

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, January 13, 2022

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Agenbroad, Crabtree, VanOrden, Grow, Woodward, Lent, Riggs, Cook, and Nye

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

ABSENT/ EXCUSED: Senator Ward-Engelking

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

LSO STAFF PRESENTATIONS: **REVIEW OF STATEWIDE COST ALLOCATION PLAN, Christine Otto, Senior Analyst, Legislative Services Office (LSO) Budget Policy and Analysis**

Ms. Otto presented a summary of the Statewide Cost Allocation Plan (SWCAP or Plan) (see attachment 1). She discussed how this Plan is used to recoup costs for services provided by central service agencies, which are the office of the Attorney General, the Idaho State Treasurer, and the State of Idaho Controller’s Office, as well as direct billing from other agencies. **Ms. Otto** expanded upon the allowable costs recovered of allocated services of \$22,993,900, direct billing of the projected costs, and where to find the detailed amounts in the 2022 Legislative Budget Book Fiscal Year 2023 (LLB).

ARPA OVERVIEW, Paul Headlee, Deputy Director, Legislative Services Office

Mr. Headlee provided a synopsis of the American Rescue Plan Act of 2021 (ARPA) (see attachment 2). He discussed the various programs in ARPA and the miscellaneous federal agencies. He referenced the 3rd Updated Review of ARPA handout (see attachment 3) which included new guidance, numbers, government recommendations, and general information. **Mr. Headlee** explained Table 1 of the Updated Review, discussing the programs with specified funding amounts totalling the \$2.5 billion requiring legislative appropriation. He explained the \$1.8 billion State and Local Fiscal Recovery Funds (SLFRF) flow of funding to the State Fiscal Recovery Fund, Capital Projects Fund, and Local Fiscal Recovery Fund.

Mr. Headlee then explained the Coronavirus State and Local Fiscal Recovery Funds: Overview of the Final Rule (see attachment 4). He clarified that we are currently operating under the interim rule, until the final rule goes into effect on April 1, 2022. He discussed that the final rule offers a standard allowance for revenue loss of \$10 million for all cities and counties.

Representative Ron Nate asked about the amounts which required appropriation; and which funds the emergency rental assistance monies came from. **Mr. Headlee** explained and discussed that they were appropriated non-ARPA monies.

REVIEW OF SPECIFIED FUNDING AMOUNTS FROM ARPA, Jill Randolph, Sr. Analyst, LSO Budget and Policy Analysis

Ms. Randolph presented to the Committee an overview of the ARPA agency direct allocations (see attachment 5). She discussed agency direct allocations and the background timeline, including the COVID-19 federal relief acts. She mentioned that ARPA is last of six big bills, all of which impact Idaho. **Ms. Randolph** explained that the \$1.8 billion SLFRF has separate ARPA buckets of funds that are available, which bring focus upon legislative appropriation since those funds are discretionary, versus the \$1.3 billion direct allocations to state agencies for a specific purpose. **Ms. Randolph** related the federal requirements of the Low Income Household Energy Assistance Program (LIHEAP) and how small changes in ARPA resulted in small changes for LIHEAP. **Ms. Randolph** detailed the \$681,512,400 that has already been appropriated by the legislature, as well as the fiscal year 2022 \$19,543,300 requested by agencies, and the Governor's recommended \$933,905,000 for fiscal year 2023.

OVERVIEW OF BUDGET HEARINGS, Keith Bybee, Division Manager, LSO Budget and Policy Analysis

Mr. Bybee discussed the ARPA review at the budget level for the legislature. He discussed page 13 in the 2022 LBB detailing what appropriations have been made and how to track where the funds go over time. He detailed the capital project funds and pointed out that they are separate from the fiscal recovery piece.

Mr. Bybee then discussed a December 8, 2021 Memorandum (see attachment 6) that was sent to state agencies detailing the updated Committee hearing process regarding presentation requirements, flow, and appropriation tracking.

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Agenbroad** adjourned the meeting at 8:59 a.m.

Senator Agenbroad
Chair

Erin Miller
Secretary