

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, January 11, 2022

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Agenbroad, Crabtree, VanOrden, 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 Agenbroad** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:01 a.m.

LSO STAFF PRESENTATION: **REVIEW OF JFAC BUDGET HEARING SCHEDULE AND PROCESSES; REVIEW OF FISCAL YEAR (FY) 2022 LEGISLATIVE BUDGET BOOK (LBB); REVIEW OF BUDGET LAWS, Keith Bybee, Division Manager, Legislative Services Office (LSO), Budget and Policy Analysis**

Mr. Bybee outlined the spreadsheet chart for budget hearings by LSO Analyst, and the hearing schedule by week. He explained that during the first half of the session the Committee would hear budget presentations by the agencies, and set those budgets during the second half. **Mr. Bybee** explained:

- that new federal laws will impact the Committee;
- where to find Committee rules and agency specific budgets within the LBB; and
- the state budget process and model procedures for building budgets.

He further discussed the General Fund request and the Governor's recommendations sorted by agency, with a total requested increase of \$343.5 million, or 8.1 percent, from the previous year. He went over the budget history and balances from all state funds. **Mr. Bybee** detailed the state agency organizational chart, which is limited by the Constitution to have 20 executive branch agencies.

AGENCY PRESENTATION: **REVIEW OF GOVERNOR'S FY 2023 BUDGET RECOMMENDATION, Alex Adams, Administrator, Office of the Governor, Division of Financial Management**

Mr. Adams discussed the key considerations in developing the Governor's FY 2023 Budget Recommendation (see attachment 1). He summarized the ten-year General Fund (GF) history and revenue growth since 2011, as well as a five-year GF revenue forecast. He reported the budget recommendations comparing FY 2022 to FY 2023, leaving an estimated ending balance for FY 2023 of \$214,465,900. **Mr. Adams** discussed the maintenance adjustments and highlighted some specifics for various agencies, explaining the programs supported by budgeted funds. He outlined striving to lower out-year interest payment costs by paying off debt, including all building debt in the state.

In response to a question from Senator Ward-Engelking, **Mr. Adams** discussed that the state insurance plan generally does not provide insurance coverage for retirees, and therefore the Governor felt it was important for insurance to be a local choice for each district so they can negotiate benefits locally.

Mr. Adams presented recommended amounts for education, transportation, the Behavioral Health Council, health care, criminal justice reform, public safety, natural resources, improved government services, debt defeasance, deferred building maintenance, tax relief, and Rainy Day Funds. He concluded by summarizing that education remains the Governor's top priority, followed by investments in transportation, providing tax relief for Idaho families and small business, investing in natural resources, and maintaining fiscal prudence.

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

Senator Agenbroad
Co-Chair

Erin Miller
Secretary