenditures for the period July 1, 2021, through June 30, 2022.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:**

COMMISSION ON AGING, Jill Randolph, Senior Analyst

MOTION:

Original Motion:

Moved by **Representative Bundy**, for the Commission on Aging, beginning with the FY 2022 Base, an increase of \$3,700 for benefit costs, an increase of \$1,600 for inflationary adjustments, an increase of \$1,100 for statewide cost allocation, and an increase of \$20,200 for change in employee compensation. Also included are three line items. Line item 1 provides \$704,100 onetime in federal funds, of which \$329,100 is in operating expenditures and \$375,000 is in trustee and benefit payments, for enhanced Adult Protective Services. Line item 2 provides \$20,600 onetime in federal funds in operating expenditures for enhanced long-term care ombudsman. Line item 3 provides \$120,700 onetime federal funds, of which \$13,600 is in personnel costs, \$2,200 is in operating expenditures, and \$104,900 is in trustee and benefit payments, for chronic disease self-management education programs. The totals for this motion for FY 2022 are 13.00 FTP, \$4,530,200 from the General Fund and \$10,101,600 from federal funds for a grand total of \$14,631,800, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 18 Senators Van Orden(Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAY: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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 **Representative Bundy**, granted by unanimous consent to

**INTENT
LANGUAGE:**

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Commission on Aging any unexpended and unencumbered balances appropriated to the Commission on Aging from the Federal COVID-19 Relief Fund for the purpose of home delivered meals for fiscal year 2021, in an amount not to exceed \$862,400, to be used for nonrecurring expenditures related to home delivered meals 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.

See [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:
MOTION:**

**DIVISION OF VOCATIONAL REHABILITATION, Jill Randolph,
Senior Analyst**

Original Motion:

Moved by **Senator Lent** , for the Division of Vocational Rehabilitation, beginning with the FY 2022 Base, an increase of \$34,900 for benefit costs, an increase of \$161,300 for statewide cost allocation, and an increase of \$185,300 for change in employee compensation The totals for this motion for FY 2022 are 150.00 FTP, \$8,202,200 from the General Fund, \$2,117,800 from dedicated funds, and \$18,096,400 from federal funds for a grand total of \$28,416,400, seconded by **Senator Woodward**.

CARRIED:

AYES: 20 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAY: 0

ABSENT/EXCUSED: 0

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.

See [Audio](#), [Motion](#), and [Ballot](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Youngblood** adjourned the meeting at 8:44 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, February 24, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 3-3	Department of Correction	Jared Hoskins, <i>Principal Analyst</i>
LBB 3-7	Management Services	
LBB 3-13	State Prisons	
LBB 3-19	County & Out-of-State Placement	
LBB 3-23	Correctional Alternative Placement	
LBB 3-27	Community Corrections	
LBB 3-31	Community-Based Substance Abuse Treatment	
LBB 3-35	Medical Services	
LBB 3-39	Pardons & Parole Commission	
TECHNICAL CORRECTIONS		
	Division of Veteran Services - FY 2022 Language	Christine Otto, <i>Senior Analyst</i>
	Division of Career Technical Education - FY 2022 Language	Janet Jessup, <i>Senior Analyst</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 24, 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: Amador
CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF CORRECTION – Management Services. Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Department of Correction. The department includes eight budgeted divisions, and this budget also includes 10 motions. The department proposed motions match the Governor's recommendation, with the difference that there is a net-zero addition of a fifth line item in community supervision that adds \$1.8 million for a community intervention station. This is needed to continue with a \$4.5 million line-item funded for the current year. The total adjusted budget for FY 2022 is \$18,687,700.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Syme** for the Department of Corrections beginning with the Fiscal Year 2022 base an increase of \$39,500 for benefit costs, \$60,400 for inflationary adjustments, \$456,000 for replacement items, \$363,800 for statewide cost allocation, \$172,500 for change in employee compensation. Also included in line-item 2, which provides \$2,410,500, one-time for the fourth and final phase of the offender management system replacement. The totals for this motion for Fiscal Year are 127 FTP, \$19,715,000 from the General Fund, and \$1,899,600 from dedicated funds for a grand total of \$21,614,600.

CARRIED: **AYES: 16.**
Van Order, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.
NAYS: 1.
Nate
ABSENT/EXCUSED: 3.
Ward-Engelking, Amador, Giddings.

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. Riggs**, granted by unanimous consent, the following language was added: EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS. The Department of Corrections is hereby exempted from the provisions of Section 67-3511 (2). Idaho Code, allowing unlimited transfers between programs for all moneys appropriated to it for the period July 1, 2021, through June 30, 2022; provided, however, moneys appropriated to the County and Out-of-State Placement Program, Correctional Alternative Placement Program, and Medical Services Program may only be transferred between said programs. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

**AGENCY
PRESENTATION:**

DEPARTMENT OF CORRECTION - State Prisons.
Jared Hoskins, Principal Analyst

Mr. Hoskins introduced the budget for the Department of Correction, State Prisons Division. The agency originally requested one line-item, recommended by the Governor, for the operational costs associated with the expansion of the St. Anthony work camp.

MOTION:

Original Motion: Moved by **Sen. Grow**, seconded by **Rep. Green** for the Department of Corrections in the State Prisons Division beginning with the Fiscal Year 2022 base an increase of \$374,600 for benefit costs, \$216,900 for inflationary adjustments, \$2,569,300 for replacement items, \$230,400 for statewide cost allocation, \$1,672,900 for Change in Employee Compensation. Also included is line item 1, which provides 32 FTP, and \$3,026,500 for operational costs associated with the expansion of the St. Anthony work camp. The totals for this motion, for the Fiscal Year 2022, are 1,459.50 FTP, \$115,761,100 from the General Fund, \$13,754,500 from dedicated funds, and \$1,390,400 from federal funds, for a grand total of \$130,906,600.

CARRIED:

AYES: 17.

Van Order, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 3.

Riggs, Amador, Giddings.

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**.

**AGENCY
PRESENTATION:**

DEPARTMENT OF CORRECTION - County Out-of-State Placement.
Jared Hoskins, Principal Analyst

Mr. Hoskins introduced the budget for the Department of Correction, County Out-of-State Placement Division. JFAC's adjusted budget has a total of \$44,624,200. There was one line item requested, a reduction of \$4,612,400, which was included in the Governor's recommendation.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Riggs**, for the Department of Corrections in the county and Out-of-State Placement Division, beginning with the FY 2022 base, a decrease of \$4,612,400 for budget Offsets, the totals are 0 FTP, and \$40,011,800 from the General Fund.

CARRIED: **AYES: 18.**
Van Order, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Giddings.

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**.

AGENCY PRESENTATION: **DEPARTMENT OF CORRECTION - Correctional Alternative Placement.**
Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Department of Correction, Correctional Alternative Placement Division. The JFAC adjusted budget has a total of \$10,306,400. There was one line-item requested by the agency for 'population driven' for the amount of \$341,300, this was recommended by the Governor in the same amount.

MOTION: Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Grow**, for the Department of Corrections in the Correctional Alternative Placement Division, beginning with the FY 2022 base, an increase of \$341,300 for population-driven costs, the totals for this motion for fiscal 2022 are 0 FTP, \$10,447,700 from the General Fund, and \$200,000 from the dedicated funds for a grand total of \$10,647,700.

CARRIED: **AYES: 18.**
Van Order, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Giddings.

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**.

AGENCY **DEPARTMENT OF CORRECTION - Community Corrections.**
PRESENTATION: **Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Department of Correction, Community Corrections Division. The JFAC adjusted budget includes adjustments for benefit costs, statewide cost allocation, and Change in Employee Compensation. Originally, no line-items were requested for this division, nor there were any recommended by the Governor. However, the motion-makers wanted to add a fifth line-item for the community intervention station for the amount of \$1.825 million.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Riggs**, for the Department of Corrections in the community corrections division beginning with the FY 2022 base an increase of \$119,300 for benefit costs, \$32,600 for inflationary adjustments, \$890,800 for replacement items, \$34,900 for statewide cost allocation, \$536,200 for change in employee compensation. And also included is line-item 5, which provides an ongoing increase of \$1,825,000 for community intervention stations. The totals for this motion for FY 2022 are 457.35 FTP, \$33,533,700 from the General Fund, \$12,203,900 from dedicated funds and \$504,900 from federal funds for a grand total of \$46,242,500.

CARRIED: **AYES: 17.**
Van Order, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.
NAYS: 1. Nate.
ABSENT/EXCUSED: 2.
Amador, Giddings.

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**.

AGENCY **DEPARTMENT OF CORRECTION - Community-Based Substance Abuse**
PRESENTATION: **Treatment.**
Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Department of Correction, Community-Based Substance Abuse Treatment Division. The JFAC adjusted budget, which included adjustments for benefit costs, statewide cost allocation, and change in employee compensation, has a total of \$4,357,700. There were no line items requested in this budget making, which is recommended by the Governor.

MOTION: Original Motion: Moved by **Rep. Green**, seconded by **Sen. Grow**, for the Department of Corrections, in the Community-Based Substance Abuse Treatment Division, beginning with the Fiscal Year 2022 base, an increase of \$5,300 for benefit costs, \$1,300 for statewide cost allocation, and \$24,400 for Change in Employee Compensation. The totals for this motion for the Fiscal Year 2022 are 18 FTP, \$4,357,700 from the General Fund.

CARRIED:

AYES: 19.

Van Order, 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**.

AGENCY

DEPARTMENT OF CORRECTION - Medical Services.

PRESENTATION: Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Department of Correction, Medical Services Division. The JFAC adjusted budget, which does not include any adjustments, has a total of \$55,163,500. There was one line-item requested for a population-driven cost, recommended by the Governor, in the amount of \$2,524,600. However, updated forecasts show less utilization in the medical services beds, bringing that need down to \$699,600.

MOTION:

Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Syme**, for the Department of Corrections in the Medical Services Division, beginning in the Fiscal Year 2022 base, an increase of \$699,600 for population-driven costs, the totals for this motion for Fiscal Year 2022 are 0 FTP, \$55,728,100 from the General Fund, and \$135,000 from dedicated funds for a grand total of \$55,863,100.

CARRIED:

AYES: 19.

Van Order, 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**.

AGENCY

DEPARTMENT OF CORRECTION - Commission of Pardons Parole.

PRESENTATION: Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Department of Correction, Commission of Pardons Parole Division. The JFAC adjusted budget includes adjustments for benefit costs, statewide cost allocation, and Change in Employee Compensation. There were no line items originally requested by the agency; however, there were \$50,000 in federal funds recommended by the Governor for extradition transport, this is related to a supplemental that this Committee has already addressed.

MOTION:

Original Motion: Moved by **Sen. Grow**, seconded by **Rep. Nash**, for the Commission of Pardons and Parole, beginning with the Fiscal Year 2022 base, an increase of \$8,400 for benefit costs, \$7,400 for inflationary adjustments, \$20,800 for replacement items, \$6,500 for statewide cost allocation, \$45,500 for a change in employee compensation. Also included is line-item 1, which provides \$50,000 one-time for extradition transport. The totals for this motion for the Fiscal Year 2022 are 37 FTP, \$3,547,700, from the General Fund, \$70,700 from dedicated funds, and \$50,000 from federal funds for a grand total of \$3,668,400.

CARRIED:

AYES: 19.

Van Order, 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**.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Grow**, granted by unanimous consent, the following language was added: REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Commission of Pardons and Parole any unexpended and unencumbered balances appropriated to the Commission of Pardons and Parole from the Federal COVID19 Relief Fund for fiscal year 2021, in an amount not to exceed \$20,000, to be used for nonrecurring expenditures related to parole hearing minute-taking 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.

**AGENCY
PRESENTATION:**

TECHNICAL CORRECTIONS - Division of Veteran Services.

Christine Otto, Senior Analyst.

Ms. Otto introduced the technical corrections for the Division Of Veteran Services. The language accepted by JFAC on February 19, 2021, for the Division of Veterans Services did not include the words "or re appropriated." This is necessary to include any funding re appropriated prior o FY 2021.

UNANIMOUS CONSENT: Requested by **Rep. Syme**, granted by unanimous consent, the FY 2022 budget for the Division of veteran services was reopened.

UNANIMOUS CONSENT: Requested by **Rep. Syme**, granted by unanimous consent, the language for the Division of Veterans Services accepted by the Joint Finance Appropriations Committee on February 19, 2021, was replaced with the new language as presented on the screen.

LSO STAFF PRESENTATION: **TECHNICAL CORRECTIONS - Career Technical Education.**
Janet Jessup, Senior Analyst.

Ms. Jessup introduced the technical correction for the Division of Career Technical Education. The language accepted by JFAC on February 23rd for the Division of Career Technical Education did not include the correct year (i.e. FY 2021).

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the FY 2022 budget for the Division of Career Technical Education was reopened.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the language for the Division of Career Technical Education accepted by the Joint Finance Appropriations Committee on February 23, 2021, was replaced with the new language as presented on the screen.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:44 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, February 25, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	BUDGET SETTING	
LBB 4-29	Department of Lands	Rob Sepich, <i>Senior Analyst</i>
LBB 4-15	Department of Fish and Game	
LBB 6-5	Department of Administration	Maggie Smith, <i>Senior Analyst</i>
LBB 6-17	Bond Payment Program	
LBB 6-13	Capitol Commission	
LBB 6-21	Permanent Building Fund	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, February 25, 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: Representative Amador

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

LSO STAFF PRESENTATION: **DEPARTMENT OF LANDS, Rob Sepich, Senior Analyst**

MOTION: Original Motion
Moved by **Senator Crabtree** for the Department of Lands, beginning with the FY 2022 Base, \$101,100 for benefit costs, \$1,522,800 for replacement items, a reduction of \$64,200 for statewide cost allocation, and \$493,800 for change in employee compensation.
Also included are the following line items: line item 1, which provides 10.00 FTP and \$914,800 from the Department of Lands Fund to add permanent engine boss positions and associated equipment; line item 2 which adds 1.00 FTP and \$141,000 to hire a wildfire investigator; line item 3 for \$450,000 from the General Fund for Shared Stewardship Contracting; line item 4 includes \$90,000 onetime to purchase three trucks for the Good Neighbor Authority Program; line item 7 which adds \$91,000 onetime for PhoDAR and Drone Support; line item 8 for a net zero transfer for the department-wide reorganization; line item 9 adds \$18,300 for a 2 percent CEC and inflationary increase for the two Timber Protective Associations; and line item 10 which transfers \$20,000,000 from the General Fund to the Fire Suppression Deficiency Fund.
The totals for this motion for FY 2022 are 338.82 FTP, \$7,166,700 from the General Fund, \$50,306,600 from dedicated funds, and \$8,987,600 from federal funds for a grand total of \$66,460,900, seconded by **Representative Troy**.

CARRIED: **AYES: 17** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 1
Representative 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 Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Senator Crabtree**, granted by unanimous consent to include the two sections of bill language as displayed on the screen.

**INTENT
LANGUAGE:**

EXEMPTIONS FROM OBJECT TRANSFER LIMITATIONS. The Department of Lands is hereby exempted from the provisions of Section 67-3511(1) and (3), Idaho Code, allowing unlimited transfers between object codes for all moneys appropriated for the Forest and Range Fire Protection Program for the period July 1, 2021, through June 30, 2022. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

CASH TRANSFER FOR FIRE SUPPRESSION COSTS. There is hereby appropriated to the Department of Lands and the State Controller shall transfer \$20,000,000 from the General Fund to the Fire Suppression Deficiency Fund as soon as practicable for the period July 1, 2021, though June 30, 2022. Such moneys shall be used to reimburse costs incurred by the Range and Forest Fire Protection Program in the Department of Lands pursuant to Idaho Code §§ 38-131 and 38-131A.

DISCUSSION:

Mr. Headlee, LSO noted the second paragraph, CASH TRANSFER FOR FIRE SUPPRESSION COSTS, was included in the original motion. Expenditures of funds require a roll-call vote, and therefore would not be valid under a unanimous consent vote.

Links for [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:
MOTION:**

DEPARTMENT OF FISH and GAME, Rob Sepich, Senior Analyst

Original Motion

Moved by **Representative Troy** for the Department of Fish and Game, beginning with the FY 2022 Base, \$182,200 for benefit costs, \$5,260,200 for replacement items, \$189,200 for statewide cost allocation, and \$792,000 for change in employee compensation.

Also included are the following line items: line item 1, which provides \$1,500,000 to pay off regional office leases; line item 2 for \$6,423,500 onetime for Albeni Falls Mitigation projects; line item 3, which provides \$175,000 for wildlife related analysis on Good Neighbor Authority projects; and line item 4, which adds \$344,500 for salmon monitoring and evaluation. The totals for this motion for FY 2022 are 553.00 FTP, \$67,782,600 from dedicated funds, and \$60,396,000 from federal funds for a grand total of \$128,178,600, seconded by **Senator Crabtree**.

CARRIED:

AYES: 17 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative 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 Bair**.

Links for [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF ADMINISTRATION; Maggie Smith, Senior Analyst

MOTION 1:

Original Motion

Moved by **Representative Green** for the Department of Administration, beginning with the FY 2022 Base, an increase of \$38,100 for benefit costs, an increase of \$7,500 for inflationary adjustments, an increase of \$216,400 for statewide cost allocation, and an increase of \$166,000 for change in employee compensation.

Also included are the following line items. Line item 1 creates a new budgeted program in the Department of Administration called Document Services, and transfers 16.52 FTP and \$1,597,900 from the Purchasing Program to the Document Services Program in a net-zero program shift. Line item 2 provides a net-zero fund shift of \$50,000 in operating expenditures from the Administration and Accounting Services Fund to the Permanent Building Fund.

The totals for this motion for FY 2022 are 124.00 FTP, \$2,434,200 from the General Fund, and \$22,079,200 from dedicated funds, for a grand total of \$24,513,400, seconded by **Senator Cook**.

DISCUSSION:

Representative Syme stated he had a conflict of interest pursuant to Senate Rule 39(H) but intended to vote.

CARRIED:

AYES: 19 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative 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 Bair**.

MOTION 2:

Original Motion

Moved by **Senator Cook** that there is hereby appropriated and the Office of the State Controller shall transfer \$1,737,500 from the Permanent Building Fund to the Administration and Accounting Services Fund on July 1, 2021, or as soon thereafter as practicable, for the Capitol Mall Facilities payment in the Division of Public Works due in fiscal year 2022, seconded by **Representative Green**.

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

UNANIMOUS CONSENT: Requested by **Representative Green**, granted by unanimous consent, that the language regarding state employee group health insurance plan structure be included in the Department of Administration's fiscal year 2022 appropriation bill, as shown on the screen.

INTENT LANGUAGE: SECTION __. PLAN STRUCTURE. The Office of Group Insurance shall maintain the current health insurance plan structure and benefit package for state employees and the employer and employee cost-sharing split recommended by the Governor and the Legislature's Joint Change in Employee Compensation Committee for fiscal year 2022. Adherence with the plan structure shall not preclude the Office of Group Insurance from implementing positive plan changes as identified.
Links for [Audio](#), [Motion](#) and [Ballot](#) here.

LSO STAFF PRESENTATION: **BOND PAYMENTS PROGRAM, Maggie Smith, Senior Analyst**

MOTION 1: Original Motion
Moved by **Senator Grow** for the Bond Payments Program, in the Department of Administration, for FY 2022, \$3,930,000 from the General Fund and \$15,433,000 from dedicated funds, for a grand total of \$19,363,000, seconded by **Representative Troy**.

CARRIED: **AYES: 19** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash
NAYS: 0
ABSENT/EXCUSED: 1
Representative 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 Bair**.
Links for [Audio](#), [Motion](#) and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

CAPITOL COMMISSION, Maggie Smith, Senior Analyst

MOTION 1:

Original Motion

Moved by **Senator Grow** for the Capitol Commission, in the Department of Administration, a total of \$2,342,000 from dedicated funds, for fiscal year 2022, seconded by **/Representative Troy**.

CARRIED:

AYES: 19 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative 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 Bair**.

MOTION 2:

Original Motion

Moved by **Senator Grow** that there is hereby appropriated, and the Office of the State Controller shall transfer \$125,000 from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022., seconded by **/Representative Troy**.

CARRIED:

AYES: 19 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative 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 Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Senator Grow**, granted by unanimous consent, to accept the language regarding reappropriation authority as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Administration for the Idaho State Capitol Commission any unexpended and unencumbered balances appropriated to the Department of Administration for the Idaho State Capitol Commission from the Capitol Commission Operating Fund and the Capitol Maintenance Reserve Fund for fiscal year 2021 to be used for nonrecurring expenditures 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.

Links to [Audio](#), [Motion](#) and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

PERMANENT BUILDING FUND, Maggie Smith, Senior Analyst

MOTION 1:

Original Motion

Moved by **Senator Cook** for the Department of Administration, in the Division of Public Works, beginning with the FY 2022 Base, an increase of \$18,606,200 in dedicated funds for statewide alteration and repair projects, found on the Replacement Items line.

Also included are the following line items: line item 1 provides \$800,000 for the design phase of an Idaho State Police Facility in Idaho Falls; line item 2 provides \$3,200,000 to replace a 24-bed facility at the Juvenile Corrections Center in St. Anthony; line item 3 provides \$5,429,600 for a Military Readiness Center in Twin Falls, and line item 4 provides \$7,000,000 for the College of Eastern Idaho's Future Tech Facility.

The total for this motion for FY 2022 is \$35,035,800 in onetime dedicated funds, seconded by **Representative Horman**.

CARRIED:

AYES: 19 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative 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 Bair**.

MOTION 2:

Original Motion

Moved by **Senator Cook** that there is hereby appropriated, and the Office of the State Controller shall transfer \$7,000,000 from the General Fund to the Permanent Building Fund on July 1, 2021, or as soon thereafter as practicable, for the period July 1, 2021, through June 30, 2022, seconded by **Representative Horman**.

CARRIED:

AYES: 19 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, and Giddings, Bundy, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative 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 Bair**.

**UNANIMOUS
CONSENT 1:**

Requested by **Senator Cook** to include the following sections of additional language in the Permanent Building Fund's fiscal year 2022 appropriation bill, as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS. Moneys appropriated in Section 1 of this act, or so much thereof as in each case may be necessary, shall be used for the purpose of paying the cost of any land, building, or equipment, or for the rebuilding, renovation, or repair of buildings, installations, facilities, or structures at the places, institutions, and agencies, or their successors, including those listed in this section. The Permanent Building Fund Advisory Council is hereby authorized and directed to anticipate revenues accruing to the Permanent Building Fund for the purpose of undertaking the construction, renovation, repair, and acquisitions therein authorized, without delay, and to determine the priority of construction pursuant to which the work hereunder will be undertaken.

SECTION __. UTILIZATION OF MATCHING FUNDS. Moneys appropriated in this act may be made available for matching any allocation of moneys now in existence or hereafter made available by agencies of the United States and/or private donations; and the Division of Public Works is authorized to expend, for the purpose of paying the cost of any land, building, or equipment, or for the rebuilding, renovation, or repair of buildings, moneys appropriated for public works to various agencies as part of the respective agency operating budgets, provided the express approval by the Permanent Building Fund Advisory Council is granted to make application for such moneys in each instance

SECTION __. REALLOCATION OF PROJECT SAVINGS. The Division of Public Works may have the flexibility to allocate any savings or unused appropriation from any project to any other requested and funded project. The reallocation of such appropriation must be approved by the Permanent Building Fund Advisory Council prior to the funds being spent.

**UNANIMOUS
CONSENT 2:**

Requested by **Senator Cook** that the language regarding reappropriation be included in the Permanent Building Fund's fiscal year 2022 appropriation bill, as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Division of Public Works any unexpended and unencumbered balances appropriated or reappropriated to the Division of Public Works from the Permanent Building Fund for fiscal year 2021, to be used for nonrecurring expenditures 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.

**UNANIMOUS
CONSENT 3:**

Requested by **Senator Cook** that the language regarding timing of the use of Permanent Building Funds be included in the Permanent Building Fund's fiscal year 2022 appropriation bill, as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. USE OF PERMANENT BUILDING FUNDS FOR SPECIFIC PROJECTS. Of the amount appropriated in Section 1 of this act, \$7,000,000 for the College of Eastern Idaho in the Permanent Building Fund may be expended only after the College of Eastern Idaho president has secured pledges for funding equaling \$7,000,000 for the Future Tech facility. Verification of such pledges shall be confirmed by a signed attestation letter from the president of the College of Eastern Idaho to the Division of Public Works in the Department of Administration.

Links to [Audio](#), [Motions](#) and [Ballots](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 8:46 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, February 26, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 1-95	Idaho Public Television	Janet Jessup, <i>Senior Analyst</i>
LBB 5-69	Commission for Libraries	
LBB 6-51	Commission for the Blind and Visually Impaired	
LBB 3-45	Judicial Branch	Jared Hoskins, <i>Principal Analyst</i>
LBB 5-89	Public Defense Commission	
LBB 6-27	Attorney General	
LBB 6-47	Commission on the Arts	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 26, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

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

ABSENT/EXCUSED: Senators Lent, Representative(s) Amador.

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

LSO STAFF PRESENTATION: **STATE BOARD OF EDUCATION – Idaho Public Television LBB 1-95.**
Janet Jessup, LSO Senior Analyst.

Ms. Jessup introduced the budget for Idaho Public Television. Idaho Public Television is a Division under The State Board of Education. It includes delivery of information to Idahoans, both over the television and online.

DISCUSSION: The Governor recommended COVID – related spending in FY 22 in the amount of \$489,700. After consulting with IPTV, it was determined that only \$100,000 (\$67,000 in PC, and \$33,000 in OE) in appropriation was necessary to provide sufficient authority to spend federal COVID-related funding. This amount will give the agency the flexibility to manage uncommitted funds and reimbursement.

MOTION: Moved by **Rep. Troy**, seconded by **Sen. Ward - Engelking**, for Idaho Public Television beginning with the FY 2022 base an increase of \$16,800 for benefit costs, \$110,000 from one-time dedicated funds for replacement items \$7,600 for statewide cost allocation, and \$85,200 for a change in employee compensation. Also included are the following line items. Line item 1, which provides 50,000 for the fifth year of the federal video production grant; and line item 2, which provides \$100,000 from federal spending authority related to the COVID relief. The totals for this motion in FY 2022 are 70.48 full-time positions, \$2,719,200 from the General Fund, \$6,233,500 from dedicated funds, and \$600,000 from the federal funds for a grand total of \$9,552,700.

**SUBSTITUTE
MOTION:**

Substitute Motion: **Rep. Giddings** moved a Substitute Motion, seconded by **Rep. Nate**, beginning with the FY 2021, Estimated Expenditures, remove \$634,700 for one-time funding and include a base reduction of 14.00 FTP, and \$2,544,400 from the General Fund. Then provide \$16,800 for benefit costs, \$110,000 for one-time replacement items, \$7,600 for statewide cost allocation, and \$85,200 for change in employee compensation also included is one line item which provides \$50,000 for the fifth year of the federal video grant production grant. The totals for this motion for the fiscal year 2022 are 56.48 FTP \$6,274,400 from dedicated funds, and \$500,000 from federal funds for a grand total of \$6,774,400.

**VOTE ON
SUBSTITUTE
MOTION:**

AYES: 2.

Giddings, Nate.

NAYS: 16.

Rep. Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.

Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking, Nye.

ABSENT/EXCUSED: 2.

Amador, Lent.

The majority, having voted in the negative, the motion failed, and without objection, **Chairman Youngblood** moved to hear the Original Motion.

**VOTE ON
ORIGINAL
MOTION:**

AYES: 16.

Rep. Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.

Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking, Nye.

NAYS: 2.

Giddings, Nate.

ABSENT/EXCUSED: 2.

Amador, Lent.

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:**

SELF-GOVERNING AGENCIES – Idaho Commission for Libraries - LBB 5-69. Janet Jessup, LSO Senior Analyst.

Ms. Jessup introduced the budget for the Commission for Libraries. The Idaho Commission on Libraries oversees and advises the libraries throughout the state.

DISCUSSION:

This Motion provides that line-item 1 be supported from Coronavirus Relief Fund money (CARES Act) for FY 2022 and revisited at a future date for General Fund.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Nye**, for The Idaho Commission for Libraries, beginning with the FY 2022 Base, \$8,800 for benefit costs, \$54,000 for inflationary adjustments, 1,000 for statewide cost allocation, and 46,100 for change in employee compensation. Also included are the following line items: line item 1, which provides \$307,000 one-time for e-book and e-audio service support. The totals for this motion for FY 2022 are 37.50 FTP, \$4,250,200 from the General Fund, \$70,000 from dedicated funds, \$1,988,400 from federal funds for a grand total of \$6,308,600.

CARRIED: **AYES: 18.**
Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook,
Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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: **OFFICE OF THE GOVERNOR - Commission for the Blind and Visually Impaired LBB 6-51. Janet Jessup, LSO Senior Analyst.**

Ms. Jessup introduced the budget for the blind and visually impaired, also referred to as BVI. The Commission for the Blind and Visually Impaired is based in Boise and serves and provides services to Idahoans across the state who are blind and at varying degrees of visually impaired.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Riggs**, for the Commission for the Blind and Visually Impaired, beginning with the FY 2022 Base, an increase of \$9,500 for benefit costs, an increase of \$55,800 one time for replacement items, a decrease of \$20,900 for statewide cost allocation, and an increase of \$54,300 for change in employee compensation. The totals for this motion for FY 2022 are 41.12 FTP, \$1,522,800 from the General Fund, \$399,700 from dedicated funds, and \$3,307,900 from federal funds for a grand total of \$5,230,400.

CARRIED: **AYES: 18.** Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash. Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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: **JUDICIAL BRANCH - Court Operations LBB 3-45. Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Judicial Branch who is composed of three budgeted divisions. There are three motions, one for each division. There is also one motion for the standard language regarding retirement contributions. The adjusted budget includes adjustment for benefit costs, a decrease for statewide cost allocation, and a change in employee compensation. The total JFAC adjusted budget is \$72,988,600. There are also two line items originally requested by the governor as required by law.

DISCUSSION: Line-item 1 provides funding to hire two new magistrate judges for the Third Judicial District (Canyon County) to address increasing filings and case loads caused by population growth in the Treasure Valley.
Sen. Nye declared Rule 39H.

MOTION: Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Nye**, for the Judicial Branch in the Court, Operations Division, beginning with the FY 2022 base an increase of \$97,200 for benefit costs, a decrease of 62,800 for statewide cost allocation, an increase of \$176,300 for annualizations, and \$385,500 for change in employee compensation. Also included in line item 1, which provides 2.00 FTP and 271,700 of which 5,000 is one-time to hire two magistrate judges, for the Third Judicial District. The totals for this motion for FY 2022 are 49,579,400 from the General Fund, 21,946,500 from the dedicated funds, and 1,910,700 for federal funds, for a grand total of \$73,436,600. This motion also includes lump sum authority.

CARRIED: **AYES: 18.** Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash. Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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 language regarding retirement contributions was accepted as part of the Supreme Court's FY 2022 appropriation bill.

LSO STAFF PRESENTATION: **JUDICIAL BRANCH - Guardian Ad Litem Program - LBB 3-45. Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Guardian Ad Litem Program. The Agency's original request as well as the Governor's recommendation and the JFAC adjusted budget bring the total JFAC budget to \$1,329,600. There is one item requested by the agency, which was recommended by the Governor, however, at the request of the agency this amount was adjusted downward to reflect some changes individual Guard ad Litem programs.

MOTION: Original Motion: Moved by **Sen. Nye**, seconded by **Rep. Syme**, for the Supreme Court, in The Guardian Ad Litem Program, beginning with FY 2022 Base, the addition of line item 3, which provides \$344,200 for Guardian Ad Litem Program Staff. The total for this motion for FY 2022 is \$1,673,400 from the General Fund. This motion also includes lump sum authority.

CARRIED: **AYES: 18.**
Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook,
Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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: **JUDICIAL BRANCH - Judicial Council - LBB 3-45. Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Judicial Branch, Judicial Council division. The Agency's original request, the Governor's recommendations, and the JFAC adjusted budget are all composed of maintenance of the current operations budget.

MOTION: Original Motion: Moved by **Sen. Nye**, seconded by **Rep. Syme**, for the Supreme Court in the Judicial Council division a total of FY 2022 lump sum appropriation of \$130,800 from the General Fund.

CARRIED: **AYES: 18.**
Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook,
Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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: PUBLIC DEFENSE COMMISSION - LBB 5-89. Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Public Defense Commission. The original budget request, the Governor's recommendation, and the JFAC adjusted budget include adjustments for benefit costs, statewide cost allocation, and change in employee compensation for a total JFAC adjusted budget of \$11,290,800. There were no line items requested or recommended by the Governor. This constitutes maintenance of the current operations budget.

MOTION: Original Motion: Moved by **Sen. Nye**, seconded by **Rep. Troy**, for the Public Defense Commission beginning with the FY 2022 Base, an increase of \$1,800 for benefit costs, \$2,900 for statewide cost allocation, and \$12,300 for a change in employee compensation. The totals for this motion for FY 2022 are 7.00 FTP and \$11,290,800 from the General Fund.

CARRIED: **AYES: 18.**
Rep. Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook,
Ward-Engelking, Nye,
NAYS: 0.
ABSENT/EXCUSED: 2.
Amador, Lent.

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: ATTORNEY GENERAL - LBB 6-27. Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for Attorney General. The agency's original budget request, the Governor's recommendation, and the JFAC adjusted budget include adjustments for benefit costs, a decrease for statewide cost allocation, and a change in employee compensation. The total JFAC adjusted budget is \$26,880,900. There are three line-items requested by the agency.

DISCUSSION: **Sen. Nye** declared rule H39.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Nye**, for the Attorney General, beginning with the FY 2022 base, an increase of \$81,300 for benefit costs, \$129,900 for one-time replacement items, a decrease of 24,600 for statewide cost allocation, and an increase of \$417,000 for change in employee compensation. Also, included are the following line items: line-item 1, which provides \$482,800 for restoration of special litigation funds; line-item 3, which provides 1.00 FTP and \$94,200, of which \$8,200 is one-time, for a civil litigation paralegal; and line-item 4, which provides \$150,000 in one-time operating expenditure from the General Fund for the Special Litigation Program to be used for water adjudication mediation costs in the Coeur d' Alene, Spokane River Basin. The totals for this motion, for FY 2022 are 220.00 FTP, \$25,676,600 from the General Fund, \$847,100 from the dedicated funds, and \$1,214,100 from the

federal funds for a grand total of \$27,737,800. This motion also includes lump sum authority.

CARRIED:

AYES: 16.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Amador, Lent.

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:**

COMMISSION ON THE ARTS - LBB 6-57. Jared Hoskins, Principal Analyst.

Mr. Hoskins introduced the budget for the Commission on the Arts. The original budget request, the Governor's recommendation, and the JFAC adjusted budget have adjustments for benefit cost, statewide cost allocation, and change in employee compensation. There are no line items requested by the agency or recommended by the Governor included in the proposed motion. This a maintenance of the current operations budget.

MOTION:

Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Ward-Engelking**, for the Commission on the Arts beginning with the FY 2022 Base, an increase of \$2,200 for benefit costs, and \$3,800 for statewide cost allocation, and \$13,500 for the change in employee compensation. The totals for this motion for FY 2022 are 10.00 FTP, \$883,400 from the General Fund, \$106,300 from the dedicated funds, and \$1,098,900 from federal funds, for a grand total of \$2,088,600.

CARRIED:

AYES: 16.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Amador, Lent.

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**.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 9:25 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, March 01, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	BUDGET SETTING	
LBB 2-61	Division of Welfare	Jill Randolph, <i>Senior Analyst</i>
LBB 2-47	Public Health Services	
LBB 2-37	Mental Health Services	
LBB 2-41	Psychiatric Hospitalization	
LBB 2-57	Substance Abuse Treatment & Prevention	
LBB 2-83	State Independent Living Council	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, March 01, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Co-Chairman Youngblood, Representatives Troy, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/ EXCUSED: Representatives Horman and Amador

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

LSO STAFF PRESENTATION: **DIVISION OF WELFARE, Jill Randolph, Senior Analyst**

MOTION: Original Motion
Moved by **Representative Troy** for the Department of Health and Welfare, for the Division of welfare, beginning with FY 20 22 Base, an increase of \$127,900 for benefit costs, a decrease of \$16,000 for statewide cost allocation and an increase of \$685,100 for change in employee compensation.
Also included are the following line items line item 13, which removes \$184,800 in ongoing personnel costs and \$115,200 from trustee and benefit payments from the General Fund and removes \$343,200 in ongoing personnel costs from federal funds for a total reduction of \$643,200, and line item 14, which provides \$33,764,000 one-time from federal funds for child care initiatives from money allocated through the COVID Relief Act.
The totals for this motion for FY 2022 are 618.50 FTP, \$43,367,100 from the General Fund, \$4,829,500 from dedicated funds and \$117,765,900 from federal funds for a grand total of \$165,962,500, seconded by **Senator Agenbroad**.

DISCUSSION: **Ms. Randolph** corrected the original total amounts in federal funds and the grand total. The Committee was instructed to ignore the handout, and voted on the new amounts that were stated in the revised motion.

REVISED MOTION: Revised Motion
Moved by **Representative Troy** for the Department of Health and Welfare, for the Division of welfare, beginning with FY 2022 Base, an increase of \$127,900 for benefit costs, a decrease of \$16,000 for statewide cost allocation and an increase of \$685,100 for change in employee compensation.
Also included are the following line items line item 13, which removes \$184,800 in ongoing personnel costs and \$115,200 from trustee and benefit payments from the General Fund and removes \$343,200 in ongoing personnel costs from federal funds for a total reduction of \$643,200, and line item 14, which provides \$33,764,000 one-time from federal funds for child care initiatives from money allocated through the COVID Relief Act.
The totals for this motion for FY 2022 are 618.50 FTP, \$43,367,100 from the

**VOTE ON
REVISED
MOTION:**

General Fund, \$4,829,500 from dedicated funds and \$151,529,900 from federal funds for a grand total of \$199,726,500, seconded by **Senator Agenbroad**.

AYES: 16 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 2

Representatives Horman and Amador

CARRIED:

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 Troy**, granted by unanimous consent, to accept the language as shown on the screen, and place it in all Department of Health and Welfare Original Appropriation bills for Fiscal Year 2022.

**INTENT
LANGUAGE:**

SECTION __. GENERAL FUND TRANSFERS. As appropriated, the Office of the State Controller shall periodically make transfers from the General Fund to the Cooperative Welfare Fund as requested by the director of the Department of Health and Welfare and approved by the Board of Examiners.

SECTION __. TRUSTEE AND BENEFIT PAYMENTS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funds appropriated in the trustee and benefit payments expense class shall not be transferred to any other expense classes during fiscal year 2022.

SECTION __. PROGRAM INTEGRITY. Notwithstanding any other provision of law to the contrary, the Department of Health and Welfare shall be required to provide those services authorized or mandated by law in each program, only to the extent of funding and available resources appropriated for each budgeted program.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:
MOTION:**

PUBLIC HEALTH SERVICES, Jill Randolph, Senior Analyst

Moved by **Senator Riggs** for the Department of Health and Welfare for the Public Health Services Division, beginning with the fiscal year 2022 Base, add \$62,700 for benefit costs, reduce \$6,900 for statewide cost allocation, and add \$336,000 for change in employee compensation.

Also included are the following line items, line item 9, which provides \$385,100 for emergency medical services for receipt authority related to the StateComm MOU update; line item 12, which provides 1.00 FTP and \$275,000 for an Alzheimer's Disease program coordinator, line item 14 for \$67,861,4000 one time from federal Funds for COVID Relief Act funds, and line item 15, which adds \$300,000 from the General Fund for additional funding for the Suicide Prevention and Awareness Program.

The totals for this motion for FY 2022 are \$255.02 FTP, \$10,406,300 from the General Fund, \$46,278,600 from dedicated funds and \$139,197,300 from federal funds for a grand total of \$195,882,200, seconded by **Representative Nash**.

DISCUSSION: **Senator Agenbroad** stated he had a conflict of interest pursuant to Senate Rule 39(H) but intended to vote.
Ms. Randolph answered questions from the Committee.

CARRIED: **AYES: 16** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Syme, Bundy, Green, and Nash.
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 2
Representatives Horman and 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 Bair**.

UNANIMOUS CONSENT: Requested by **Senator Riggs**, granted by unanimous consent to accept the language as shown on the screen.

INTENT LANGUAGE: SECTION __. SUICIDE PREVENTION AND AWARENESS. The amount appropriated in Section 1 of this act for the Suicide Prevention and Awareness Program shall be used in accordance with the plan developed by the various stakeholders as required by Section 6, Chapter 340, Laws of 2018. Further, the program shall continue to work with all relevant stakeholders to maximize the moneys appropriated for this purpose. The department shall provide a report to the Legislative Services Office on the implementation of the program no later than November 1, 2021.

SECTION __. CASH TRANSFER. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (General) Fund, there is hereby appropriated and the State Controller shall transfer \$640,000 from the Cooperative Welfare (General) Fund to the Rural Physician Incentive Fund on July 15, 2021, or as soon thereafter as practicable, for the Department of Health and Welfare for the period July 1, 2021, through June 30, 2022.

SECTION __. PROJECT ECHO. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (General) Fund for the Health Care Policy Initiatives Program, \$200,000 shall be distributed to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Medical Education Program for the continued implementation of Project ECHO.

SECTION __. HOME VISITATION PROGRAM. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (General) Fund, \$1,000,000 shall be distributed to the Public Health Districts for the purpose of the home visitation program. These moneys shall not be considered general state aid pursuant to Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code. The allocation of these funds is based on how much each district is currently providing for comparable services from other fund sources in comparison to the other health districts. Further, the Public Health Districts may reallocate these moneys between districts, but only upon unanimous concurrence of the Board of Directors for the Public Health Districts. The moneys appropriated in Section 1 of this act shall be fully distributed to each Public Health District upon enactment of this legislation, as follows:

Public Health District 1	\$195,800
Public Health District 2	\$159,100

Public Health District 3	\$205,000
Public Health District 4	\$106,500
Public Health District 5	\$132,100
Public Health District 6	\$105,400
Public Health District 7	\$96,100

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MENTAL HEALTH SERVICES, Jill Randolph, Senior Analyst

MOTION:

Moved by **Representative Troy** for the Department of Health and Welfare (DHW), the Division of Mental Health Services, beginning with a FY 2022 Base, add \$77,800 for benefit costs, remove \$13,000 for a statewide cost allocation, and add \$435,800 for change in employee compensation. Also included are the following line items: line item 14, which provides \$9,831,000 in one time federal funds for COVID Relief Act. The totals for this motion for FY 2022 are 307.23 FTP, \$36,337,900 from the General Fund, \$582,400 from dedicated funds, and \$20,091,400 from federal funds for a grand total of \$57,011,700, seconded by **Senator Riggs**.

DISCUSSION:

Questions from the Committee were answered by **Alex Adams**, Administrator, DFM, and **Ross Edmunds** Administrator, DHW, Behavioral Health.

CARRIED:

AYES: 16 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 2

Representatives Horman and 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 Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Troy**, granted by unanimous consent to accept the language on the screen.

**INTENT
LANGUAGE:**

SECTION __. LIMITING TRANSFER OF LEGISLATIVE APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, Cooperative Welfare (General) Fund moneys appropriated to the Divisions of Mental Health Services and Psychiatric Hospitalization may be transferred between divisions but shall not be transferred to any other division or program within the Department of Health and Welfare without legislative approval.

SECTION __. EDUCATIONAL NEEDS. The Department of Health and Welfare shall be responsible for the educational needs of school-age children placed in its custody by the courts for either child protective issues or mental health issues. If the department places a child in a licensed residential treatment facility that includes a non-public accredited school, and it is determined by the department that it is in the best interests of the child to be educated at the residential treatment facility, then it is the responsibility of the department to pay for such education per student, per educational day. Other Idaho state agencies shall not be precluded from exercising their responsibility to ensure

a free and appropriate education for these students within the requirements of federal disability law. The fiscal impact of this section is included within existing department base appropriations.

SECTION __. INTERAGENCY PAYMENT FOR JUVENILE DETENTION CLINICIANS CONTRACT. No later than July 16, 2021, the Children's Mental Health Program shall make an interagency payment of \$327,000 from the Cooperative Welfare (General) Fund to the Department of Juvenile Corrections to be used for the purchase of contract clinician services with juvenile detention facilities in Idaho for the period July 1, 2021, through June 30, 2022.

SECTION __. BEHAVIORAL HEALTH COMMUNITY CRISIS CENTERS. The seven Behavioral Health Community Crisis Centers shall submit plans for achieving non-state funding, in conformance with the requirements of their contracts with the Department of Health and Welfare, that demonstrate the extent to which the centers will receive financial support from non-state sources for ongoing operations. These plans shall be submitted to the Legislative Services Office no later than December 31, 2021.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

PSYCHIATRIC HOSPITALIZATION, Jill Randolph, Senior Analyst

MOTION:

Moved by **Senator Agenbroad** for the Department of Health and Welfare, for the Psychiatric Hospitalization Division, beginning with FY 2022 Base, add \$93,300 for benefit costs, remove \$14,500 for statewide cost allocation and add \$2,700,000 for annualization at State Hospital West, add \$571,000 for change in employee compensation, shift \$10,700 from federal funds to the General Fund for changes in the Medicaid FMAP rate as requested in nondiscretionary adjustments, and shift \$105,300 from the General Fund to endowment funds for endowment fund distribution adjustments.

Also included to the following line items: line item 5, which provides \$297,000 for staffing of the adult unit at State Hospital South; and line item 6, which provides \$24.50 FTP and a net-zero shift of \$2,394,400 from the General Fund from State Hospital South to State Hospital North for Joint Accreditation.

The totals for this motion for FY 2022 are 467.18 FTP, \$22,110,900 from the General Fund, \$18,280,800 from dedicated funds, and \$8,234,300 from federal funds for a grand total of \$48,626,000, seconded by **Representative Nash**.

DISCUSSION:

Ms. Randolph answered questions from the Committee.

CARRIED:

AYES: 16 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 2

Representatives Horman and 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 Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Senator Agenbroad**, granted by unanimous consent to accept the language as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS. The Community Hospitalization Program is hereby exempted from the provisions of Section 67-3511(2), Idaho Code, allowing unlimited transfers into the Community Hospitalization Program from other programs within the Department of Health and Welfare for all moneys appropriated to it for the period July 1, 2021, through June 30, 2022. Similar to the language above, the below language provides an exemption to budget laws. The above section allows just Community Hospitalization to receive unlimited transfers into the program; this is done when there is increased need in the Community Hospitalization program due to beds not being available in one of the state hospitals or transportation delays of committed persons. The section below will limit transfers to keep appropriations within Mental Health Services and Psychiatric Hospitalization, not allowing the transfer out of appropriations.

SECTION __. LIMITING TRANSFER OF LEGISLATIVE APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, Cooperative Welfare (General) Fund moneys appropriated to the Divisions of Mental Health Services and Psychiatric Hospitalization may be transferred between divisions but shall not be transferred to any other division or program within the Department of Health and Welfare without legislative Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:
MOTION:**

SUBSTANCE ABUSE TREATMENT & PREVENTION, Jill Randolph, Senior Analyst

Moved by **Representative Nash** for the Department of Health and Welfare for the Substance Abuse Treatment & Prevention Program, beginning with the FY 2022 Base, add \$3,200 for benefit costs and add \$16,600 for change in employee compensation.

Also included are the following line items: line item 10, which provides \$450,000 for recovery community center support; and line item 14 for \$8,264,000 in onetime federal funds for the estimated state allocation related to the COVID Relief Act.

The totals fro this motion for FY 2022 are 16.00 FTP, \$1,742,100 from dedicated funds, and \$23,505,000 from federal funds for a grand total of \$25,247,100, seconded by **Senator Agenbroad**.

CARRIED:

AYES: 15 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 2
Representatives Nash and Giddings

ABSENT/EXCUSED: 3
Senator Lent, Representatives Horman and 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 Bair**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

STATE INDEPENDENT LIVING COUNCIL, Jill Randolph, Senior Analyst

MOTION:

Moved by **Senator Cook** for the State Independent Living Council, beginning with the FY 2022 Base, an increase of \$1,100 for benefit costs, and an increase of \$7,000 for change in employee compensation.

Also included is one line item, for an ongoing reduction of \$58,800 from federal funds.

The totals for this motion for FY 2022 are 4.00 FTP, \$228,200 from the General Fund, \$375,500 from dedicated funds, and \$58,900 from federal funds, for a grand total of \$662,600, seconded by **Representative Bundy**.

DISCUSSION:

Representative Syme stated that he had a conflict of interest pursuant to Senate Rule 39(H), but intended to vote.

CARRIED:

AYES: 17 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 3

Senator Lent, Representatives Horman and 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 Bair**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 8:51 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, March 02, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 6-139	Lieutenant Governor	Maggie Smith, <i>Senior Analyst</i>
LBB 6-71	Division of Human Resources	
LBB 2-75	Public Health Districts	Jared Tatro, <i>Principal Analyst</i>
LBB 2-3	Catastrophic Health Care Program	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, March 02, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/EXCUSED: Senator Grow

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

LSO STAFF PRESENTATION: **LIEUTENANT GOVERNOR - LBB 6-139. Maggie Smith, Senior Analyst.**
Ms. Smith introduced the Lieutenant Governor's Budget. The Lieutenant Governor is one of the seven constitutional officers in Idaho and is the presiding officer of the Senate.

ORIGINAL MOTION: Original Motion: Moved by **Rep. Giddings**, seconded by **Rep. Nate**, for the Lieutenant Governor beginning with the FY 2022 Base, an increase of \$300 for benefit costs, a decrease of \$200 for statewide cost allocation, and an increase of \$1,600 for change in employee compensation. The totals for this motion for FY 2022 are 3.00 FTP and \$183,100 from the General Fund. This motion also includes exemptions from the budget laws restricting the transfer of the appropriation between object codes making this budget lump sum.

SUBSTITUTE MOTION: Substitute Motion: Moved by **Rep. Syme**, seconded by **Sen. Riggs**, for the Lieutenant Governor beginning with FY 2022 Base, an increase of \$300 for benefit costs, a decrease of \$200 for statewide cost allocation, and an increase of \$1,600 for change in employee compensation. Also included is one line item, which removes 1 FTP and \$17,400 in personnel costs. The totals for this motion for FY 2022 are 2.00 FTP and \$165,700 from the General Fund. This motion also includes exemptions from the budget laws restricting the transfer of the appropriation between object codes making this budget lump sum.

**AMENDED
SUBSTITUTE
MOTION:**

Amended Substitute Motion: Moved by **Rep. Nate**, seconded by **Rep. Horman**, for the Lieutenant Governor FY 2022 Base, an increase of \$300 for benefit costs, a decrease of \$200 for statewide cost allocation, and an increase of \$1,700 for change in employee compensation. The totals for this motion for FY 2022 are 3.00 FTP and \$183,200 from the General Fund. This motion also includes exemptions from the budget laws restricting the transfer of the appropriation between object codes making this budget lump sum.

**VOTE ON
AMENDED
SUBSTITUTE
MOTION —
FAILED:**

AYES: 3.

Horman, Nate, Giddings.

NAYS: 16.

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

ABSENT/EXCUSED: 1.

Grow.

**VOTE ON
SUBSTITUTE
MOTION —
CARRIED:**

AYES: 13.

Agenbroad, Crabtree, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Amador, Syme, Green, Nash.

NAYS: 6.

Bair, Cook, Horman, Nate, Giddings, Bundy.

ABSENT/EXCUSED: 1.

Grow.

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:**

DIVISION OF HUMAN RESOURCES - LBB 6-71. Maggie Smith, Senior Analyst.

Ms. Smith introduced the budget for the Division of Human Resources. The division is responsible for recruitment, job classification, employee assessment, selection processes, compensation issues, workforce planning and development, employee relations, and providing human resource policy to comply with applicable laws and regulations. The division is funded by dedicated funds that come from fees paid by all state agencies that have classified employees. This budget also has some associated language that enables the DHR to implement the elements of the recommendation made by the Change in Employee ?Compensation Committee that was adopted by JFAC.

MOTION:

Original Motion: Moved by **Sen. Cook**, seconded by **Sen. Ward-Engelking**, for the Division of Human Resources beginning with FY 2022 Base, an increase of \$5,400 for benefit costs, \$8,600 for statewide cost allocation, and \$29,800 for the change in employee compensation. Also included is line item 1, which provides \$15,400 for additional office space. The totals for this motion for FY 2022 are 17.00 FTP and \$2,549,000 from dedicated funds.

CARRIED:

AYES: 19.

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

NAYS: 0.

ABSENT/EXCUSED: 1.

Grow.

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. Cook**, granted by unanimous consent, the following language was added in the FY 2022 appropriation bill for the Division of Human Resources:

EMPLOYEE COMPENSATION. In accordance with Chapter 53, Title 67, Idaho Code, the Division of Human Resources shall shift the salary structure upward by two percent (2%) beginning on July 1, 2021, with the exception of the minimum wage of \$7.25 per hour at pay grade D. The division shall also maintain the job classifications currently on pay line exception.

**LSO STAFF
PRESENTATION:**

PUBLIC HEALTH DISTRICTS - LBB 2-75. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget for the Public Health Districts and reminded the Committee these are not state agencies or state employees, but they do have to follow parts of the Idaho Code. Each district works under the direction of its own board of health appointed by the county commissioners within each region.

MOTION:

Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Riggs**, for the seven Public Health Districts beginning with the FY 2022 Base, an increase of \$29,100 for benefit costs, a decrease of \$3,800 for statewide cost allocation, and an increase of \$146,400 for the change in employee compensation. The totals for this motion for FY 2022 are \$9,881,600 from the General Fund, and \$779,100 from dedicated funds, for a grand total of \$10,660,700.

CARRIED:

AYES: 17.

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

NAYS: 2.

Nate, Giddings

ABSENT/EXCUSED: 1.

Grow.

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. Nash**, granted by unanimous consent, the following language was accepted:

MILLENNIUM INCOME FUND FUNDING. There is hereby appropriated to the Public Health Districts \$779,100 from the Idaho Millennium Income Fund for the period July 1, 2021, through June 30, 2022, for the purpose of no-cost cessation services to Idahoans who want to quit tobacco use, with a primary emphasis on youth and pregnant women. These moneys shall not be considered general state aid for the purpose of Section 39-425, Idaho Code.

CITIZEN REVIEW PANELS. Of the amount appropriated in Section 1 of this act, \$136,500 shall be distributed to each Public Health District at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Senate Bill No. 1341, as enacted by the Second Regular Session of the Sixty-fourth Idaho Legislature. These moneys received by the Public Health Districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code.

**LSO STAFF
PRESENTATION:**

CATASTROPHIC HEALTH CARE PROGRAM - LBB 2-3. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget for the Catastrophic Health Care Program. This budget is the State portion of the indigent program. The request is for \$8,500,600 which is in line with what the Governor is supporting.

MOTION:

Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Nash**, for the Catastrophic Health Care Program for FY 2022, \$8,500,600 from the General Fund.

CARRIED:

AYES: 17.

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

NAYS: 2.

Nate, Giddings

ABSENT/EXCUSED: 1.

Grow.

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. Nash**, granted by unanimous consent, the following language was accepted:

MILLENNIUM INCOME FUND FUNDING. There is hereby appropriated to the Public Health Districts \$779,100 from the Idaho Millennium Income Fund for the period July 1, 2021, through June 30, 2022, for the purpose of no-cost cessation services to Idahoans who want to quit tobacco use, with a primary emphasis on youth and pregnant women. These moneys shall not be considered general state aid for the purpose of Section 39-425, Idaho Code. CITIZEN REVIEW PANELS. Of the amount appropriated in Section 1 of this act, \$136,500 shall be distributed to each Public Health District at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Senate Bill No. 1341, as enacted by the Second Regular Session of the Sixty-fourth Idaho Legislature. These moneys received by the Public Health Districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:33 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, March 03, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 5-75	Idaho State Lottery	Keith Bybee, <i>Deputy Division Manager</i>
LBB 6-81	State Liquor Division	
LBB 1-55	Colleges and Universities	Janet Jessup, <i>Senior Analyst</i>
SUPPLEMENTAL APPROPRIATIONS		
	Higher Ed. Emergency Relief - COVID-19 Relief Funds	
	Higher Ed. Stabilization Fund Distribution, LBB 1-62	
LBB 1-101	Special Programs	
LBB 1-67	Community Colleges	
SUPPLEMENTAL APPROPRIATIONS		
	Higher Ed. Emergency Relief - COVID-19 Relief Funds	
	Higher Ed. Stabilization Fund Distribution, LBB 1-71	
LBB 1-81	Health Education Programs	
SUPPLEMENTAL APPROPRIATIONS		LSO ANALYST
	IDAHO TRANSPORTATION DEPARTMENT	Christine Otto, <i>Senior Analyst</i>
	Transportation Services, Building Idaho's Future, LBB 5-119	
	Contract Construction & Right-of-Way Acquisition, Building Idaho's Future, LBB 5-135	

SELF-GOVERNING AGENCIES

Christine Otto, *Senior Analyst*

Division of Building Safety, Move to Chinden Campus, LBB 5-57

Medical Boards, Move to Chinden Campus, LBB 5-85

Regulatory Boards, Move to Chinden Campus, LBB 5-97

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, March 03, 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.

LSO STAFF PRESENTATION: **IDAHO STATE LOTTERY, Keith Bybee, Deputy Division Manager, LSO**

MOTION: Original Motion
Moved by **Representative Bundy** for the Idaho State Lottery, beginning with FY 2022 Base, including \$9,000 for benefit costs, \$44,600 for replacement items, a \$9,000 reduction for statewide cost allocation, and \$59,800 for change in employee compensation.
Also included are the following line items: line item 1, which provides \$99,000 for additional shipping costs, and line item 2, which provides \$22,500 for IT infrastructure and Office 365.
Move 45.00 FTP, \$6,450,000 from dedicated funds for FY 2022, seconded by **Senator Agenbroad**.

CARRIED: **AYES: 19**
Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.
NAYS: 1
Senator Grow
ABSENT/EXCUSED: 0
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 Bundy** granted by unanimous consent to include language as presented on the screen which list specific costs that are continuously appropriated, as a section of the State Lottery's appropriation bill.

**INTENT
LANGUAGE:**

SECTION __. CONTINUOUS APPROPRIATION. Amounts necessary to pay prizes, retailer commissions, advertising and promotional costs, and gaming supplier vendor fees based on sales shall be continuously appropriated to the Idaho State Lottery under the provisions of Section 67-7428, Idaho Code.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

STATE LIQUOR DIVISION, Keith Bybee, Deputy Division Manager, LSO

MOTION:

Original Motion

Moved by **Senator Agenbroad** for the State Liquor Division, beginning with FY 2022 Base, \$37,300 for benefit costs, \$454,400 for replacement items, \$29,300 for statewide cost allocation and \$207,100 for change in employee compensation.

Also included are the following line items: line item 1, which provides \$400,000 for wage increases for specific positions. Line item 2 provides 1.00 FTP and \$50,800 for a new position in the warehouse; line item 4, which provides \$198,000 to relocate or remodel stores; line item 5, which provides \$720,000 to update the accounting and purchase of sale software and equipment; and line item 6, which provides 1.00 FTP, \$85,400 for an associate. Move 242.00 FTP and \$24,044,800 from dedicated funds for fiscal year 2022, seconded by **Representative Syme**.

DISCUSSION:

Senator Agenbroad stated that he had a conflict of interest pursuant to Senate Rule 39(H) but intended to vote.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 3

Senator Grow, Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

SUPPLEMENTAL APPROPRIATIONS, Higher Ed. Emergency Relief - COVID-19 Relief Funds, Janet Jessup, Senior Analyst

**UNANIMOUS
CONSENT:**

Requested by **Representative Amador**, granted by unanimous consent to reopen the FY 2021 budget for Colleges and Universities.

MOTION:

Moved by **Representative Amador** for the FY 2021 budget for College and Universities an additional \$49,402,500 onetime from the Federal COVID-19 Relief Fund to provide for postsecondary education needs related to COVID relief, seconded by **Senator Crabtree**.

DISCUSSION:

Questions from the Committee were answered by **Ms. Jessup** and **Matt Freeman**, Executive Director of the State Board of Education.

CARRIED:

AYES: 18

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

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#) and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

COLLEGES AND UNIVERSITIES, Janet Jessup, Senior Analyst

MOTION:

Original Motion

Moved by **Representative Giddings** for the State Board of Education, College and Universities, beginning with the FY 2021 Estimated Expenditures, a decrease of 11,098,400 for base adjustments, \$238,659,500 for removal of one time expenditures, an increase of 15,353,900 to restore recisions. Then provide \$1,673,100 for benefit costs, \$993,400 for state statewide cost allocation, \$7,743,000 change in employee compensation, \$2,112,700 for nondiscretionary adjustments, and \$783,900 for endowment adjustments.

Also included are the following line items: line item 1, which provides \$32,790,000 for COVID-19 relief funding and line item 2, which provides \$400,000 for nursing program support to Lewis and Clark State College. The totals for this motion for FY 2022 are 4,751.82 FTP, \$295,991,600 from the dedicated funds, and \$32,790,000 from federal funds for a grand total of \$612,202,200 and provide for carryover authority for previously appropriated non General Fund monies; 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 accomplish company this motion, seconded by **Representative Nate**.

DISCUSSION:

This motion provides for a base reduction of \$18,871,600 and includes a decrease of \$17,1497,700 for BSU, \$1,146,900 for ISU, \$423,100 for UI, and \$103,900 for LCSC to stop advancement of social justice ideologies. This reduction is comprised of \$17,218,800 from personnel costs and \$1,652,800 for operating expenditures.

**SUBSTITUTE
MOTION:**

Substitute Motion

Moved by **Senator Ward-Engelking** for the Division of Colleges and Universities, beginning with the FY 2022 Base, an increase of \$1,787,300 for benefit costs, an increase of \$993,400 for statewide cost allocation, and an increase of \$7,974,800 for change in employee compensation, an increase of \$2,112,700 for non discretionary adjustments, and an increase of \$783,900 for endowment adjustments.

Also included are the following line items: line item 1, which provides \$32,790,000 for COVID relief funding to be spent after July 1st, and line item 2, which provides \$400,000 to Lewis Clark State College for nursing program. The totals for this motion for FY 2022 are 4,751.82 FTP, \$315,209,200 from

the General Fund, \$283,420,600 from dedicated funds, and \$32,790,000 from federal funds for a grand total of \$631,419,800 and provides 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's legislative language to accompany this motion, seconded by **Representative Green**.

**AMENDED
SUBSTITUTE
MOTION:**

Amended Substitute Motion

Moved by **Senator Crabtree** for the Division Of Colleges and Universities, beginning of the FY 2022 Base, an increase of \$1,787,300 for benefit costs, an increase of \$993,400 for statewide cost allocation, an increase of \$7,974,800 for a change in employee compensation, an increase of \$2,112,700 for nondiscretionary adjustments, and an increase of \$783,900 for endowment adjustments.

Also included are the following line items: line item 1, which provides \$32,790,000 32 for COVID relief funding to be spent after July 1st; line item 2, which provides \$400,000 to Lewis Clark State for the nursing program; line item 3, which reduces \$409,000 for Boise State University to remove state supported social justice programming; and line item 4, which provides \$409,000 to Lewis-Clark State College for a tuition offset for FY 2022.

The totals for this motion for FY 2022 are 4,751.82 FTP, \$315,209,200 from the General Fund, \$383,420,600 from dedicated funds, and \$32,790,000 from federal funds for a grand total of \$631,419,800 and provides for carryover authority for previously appropriated non-General Fund monies; exceptions to budget laws allowing transfer of funds among object class codes programs; and there is no FTP cap. Lastly, there is legislative intent language to accompany this motion, seconded by **Representative Amador**.

DISCUSSION:

Comments by the Committee members in response to this motion and the ensuing vote are provided in the links below.

**VOTE ON
AMENDED
SUBSTITUTE
MOTION:**

AYES: 16

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, and Ward-Engelking.

Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash.

NAYS: 3

Representatives Horman, Nate and Giddings

ABSENT/EXCUSED: 1

Senator Grow

CARRIED:

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**.

MOTION:

Moved by **Senator Crabtree** to accept the language as shown on the screen, seconded by **Representative Amador**.

CARRIED:

AYES: 16

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, and Ward-Engelking.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 3

Senator Nye, Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Senator Grow

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**.

**INTENT
LANGUAGE:**

SECTION __. 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 __. STUDENT TUITION AND FEES. Notwithstanding the provisions of Section 67- 3516(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 __. STUDENT FEE REPORT. As soon as practicable, the State Board of Education shall: (a) make easily accessible a break-out of student activity fees on the institutions' websites; (b) develop a common naming convention for similar activity fees across the institutions; and (c) evaluate the current lists of activity fees assessed to students and determine how and which fees supporting student activities, clubs and organizations focused on individual beliefs and values can be structured to address the need for access, affordability, and choice. The State Board of Education shall report results of this work to the Joint Finance-Appropriations Committee and the House and Senate Education Committees no later than January 14, 2022.

SECTION __. USE OF APPROPRIATED FUNDS. The college and universities shall verify no appropriated funds are or will be used to support social justice ideology student activities, clubs, events and organizations on campus. Each college and universities shall submit a written report of its expenditures related to these activities to the Joint Finance-Appropriations Committee no later than January 14, 2022.

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:
MOTION:**

SPECIAL PROGRAMS; Janet Jessup, Senior Analyst

Original Motion

Moved by **Representative Horman** for the State Board of Education, Special Programs Division, beginning with the FY 2022 Base, \$16,400 for benefit costs and an increase of \$73,100 for change in employee compensation.

Also included are the following line items: line item 1, which provides \$825,000 for COVID relief funding for TechHelp and Small Business Development Centers.

The totals for this motion for FY 2022 are 46.59 FTP, \$26,568,900 from the General Fund, \$1,000,000 from dedicated funds, and \$5,350,800 from federal funds for a grand total of \$32,919,700, seconded by **Representative Troy**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Grow

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 Horman**, granted by unanimous consent to accept the language as written on the screen.

**INTENT
LANGUAGE:**

SECTION __. OPPORTUNITY SCHOLARSHIP PROGRAM ACCOUNT. Moneys appropriated from the General Fund to the Scholarship and Grants Program for fiscal year 2021 that are unexpended and unencumbered on June 30, 2021, are hereby appropriated and shall be transferred by the Office of the State Controller to the Opportunity Scholarship Program Account created in Section 33-4303, Idaho Code.

SECTION __. OPPORTUNITY SCHOLARSHIP PROGRAM ACCOUNT REPORTING. The State Board of Education shall report to the Joint Finance-Appropriations Committee by January 10, 2022, regarding the current balance in the Opportunity Scholarship Program Account and the estimated obligation due to any over-award or early award of scholarships for fiscal year 2023. The report shall include an estimate of the necessary balance in the account to meet these obligations

See [Audio](#), [Motion](#), and [Ballot](#).

**LSO STAFF
PRESENTATION:
UNANIMOUS
CONSENT:**

SUPPLEMENTAL APPROPRIATIONS, Higher Ed. Emergency Relief - COVID-19 Relief Funds; Janet Jessup, Senior Analyst

Requested by **Representative Horman**, granted by unanimous consent to reopen the FY 2021 budget for Community Colleges.

MOTION:

Original Motion

Moved by **Representative Horman** for the FY 2021 budget for Community Colleges, an additional \$23,321,400 onetime from the federal COVID-19 Relief Fund to provide for post-secondary education needs related to COVID relief, seconded by **Senator Crabtree**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Senator Grow

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

COMMUNITY COLLEGES; Janet Jessup, Senior Analyst

MOTION:

Original Motion

Moved by **Representative Horman** for the State Board of Education Community Colleges, beginning with the FY 2022 Base, an increase of \$147,300 for benefit costs, an increase of \$654,600 for change in employee compensation, and an increase of \$1,223,500 for the enrollment workload adjustment in nondiscretionary adjustments.

Also included are the following line items: line item 1, which includes \$20,000,000 onetime for COVID relief funding, line item 2, which includes \$600,000 for nursing programs support, and line item 3, which includes \$1,000,000 onetime for a zero-cost textbook program.

The totals for this motion for FY 2022 are \$51,799,600 from the General Fund, \$800,000 from dedicated funds and \$20,000,000 from federal funds for a grand total of \$72,599,600. This motion includes exceptions to budget laws allowing transfer funds among object class codes and programs, and there is no FTP cap, seconded by **Senator Crabtree**.

DISCUSSION:

Representative Horman spoke briefly on the zero-cost textbook line item.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Grow

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

HEALTH EDUCATION PROGRAMS; Janet Jessup, Senior Analyst

MOTION:

Original Motion

Moved by **Representative Troy** for the State Board of Education Health Education programs, beginning with the FY 2022 Base, an increase of \$17,900 for benefit costs, \$293,600 for inflationary adjustments, and \$78,800 for change in employee compensation.

Also included is line item 1, which provides 2.00 FTP and \$900,000 to increase the number of residents at four residency programs throughout Idaho.

The totals for this motion for FY 2022 are 39.65 FTP, \$23,166,800 from the General Fund and \$350,400 from dedicated funds, for a grand total of \$23,517,200, seconded by **Senator Ward-Engelking**.

DISCUSSION:

Representative Troy spoke briefly on the necessity of the residency programs.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, and Nash.

NAYS: 1

Representative Giddings

ABSENT/EXCUSED: 1

Senator Grow

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 Troy**, granted by unanimous consent to accept the language as displayed on the screen.

**INTENT
LANGUAGE:**

SECTION 3. EXEMPTIONS FROM OBJECT TRANSFER LIMITATIONS.

The State Board of Education and the Board of Regents of the University of Idaho for Health Education Programs are hereby exempted from the provisions of Section 67-3511(1) and (3), Idaho Code, allowing unlimited transfers between object codes for dedicated fund moneys appropriated for the period July 1, 2021, through June 30, 2022. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

SECTION 4. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the State Board of Education and the Board of Regents of the University of Idaho for Health Education Programs any unexpended and unencumbered balances appropriated or reappropriated to the State Board of Education and the Board of Regents of the University of Idaho for Health Education Programs from dedicated funds for fiscal year 2021 to be used for nonrecurring expenditures 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.

SECTION 5. STUDENT TUITION AND FEES FOR FISCAL YEAR 2021. Notwithstanding the provisions of Section 67-3516(2), Idaho Code, the Division of Financial Management may approve the expenditure of dedicated funds pursuant to the noncognizable process for student tuition and fees during fiscal year 2022. Each of the programs' budget requests for fiscal year 2023 shall reflect all adjustments so approved by the Division of Financial Management.

Links to the [Audio](#), [Motion](#), and [Ballot](#) here.

SUPPLEMENTAL APPROPRIATIONS

LSO STAFF PRESENTATION:

IDAHO TRANSPORTATION DEPARTMENT, “Building Idaho’s Future”; Christine Otto, Senior Analyst

UNANIMOUS CONSENT:

Requested by **Representative Green**, granted by unanimous consent to reopen the FY 2021 budget for the Idaho Transportation Department.

MOTION 1:

Moved by **Representative Green** for FY 2021, the Idaho Transportation Department, in the Aeronautics Program, the appropriation and transfer of \$4,000,000 from the General Fund to the State Aeronautics (Dedicated) Fund, seconded by **Senator Woodward**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Grow

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**.

MOTION 2:

Moved by **Representative Green** for FY 2021, the Idaho Transportation Department, in the Aeronautics Program, an additional \$2,000,000 from the State Aeronautics (Dedicated) Fund, seconded by **Senator Woodward**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Senator Grow

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**.

Links to [Audio](#), [Motions](#), [Ballots](#) here.

**LSO STAFF
PRESENTATION:**

IDAHO TRANSPORTATION DEPARTMENT, Contract Construction and Right-of-Way; Christine Otto, Senior Analyst

MOTION 1:

Moved by **Senator Woodward** for fiscal year 2021, for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Program, the appropriation and transfer of \$122,000,000 from the General Fund to three dedicated funds. Of the total transfer, \$72,800,000 is transferred to the Strategic Initiatives Program–Dedicated Fund, \$47,200,000 is transferred to the Local Highway Distribution Fund, and \$2,000,000 is transferred to the Strategic Initiatives Program – Local Fund, seconded by **Representative Syme**.

DISCUSSION:

Senator Woodward let the Committee know that \$2,000,000 from the Strategic Initiatives Program Dedicated fund will be used for rail crossing improvements. The \$2,000,000 from the Strategic Initiatives Program Local funds will be used for bicycle and pedestrian projects.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senator Grow and Representative Green

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**.

MOTION 2:

Moved by **Senator Woodward** for fiscal year 2021, for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Program, an additional \$15,000,000 from the Strategic Initiatives Program – Dedicated Fund and \$2,000,000 from the Strategic Initiatives Program – Local Fund, for a total of \$17,000,000 all onetime, seconded by **Representative Syme**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, and Nash.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Crabtree and Grow, Representative Green

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**.

Links to [Audio](#), [Motions](#), [Ballots](#) here.

LSO STAFF PRESENTATION: **SELF-GOVERNING AGENCIES, Division of Building Safety, “Move to Chinden Campus”;** Christine Otto, Senior Analyst

UNANIMOUS CONSENT: Requested by **Representative Bundy**, granted by unanimous consent to reopen the FY 2021 budget for the Division of Building Safety.

DISCUSSION: **Alex Adams** and **Misty Lawrence**, DFM, answered questions from the Committee.

MOTION 1: Moved by **Representative Bundy** for FY 2021, the Division of Building Safety, \$3,540,100 onetime from the State Regulatory Fund for the move to Chinden Campus, seconded by **Senator Agenbroad**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.
NAYS: 0

ABSENT/EXCUSED: 2

Senators Crabtree and Grow

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**.

Links to [Audio](#), [Motions](#), [Ballots](#) here.

LSO STAFF PRESENTATION: **SELF-GOVERNING AGENCIES, Medical Boards, “Move to Chinden Campus”;** Christine Otto, Senior Analyst

UNANIMOUS CONSENT: Requested by **Representative Bundy**, granted by unanimous consent to reopen the FY 2021 budget for the Medical Boards.

MOTION 1: Moved by **Representative Bundy** for FY 2021, for the Medical Boards, a total of \$1,379,400 onetime from the State Regulatory Fund. Of the total, \$105,100 is for the Board of Dentistry, \$685,200 is for the Board of Medicine, \$511,300 is for the Board of Pharmacy, and \$77,800 is for the Board of Veterinary Medicine, seconded by **Senator Agenbroad**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.
NAYS: 0

ABSENT/EXCUSED: 2

Senators Crabtree and Grow

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**.

Links to [Audio](#), [Motions](#), [Ballots](#) here.

**LSO STAFF
PRESENTATION:**

SELF-GOVERNING AGENCIES, Regulatory Boards, “Move to Chinden Campus”; Christine Otto, Senior Analyst

**UNANIMOUS
CONSENT:**

Requested by **Representative Bundy**, granted by unanimous consent to reopen the FY 2021 budget for the Regulatory Boards.

MOTION 1:

Moved by **Representative Bundy** for FY 2021, for the Regulatory Boards, a total of \$916,100 onetime from the State Regulatory Fund. Of the total, \$105,100 is for the Board of Accountancy, \$202,300 is for the Board of Professional Engineers and Land Surveyors, \$185,1400 is for the Outfitters and Guides Licensing Board, and \$423,600 is for the Real Estate Commission, seconded by **Senator Agenbroad**.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senators Crabtree and Grow

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**.

Links to [Audio](#), [Motions](#), [Ballots](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:00 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, March 04, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 6-157	Secretary of State	Maggie Smith, <i>Senior Analyst</i>
LBB 5-29	Industrial Commission	
LBB 5-3	Department of Agriculture	Rob Sepich, <i>Senior Analyst</i>
LBB 6-109	Wolf Depredation Control Board	
LBB 6-75	Office of Information Technology Services	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 04, 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.

LSO STAFF PRESENTATION: **SECRETARY OF STATE – LBB 6-157. Maggie Smith, Senior Analyst.**

Ms. Smith introduced the budget for the Secretary of State. The Secretary of State is one of the seven constitutional officers in Idaho, responsible for managing and certifying elections, and administering the sunshine law, as well as the centralized uniform commercial code and all business filings in the state.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Crabtree**, for the Secretary of State beginning with the FY 2022 Base an increase of \$7,100 for benefit costs, a decrease of \$70,700 for statewide cost allocation, and an increase of \$38,000 for change in employee compensation. Also included is one line-item, which provides \$30,000 to publish the Idaho Blue Book. The totals for this motion for FY 2022 are 30.0 FTP and \$3,615,700 from the General Fund.

CARRIED: **AYES: 20.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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: **INDUSTRIAL COMMISSION - LBB 5-29. Maggie Smith, Senior Analyst.**

Ms. Smith introduced the budget for the Industrial Commission. The Idaho Industrial Commission administers the worker's compensation law. The commission has three budgeted programs, a compensation program, a rehabilitation program that assists injured workers in returning to work, and a Crime Victims Compensation Program, as well. The commission has 133.25 FTP.

MOTION:

Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Lent**, for the Industrial Commission beginning with the FY 2022 Base, an increase of \$31,900 for the benefit costs, \$9,700 for the statewide cost allocation, and \$159,500 for change in employee compensation. Also included are the following line-items; line item 1, which provides \$3,232,000 for year two of the Commission's IT. Modernization project; line item 2, which reduces the Commission's ongoing operating expenses by \$165,300, to account for the reduced rent rate at the Chinden Campus; line item 3, \$100,000 to contract with an attorney to assist with the increase in unemployment insurance appeals reviewed and ruled upon by the Commission; and line item 4, which provides \$8,100 to implement a 2% change in employee compensation for the three industrial commissioners. The totals for this motion for FY 2022 are 133.25 FTP, \$294,000 from the General Fund, \$20,086,500 from the dedicated funds, and \$1,200,000 from federal funds for a grand total of \$21,580,500.

CARRIED:

AYES: 18.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

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 two sections were included in the FY 2022 appropriation bill for the Industrial Commission:

SECTION __. That Section 72-503, Idaho Code, be, and the same is hereby amended to read as follows: 72-503. SALARY. Commencing July 1, 2021, the annual salary of each member of the industrial commission shall be one hundred eleven thousand four hundred seventy dollars (\$111,470). Industrial commissioner salaries shall be paid from sources set by the legislature. Each member of the industrial commission shall devote full time to the performance of his duties.

SECTION __. BUSINESS AND TECHNOLOGY MODERNIZATION. In accordance with Section 1, Article VIII, of the Constitution of the state of Idaho, of the amount appropriated in Section 1 of this act, \$2,844,200 from the Industrial Administration Fund and \$387,800 from the Crime Victims

Compensation Fund comprise the second of four onetime appropriations for the commission's business and technology modernization, subject to the availability of funds and satisfactory project implementation. On or before September 1 of each year, the commission shall report to the Legislature regarding the specific efforts made to upgrade its business applications, the outcomes of those efforts, and an estimate of the appropriation amount needed to continue those efforts.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF AGRICULTURE- LBB 8-3. Rob Sepich, Senior Analyst.

Ms. Sepich introduced the budget for the Department of Agriculture. The mission of the division is to guarantee that Idaho agricultural products are of high quality, and meet the federal, and state laws and rules and regulations. Three line items were requested, and all these were approved by the Governor. The first item was to add an animal lab technician, the next item is to purchase some Microsoft Office 365 subscription licenses, the last item would be reflective of a CEC for the fruit and vegetable inspectors.

MOTION:

Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Troy**, for the Department of Agriculture beginning with FY 2022 Base, \$54,900 for benefit costs, \$890,000 for replacement costs, \$58,000 for statewide cost allocation, and \$330,700 for a change in employee compensation. Also included are the following line items: line item 1, which adds \$57,600 to hire an animal lab technician; line item 2, \$97,300 to purchase Office 365 subscriptions; and line item 3, which provides \$63,300 for a CEC and variable adjustment for fresh fruit and vegetable inspectors. The totals for this motion are for FY 2022, 216.0 FTPs, \$11,975,200 from the General Fund, and \$27,773,700 from the dedicated funds, and \$6,364,400 from federal funds, for a grand total of \$46,113,300.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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. Crabtree**, granted by unanimous consent, the following section of bill language was included:

WATERCRAFT INSPECTION PROGRAM. The Department of Agriculture shall maximize the use of the appropriation provided for the Watercraft Inspection Program to minimize the chances of spreading zebra mussels, quagga mussels, and other aquatic invasive species into Idaho waters. The department is encouraged to use roving inspection stations when appropriate and for expanded hours of coverage during holidays when boat transport traffic is likely to increase. It is also encouraged to use extra staffing on busy holiday weekends. The department shall gather data regarding the number of watercraft that are bypassing the stations and nighttime transport of watercraft across Idaho's borders. The department shall also seek to secure federal funding to further enhance invasive species detection and prevention efforts. The department shall report back to the Joint Finance-Appropriations Committee, the Senate Agricultural Affairs Committee, and the House Agricultural Affairs Committee during the 2022 legislative session regarding the results of the data gathering, attainment of federal funds, and an operational review of the boat stations.

**LSO STAFF
PRESENTATION:**

WOLF DEPREDATION CONTROL BOARD- LBB 6-109. Rob Sepich, Senior Analyst.

Ms. Sepich introduced the budget for the Wolf Depredation Control Board. The board was created by House Bill 470 of 2014, which recognized the additional financial resources were needed to continue the implementation of Idaho's wolf management plan. The bill established the five-member board to control wolves that cause depredation on livestock and wildlife. The Governor's holdback did remove 5% of the ongoing General Fund, which was \$19,600.

MOTION:

Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Troy**, for the Wolf Depredation Control Board \$392,000 from the general funds for FY 2022.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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:**

OFFICE OF INFORMATION TECHNOLOGY SERVICES - LBB 6-75. Rob Sepich, Senior Analyst.

Ms. Sepich introduced the budget for the Office of Information Technology Services. Under chapter 8, title 67, Idaho Code, the agency operates state networks, provides consolidated messaging, telephone, data, and video transmission services, coordinates the Idaho technology authority, and provides annual agency IT Support. There was one line-item requested, and recommended by the Governor, for \$790,000 relative to a small error in the calculation of the health benefits. The budget includes a 14.5% reduction as of the Governor's recommendation.

MOTION:

Original Motion: Moved by **Sen. Cook**, seconded by **Rep. Horman**, for the Office of Information Technology Services beginning with the FY 2022 Base, \$43,600 for benefits cost, \$12,300 for statewide cost allocation, and \$213,200 for change in the employee compensation. Also included is line-item one, which provides \$790,000 for health and benefit costs. The totals for this motion for FY 2022 are 135.0 FTP, \$1,764,000 from the General Fund, and \$13,974,900 from the dedicated funds. For a grand total of \$15,738,900.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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**.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:31 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, March 05, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 6-67	Executive Office of the Governor	Paul Headlee, <i>Division Manager</i>
LBB 6-63	Division of Financial Management	
LBB 6-125	Legislative Services Office	
LBB 6-135	Redistricting Commission	
LBB 6-131	Office of Performance Evaluations	
LBB 5-111	Idaho Transportation Department	Christine Otto, <i>Senior Analyst</i>
	Transportation Services, LBB 5-117	
	Motor Vehicles, LBB 5-123	
	Highway Operations, LBB 5-127	
	Contract Const. and Right-of-Way Acq., LBB 5-133	
OTHER LEGISLATION		
HB 260	State Budget Terminology	Joshua C. Whitworth, Deputy State Controller
HB 153	Relating to the State Budget - Higher Education Institutions	Rep. Priscilla Giddings

Public Testimony Will Be Taken by Registering Through the Following Link:
[Registry to Testify](#)

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 05, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/EXCUSED: None

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

LSO STAFF PRESENTATION: **EXECUTIVE OFFICE OF THE GOVERNOR; Paul Headlee, Division Manager, LSO**

MOTION: Moved by **Representative Troy** for the Office of the Governor, in the Executive Office of the Governor, beginning with the FY 2022 Base, \$6,800 for benefit costs, \$4,000 for statewide cost allocation, and \$32,400 for change in employee compensation. The totals for this motion are 21.00 FTP, \$2,305,000 from the General Fund and \$2,000,000 from dedicated funds for a grand total of \$4,305,500. This motion includes reappropriation for any unspent and unencumbered federal COVID-19 Relief Funding from Emergency Rental Assistance appropriated in FY 2021 into FY 2022. This motion also includes an exemption from budget laws restricting transfer of appropriation between object codes and programs, seconded by **Senator Woodward**.

DISCUSSION: **Representative Troy** said this was an overall increase of less than one percent and there are no new line items in the motion.

CARRIED: **AYES: 17**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Bundy, Green, and Nash.
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 1
Representative Syme
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**.
Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MOTION:

DIVISION OF FINANCIAL MANAGEMENT; Paul Headlee, Division Manager, LSO

Moved by **Representative Troy** for the Office of the Governor, in the Division of Financial Management, beginning with the FY 2022 Base, \$6,700 for benefit costs, \$2,900 for statewide cost allocation, and \$38,900 for change in employee compensation. The totals for this motion for FY 2022 are 19.00 FTP, \$1,985,900 from the General Fund and \$643,300 from dedicated funds for a grand total of \$2,629,200, seconded by **Senator Crabtree**.

CARRIED:

AYES: 18

Senators Bair, Agenbroad, Crabtree, Grow, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senator Woodward and Representative Syme

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MOTION:

LEGISLATIVE SERVICES OFFICE; Paul Headlee, Division Manager, LSO

Moved by **Representative Horman** for the Legislative Branch, in the Legislative Services Office Division, beginning with the FY 2022 Base, \$23,400 benefit costs, \$15,400 onetime for replacement items, \$1,500 for statewide cost allocation, and \$122,400 for change in employee compensation. Also included are the following line items: line item 1, which provides 1.00 FTP and \$105,000, of which \$1,300 is onetime, for a Legislative Drafting Attorney. Line item 2 provides \$475,000 to restore funding to this budget for technology and computer services that are provided to the House and Senate. Line item 3 provides 3.0 FTP and \$316,500 of which \$7,500 is onetime, to provide current and additional services to the Legislature. The totals for this motion for FY 2022 are 70.00 FTP, \$6,945,600 from the General Fund and \$2,286,700 from dedicated funds for a grand total of \$9,232,300.

This motion includes an exemption to budget laws to allow funds to be transferred between object codes and no FTP cap. Also included is reappropriation authority from FY 2021 into FY 2022 of up \$650,000 of personnel costs from the dedicated Professional Services Fund; and the unexpended and unencumbered balance of the appropriation from the Technology Infrastructure Stabilization Fund, seconded by **Senator Crabtree**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Representative Syme

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MOTION:

**REDISTRICTING COMMISSION; Paul Headlee, Division Manager,
LSO**

Moved by **Senator Lent** for the Legislative Branch, in the Redistricting Division, beginning with the FY 2022 Base, one line item for \$171,800 onetime from the General Fund. The totals for this motion for FY 2022 are \$171,800. This motion includes an exemption to budget laws to allow funds to be transferred between object codes and reappropriation authority from FY 2021 into FY 2022 of any unspent and unencumbered moneys, seconded by **Representative Bundy**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Representative Syme

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MOTION:

**OFFICE OF PERFORMANCE EVALUATIONS; Paul Headlee, Division
Manager, LSO**

Moved by **Senator Ward-Engelking** for the Legislative Branch, Office of Performance Evaluations, beginning with the FY 2022 Base, \$2,400 for benefit costs, \$6,100 for replacement items, a decrease of \$100 for statewide cost allocation, and \$15,700 for change in employee compensation. The totals for this motion for FY 2022 are 8.00 FTP, \$983,800 from the General Fund. This motion includes an exemption to budget laws to allow funds to be transferred among object codes and no FTP cap, seconded by **Representative Troy**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Bundy, Green, and Nash.

NAYS: 2

Representative Nate and Giddings

ABSENT/EXCUSED: 1

Representative Syme

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

**IDAHO TRANSPORTATION DEPARTMENT, Transportation Services;
Christine Otto, Senior Analyst**

MOTION:

Moved by **Senator Crabtree** for the Idaho Transportation Department and the Transportation Services Division beginning FY 2022 Base, add \$104,400 for benefit costs, add \$2,976,000 for replacement items, add \$25,200 for statewide cost allocations, and add \$333,500 for change in employee compensation. Also included is line item 1, which provides \$2,000,000 Idaho Airport Aid Program.

The totals for this motion for FY 2022 are 209.00 FTP, \$38,125,500 from dedicated funds, and \$1,765,000 from federal funds for a grand total of \$39,890,500, seconded by **Representative Green**.

DISCUSSION:

Representative Youngblood and **Representative Green** stated they had a conflict of interest pursuant to House Rule 80 (3) but intended to vote.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Representative Syme

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 **Senator Crabtree** granted by unanimous consent to accept the language shown on the screen as part of the FY 2022 appropriation bill for the Idaho Transportation Department.

**INTENT
LANGUAGE:**

SECTION_. REAPPROPRIATION AUTHORITY FOR AIRPORT DEVELOPMENT GRANTS. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances appropriated or reappropriated to the Idaho Transportation Department from the State Aeronautics Fund as trustee and benefit payments for Airport Development Grants for fiscal year 2021 to be used for nonrecurring expenditures related to Airport Development Grants 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.

SECTION_. REAPPROPRIATION AUTHORITY FOR THE CAPITAL FACILITIES PROGRAM. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances appropriated or reappropriated to the Idaho Transportation Department from the State Highway Fund and the State Aeronautics (Dedicated) Fund in the Capital Facilities Program for fiscal year 2021 to be used for nonrecurring expenditures for the Capital Facilities Program 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.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

IDAHO TRANSPORTATION DEPARTMENT, Division of Motor Vehicles; Christine Otto, Senior Analyst

MOTION:

Moved by **Representative Green** for the Idaho Transportation Department, in the Motor Vehicle Division, beginning with FY 2022 Base, add \$80,300 for benefit costs, add \$912,400 for replacement items, reduce \$28,600 for statewide cost allocation, and add \$263,400 for change in employee compensation. The totals for this motion for FY 2022 are 240.00 FTP, \$35,484,100 from dedicated funds, and \$3,600,000 from federal funds for a grand total of \$39,084,100, seconded by **Senator Crabtree**.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 1

Representative Syme

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

IDAHO TRANSPORTATION DEPARTMENT, Highway Operations; Christine Otto, Senior Analyst

MOTION:

Moved by **Senator Woodward** for the Idaho Transportation Department and the Highway Operations Division, beginning with the FY 2022 Base, add \$527,900 for benefit costs, add \$385,100 for inflationary adjustments, add \$24,801,800 for replacement items, add \$231,200 for statewide cost allocation, and add \$1,695,300 for change in employee compensation. Also included are the following line items: line item 1, which provides \$3,571,300 for personnel costs, line item 2, which provides \$11,465,000 for public transportation grants. The totals for this motion for FY 2022 are 1,199.00 FTP, \$172,582,800 from

dedicated funds, and \$47,440,200 from federal funds, for a grand total of \$220,023,000 , seconded by **Representative Green**.

CARRIED:

AYES: 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

IDAHO TRANSPORTATION DEPARTMENT, Contract Construction and Right-of-Way Acquisition; Christine Otto, Senior Analyst

MOTION:

Moved by **Senator Woodward** for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Division, beginning with the FY 2022 Base, include the following line items: line item 1, which provides \$21,625,300 for federal grants; line item 2, which provides \$17,000,000 for bridge funding; line item 3, which provides \$55,670,000 for the Strategic Initiative Program; and line item 4, which provides \$68,049,300 for a surface transportation block grant. The totals for this motion for FY 2022 are \$202,396,800 from dedicated funds, and \$311,779,700 from federal funds, for a grand total of \$514,175,500, seconded by **Representative Green**.

CARRIED:

AYES: 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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 **Senator Woodward**, granted by unanimous consent that the language shown on the screen be accepted as part of the FY 2022 appropriation bill for the Idaho Transportation Department.

**INTENT
LANGUAGE:**

SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances appropriated or re-appropriated to the Idaho Transportation Department from the State Highway Fund, Strategic Initiatives Program Fund, and the Transportation Expansion and Congestion Mitigation Fund for the Contract Construction and Right-of-Way Acquisition Division for fiscal year 2021, in a total amount not to exceed \$250,000,000 from the State Highway Fund, Strategic Initiatives Program Fund, and/or the Transportation Expansion and Congestion Mitigation Fund to, be used for nonrecurring expenditures for the Contract Construction and Right-of-Way Acquisition Division 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.

SECTION_. CONTINUOUSLY APPROPRIATED MONEYS. All moneys transferred to the Local Bridge Inspection Fund and to the Railroad Grade Crossing Protection Fund, as provided in Section 63-2412, Idaho Code, are hereby continuously appropriated to the Idaho Transportation Department for the stated purpose of those funds.

SECTION_. BOND PAYMENT AUTHORIZATION. The federal GARVEE bond payment for fiscal year 2022 is approximately \$65,800,000. It is hereby appropriated and the Idaho Transportation Board is hereby authorized to transfer up to \$4,800,000 from within the State Highway (Dedicated) Fund to the GARVEE Debt Service Fund to pay the state match as required for federal funds committed to pay the annual scheduled debt service for fiscal year 2022.

**UNANIMOUS
CONSENT:**

Requested by **Senator Woodward**, granted by unanimous consent that the language shown on the screen be accepted as part of the FY 2022 appropriation bill for the Idaho Transportation Department.

**INTENT
LANGUAGE:**

SECTION_. LEGISLATIVE AUTHORIZATION FOR PRIOR PERIOD ADJUSTMENT. Pursuant to Section 67-3604, Idaho Code, the Idaho Transportation Department is hereby authorized, and the Office of the State Controller shall make, the necessary prior period adjustments not to exceed \$384,800 from the State Highway (Dedicated) Fund for transactions incorrectly recorded in fiscal year 2015.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

OTHER LEGISLATION

PRESENTATION:

H 260 – State Budget Terminology; Joshua C. Whitworth, Deputy State Controller

Mr. Whitworth said the purpose and scope of this bill is to help provide clarity and consistency in how budgeting and financial terminology in certain sections of state code are represented. He talked briefly on the intended affects this will have as the state implements the State Controller's LUMA project that modernizes the State's budgeting and financial accounting processes and systems.

MOTION:

Representative Youngblood moved that **H 260** be sent to the floor with a **do pass** recommendation. **Senator Agenbroad** seconded the motion. The motion carried by **voice vote**.

Links to [Audio](#) here.

- PRESENTATION:** **H 153 – Relating to the State Budget, Higher Education Institutions; Representative Priscilla Giddings,**
Representative Giddings said this legislation would add a new section and code that would require a separate appropriations bill for each state institution of higher learning. Specifically, that would be Boise State University, Idaho State University, Lewis and Clark State College and the University of Idaho. She shared some background and her reasons why this legislation could be helpful in the budgeting process.
- MOTION:** **Representative Nate** moved that **H 153** be sent to the floor with a **do pass** recommendation. **Representative Giddings** seconded the motion.
- TESTIMONY:** Matt Freeman, Executive Director of State Board of Education (Board), testified before the Committee. **Director Freeman** said the Board had not met to consider this legislation, and had not taken a position on it. He gave a brief history about the “single” appropriation that the Board has been receiving for over two decades. The Board is a consolidated governance board that is over all public education. The Board sits as the Board of Regents for the University of Idaho, the Board of Trustees for Boise State, Idaho State, and for Louis and Clark State College. A single system, a single board and a single appropriation. He also said that, again, historically, the purpose or thought behind a single appropriation is to protect against parochialism so that one institution isn't favored more over another.
- DISCUSSION:** **Director Freeman** responded to questions regarding the pros and cons of this single appropriation. He said the Board has full and final authority to “move” funds around as they deem appropriate.
- TESTIMONY:** Speaking on behalf of all of the presidents of the four-year colleges and universities, **Kevin Satterlee**, President of Idaho State University testified in opposition to **H 153**. He indicated they are opposed for two primary reasons:
1. They do not believe the bill is necessary;
 2. They do not believe it is a good policy decision at this point.
- President Satterlee** continued and said the legislature already has the authority to put conditions on their spending and the legislative intent is demonstrated in this year's appropriation bill. He finished by saying the college and university presidents don't support this bill because they are finally working together, and are no longer in competition as he said they were in the past. This legislation could lead to separating them again.
- The following people testified in person and via Zoom, in support of **H 153** :
- Anna Miller from the, Idaho Freedom Foundation; Tina DeBoer; Lorna Mitson; Craig Campbell; Steven Keyser; Delbert Chapel; Susan Walsh; Craig Sjorberg; Eva Selleck, and Brian Stutzman, via Zoom.
- All testimonies are available in the link below.
- DISCUSSION:** All discussion comments from the Committee are available in the link below.

VOICE VOTE:

The motion to send **H 153** to the floor with a **do pass** recommendation failed by **voice vote** and will not advance. **Representatives Horman, Nate and Giddings** requested to be recorded as voting Aye.

Link to [Audio](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:45 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, March 08, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	BUDGET SETTING	
LBB 5-65	Idaho State Historical Society	Jill Randolph, <i>Senior Analyst</i>
LBB 2-7	Department of Health and Welfare	
	Service Integration, LBB 2-53	
	Child Welfare, LBB 2-11	
	Services for the Developmentally Disabled, LBB 2-15	
	Indirect Support Services, LBB 2-23	
	Independent Councils, LBB 2-19	
	Licensing and Certification, LBB 2-71	
	Division of Medicaid, LBB 2-27	Jared Tatro, <i>Principal Analyst</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, March 08, 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.

LSO STAFF PRESENTATION: **IDAHO STATE HISTORICAL SOCIETY, LBB 5-65. Jill Randolph, Senior Analyst.**
Ms. Randolph introduced the budget for the Idaho State Historical Society. The Idaho State Historical Society is a system of cultural and historic resources composed of the Idaho State museum, archives, state historic preservation office, and historic site program.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Nye**, for the Idaho State Historical Society beginning with the FY 2022 Base \$10,400 for benefit costs, \$26,600 for replacement items, \$16,600 for statewide cost allocation, and \$67,200 for the change in employee compensation. The totals for this motion for FY 2022 are 57.00 FTP, \$3,923,700 from the General Fund, \$2,325,300 from the dedicated funds, \$1,636,500 from the federal funds; for a grand total of \$7,885,500.

CARRIED: **AYES: 18.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Troy, Giddings.

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 HEALTH AND WELFARE - Service Integration, LBB 2-53. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, a program of Service Integration. This division focuses on improving the customer service to clients, the service integration program is responsible for promoting coordination of the programs and the Department of Health and Welfare.

DISCUSSION: **Sen. Agenbroad** declared article 39 H.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Amador**, for the Department of Health and Welfare for the service integration program beginning with the FY2022 Base add \$7,000 for benefit costs, remove \$900 for statewide cost allocation, and add \$38,600 for the change in employee compensation. The totals for FY 2022 are 35.00 FTP, \$737,000 from the General Fund, \$69,500 from dedicated funds and \$5,390,100 from federal funds; for a grand total of \$6,196,600.

CARRIED: **AYES: 18.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Troy, Giddings.

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 HEALTH AND WELFARE - Child Welfare, LBB 2-11.**
Jill Randolph, Senior Analyst.

Ms. Randolph introduced the budget for the Department of Health and Welfare, a program of Child Welfare. The division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions. The child welfare program is responsible for the operating cost of the program, including personnel and capital expenditures, where the foster care and assistance program includes services or items purchased directly for children in the child welfare system.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Cook**, for the Department of Health and Welfare for the Child Welfare Division beginning with the FY 2022 Base add \$98,500 for benefit costs, remove \$17,700 for statewide cost allocation, add \$528,500 for the change in employee compensation, and shift \$26,500 from the federal funds to the General Fund for changes in the Medicaid FMAP rate as requested in non-discretionary adjustments. Also included is line-item 14, which provides \$1,724,000 in one-time federal funds for foster and assistance payments through allocations from the COVID Relief Act. The totals for this motion are FY 2022 are 408.80 FTP, \$28,485,300 from the General Fund, \$243,500 from dedicated funds, and \$53,623,800 from federal funds; for a grand total of \$82,352,600.

CARRIED:

AYES: 18.

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

NAYS: 0.

ABSENT/EXCUSED: 2.

Troy, Giddings.

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. Nash**, granted by unanimous consent, the following language was included in the bill that contains Child Welfare, Services for the Developmentally Disabled, and Service Integration:

SECTION __. EDUCATIONAL NEEDS. The Department of Health and Welfare shall be responsible for the educational needs of school-age children placed in its custody by the courts for either child protective issues or mental health issues. If the department places a child in a licensed residential treatment facility that includes a non public accredited school and it is determined by the department that it is in the best interests of the child to be educated at the residential treatment facility, then it is the responsibility of the department to pay for such education per student, per educational day. Other Idaho state agencies shall not be precluded from exercising their responsibility to ensure a free and appropriate education for these students within the requirements of federal disability law. The fiscal impact of this section is included within existing department base appropriations.

SECTION __. CHILD ABUSE PROTECTION TREATMENT ACT FUNDS. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (Federal) Fund, a minimum of \$42,000 of federal Child Abuse Protection Treatment Act (CAPTA) funds appropriated to the Department of Health and Welfare shall be provided to the Public Health Districts each year. The moneys received by the Public Health Districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code. Funds for each Public Health District shall be distributed at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Section 16-1647, Idaho Code.

SECTION __. HEAD START APPROPRIATION FROM TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDS. At a minimum, the Department of Health and Welfare shall maintain the Head Start Program appropriations paid from federal Temporary Assistance for Needy Families funds at the same level as fiscal year 2007.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF HEALTH AND WELFARE - Services for the Developmentally Disabled, LBB 2-15. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the budget for the Department of Health and Welfare, Services for the Developmentally Disabled. This division has two budgeted programs. The first is community developmental disability services, which provide the state leadership role for planning and arranging community services for children and adults with developmental disabilities and people who are disabled before the age of 22 due to environmental genetic, or health factors. The second budgeted program is for the Southwest Idaho Treatment Center, which is a specialized provider of services for the most severely impaired clients in the state. This program serves only the clients who have no other placement options due to severe behavioral or medical issues.

MOTION:

Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Nash**, for the Department of Health and Welfare for the Services for the Developmentally Disabled Division beginning with the FY 2022 Base add \$67,000 for benefit costs, remove \$13,600 for the statewide cost allocation, add \$363,700 for the change in employee compensation, and shift \$16,400 from the federal funds to the General Fund for changes in the Medicaid FMAP rate as requested in non-discretionary adjustments. Totals for this motion for FY 2022 are 303.71 FTP, \$13,990,100 for the General Fund, \$1,393,500 from dedicated funds, and \$17,664,700 from the federal funds; for a grand total of \$33,048,200.

CARRIED:

AYES: 18.

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

NAYS: 0.

ABSENT/EXCUSED: 2.

Amador, Giddings.

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 HEALTH AND WELFARE - Indirect Support Services, LBB 2-23. Jill Randolph, Senior Analyst

Ms. Randolph introduced the budget for the Department of Health and Welfare, Indirect Support Services division. This division provides administrative functions for the Department of Health and Welfare including the Office of the Director, Office of Legal Services, Office of Human Resources, Division of Information Technology Systems, and the Division of Management Services, which includes the financial services, and Bureau of Compliance and Bureau of Operational Services.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the Indirect Support Services division, beginning with the FY 2022 Base add \$80,700 for benefit costs, \$187,100 for state-wide cost allocation, and add \$482,100 for the change in employee compensation. The totals for this motion for FY 2022 are 288.60 FTP, \$19,695,200 from the General Fund, \$3,380,900 from the dedicated funds, and \$24,683,600 from the federal funds; for a grand total of \$47,759,700.

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**.

UNANIMOUS CONSENT: Requested by **Rep. Troy**, granted by unanimous consent, the following language was accepted:

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare Divisions of Medicaid and Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal years anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - Independent Councils, LBB 2-19. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, Independent Councils division. There are two councils within this division. The first is the Developmental Disabilities Council, which was established to ensure that those with developmental disabilities receive the services and systems necessary to achieve maximum independence, productivity and integration into the community. The second council is the Domestic Violence Council, which was established to ensure that availability of assistance for victims of crime with a focus on programs assisting victims of domestic violence, sexual assault or child abuse.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Riggs**, for the Department of Health and Welfare, for the Division of Independent Councils beginning with the FY 2022 Base, add \$2,600 for benefit costs, and add \$16,300 for change in employee compensation. Also included is line-item 7, which provides 1 FTP and \$85,900 for a grant supervision position for the Domestic Violence Council. The totals for FY 2022 are 12.00 FTP, \$208,200 from the General Fund, \$569,900 from the dedicated funds, and \$13,806,300 from the federal funds; for a grand total of \$14,584,400.

CARRIED: **AYES: 16.**
Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 2.
Crabtree, 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 **DEPARTMENT OF HEALTH AND WELFARE - Licensing and**
PRESENTATION: **Certification, LBB 2-71. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, Independent Councils division. This division surveys, inspects, licenses, and certifies health care facilities that require such certification or licensure by either the state or federal requirements. The program investigates complaints, conducts on-site surveys and takes licensure action to protect the health and safety of vulnerable people receiving health related services and supports.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the Department of Health and Welfare for the Licensing and Certification Division, beginning with the FY 2022 Base, add \$18,500 for benefit costs, remove \$500 for statewide cost allocation, and add \$112,400 for change in employee compensation. The totals for this motion for FY 2022 are 71.9 FTP, \$2,074,900 from the General Fund, \$866,700 from the dedicated funds, and \$4,811,600 from the federal funds; for a grand total of 7,753,200.

CARRIED: **AYES: 16.**
Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 2.
Crabtree, 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. Troy**, granted by unanimous consent, the following language was accepted:

SECTION __. REPORTS ON FACILITY LICENSING AND CERTIFICATION. The Licensing and Certification Program shall provide biannual reports to the Legislative Services Office and the Division of Financial Management on the status of facility licensing and certifications as well as staff workload and caseload issues. The format of the report and the type of information included therein shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2021, and the second report shall be submitted no later than June 30, 2022.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF HEALTH AND WELFARE - Division of Medicaid,
LBB 2-27. Jared Tatro, Principal Analyst.**

Mr. Tatro introduced the budget for the Department of Health and Welfare, Division of Medicaid. The Division of Medicaid includes five budgeted programs. The Medicaid Administration and Medical Management Program, which manages the personnel costs and the operating expenditures for the Division of Medicaid. The Coordinated Medicaid plan, which handles those eligible for Medicaid and Medicare. The Enhanced Medicaid Plan, which is foster care children and primarily those that are disabled. The Basic Medicaid Plan which is the children's program, as well as pregnant women. And the Expansion Medicaid Plan, which is for those that have an income of less than 138% of the federal poverty limits. The current year appropriation is for \$3,115,077,600. The agency is requesting a 15.2% increase, and the Governor is recommending the same percentage for a \$3,587,766,200. However there are two line-items that are is subject to legislation, line-items 1 and 11.

**SUBSTITUTE
MOTION:**

Original Motion: Moved by **Rep. Nate**, seconded by **Sen. Giddings**, for the Department of Health and Welfare for the Division of Medicaid, beginning with the FY 2021 estimated expenditures, remove \$63,482,800 in one-time expenditures, then remove \$89,843,300 for base adjustments related to the various supplemental, add \$56,300 for benefit costs, reduce \$3,400 for the statewide cost allocation, add \$295,500 for the change in employee compensation, and add \$250,461,300 for the non discretionary adjustments. Then provide for the following line-items: add \$763,700 for the electronic visit verification in line-item two, add \$935,000 for the patient access and interoperability in line-item three, add \$424,000 for managed care accountability and auditing in line item four, add \$3,400,000 for the veterans services payment methods in line item eight, add line item 11 to reduce the \$12,500,000 from the General Fund to align with the Governor's recommendation, and then add line-item 13 to reduce the \$163,600 and change \$300,000 from ongoing to one-time for funding that was appropriated in 2019 for Medicaid expansion added requirements. The totals are 213.00 FTP, \$733,529,900 from the General Fund, \$418,487,900 from dedicated funds, and \$2,386,968,000 from federal funds. For a grand total of \$3,538,985,800.

MOTION:

Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Amador**, for the Department of Health and Welfare for the Division of Medicaid beginning with FY 2022 Base add \$56,300 for benefit costs, decrease \$3,400 for statewide cost allocation, add \$295,500 for the change in employee compensation, add \$408,641,300 for non discretionary adjustments, add \$763,700 for the electronic visit verification in line-item 2, add \$935,000 for the patient access inter-operability in line-item 3, add \$424,000 for managed care, accountability, and auditing in line-item 4, add is \$3,400,000 for the veteran services payments methods in line-item 8, reduce the \$12,500,000 from the General Fund to align with the Governor's recommendation in line-item 11. Then add line item 13 to reduce the \$163,600 and change \$300,000 from ongoing to one-time for funding that was appropriated in 2019 for Medicaid expansion added requirements. The totals for FY 2022 are 213.00 FTP, \$769,728,500 from the General Fund, \$418,487,900 from the dedicated funds; \$2,545,148,000 from federal funds. For a grand total of \$3,733,364,400.

**VOTE ON
SUBSTITUTE
MOTION
—CARRIED:**

AYES: 17.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Crabtree.

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. Agenbroad**, granted by unanimous consent, the following language was accepted:

MEDICAID TRACKING REPORT. The Department of Health and Welfare's Divisions of Medicaid and Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

MEDICAID MANAGED CARE IMPLEMENTATION. The Division of Medicaid shall provide a report to the Legislative Services Office and the Division of Financial Management on progress in integrating managed care approaches into the state Medicaid system. The format of the report and information contained therein shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 1, 2021.

TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments

expense class in the Division of Medicaid may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, Expansion Medicaid Plan, and the Medicaid Administration and Medical Management Programs, but shall not be transferred to any other budgeted program or expense class within the Department of Health and Welfare during fiscal year 2022

COST-SHARING REQUIREMENT. The Department of Health and Welfare shall implement cost-sharing in the Division of Medicaid, as required by Section 56-257, Idaho Code, to the maximum extent that is federally allowable for the expanded population of children whose families' gross taxable income exceeds one hundred eighty-five percent (185%) but does not exceed three hundred percent (300%) of the federal poverty limit (FPL), for Medicaid-eligible services as identified in House Bill No. 43, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

BUDGET INTEGRITY. Notwithstanding any other provision of law to the contrary, and consistent with its cost containment strategy, the Department of Health and Welfare's Division of Medicaid shall submit its budget request in accordance with applicable Idaho Law as of the date of submission. This section does not prohibit the agency from making requests of the legislature that would impact any portion of the department's budget. However any proposed changes to Idaho Code with an anticipated budgetary impact shall be identified in narrative form only, without numerical entries. Further, the department shall submit its budget request based on the forecasted amount for the most recent month available from the report identified in subsection _ of this bill, and for the estimated needs of maintaining operations of the division.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:53 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, March 09, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
LBB 6-145	Board of Tax Appeals	Keith Bybee, <i>Deputy Division Manager</i>
LBB 5-17	Department of Commerce	
LBB 4-3	Department of Environmental Quality	Rob Sepich, <i>Senior Analyst</i>
LBB 4-39	Department of Parks and Recreation	
LBB 4-23	Endowment Fund Investment Board	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, March 09, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/EXCUSED: None

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

LSO STAFF PRESENTATION: **BOARD OF TAX APPEAL; Keith Bybee, Deputy Division Manager**

MOTION: Moved by **Senator Grow** for the Board of Tax Appeals, beginning with the FY 2022 Base, include \$1,500 for benefit costs, include \$1,300 for inflationary adjustments, include a \$200 reduction for statewide cost allocation, and include \$8,000 for change in employee compensation. There are no line items requested. The totals for this motion for FY 2022 are 5.00 FTP and \$644,400 from the General fund, seconded by **Representative Amador**.

DISCUSSION: **Senator Grow** commented that this budget is a 1.6 percent increase above the FY 2021 original appropriation, primarily due to the employee compensation, and is a maintenance of the current operations budget.

CARRIED: **AYES: 19** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.
NAYS: 0
ABSENT/EXCUSED: 1
Representative Horman
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**.
Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF COMMERCE; Keith Bybee, Deputy Division
Manager**

MOTION:

Moved by **Representative Syme** for the Department of Commerce, beginning with the FY 2022 Base, include \$12,900 for benefit costs, include a reduction of \$800 for statewide cost allocation, and include \$70,300 for change in employee compensation. Also included is line item 1, which provides \$35,000 for a Rural Idaho Study. The totals for this motion for FY 2022 are 43 FTP, \$6,036,200 from the General fund, \$20,267,200 from dedicated funds, and \$11,294,000 from federal funds for a grand total of \$37,597,400, seconded by **Senator Crabtree**.

CARRIED:

AYES: 17 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF ENVIRONMENTAL QUALITY; Rob Sepich, Senior
Analyst**

MOTION:

Moved by **Representative Nash** for the Department of Environmental Quality, beginning with the FY 2022 Base, an increase of \$126,800 for benefit costs, \$66,500 for statewide cost allocation and \$620,600 for change in employee compensation.

Also included are the following line items: line item 1, which provides \$2,119,600 for operations at the Bunker Hill Central Treatment Plant; line item 2 transfers \$1,500,000 from the Water Pollution Control Fund to the Environmental Remediation (Triumph Mine) Fund. Line item 3 provides \$560,200 onetime to clean up the Triumph mine; line item 4 includes \$980,400 onetime to repair the Triumph Mine tunnel; Line item 5 adds \$573,200 onetime for the Lake Coeur d'Alene study; line item 6 transfers 2.00 FTP and \$248,900 in the General Fund from the Water Quality Program to the Administration and Support Services Program; line item 7 transfers \$1,000,000 from the General Fund to the Agricultural Best Management Practices Fund; line item 8 transfers \$2,000,000 from the General Fund to the Water Pollution Control Fund and provides a onetime \$2,000,000 appropriation from the same fund for projects around Lake Coeur d'Alene; and line item 9 transfers \$6,181,700 from the General Fund to the Water Pollution Control Fund for assistance to disadvantaged communities.

The totals for this motion for FY 2022 are 379.00 FTP, \$22,388,500 from the General Fund, \$20,773,200 from the dedicated funds, and \$28,594,100 from federal funds for a grand total of \$71,755,800, seconded by **Senator Ward-Engelking**.

CARRIED: **AYES: 18** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2
Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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 Nash**, granted by unanimous consent to add the language on the screen to the FY 2022 appropriation bill.

**INTENT
LANGUAGE:**

Section A: CASH TRANSFER FOR TRIUMPH MINE. There is hereby appropriated and the Office of the State Controller shall transfer \$1,500,000 from the Water Pollution Control Fund to the Environmental Remediation (Triumph Mine) Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022, to be used for remediation, maintenance, and monitoring of conditions at the Triumph Mine.

Section B: REMEDIATION PROJECT REPORTING REQUIREMENTS. Moneys deposited into the Environmental Remediation (Basin) Fund shall be used for remediation of the Coeur d'Alene Basin in accordance with the Superfund contract with the Environmental Protection Agency. The Department of Environmental Quality shall file an annual report with the Governor, Legislature, and Coeur d'Alene Basin Environmental Improvement Project Commission on the remediation progress and the expenditures involved.

Section C: USES OF THE WATER POLLUTION CONTROL FUND. The appropriation of moneys from the Water Pollution Control Fund in this act shall specifically supersede the provisions of Section 39-3630, Idaho Code.

Section D: CASH TRANSFER FOR AGRICULTURAL BEST MANAGEMENT PRACTICES. Of the amount appropriated in Section 1 of this act, there is hereby appropriated and the Office of the State Controller shall transfer \$279,000 from the Department of Environmental Quality (General) Fund to the Agricultural Best Management Practices (BMP) Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022.

**UNANIMOUS
CONSENT:**

Requested by **Representative Nash**, granted by unanimous consent to add the language on the screen to the FY 2022 appropriation bill.

**INTENT
LANGUAGE:**

Section E: CASH TRANSFER FOR AGRICULTURAL BEST MANAGEMENT PRACTICES. There is hereby appropriated and the Office of the State Controller shall transfer \$1,000,000 from the General Fund to the Agricultural Best Management Practices (BMP) Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022.

Section F: CASH TRANSFER TO THE WATER POLLUTION CONTROL FUND. There is hereby appropriated and the Office of the State Controller shall transfer \$8,181,700 from the General Fund to the Water Pollution Control Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022.

Section G: CASH TRANSFER FOR AGRICULTURAL BEST MANAGEMENT PRACTICES. There is hereby appropriated and the Office

of the State Controller shall transfer \$284,700 from the Department of Environmental Quality (General) Fund to the Agricultural Best Management Practices (BMP) Fund as soon as practicable for the period July 1, 2020, through June 30, 2021. Section H: An emergency existing therefor, which emergency is hereby declared to exist, Section G of this act shall be in full force and effect on and after passage and approval.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF PARKS AND RECREATION; Rob Sepich, Senior Analyst

MOTION:

Moved by **Senator Lent** for the Department of Parks and Recreation, beginning with the FY 2022 Base, an increase of \$42,800 for benefit costs, \$4,039,900 for replacement items, \$84,300 for statewide cost allocations, and \$178,900 for change in employee compensation.

Also included are the following line items: line item 1, which provides 2.00 FTP and \$113,600 for additional park rangers; line item 2 for \$80,000 to provide for increased operating costs; \$100,000 to modernize the registration system; \$3,800,000 onetime to build-out the campground at Billingsley Creek; and \$600,000 onetime for visitor center exhibits at Billingsley Creek.

The totals for this motion for FY 2022 are 159.39 FTP, \$3,488,600 from the General Fund, \$35,249,500 from dedicated funds, and \$8,048,100 from federal funds for a grand total of \$46,786,200, seconded by **Representative Green**.

DISCUSSION:

Questions from the Committee were answered by **Mr. Sepich**.

CARRIED:

AYES: 18 Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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 **Senator Lent**, granted by unanimous consent to approve the standard bill language as shown on the screen for the Department of Parks and Recreation for FY 2022.

**INTENT
LANGUAGE:**

EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS.

Notwithstanding the provisions of Section 67-3511(2), Idaho Code, trustee and benefit payments appropriated for grants in the Management Services Program may be transferred to capital outlay in the Capital Development Program or to capital outlay in the Park Operations Program to reflect grants awarded to the Department of Parks and Recreation for the period July 1, 2021, through June 30, 2022. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Parks and Recreation any unexpended and unencumbered balances appropriated or reappropriated to the Department of Parks and Recreation for the Capital Development Program for fiscal year 2021 to be used

for nonrecurring expenditures in the Capital Development Program 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.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

ENDOWMENT FUND INVESTMENT BOARD; Rob Sepich, Senior Analyst

MOTION:

Moved by **Senator Cook** for the Endowment Fund Investment Board, beginning with the FY 2022 Base, and increase of \$2,300 for benefit costs, \$2,700 for inflationary adjustments, \$2,000 for replacement items, \$100 for statewide cost allocation, and \$10,200 for change in employee compensation. Also included is line item 1, which provides an additional appropriation of \$20,000 in personnel costs and shifts \$20,000 from operating expenditures to personnel costs to give a raise to the manager of investments. The totals for this motion for FY 2022 are 4.00 FTP and \$788,800 from dedicated funds, seconded by **Representative Troy**.

DISCUSSION:

Senator Cook discussed salaries of similar positions. Questions regarding the permanent corpus were answered by **Mr. Sepich** from LSO.

CARRIED:

AYES: 18 Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senator Grow, Representative Horman

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 **Senator Cook**, granted by unanimous consent to include the two section of standard language as shown on the screen.

**INTENT
LANGUAGE:**

Section X: CONTINUOUS APPROPRIATION. The Endowment Fund Investment Board is hereby granted continuous appropriation authority for consulting fees, custodial fees, investment manager fees, and other portfolio-related external costs for the period July 1, 2021, through June 30, 2022.

Section Y: TRANSFERS FROM EARNINGS RESERVE FUNDS. For fiscal year 2022, it is hereby appropriated and the Endowment Fund Investment Board shall transfer \$88,076,500 as follows: \$54,798,000 from the Public School Earnings Reserve Fund to the Public School Income Fund; \$1,660,000 from the Agricultural College Earnings Reserve Fund to the Agricultural College Income Fund; \$6,179,000 from the Charitable Institutions Earnings Reserve Fund to the Charitable Institutions Income Fund; \$5,487,500 from the Normal School Earnings Reserve Fund to the Normal School Income Fund; \$2,689,500 from the Penitentiary Earnings Reserve Fund to the Penitentiary Income Fund; \$5,735,500 from the Scientific School Earnings Reserve Fund to the Scientific School Income Fund; \$6,425,000 from the Mental Hospital Earnings Reserve

Fund to the Mental Hospital Income Fund; and \$5,102,000 from the University Earnings Reserve Fund to the University Income Fund.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

ADJOURNED: There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 8:55 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, March 10, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTINGS		
LBB 3-73	Brand Inspection	Christine Otto, <i>Senior Analyst</i>
LBB 3-77	Division of Idaho State Police	
LBB 3-85	POST Academy	
LBB 3-89	Racing Commission	
LBB 6-95	PERSI	Maggie Smith, <i>Senior Analyst</i>
LBB 6-33	State Controller	
LBB 6-161	State Treasurer	
LBB 6-151	Tax Commission	Keith Bybee <i>Deputy Division Manager</i>

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

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, March 11, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
REPORT		
LBB 6-167	Idaho Millennium Fund, Report	Janet Jessup, <i>Senior Analyst</i>
BUDGET SETTING		
LBB 6-55	Office of Drug Policy	Janet Jessup, <i>Senior Analyst</i>
TECHNICAL CORRECTION		
LBB 1-101	Special Programs	Janet Jessup, <i>Senior Analyst</i>
BUDGET SETTING		
LBB 4-51	Department of Water Resources	Rob Sepich, <i>Senior Analyst</i>
LBB 5-41	Department of Labor	Keith Bybee, <i>Deputy Division Manager</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 11, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Co-chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/EXCUSED: None

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

LSO STAFF PRESENTATION: **IDAHO MILLENNIUM FUND REPORT; Janet Jessup, Senior Analyst**

The Joint Millennium Fund Committee consists of ten members — five members from the Senate and five members from the House of Representatives. The Committee meets twice a year and is responsible for overseeing the Idaho Millennium Funds, and evaluating the success of programs funded with moneys from the income fund. Pursuant to Idaho Code §§ 67–1804 and 67–1080(6), the Joint Legislative Millennium Fund Committee submitted its annual report and recommendations for legislative consideration.

UNANIMOUS CONSENT: Requested by **Representative Troy**, granted by unanimous consent to accept the Idaho Millennium Fund Report. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Report](#) and [Ballot](#) here.

LSO STAFF PRESENTATION: **OFFICE OF DRUG POLICY - Budget Setting; Janet Jessup, Senior Analyst**

MOTION: Moved by **Representative Green** for the Office of Drug Policy, beginning with the FY 2022 Base, and increase of \$1,300 for benefit costs, \$1,200 for statewide cost allocation, and \$10,200 for change in employee compensation.
The totals for this motion for FY 2022 are 6.00 FTP, \$339,100 from the General Fund, \$24,500 from dedicated funds and \$4,459,700 from federal funds for a grand total of \$4,823,300, seconded by **Senator Agenbroad**.

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

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**.

Links to [Audio](#), [Motion](#) and [Ballot](#) here.

LSO STAFF PRESENTATION:	STATE BOARD OF EDUCATION, SPECIAL PROGRAMS - Technical Correction; Janet Jessup, Senior Analyst
UNANIMOUS CONSENT:	Requested by Representative Horman , granted by unanimous consent to reopen the fiscal year FY 2022 budget for the Division of Special Programs.
MOTION:	Moved by Representative Horman to the Division of Special Programs for fiscal year 2022, the removal \$52,200 from the General Fund, seconded by Senator Ward-Engelking .
CARRIED:	AYES: 19 Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash. NAYS: 0 ABSENT/EXCUSED: 1 Senator Grow 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 . Links to Audio , Motion and Ballot here.
LSO STAFF PRESENTATION:	DEPARTMENT OF WATER RESOURCES - Budget Setting; Bob Sepich, Senior Analyst
MOTION NO. 1:	Moved by Representative Bundy for the Department of Water Resources, beginning with FY 2022 Base, an increase of \$52,800 for benefit costs, \$21,200 for statewide cost allocation, and \$227,900 for change in employee compensation. Also included are the following line items: line item 1, which provides \$716,000 from the Revolving Development Fund for aquifer measuring and monitoring; line item 2 adds 2.0 FTP and \$353,800 for the first year of the Bear River Adjudication; line item 3 includes 1.00 FTP and \$109,700 to hire a water projects manager; line item 4 adds \$36,700 for a content management system subscription; and line item 5 adds an ongoing \$1,000,000 from the General Fund for the Flood Management Program. The totals for this motion for FY 2022 are 154.00 FTP, \$19,564,800 from the General Fund, \$5,355,000 from dedicated funds, and \$1,737,100 from federal funds, for a grand total of \$26,656,900, seconded by Senator Crabtree .
CARRIED:	AYES: 18 Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye. Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, and Nash.

NAYS: 1

Representative Giddings

ABSENT/EXCUSED: 1

Senator Grow

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.

MOTION NO. 2

Moved by **Representative Bundy** to include the following language as shown on the screen in the FY 2022 appropriation bill for the Department of Water Resources, seconded by **Senator Crabtree**.

CARRIED

AYES: 18 Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2

Senator Grow, Representative 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 Bair**.

**INTENT
LANGUAGE:**

SECTION A: CASH TRANSFER FOR AQUIFER MONITORING. There is hereby appropriated to the Department of Water Resources and the Office of the State Controller shall transfer \$716,000 from the Revolving Development Fund to the Aquifer Planning and Management Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022, to be used for aquifer monitoring, measurement, and modeling.

SECTION B. CASH TRANSFER FOR THE FLOOD MANAGEMENT PROGRAM. There is hereby appropriated and the Office of the State Controller shall transfer \$1,000,000 from the General Fund to the Water Management Account created pursuant to Section 42-1760, Idaho Code, on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022, for water quality data collection, monitoring, modeling, flood-damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention projects. Of these moneys, up to \$800,000 shall be administered by the Idaho Water Resource Board through a competitive, matching grant process for flood control projects. The Department of Water Resources shall support this competitive grant process using existing personnel and resources.

Section C. WATER QUALITY MONITORING. Of the moneys appropriated and transferred in Section 5 of this act for water quality data collection, up to \$200,000 shall be used for monitoring, data collection, modeling, literature review, economic analysis, and other forms of data gathering and analysis in the upper Snake/Rock Creek sub-basin (HUC 17040212, as provided in IDAPA 58.01.02.109.02) in support of the nutrient total maximum daily loads (TMDL) objectives. This process shall be coordinated with the Department of Environmental Quality and the United States Geological Survey.

MOTION NO. 3

Moved by **Representative Bundy** to include the following language as shown on the screen in the FY 2022 appropriation bill for the Department of Water Resources, seconded by **Senator Crabtree**.

CARRIED: **AYES: 18** Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 2
Senator Grow, Representative 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 Bair**.

INTENT LANGUAGE: SECTION D. USE OF FUNDS FOR RIRIE RESERVOIR FLOOD CONTROL RULES. Notwithstanding the provisions of Section 1, Chapter 41, Laws of 2014, and any other provision of law to the contrary, \$4,201,000 from the Revolving Development Fund, or so much thereof as is necessary, shall be used for analysis of the Ririe Reservoir flood control rule curves or any other investigations that would expand water storage.

SECTION E: CASH TRANSFER FOR AQUIFER MANAGEMENT. Of the amount appropriated to the Department of Water Resources in Section 1 of this act for the Planning and Technical Services Program from the General Fund, the Office of the State Controller shall transfer \$5,000,000 to the Secondary Aquifer Planning, Management, and Implementation Fund on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022, to be used for aquifer recharge and management.

Links to [Audio](#), [Motion](#) and [Ballot](#) here.

LSO STAFF PRESENTATION: **DEPARTMENT OF LABOR - Budget Setting; Keith Bybee, Deputy Division Manager**

MOTION NO. 1: Moved by **Senator Cook** for the Department of Labor, beginning with FY 2022 Base, include \$143,500 for benefit costs, include \$83,400 for statewide cost allocation, and include \$1,029,100 for change in employee compensation. Also included are the following line items: line item 1, which provides authority to restructure the budget from five budgeted programs to three; and line item 2 which provides \$3,302,600 from CARES Act Relief funds for additional staffing to meet unemployment insurance claims.

Totals for FY 2022 are \$538,100 from the General Fund, \$17,237,700 from dedicated funds, and \$82,638,700 from federal funds for a grand total of \$100,414,500 with full time positions capped at 708.58, seconded by **Representative Syme**.

DISCUSSION: **Senator Cook** briefly discussed the budget. This budget is a 3.3 percent increase above the FY 2021 original appropriation. When the economy is not doing well, such as with COVID, and unemployment is increasing, the receipt of additional funding is necessary to meet demand. It was important to maintain the current budget level to meet the demand of these funds. The restructure of the budget will provide for additional transparency, directly linking appropriation and spending.

CARRIED: **AYES: 16** Senators Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Syme, Nate, Giddings, Bundy, and Green.

NAYS: 0

ABSENT/EXCUSED: 4

Senator Grow, Representatives Horman, Amador and Nash.

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 **Senator Cook**, granted by unanimous consent, that the language as shown on the screen regarding an exemption from the limitation of transfer between programs found in Idaho Code § 67-3511(2), be accepted as part of the Department of Labor's FY 2022 appropriation bill.

**INTENT
LANGUAGE:**

Section 3. EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS.
The Department of Labor is hereby exempted from the provisions of Section 67-3511(2), Idaho Code, allowing unlimited transfers between programs for all moneys appropriated to it for the period July 1, 2021, through June 30, 2022. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

Links to the [Audio](#), [Motion](#) and [Ballot](#) here.

ADJOURNED:

There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 8:40 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, March 12, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
TECHNICAL CORRECTIONS		
LBB 6-33	Office of the State Controller	Maggie Smith, <i>Senior Analyst</i>
LBB 4-51	Department of Water Resources	Rob Sepich, <i>Senior Analyst</i>
BUDGET SETTING SELF-GOVERNING AGENCIES		
LBB 5-93	Division of Occupational and Professional Licenses	Christine Otto, <i>Senior Analyst</i>
SUPPLEMENTAL APPROPRIATIONS		
Public Schools Support Program		Jared Tatro, <i>Principal Analyst</i>
LBB 1-31	ESSER II (COVID-19 Relief Funds) – Second Stimulus	
LBB 1-31	Building Idaho's Future – COVID-19 Learning Loss	
LBB 1-15, -19, -25	Board of Examiner's Adjustments and ADA/Enrollment Rule Change	
Department of Education		
	ESSER II (COVID-19 Relief Funds) – Second Stimulus	
	Emergency Assistance for Non-Public Schools (EANS) COVID-19 Relief	
TRAILER APPROPRIATIONS		
Public School Support Program		
	H22–Trailer Appropriation (Virtual Charter School Cap)	

BUDGET SETTING
Public School Support Program

Jared Tatro,
Principal Analyst

LBB 1-13	Administrators
LBB 1-17	Teachers
LBB 1-23	Operations
LBB 1-29	Children's Programs
LBB 1-35	Facilities
LBB 1-39	Central Services
LBB 1-43	Education Services for the Deaf & Blind
LBB 1-107	Department of Education

OTHER LEGISLATION

HB 260	State Budget Terminology
---------------	--------------------------

Joshua C.
Whitworth, *Deputy*
State Controller

Public Testimony Will Be Taken by Registering Through the Following Link:
[Registry to Testify](#)

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 12, 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.

LSO STAFF PRESENTATION: **TECHNICAL CORRECTIONS — OFFICE OF THE STATE CONTROLLER, ADMINISTRATION - LBB 6-33. Maggie Smith, Senior Analyst.**

Ms. Smith explained the correction in the agenda will add \$2.3 million in federal funds to the State Controller's budget. The funds originated from the Coronavirus Relief Fund, which was distributed this past year through the CARES Act. The correction is requested as the funds are needed on an ongoing basis so that the Controller's office can maintain records of all expenditures made in the state from the Coronavirus Relief Fund.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook**, to reopen the FY 2022 budget for the Office of the State Controller.

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

The majority, having voted in the affirmative, the motion passed, and without objection, the FY 2022 budget for the state Controller's office is opened. Hearing no objection, it was so ordered by **Chairman Youngblood**.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook**, for the Office of the State Controller, Administration Program, for the Fiscal Year 2022 an additional \$2,300,000 from federal COVID-19 Relief Funds.

CARRIED: **AYES: 17.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook,
Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 1.
Syme.

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: TECHNICAL CORRECTIONS — DEPARTMENT OF WATER RESOURCES, LBB 4-51. Rob Sepich, Senior Analyst.

Mr. Sepich explained the technical correction. The need for the correction is to fund the Flood Management Program on an ongoing basis. The motion would increase the program budget to recognize its capacity to be available for transferring the next Fiscal Year.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Crabtree**, to reopen the FY 2022 budget for the Department of Water Resources.

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

The majority, having voted in the affirmative, the motion passed, and without objection, the FY 2022 budget for the state Controller's office is opened. Hearing no objection, it was so ordered by **Chairman Youngblood**.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Crabtree**, for the Department of Water Resources the addition of \$1,000,000 from the General Fund to account for the ongoing costs of the program.

CARRIED: **AYES: 17.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook,
Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 1.
Syme.

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: **BUDGET SETTING – SELF-GOVERNING AGENCIES. DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSES, LBB 5-93. Christine Otto, Senior Analyst.**

Ms. Otto introduced the budget setting for the Division of Occupational and Professional Licenses. This is a new division created in House Bill 318 of 2020, and consolidates, from a budget standpoint, three separate divisions, and 11 separate agencies or programs into one division and four programs. The total consolidation amount is shown in line-item 1.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Agenbroad**, for the Division of Occupational and Professional Licenses, beginning with the FY 2022 program maintenance, add the following line items: line-item 1, which provides 271.2 FTP and \$30,785,400 for the consolidation of the Division of Building Safety, the Medical Boards and Regulatory Boards; line-item 2, which provides \$18,300 for the board honorarium; line-item 3, which provide \$428,000 for the Statewide Gateway System; line-item 4, which provides \$88,500 for the Damaging Prevention Federal Grant; line-item 5, which provides \$300,000, one-time, for an RFP for a new database; and line-item 6, which provides \$7,064,500 one-time for the move to Chinden Campus, of the total in line-item 6, any appropriation not spent on costs associated with the move shall be reverted. The totals for this motion for FY 2022 are 271.2 FTP, \$38,496,300 from dedicated funds, and \$188,400 from the federal funds; for a grand total of \$38,684,700.

CARRIED: **AYES: 16.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Bundy, Green, Nash.
NAYS: 3.
Troy, Nate, Giddings.
ABSENT/EXCUSED: 1.
Syme.

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. Bundy**, granted by unanimous consent, the following language was added:
Section_. EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS. The Division of Occupational and Professional Licenses is hereby exempted from the provisions of Section 67-3511(2), Idaho Code, allowing unlimited transfers between programs for all moneys appropriated to it for the period July 1, 2021, through June 30, 2022. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

LSO STAFF SUPPLEMENTAL APPROPRIATION
PRESENTATION: PUBLIC SCHOOLS SUPPORT PROGRAM - ESSER II (COVID-19 Relief Funds) – Second Stimulus, LBB 1-31. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the supplemental appropriation for the Public Schools Support Program. The request is for the elementary and secondary school funding, also known as ESSER. The amount is \$195.9 million and is eligible until September of 2023. The Governor recommended the full amount in the supplemental.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the FY 2021 budget for the Public-School Support Program was reopened.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Ward-Engelking**, for the Public-School Support Program in the Children's Programs Division for FY 2021, one-time from the Federal COVID-19 Relief Fund an additional \$104,091,200.

CARRIED: **AYES: 17.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook,
Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 1.
Syme.

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 SUPPLEMENTAL APPROPRIATION
PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM - BUILDING IDAHO'S FUTURE – COVID-19 Learning Loss - LBB 1-31. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the supplemental appropriation for Building Idaho's Future program. The Governor recommended \$20 million from the Federal COVID-19 Relief Funds as part of the Cares Act, for the Building Idaho Future. The Department and the Office of the Governor have indicated that the full \$20 million as a supplemental isn't realistic to be spent in one year and have recommended a lower amount with the remainder for next year.

MOTION: Original Motion: Moved by **Sen. Lent**, seconded by **Rep. Bundy**, for the Public-School Support Program for the Children's Programs Division for the FY 2021, one-time from the Federal COVID-19 Relief Fund, an additional \$10,000,000.

CARRIED:

AYES: 18.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

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. Lent**, granted by unanimous consent, the following language was added:

COVID-19 K- 4 LITERACY LEARNING LOSS. Of the amount appropriated in Section _ of this act from the Federal COVID-19 Relief Fund, \$5,000,000 shall be distributed for summer reading programs for students in grades K- 4 with funding to be distributed based on the number of students that scored below basic on the most recent Idaho Reading Indicator (IRI) or comparable assessment. Moneys per student and associated formulas shall be determined by the Department of Education. Moneys subject to this section shall be allocated and distributed to school districts and public charter schools on behalf of students for remediation and credit recovery. Services may be delivered directly by school districts, public charter schools, or through any statewide or locally approved contracts. This funding shall be used for addressing credit recovery, learning loss, tutoring, or other comparable services, and shall be made available to students during normal school hours or outside normal school hours and the school year. Each school district and public charter school shall identify the most effective methods to address any COVID-19 pandemic learning loss. School districts and public charter schools are encouraged to maximize these funds to provide the most services for students. The Department of Education shall work with the State Board of Education to address any concerns related to the use of these moneys. If moneys provided in this section are in excess of actual needs, any remaining moneys may be used to address the learning loss for students in reading and math for any other grade from K-12.

COVID-19 K-12 LEARNING LOSS. Of the amount appropriated in Section _ of this act from the Federal COVID-19 Relief Fund, \$5,000,000 shall be distributed for any subject impacted by the COVID-19 pandemic in grades K-12 with funding to be distributed to school districts and charter schools from formulas determined by the Department of Education. All formulas are to be based on the various assessment scores when possible. Moneys subject to this section shall be allocated and distributed to school districts and public charter schools on behalf of students for remediation and credit recovery. Services may be delivered directly by school districts, public charter schools, or through any statewide or locally approved contracts. This funding shall be used for addressing credit recovery, learning loss, tutoring, or other comparable services, and shall be made available to students during normal school hours or outside normal school hours and the school year. Each school district and public charter school shall identify the most effective methods to address any COVID-19 pandemic learning loss. School districts and public charter schools are encouraged to maximize these funds to provide the

most services for students. The Department of Education shall work with the State Board of Education to address any concerns related to the use of these moneys.

LSO STAFF PRESENTATION: SUPPLEMENTAL APPROPRIATION – PUBLIC SCHOOL SUPPORT PROGRAM - BOARD OF EXAMINER'S ADJUSTMENTS AND ADA/ENROLLMENT RULE CHANGE - LBB 1-31, -19, -25. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the supplemental appropriation, explaining it is related to the action taken by the Board of Examiners on July 23, 2020, as well as the fiscal impact for the rule passed by the board, that allows funding to be determined based on enrollment instead of average daily attendance during the pandemic, for this year only. The board of examiners reduced \$98.7 million out of the public schools budget. The Governor's official budget recommendation included restoring the appropriation and then reducing it by discretionary. This supplemental allows division level transfers between the Administrators, Operations, Children's Programs and Teachers' Divisions, so the Department of Education can realign through the transfers.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the following language was added, and the department was granted to make all necessary division transfers:

DISCRETIONARY FUNDS. Notwithstanding Section 5 of Chapter 300, Laws of 2020, and any other provision of law to the contrary, for the period July 1, 2020, through June 30, 2021, it is estimated that the appropriation of state funds to the Public Schools Educational Support Program's Division of Operations will result in total discretionary funds of \$22,810 per support unit. The \$22,810 is further divided into two distributions: \$10,149 per support unit is to be used at the discretion of the school district or charter school and \$12,661 per support unit is to be used to offset the employer costs of health, vision, and dental insurance offered to its employees. If the distribution provided for health, vision, and dental insurance is in excess of the individual school district's or charter school's actual costs, the excess funds may then be used at the school district's or charter school's discretion. Further, the Department of Education shall work with the Legislative Services Office and the Division of Financial Management to determine the information that the State Department of Education shall collect on school district and charter school health, vision, and dental insurance costs, including but not limited to actual insurance premium costs and premium percentage increases.

LSO STAFF PRESENTATION: SUPPLEMENTAL APPROPRIATION DEPARTMENT OF EDUCATION - ESSER II (COVID-19 Relief Funds) – Second Stimulus – LBB 1-31. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the supplemental appropriation for the Department of Education. This is relative to the Governor's recommendations of \$195,890,400 from the second round of the Elementary and Secondary Emergency COVID-19 Relief funding (ESSER II).

**UNANIMOUS
CONSENT:**

Requested by **Rep. Amador**, granted by unanimous consent, the FY 2021 budget for the Department of Education was reopened.

MOTION:

Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Ward-Engelking**, for the Department of Education in the Student Service Program for the FY 2021, one-time from the Federal COVID-19 Relief Fund, an additional \$300,000.

CARRIED:

AYES: 19.

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

NAYS: 0

ABSENT/EXCUSED: 1.

Nash.

The majority, having voted in the affirmative, the motion passed, and without objection, the FY 2022 budget for the state Controller's office is opened. Hearing no objection, it was so ordered by **Chairman Youngblood**.

LSO STAFF

PRESENTATION: **SUPPLEMENTAL APPROPRIATION
EMERGENCY ASSISTANCE FOR NON-PUBLIC SCHOOLS (EANS)
COVID-19 Relief. Jared Tatro, Principal Analyst.**

Mr. Tatro introduced the supplemental appropriation for the Emergency Assistance for Non-Public Schools. Mr. Tatro explained that both the Cares Act and the Coronavirus Relief Act provide emergency assistance funding to non public schools. During the first round, it was provided that the school districts closest to the non public school would assist them in getting the funds. For the second round, the State Educational Agency or the State Board would be responsible for providing the funds to the non public schools.

MOTION:

Original Motion: Moved by **Rep. Horman**, seconded by **Rep. Amador**, for FY 2021 for the Department of Education in the student services program, onetime from the federal COVID-19 relief fund an additional \$19,581,600.

CARRIED:

AYES: 17.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Nash.

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 TRAILER APPROPRIATION
PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM - H22 –TRAILER
APPROPRIATION (Virtual Charter School Cap). Jared Tatro, Principal Analyst.

Mr. Tatro specified that the trailer appropriation bill, refers to the house bill 2022, as amended in the senate. And Idaho Code states no public charter school shall receive an increase in support units that exceeds the support units received in the prior year by more than 30. If a school had 100 units and they jumped to 200 units, undercurrent law they would be founded at 130 units. For the public virtual charter schools. The intent of House bill 22, was to amend that and remove the cap. The bill was amended in the senate. The house committee has concurred with the amendments.

MOTION: Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Amador**, for the Public Schools Support Program for FY 2021, onetime from the Federal COVID-19 Relief Fund, \$329,800 in the Administrators Division, \$3,634,700 in the Teachers Division, and \$2,173,200 in the Operations Division.

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

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 BUDGET SETTING
PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – ADMINISTRATORS – LBB
1-13. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Administrators. The Administrators Division provides state support for the cost of administrators of school districts and Public Charter Schools, which includes superintendents, principals, and assistant principals. Of the total appropriation, for public schools, this division accounts for about 4.4%. This is a maintenance budget with non-discretionary adjustments.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Ward-Engelking**, for the Public School Support Program for the Administrators Division, beginning with the FY 2022 Base, add \$2,147,600 for the public school salary change and employee compensation, and \$1,887,500 for the non discretionary adjustments. The totals for this motion for FY 2022 are \$106,228,100 from the General Fund.

CARRIED:

AYES: 19.

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

NAYS: 0.

ABSENT/EXCUSED: 1.

Green.

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**.

MOTION:

Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Ward-Engelking**, for the Public-School Support Program for the Administrators Division, to include the language adopted.

CARRIED:

AYES: 19.

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

NAYS: 0.

ABSENT/EXCUSED: 1.

Crabtree.

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

BUDGET SETTING

PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – TEACHERS – LBB 1-17.

Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Teachers. The Teachers Division provides support for instructional and pupil service staff and other programs support to certificated instructors with school districts and charter schools. The total appropriation in this division accounts for 46.3% of the total. This budget includes the full funding of the career ladder as well as some non-discretionary adjustments, an agency request, and Governor's recommendation to remove \$9 million from professional development.

MOTION:

Original Motion: Moved by **Sen. Ward-Engelking** seconded by **Rep. Bundy**, for the Public-School Support Program for the Teachers Division, beginning with the FY 2022 Base, increase of \$47,361,700 for non discretionary adjustments. Then shift \$9 million one-time from the General Fund to the Federal COVID 19 Relief Fund for professional development services in line item 6. The totals for this motion for FY 2022 are \$1,112,186,900 from the General Fund, and \$20,000,000 from federal funds for a total of \$1,132,186,900.

DISCUSSION:

Rep. Bundy declared rule 80.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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. Ward-Engelking** granted by unanimous consent, the following language was added:

PROFESSIONAL DEVELOPMENT. Of the moneys appropriated in Section 3 of this act, \$9,850,000 shall be distributed for professional development that supports instructors and pupil services staff to increase student learning, mentoring, and collaboration. Professional development efforts should be measurable, provide the instructors and pupil services staff with a clear understanding of their progress, be incorporated into their performance evaluations and, to the extent possible, be included in the school district or public charter school continuous improvement plans required by Section 33-320, Idaho Code. Funding shall be distributed by a formula prescribed by the Department of Education, and the Department of Education shall track usage and effectiveness of professional development efforts at the state and local levels. **DEFINITION.** For the purposes of this act, "distributed" means moneys that are transferred to school districts and public charter schools, with no funds withheld for any other contract or administrative costs.

**LSO STAFF
PRESENTATION:**

BUDGET SETTING

PUBLIC SCHOOL SUPPORT PROGRAM – OPERATIONS – LBB 1-23.
Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Operations. The operations division provides support for the operations of a district or public charter school for services that have transportation, technology, and discretionary funds. The total appropriation for the current year for this division accounts for 31.9% of the total. This budget includes adjustments in the non-discretionary portion, there is a shift in the endowment adjustments, and there are four-line items requested by the agency and recommended by the Governor.

MOTION:

Original Motion: Moved by **Sen. Cook**, seconded by **Rep. Horman**, for the Public School Support Program for the Operations Division, beginning with FY 2022 Base, provide \$3,416,800 for the public school salary change for classified staff, \$18,868,600 for the nondiscretionary adjustments; and shift \$2,211,600 from the General Fund to dedicated funds for endowment adjustments. Then add \$10,575,100 for increases in the health insurance discretionary cost as requested in line item 1; and the shift \$4 million, onetime from the General Fund to the Federal COVID-19 Relief Fund for IT staffing support in line item 4; and shift \$10 million onetime from the General Fund to the Federal COVID-19 Relief Fund for the technology funds in line item 5. The totals for this motion for FY 2022 are \$702,240,800 for the General Fund, \$62,798,000 from the dedicated funds, and \$14,000,000 from the federal funds; for a grand total of \$779,038,800.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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. Ward-Engelking** granted by unanimous consent, the language shown on the screen was added.

LSO STAFF**BUDGET SETTING****PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – CHILDREN'S PROGRAM – LBB 1-29. Jared Tatro, Principal Analyst.**

Mr. Tatro introduced the budget setting for the Public-School Support Program for Children's Programs. The children's program division includes programs that provide education or material benefits to children and programs that primarily and specifically provide funding for the separate instruction of identified subgroups of children outside the normal classroom of a public school. Of the current year appropriation, this division accounts for 13.7% of the total amount. This budget includes non-discretionary adjustments which include \$9.7 million for advanced opportunities, \$1.8 million for the Idaho Digital learning academy, \$655,000 for border contracts, and \$371,000 for exceptional contracts and tuition equivalence. The budget includes also three line-items requested and recommended by the Governor. The first deals with the professional development funding for gifted and talented, and the second for content and curriculum funding. Both the agency and the Governor recommended reducing those general funds as they would be eligible for the reimbursement through the ESSER 2 Federal Relief Funds. The third line item is relative to the ESSER 1 funding included in the Cares Act.

MOTION: Original Motion: Moved by **Sen. Lent**, seconded by **Rep. Amador**, for the Public Schools Support Program for the Children's Programs Division, beginning with the FY 2022 Base, add \$12,682,600 for nondiscretionary adjustments. Then provide the following line items on a one-time basis: shift \$1 million from the General Fund to the Federal COVID-19 Relief Fund for gifted and talented services in line 6; then shift \$1,600,000 from the General Fund to the Federal COVID-19 Relief Fund for content and curriculum in line item 8; add \$30,541,800 for the estimated remaining ESSER 1 funding in line item 11; add \$162,002,700 for the continuation of the ESSER 2 federal award in line item 12; add \$20,000,000 for the continuation of the COVID-19 learning loss programs that were previously approved in a supplemental. The totals for this motion for FY 2022 are \$88,810,300, from the General Fund, \$4,024,900 from the dedicated funds and \$454,144,500 from the federal funds; for a grand total of \$546,979,700.

CARRIED: **AYES: 20.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 0.

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. Lent** granted by unanimous consent, the language shown on the screen was approved.

LSO STAFF PRESENTATION: **BUDGET SETTING**
PUBLIC SCHOOL SUPPORT PROGRAM – FACILITIES – LBB 1-35.
Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Facilities. This is a maintenance budget with adjustment for nondiscretionary only. The budget shows an increase \$2,832,300 from the General Fund for charter school facilities based on statutory calculations, and an increase of \$1,050,000, and a decrease of \$2.6 million from the bond levy equalization fund for the support program. The school facilities maintenance match with an increase of \$1,505,600 from the General Fund to account for an estimated decrease in lottery distributions. The budget shows a difference from FY 2021 appropriations for \$606,900 negative.

MOTION: Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Crabtree**, for the Public-School Support Program for the Facilities Division, beginning with the FY 2022 Base, reduce \$606,900 for discretionary adjustments. The totals for this motion for FY 2022 are \$26,206,900 from the General Fund and \$35,125,000 from the dedicated funds for a grand total of \$61,331,900.

CARRIED:

AYES: 20.

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

NAYS: 0.

ABSENT/EXCUSED: 0.

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. Amador** granted by unanimous consent, the following language was added: TRANSFER. Of the moneys appropriated to the Public Schools Educational Support Program's Division of Facilities, the amount necessary to fund the provisions of Section 33-906, Idaho Code, is hereby transferred and appropriated to the Bond Levy Equalization Fund. If the funding appropriated in Section 1 of this act is insufficient to meet the requirements of Section 33-906, Idaho Code, the difference shall be withdrawn and paid from the Public Education Stabilization Fund, notwithstanding any other provision of law to the contrary.

DISTRIBUTION TO THE GENERAL FUND. Notwithstanding the provisions of Section 63-2520(b)(4), Idaho Code, the amount of revenue distributed to the General Fund shall be \$9,524,200 for the period July 1, 2021, through June 30, 2022.

TRANSFER FOR PUBLIC SCHOOLS EDUCATIONAL SUPPORT PROGRAM. Of the moneys appropriated in Section 1 of this act, there is hereby appropriated and the State Controller shall transfer \$16,682,700 from the General Fund to the Public School Income Fund to be expended for the Public Schools Educational Support Program's Division of Facilities for the period July 1, 2021, through June 30, 2022.

LSO STAFF

BUDGET SETTING

PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – CENTRAL SERVICES – LBB 1-39. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Central Services. This division includes programs and funds spent by the Department of Education for the benefit of all school districts and charter schools. Funds are primarily used to contract for services, and for program oversight and evaluation. The division accounts for .5% of the total. This budget includes three-line items, supported by the Governor, to be reduced from the General Fund related to professional development, content and curriculum, and remediation funds. All these services are eligible under the various ESSER federal relief funds.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Ward-Engelking**, for the Public School Support Program for the Central Services Division, beginning with the FY 2022 Base, provide the following line items on a one-time basis: shift \$200,000 from the General Fund to the Federal COVID-19 Relief Fund for professional development services in line item 6; reduce \$300,000 from the General Fund and add \$1,300,000 from the Federal COVID-19 Fund for content and curriculum in line item 8; then shift \$350,000 from the General Fund to the Federal COVID-19 Relief Fund for remediation funds in line item 9. The totals for the motion for FY 2022 are \$11,817,600 from the General Fund, and \$1,850,000 from the federal funds; for a total of \$13,667,600.

DISCUSSION: **Rep. Amador** declared rule 80.

CARRIED: **AYES: 18.**

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

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 language shown on the screen was approved.

LSO STAFF BUDGET SETTING

PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – EDUCATION SERVICES FOR THE DEAF & BLIND – LBB 1-43. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for Education Services for the Deaf & Blind. The agency's current year appropriation is for \$11,836,600 and requested a 2.5% increase, while the Governor has recommended a 2.3% increase.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Nye**, for the Public School Support Program for the Educational Services for the Deaf and Blind, beginning with the FY 2022 Base, increase \$1,200 for benefit costs, \$69,400 for the change in employee compensation, and \$6,300 for endowment adjustments. Then add \$200,600 for career ladder equivalent funding in line-item 3. Then remove \$332,700 from estimated funds that are appropriated but not accounted for in the state accounting system in line item 14. The totals for this motion for FY 2022 are \$11,575,400 in the General Fund, and \$206,000 from dedicated funds; for a grand total of \$11,781,400.

CARRIED:

AYES: 18.

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

NAYS: 2

Nate, Giddings.

ABSENT/EXCUSED: 0.

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

BUDGET SETTING

PRESENTATION: PUBLIC SCHOOL SUPPORT PROGRAM – DEPARTMENT OF EDUCATION – LBB 1-107. Jared Tatro, Principal Analyst.

Mr. Tatro introduced the budget setting for the Public-School Support Program for the Department of Education. The agency has a current-year appropriation of \$37,841,00 and 124 FTP and is requesting a 4.7% increase. The Governor is recommending a 4.5% increase with adjustments related to health insurance and a change in employee compensation.

MOTION:

Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Horman**, for the Department of Education, beginning with FY 2022 Base, provide \$36,800 for benefit costs, \$3,400 for statewide cost allocation, \$199,100 for change in employee compensation. Then add \$819,700 for professional development services in line item 1; \$1,202,000 for the ID-AWARE Grant in line item 2; \$500,000 in onetime Federal COVID-19 Relief Funds for the continued support of implementing the ESSER 2 and EANS federal funds, and reduce 1.00 FTP and \$800,000 from dedicated funds to more closely align with the appropriation and estimated expenditures; then reduce \$61,000 for ECS dues. The totals for this motion for FY 2022 are 123.00 FTP, \$12,707,100 from General Fund, \$9,160,900 from dedicated funds, and \$17,303,300 from federal funds for a grand total of \$39,171,300.

DISCUSSION:

Rep. Horman declared rule 80

CARRIED:

AYES: 18.

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

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

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 language was added: ACQUISITIONS. Consistent with the provisions of Chapter 92, Title 67, Idaho Code, the Department of Education is encouraged to engage in open, competitive acquisition processes. The Department of Education shall provide a report to the Joint Finance-Appropriations Committee by December 1, 2021, on all contracts signed during the fiscal year 2021 for property valued at more than \$25,000. The report shall include for each contract: (a) the amount; (b) the duration; (c) the parties; (d) the subject; (e) whether the contract was awarded as a result of an open, competitive acquisition process or a sole source or other non-competitive procurement pursuant to section 67-9221, Idaho Code; and (f) the rationale for signing any sole source or other non-competitive procurements.

**PRESENTATION: HOUSE BILL 260 STATE BUDGET TERMINOLOGY - HB 260.
Joshua C. Whitworth, Deputy State Controller.**

Sen. Bair introduced House Bill 260. The bill alliance terminology with the new Luma program and also clarifies encumbrances and how they are going to work and function in the new Luma software. The Bill was open for public comment and no public comments were shown.

MOTION: Original Motion: Moved by **Sen. Bair**, seconded by **Rep. Troy**, to approve House Bill 260.

CARRIED: The committee took a verbal note and passed all Ayes and no Nays 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**.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:23 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, March 16, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	SUPPLEMENTAL APPROPRIATION	
	Office of the State Board of Education - Early Childhood Learning Grant	Janet Jessup, <i>Senior Analyst</i>
	BUDGET SETTING	
LBB, 1-75	Office of the State Board of Education	
	Public Charter School Commission (S1115)	
	SUPPLEMENTAL APPROPRIATION	
LBB, 2-6	Catastrophic Health Care Program (CAT Fund)	Jared Tatro, <i>Principal Analyst</i>
	LANGUAGE CLARIFICATIONS	
	FY 2022 Department of Education	
	FY 2022 Public School Support Program	
	TRAILER APPROPRIATIONS	
	S1137 Judges Salary Increases	Jared Hoskins, <i>Principal Analyst</i>
	H27 New District Judge for Canyon County	
	S1027 Wrongful Conviction Act	
	BUDGET HEARING	
6-139	Lieutenant Governor	Maggie Smith, <i>Senior Analyst</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, March 16, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and 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.

LSO STAFF PRESENTATION: **OFFICE OF THE STATE BOARD OF EDUCATION - EARLY CHILDHOOD, Supplemental Appropriation; Janet Jessup, Senior Analyst**

MOTION NO. 1 Moved by **Representative Amador** to reconsider the supplemental appropriation for the fiscal year 2021 budget for the Office of the State Board of Education, seconded by **Senator Crabtree**.

CARRIED: **AYES : 18**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 0
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**.

MOTION NO. 2: Moved by **Representative Amador** for the fiscal year 2021, for the Office of the State Board of Education an additional 0.50 FTP, \$39,300 in personnel costs, and \$5,941,200 in operating expenditures from the Federal Grant Fund, and \$100 in operating expenditures from the Miscellaneous Revenue Fund, for an early childhood education grant, seconded by **Senator Crabtree**.

DISCUSSION: **Representative Amador** spoke briefly about the history of H226, which was previously approved by the Committee, but failed in the House of Representatives. This was brought back before the Committee with newly added intent language that should address the concerns about what types of curricula would be approved by local collaboratives and oversight and supervision of the grant.

CARRIED:

AYES : 18

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

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

MOTION NO. 3

Moved by **Representative Amador** to accept the language as displayed on the screen, seconded by **Senator Crabtree**.

DISCUSSION:

Unanimous consent request to accept the intent language was objected to by Representative Giddings, and the Committee then took a roll call vote. **Representative Nate** commented about the intent language and voiced concern about accountability. He questioned why the state needed federal grant funds when it wasn't necessary, and the use of those funds could be potentially misused.

CARRIED:

AYES : 18

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

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

**INTENT
LANGUAGE:**

SECTION __. USE OF FUNDS. Moneys appropriated in Section 1 for the Preschool Development Grant Birth through Five (PDG B-5) Renewal shall not be used to dictate curricula for use by local collaboratives. Local collaborative stakeholder participation shall include: parents/families, early childhood educators, a representative from the state board of education, at least one representative from the local K-12 school district and/or charter school, and at least three community participants from a mix of public, private, nonprofit, faith-based, government, health care, and civic organizations. Local collaboratives shall be financially self sufficient, relying on local funding sources after the activities of Preschool Development Grant Birth through Five (PDG B-5) Renewal are completed. The State Board of Education shall oversee the grant and sub-grantees to ensure the activities, projects, objectives, and outcomes are met and that federal requirements, reports, and deadlines outlined in the grant award are satisfied.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:
MOTION:**

**OFFICE OF THE STATE BOARD OF EDUCATION - Budget Setting;
Janet Jessup, Senior Analyst**

Moved by **Representative Horman** for the office of the State Board of Education, beginning with the FY 2022 Base, an increase of \$17,800 for benefit costs, \$30,600 for statewide cost allocation, and \$95,100 for change in employee compensation.

Also included are the following line items: line item 2, which provides 5.00 FTP and \$583,900 for the move of the Office of School Safety and Security from the Division of Building Safety; line item 3, which provides 1.00 FTP and \$493,000 for DOJ Violence Prevention Grant; line item 4, which provides 1.00 FTP and \$166,100 for a deputy director position; line item 5, which provides \$8,284,000 onetime for COVID-relief funding; line item 6, which provides \$61,000 for dues payable to the Education Commission of the States; line item 7, which provides for the decrease of 4.00 FTP and \$560,800 to remove the Charter School Commission from agency budget; line item 8, which provides \$30,000 for program evaluations; and line item 9, which provides \$15,000 for continuous improvement plans and committee meetings. The totals for this motion for FY 2022 are 56.25 FTP, \$8,582,900 from the General Fund, \$6,924,500 from dedicated funds, and \$15,017,300 from federal funds for a grand total of \$30,524,700, seconded by **Senator Ward-Engelking**.

DISCUSSION:

Representative Horman stated she had a conflict of interest pursuant to House Rule 80(3) but intended to vote.

CARRIED:

AYES : 18

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED:

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 Horman**, granted by unanimous consent to accept the language as written on the screen.

**INTENT
LANGUAGE:**

SECTION _ . ANNUAL PAYMENTS TO THE IDAHO STATE

BUILDING AUTHORITY. The State Board of Education shall provide an annual update to the Joint Finance-Appropriations Committee of all sublease rent payments made and any amount due and outstanding related to Senate Concurrent Resolution No. 105, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

MOTION NO. 3

Moved by **Representative Horman** to accept the language as written on the screen, seconded by **Senator Ward-Engelking**.

**INTENT
LANGUAGE:**

SECTION __. CAREER LADDER EVALUATION. The Career Ladder shall have an independent, external evaluation that updates data and includes an analysis of the ladder's impact on teacher recruitment and retention; teacher evaluations and performance criteria; state funding allocation and actual compensation for teachers; geographical regions, including urban, suburban, and rural schools; and the utilization of local dollars, including, at a minimum, supplemental levies. The entity selected for the independent evaluation shall be selected from a competitive bidding process. The results of the evaluation shall be reported to the Joint Finance-Appropriations Committee and the Senate and House Education committees no later than December 1, 2021, on the ladder's implementation, effectiveness, uses of funds, and any other relevant matters.

SECTION __. LITERACY INTERVENTION PROGRAM(S)

EVALUATION. The Literacy Intervention Program(s) shall continue its independent, external evaluation that includes an analysis of key performance indicators of student achievement. The results of the updated evaluation shall be reported to the Joint Finance-Appropriations Committee and the Senate and House Education committees no later than December 1, 2021, on the program design; uses of funds, including what funding amounts and which local education agencies have utilized all-day kindergarten; program effectiveness; and any other relevant matters.

SECTION __. DUAL CREDIT EVALUATION. Dual credit shall have an independent, external evaluation that updates data and includes analysis of dual credit utilization and key performance indicators of student achievement. The entity selected for the independent evaluation shall be selected from a competitive bidding process. The results of the evaluation shall be reported to the Joint Finance-Appropriations Committee and the Senate and House Education committees no later than December 1, 2021, on the utilization of dual credit through Advanced Opportunities, uses of funds, student achievement, and any other relevant matters.

SECTION __. USE OF FEDERAL FUNDS. Moneys appropriated in Section 1 for the Preschool Development Grant Birth through Five (PDG B-5) Renewal shall not be used to dictate curricula for use by local collaboratives. Local collaborative stakeholder participation shall include: parents/families, early childhood educators, a representative from the state board of education, at least one representative from the local K-12 school district and/or charter school, and at least three community participants from a mix of public, private, nonprofit, faith-based, government, health care, and civic organizations. Local collaboratives shall be financially self-sufficient, relying on local funding sources after the activities of Preschool Development Grant Birth through Five (PDG B-5) Renewal are completed. The State Board of Education shall oversee the grant and sub-grantees to ensure the activities, projects, objectives, and outcomes are met and that federal requirements, reports, and deadlines outlined in the grant award are satisfied.

CARRIED:

AYES : 18

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

PUBLIC CHARTER SCHOOL COMMISSION - Budget Setting; Janet Jessup, Senior Analyst

MOTION:

Moved by **Senator Grow** for the Charter School Commission, beginning with the FY 2022 Base, include the following line items: line item 1, which provided 4.00 FTP and \$560,800 to transfer funds from Office of the State Board; line item 2, which includes 1.00 FTP and \$80,000 for a financial program manager; and line item 3, which provides \$555,000 onetime to spend from the Charter School Authorizer's Fund.

The totals for this motion for FY 2022 are 5.00 FTP, \$174,100 from the General Fund and \$1,021,700 from dedicated funds, for a grand total of \$1,195,800, seconded by **Representative Horman**.

DISCUSSION:

Senator Grow Senate Bill 1115 makes changes to Idaho Code that organizationally relocate the Public Charter School Commission outside the office of the State Board of Education. So the commission will remain under the state board of Education, the eight member board. It changes a structure for authority or powers previously held by the executive director of the state board will now be vested in the commission and the director that the commission appoints. The Office of State Board will continue to support the commission by some of the administrative functioning. And the new finance program manager in line item two will take over some financial budget responsibilities for the Commission.

The FY 2022 budget for the Charter School Commission does include an increase of \$1,300 for benefit costs, \$19,900 for SWCAP and \$6,800 for a change in employee compensation over the commission's FY 2021 base. The calculation for these increases took place in the Office of the State Board budget request, Governor recommendation and JFAC Action and they are included in line item one above.

Line item 1 in this motion reflects a negative line item in the Office of the State Board budget, and nets to zero across both budgets.

Of the total appropriation, \$547,300 is for personnel costs and \$443,300 is for operating expenditures.

CARRIED:

AYES : 18

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

**CATASTROPHIC HEALTH CARE PROGRAM (CAT FUND) -
Supplemental Appropriation; Jared Tatro, Principal Analyst**

MOTION NO. 1:

Moved by **Senator Agenbroad** to reconsider the fiscal year 2021 appropriation for the Catastrophic Health Care Program, seconded by **Representative Troy**.

DISCUSSION:

Questions from the Committee were answered by **Mr. Tatro** and .

CARRIED:

AYES : 18

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representative Nate and Giddings

ABSENT/EXCUSED: 0

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**.

MOTION NO. 2:

Moved by **Senator Agenbroad** for the Catastrophic Health Care Program for fiscal year 2021, the appropriation and transfer of \$5,999,900 from the General Fund to the Catastrophic Health Care Cost Fund, and of the total, \$999,900 is provided as onetime funding.", seconded by **Representative Troy**.

DISCUSSION:

Questions from the Committee were answered by **Senator Agenbroad**.

CARRIED:

AYES : 18

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash.

NAYS: 2

Representative Nate and Giddings

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

**LANGUAGE CLARIFICATION - FY 2022 State Department of
Education, Student Services - Funding for Non-Public Schools; Jared
Tatro, Principal Analyst**

MOTION:

Moved by **Representative Horman** to reconsider the fiscal year 2022 budget for the Department of Education, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 18

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

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

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 Horman**, granted by unanimous consent to accept the reappropriation language as shown on the screen.

**INTENT
LANGUAGE:**

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Education for the Student Services Program any unexpended and unencumbered balances appropriated to the Department of Education for the Student Services Program from the Federal COVID-19 Relief Fund for services related to the Emergency Assistance for Non-public Schools program for fiscal year 2021, in an amount not to exceed \$19,381,600 in trustee and benefit payments, to be used for nonrecurring expenditures related to the Emergency Assistance for Non-public Schools program 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:**

LANGUAGE CLARIFICATION - FY 2022 Public School Support Program, Teachers, Operations, Children's Programs, & Central Service; Jared Tatro, Principal Analyst

MOTION:

Moved by **Representative Horman** to reconsider the fiscal year 2022 budget for the Public School Support Program, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

MOTION: Moved by **Representative Horman** to accept the language amendments as shown on the screen and to clarify that any reference to the Federal COVID-19 Relief Fund in these sections of language is from the set-aside portion of the Elementary and Secondary School Emergency [COVID-19] Relief funding, seconded by **Senator Ward-Engelking**.

LANGUAGE AMENDMENTS: The [amended language](#) was approved and can be found on page 3 and 4.

CARRIED: **AYES: 20**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), [Intent language](#) and [Ballot](#) here.

LSO STAFF PRESENTATION: **LANGUAGE CLARIFICATION - Public School Support, Children's Program Division, Learning Loss Funding; Jared Tatro, Principal Analyst**

UNANIMOUS CONSENT: Requested by **Representative Horman**, granted by unanimous consent to accept the language as shown on the screen.

INTENT LANGUAGE: **AMENDED LANGUAGE**
COVID-19 K-4 LITERACY LEARNING LOSS. Of the amount appropriated in Section _ of this act from the Federal COVID-19 Relief Fund, up to \$15,000,000 shall be distributed for summer reading programs for students in grades K-4 with funding to be distributed based on the number of students that scored below basic on the most recent Idaho Reading Indicator (IRI) or comparable assessment. Moneys per student and associated formulas shall be determined by the Department of Education. Moneys subject to this section shall be allocated and distributed to school districts and public charter schools on behalf of students for remediation and credit recovery. Services may be delivered directly by school districts, public charter schools, or through any statewide or locally-approved contracts. This funding shall be used for addressing credit recovery, learning loss, tutoring, or other comparable services and shall be made available to students during normal school hours or outside normal school hours and the school year. Each school district and public charter school shall identify the most effective methods to address any COVID-19 pandemic learning loss. School districts and public charter schools are encouraged to maximize these funds to provide the most services for students. The Department of Education shall work with the State Board of Education to address any concerns related to the use of these moneys. If moneys provided in this section are in excess of actual needs, any remaining moneys may be used to address the learning loss for students in reading and math for any other grade from K-12. The Department of Education shall report to the State Board of Education and the Joint Finance-Appropriations

Committee by no later than September 15, 2021, and a second report no later than December 31, 2021, on the uses of funds and effectiveness of the programs and efforts.

COVID-19 K-12 LEARNING LOSS. Of the amount appropriated in Section _ of this act from the Federal COVID- 19 Relief Fund, up to \$5,000,000 shall be distributed for any subject impacted by the COVID-19 pandemic in grades K-12 with funding to be distributed to school districts and public charter schools from formulas determined by the Department of Education. All formulas are to be based on the various assessment scores when possible. Moneys subject to this section shall be allocated and distributed to school districts and public charter schools on behalf of students for remediation and credit recovery. Services may be delivered directly by school districts, public charter schools, or through any statewide or locally-approved contracts. This funding shall be used for addressing credit recovery, learning loss, tutoring, or other comparable services and shall be made available to students during normal school hours or outside normal school hours and the school year. Each school district and public charter school shall identify the most effective methods to address any COVID-19 pandemic learning loss. School districts and public charter schools are encouraged to maximize these funds to provide the most services for students. The Department of Education shall work with the State Board of Education to address any concerns related to the use of these moneys. The Department of Education shall report to the State Board of Education and the Joint Finance-Appropriations Committee by no later than September 15, 2021, and a second report no later than December 31, 2021, on the uses of funds and effectiveness of the programs and efforts.

LEARNING LOSS FUNDING DISTRIBUTION. Of the moneys appropriated in Section 3 and Section _ of this act from the Federal COVID-19 Relief Fund, and for directed uses in Section(s) __, __, __ and __, not more than \$20,000,000 in total shall be distributed to school districts and charter schools in FY 2021 and FY 2022.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

MOTION:

TRAILER APPROPRIATION - S1137 – JUDICIAL BRANCH, Court Operations, Judges Salary Increases; Jared Hoskins, Principal Analyst

Moved by **Senator Nye** for FY 2022, I move for the Supreme Court, in the Court Operations Division, the addition of \$21,400 for the Supreme Court Program; \$17,200 for the Court of Appeals Program; \$205,800 for the District Courts Program; and \$311,100 for the Magistrate Division Program, for the purpose of judicial salaries. The total motion for the Supreme Court is \$555,500 in ongoing personnel costs from the General Fund. Consistent with the entire FY 2022 appropriation for the Supreme Court, this motion includes lump sum authority, seconded by **Representative Syme**.

DISCUSSION:

Senator Nye stated he had a conflict of interest, pursuant to Senate Rule 39(H) but intended to vote.

CARRIED:

AYES : 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

TRAILER APPROPRIATION - H27 – JUDICIAL BRANCH, Court Operations, New District Judge for Canyon County; Jared Hoskins, Principal Analyst

MOTION:

Moved by **Senator Nye** for FY 2022, for the Supreme Court, in the District Courts Program, an ongoing General Fund increase of 2.00 FTP, \$260,100 in personnel costs, and \$7,500 in operating expenditures, as well as a onetime General Fund increase of \$5,000 in operating expenditures, for the purpose of a district judge and a court reporter. The total for this motion is \$272,600 from the General Fund. This motion also includes lump sum authority, seconded by **Representative Syme**.

DISCUSSION:

Senator Nye stated he had a conflict of interest, pursuant to Senate Rule 39(H) but intended to vote.

CARRIED:

AYES : 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Motion](#), and [Ballot](#) here.

**LSO STAFF
PRESENTATION:**

TRAILER APPROPRIATION - S1027 – Wrongful Conviction Compensation Act; Jared Hoskins, Principal Analyst

MOTION:

Moved by **Representative Horman** for FY 2021, the appropriation and transfer of \$3,768,000 from the General Fund to the Innocence Fund, seconded by **Senator Cook**.

DISCUSSION:

This motion provides for the onetime appropriation and transfer of General Fund moneys to the newly created, continuously appropriated Innocence Fund

CARRIED:

AYES : 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking and Nye.

Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash.

NAYS: 0

ABSENT/EXCUSED: 0

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**.

Links to Audio, Motion, and Ballot [here](#).

**LSO STAFF
PRESENTATION:**

**OFFICE OF THE LIEUTENANT GOVERNOR; Budget Hearing;
Maggie Smith, Senior Analyst**

The Lieutenant Governor came before the Committee for the second time to discuss her budget. The original budget had been passed by the Committee. Once this bill was advanced to the Senate to be voted on, Chairman Bair pulled the bill, and asked to have it referred back to the Committee for review again.

Lieutenant Governor McGeachin presented a copy of the letter she sent to Representative Syme, and the FY 2021 Budget for her office. She answered questions from the Committee. The budget will come back to the Committee for a vote at a later date.

ADJOURNED:

There be no further business before the Committee, **Chairman Bair** adjourned the meeting at 9:33 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 19, 2021

TIME: 8:10 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.

**ABSENT/
EXCUSED:** Repr. Nash

CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:10 a.m.

Chairman Youngblood announced that the House has called all the Committees to cease this morning, so the meeting for the day has been canceled. No other meetings are schedule until April the 6th.

We will wait until the Call of the Chair.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:15 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, April 07, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
TECHNICAL CORRECTION		
LBB, 1-75	Office of the State Board of Education - Add 0.5 FTP	Janet Jessup, <i>Senior Analyst</i>
SUPPLEMENTAL APPROPRIATIONS		
	State Department of Education, COVID-19 Relief Funding, Nutrition Program	Jared Tatro, <i>Principal Analyst</i>
	Building Idaho's Future, Dept. of Commerce, Broadband, CARES Act Funding	Keith Bybee, <i>Deputy Division Manager</i>
	Building Idaho's Future, Dept. of Commerce, Idaho Food Bank, CARES Act Funding	
TRAILER APPROPRIATION		
<u>H126</u>	Industrial Hemp	Rob Sepich, <i>Senior Analyst</i>
<u>H73</u>	Uniform Accounting, Budgeting, and Financial Reporting Procedures	Maggie Smith, <i>Senior Analyst</i>
BUDGET SETTING		
LBB, 6-139	Lieutenant Governor	Maggie Smith, <i>Senior Analyst</i>
REPORT		
	Review of American Rescue Plan Act of 2021 (ARPA)	Paul Headlee, <i>Division Manager</i>

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, April 07, 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.

LSO STAFF PRESENTATION: **TECHNICAL CORRECTION:**
Office of the State Board of Education – Add 0.5 FTP - Janet Jessup, Senior Analyst.

Ms. Jessup introduced a technical correction for the budget for FY 2022 of the Office State Board of Education. The budget set on March 16th did not include the correct FTP amount. The correct budget created a new cap for the State Board of Education at 56.75 FTP, while previously it was 56.25.

DISCUSSION: **Chairman Youngblood** pointed out the bill related to the budget (House Bill number 226) did not pass, and the relative Senate Bill 1193 is not yet defined. So **Chairman Youngblood** proposed to hold off on this technical correction.

UNANIMOUS CONSENT: Requested by **Co-chair Bair**, granted by unanimous consent, the Technical Correction to add 0.50 FTP to the Office State Board of Education was put in hold.

LSO STAFF PRESENTATION: **SUPPLEMENTAL APPROPRIATIONS:**
Building Idaho's Future, Dept. of Commerce, Cash Transfer to Idaho Opportunity Fund - Keith Bybee, Deputy Division Manager.

Mr. Bybee introduced a series of supplemental requests for Building Idaho's Future.

The Governor requested to reallocate the money saved from the 5% reductions for several purposes, titled Building Idaho's Future. Governor's recommendation of \$36 million for Building Idaho's Future, was composed of \$1 million for the Idaho Opportunity Fund and \$35 million for the broadband projects. House Bill 127, created a new fund for the Idaho Broadband, the present motions would transfer money into this fund from the General Fund.

The Idaho Opportunity Fund has existed since 2006, in one form or another, and it's typically used for economic development infrastructure projects at the local level. There is currently \$4 million in the fund, most of which has been allocated

to projects.

The motion also includes a reallocation of COVID Relief Act funds for Idaho broadband.

The first motion is for Building Idaho's Future, for a Cash Transfer to Idaho Opportunity Fund. As part of Building Idaho's Future, the Governor recommended a cash transfer of \$1,000,000 to the Idaho Opportunity Fund in FY 2021.

The Idaho Opportunity Fund was created in the 2006 session of the Idaho Legislature and was called the Business and Jobs Development Fund. In 2013, the Legislature codified this fund in Section 67-4734, Idaho Code, and defined its uses. These funds are made available at the discretion of the director to offset public costs associated with the recruitment of companies to Idaho. As promulgated by rule, these moneys have been used for public infrastructure projects for cities and counties.

This motion moves cash from the General Fund to the Idaho Opportunity Fund. Most of the current cash balance has been allocated for projects, this will provide for additional economic development projects in the state. The department currently has sufficient appropriation from the Idaho Opportunity Fund to cover additional expenditures.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Green**, granted by unanimous consent, the FY 2021 budget for the Department of Commerce was reopened.

MOTION:

Original Motion: Moved by **Rep. Green**, seconded by **Sen. Crabtree** for the appropriation and transfer of \$1,000,000 from the General Fund to the Idaho Opportunity Fund.

DISCUSSION:

Rep. Nate spoke against the motion, arguing the idea of having the discretionary fund for the Director to use.

CARRIED:

AYES: 18. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. . Nate, Giddings.

ABSENT/EXCUSED: 0

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:**

SUPPLEMENTAL APPROPRIATIONS:

Building Idaho's Future, Dept. of Commerce, Cash Transfer to Idaho Broadband Fund - Keith Bybee, Deputy Division Manager.

Mr. Bybee introduced the supplemental appropriation for Building Idaho's Future Program, relative to a Cash Transfer to Idaho Broadband Fund. As part of Building Idaho's Future, the Governor a General Fund appropriation of \$35,000,000 for broadband projects statewide.

With the creation of the Idaho Broadband Fund, through House Bill 127, the recommendation would now move the money to the Idaho Broadband Fund, instead of a General Fund Appropriation.

Funds will be used for providing financial assistance in broadband infrastructure to promote equal access in economic development, public safety, telehealth, and education. Expenditures will be prioritized based on the statewide broadband plan developed by the Idaho broadband advisory board established pursuant to Section 67-4761, Idaho Code, and requires board approval.

MOTION: Original motion: Moved by **Sen. Crabtree**, seconded by **Rep. Syme** for the appropriation and transfer of \$35,000,000 from the General Fund to the Idaho Broadband Fund.

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

NAYS: 1. Riggs.

ABSENT/EXCUSED: 0

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: **SUPPLEMENTAL APPROPRIATIONS:**
Building Idaho's Future, Dept. of Commerce, Cash Transfer to Idaho Broadband Fund - Keith Bybee, Deputy Division Manager.

Mr. Bybee introduced the supplemental appropriation for Building Idaho's Future Program. With the previous motion moving \$35,000,000 to the Idaho Broadband Fund, the Department of Commerce requires an appropriation from the Idaho Broadband Fund to make any expenditures.

MOTION: Original Motion: Moved by **Rep. Syme**, seconded by **Sen. Crabtree** for the Department of Commerce, for FY 2021, the appropriation of \$35,000,000 from the Idaho Broadband Fund.

CARRIED: **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings.

ABSENT/EXCUSED: 0

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:**

SUPPLEMENTAL APPROPRIATIONS:

Building Idaho's Future, Dept. of Commerce, Appropriation of COVID Relief Funds for Broadband projects - Keith Bybee, Deputy Division Manager.

Mr. Bybee introduced the supplemental appropriation for Building Idaho's Future Program, specifically for the Appropriation of COVID Relief Funds for Broadband projects. This item utilizes unallocated COVID-19 Relief Funds for providing additional financial assistance in broadband infrastructure to promote equal access in economic development, public safety, telehealth, and education. Expenditures will be prioritized based on the statewide broadband plan developed by the Idaho broadband advisory board established pursuant to Section 67-4761, Idaho Code, and requires board approval. These funds need to be expended by Dec. 30, 2021 per United States Treasury guidance.

MOTION:

Original Motion: Moved by **Sen. Crabtree**, seconded by **Rep. Green** for the Department of Commerce for FY 2021 the appropriation of \$10,000,000 from the Federal COVID-19 Relief Fund.

CARRIED:

AYES: 19. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 1. Cook.

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. Crabtree**, granted by unanimous consent, the following language was added:

SECTION 6. REAPPROPRIATION AUTHORITY FOR THE IDAHO BROADBAND FUND.

There is hereby re appropriated to the Department of Commerce any unexpended and unencumbered balances appropriated to the Department of Commerce from the Idaho Broadband Fund for fiscal year 2021 to be used for nonrecurring expenditures related to broadband infrastructure 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.

SECTION 7. REAPPROPRIATION AUTHORITY FOR THE FEDERAL COVID-19 RELIEF FUND. There is hereby reappropriated to the Department of Commerce any unexpended and unencumbered balances appropriated to the Department of Commerce from the Federal COVID-19 Relief Fund for the purpose of broadband infrastructure for fiscal year 2021, in an amount not to exceed \$10,000,000, to be used for nonrecurring expenditures related to broadband infrastructure 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. SECTION 8. OVERSIGHT OF MONEYS. Notwithstanding any other provision of law to the contrary, the Idaho Broadband Advisory Board shall have oversight authority over the distribution or expenditure of the moneys appropriated in Section 5, and re appropriated in Section 7, of this act.

**LSO STAFF
INFORMATION:**

SUPPLEMENTAL APPROPRIATIONS:

COVID-19 Relief Funds, Dept. of Commerce, Appropriation of COVID Relief Funds for Idaho Food Bank - Keith Bybee, Deputy Division Manager.

Mr. Bybee introduced the supplemental appropriation for COVID-19 Relief Funds, specifically for the Appropriation of COVID Relief Funds for Idaho Food Bank.

The Idaho Food Bank serves Idaho families, seniors, and children who are considered food insecure – meaning that, at times they lack the food they need to live healthy, active lives. This can include those who are living below the federal poverty line and may qualify for assistance programs such as the Supplemental Nutrition Assistance Program (SNAP).

It also includes individuals who are struggling to make ends meet but do not qualify for assistance programs based on income. In fact, in Idaho, more than 50 percent of people who are food insecure may not qualify for the SNAP due to their income level. This finding underscores the importance of protecting and strengthening the safety net of public food assistance while also investing in charitable programs that help to fill the gap for people who don't qualify.

The Idaho Food Bank (The Food Bank) has faced the challenge of COVID-19 by continuing all operations statewide and monitoring the increasing levels of food insecurity at a county level. The Food Bank has increased food distribution by an average of 40 percent and is projected to have provided 29 million pounds of food in the year starting in May 2020 and ending April 2021. Two key strategies provided for the majority of the growth of food available: The USDA's Coronavirus Farmer's to Families program (CFAP) and a grant from the State of Idaho through the CARES Act.

This item utilizes unallocated COVID Relief Funds for providing additional financial assistance to the Idaho Food Bank.

These funds need to be expended by Dec. 30, 2021 per United States Treasury Guidance.

MOTION:

Original Motion: Moved by **Rep. Green**, seconded by **Sen. Crabtree** for the Department of Commerce, for FY 2021 the appropriation of \$3,600,000 from the Federal COVID-19 Relief Fund.

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

NAYS: 0.

ABSENT/EXCUSED: 1. Cook.

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:**

**TRAILER APPROPRIATION:
Industrial Hemp - H126, Rob Sepich, Senior Analyst.**

Mr. Sepich introduced the trailer appropriation for Industrial Hemp, relative to House Bill 126.

The H126 bill defines industrial hemp and establishes guidelines for the transportation, processing, and eventual sale and production of hemp as an agricultural and industrial commodity. In conforming with the federal Agriculture Improvement Act of 2018, H126 provides a permitting process for transport provided that the substance contains no more than 0.3% of tetrahydrocannabinol (THC).

The bill directs the Department of Agriculture to coordinate with stakeholders to develop a US Department of Agriculture approved plan by September 1, 2021. It also establishes a dedicated Industrial Hemp Administration Fund to collect fees yet to be determined through negotiated rule making.

The actions below add 1.50 FTP, \$100,000 in ongoing personnel costs, and \$50,000 in ongoing operating expenditures from the General Fund, as outlined in the fiscal note of H126.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Troy**, granted by unanimous consent, the FY 2021 budget for the Department of Agriculture was reopened.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Bair** for the Department of Agriculture, in addition to any other appropriation provided by law, the addition of 1.50 FTP and \$150,000 from the General Fund for the fiscal year 2021.

CARRIED:

AYES: 17. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED: 1. Cook.

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**.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad** for the Department of Agriculture, in addition to any other appropriation provided by law, the addition of 1.50 FTP and \$150,000 from the General Fund for the fiscal year 2022.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED: 1. Cook.

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: **TRAILER APPROPRIATION:**
Uniform Accounting, Budgeting, and Financial - Reporting Procedures – H73.

Maggie Smith, Senior Analyst.

Ms. Smith introduced the trailer appropriation for Uniform Accounting, Budgeting, and Financial reporting, relative to House Bill 73.

This bill provides for the uniform accounting, budgeting, and financial reporting procedures for counties, cities, urban renewal agencies, school districts, health districts, and all other local districts.

Funding and authorization for three new positions are provided to the State Controller's Office to create the uniform accounting practices and procedures manual and publish it on the Transparent Idaho website.

The State Controller's Office will also develop a reporting platform within the Transparent Idaho website for local government entities to report their financial data to the state.

One of the positions, a Program Manager, is provided in FY 2021 to begin the project as soon as possible so that initial data may be available by Fall 2021. The remaining two positions, a Software Developer and a Business Analyst, are provided in FY 2022.

One position and associated funding is provided to the Legislative Services Office for a Business Analyst to audit the financial data reported by local government entities.

UNANIMOUS CONSENT: Requested by **Rep. Horman**, granted by unanimous consent, the FY 2021 budget for the Office of the State Controller was reopened.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Agenbroad** for the fiscal year 2021, for the Office of the State Controller, in the Administration Program, the addition of 1.00 FTP, \$29,200 in ongoing personnel costs, and \$58,800 in ongoing operating expenditures from the General Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED: 1. Cook.

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.**

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Agenbroad** for the fiscal year 2022, for the Office of the State Controller, in the Administration Program, the addition of 2.00 FTP, \$292,500 in ongoing personnel costs, and \$1,117,700 in ongoing operating expenditures from the General Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED: 1. Cook.

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.**

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Agenbroad** for the fiscal year 2022, for the Legislative Branch, in the Legislative Services Office, the addition of 1.00 FTP and \$92,200 in ongoing personnel costs from the General Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED: 1. Cook.

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: **BUDGET SETTING: Lieutenant Governor – LBB, 6-139 - Maggie Smith, Senior Analyst.**

Ms. Smith introduced the budget setting for the Lieutenant Governor. This budget is being reconsidered and has been previously set by this Committee, and it is before the Committee once again.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Bair** for the Lieutenant Governor, beginning with the FY 2022 Base an increase of \$300 for benefit costs, a decrease of \$200 for the statewide cost allocation, and an increase of \$1,600 for change in employee compensation. The totals for FY 2022 are 3.00 FTP, and \$183,100 from the General Fund. This motion also includes exemption from the budget laws restricting the transfer of appropriation between object codes, making this budget lump sum.

SUBSTITUTE MOTION: Substitute Motion: Moved by **Rep. Riggs** seconded by **Rep. Syme**, for the Lieutenant Governor beginning with the FY 2022 base an increase of \$300 for benefit costs, a decrease of \$200 for statewide cost allocation and an increase of \$1,600 for change in employee compensation. Also included is one line item which reduces 0.5 FTP and \$7,400 in personnel costs. The totals for this motion for the FY 2022 are 2.5 FTP and \$175,700 from the general fund. This motion also includes the exemption from the budget laws restricting the transfer of appropriation between object codes, making this budget lump sum.

AMENDED SUBSTITUTE MOTION: Amended Substitute Motion: Moved by **Rep. Giddings**, seconded by **Rep. Nate**, for the Lieutenant Governor beginning with the FY 2022 Base an increase of \$300 for benefit costs, a decrease of \$200 for statewide cost allocation, and an increase of \$1,600 for change in employee compensation. Also included is one line item which provides \$4,000 to help to fund expenses for a new task force, investigating the misuse of K-12 public funds promoting social justice activism and critical race theory. The totals for this motion for the Fiscal Year 2022 are 3.00 FTP and \$187,100 from the General Fund. This motion also includes exemption from the budget laws restricting the transfer of appropriation between object codes, making this budget lump sum.

AMENDED SUBSTITUTE MOTION NOT PASSED: **AYES: 2.** Nate, Giddings.

NAYS: 17. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

ABSENT/EXCUSED: 1. Cook.
The majority, having voted in the negative, the amended substitute motion **DID NOT PASS.**

SUBSTITUTE MOTION CARRIED: **AYES: 12.** Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye, Troy, Syme, Green, Nash.
NAYS: 7. Bair, Youngblood, Horman, Amador, Nate, Giddings, Bundy.

ABSENT/EXCUSED: 1. Cook.
The majority, having voted in the affirmative, the substitute motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood.**

LSO STAFF PRESENTATION: **REPORT:**
Review of American Rescue Plan Act of 2021 (ARPA). Paul Headlee, Division Manager.

Ms. Headlee explained the report relative to the review of the American Rescue Plan Act of 2021 (ARPA).

The report is also available online in the link shown.

The summary shows the overall act and the amount of funding that is available to Idaho. \$5.3 Billion have been identified. The report is structured in three parts, and 45 separate ARPA programs are addressed.

In Part I of the report we identified 31 programs at this time for which there are specified dollar amounts for funding awards and sufficient guidance for the Legislature to consider an appropriation for either the current FY 2021 or for FY 2022.

In Part II of the report, we identified 14 programs at this time for which there are not specified dollar amounts for funding awards or sufficient guidance before considering an appropriation.

In Part III we include descriptions of ARPA provisions that will not flow through the state budget or need an appropriation but may be interesting to the reader. Frequently Asked Questions section has ten common questions that are addressed. Frequent terms have been explained in the Explanation of Fiscal Terms section.

The overview page explains the American Rescue Plan Act of 2021 (ARPA) is the sixth, and most recent, federal COVID-19 relief legislation passed by Congress and was signed into law by **President Biden** on March 11, 2021.

Some funding are available for Grant Programs to State Agencies (\$1,271 million), some are available for State and Local Fiscal Recovery Funds (\$1,890 million), and some are available for Economic Stimulus Programs Outside of State Government (\$2,111 million). The total funding available to Idaho is nearly \$5.3 billion.

In Part I, LSO has identified 31 ARPA programs at this time that have specified dollar amounts and sufficient information available for the Idaho Legislature to determine whether to appropriate funds during the 2021 session. Use of funding must fall within one or more of the following four categories: (A) To respond to the COVID-19 health emergency or its negative economic impacts including assistance to households, small businesses, non-profits, or industries such as tourism, travel, and hospitality; (B) To provide premium pay of up to \$13.00 per hour in addition to base pay to workers performing essential work during the COVID-19 health emergency or provide grants to employers with employees performing essential work; (C) To provide government services to the extent of lost revenue from the COVID-19 health emergency, relative to revenues in the fiscal year prior to the pandemic; (D) To make necessary investments in water, sewer, or broadband infrastructure.

Restrictions are that the funds shall not be used to offset a reduction directly or indirectly in net tax revenue resulting from a change in law or to delay the imposition of a tax increase. Further, these funds shall not be deposited into a pension fund.

Payments to the state will be made in two tranches of 50% each of available funds: the first is to occur not later than 60 days after enactment; the second is to occur not earlier than 12 months after the first payment.

Funding is available through December 31, 2024, which is midway through FY 2025.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:05 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, April 08, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

DESCRIPTION	PRESENTER
ARPA Review/Funding Sheet Update	Paul Headlee, LSO, Division Manager
ARPA BUDGET HEARINGS	
Overview of Agency Budget Requests for Federal ARPA Funding	Alex Adams, <i>Administrator, Div. of Financial Management</i>
Division of Financial Management ARPA Budget Requests: <i>LSO Analyst: Paul Headlee</i>	Alex Adams, DFM, and Idaho Housing Finance Association
1. State Fiscal Recovery Fund 2. Homeowners Assistance Fund 3. Small Business Credit Initiative	
Department of Health and Welfare - ARPA Budget Requests: <i>LSO Analyst: Jill Randolph</i>	Dave Jeppesen, <i>Director</i>
1a. Child Care Development Block Grant 1b. Child Care Stabilization Grants 1c. Child Care Entitlement to States 2. Low-Income Home Energy Assistance Program 3. Low-Income Household Drinking Water Program 4. COVID-19 Vaccines	
Public School Support Program - ARPA Budget Requests: <i>LSO Analyst: Jared Tatro</i>	Sherri Ybarra, <i>Superintendent of Public Instruction</i>
1. ESSER III Funding 2. Individuals w/Disabilities Ed. Act (IDEA), Part B 3. Individuals w/Disabilities Ed. Act (IDEA), Special Education Preschool Grants	
Department of Education - ARPA Budget Requests: <i>LSO Analyst: Jared Tatro</i>	Sherri Ybarra, <i>Superintendent of Public Instruction</i>
1. Emergency Assistance to Non-Public Schools	

Idaho Commission on Libraries - ARPA Budget Request
LSO Analyst: Janet Jessup

Stephanie Bailey-White,
State Librarian

1. Institute for Museum and Library Services

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, April 08, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, and Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/ EXCUSED: Senator Riggs

CONVENED: **Co-Chairman Bair** called the Joint Finance-Appropriation Committee (Committee) (JFAC) to order at 8:04 a.m.

LSO STAFF PRESENTATION: **CONTINUATION OF ARPA REVIEW/FUNDING SHEET UPDATE**
Paul Headlee, Division Manager, LSO
There was further discussion on LSO's report on 2021 American Rescue Plan Act (ARPA). **Mr. Headlee** emphasized that ARPA's programs with specified funding amount would be updated periodically, and cited the total amount available to Idaho and state agency's requests are \$2.4 billion and \$757 million, respectively. Additionally, there is a \$20 million request which is part of the federal funding that has no actual allocation directive from the federal government.

DISCUSSION: In response to the questions from the Committee, **Mr. Adams** explained the programs referred to in part 2 of the report are programs that do not have specific details on its allocated amount as well as the date on which it will be received. The Office of the Governor is in collaborative discussion with the Legislative leadership to develop effective approach on managing the funds. He recounted that weekly meetings were held between the Governor and Legislative leadership prior to the passage of ARPA

LSO STAFF PRESENTATION: **Mr. Headlee** continued his presentation on LSO's 2021 ARPA Report. He elaborated on the 14 programs that have not received any specified dollar amounts for awards or allocation from the federal agency, Federal Funding for the States (FFIS), or another credible source. Moreover, some programs do not have sufficient federal guidance on how the funds may be used.
Representative Syme asked if the ARPA funds could supplant Idaho's existing General Fund. **Mr. Adams** replied currently, there was no guidance formally issued by the federal government on this matter.

AGENCY PRESENTATION: **ARPA BUDGET HEARINGS — OVERVIEW OF AGENCY BUDGET REQUESTS FOR FEDERAL ARPA FUNDING**
Alex Adams, DFM
DFM identified and filtered, based on ARPA payment guidelines, all the state agency's programs that are deemed necessary for legislative actions prior to 2021 Sine Die.

Mr. Adams emphasized Governor Little outlined his approach for the use of ARPA funds and indicated these are one-time funds and should, therefore be used for one-time expenses. Hence, the state agencies should not create ongoing obligations that would result in disbursement of expenditures from the General Fund. **Mr. Adams** defined semi-discretionary fund as funds for which the state has a range of uses for which it could be used. while direct funds for target programs are funds that have specified programs and sufficient information available for the Idaho Legislature.

**AGENCY
PRESENTATION:**

**DIVISION OF FINANCIAL MANAGEMENT ARPA BUDGET
REQUEST — STATE FISCAL RECOVERY FUND
Alex Adams, DFM**

The State is estimated to receive \$1.188 billion to respond to the COVID-19 pandemic (pandemic). In general, the circumstances for the ARPA funds are fundamentally different from the CARES Act. The state has four years to allocate and expend the semi-discretionary funds, rather than nine months. The state's direct COVID-19 response needs to be related to vaccines, testing, and other COVID-19 related precautionary measures. Further, ARPA directly allows use of the semi-discretionary funds for certain infrastructure investments, namely water, sewer, and broadband. Given the longer time horizon to use the funds, the Governor requests spending authority for just \$50 million in Fiscal Year (FY) 2022 for unanticipated COVID-19 expenses, which will replace the \$39 million contingency money from the Tax Relief Fund. This fund would act as a buffer for any uncertainties between 66th Legislature's adjournment and 67th Legislature's commencement. He indicated it is the Governor's intention to work closely with the Legislature in the next legislative session to come up with the course of action on how to handle the rest of the semi-discretionary funds.

In addition, FFIS estimated Idaho to receive \$981 million for direct programs ranging from public schools support to substance use block grants. In general, there are federal formulas that dictate how much Idaho programs will receive and statutory requirements governing the use of these funds. DFM asked state agencies on their needs for FY 2022 until the next legislative session from these direct funds known through FFIS. Based on the response from state agencies, the requests for necessary additional spending authority for the direct funds would be discussed by the individual state agencies in the meetings to come.

**AGENCY
PRESENTATION:**

**DIVISION OF FINANCIAL MANAGEMENT ARPA BUDGET
REQUEST — FISCAL YEAR 2021 STATE CONTROLLER
Alex Adams, DFM**

Pursuant to ARPA, the funding to the metropolitan cities and other counties will be made directly by the US Treasury. On the other hand, the distribution to the non-entitlement cities will be done by the states, and therefore, will require an appropriation through a state agency. Idaho is expected to receive an estimated \$103,548,464 for the non-entitlement city distribution. This is intended to provide local units of government with COVID-19 support. The State is expected to provide these funds in two tranches, based on population, and capped at 75% of their recent budget. **Mr. Adams** noted State of Idaho Controller's Office is the agency in-charge of issuing checks to the respective local governments.

**AGENCY
PRESENTATION:**

**DIVISION OF FINANCIAL MANAGEMENT ARPA BUDGET
REQUEST — HOMEOWNERS ASSISTANCE FUND**

**Alex Adams, DFM and Chuck Kracht, Director of Loan Servicing,
Idaho Housing Finance Association (IHFA)**

ARPA's Homeowner Assistance Fund program would assist low to moderate income homeowners who were negatively impacted by the pandemic. This program helps homeowners, who are behind their mortgage and utility payments to avoid foreclosure and eviction. This fund will provide money to the state to establish foreclosure-avoidance and some other homeowner-relief programs. Funds will be used for what the US Treasury deemed as qualified expenses due to the pandemic such as delinquent mortgage payment, gas and electric, Internet services, homeowners insurance, flood insurance, homeowner's association dues and other expenses needed to prevent eviction, mortgage delinquency, default, or foreclosure. Idaho is expected to receive not less than \$50 million with prorated adjustments from the US Treasury.

The funding could be sent to IHFA via Idaho Department of Commerce or DFM. With that being said, it was indicated that IHFA has the resources to administer the homeowner's assistance fund program throughout Idaho. He added that IHFA offers low to moderate loan programs, and partners with lenders and certified housing counsellors to provide statewide housing services to the homeowners that are in need.

DISCUSSION:

In response to the questions from the Committee, **Mr. Kracht** stated that CARES Act Mortgage Payment Forbearance allows homeowners to put a pause on their mortgage payments as a result of the pandemic. However, it does not grant forgiveness to those payments. Initially, homeowners were given 12 months of forbearance, but it was extended to 18 months last February. He noted IHFA plans to reach out to state agencies like Idaho Department of Finance and Idaho Department of Labor to be able to connect to more Idaho homeowners who experience financial difficulties due to the pandemic.

**AGENCY
PRESENTATION:**

**DIVISION OF FINANCIAL MANAGEMENT ARPA BUDGET
REQUEST — STATE SMALL BUSINESS CREDIT INITIATIVE
(SSBCI)**

Alex Adams, DFM and Cory Phelps, Project Finance Manager, IHFA

SSBCI is a new appropriation that would provide support to small businesses responding to and recovering from COVID-19 pandemic. SSBCI amends and reauthorizes the Small Business Jobs Act of 2010. There is minimal guidance from the US Treasury on provisions for this funding. This is one of the programs that do not have any stipulated amounts for allocation.

**AGENCY
PRESENTATION:**

**DEPARTMENT OF HEALTH AND WELFARE (IDHW) — ARPA
BUDGET REQUESTS**

Jill Randolph, Analyst, LSO and Dave Jeppesen, Director, IDHW

There are six requests from IDHW — three are related to child care, two are related to utilities, and one related to COVID vaccines.

Director Jeppesen stated IDHW child care programs have three goals:

- to stabilize and support the critical health care industry in Idaho;
- to assist low-income families access child care; and
- to help children catch up with their studies.

Due to time constraints, the rest of Mr. Jeppesen's presentations were moved to next Committee meeting.

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 9:21 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Friday, April 09, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

DESCRIPTION	PRESENTER
BUDGET HEARINGS	
Department of Health and Welfare - ARPA Budget Requests: <i>LSO Analyst: Jill Randolph</i>	Dave Jeppesen, <i>Director</i>
1a. Child Care Development Block Grant 1b. Child Care Stabilization Grants 1c. Child Care Entitlement to States 2. Low-Income Home Energy Assistance Program 3. Low-Income Household Drinking Water Program 4. COVID-19 Vaccines	
Public School Support Program - ARPA Budget Requests: <i>LSO Analyst: Jared Tatro</i>	Sherri Ybarra, <i>Superintendent of Public Instruction</i>
1. ESSER III Funding 2. Individuals w/Disabilities Ed. Act (IDEA), Part B 3. Individuals w/Disabilities Ed. Act (IDEA), Special Education Preschool Grants	
Department of Education - ARPA Budget Requests: <i>LSO Analyst: Jared Tatro</i>	Sherri Ybarra, <i>Superintendent of Public Instruction</i>
1. Emergency Assistance to Non-Public Schools	
Idaho Commission on Libraries - ARPA Budget Request <i>LSO Analyst: Janet Jessup</i>	Stephanie Bailey-White, <i>State Librarian</i>
1. Institute for Museum and Library Services	

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

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Monday, April 12, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

DESCRIPTION	PRESENTER
TRAILER APPROPRIATIONS	
Trailer Appropriation to HCR08 - Payment in Lieu of Taxes (PILT), Legislature	Rob Sepich, Senior Budget Analyst
Trailer Appropriation to S1084 Occupational Licensing Sunset Reviews, Legislative Services Office	Christine Otto, Senior Budget Analyst
SUPPLEMENTAL APPROPRIATION	
State Department of Education, COVID-19 Relief Funding, P-EBT Nutrition Program	Jared Tatro, Principal Budget Analyst
UPDATES	
Daily Update (Green Sheet)	Keith Bybee, Deputy Division Manager
Budget Monitor	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, April 12, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

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

**ABSENT/
EXCUSED:** None

CONVENED: **Co-Chairman Bair** called the meeting of the Joint Finance-Appropriation Committee (Committee) to order at 8:03 a.m.

LSO STAFF PRESENTATION: **TRAILER APPROPRIATION TO HCR 8 — PAYMENT IN LIEU OF TAXES (PILT). LEGISLATURE**
Rob Sepich, Senior Budget Analyst, LSO

HCR 8 passed the Senate on April 7th, 2021, and it directs a pilot program using technologies to evaluate and appraise federal lands to determine the fair taxable reimbursement value of federal lands within the boundaries of the state. The fiscal note for **HCR 8** details up to \$250,000 from the General Fund to be used by the Federalism Committee to study the impact of Payment in Lieu of Taxes (PILT) paid by the federal government to the State and local units of government. The resolution directs the use of software analysis and modeling programs to compare the payments made by the federal government to real-time fair taxable value of federally-owned lands within the state.

MOTION: Moved by **Representative Horman** for Fiscal Year (FY) 2022 a one-time appropriation of \$250,000 from the General Fund to the Legislature for the purposes of HCR 8, seconded by **Senator Cook**.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, and Nye

Representatives Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy, Green, and Nash

NAYS: 1

Representative Syme

ABSENT/EXCUSED: 1

Senator Ward-Engelking

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**.

Link to [Audio](#), [Ballot](#), and [Report](#) here.

LSO STAFF PRESENTATION: **TRAILER APPROPRIATION TO S 1084 — OCCUPATIONAL LICENSING SUNSET REVIEWS, LSO**
Christine Otto, Senior Budget Analyst, LSO

S 1084 passed the House on April 8th, 2021, and it creates a Sunset Review Committee that will review all licensing authorities on a rotating basis. The review process is used to determine the appropriateness and significance of existing regulations, and would provide an opportunity to reduce or eliminate unnecessary rules. All licensing authorities would be separated into six groups at the Committee's discretion. The Committee would review at least one group annually, and would provide a report to the Legislature.

The fiscal note for **S 1084** included a 1.00 FTP and \$70,000 for LSO to staff the Committee. There are approximately 442 licenses with multiple licensing authorities pending for review. This FTP would be responsible for all the administrative work for the Committee including gathering materials, providing factual analysis, and assisting the Committee with any additional information as necessary.

MOTION: Moved by **Representative Troy** for FY 2022, for the LSO, 1.00 FTP and \$69,500 ongoing and \$500 one-time from the General Fund, seconded by **Senator Agenbroad**.

CARRIED: **AYES: 20**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, and Nash
NAYS: 0
ABSENT/EXCUSED: 0

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**.

Links to [Audio](#), [Ballot](#), and [Report](#) here.

LSO STAFF PRESENTATION: **STATE DEPARTMENT OF EDUCATION, COVID-19 RELIEF FUNDING, P-EBT NUTRITION PROGRAM**
Jared Tatro, Principal Budget Analyst, LSO

The Idaho State Department of Education (SDE) — Child Nutrition Program, is working with Idaho Department of Health and Welfare (IDHW) for the pandemic Electronic Benefit Transfer (P-EBT) Program in response to the COVID-19 pandemic. Federal relief legislation provides the U.S. Secretary of Agriculture (USDA) the authority to approve state agency plans to administer P-EBT. While P-EBT was originally authorized by the Families First Coronavirus Response Act, the administrative funding piece came about in the Continuing Appropriations Act and Other Extensions Act (December 2020).

USDA has approved Idaho's P-EBT plan. USDA is reviewing the budget request at this time. Idaho still has a significant amount of work to be done on creating a portal or platform for data gathering. The funds were originally appropriated to IDHW in **H 200**, a supplemental appropriation bill for IDHW for FY 2021. However, the requested appropriation would go to SDE through IDHW given that SDE implements the aforementioned program. This program would last from August, 2020 through September 30, 2021.

There is a proposal to reappropriate to SDE for the Student Services Program any unexpended and unencumbered balances appropriated to SDE from the Federal COVID-19 Relief Fund for services related to the P-EBT school nutrition services program for FY 2021, an amount not to exceed \$1,600,500. The requested funds are to be used for nonrecurring expenditures related to the P-EBT school nutrition services program for the period of July 1, 2021 through June 30, 2022. The State of Idaho Controller's Office shall confirm the reappropriation amount, by fund, expense class, and program, with the LSO prior to processing the approved reappropriation.

DISCUSSION:

Representative Nate asked Mr. Tatro to clarify a possible double allocation of funds to IDHW, thus the possibility of adjusting IDHW's current appropriations. **Mr. Tatro** explained IDHW is the receiving state agency, and would pass the funds to SDE. With the transfer of funds, IDHW would need a portion of the appropriation due to some costs related to it. On the other hand, if IDHW would not need the appropriation for the aforementioned cost, its appropriation could be reduced or reverted at the end of the year depending on the status of **H 200**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Nate**, granted by unanimous consent, the State Board of Education, COVID Relief Funding, P-EBT Nutrition Program FY 2021 supplemental request be held in the Committee until April 13, 2021.

Link to [Audio](#) here.

**LSO STAFF
PRESENTATION:**

**IDAHO GENERAL FUND BUDGET UPDATE
Keith Bybee, Deputy Division Manager, LSO**

There was a two-year budget look for Fiscal Year (FY) 2021 and 2022. **Mr. Bybee** emphasized that in FY 2021, the Legislature's ending balance is \$200 million more than the Governor's recommended budget. The majority of the differences were related to transfer of funds to Budget Stabilization Fund and transfer of funds to Public Education Stabilization Fund. The rest of differences are related to the proposed one-time tax relief, federal tax conformity, and the funds for Build Idaho's Future was moved to FY 2022.

Furthermore, there was a significant difference in the Legislative action budget and the Governor's proposed budget for FY 2022 due to proposed executive legislation on tax relief. The proposed fund is under **H 332**, a legislation that would provide one-time sales/income tax rebate to Idaho taxpayers, and currently in its amending order of business in the Senate.

Mr. Bybee stated that the original appropriation shown in the report would change significantly in the coming days on the grounds that there were three budget legislations that failed in one of the legislative bodies. The Committee needs to set new appropriations for the Attorney General budget, College and University budget, and Idaho Department of Health and Welfare — Division of Welfare budget.

Report on General Fund Comparison by state agencies where discussed at length. **Mr. Bybee** noted that LSO — Budget and Policy Division tracks legislation’s fiscal impact to the General Funds. Legislations listed on the “Bills with Fiscal Impact on Revenue (REV)” category can either increase or decrease revenues contributing to the General Fund, and would be moved to the General Fund Budget Update report after its enactment in both Legislative branches. Moreover, legislations listed in the “Bills that could Require an Appropriation (APP)” and “Non-JFAC Appropriation in Bill (NJA)” categories expend or save funds, and would be included on the General Fund Budget Update report after its passage in JFAC, or after its passage in both House Appropriations Committee and Senate Finance Committee.

Link to [Report](#) here.

**LSO STAFF
PRESENTATION:**

**IDAHO GENERAL FUND BUDGET MONITOR
Keith Bybee, Deputy Division Manager, LSO**

General Fund revenue collections for the month of March were \$298.2 million, which was \$55.2 million more than anticipated by the Division of Financial Management’s (DFM) revenue forecast. General Fund revenues are exceeding the forecast by a total of \$264.6 million, through March. As the budget picture takes shape for the remainder of FY 2021, the estimated ending balance is currently \$651.0 million. There are several actions currently proposed that could reduce the large ending balance that include transfers to the rainy-day accounts and tax relief.

To date, year-over-year revenue collections are up \$455.6 million or 14.5%. Individual income tax collections are up \$275.8 million compared to last year, while sales tax collections and corporate income tax collections are up \$163.3 million and \$26.6 million, respectively, compared to last year. Product taxes are up \$4.9 million but miscellaneous revenues are down to \$14.9 million compared to last year.

Link to [Report](#).

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Bair** adjourned the meeting at 9:05 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, April 13, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	SUPPLEMENTAL APPROPRIATION	
	State Department of Education, COVID-19 Relief Funding, P-EBT Nutrition Program	Jared Tatro, Principal Analyst
	BUDGET SETTING	
LBB 6-27	Attorney General	Jared Hoskins, Principal Analyst
LBB 2-61	Department of Health and Welfare, Division of Welfare	Jill Randolph, Senior Analyst
	Idaho State Police, Capitol and Supreme Court Security Detail (FY 2021 Supplemental and FY 2022 Appropriation)	Christine Otto, Senior Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, April 13, 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: **SUPPLEMENTAL APPROPRIATION State Department of Education, COVID-19 Relief Funding, P-EBT Nutrition Program. Jared Tatro, Principal Analyst.**
Mr. Tatro introduced the supplemental appropriation for the State Department of Education for COVID-19 Relief funding, relative to the Pandemic Electronic Benefit Transfer (P-EBT) Nutrition Program for students in the free and reduced lunch program.
Mr. Tatro confirmed that this agency, like any other agency, needs an appropriation whether that be a direct appropriation or continuous appropriation. This is based on Idaho Constitution, article VII, section 13, stating that no money shall be drawn from the treasury but in pursuance of appropriations made by law. The agency's request is for \$1.6 million, current estimates are \$638,600 for personnel and \$961,900 in operating. This would be one time in the current year with carryover.
The Department of Education anticipates and must have this program completed by September, so the carryover will just get them through the first couple of months of FY 2022.

DISCUSSION: **Rep. Horman** asked for details about the number of children who will be served by the program. **Dr. Asumendi - Fillmore**, , Idaho State director for The Child Nutrition Programs, specified that the agency is estimating 71,000 children will receive a P-EBT card and 42 school buildings are eligible.
Rep. Nate asked for details about the cost per child for the program, **Dr. Ybarra** provided details on how the \$1.6 million is used as administration cost to manage P-EBT cards.

UNANIMOUS CONSENT: Requested by **Rep. Bundy**, granted by unanimous consent, the FY 2021 budget for the Department of Education was reopened.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Rep. Horman**, for the Department of Education in the student services program for FY 2021, one-time from the Federal COVID-19 Relief Fund, an additional \$1,600,500.

CARRIED: **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash
NAYS: 2. Nate, Giddings.
ABSENT/EXCUSED: 0

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**.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Rep. Syme**, to reconsider the FY 2022 budget for the Department of Education.

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**.

UNANIMOUS CONSENT: Requested by **Rep. Bundy**, granted by unanimous consent, the following reappropriation language was accepted:

REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Department of Education for the Student Services Program any unexpended and unencumbered balances appropriated to the Department of Education for the Student Services Program from the Federal COVID-19 Relief Fund for services related to the P-EBT school nutrition services program for the FY 2021, in an amount not to exceed \$1,600,500, to be used for nonrecurring expenditures related to the P-EBT school nutrition services program 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.

AGENCY PRESENTATION: **BUDGET SETTING Attorney General - LBB 6-27 - Jared Hoskins, Principal Analyst.**

Mr. Hoskins introduced the budget for the Attorney General. The adjusted JFAC budget is \$26,880,900, and the agency did originally request three line items. One of these line items was withdrawn by the agency before the publication of the Legislative Budget Book, and then the remaining two were recommended by the Governor.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Nye**, for the Attorney General, beginning with the FY 2022 Base, an increase of \$81,300 for benefit costs, \$129,900 for one-time, for a replacement item, a decrease of \$24,600 for the statewide cost allocation, and an increase of \$417,000 for the change in employee compensation. Also included are the following line items: line item 1, which provides \$332,800 for restoration of special litigation funds, which are used to retain private legal representation or consultants for extraordinary and/or unanticipated litigation when special expertise is needed or when there is an ethical conflict of interest between governmental entities; line item 3, which provides one FTP and \$94,200 of which \$8,200 is one time or a civil litigation paralegal; and line item 4, which provides \$150,000 in one time operating expenditures from the General Fund for the Special Litigation Program to be used for water adjudication mediation costs in the Coeur d' Alene/Spokane River Basin. The totals for this motion for FY 2022 are 220.00 FTP, \$25,526,600 from the General Fund, \$847,100 from the dedicated funds, and \$1,214,100 from the federal funds for a grand total of \$27,587,800. This motion also includes a lump sum authority.

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**.

**AGENCY
PRESENTATION:**

BUDGET SETTING Department of Health and Welfare, Division of Welfare – LBB 2-61. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the budget for the Department of Health and Welfare, Division of Welfare. This division provides assistance and support services for eligible families and individuals across the state and includes programs such as child support, supplemental, institution assistance, snap or food stamp, childcare, temporary assistance for families in Idaho, and the blind and disabled. This is the division that determines Medicaid eligibility and includes programs where they partner with local organizations to provide food, energy assistance, health assistance, and weatherization assistance.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the Department of Health and Welfare Division of Welfare beginning with FY 2022 Base adding \$127,900 for benefit costs, remove \$16,000 for statewide cost allocations, and add \$685,100 for change in employee compensation. Also included are the following line items: line item 13, which removes five FTP, \$184,800 in ongoing personnel costs, and \$115,200 from trustee and benefit payments from the General Fund, and removes \$343,200 in ongoing personnel costs from federal funds for a total reduction of \$643,200; line item 14, which provides \$33,763,900, one-time, from federal funds for childcare initiatives from money allocated through the COVID-19 Relief Fund. The totals for this motion for FY 2022 are 613.5 FTP, \$43,367,100 from the General Fund, and \$4,829,500 from the dedicated funds, and \$151,529,800 from the federal funds for a grand

total of \$199,726,400.

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

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.**

AGENCY PRESENTATION: **BUDGET SETTING Idaho State Police, Capitol and Supreme Court Security Detail (FY 2021 Supplemental and FY 2022 Appropriation) - Christine Otto, Senior Analyst.**

Ms. Otto introduced the FY 2021 supplemental and FY 2022 appropriation requests for the Idaho State Police.

Ms. Otto explained that on December 23, 2020, the Coronavirus Financial Advisory Committee recommended \$350,000 be approved from the Coronavirus Relief Fund (CRF) to support eight additional Troopers to the Legislative Security Detail for the 2021 legislative session. That request was made by the Pro Tempore and Speaker of the House and the approved funding has been used during this session.

The Pro Tempore and Speaker are now requesting an appropriation for the continuation of this security detail for eight Troopers at both the Capitol and the Idaho Supreme Court for FY 2021 and FY 2022. If continued, five troopers would be located at the Capitol and three at the Supreme Court. The detail would last for the rest of this fiscal year and FY 2022. The estimated cost for all eight, including per diem, lodging, mileage, and overtime shifts would be \$1,756,100, with \$30,000 for FY 2021 and \$1,726,100 for FY 2022.

UNANIMOUS CONSENT: Requested by **Rep. Agenbroad**, granted by unanimous consent, the FY 2021 budget for the Idaho State Police was reopened.

MOTION: Original Motion: Moved by **Rep. Agenbroad**, seconded by **Rep. Syme**, for FY 2021, for the Idaho State Police, in the Patrol Program, an additional \$30,000, one time from the General Fund for the purpose of security detail at the Capitol and the Supreme Court.

CARRIED: **AYES: 20.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash
NAYS: 0
ABSENT/EXCUSED: 0.

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. Agenbroad**, granted by unanimous consent, the FY 2022 budget for the Idaho State Police was reopened.

MOTION:

Original Motion: Moved by **Rep. Agenbroad**, seconded by **Rep. Syme**, for FY 2021, for the Idaho State Police, in the Patrol Program, an additional \$1,726,100, for FY 2021, one time from the General Fund for the purpose of security detail at the Capitol and the Supreme Court.

CARRIED:

AYES: 17. Bair, Agenbroad, Crabtree, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash

NAYS: 2. Nate, Giddings

ABSENT/EXCUSED:1. Grow.

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**.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:55 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Wednesday, April 14, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT DESCRIPTION		PRESENTER
HEARING		
S1204	American Rescue Plan Act of 2021 (ARPA)	Paul Headlee, LSO, Division Manager
BUDGET SETTING		
	Division of Financial Management, ARPA -State Fiscal Recovery Fund	Paul Headlee, LSO, Division Manager
	Office of the State Controller, ARPA -Local Fiscal Recovery Fund, Distributions to Cities	
	Department of Parks and Recreation, COVID-19 Relief Funds	Rob Sepich, Senior Analyst

Public Testimony Will Be Taken by Registering Through the Following Link:
[Registry to Testify](#)

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, April 14, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/ EXCUSED: None

CONVENED: **Chairman Bair** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:01 a.m.

S 1204 **AMERICAN RESCUE PLAN ACT 2021 (ARPA)**
Paul Headlee, LSO — Budget and Policy Analysis Division, Division Manager

S 1204 addressed the allocation and spending of the federal ARPA of 2021. Section 1 of the bill defined any funding from ARPA directed to Idaho state agencies as cognizable and not subject to the provisions of Idaho Code § 67–3516 (2). As a result, the federal funds would require Legislative approval for appropriation for their expenditure.

The proposed bill would provide guiding principles on the appropriation and expenditure of the federal funds, namely:

- The State should make long-range investments that will benefit the next generations of Idahoans.
- In accordance to Idaho Code § 67–1917, state agencies should use federal funds for one-time expenditures and should avoid creating ongoing obligations that would eventually shift to the State’s General Funds after they are completely utilized.
- The use of ARPA funds should not impede nor inhibit the State’s constitutional mandate in providing a balanced budget for Idahoans.
- ARPA funds should not duplicate other federal programs under which support is provided to specific industries or through specific programs.
- Local governments and state agencies receiving direct funding from the federal government should use utilize such direct funds as the primary source, and should exhaust their direct funds before requesting assistance from the coronavirus state fiscal recovery fund established under ARPA.
- Local governments receiving direct funds from the federal government should use the funds for infrastructure investments and allowable offsets that can reduce the property tax burden the Idahoans face.

DISCUSSION:

Senator Ward-Engelking asked Mr. Headlee to expound the funding availability and time lines of the programs included in the ARPA funding. **Mr. Headlee** stated 46 programs identified by LSO would require Legislative approval for appropriation for their expenditure by state agencies. He added there are provisions in ARPA that would establish specific spending deadlines and requests. He explained if the Legislative bodies adjourned without allocating funds to some programs, there are some ways wherein the Legislature could be called back for a Special Session to approve the appropriations.

Representative Troy asked Mr. Headlee to elaborate on one of the guiding principles of the proposed bill. **Mr. Headlee** emphasized **S 1024** would not preclude any projects by local governments, and these are only benchmarks and guidelines to state agencies in expending funds awarded by the federal government through ARPA of 2021. It is up to the Legislature to decide on which projects and initiatives are eligible for the ARPA funds. However, more specific guidance from the US Treasury on how to manage the funds are anticipated to be announced soon.

In response to **Representative Nate's** questions, **Mr. Headlee** replied that **S 1024** is not subject to Idaho Code § 67–3516 (2). In addition, he said professional legal opinion has not been sought prior to the meeting.

Senator Nye asked Mr. Headlee to clarify if federal funds granted to the State would require Legislative action for appropriation, regardless if it is cognizable and noncognizable. **Mr. Headlee** answered yes.

**PUBLIC
TESTIMONY:**

Fred Birnbaum, Idaho Freedom Foundation, spoke in opposition of **S 1024**. He stated codifying future federal funds would be problematic and should remain to be determined in the future.

DISCUSSION:

Senator Ward-Engelking expressed concerns about the requirement for Legislative approval for appropriation on ARPA funding. She stated families and businesses need immediate financial aid from the State due to the COVID-19 pandemic. Additionally, she has concerns on the capability of the Legislative bodies to make the approval of the appropriations as quickly as possible.

MOTION:

Moved by **Representative Youngblood**, seconded by **Senator Agenbroad** to send **S 1204** to the floor with a **do pass** recommendation. Representative Youngblood requested for a roll call vote.

Representatives Youngblood and **Troy** expressed their support on **S 1204**. They agreed the federal fund grants should be used wisely, and the Legislature should take part in allocating the funds to state agencies.

Senator Agenbroad spoke in support of the bill. He indicated that the Legislature should be thoughtful in managing federal funds. He further said that Legislature has to make sure that all immediate and urgent needs of the people of Idaho should to be addressed before the current legislative session adjourns.

Senator Riggs conveyed his support to **S 1204**. He stated sending the bill to the floor with a do pass recommendation would generate larger and robust discussions among the legislators. This discussion would result to more ideas to get a better and solid foundation on how to use the State's funds discerningly.

Representative Nate indicated he would vote against the bill out of concerns on accepting federal funds, and on agreeing with all the provisions and prohibitions attached to any federal aids.

CARRIED:

AYES: 14

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, and Nye

Representatives Youngblood, Troy, Amador, Syme, and Bundy

NAYS: 5

Senator Ward-Engelking

Representatives Nate, Giddings, Green, and Nash

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and without objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballot](#), [Bill](#), and [SOP](#) here.

**LSO STAFF
PRESENTATION:**

**BUDGET SETTING FOR DIVISION OF FINANCIAL
MANAGEMENT (DFM), ARPA — STATE FISCAL RECOVERY
FUND**

Paul Headlee, LSO — Budget and Policy Analysis Division, Division Manager

Section 9901 of the ARPA of 2021 provides recovery funding to states for COVID-related costs, revenue replacement, and for sewer, water, and broadband infrastructure. Idaho's allocation of funding is \$1.189 billion. On April 8, DFM requested \$50 million one-time from the aforementioned fund for unanticipated COVID-related costs for FY 2022 to the Committee. The uses could include, but would not be limited to, vaccine distribution and management, personal protective equipment, communications, public safety, and related technology needs.

DISCUSSION:

Senator Grow asked Mr. Headlee to clarify the revenue replacement stated in Section 9901 of the ARPA of 2021. **Mr. Headlee** cited that revenue replacement does not apply to Idaho because the State has not seen a revenue loss.

Senator Nye asked Mr. Headlee if \$50 million request is sufficient until January 2022. **Mr. Headlee** yielded to Alex Adams, Administrator, DFM. **Mr. Adams** replied that \$50 million request is adequate until the next Legislative session. Should there be any short funding, there are other ways to have the Legislature convene for a special session.

**UNANIMOUS
CONSENT:**

Requested by **Representative Youngblood**, granted by unanimous consent to reopen the fiscal year (FY) 2022 budget for the Office of the Governor, Division of Financial Management,

MOTION:

Moved by Representative **Youngblood** for the Division of Financial Management FY 2022 a one-time appropriation of \$50,000,000 from the American Rescue Plan Fund for COVID-19 public health related costs, seconded by **Senator Agenbroad**.

CARRIED:

AYES: 18

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

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the motion passed, and without objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

MOTION:

Requested by **Representative Youngblood**, granted by unanimous consent, to accept the language shown on the screen.

**INTENT
LANGUAGE:**

Section 2, LEGISLATIVE INTENT. It is hereby the intent of the Legislature that the moneys appropriated in Section 1 may be used to address undetermined needs related to the COVID-19 pandemic. The types of uses include, but are not limited to, vaccine distribution and management, personal protective equipment, communications, public safety, and related technology needs.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

**LSO STAFF
PRESENTATION:**

OFFICE OF THE STATE CONTROLLER, ARPA — LOCAL FISCAL RECOVERY FUND, DISTRIBUTION TO CITIES

Paul Headlee, LSO — Budget and Policy Analysis Division, Division Manager

Section 9901 of ARPA of 2021 provides recovery funding to units of local government. There was \$103,548,500 allocated to the State for distribution to nonentitlement units of local government. Nonentitlement cities are defined as cities with a population of less than 50,000. Funding is available through December 31, 2024 and the allowable uses include COVID-related costs, premium pay for certain employees, revenue replacement, and for sewer, water, and broadband infrastructure. The US Treasury will provide payment to the State in two tranches of 50 percent each. Idaho would receive the first payment no later than May 10, 2021 whereas the second installment would be expected to be received no earlier than 12 months after the first remittance. Distribution of the first portion of allocated funds must occur no later than 30 days after its receipt.

The Office of the State Controller can implement and distribute the requested funds to the cities within the required 30 days. As a result, the State Controller would need FY 2021 supplemental appropriations of \$51,774,300. Distribution would be based on population and would not exceed to 75% of the recent budget allocation. Lastly, in accordance to Section 9901 of ARPA 2021, any city awarded with the funds is required to submit periodic accounting reports and other information as necessary for administration to the US Secretary of Treasury.

**UNANIMOUS
CONSENT:**

Requested by **Senator Woodward**, granted by unanimous consent, to reopen the fiscal year 2021 budget for the Office of the State Controller.

MOTION: Moved by **Senator Woodward** for the Office of the State Controller, Administration Program, a fiscal year 2021 one-time appropriation of \$51,774,300 from the American Rescue Plan Fund to be distributed to Idaho Nonentitlement Units of Local Government in accordance with Section 9901 of the American Rescue Plan Act of 2021, seconded by **Representative Troy**.

DISCUSSION: **Senator Woodward** mentioned the aforementioned program would serve all Idaho's local government unit equally. Furthermore, he cited the funds would be beneficial for the small cities for the reason that they could use the money in long-term capital projects such as sewer, water, and broadband.

CARRIED: **AYES: 18**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, and Nash
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the motion passed, and without objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

UNANIMOUS CONSENT: Requested by **Senator Woodward**, granted by unanimous consent, to reopen the fiscal year 2022 budget for the Office of the State Controller.

UNANIMOUS CONSENT: Requested by **Senator Woodward**, granted by unanimous consent, to accept the reappropriation language shown on the screen.

INTENT LANGUAGE: REAPPROPRIATION. There is hereby reappropriated to the Office of the State Controller any unexpended and unencumbered balances appropriated to the Office of the State Controller from the American Rescue Plan Fund for FY 2021 to be used for nonrecurring expenditures for the period of 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.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

LSO STAFF PRESENTATION: **DEPARTMENT OF PARKS AND RECREATION, COVID-19 RELIEF FUNDS**
Rob Sepich, LSO — Budget and Policy Analysis Division, Senior Analyst
The Idaho State Department of Parks and Recreation received a noncognizable increase of \$1,292,300 for maintenance costs due to surge in day use of Idaho parks in the recent year, and reimbursement cost for refunds of camping reservations cancelled due to COVID-19 pandemic. The majority of this fund was utilized for paving and road repair projects.
An additional funding is available through the CARES Act. These funds would be utilized on projects to increase social distancing at parks and to fix and improve state parks' roads due to wear and tear.

The proposed projects must be completed by December 30, 2021. The proposed projects are as follows:

- \$185,000 to finish paving projects at the East Beach unit of Bear Lake Park including the construction of a kiosk to help manage the increase of non-resident visitors;
- \$120,000 to finish paving the Indian Creek unit at Priest Lake Park;
- \$150,000 to pave the gravel entrance at Harriman Park;
- \$175,000 to complete the repair project at Lionhead Campground in Priest Lake State Park
- \$100,000 to provide large screen space visualization systems at Bruneau Dunes State Park that would enable visitors to social distance;
- \$280,000 to pave the Upper Campground at Winchester Lake State Park;
- \$650,000 to add new kiosk and conduct road works at Bruneau Dunes State Park; and
- up to \$75,000 for minor maintenance road repair projects due to increase of state parks visitors resulting wear and tear of the roads.

This proposed projects would add up to \$1,735,000.

DISCUSSION:

Representative Nate asked Mr. Sepich the correlation of COVID-19 virus to paving the roads in Idaho state parks. Mr. Sepich yielded to Mr. Adams. **Mr. Adams** stated during COVID-19 pandemic there was a renewed interest in outdoor recreation, in particular, Idaho had a record attendance at its state parks. He indicated that with increased visitations in the state parks comes higher road maintenance costs.

Senator Cook asked Mr. Adams to expound on the \$100,000 proposed budget for large screen at Bruneau Dunes State Park. Mr. Adams yielded to Susan Buxton, Director, Idaho State Department of Parks and Recreation.

Dir. Buxton stated the large screen space visualization system would be used in Bruneau Dunes Observatory. Due to the pandemic, social distancing was a big issue in the observatory. The large screen would provide education opportunity for visitors, especially school children, to see the night sky and heavens and carry out solar viewing while observing COVID-19 health protocols.

**UNANIMOUS
CONSENT:**

Requested by **Representative Green**, granted by unanimous requested to reopen the fiscal year 2022 budget for the Department of Parks and Recreation in the Capital Development Program.

MOTION:

Moved by **Representative Green** for Fiscal Year 2022 for the Department of Parks and Recreation in the Capital Development Program a one-time appropriation of \$1,300,000 from the Federal COVID-19 Relief Fund, seconded by **Senator Lent**.

DISCUSSION:

Representative Green stated the requested funds would be able to enhance Idaho's infrastructure. Additionally, capital improvements could support the capacity and volume of visitors in state parks. She added that the capacity enhancement would ensure that Idahoans could enjoy their great outdoors.

CARRIED:

AYES: 18

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

NAYS: 1

Representative Giddings

ABSENT/EXCUSED: 1

Representative Nate

The majority having voted in the affirmative, the motion passed, and without objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

ADJOURNED:

There being no further business at this time, **Chairman Bair** adjourned the meeting at 9:03 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, April 15, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
IDAHO COMMISSION FOR LIBRARIES		
#30 LSO Spreadsheet	ARPA - Institute of Museum and Library Services	Janet Jessup, Senior Analyst
DEPARTMENT OF HEALTH and WELFARE		
#14 LSO Spreadsheet	Division of Public Health - ARPA, COVID-19 Vaccines	Jill Randolph, Senior Analyst
#34 LSO Spreadsheet & Handout	Division of Public Health - ARPA, Epidemiology and Laboratory Capacity - Immunization Program	
#19 LSO Spreadsheet	Division of Welfare - ARPA, Low Income Home Energy Assistance Program	
#26 LSO Spreadsheet	Division of Welfare - ARPA, Child Care Entitlements to States	
TRAILER APPROPRIATIONS		
	Trailer Appropriation to H336 for Foster Care Extension	Jill Randolph, Senior Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, April 15, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/ EXCUSED: Senators Riggs

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

AGENCY PRESENTATION: **BUDGET SETTING:**
IDAHO COMMISSION FOR LIBRARIES - ARPA - Institute of Museum and Library Services. Janet Jessup, Senior Analyst.

Ms. Jessup introduced the budget for the Idaho Commission for Libraries for the ARPA funding. The American Rescue Plan Act (ARPA) contains a distribution for the Institute of Museum and Library Services (IMLS). The IMLS is an independent agency of the United States federal government and it is the main source of federal support for libraries and museums in the country. The IMLS promotes improvements to library services.

For Idaho, this distribution includes a total of \$2,400,000. The Idaho Commission for Libraries (ICFL) has proposed to utilize \$2,300,000 of this disbursement in FY 2022 and any unspent portion during the first quarter of FY 2023.

In FY 2022, ICFL will utilize \$1,000,000 in T & B for two rounds of competitive to Idaho libraries to support "Libraries Keep Students Learning and Adults Earning." Operating expenditures will continue to support ICFL's digital equity, early literacy services, and other outreach programs aimed at vulnerable populations.

UNANIMOUS CONSENT: Requested by **Sen. Cook** granted by unanimous consent, the FY 2022 budget for the Idaho Commission of Libraries was reopened.

MOTION: Original Motion: Moved by **Sen. Cook**, seconded by **Rep. Horman**, for the Idaho Commission for Libraries a fiscal year 2022 onetime appropriation of \$2,300,000 from the Federal American Rescue Plan Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, , Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2. Nate, Giddings.
ABSENT/EXCUSED: 1. Riggs.
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**.

AGENCY PRESENTATION: **BUDGET SETTING:**
DEPARTMENT OF HEALTH and WELFARE. Division of Public Health - ARPA, COVID-19 Vaccine. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the Budget for the Department of Health Services, Physical Health Services Program, for the COVID-19 funds from the American Rescue Plan (ARPA). Under the American Rescue Plan Act (ARPA), which was signed on March 11, 2021, Idaho is allocated an additional \$10,151,200. This is to correct a funding mistake contained in previous federal legislation and fully awards Idaho the amount it is due. These funds will be distributed to community partners to support mobile vaccination and other efforts to reach hard-to-reach populations.
The Department anticipates that less people will come to clinics to receive a vaccination, and so more costly outreach efforts will be needed to deliver vaccines through mobile clinics.

UNANIMOUS CONSENT: Requested by **Rep. Giddings** granted by unanimous consent, the FY 2022 budget for the Department of Health and Welfare was reopened.

MOTION: Original Motion: Moved by **Rep. Giddings**, seconded by **Rep. Nash**, for FY 2022 for the Department of Health and Welfare's Division of Public Health Services in the Physical Health Services Program, an additional \$10,151,200 onetime from the Cooperative Welfare (Federal) Fund.

CARRIED: **AYES: 19.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, , Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1. Riggs.
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 NOT APPROVED: Requested by **Rep. Giddings**, objected by **Syme**, the unanimous consent for the intended language was not granted.

**MOTION FOR
INTENT
LANGUAGE:**

Original Motion: Moved by **Rep. Giddings**, seconded by **Sen. Agenbroad**, to add the following language

SECTION __. Any promotion of the administration of vaccines or vaccine-like products using funds provided by P.L. 117-2 shall include proper informed consent language. Such language shall be similar to that required by the Federal Drug Administration in all direct-to-consumer full product promotions.

SECTION __. For any funds provided by P.L. 117-2 to be expended for the promotion of vaccines or vaccine-like products, an equal amount of funds shall be expended on the promotion of health education, including but not limited to exercise and fitness, consumption of Vitamin D supplementation, and a reduction in non-nutritional foods such as high-fructose corn syrup.

DISCUSSION:

Sen. Woodward requested clarification about the objectives of the additional expenditures mentioned in the second section of the language and how are they funded.

Rep. Giddings explained there is no intent for additional spending.

Sen. Woodward expressed his opposition to the language.

Sen. Ward-Engelking expressed her opposition to spending an additional \$3 million of the General Fund. The director of the Idaho Department of Health and Welfare, **Mr. Jeppesen**, explained the initial guidance received by the department is to focus the funding on promoting vaccine confidence. But they have not yet received final guidance on how much autonomy the agency has on using the funds for the campaign.

Sen. Agenbroad withdrew his second for the intent language and offered a substitute motion.

**SUBSTITUTE
MOTION FOR
INTENT
LANGUAGE:**

Substitute Motion: Moved by **Sen. Agenbroad**, seconded by **Sen. Grow**, to add the following language

SECTION __. Any promotion of the administration of vaccines or vaccine-like products using funds provided by P.L. 117-2 shall include proper informed consent language. Such language shall be similar to that required by the Federal Drug Administration in all direct-to-consumer full product promotions.

SECTION __. To the extent allowed by P.L. 117-2, for any funds provided by P.L. 117-2 to be expended for the promotion of vaccines or vaccine-like products, an equal amount of funds may be expended on the promotion of health education including but not limited to exercise and fitness, consumption of Vitamin D supplementation, and a reduction in non-nutritional foods such as high-fructose corn syrup. Notwithstanding this intent language, no General Fund dollars may be expended to support this language.

**AMENDED
SUBSTITUTE
MOTION
FOR INTENT
LANGUAGE:**

Amended Motion: Moved by **Rep. Troy**, seconded by **Sen. Grow**, to added the following language:

SECTION __. Any promotion of the administration of vaccines or vaccine-like products using funds provided by P.L. 117-2 shall include proper informed consent language. Such language shall be similar to that required by the Federal Drug Administration in all direct-to-consumer full product promotions.

SECTION __. To the extent allowed by P.L. 117-2 for any funds provided by P.L. 117-2, to be expended for the promotion of vaccines or vaccine-like products, the message must include promotion of other healthy lifestyle choices, such as exercise and fitness, consumption of Vitamin D supplementation, and a reduction in non-nutritional foods such as high-fructose corn syrup. Notwithstanding this intent language, no General Fund dollars may be expended to support this language.

**VOTE ON
AMENDED
SUBSTITUTE
MOTION —
FAILED:**

AYES: 8. Bair, Youngblood, Troy, Horman, Amador, Nate, Giddings, Bundy.

NAYS: 11. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Syme, Green, Nash

ABSENT/EXCUSED: 1. Riggs.

The majority, having voted in the negative, the motion **FAILED**, and without objection, **Chairman Youngblood** moved to hear the Substitute Motion.

**VOTE ON
SUBSTITUTE
MOTION
CARRIED:**

AYES: 18. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, , Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green.

NAYS: 1. Nash.

ABSENT/EXCUSED: 1. Riggs.

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

**AGENCY
PRESENTATION:**

BUDGET SETTING:

Division of Public Health - ARPA, Epidemiology and Laboratory Capacity - Immunization Program. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the Budget for the Department of Health and Welfare, Physical Health Services Program, for the COVID-19 funds from the American Rescue Plan (ARPA). Under the American Rescue Plan Act (ARPA), which was signed on March 11, 2021, Idaho is allocated an additional amount to pay for laboratory testing for COVID-19 tests from public and private schools in Idaho. These funds would be used to recruit school districts to implement the COVID-19 testing program, assist those schools with implementation, provide ongoing technical assistance for the program to continue into the next school year, and provide regular testing data. The intent of this COVID-19 testing program is to ensure schools remain open for safe, in-person instruction for the remainder of the current school year and throughout the next school year. These funds must be expended by July 31, 2022.

- DISCUSSION:** **Rep. Horman** requested clarifications if the funds assigned to the school districts to implement the testing programs will follow on an equal distribution or will be grant-based. **Ms. Shaw-Tulloc**, Administrator for the Division of Public Health in the Department of Health and Welfare, explained the division is still getting information now how the funding will work.
The division anticipates allocating a base of \$50,000 across all of the school districts and private schools, and the remaining amount would be allocated across each school district and private school on top of that base, based upon a proportion of the students enrolled from the 2020 school enrollment census.
- MOTION:** Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Troy**, for FY 2022 for the Department of Health and Welfare's Division of Public Health Services in the Physical Health Services Program, \$40,301,500 onetime from the Cooperative Welfare (Federal) Fund.
- DISCUSSION:** **Sen. Horman** expressed his opposition to the bill based on a concern relative to the absence of a spending plan.
- CARRIED:** **AYES: 12.** Bair, Agenbroad, Grow, Woodward, Lent, Ward-Engelking, Nye, Troy, Syme, Bundy, Green, Nash.
NAYS: 7. Crabtree, Cook, Youngblood, Horman, Amador, Nate, Giddings
ABSENT/EXCUSED: 1. Riggs.
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**.
- DISCUSSION:** **Rep. Horman** asked **Director Jeppeson** if the agency has the capacity to directly distribute these funds to the school districts. Director Jeppeson confirmed the agency has the capability to distribute these funds to the school districts directly.
- MOTION FOR INTENT LANGUAGE:** Original Motion: Moved by **Rep. Horman** to add the following language
SECTION_. These funds from P.L. 117-2 shall be distributed directly to school districts, public charter schools, and non-public schools by the Department of Health and Welfare as permitted by P.L. 117-2 according to a formula determined in partnership with the Department of Health and Welfare and the State Board of Education.
- DISCUSSION:** **Sen. Agenbroad** asked **Rep. Horman** if the language intends to provide to the public schools and the charter schools an additional appropriation authority to spend these dollars. Rep. Horman explained there is no provision of authority to local districts for the expenditure of federal funds. The spending authority is provided through the Department of Health and Welfare, so she didn't believe any additional spending authority is required at the local level. **Sen. Agenbroad** seconded the motion.

**VOTE ON
THE MOTION
FOR THE
LANGUAGE
CARRIED:**

AYES: 18. Bair, Agenbroad, Crabtree, Grow, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 2. Riggs.

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

**AGENCY
PRESENTATION:**

BUDGET SETTING:

Division of Welfare - ARPA, Low Income Home Energy Assistance Program. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the Budget for the Department of Health and Welfare, Division of Welfare, for the COVID-19 funds from the American Rescue Plan (ARPA). In the American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021, additional amounts were provided for the Low Income Home Energy Assistance Program (LIHEAP), which typically provides approximately \$14,200,000 in onetime payments to utility companies in Idaho on behalf of Idahoans who meet criteria and are in danger of getting power and/or heat shutoff. DHW works closely with the Community Action Partnership Association of Idaho to pay these supports directly to utility providers. This program is 100% federally funded. In ARPA, an additional \$14,000,000 is provided. DHW asserts this additional amount will help Idahoans outside of the typical LIHEAP season (September through February) with utility costs.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the FY 2022, for the Department of Health and Welfare's Division of Welfare, an additional \$14,000,000 onetime from the Cooperative Welfare (Federal) Fund.

CARRIED:

AYES: 18. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, Nash.

NAYS: 1. Giddings.

ABSENT/EXCUSED: 1. Riggs.

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**.

**AGENCY
PRESENTATION:**

Ms. Randolph introduced the Budget for the Department of Health Services, Division of Welfare, for the COVID-19 funds from the American Rescue Plan (ARPA). This is an additional request by the Department of Health and Welfare to spend funds allocated to the state for child care from the American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021. ARPA provided for a one-time increase for regular allocations through the Child Care Development Block Grant (CCDBG).

There are two portions of regular allocations through the CCDBG: mandatory funding; and discretionary funding. ARPA impacted the calculation for the mandatory funding to the states. The formula is driven by the amount of funding the state spent on comparable services in the mid -1990s; the change to the formula assumes that the amount spent in the mid -1990s for these services was

matched 100% by the federal government. This equates to \$3,125,000.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Troy**, for FY 2022, for the Department of Health and Welfare in the Division of Welfare, an additional \$3,125,000 onetime from the Cooperative Welfare (Federal) Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2. Nate, Giddings.
ABSENT/EXCUSED: 1. Riggs.
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**.

AGENCY PRESENTATION: **TRAILER APPROPRIATION:**
Trailer Appropriation to H336 for Foster Care Extension. Jill Randolph, Senior Analyst.
Ms. Randolph introduced the Trailer Appropriation for the Department of Health and Welfare, Child Welfare Division. H336 passed the Senate on April 13, 2021. The bill provides an update to the laws pertaining to qualified group homes for child. In addition, the bill provides for the extension of foster care from 18 to 21 when such an extension is ordered by the court to help the person achieve a successful transition to adulthood.
The extension of foster care is for a set time, not to exceed the person's 21st birthday. The fiscal note for H336 includes an additional \$240,000 from the General Fund for FY 2022.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Troy**, move for FY 2022, for the Department of Health and Welfare in the Division of Child Welfare, an increase of \$240,000 from the Cooperative Welfare (General) Fund.

CARRIED: **AYES: 17.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Green, Nash.
NAYS: 1. Giddings.
ABSENT/EXCUSED: 1. Riggs.
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**.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 9:31 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Thursday, April 22, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:
<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
Department of Health and Welfare		
#35 LSO Spreadsheet	ARPA - Medicaid Home and Community Based Services FY 2021 Supplemental FY 2022 Original Appropriation	Jill Randolph, Senior Analyst
#32 LSO Spreadsheet	ARPA - Low-Income Water Assistance Program	
LBB 2-61	Division of Welfare - Additional Language	
Public School Support		
LBB 1-17	Teachers Division	Jared Tatro, Principal Analyst
#5a and 5b LSO Spreadsheet	ARPA - Elementary and Secondary School Emergency Relief Fund (ESSER III)	
#7 LSO Spreadsheet	ARPA - Individuals with Disabilities Education Act (IDEA) Grants to States	
#8 LSO Spreadsheet	ARPA - Individuals with Disabilities Education Act (IDEA) Special Education Preschool	
LBB 1-107	Department of Education Trailer appropriation to S1045 Private Schools Advanced Opportunities	

Break

Board of Education

LBB 1-55	College and Universities FY 2021 Supplemental Appropriation FY 2022 Original Appropriation	Janet Jessup, Senior Analyst
----------	--	------------------------------

Office of the Governor

LBB 6-89	Military Division - Additional Federal Funding	Christine Otto, Senior Analyst
LBB 6-139	Lieutenant Governor	Max Flom, Budget Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, April 22, 2021

TIME: 8:00 A.M.

PLACE: Room C310

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

Representatives Co-chairman Youngblood, Troy, Horman, Syme, Bundy, Giddings, Nate, Morales(Green), and Nash

ABSENT/ EXCUSED: Representative Amador

CONVENED: **Chairman Bair** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:04 a.m.

LSO STAFF PRESENTATION: **American Rescue Plan Act (ARPA) of 2021 — Medicaid Home and Community-Based Services for Fiscal Years (FY) 2021, Supplemental and FY 2022, Original Appropriation**
Jill Randolph, Legislative Services Office — Budget & Policy Analysis Division (LSO-BPAD), Senior Analyst

Under ARPA, all Home Community-based Services (HCBS) are eligible to collect an additional 10 percent federal match for the period of April 1, 2021 to March 31, 2022. HCBS are services provided to qualified elderly and physically disabled Idahoans who receive nursing level of care, but would remain in their own homes or communities instead of living in nursing homes. These services include adult day health, attendant care, chore services, and service coordination.

Ms. Randolph emphasized that in accordance to ARPA's provision, the 10 percent federal match must be used to supplement, not supplant, the State's General Fund. The Division of Medicaid (Division) has provided estimation, which was based on current levels of service, of additional federal appropriation needed to meet the increased Federal Medical Assistance Percentage (FMAP). There is no state matching requirements for these funds.

Due to the timing of eligibility for the use of the enhanced FMAP, Division of Medicaid requested one-time supplemental appropriations for both FY 2021 and FY 2022. Additionally, **Ms. Randolph** proposed for the approval of a section of language that would be applicable to the two aforementioned funds.

DISCUSSION: In response to questions from Representative Giddings on the utilization of the requested supplemental funds, **Ms. Randolph** replied the figures presented were the Division's best estimated funds needed in the next three months. She added the proposed language would restrict the use of funds on pay increments or bonuses of frontline workers. She yielded to **Dave Jeppesen**, Director, Idaho State Department of Health and Welfare (IDHW) for additional comments. **Director Jeppesen** agreed with Ms. Randolph's response, and added that the funds are expected to be used through pay increase or grants depending on the final federal guidance.

UNANIMOUS CONSENT: Requested by **Senator Agenbroad**, granted by unanimous consent to reopen the fiscal year 2021 budget for the Department of Health and Welfare, Division of Medicaid.

MOTION: Moved by **Senator Agenbroad** for FY 2021, for the Department of Health and Welfare in the Division of Medicaid, an additional \$16,000,000 one-time from the Cooperative Welfare (Federal) Fund for the purpose of enhanced reimbursement rates for home and community-based services, seconded by **Representative Troy**.

CARRIED: **AYES: 17**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Syme, Bundy, Morales, and Nash
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 1
Representative Amador
The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

UNANIMOUS CONSENT: Moved by **Senator Agenbroad**, granted by unanimous consent to reopen the FY 2022 budget for the Department of Health and Welfare.

MOTION: Moved by **Senator Agenbroad** for FY 2022, for the Department of Health and Welfare in the Division of Medicaid, an additional \$62,000,000 one-time from the Cooperative Welfare (Federal) Fund for the purpose of enhanced reimbursement rates for home and community-based services, seconded by **Representative Troy**.

CARRIED: **AYES: 17**
Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Syme, Bundy, Morales, and Nash
NAYS: 2
Representatives Nate and Giddings
ABSENT/EXCUSED: 1
Representative Amador
The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

DISCUSSION: **Senator Agenbroad** reiterated the requested supplemental funds are one-time federal funds, and no General Funds are to be used for its appropriation. He indicated the importance of recognizing the individuals who attend to Idaho's vulnerable population. Moreover, he mentioned it is necessary to work with the providers in planning on how to manage the funds.

LSO STAFF PRESENTATION: **Ms. Randolph** further explored the proposed section of intent language that is germane to the Division's requested supplemental funds for FY 2021 and FY 2022.

MOTION: Requested by **Senator Agenbroad**, granted by unanimous consent, to include the language as shown on the screen, and have it apply to the Division of Medicaid for both FY 2021 and FY 2022.

INTENT LANGUAGE: SECTION __. Notwithstanding the provisions of Section 56–265, Idaho Code, and any other provision of law to the contrary, home and community based providers enrolled and in good standing with Medicaid shall receive an increase to any regular reimbursement otherwise received from the Division of Medicaid for home and community based services funded by the 10 percent FMAP increase as provided in P.L. 117–2 for the period April 1, 2021, or upon release by the Centers for Medicare and Medicaid Services (CMS), whichever is sooner, through March 31, 2022 or until funds appropriated for this purpose are expended. This increase shall be used solely for temporary pay increases or bonuses for direct care workers subject to guidance from CMS and federal limitations for the funds. In order to receive any increase related to this section, the provider must sign a statement acknowledging that the increase is only available for the time period specified by this section. Further, this increase is provided with onetime federal funding for a onetime purpose and shall not obligate the department to spend or request ongoing funds for fiscal year 2023, or obligate the Legislature to provide an appropriation for ongoing pay increases.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

LSO STAFF PRESENTATION: **ARPA — Low-Income Water Assistance Program**
Jill Randolph, LSO-BPAD, Senior Analyst

In ARPA, funds were allocated for a new program at the federal level called Low Income Household Water Assistance Program (LIHWAP). This program will assist individuals and families who are in danger of having drinking and wastewater services discontinued due to outstanding and/or overdue bills. It will presumably follow the same process as Low Income Household Energy Assistance Program (LIHEAP), wherein the community action partners would review applications and implement the program. The payments would go directly to water and wastewater operators and providers, on behalf of the approved LIHWAP applicants.

DISCUSSION: **Representative Nate** asked Director Jeppesen to clarify the rationale on the difference of IDHW’s requested fund last April 7 from the current request. **Director Jeppesen** explained that IDHW’s initial request of \$1.5 million was an approximated amount and during that period, IDHW did not have the exact funding information and guidance from the federal government. On the other hand, the current request was based on the understanding from the federal guidelines that LIHWAP would receive \$6.5 million, and it is expected to use \$3 million in the next fiscal year.

Representative Nate, Director Jeppesen, and Alex Adams, Administrator, Division of Financial Management (DFM) discussed parameters of LIHWAP. **Mr. Adams** pointed out that the parameters for the program was established by US Congress and not by the State or IDHW.

Representative Syme asked Mr. Adams if the funds in LIHWAP could be utilized to help small communities that are having serious health issues due to inadequate wastewater systems. **Mr. Adams** stated LIHWAP funds are specific for individuals or families who are financially challenged in the recent months. However, ARPA's state fiscal recovery fund could be used in infrastructure such as water, sewer, and broadband.

Representative Giddings asked Director Jeppesen to clarify if the beneficiaries of the program would include families in rural communities who use wells and septic systems. **Director Jeppesen** acknowledged that IDHW has the same query to the federal government and yielded to **Julie Hammon**, Administrator, IDHW — Division of Welfare for additional information. Due to some technical issues, **Ms. Hammon** would get back to the Committee members via e-mail.

MOTION:

Moved by **Representative Troy** for FY 2022, for the Department of Health and Welfare's Division of Welfare, an additional \$3,000,000 one-time from the Cooperative Welfare (Federal) Fund, seconded by **Senator Riggs**.

CARRIED:

AYES: 15

Senators Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Syme, Bundy, Morales, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 3

Senator Crabtree
Representatives Horman and Amador

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

LSO STAFF

PRESENTATION:

Division of Welfare — Additional Language

Jill Randolph, LSO-BPAD, Senior Analyst

Public Law (P.L.) 116–260 is the COVID Relief Act, or the bill signed into law on December 7, 2020. This language would apply to the \$33,763,900 for Child Care included in **H 369**, an appropriation bill for the IDHW, Division of Welfare for FY 2022.

This language would be included in a bill which contains the following items:

- Division of Public Health - COVID-19 Vaccines - \$10,151,200;
- Division of Welfare - Low Income Household Energy Assistance - \$14,000,000;
- Division of Welfare - Child Care Entitlement - \$3,125,000; and
- Division of Welfare - Low Income Household Water Assistance - \$3,000,000.

DISCUSSION: **Representatives Nash and Troy, and Ms. Randolph** discussed the appropriation authority time frame given to IDHW - Division of Welfare. As indicated in the proposed language, the appropriation authority would expire on or before the end of fiscal year, December 31, 2021. **Ms. Randolph** emphasized the \$33 million is one-time federal increase, and should there be unused funds, IDHW - Division of Welfare would need to request an additional amount for any fiscal year going forward.

Representative Nash voiced his dissent on the proposed language. He said it would be suitable to revisit the program next legislative session instead of granting appropriation authority halfway through a fiscal year.

UNANIMOUS CONSENT: Requested by **Representative Troy** to accept the language as shown on the screen, and have it apply to the Division of Welfare for FY 2022, objected by **Representative Nash**.

MOTION: Moved by **Representative Troy** to accept the language as show on the screen, and have it apply to the Division of Welfare for FY 2022, seconded by **Senator Riggs**.

INTENT LANGUAGE: SECTION _ . For any funds received from P.L. 116–260 for child care, the Department of Health and Welfare shall phase out on or before December 31, 2021 the employee wage enhancements, increased co-pay of child care costs, the temporary increase of eligibility using the federal poverty guideline for child care subsidies, and provider grants.

CARRIED: **AYES: 13**
Senators Bair, Agenbroad, Grow, Woodward, Lent, Riggs, and Cook
Representatives Youngblood, Troy, Syme, Bundy, Nate, and Giddings

NAYS: 4
Senators Ward-Engelking and Nye
Representatives Morales and Nash

ABSENT/EXCUSED: 3
Senator Crabtree
Representatives Horman and Amador

The majority having voted in the affirmative, the motion passed, and with no objection, the language has been adopted. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

Due to unforeseen event, presenters and principals for Public School Support programs were not available to answer any questions from the Committee. Hence, **Chairman Bair** called the next presenters in the agenda,

LSO STAFF PRESENTATION: **Office of the Governor — Military Division — Additional Federal Funding**
Christine Otto, LSO-BPAD, Senior Analyst

The Military Division received an additional \$6,519,000 in federal funds on April 14. These funds come to the Military Division from two separate cooperative agreements and would be used for construction, repair, and maintenance projects at the Orchard Combat Training Center and Gowen Field. **Ms. Otto** pointed out that the request is a supplemental appropriation.

Additional federal funding for these purposes is common and the majority of the funds were the result of reallocation from other states by the federal government. Over the last three years, there have been an annual average of \$44 million that has been classified as non cognizable funds pursuant to Idaho Code § 67–3516(2).

**UNANIMOUS
CONSENT:**

Requested by **Representative Syme**, granted by unanimous consent to reopen the FY 2021 budget for the Military Division.

MOTION:

Moved by **Representative Syme** for FY 2021, for the Military Division, in the Federal/State Program, \$6,519,000 one-time from the Federal Grant Fund, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Syme, Bundy, Nate, Giddings, Morales, and Nash

NAYS: 0

ABSENT/EXCUSED: 3

Senator Crabtree
Representatives Horman and Amador

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#) here.

**LSO STAFF
PRESENTATION:**

Lieutenant Governor

Max Flom, LSO-BPAD, Budget Analyst

The Office of the Lieutenant Governor requested a 1.5 percent increase of \$184,900 and three FTP from the General Fund. On the other hand, the Office of the Governor recommendation includes a 0.5 percent increase of \$183,100 and three FTP from the General Fund. Changes in benefit costs and employee compensation account for the differences between the two aforementioned Offices. This request also includes an exemption from the budget laws restricting the transfer of appropriation between object codes.

**UNANIMOUS
CONSENT:**

Requested by **Representative Youngblood**, granted by unanimous request to reopen the FY 2022 budget for the Lieutenant Governor.

MOTION:

Moved by **Representative Youngblood** for the Lieutenant Governor, beginning with the FY 2022 Base, add \$300 for benefit costs, reduce \$200 for statewide cost allocation, and add \$1,600 for change in employee compensation. The totals for this motion for FY 2022 are 3.00 FTP and \$183,100 from the General Fund, this motion also includes an exemption from the budget laws restricting the transfer of appropriation between object codes, seconded by **Chairman Bair**.

CARRIED:

AYES: 12

Senators Bair, Grow, Woodward, Lent, Riggs, and Cook
Representatives Youngblood, Troy, Bundy, Nate, Giddings, and Nash

**CHECK AT THE
MOTION**

NAYS: 5

Senators Agenbroad, Ward-Engelking and Nye
Representatives Syme and Morales

ABSENT/EXCUSED: 3

Senator Crabtree

Representatives Horman and Amador

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballot](#), and [Motion](#) here.

ADJOURNED:

There being no further business at this time, Chairman Bair adjourned the meeting at 9:33 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, April 27, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
	Budget Setting	
	Public School Support	
LBB 1-17	Teachers Division	Jared Tatro, Principal Analyst
	Trailer Appropriation to H22aaS, Public Charter School Funding	
#5a and 5b LSO Spreadsheet	ARPA - Elementary and Secondary School Emergency Relief Fund (ESSER III)	
#7 LSO Spreadsheet	ARPA - Individuals with Disabilities Education Act (IDEA) Grants to States	
#8 LSO Spreadsheet	ARPA - Individuals with Disabilities Education Act (IDEA) Special Education Preschool	
LBB 1-23	Operations Division - Language Regarding Technology Funding	
	Department of Education	
LBB 1-107	Trailer appropriation to S1045 Private Schools Advanced Opportunities	
	Board of Education	
LBB 1-55	College and Universities	Janet Jessup, Senior Analyst
	FY 2021 Supplemental Appropriation	
	FY 2022 Original Appropriation	

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, April 27, 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: Representative(s) Giddings

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

AGENCY PRESENTATION: **BUDGET SETTING. Department of Public-School Support – Teachers – H22aas Trailer. Jared Tatro, Principal Analyst.**
The teachers' division is the largest division within the public-school support program.
The division provides state and federal funding support for grades K-12 for instructional and pupil service staff, for salaries and benefits, and other programs specific to certificated instructors.
The current year appropriation is for \$1 billion. The agency is requesting a 1.4% increase. The governor is requesting a 1.5% increase.

MOTION 1: Original Motion: Moved by **Rep. Bundy**, seconded by **Rep. Ward-Engelking**, to reconsider the FY 2022 appropriations for the Public-School Support Programs Teacher's Division.

CARRIED: **AYES: 19.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Morales, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1. Giddings.
The majority, having voted in the affirmative, the motion to reconsider has passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

MOTION 2: Original Motion: Moved by **Rep. Bundy**, seconded by **Rep. Ward-Engelking**, for the Public-School Support Program for the Teachers Division, beginning with the fiscal year 2022 base, increase \$47,361,700 for nondiscretionary adjustments, then shift \$9 million one-time from the General Fund to the Federal COVID-19 Relief Fund for professional development services in line item 6, and add \$1,000,000 for professional development programs in line item 15. The totals for this motion for FY 2022 are \$1,113,186,900 from the general fund and \$20,000,000 from federal funds for a grand total of \$1,133,186,900.

DISCUSSION: **Sen. Ward- Engelking** highlighted how this motion included full funding for the career ladder and all other statute-driven formula adjustments.

CARRIED: **AYES: 19.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Morales, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1. Giddings.
The majority, having voted in the affirmative, the motion to reconsider has passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Bundy**, granted by unanimous consent, the language shows on the screen was included. The language is for the teacher's division, regarding the professional development with the addition of another \$1 million, bringing the total to \$10,850,000 from the public-school income fund to be distributed for professional development services as outlined in the section. Section 2, defined distributed, meaning moneys transferred to school districts and public charter schools, with no funds withheld for any other contract or administrative cost. The unanimous consent was accepted.

AGENCY PRESENTATION: **BUDGET SETTING. Trailer Appropriation to H22aaS, Public Charter School Funding. Jared Tatro, Principal Analyst.**
Section 33-5208, Idaho Code states that "no charter school shall receive an increase in support units that exceeds the support units it received in the prior year by more than thirty (30). This statutory cap was originally added as "20" in 2005 and amended to "30" in 2007 – both amendments were included in a public schools appropriation bill. For the FY 2021, the cap has impacted two virtual schools: Idaho Virtual Academy and Inspire connections. H22aaS was signed by the Governor on March 17, 2021

UNANIMOUS CONSENT: Requested by **Sen. Crabtree**, granted by unanimous consent the FY 2021 appropriation for the Public Schools Support Teachers Division was reopened.

MOTION: Original Motion: Moved by Rep. Crabtree, seconded by Rep. Horman for the FY 2021 for the Public-School support Program's Teacher Division an additional \$3,634,700 one-time from Federal COVID-19 Relief Fund.

CARRIED: **AYES: 19.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Morales, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1. Giddings.
The majority, having voted in the affirmative, the motion to reconsider has passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

AGENCY PRESENTATION: **BUDGET SETTING. ARPA – Elementary and Secondary School Emergency Relief Fund (ESSER III). Jared Tatro, Principal Analyst.**

This funding is part of the American Rescue Plan Act (ARPA) and ESSER, which is the Elementary and Secondary School Emergency Relief Fund. These funds provided several hundred billion dollars for the states for ESSER III. Idaho's allocation was for \$439,942,000. These funds are to be used the same as ESSER II, keeping schools open because of the pandemic. We have received 75% of the funds. The funds are awarded to the State Education Agency, which is our State Board of Education. According to ARPA, the State has until September 2023 to obligate all funds. According to correspondence from the US Department of Education, ESSER III funds "remain available through September 30, 2024. These dates reflect the provision in section 421(b) of the General Education Provisions Act (20 U.S.C. 1225(b)), which extends the period of availability of funds for each program for 12 months." Of the total amount, 90%, or \$395,948,000, is required to be distributed to school districts and charter schools. These moneys are allocated to schools using the same distribution criteria as ESSER I and ESSER II, which is a distribution methodology based on how Title-IA funds are allocated. Within this 90% of funding, 80% or \$316,758,000 is for any of the 18 allowable uses; the remaining 20% must be used for learning loss. The remaining 10% or \$43,994,000 is referred to as the state's "set-aside" portion. For ESSER III, there are some added statewide requirements that include specific funding for learning loss, summer enrichment programs, and after school programs. The set-aside allows for an amount up to \$2.2 million for administration and about \$11 million for "discretionary but allowable uses." These other funds are to be used for the same purposes as the 90% above, but the allocation and distribution of these funds is subject to final authorization by the State Education Agency (SEA), which is the State Board of Education.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Horman**, granted by unanimous consent the FY 2021 appropriation for the Public Schools Support Children's Program Elementary and Secondary School Emergency Relief Funding (ESSER III) was reopened.

MOTION:

Original motion: Moved by **Rep. Horman**, seconded by **Rep. Ward-Engelking** for the Public-School Support Program and The Children's Programs Division for FY 2022 an additional \$439,642,000 one-time from The American Rescue Plan Fund.

DISCUSSION:

Rep. Horman highlighted that the Federal funds are totaling now \$870 million received by the State into public education without mentioning other funds that were approved through the CFAC process last year that also directed benefitted. If all these appropriations pass, they will reflect a 3.8% increase in the General Funds and a 32.7% increase overall over last year. **Sen. Ward-Engelking** remarks how important are these funds to make up some of the lost days due to the pandemic. **Rep Nate** on the other hand points out this is another long stream of American Rescue Plan Act spending saying that we are spending money that we do not have. It is incurring debt that needs to be paid back at some point, remarking that he will be voting no.

CARRIED:

AYES: 18. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Morales, Nash.

NAYS: 1.

ABSENT/EXCUSED: 1. Giddings.

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

DISCUSSION:

As part of the ESSER III motion, the motion makers have requested a restriction of the fund withdrawals from the Public Education Stabilization Fund, also known as PESF. If the Legislature appropriates the full ESSER III award, Idaho's Local Education Agencies (LEAs) will have received over \$800 million in federal relief funding between March 2020 through July 2021. The Public Education Stabilization Fund (PESF) was created in 2003, in JFAC, to stabilize payments to school districts and charter schools for economic downturns and/or higher than normal expenditures beyond the appropriated amounts. As a result, the public education stabilization fund is being proposed to limit any or restrict any withdrawals for the fiscal year 2022 only. This would be an amending of Idaho code

**UNANIMOUS
CONSENT:**

Requested by **Rep. Horman** granted by unanimous consent the following language was included as shown on the screen:

33-907. PUBLIC EDUCATION STABILIZATION FUND.

(1) There is hereby created in the state treasury a fund to be known as the public education stabilization fund, which shall function as a fund detail of the public school income fund. The fund shall consist of moneys transferred to the fund according to the provisions of sections 33-905, 33-1018 and 33-1018C, Idaho Code, and any other moneys made available through legislative transfers or appropriations. Moneys in the fund are hereby continuously appropriated for the purposes stated in sections 33-1018 and 33-1018B, Idaho Code, and shall only be expended for the purposes stated in sections 33-1018, 33- 1018A and 33-1018B, Idaho Code. Any accumulated balances in the fund that are in excess of eight and one third percent (8.334%) of the current fiscal year's total appropriation of state funds for public school support shall be transferred to the bond levy equalization fund. Interest earned from the investment of moneys in the fund shall be retained in the fund

(2) For the period of July 1, 2021, through June 30, 2023, no moneys from the public education stabilization fund shall be withdrawn for any purpose, including those in sections 33-1018, 33-1018A, and 33-1018B, Idaho Code, and any other law or rule to the contrary, for encumbered obligations and unencumbered expenditures associated with state funds appropriated for fiscal year 2022. The state department of education shall prorate any negative variance pursuant to section 33-1018, Idaho Code, by a formula prescribed by the state department of education.

AGENCY

ARPA – Individuals with Disabilities Education Act (IDEA) Grants to States.

PRESENTATION: Jared Tatro, Principal Analyst.

The Individuals with Disabilities Act (IDEA) Part B funds must be used only to pay the excess costs of providing free appropriate public education (FAPE) to children with disabilities, such as costs for special education teachers and administrators; related services providers (speech therapists, psychologists, etc.); materials and supplies for use with children with disabilities; professional development for special education personnel; professional development for regular education teachers who teach children with disabilities; and specialized equipment or devices to assist children with disabilities. For FY 2021, the preliminary amount for IDEA Part B funds in the Idaho Department of Education is \$55.6 million. These funds would be expended in the same fashion as the normal Part B funds.

Available to Idaho: \$13,233,700

Availability: Subject to Appropriation (ARPA did not provide a specific eligibility time frame, but IDEA funds are typically awarded and eligible for expenditures for about 27 months, or from July 1 through September 30 (2 years later); these funds should not impact the IDEA Maintenance of Effort because there is no change to the amount of state funds provided for this purpose.

MOTION: Original Motion: Requested by **Rep. Woodward**, seconded by **Rep. Bundy** for the Public-School Support Program in the Children's Programs Division, for FY 2022, an additional \$13,233,700, one-time from the American Rescue Plan Fund.

CARRIED: **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Morales, Nash.

NAYS: 1.

ABSENT/EXCUSED: 1. Giddings.

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

AGENCY PRESENTATION: **ARPA – Individual with Disabilities Education Act (IDEA) Special Education**
Preschool. Jared Tatro, Principal Analyst.

These funds are to be distributed through grants as part of Section 619 of the Individuals with Disabilities Education Act (IDEA). These moneys may only be used to provide special education and related services to children ages 3-5. For FY 2021, the preliminary amount for IDEA Preschool funds in the Idaho Department of Education is \$2.3 million. These funds would be expended in the same fashion as the normal special education pre-K funds. Available to Idaho: \$1,156,200 Availability: Subject to Appropriation (ARPA did not provide a specific eligibility time frame, but IDEA funds are typically awarded and eligible for expenditures for about 27 months, or from July 1 through September 30 (2 years later). These funds should be available for expenditure on July 1, 2022; these funds should not impact the IDEA Maintenance of Effort because there is no change to the amount of state funds provided for this purpose.

MOTION: Original Motion: Requested by **Rep. Amador**, seconded by Sen. Lent, for the Public-School Support Program in the children's Program Division, for FY 2022, an additional \$1,156,200, one-time from America Rescue Plan Fund.

CARRIED: **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Morales, Nash.
NAYS: 1.
ABSENT/EXCUSED: 1. Giddings.
The majority, having voted in the affirmative, the motion to reconsider has passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Amador** granted by unanimous consent the following language was included as shown on the screen: All moneys appropriated in section(s)____ of this act are for the onetime purpose of enhancements of existing programs or onetime federal relief due to the COVID-19 pandemic. Appropriating these funds does not obligate the state for future state funded support for these purposes, and each local education agency that receives these funds shall acknowledge the onetime nature of this funding and expend these funds accordingly

AGENCY PRESENTATION: **OPERATIONS DIVISION – Language Regarding Technology Funding. (Trailer H355). Jared Tatro, Principal Analyst.**
When the Public-School Support Budget was approved by JFAC, the committee unanimously approved updated language for Classroom Technology. This updated language was accidentally not included in the appropriation bill, and H355 included the language in the last session. This motion supports the originally approved language and if approved will be included in a separate piece of legislation to supersede the language in H355.

UNANIMOUS CONSENT: Requested by **Sen. Lent**, granted by unanimous consent, the following language was included as shown on the screen:
CLASSROOM TECHNOLOGY. Notwithstanding the provisions of Section 7 of House Bill 355, as enacted by the First Regular Session of the Sixty-sixth Idaho Legislature, and any other provision of law to the contrary, of the moneys appropriated in Section 3 of said bill, \$26,500,000 from the Public School Income Fund shall be distributed for classroom technology, classroom technology infrastructure, wireless technology infrastructure, and learning management systems that assist teachers and students in effective and efficient instruction or learning. Funding shall be distributed based on a formula prescribed by the Department of Education. Moneys so distributed shall be used to implement and operate a learning management system of each school district's or public charter school's choice. A learning management system shall include integration with a school district's or public charter school's Student Information System (SIS), and shall administer, monitor, and document student and classroom levels of learning. The Department of Education shall verify that school districts and public charter schools are using funds to purchase a learning management system that is compliant with these standards. If approved, this language will run as a trailer to H355 and be placed in its own bill for legislative consideration.

AGENCY DEPARTMENT OF EDUCATION. Trailer appropriation to S1045 Private
PRESENTATION: Schools Advanced Opportunities Program for Non-public Schools. Jared Tatro, Principal Analyst.

The Idaho State Department of Education website states that "Advanced Opportunity allows for students to individualize their high school learning plan to get a jump start in their future". This bill creates a separate version of the Advanced Opportunity program so that Idaho students who attend private schools have the same chance to "jump-start" their future. However, the program created by this bill is narrower than the existing Advanced Opportunity program. The amount per student is limited to \$750 for their four years of high school. The fund could be spent on dual-credit courses, AP and IB exams, CLEP tests, and fees for industry certifications. And, the overall cost would be subject to appropriation by the legislature. When the money runs out, no more funds would be available that year.

MOTION: Original Motion: Moved by **Rep. Horman**, seconded by **Sen. Cook**, for the Department of Education for the Student Services Program, an additional \$750,000 from the General Fund.

CARRIED: **AYES: 19.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Nate, Bundy, Morales, Nash.

NAYS: 0.

ABSENT/EXCUSED: 1. Giddings.

The majority, having voted in the affirmative, the motion to reconsider has 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 language was included: Section 2. Of the monies appropriated in section 1 of this act, \$750,000 from the General Fund is appropriated for advanced opportunities programs for non-public school students. These monies cannot be used for any other purpose except those outlined in section 33-4603, Idaho Code, as established in Senate Bill 1045, as enacted by the First Regular Session of the Sixty-sixth Idaho Legislature. Further, this program is not eligible for funding from the Public Education Stabilization Fund as set forth in Section 33-907, Idaho Code.

AGENCY STATE BOARD OF EDUCATION - College and Universities —
PRESENTATION: Supplemental Appropriation —. Janet Jessup, Senior Analyst.

The Governor **Brad Little**, in his revised recommendation, included \$49,402,500 in onetime federal COVID relief funding related to the 2021 Consolidated Appropriations Act signed in December 2020. The amount for this distribution for each institution is determined by the U.S. Department of Education and includes \$20,644,600 for Boise State University, \$13,094,500 for Idaho State University, \$3,877,100 for Lewis-Clark State College, and \$11,786,300 for the University of Idaho.

- UNANIMOUS CONSENT:** Requested by **Rep. Amador**, granted by unanimous consent the FY 2021 Budget for College and Universities was reopened.
- MOTION:** Original motion: Moved by **Rep. Amador**, seconded by **Sen. Crabtree**, for the fiscal year 2021 budget for College and Universities an additional \$49,402,500 onetime from the Federal COVID-19 Relief Fund to provide for post-secondary education needs related to COVID relief.
- DISCUSSION:** **Rep. Morales** declares House Rule 80. **Rep. Amador** declared House Rule 80 as well.
- CARRIED:** **AYES: 18.** Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Morales, Nash.
NAYS: 1.
ABSENT/EXCUSED: 1. Giddings.
The majority, having voted in the affirmative, the motion to reconsider has passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.
- AGENCY PRESENTATION:** **Ms. Jessup** introduced the Governor's recommendation and the JFAC adjusted budget for the college and universities under the State Board of Education. Included in the budget are the supplemental just approved for \$49.4 million. Those moneys are one-time, so they are coming out of the base.
- MOTION:** Original Motion: Moved by **Sen. Ward-Engelking**, seconded by **Sen. Nye**, for the Division of College and Universities beginning with the FY 2022 Base an increase of \$1,787,300 for benefit costs, an increase of \$993,400 for statewide cost allocation, an increase of \$7,974,800 for change and employ compensation, an increase of \$2,112,700 for nondiscretionary adjustments, and an increase of \$783,900 for endowment adjustments. Also included are the following line items: Line item one, which provides \$32,790,000 for COVID relief spending to be spent after July 1st of 2021; and line item 2, which provides \$00,000 to Lewis Clark State College for the nursing program. The total for this motion for the Fiscal Year 2022 are \$4,751.82 FTP, 315,209,200 from General Fund, 283,954,700 from dedicated funds, and 32,790,000 from federal funds for a grand total of \$631,953,900 and provides for carryover authority for previously appropriated, non-General Fund moneys. Exceptions to budget law allowing transfer of funds among object class codes and programs. There is no FTP cap.
- DISCUSSION:** **Rep. Nate** reminded some complaints and some of the highlights of what he saw was going in campus related to critical race theory, and other events going on at BSU with public funds. **Rep. Nash** objected. **Chairman Youngblood** recalled the audience to attain to the budget.

**SUBSTITUTE
MOTION:**

Substitute Motion: Moved by **Rep. Nate** for the State Board of Education, colleges, and universities, beginning with the Fiscal Year 2021 estimated expenditures a decrease of \$12,414,600 for base adjustments, \$238,125,400 for removal of one-time expenditures, and an increase of \$15,353,200 to restore rescissions. Then provide \$1,670,000 for benefit costs, \$993,400 for statewide cost allocations, \$7,731,100 for a change in employee compensation, \$2,112,700 for nondiscretionary adjustment, and \$783,000 for endowment adjustments. Also included are the following line items: line item one, which provides \$32,790,000 for COVID-19 relief funding; and line item two, which provides \$400,000 for nursing program support to Lewis-Clark State College. The totals for this motion for the FY 2022 are \$4,751.82 FTP, \$294,660,400 from the General Fund, \$283,954,700 from dedicated funds, and \$32,790,000 from federal funds for a grand total of \$611,405,100 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. **The motion died for a lack of a second.**

**SUBSTITUTE
MOTION:**

Substitute Motion: Moved by **Rep. Amador**, seconded by **Sen. Crabtree**, beginning with the Fiscal Year 2022 Base an increase of \$1,787,300 for benefit costs, an increase of \$993,400 for statewide cost allocation, an increase of \$7,974,800 for change in employee compensation, an increase of \$2,112,700 for non-discretionary adjustments, and an increase of \$783,900 for endowment adjustments. Also included are the following line items: Line item one, which provides \$32,790,000 for COVID relief funding to be spent after July 1st of 2021; line item two, which provides \$400,000 to Lewis Clark State College for the nursing program, line item three, which reduces \$2,500,000 onetime to remove state support for social justice programming, and line item four, which provides \$400,000 to Lewis Clark State College for a tuition offset. The totals for this motion for Fiscal Year 2022 are \$4,751.82 FTP, \$313,109,200 from the General Fund, \$283,954,700 from dedicated funds, and \$32,790,000 from federal funds for a grand total of \$629,853,900. And provides 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. There is legislative language to accompany this motion.

**SUBSTITUTE
MOTION
CARRIED:**

AYES: 14. Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Youngblood, Troy, Horman, Amador, Syme, Bundy.

Nays: 5. Nate, Ward-Engelking, Nye, Morales, Nash.

ABSENT/EXCUSED: 1. Giddings.

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**.

DISCUSSION: **Ms. Jessup** pointed out two sets of language for the Committee's consideration. The first set includes standard language that has been previously included in appropriations for colleges and universities. The first of which provides for the transfer of a set amount of money from the system-wide budget to the institutions themselves to fulfill the missions of the higher education research council. The second piece of language directs the Division of Financial Management to use the process to recognize student tuition in fee dollars. This is because tuition in fee dollars come in on kinds of a unique schedule, but they cannot be non-cogged pursuant to current state law because non-cognizable process is reserved for non-state funds. This allows them to use that same process to recognize tuition and fees but recognizing that those moneys are state moneys. The unanimous consent Requested by **Rep. Amador**

UNANIMOUS CONSENT: Requested by **Rep. Amador**, granted by unanimous consent, the first piece of the following language was included as shown on the screen

DISCUSSION: **Ms. Jessup** presented the second set of language. This is the language that is new this year that was discussed by motion makers and that they would like to include. **Ms. Jessup** presented the second set of language. This is the language that is new this year that was discussed by motion makers and that they would like to include. The first requires that the State Board of Education verify that no public funds are being used to support social justice ideology and student activities on campus, and the second requires a student fee report from the State Board of Education. Both of these require reports to be made to JFAC no later than December 17th, which is a little bit earlier than we typically see in these requests, but the motion makers desired they have an extended opportunity to review the findings for the 2022 session. **Sen. Bair** showed some concerns related to the first section listed on the screen. **Sen. Bair** stated that it was clearly put that language almost word for word or very similar language in House Bill 377. **Sen. Bair** does not see any need to actually have this language associated with a budget. **Rep. Syme**, asked if someone could explain what social justice ideology means, Chairman Youngblood answered this is a budget Committee.

SUBSTITUTE MOTION FOR THE 2ND PART OF THE LANGUAGE Substitute Motion: Moved by **Sen. Bair**, seconded by **Sen. Ward Engelking**, only for the second part of the language as shown on the screen:

SECTION __. STUDENT FEE REPORT. As soon as practicable, the State Board of Education shall: (a) make easily accessible a break-out of student activity fees on the institutions' websites: (b) develop a common naming convention for similar activity fees across the institutions. and (c) evaluate the current lists of activity fees assessed to students and determine how and which fees supporting student activities, clubs and organizations focused on individual beliefs and values can be structured to address the need for access, affordability, and choice. The State Board of Education shall report results of this work to the Joint Finance-Appropriations Committee and the House and Senate Education Committees no later than December 17, 2021.

**SUBSTITUTE
MOTION FOR
THE 2ND
PART OF THE
LANGUAGE
CARRIED:**

AYES: 14. Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Youngblood, Syme, Bundy, Ward-Engelking, Nye, Morales, Nash.

Nays: 5. Horman, Amador, Troy, Crabtree, Nate,

ABSENT/EXCUSED: 1. Giddings.

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**.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 9:08 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
8:00 A.M.
Room C310
Tuesday, May 04, 2021

BUDGET SETTING

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
LBB, pages 6 & 7	FY 2021 and FY 2022 Cash Transfers	Paul Headlee, Manager, LSO
	Trailer Appropriation to Interim Committees, HCRs 18, 19, and 20 - CARES Act Funding, Legislative Branch	
	Trailer Appropriation to H362 (TECM) - Idaho Transportation Department	Christine Otto, Senior Analyst
	Lava Hot Springs - JFAC Rule 16	Rob Sepich, Senior Analyst
	Department of Water Resources - Replace Language in Section 5 of Chapter 230, Laws of 2021 (Initially Approved in S1190)	
#5d LSO Spreadsheet	Public School Support, ARPA - ESSER III Homeless Children and Youth	Jared Tatro, Principal Analyst
	Public Health Districts FY 2022 Original Appropriation	
	Department of Administration, Permanent Building Fund, Statehouse Remodel, First Floor, East Wing	Jill Randolph, Senior Analyst
#12 LSO Spreadsheet	Department of Health and Welfare, ARPA - Child Care Development Block Grant	
#13 LSO Spreadsheet	Department of Health and Welfare, ARPA - Child Care Stabilization Grants	
#20 LSO Spreadsheet	Idaho Commission on Aging, ARPA - Congregate and Home Delivered Meals	

Office of Drug Policy, Federal COVID-19 Relief
Funds

Janet Jessup, Senior
Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, May 04, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

ABSENT/EXCUSED: None

CONVENED: **Chairman Bair** called the meeting of the Joint Finance-Appropriations Committee (Committee) (JFAC) to order at 8:02 a.m.

PAGES RECOGNITION: **Co-Chairs Bair** and **Youngblood** commended the House and Senate pages — Taylor Jepson of Nampa; and Grace Kuhn of Boise for their exemplary work as pages of the Committee and the Legislature.

LSO STAFF PRESENTATION: **Fiscal Year (FY) 2021 and FY 2011 Cash Transfers**
Paul Headlee, Legislative Services Office — Budget & Policy Analysis Division (LSO-BPA), Manager

There are nine proposed cash transfers for consideration for FY 2021 and FY 2022. **Mr. Headlee** defined cash transfers as movement of money from one fund to another to be used for a more broad or narrow purposes. He pointed out that cash transfers are not appropriations, expenditures, nor spending authority. He discussed in details the three FY 2021 cash transfer requests.

Mr. Headlee cited the request would result in a net transfer of \$244,292,500 from the General Fund, and an increase in the same amount for dedicated funds in FY 2021. The cash transfer to the Public Education Stabilization Fund would increase its balance to \$95.6 million. Additionally, the cash transfer to the Budget Stabilization Fund, which is the primary rainy day fund, would increase its balance to \$637.4 million. Hence, the balance in the Budget Stabilization Fund would be 15 percent of the current year revenue forecast. These actions would include an emergency clause that would take effect upon passage and approval.

MOTION: Moved by **Co-Chair Youngblood** for the three FY 2021 Cash transfers and language as shown on the screen, seconded by **Vice Chair Agenbroad**.

The three languages shown on the screen are as follows:

1. FY 2021 CASH TRANSFER. Notwithstanding the provisions of Section 48-606, Idaho Code, there is hereby appropriated and the State Controller shall transfer \$4,000,000 from the Consumer Protection Fund to the General Fund as soon as practicable for the period July 1, 2020, through June 30, 2021.
2. FY 2021 CASH TRANSFER. There is hereby appropriated and the State Controller shall transfer \$34,292,500 from the General Fund to the Public Education Stabilization Fund as soon as practicable for the period July 1, 2020, through June 30, 2021.

3. FY 2021 CASH TRANSFER. Notwithstanding the provisions of Section 57-814(2)(a)-(c), Idaho Code, which requires a transfer from the General Fund, limits the allowable balance in the Budget Stabilization Fund to ten percent (10 percent) of total General Fund receipts for the fiscal year just ending, and requires the State Controller to transfer excess moneys in the Budget Stabilization Fund back to the General Fund, and any other provision of law to the contrary, it is hereby appropriated and the State Controller shall transfer \$214,000,000 from the General Fund to the Budget Stabilization Fund established in Section 57-814, Idaho Code, as soon as practicable for the period July 1, 2020, through June 30, 2021.

DISCUSSION:

Co-Chair Youngblood commented that the Legislature should maximize the chance to transfer as much funds to the Budget Stabilization Fund.

CARRIED:

AYES: 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

DISCUSSION:

Mr. Headlee explained in details the FY 2022 one-time cash transfers that are not included in other legislations. The requests would result in a net transfer of \$54,664,700 from the General Fund, and an increase in the same amount for dedicated funds for FY 2022. The first three transfers would relocate funds into the General Fund to offset the operational cost of three Deputy Attorneys General. This was the second year of this transfer and going forward the cost will be part of the Statewide Cost Allocation Plan (SWCAP). The fourth transfer would be to the Twenty-seventh Payroll Fund, and is consistent with the Governor's recommended transfer to this fund that was created in **S 1004**, a legislation that creates a Twenty-seventh Payroll Fund for state employees.

The fifth transfer is a net zero dedicated fund transfer of \$39.3 million from the Disaster Emergency Account to the Tax Relief Fund. This is the amount that was transferred from the Tax Relief Fund to the Disaster Emergency Account toward the end of FY 2020 pursuant to Idaho Code § 46-1005A. Because Coronavirus Aid, Relief, and Economic Security (CARES) Act funding can be used to address the same emergency purposes, this action now transfers the \$39.3 million back to the Tax Relief Fund.

The sixth transfer moves \$40 million from the General Fund to the Tax Rebate Fund pursuant to **H 380**, a legislation that reduces all income tax brackets. Lastly, the aforementioned cash transfers would include an emergency clause that make the transfers effective on July 1, 2021.

MOTION:

Moved by **Co-Chair Youngblood** for the three FY 2022 Cash transfers and language as shown on the screen, seconded by **Vice Chair Agenbroad**.

The six languages shown on the screen are as follows:

1. FY 2022 CASH TRANSFER. Notwithstanding the provisions of Section 54-1720, Idaho Code, there is hereby appropriated and the State Controller shall transfer \$117,500 from the State Regulatory Fund to the General Fund on July 1, 2021, or as soon thereafter as practicable.
2. FY 2022 CASH TRANSFER. Notwithstanding the provisions of Section 40-705, Idaho Code, there is hereby appropriated and the State Controller shall transfer \$108,900 from the State Highway Fund to the General Fund on July 1, 2021, or as soon thereafter as practicable.
3. FY 2022 CASH TRANSFER. Notwithstanding the provisions of Section 72-1348, Idaho Code, there is hereby appropriated and the State Controller shall transfer \$108,900 from the Unemployment Penalty and Interest Fund to the General Fund on July 1, 2021, or as soon thereafter as practicable.
4. FY 2022 CASH TRANSFER. There is hereby appropriated and the State Controller shall transfer \$15,000,000 from the General Fund to the Twenty-Seventh Payroll Fund on July 1, 2021, or as soon thereafter as practicable.
5. FY 2022 CASH TRANSFER. There is hereby appropriated and the State Controller shall transfer \$39,300,000 from the Disaster Emergency Account to the Tax Relief Fund on July 1, 2021, or as soon thereafter as practicable.
6. FY 2022 CASH TRANSFER. There is hereby appropriated and the State Controller shall transfer \$40,000,000 from the General Fund to the Tax Rebate Fund on July 1, 2021, or as soon thereafter as practicable.

DISCUSSION:

Co-Chair Youngblood agreed that all the cash transfer requests were appropriate and necessary.

CARRIED:

AYES: 20

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 0

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballot](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

**Trailer Appropriation to Interim Committees, HCRs 18,19, and 20,
Legislative Branch**
Paul Headlee, LSO-BPA, Manager

The requested appropriations would provide funds to three proposed legislations, which would authorize House and Senate committees to review the American Rescue Plan Act (ARPA) of 2021, report findings and recommendations, and propose possible legislations to the Second Regular Session of the Sixth-sixth Idaho Legislature. These bills are as follows:

1. **HCR 18** — authorizes House Resources and Conservation Committee and Senate Resources and Environment Committee to review the use of ARPA funds for allowable water infrastructure projects;
2. **HCR 19** — forms interim Committee to review the use of ARPA funds for federal programs; and
3. **HCR 20** — authorizes House Environment, Energy & Technology Committee and Senate Local Government and Taxation Committee to review the use of ARPA funds for allowable broadband and sewer infrastructure projects.

The trailer appropriation would provide funding for the operation of the study committees which includes travel, per diem, and lodging for up to 56 members on the three committees. Funding would be from the remaining funds available from the CARES Act Fund and would need to be expended by December 31, 2021.

MOTION:

Moved by **Co-Chair Youngblood** for the Legislative Branch, Legislative Division, a FY 2022 one-time appropriation of \$100,000 from the federal COVID-19 Relief Fund to study, review, and make recommendations regarding ARPA of 2021, seconded by **Vice Chair Troy**.

DISCUSSION:

Representative Nate spoke in opposition of the motion. He indicated that forming interim committees would eventually lead to having a full-time legislature in the future, which he does not agree. Furthermore, he said in the past years, interim committees were not productive, and cited examples.

FAILED:

AYES: 6

Representatives Youngblood, Troy, Horman, Amador, Syme, and Bundy

NAYS: 14

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Nate, Giddings, Green, and Nash

ABSENT/EXCUSED: 0

Less than majority having voted in the affirmative, the motion has failed.

Links to [Audio](#), [Ballot](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Trailer Appropriation to H 362 (TECM) — Idaho Transportation Department (ITD)

Christine Otto, LSO-BPA, Senior Analyst

Ms. Otto presented the proposed trailer appropriation for **H 362**, a bill that increases the sales tax distribution to transportation from 1 percent to 4.5 percent. The bill would provide \$80 million to ITD for Transportation Expansion and Congestion Mitigation (TECM) fund and any remaining funds would be awarded to the local units of government as outlined in Idaho Code §40-709.

The fiscal note in **H 362** indicated that it would allocate an estimated \$84,000,000 for transportation. ITD would receive \$80 million and the additional \$4 million would be distributed to the local units which would continuously be appropriated. The current appropriation for the sales tax portion from TECM for FY 2022 is about \$20 million. ITD estimated that it would spend approximately \$20 million on bonding, which is continuously appropriated. As a result, a trailer appropriation of \$40 million would give ITD the ability to spend the entire \$80 million that they would receive from sales tax in FY 2022.

MOTION:

Moved by **Senator Woodward** for FY 2022, for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Program, \$40,000,000 one-time from the Transportation Expansion and Congestion Mitigation Fund, seconded by **Representative Green**.

Co-Chair Youngblood and **Representative Green** declared Rule 80.

CARRIED:

AYES: 14

Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Syme, Bundy, Green, and Nash

NAYS: 5

Senators Bair and Cook
Representatives Amador, Nate, and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Lava Hot Springs — JFAC Rule 16

Rob Sepich, LSO-BPA, Senior Analyst

Mr. Sepich stated pursuant to JFAC Rule 16, it is not required to provide annual appropriation through JFAC to **S 1123** — a legislation that converts Lava Hot Springs Foundation to a continuously appropriated account.

**UNANIMOUS
CONSENT:**

Requested by **Representative Bundy**, granted by unanimous consent that the minutes reflect that the Committee has considered the budget for the Lava Hot Springs Foundation, and pursuant to **S 1123** the ongoing budget is continuously appropriated and will not require further action for FY 2022.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Idaho Department of Water Resources — Replace Language in Section 5 of Chapter 230, Laws of 2021 (Initially Approved in S1190)

Rob Sepich, LSO-BPA, Senior Analyst

When Idaho Department of Water Resources (IDWR) Budget was approved by the Committee, it also approved language for the Flood Management Program. However, the language used did not accurately specify the transfer was to come from funding included in the appropriation, rather than in addition to it.

Mr. Sepich pointed out that this recommendation replaces that language, and if approved, would be included in a separate legislation to supersede the language in Chapter 230, Laws of 2021. As a result, there would be savings of \$1,000,000 to the General Fund.

**UNANIMOUS
CONSENT:**

Requested by **Senator Crabtree**, granted by unanimous consent to reopen the FY 2022 budget for the Department of Water Resources.

MOTION:

Moved by **Senator Crabtree** to accept the language as shown on the screen, which will replace Section 5 of Chapter 230, Laws of 2021, seconded by **Representative Bundy**.

**INTENT
LANGUAGE:**

SECTION 1. That Section 5, Chapter 230, Laws of 2021, be, and the same is hereby amended to read as follows: SECTION 5. CASH TRANSFER FOR THE FLOOD MANAGEMENT PROGRAM. Of the moneys appropriated in Section 1 of this Act for the Planning and Technical Services Program, There is hereby appropriated and the Office of the State Controller shall transfer \$1,000,000 from the General Fund to the Water Management Account created pursuant to Section 42-1760, Idaho Code, on July 1, 2021, or as soon thereafter as practicable for the period July 1, 2021, through June 30, 2022, for water quality data collection, monitoring, modeling, flood-damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention projects. Of these moneys, up to \$800,000 shall be administered by the Idaho Water Resource Board through a competitive, matching grant process for flood control projects. The Department of Water Resources shall support this competitive grant process using existing personnel and resources.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2021.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Public School Support, ARPA-ESSER III Homeless Children and Youth
Jared Tatro, LSO-BPA, Principal Analyst

The ARPA of 2021 provides funding as part of ESSER program specific for homeless children and youth. These one-time funds would be used to address specific needs of homeless children and youth, in recognition of the pandemic and its impact on homeless students and their families. Currently, only 29 LEAs receive federal funds today and these funds are distributed on a competitive process. For all other LEAs, serving and supporting students identified as homeless is done with other fund sources.

The purpose of the ARPA's Homeless Children and Youth program is to address the immediate needs of children and youth identified as homeless, including academic, social, emotional, and mental health needs during the pandemic.

Mr. Tatro emphasized that proposed funds may be used to pay for short-term temporary housing; purchasing need supplies such as Personal Protective Equipment (PPE), eyeglasses, personal care items, and school supplies; wraparound services including after-school programs and tutoring; technology and wi-fi ; and other allowable uses.

**UNANIMOUS
CONSENT:**

Requested by **Senator Lent**, granted by unanimous request to reopen FY 2022 budget for the Public School Support Program.

MOTION:

Moved by **Senator Lent** for the Public School Support Program in the Children's Program Division, for FY 2022, an additional \$2,881,900, one-time from the ARPA Fund, seconded **Representative Bundy**.

DISCUSSION:

Representative Nate noted that there were several budgets allocated to children's program due to impact of COVID-19 pandemic, and indicated those funds are sufficient resources for the aforementioned program. He commended the positive intention of the program but mentioned that proposed funds and expenditures would put the Nation to further debt.

Co-chair Youngblood explained ARPA of 2021 has been approved by the US Congress and Idaho was given its share of the funds. He further said that in his conversation with Senator Jim Risch, U.S. Senate, any ARPA funds rejected by any state would not go back to US Treasury but instead would be awarded to other states. He cited it would be practical to accept and use the awarded funds wisely and for benefits of all Idahoans.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Public Health Districts FY 2022 Original Appropriation

Jared Tatro, LSO-BPA, Principal Analyst

The proposed appropriation is the result of the passage of **H 316aaS**, a legislation on health districts which takes effect on March 1, 2022. This would mean the Idaho public health districts would need eight months of state supported funding until the statutory changes are in effect. The line item reduction accounts for the timing of pay periods and state funded accrued liabilities. The funding from the Millennium Income Fund would need to be revisited next legislative session to determine the appropriate location in the budget for these funds to be allocated, should the Legislature decide to continue providing these funds for tobacco cessation programs.

**UNANIMOUS
CONSENT:**

Requested by **Representative Nash**, granted by unanimous consent to reconsider the FY 2022 appropriation for the Public Health Districts.

MOTION:

Moved by **Representative Nash** for the seven Public Health Districts, beginning with the FY 2022 Base, an increase of \$29,100 for benefit costs, a decrease of \$3,800 for statewide cost allocation, and an increase of \$146,400 for the change in employee compensation. Then add a line item that reduces \$3,034,800 from the General Fund and shifts the remaining General Fund amounts from ongoing to one-time status as a result of passage of **H 316**, seconded by **Senator Riggs**.

The totals for this motion for FY 2022 are \$6,846,800 from the General Fund, and \$779,100 from the dedicated funds, for a grand total of \$7,625,900.

CARRIED:

AYES: 19

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Giddings, Nate, Green, and Nash

NAYS: 0

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**UNANIMOUS
CONSENT:**

Requested by **Representative Nash**, granted by unanimous consent to accept the language as shown on the screen.

**INTENT
LANGUAGE:**

MILLENNIUM INCOME FUND FUNDING. There is hereby appropriated to the Public Health Districts \$779,100 from the Idaho Millennium Income Fund for the period July 1, 2021, through June 30, 2022, for the purpose of no-cost cessation services to Idahoans who want to quit tobacco use, with a primary emphasis on youth and pregnant women. These moneys shall not be considered general state aid for the purpose of Section 39-425, Idaho Code.

CITIZEN REVIEW PANELS. Of the amount appropriated in Section 1 of this act, \$136,500 shall be distributed to each public health district at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Senate Bill No. 1341, as enacted by the Second Regular Session of the Sixty-fourth Idaho Legislature. These moneys received by the public health districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code.

**LSO STAFF
PRESENTATION:**

Department of Administration, Permanent Building Fund, Statehouse Remodel, First Floor, East Wing
Jill Randolph, LSO-BPA, Senior Analyst

Ms. Randolph indicated the proposed appropriations would be used for the renovation on the first floor of the East Wing of the Idaho Capitol Building. On February 10, 2021 the Idaho State Treasurer was given notice to vacate office space on the first floor of the Statehouse, pursuant to Idaho Code § 67-1602(3) and the Idaho Supreme Court decision filed January 26, 2021 in the matter of *Bedke v. Ellsworth*, docket number 48268. The Treasurer has since vacated the indicated office space.

The House of Representatives requested a total of \$2,000,000 to renovate the office space on both the north and south side of the first floor, East Wing into 27 enclosed office spaces. The request of \$100,000 for FY 2021 would be used to complete the design phase of the renovation project. Moreover, the remaining amount requested for FY 2022 is to complete the construction phase and any remaining design phase.

The Division of Public Works, in consultation with the Permanent Building Advisory Council and the House of Representatives, would oversee the design and construction phases, per Idaho Code §67-5710. The below motion reflects a direct appropriation from, and then a transfer to, the Permanent Building Fund.

**UNANIMOUS
CONSENT:**

Requested by **Representative Syme**, granted by unanimous consent to reopen the fiscal year 2021 budget for the Department of Administration, Division of Public Works.

MOTION:

Moved by **Representative Syme** for the Department of Administration, Division of Public Works, a FY 2021 supplemental appropriation of \$100,000 from the Permanent Building Fund for the purpose of renovating the east wing of the first floor of the Capitol Building, seconded by **Senator Cook**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

MOTION:

Moved by **Representative Syme** for FY 2021, that there is hereby appropriated and the State Controller shall transfer, \$100,000 from the General Fund to the Permanent Building Fund, seconded by **Senator Cook**.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Syme**, granted by unanimous consent to reopen FY 2022 budget for the Department of Administration, Division of Public Works.

MOTION:

Moved by **Representative Syme** for FY 2022 for the Department of Administration, Division of Public Works, an additional \$1,900,000 from the Permanent Building Fund for the purpose of renovating the east wing of the first floor of the Capitol Building, seconded by **Senator Cook**.

DISCUSSION:

Representative Syme discussed in details some of the proposed designs and floor plans. He pointed out that the House of Representatives is working together with Idaho Department of Administration, The Capitol Commission, and other related officials to ensure the renovation is done appropriately.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

MOTION:

Moved by **Representative Syme** for FY 2022, that there is hereby appropriated and the State Controller shall transfer, \$1,900,000 from the General Fund to the Permanent Building Fund, seconded by **Senator Cook**.

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Representative Syme**, granted by unanimous request to accept the language as shown on the screen, and have it apply to funds appropriated for this purpose in FY 2021 and FY 2022.

**INTENT
LANGUAGE:**

SECTION __. COST RECOVERY. To the extent possible, and based on federal guidelines, recovery of state dollars should be sought with funding available from the American Rescue Plan Act of 2021, Public Law 117-2, to offset expenditure of General Fund moneys appropriated in this act. If cost offsets are allowable, the division of financial management shall request the state controller to transfer an amount not to exceed the allowable costs from the American rescue plan fund to the American rescue plan cost recovery fund.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Department of Health and Welfare, ARPA — Child Care Development Block Grant

Jill Randolph, LSO-BPA, Senior Analyst

This is an additional request by the Idaho State Department of Health and Welfare (IDHW) to spend funds allocated to the State for child care from the ARPA, which was signed in to law last March 11, 2021. In ARPA, there are three separate federal grants that IDHW uses to pay for different child care programs; one of those grants is the Child Care Development Block Grant. The enhancement to the Child Care Development Block Grant is a total of \$86,856,000 that must be spent by September 30, 2024.

This requested fund can be used in the following ways: support programs designed to support children 0-13 years old as long as the program meets one of the Child Care and Development Fund guidelines. It is not limited to Idaho Child Care Program certified or licensed child care providers and may include programs such as literacy programs, kindergarten readiness, after-school programs etc. including programs such as the Boys and Girls Club.

**UNANIMOUS
CONSENT:**

Requested by **Vice Chair Troy**, granted by unanimous request to reopen the FY 2021 budget for the Department of Health and Welfare, Division of Welfare.

MOTION:

Moved by **Vice Chair Troy** for FY 2021, for the Department of Health and Welfare in the Division of Welfare, an additional \$36,000,000 in one-time funds from the Cooperative Welfare (Federal) Fund, seconded by **Vice Chair Agenbroad**.

DISCUSSION:

Vice Chair Troy commended the hard work of the people behind the proposed appropriations. She indicated that this appropriations would be beneficial to school-aged children, who were greatly impacted by the recent pandemic.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye

Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

**UNANIMOUS
CONSENT:**

Requested by **Vice Chair Troy**, granted by unanimous request to accept the language as shown on the screen.

**INTENT
LANGUAGE:**

SECTION __. Of the moneys appropriated in Section 1 of this act, \$36,000,000 shall be used for community provider grants to address COVID-19 pandemic impacts on school-aged children, including learning loss. Community provider grants shall be used only for in-person educational and enrichment activities that focus on student needs and for providing behavioral health supports to address student needs. Grants shall be used for serving school-aged participants ages 5-13, as allowable by federal guidance. The Department of Health and Welfare shall require grant applications from community providers that are in compliance with grant guidelines. Priority will be given to grant applications that include professional staff to provide services directly to participants. Grant amounts shall be: up to \$500,000 for community providers who have a statewide presence; up to \$250,000 for community providers who have a regional presence in one part of the state; and up to \$20,000 for community providers with a local presence. There shall be five grant periods. Grants shall be released not later than June 1, 2021, for summer 2021 grants; September 1, 2021, for fall 2021 grants; January 1, 2022, for spring 2022 grants; and May 1, 2022, for summer 2022 grants. All spending for this purpose shall conclude by June 30, 2022.

SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Health and Welfare for the Division of Welfare any unexpended and unencumbered balances appropriated to the Department of Health and Welfare for the Division of Welfare from the Cooperative Welfare (Federal) Fund for child care community partner grants for fiscal year 2021, in an amount not to exceed \$30,000,000 from the Cooperative Welfare (Federal) Fund, to be used for nonrecurring expenditures related to child care community partner grants 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.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Department of Health and Welfare, ARPA — Child Care Stabilization Grants

Jill Randolph, LSO-BPA, Senior Analyst

This is an additional request by IDHW to spend funds allocated to the State for child care from ARPA, which was signed in to law on March 11, 2021. In ARPA there are three separate federal grants that IDHW uses to pay for different child care programs; one of those grants is the Child Care Stabilization Grant. The Child Care Stabilization Grant is a new federal grant program, for which Idaho was allocated a total of \$138,917,000 to be spent by September 30, 2023.

The agency requested an additional appropriation of \$70,000,000 for FY 2022. These funds will be spent in the following ways:

Provider: Grants: \$27,672,000

Provider: Other Grants (provider reimbursement for waived/reduced tuition or fees): \$28,436,300

Program: Administrative and Indirect costs: \$13,891,700

**UNANIMOUS
CONSENT:**

Requested by **Vice Chair Troy**, granted by unanimous request to reopen the FY 2022 budget for the Department of Health and Welfare, Division of Welfare.

MOTION:

Moved by **Vice Chair Troy** for FY 2022, for the Department of Health and Welfare in the Division of Welfare, an additional \$70,000,000 in one-time funds from the Cooperative Welfare (Federal) Fund, seconded by **Vice Chair Agenbroad**.

DISCUSSION:

Senator Grow asked Dave Jeppesen, Director, IDHW on the how the funds would be allocated to the child care facilities. **Director Jeppesen** mentioned that there are several ways to allocate the money to child care providers. One of which is through direct grant program. He noted that the grants would be based on the size of the child care provider. Furthermore, IDHW also subsidizes low-income families for their child care. However, the families would have to pay for a portion of the child care fees. He emphasized that payments or grants would go directly to the child care providers.

CARRIED:

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye

Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Idaho Commission on Aging, ARPA — Congregate and Home Delivered Meals

Jill Randolph, LSO-BPA, Senior Analyst

The Idaho Commission on Aging requested an additional \$2,886,200 in one-time federal funds to account for the State's allocation for these services under ARPA. The request represents 41 percent of the total amount available to the Commission on Aging through ARPA.

These funds will be passed through to the six Area Agencies on Aging (AAAs) using a standard distribution formula, which uses US Census data to take into account the geographic distribution of older individuals within the State.

These funds will be used by the AAAs for home delivered and congregate meals, including increased PPE; supportive services such as homemaker services, transportation services, information and assistance, and respite care; disease prevention activities, including healthy living promotion; and caregiver supports.

**UNANIMOUS
CONSENT:**

Requested by **Senator Ward-Engelking** to reopen the FY 2022 budget for the Commission on Aging.

MOTION:

Moved by **Senator Ward-Engelking** for FY 2022, for the Commission on Aging, an additional \$2,886,200 in one-time funds from the American Rescue Plan Fund, seconded by **Representative Green**.

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

**LSO STAFF
PRESENTATION:**

Office of Drug Policy, Federal COVID-19 Relief Funds

Janet Jessup, LSO-BPA, Senior Analyst

This is FY 2022 appropriation bill for the Office of Drug Policy and would include \$1,600,000 one-time from the Federal COVID-19 Relief Fund. It includes federal funds made available through the Coronavirus Response and Relief Supplement Appropriations Act. This bill provides funding for primary prevention services as part of the Substance Abuse Prevention and Treatment Block Grant awarded to IDHW. The additional funding to the block grant requires 20 percent be set aside for prevention services, which will be performed by the Office of Drug Policy.

Funding will be used by the Office of Drug Policy for technical assistance to support the development of a Statewide Strategic Plan for Primary Prevention of Substance Misuse (including alcohol, tobacco, illicit drugs, and prescription drugs); evidence based prevention programs to reduce youth substance misuse; targeted misuse prevention to at-risk populations including youth and young adults related to mental health challenges; and technical assistance through a prevention fellowship program to grow capacity in underserved communities.

The request would include the total available funds for this grant. If any funds remain unspent at the end of FY 2022, the appropriation would revert and an additional request would be included in the FY 2023 agency request. These funds must be spent by March of 2023. **Ms. Jessup** emphasized that the funds are not ARPA funds.

**UNANIMOUS
CONSENT:**

Requested by **Representative Green** to reopen the FY 2022 budget for the Office of Drug Policy.

MOTION:

Moved by **Representative Green** for the Office of Drug Policy a FY 2022 one-time appropriation of \$1,600,000 from the Federal COVID-19 Relief Fund, seconded by **Senator Grow**.

AYES: 17

Senators Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye
Representatives Youngblood, Troy, Amador, Syme, Bundy, Green, and Nash

NAYS: 2

Representatives Nate and Giddings

ABSENT/EXCUSED: 1

Representative Horman

The majority having voted in the affirmative, the motion passed, and with no objection, will carry a **do pass** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**.

Links to [Audio](#), [Ballots](#), and [Motion](#).

ADJOURNED:

There being no further business at this time, **Chairman Bair** adjourned the meeting at 9:38 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary

AGENDA
JOINT FINANCE-APPROPRIATIONS COMMITTEE
1:00 P.M.
Room C310
Wednesday, May 12, 2021

Limited public seating will be available in the committee room. For members of the public to observe the meeting, please click on the following link:

<https://www.idahoptv.org/shows/idahoinsession/>

SUBJECT	DESCRIPTION	PRESENTER
BUDGET SETTING		
Office of the State Controller	ARPA - Local Fiscal Recovery Fund, Distribution to Non-Entitlement Cities	Max Flom, Analyst
Department of Administration Permanent Building Fund	Carnegie Library Purchase and Restoration	Jill Randolph, Senior Analyst

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, May 12, 2021

TIME: 1:00 P.M.

PLACE: Room C310

MEMBERS PRESENT: Senators 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: Senators Co-chairman Bair

CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 1:00 p.m.

AGENCY PRESENTATION: **BUDGET SETTING OFFICE OF THE STATE CONTROLLER - ARPA - Local Fiscal Recovery Fund, Distribution to Non-Entitlement Cities. Max Flom, Analyst.**

Ms. Flom introduced the budget for the Office of the State Controller for the ARPA fund.

Section 9901 of the American Rescue Plan Act of 2021 provides recovery funding to units of local government. One allocation is for distribution to non-entitlement units of local government (cities with a populations of less than 50,000) and Idaho's estimated amount was \$103,548,468.

Allowable uses include COVID- related costs, premium pay for certain employees, revenue replacement, and for sewer, water, and broadband infrastructure. Because the US Treasury will provide payment to the states in two tranches of 50% each, JFAC took action on 4-14-2021 by providing a FY 2021 supplemental appropriation to the State Controller based on one-half of the allocation, or \$51,774,300. That action was taken because distribution of the first payment to cities must occur no later than 30 days after receipt of funding, which is expected to be received during the first part of this month. JFAC's action became S1208, which was passed unanimously by both the Senate and House and signed into law on 5-3-2021. On 5-10-2021 the US Treasury issued final allocations to states for the Local Fiscal Recovery Fund and these allocations were different from those estimates that states had relied on from both the Federal Funding Information for the States (FFIS) and the Congressional Research Service (CRS). The final allocation to Idaho's Local Fiscal Recovery Fund is now \$107,940,808, or \$4,392,340 more than anticipated. Because the requirement to distribute the first 50% payment within 30 days has not changed, the State Controller will need an additional appropriation of \$2,196,200 for FY 2021. According to ARPA (P.L. 117-2, p.227) if these funds are not distributed to the cities within this time-frame the state would incur a financial penalty for noncompliance and the same amount would be reduced from the State's portion of the State Fiscal Recovery Fund.

Chairman Youngblood announced a request to reset the committee at 3:30pm for the motions on the agenda, but the Chairman decided to proceed with the

current agenda.

**UNANIMOUS
CONSENT:**

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

DISCUSSION:

Rep. Horman asked if there is a penalty if no action is taken on the distribution of the funds. **Mr. Adams** confirmed the current understanding is that there is a penalty of \$2.1 million if the state is not in compliance with ARPA directions. **Rep. Nate** noted the committee is controlled by the federal government, **Mr. Adams** explained the current amount is in line with the decision made by the committee during Senate Bill 1208.

MOTION:

Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Woodward**, for the Office of the State Controller, Administration Program, for the FY 2021 a one-time appropriation of \$2,196,200 from the American Rescue Plan Fund to be distributed to Idaho Non-entitlement Units of Local Government in accordance with Section 9901 of the American Rescue Plan Act of 2021.

CARRIED:

AYES: 17. Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.

NAYS: 2. Nate, Giddings.

ABSENT/EXCUSED: 1. Bair 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**.

**AGENCY
PRESENTATION:**

**DEPARTMENT OF ADMINISTRATION PERMANENT BUILDING
FUND. Carnegie Library Purchase and Restoration. Jill Randolph, Senior
Page 3 of 2 Analyst.**

Ms. Randolph introduced the budget for the Department of Administration Permanent Building Fund for the Carnegie Library purchase and restoration. The Carnegie Library, located at 815 W. Washington St., Boise, was built in 1904 and placed on the National Historic Register in 1974. The University of Idaho is currently in the process of accepting the building for the original purchase price by the private owner, as well as a donation of the costs of the renovations to date. The building will need to be further renovated to establish learning and event areas, such as large lecture or event halls on the first and second floor and smaller study spaces, as well as upgrades to technology systems. The Department of Administration, through Section 67-5709, Idaho Code, has exclusive control of the Capitol Mall properties. The current action is for \$7.0 million from the Permanent Building Fund.

DISCUSSION: **Sen. Agenbroad** asked what is the normal process for this request. **Ms. Randolph** explained the process that the permanent Building Fund Advisory Council receive a request for renovation in August, followed by a design for the rendering of the building, and then a construction phase. **Sen. Agenbroad** asked if the urgency of this action may be caused by an imminent sale of the building. **Ms. Randolph** explained the current owner has a desire to release the building in the upcoming months. **Mr. Adams** confirmed there is an interest of the State to acquire the building due to its historical significance. **Dir. Reynolds** provided details about the historical nature of the building and its potential use for the University of Idaho for events and learning space. **Sen. Agenbroad** asked about the effect if the committee approves the purchases of the building but not the renovation fund. **Dir. Reynolds** explained the amounts are based on estimations made by the University of Idaho and are in line with the expectations. Furthermore, the current owner has made some renovations to the building and these have been donated to the state. **Rep. Horman** requested details about who will be the final owner of the building. **Ms. Randolph** explained the ultimate owner of the building will be the State of Idaho. **Sen. Grow** asked if there is a rent the State of Idaho will charge the University of Idaho for the use of the building. **Dir. Reynolds** provided details about the rent that will be charged to the University of Idaho for a renting period of no less than 25 years.

UNANIMOUS CONSENT: Requested by **Rep. Amador** granted by unanimous consent, the FY 2022 budget for the Office of the Department of Administration, Division of Public Works.

MOTION: Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Grow**, for the Department of Administration, Division of Public Works, an FY 2021 supplemental appropriation of \$7,000,000 from the Permanent Building Fund for the purpose of purchase and renovations to the Carnegie Library.

SUBSTITUTE MOTION: Substitute Motion: Moved by **Sen. Agenbroad**, seconded by **Sen. Crabtree**, for the Department of Administration, Division of Public Works, an FY 2021 supplemental appropriation of \$2,300,000 from the Permanent Building Fund for the purpose of purchase and renovations to the Carnegie Library.

DISCUSSION: **Rep. Nate** expressed his opposition to both motions as the State has enough space for events. **Rep. Syme** expressed his support to the motion to purchase the building and asked details about how much is usable in the building for the University of Idaho if no renovation is made. **Dir. Reynolds** explained there is no space usable in the building in its current state.

CARRIED: **AYES: 17.** Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2. Nate, Giddings.
ABSENT/EXCUSED: 1. Bair 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**.

MOTION: Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Horman**, for FY 2021, that there is hereby appropriated and the State Controller shall transfer, \$2,300,000 from the General Fund to the Permanent Building Fund.

CARRIED: **AYES: 16.** Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Bundy, Green, Nash.
NAYS: 1. Giddings.
ABSENT/EXCUSED: 3. Bair, 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. Agenbroad**, granted by unanimous consent, the following language shows was included:
SECTION _ . ACQUISITION OF PROPERTY. Of the total amount appropriated in Section _ of this act, no more than \$2,100,000 shall be used for the acquisition of the Carnegie Library at 815 W. Washington St., Boise, ID. The Department of Administration shall initiate purchase negotiations as soon as practicable and shall complete such purchase on behalf of and in the name of the state of Idaho.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 1:51 p.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary