

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 15, 2022

TIME: 8:00 A.M.

PLACE: Room C310

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

ABSENT/ EXCUSED: Senator Nye

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

AGENCY PRESENTATION: **LEGISLATIVE SERVICES OFFICE (LSO), Terri Kondeff, Director; Keith Bybee, LSO Division Manager**
Mr. Bybee explained the LSO staffs the first branch of government as a nonpartisan wing that does bill drafting, budget and policy analysis, appropriations, drafts audit work, and all central administration items. He summarized a five year trend of General Fund expenditures and appropriations, noting LSO annually spends 90 to 98 percent of its appropriations (see attachment 1).
Ms. Kondeff presented that LSO's mission is to provide efficient nonpartisan support services to Idaho citizen legislators and to assist the Legislature in carrying out its constitutional responsibilities to the highest standards of integrity and professional excellence. She summarized the past year's highlights in each division, reviewed the fiscal year (FY) 2023 budget request and its fund sources, and discussed the Redistricting Commission's efforts and project completion.

AGENCY PRESENTATION: **IDAHO MILITARY DIVISION (MD), Major General Michael Garshak, Adjutant General; Matt Farina, LSO Budget and Policy Analyst**
Mr. Farina explained the MD, headed by the Adjutant General, has three programs:

1. Military Management, which supports the Idaho National Guard, the Idaho Office of Emergency Management, Public Safety Communications, and the Public Safety Communications Commission;
2. Federal and State Agreements, which operates and maintains Gowen Field, the Orchard Combat Training Center, Youth ChalleNGe (an educational program for 16 to 18 year olds that are at risk of dropping out of high school), and STARBASE (which teaches science, technology, engineering and math to fifth graders); and
3. The Idaho Office of Emergency Management, which helps mitigate, prepare, respond, and recover from the effects of hazards, and houses the Idaho Public Communications Commission.

Mr. Farina summarized the funding source for MD as well as total appropriation and expenditures from FY 2016 through FY 2021, with the primary increase due to \$63 million to construct and operate the Orchard Combat Training Center (see attachment 3). He reminded that at times the agency's expenditures exceed their appropriation due to being a frequent recipient of non-cognizables. He informed the Committee there were no open audit findings.

General Garshak presented that MD's mission is to maintain combat and domestic emergency response readiness in the Idaho National Guard, and guide the state through the Office of Emergency Management, effectively preparing for, responding to, and recovering from all hazards. It also provides a fully accredited residential high school, Idaho Youth Challenge Academy, in order to intervene in and reclaim the lives of at risk Idaho youth. **General Garshak** reviewed MD's FY 2023 General Fund appropriation request by entity providing specific amounts. He outlined the successes of the Idaho Youth Challenge Academy and the STARBASE Idaho youth outreach program. He summarized performance measures, ongoing projects, goals, a FY 2022 supplemental request, FY 2023 line item requests, and the economic impact to the state (see attachment 4).

DISCUSSION: In response to Committee questions, **Ben Call**, Branch Chief, Communications and IT Services, MD, further explained the Public Safety Communications request for \$5,700,000, for infrastructure upgrades and maintenance. **General Garshak** detailed about the Nation Guard community projects.

AGENCY PRESENTATION: **IDAHO TRANSPORTATION DEPARTMENT (ITD), Brian Ness, Director; Christine Otto, LSO Senior Budget and Policy Analyst**

Ms. Otto explained that ITD has four divisions: Transportation Services, Motor Vehicles, Highway Operations, and Contract Construction and Right-of-Way Acquisition, and six budgeted programs. She reviewed FY 2017 through FY 2021 total appropriation versus actual expenditures, pointing out ITD receives reappropriation for some of their longer range projects (see attachment 5). **Ms. Otto** discussed total appropriation by, and background of, each of its four divisions and detailed that ITD's revenue is received from federal funds, fuel tax, registration fees, electric and hybrid fees, sales tax, cigarette tax, bonding, and transfers from the General Fund. **Ms. Otto** briefed regarding the two mechanisms for bonding: GARVEE, federally funded highway project financing; and Transportation Expansion and Congestion Mitigation (TECM) which receives a distribution from sales and cigarette tax and currently does not have any bonds.

Mr. Ness presented ITD's successes by focussing on customer service, efficiency, and innovation by seeking solutions that yield a greater return on investment for the citizens of Idaho. ITD prioritizes projects based on the greatest impact, and have cut red tape and administrative rule chapters by 45 percent in the last two years. He detailed ITD's performance measures in several departments. **Mr. Ness** detailed ITD's FY 2023 Governor's recommendations for its budget and detailed each line item and what the funding would provide (see attachment 6). He also discussed the FY 2022 supplementals by department and provided background for the requests. **Mr. Ness** disclosed that even though it was not a supplemental request at this time, ITD's headquarter building on State Street has had flooding is no longer being utilized due to its poor condition, and ITD is working closely with the Department of Administration and the Idaho Transportation Board to figure out a solution.

DISCUSSION: In response to Committee questions, **Mr. Ness** discussed the need for Transportation Services to request \$19,000,000 ongoing in capital facility upgrades due to deferred maintenance; the \$1,000,000 one time request for replacing ITD's planning and management software; reducing the five year fatality rate for every million miles driven; the cost of speed limit reduction; transportation corridor projects; balancing safety issues and economic costs; seasonal speed limit restrictions; Highway 55 slides; and infrastructure investment.

ADJOURNED: There being no further business before the Committee, **Co-Chairman Agenbroad** adjourned the meeting at 9:44 a.m.

Senator Agenbroad
Chair

Erin Miller
Secretary