

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 20, 2024

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just
Representatives Co-chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, Green

ABSENT/EXCUSED: None

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

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 LEGISLATIVE SERVICES OFFICE, LBB 6-157, Keith Bybee, Division Manager, Legislative Services Office (LSO) Budget and Policy Analysis**
Mr. Bybee presented the FY 25 budget for Legislative Services Office (LSO) before the Committee. The mission of LSO is to provide efficient, nonpartisan support services to Idaho citizen 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. The LSO budget included two line items.

MOTION: Moved by **Representative Horman** for the Legislative Services Office beginning with the FY 2025 JFAC Maintenance Budget add \$120,100 for staff recruitment and retention, \$120,000 for legal services, and \$147,700 for the 2% CEC. In total for the Legislative Services Office for FY 2025, an additional \$359,800 from the General Fund, and \$28,000 from dedicated funds for a total of \$387,800, seconded by **Senator Bjerke**.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 OFFICE OF PERFORMANCE EVALUATION, LBB 6-167, Keith Bybee, Division Manager, LSO Budget and Policy Analysis

Mr. Bybee presented the Office of Performance Evaluation FY 25 budget before the Committee. The Office of Performance Evaluation is a nonpartisan legislative office that promotes accountability and confidence in state government. Staff work under the general direction of the Joint Legislative Oversight Committee, which consists of an equal number of legislators from both political parties in both houses. There were no line item requests for FY 25.

MOTION: Moved by **Representative Horman**, for the Office of Performance Evaluations, beginning with the FY 2025 JFAC Maintenance Budget add \$16,400 for the 2% CEC. In total for Office of Performance Evaluations for FY 2025, an additional \$16,400 from the General Fund, seconded by **Senator Bjerke**.

DISCUSSION: **Representative Horman** thanked the Office of Performance Evaluation for their work on the health data exchange evaluation.

CARRIED: **AYES: 19**

Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking

Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green

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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 DEPARTMENT OF FISH & GAME, LBB 4-15, Janet Jessup, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Jessup presented the FY 25 budget for the Department of Fish and Game before the Committee. The Department of Fish and Game was founded in 1899 and has the responsibility to preserve, protect, perpetuate and manage all wildlife, including wild animals, that are considered the state property of the state of Idaho.

MOTION: Moved by **Senator Burtenshaw** for the Department of Fish and Game, beginning with the FY 2025 JFAC Maintenance Budget add \$390,600 for salary inflation for temporary employees; \$500,000 for conservation officer operating costs; 1.00 FTP and \$157,800 for grizzly bear conflict management; \$1,790,400 for restoration of habitat along the Pahsimeroi River; 2.00 FTP and \$159,300 for depredation prevention program staffing; \$750,000 to overhaul the agency's website; \$321,700 for fish screen fabrication and placement; \$125,000 for wildlife migration staff; \$108,500 to adjust revenue from wildlife license plates; \$1,600,000 to purchase a conservation easement in Elmore County; \$450,000 for wildlife crossing-migration initiatives; \$3,000,000 for improvements to the agency's Pocatello office; \$550,000 for fish habitat restoration projects; add \$6,095,400 for replacement items; and \$954,400 for the 2% CEC. For Department of Fish and Game for FY 2025, totals include an additional \$14,525,800 from dedicated funds and \$2,427,300 from federal funds for a total

of \$16,953,100, and an additional 3.00 full-time equivalent positions, seconded by **Representative Raybould**.

DISCUSSION: **Co-Chairman Grow** stated that the Department of Fish and Game is a self-sustaining department as all of its expenses are come out of a dedicated fund from revenues within the department.

CARRIED: **AYES: 16**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Petzke, Handy, Green
NAYS: 3
Senator Herndon
Representatives Lambert and Tanner
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 DEPARTMENT OF LANDS, LBB 4-33, Janet Jessup, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Jessup presented the FY 25 budget for the Department of Lands before the Committee. The Department of Lands is one of two entities that is under the State Land Board and includes six specifically specifically budgeted programs that range from forest resource management, trust land management, range fire protection, and mineral and public trust conservation.

MOTION: Moved by **Representative Raybould**, for the Department of Lands, beginning with the FY 2025 JFAC Maintenance Budget add \$500,000 for East Idaho District fire equipment; \$250,000 for operating costs within the fire program; \$506,600 for tree seedling coolers; 0.33 FTP and \$27,000 for fire program staffing; 3.00 FTP and \$367,600 for staffing within the Good Neighbor Authority; \$2,000,000 for operating costs within the Good Neighbor Authority; 1.00 FTP and \$80,400 for the forestry assistant program; \$27,000 for fire program equipment; \$24,000 for recreation program equipment; \$45,500 for a vehicle for GIS equipment; \$25,200 for staff computers; \$3,950,000 to purchase land for the Veterans Cemetery; \$17,000,000 for the fire suppression deficiency fund; \$1,000,000 for bonuses for Department of Lands firefighters; \$610,900 for the timber protective association; \$62,000 onetime to continue support for the department's contract with the Idaho Geological Survey at the University of Idaho; \$2,055,100 for replacement items; \$548,700 for an additional 2% CEC; and reduce 14.00 FTP and an increase of \$97,000 for the Office of Information Technology consolidation. For the Department of Lands for FY 2025, totalling an additional \$6,336,100 from the General Fund, \$5,955,000 from dedicated funds, and \$155,900 from federal funds for a total of \$12,447,000, and a reduction of 9.67 full-time equivalent positions, seconded by **Senator Just**.

DISCUSSION: Ms. Jessup stated there is a one time cash transfer from the general fund to the fire suppression deficiency warrant that will require a second motion and vote.

CARRIED: **AYES: 16**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Petzke, Handy, Green
NAYS: 3
Senator Herndon
Representatives Lambert and Tanner
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

MOTION: Moved by **Representative Raybould**, for fiscal year 2025, the appropriation and transfer of \$17,000,000 onetime from the General Fund to Fire Suppression Deficiency Warrant Fund within the Department of Lands, seconded by **Senator Just**.

AT EASE: The Committee went at ease to address a computer issue at 8:20 am. The meeting resumed at 8:21 am.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 ENDOWMENT FUND INVESTMENT BOARD, LBB 4-27 , Janet Jessup, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Jessup presented the FY 25 budget for the Endowment Fund Investment Board before the Committee. The Endowment Investment Fund Board is the second entity organized under the Idaho Land Board, and is responsible for managing the investments of the of the land grant, endowment funds and other funds as instructed by code. The FY 25 budget request included replacement items and the 2% CEC, but no line items.

MOTION: Moved by **Senator Burtenshaw** for the Endowment Fund Investment Board, beginning with the FY 2025 JFAC Maintenance Budget add \$6,800 for replacement items; and \$12,200 for the 2% CEC. For Endowment Fund Investment Board for FY 2025, totalling an additional \$19,000 from dedicated funds, seconded by **Representative Raybould**.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 DEPARTMENT OF PARKS & RECREATION, LBB 4-43, Janet Jessup, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Jessup presented the FY 25 Department of Parks & Recreation budget before the Committee. The Department of Parks and Recreation is an executive department of the state and is responsible for the parks and recreational areas across the state, with its budget including three distinct budgeted programs: the operations of parks, administration, and capital operations.

MOTION: Moved by **Senator Just**, for the Department of Parks and Recreation, beginning with the FY 2025 JFAC Maintenance Budget add 7.00 FTP and \$457,800 for additional park personnel; \$200,000 to increase seasonal employee pay; \$300,000 for park operations increase; \$500,000 for OHV law enforcement passthrough; \$75,000 for a trailer; \$150,000 for a responsible OHV media campaign; \$100,000 for snowmobile sfgns and trail markers; \$1,800,000 for construction at the Farragut State Park; \$4,500,000 for statewide RV improvements; \$400,000 for utility upgrades at Lake Walcott State Park; \$250,000 for a Shoreline Erosion Grant at Lake Cascade State Park; \$20,000,000 for recreation council and infrastructure improvements; add \$2,676,000 for replacement items; and \$247,100 for the 2% CEC. For Department of Parks and Recreation for FY 2025, totalling an additional \$48,000 from the General Fund, \$10,842,000 from dedicated funds, and \$20,765,900 from federal funds for a total of \$31,655,900, and an additional 7.00 full-time equivalent positions, seconded by **Representative Petzke**.

DISCUSSION **Senator Just** stated he had a potential conflict of interest pursuant to Senate Rule 39(H) but intended to vote.
Co-Chairman Grow stated that the first four line items are ongoing requests, with the remainder of items as onetime requests.

CARRIED:

AYES: 16

Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Petzke, Handy, Green

NAYS: 3

Senator Herndon
Representatives Lambert and Tanner

ABSENT/EXCUSED: 1

Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF

PRESENTATION:

**BUDGET SETTING FY 2025 DEPARTMENT OF INSURANCE, LBB
5-41 Brooke Dupree, LSO**

Ms. Dupree presented the FY 25 budget for the Department of Insurance before the Committee. The Department of Insurance is responsible for administering insurance code and international fire code. The Department of Insurance has two budgeted programs including the Insurance Regulation Division and the Fire Marshal Division. The FY 25 budget request included replacement items and three enhancements.

MOTION:

Moved by **Representative Handy**, for the Department of Insurance, beginning with the FY 2025 JFAC Maintenance Budget add 2.00 FTP and \$410,300 for two deputy fire marshals, 1.00 FTP and \$61,000 for a financial technician, 1.00 FTP and \$124,500 for an examiner financial analyst, \$166,000 for replacement items and \$107,400 for the 2% CEC. For FY 2025, totalling an additional \$864,900 from dedicated funds and \$4,300 from federal funds for a total of \$869,200, and additional full-time equivalent positions of 4.00 for the Department of Insurance, seconded by **Senator Cook**.

CARRIED:

AYES: 18

Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green

NAYS: 1

Representative Lambert

ABSENT/EXCUSED: 1

Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 STATE TREASURER, LBB 6-199 , Brooke Dupree

Ms. Dupree presented the FY 25 budget request for the State Treasurer, one of seven elected officials in Idaho. The State Treasurer serves at the bank of Idaho agencies. The budget request included one enhancement item.

MOTION: Moved by **Representative Petzke**, for the State Treasurer beginning with the FY 2025 JFAC Maintenance Budget add 2.00 FTP and \$170,000 for unclaimed property agents, and \$47,700 for the 2% CEC. For FY 2025, totalling an additional \$15,500 from the General Fund, \$202,200 from dedicated funds, for a total of \$217,700, and an additional 2.00 full-time equivalent positions for the State Treasurer, seconded by **Senator Cook**.

DISCUSSION: **Representative Petzke** stated that the motion provides for two of the requests for unclaimed property claims agents. He stated the motion makers are actively working on policy bills to help address some of the massive number of claims at the Treasurer's office.

CARRIED: **AYES: 17**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
NAYS: 2
Senator Adams
Representative Lambert
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 INDUSTRIAL COMMISSION, LBB 5-35, Brooke Dupree

Ms. Dupree presented the FY 25 budget request for the Industrial Commission before the Committee. The Industrial Commission has three budgeted programs including Compensation, Rehabilitation, and Crime Victims Compensation. The FY 25 budget request included five enhancement items as well as replacement items.

MOTION: Moved by **Senator Cook**, for the Industrial Commission beginning with the FY 2025 JFAC Maintenance Budget add \$3,318,000 1 for the IRIS technology modernization project, \$155,000 for Microsoft engineer support, \$10,000 for software for CIWCS on line course, \$100,000 for records digitization, \$263,200 for replacement items and \$196,300 for the I 2% CEC. For FY 2025, totalling an additional \$4,042,500 from dedicated funds for the Industrial Commission, seconded by **Representative Green**.

DISCUSSION: **Senator Cook** spoke to the IRS technology modernization line item for \$3.3 million, saying that he had the opportunity to review the software and he believes it is working well.

CARRIED: **AYES: 18**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
NAYS: 1
Representative Lambert
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

UNANIMOUS CONSENT: Requested by **Senator Cook**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE: Section_. TECHNOLOGY MODERNIZATION REPORTING. Relating to the moneys appropriated in Section 1 of this act, and any other appropriation provided by law, from dedicated funds for the Industrial Commission's Redesigned Information System (IRIS), the Idaho Industrial Commission shall provide a written report regarding project progress, benchmark achievement, and projected costs. The Commission shall provide the report by no later than December 1st, 2024 and an updated report no later than June 30th, 2025 to the Joint Finance and Appropriations Committee.

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 DEPARTMENT OF FINANCE, LBB 5-29, Brooke Dupree**

Ms. Dupree presented the FY budget request for the Department of Finance. The Department of Finance is responsible for regulating financial institutions within the state of Idaho. The FY 25 budget included no enhancement requests.

MOTION: Moved by **Representative Bundy**, for the Department of Finance, beginning with the FY 2025 JFAC Maintenance Budget add \$95,400 for replacement items and \$157,400 for the 2% CEC. For FY 2025, totalling an additional \$252,800 for the Department of Finance, seconded by **Senator Burtenshaw**.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 HISPANIC AFFAIRS COMMISSION, LBB 5-63, Frances Lippitt, Analyst, LSO Budget and Policy Analysis

Ms. Lippitt presented the FY 25 budget request for the Hispanic Affairs Commission to the Committee. The Hispanic Affairs Commission is a nonpartisan state agency that provides services to the Hispanic community and serves as the liaison between the community and state entities. The commission requested a maintenance of operations budget, with no enhancement items. The budget request included 2% CEC.

MOTION: Moved by **Representative Furniss**, for the Commission on Hispanic Affairs, beginning with the FY 2025 JFAC Maintenance Budget add \$4,300 for the 2% CEC. For the Commission on Hispanic Affairs for FY 2025, totalling an additional \$3,200 from the General Fund and \$1 ,100 from dedicated funds for a total of \$4,300. seconded by **Senator Ward-Engelking**.

DISCUSSION: **Senator Ward-Engelking** stated she had a potential conflict of interest pursuant to Senate Rule 39(H) but intended to vote.

CARRIED: **AYES: 17**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
NAYS: 2
Senator Adams
Representative Lambert
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: BUDGET SETTING FY 2025 DIVISION OF VETERANS SERVICES, LBB 5-99, Frances Lippitt, Analyst, LSO Budget and Policy Analysis

Ms. Lippitt presented the FY 25 budget for the Division of Veterans Services to the Committee. The Division of Veterans Services provides long term nursing care to veterans at state veterans homes, offers assistance to veterans, and provides interment in veterans cemeteries. For FY 25, the division requested three line items and replacement items.

MOTION: Moved by **Representative Bundy**, for the Division of Veterans Services, beginning with the FY 2025 JFAC Maintenance Budget, add \$8,621 ,900 to replace the Boise Veterans Home; \$34,462,500 to renovate the Lewiston Veterans Home; and \$48,000 to renew the lease for the Pocatello Veterans Home add \$198,300 for replacement items; and \$611 ,500 for the 2% CEC. For the Division of Veterans Services for FY 2025, totalling an additional \$72,000 from the General Fund, \$522,900 from dedicated funds, and \$43,347,300 from federal funds for a total of \$43,942,200, seconded by **Senator Burtenshaw**.

DISCUSSION: **Representative Bundy** stated this motion provides additional appropriation for construction grant funding from the U.S. Department of Veterans Affairs to replace the Boise Veterans Home and to renovate the Lewiston Veterans Home. It also provides for renewal of the lease for the Pocatello Veterans Home, replacement items including medical equipment for the veterans homes, and the additional 2% change in employee compensation to align with the committee's earlier action.

CARRIED: **AYES: 18**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
NAYS: 1
Representative Lambert
ABSENT/EXCUSED: 1
Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

UNANIMOUS CONSENT: Requested by **Representative Bundy**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE: SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Division of Veterans Services any unexpended and unencumbered balances appropriated or reappropriated to the division from the Federal Grant Fund for fiscal year 2024, to be used for nonrecurring expenditures for the Boise Veterans Home and the Boise cemetery for the period July 1, 2024, through June 30, 2025. The Office of the State Controller shall confirm the reappropriation amounts, by fund and expense class, with the Legislative Services Office prior to processing the reappropriation authorized herein.

LSO STAFF PRESENTATION: **BUDGET SETTING FY 2025 IDAHO LOTTERY, LBB 5-79, Frances Lippitt, Analyst, LSO Budget and Policy Analysis**

Ms. Lippitt presented the FY 25 budget request for the Idaho Lottery to the Committee. The Idaho Lottery was created in 1988 to benefit Idaho's public schools and the state's permanent buildings. The FY 25 budget had replacement items and two line item requests including continuous appropriation for shipping charges.

MOTION: Moved by **Representative Handy**, for the State Lottery, beginning with the FY 2025 JFAC Maintenance Budget add 1.00 FTP and \$64,100 for a regional sales representative, \$685,000 for increased shipping costs; \$68,800 for replacement items; and \$74,200 for the 2% CEC. For the State Lottery for FY 2025, totalling an additional \$892,100 from dedicated funds, and 1.00 additional full-time equivalent position, seconded by **Senator Ward-Engelking**.

CARRIED:

AYES: 16

Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Petzke, Handy, Green

NAYS: 3

Senator Herndon
Representatives Lambert and Tanner

ABSENT/EXCUSED: 1

Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF

PRESENTATION:

BUDGET SETTING FY 2025 STATE LIQUOR DIVISION, LBB 6-105, Frances Lippitt, Analyst, LSO Budget and Policy Analysis

Ms. Lippitt presented the FY 25 budget request for the State Liquor Division before the Committee. The Liquor Division has the dual charge to responsibly maximize the net profits of liquor sales for the benefit of Idahoans and to curtail the intemperate use of alcohol. The division requested four line items and replacement items for FY 25, and the requested budget also included an adjustment to consolidate IT services within the Office of Information Technology Services.

MOTION:

Moved by **Representative Bundy**, for the State Liquor Division, beginning with the FY 2025 JFAC Maintenance Budget, add \$189,800 for pay increases for retail temporary staff; \$166,300 to relocate or remodel one store; \$42,600 and 2.00 FTP to convert temporary hours to permanent positions; and \$83,600 for a program systems specialist add \$1,243,100 for replacement items; and \$275,700 for the 2% CEC. Remove 5.75 full-time equivalent positions and add \$12,500 to consolidate IT services in the Office of Information Technology Services. For the State Liquor Division for FY 2025, totalling an additional \$2,013,600 from dedicated funds, and a reduction of 3.75 full-time equivalent positions, seconded by **Senator Bjerke**.

DISCUSSION:

Representative Bundy stated this motion provides enhancements for the State Liquor Division for FY 2025. Line item 1 provides pay increases for retail temporary staff from \$13.50 to \$15.00 per hour; line item 2 provides funding to relocate or remodel a store; line item 3 provides funding and 2 FTP for compensation and benefits to convert 4,160 labor hours to two full-time equivalent positions; and line item 4 provides funding for a program systems specialist to manage the division's warehouse stocking system and other division-specific IT needs. The motion provides replacement items to provide for updates to retail interiors and warehouse equipment and technology, and the additional 2% change in employee compensation needed to align the budget with the committee's previous action on CEC. Lastly, the motion removes 5.75 FTP and adds \$12,500 to adjust for IT consolidation in the Office of Information Technology Services.

CARRIED:

AYES: 14

Senators Bjerke, Burtenshaw, Cook, VanOrden, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Petzke, Handy,
Green

NAYS: 5

Senators Grow, Adams and Herndon
Representatives Lambert and Tanner

ABSENT/EXCUSED: 1

Senator Lent

The Majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**LSO
DISCUSSION:**

**FY 2025 DEPARTMENT OF FISH & GAME, LBB 4-15, Janet Jessup,
Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Jessup stated that a piece of language was inadvertently excluded from provided packet. She presented reappropriation language authority for Committee consideration.

**UNANIMOUS
CONSENT:**

Requested by **Senator Burtenshaw**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION _ . REAPPROPRIATION AUTHORITY FOR CAPITAL PROJECTS.

There is hereby reappropriated to the Department of Fish and Game any unexpended and unencumbered balances appropriated to the Department of Fish and Game for funds related to deferred maintenance projects, salmon/steelhead habitat restoration projects, the construction of the Hayspur hatchery residence, and the Albeni Falls mitigation projects to be used for nonrecurring expenditures related to the payment of depredation claims for fiscal year 2024 for the period July 1, 2024, through June 30, 2025. 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:**

**BUDGET SETTING FY 2025 IDAHO MILLENNIUM FUND, LBB 6-207,
Jared Tatro, Deputy Division Manager, LSO Budget and Policy Analysis**

Mr. Tatro presented the FY 25 budget recommendation from the Joint Legislative Millennium Fund Committee. He stated the program operates different than in most years as there is typically no funding in the Base. However, last year, \$1.8 million was appropriated to the Treasurer on behalf of the health districts and community-based recovery centers. Further Idaho Millennium Fund budget details provided in February 9, 2024 Committee minutes.

MOTION: Moved by **Senator Burtenshaw**, for the Idaho Millennium Fund, beginning with the FY 2025 Base, add \$406,000 for the Department of Health and Welfare for Project Filter; \$321,300 for the Department of Health and Welfare, on behalf of the Public Health Districts for prevention and cessation programs; \$1,000,000 for Idaho Public Television for media campaigns; \$250,000 for the Department of Health and Welfare on behalf of Idaho Drug Free Youth for Youth Prevention Programs; then change the appropriation agency for community-based recovery centers and the Public Health Districts from the State Treasurer to the Department of Health and Welfare, and provide reappropriation authority for the State Department of Education. For FY 2025, from the Idaho Millennium Income Fund, a total of \$3,827,100, seconded by **Representative Green**.

CARRIED: **AYES: 19**
Senators Grow, Bjerke, Burtenshaw, Cook, VanOrden, Adams, Herndon, and Ward-Engelking
Representatives Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy, Green
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. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

UNANIMOUS CONSENT: Requested by **Senator Burtenshaw**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE: Section 1. COMMUNITY-BASED RECOVERY CENTERS. There is hereby appropriated to the Department of Health and Welfare for the Substance Abuse Treatment and Prevention Program \$1,350,000 from the Idaho Millennium Income Fund to be expended for the period July 1, 2024, through June 30, 2025, for the purpose of continued distribution to eligible community-based recovery centers. Community-based recovery center means a not-forprofit organization with an oversight advisory board, a verifiable physical location where support services are provided to Idahoans at no-cost or at very-limited-cost and include peer to peer support, job training, recovery support to reduce substance use, and recovery coaching. Funds shall be used by the community-based recovery centers to support the operations of the center including but not limited to, personnel costs, rent or lease expenses, basic supplies, and other operating costs. Community-based recovery centers shall provide to the Department of Health and Welfare a document that demonstrates operational and fiscal accountability for the center. Community-based recovery centers shall work in partnership with the Department of Health and Welfare and sign an attestation letter or equivalent document that ensures funds will be used in accordance with this section, section b any other applicable rule or law, and all moneys received will be accounted for using generally accepted accounting principles.

Section 2. COMMUNITY-BASED RECOVERY CENTERS OVERSIGHT. (1) The Department of Health and Welfare, shall provide oversight for the funds provided in Section 1 of this act for the community-based recovery centers. The Department of Health and Welfare, shall:
(a) Provide four (4) distributions of thirty-seven thousand five hundred dollars

(\$37,500) for a total distribution of one hundred fifty thousand dollars (\$150,000) to each eligible center. Distributions shall occur no later than July 15, 2024, October 15, 2024, January 15, 2025, and April 15, 2025;

(b) Receive and compile two (2) reports from each center and transmit each report to the Budget and Policy Analysis Division of Legislative Services Office on behalf of the Joint Legislative Millennium Fund Committee by December 30, 2024 and by June 30, 2025, or as soon thereafter as is practicable. The format of the report and the content therein shall be determined by Legislative Services Office Budget and Policy Analysis Division;

(c) Withhold or recover distributions in paragraph (a) of this section if the center is not operating or has indicated it intends to no longer operate prior to the close of the fiscal year, does not provide any of the required reports, or otherwise as needed to address legal or fiscal concerns of funds provided to a center; and

(d) Assist each center, as needed, to ensure services are being provided as intended by this act and to meet the needs of that local community.

(2) The Department of Health and Welfare shall not have the authority to directly manage any center or direct any center to perform functions not required in this section or section 1- The Department of Health and Welfare shall assist each center to ensure funds are used in accordance with this section. If the Department of Health and Welfare has reason to believe funds are used in violation of this section or section 1, or any rule or law, the Department of Health and Welfare may withhold funds until the center is in compliance with this act and applicable laws. The Department of Health and Welfare shall immediately notify Legislative Services Office Budget and Policy Analysis Division on behalf of the Joint Legislative Millennium Fund Committee of any misused or perceived to be misused funds. The Department of Health and Welfare shall work collaboratively with the center, and the executive office of the governor to develop an appropriate corrective action plan.

Section 3. IDAHO DRUG FREE YOUTH. There is hereby appropriated to the Department of Health and Welfare for the Substance Abuse Treatment and Prevention Program \$250,000 on behalf of Idaho Drug Free Youth, from the Idaho Millennium Income Fund to be expended for the period July 1, 2024, through June 30, 2025, for the purpose of supporting programs offered by Idaho Drug Free Youth. Funds shall be used by Idaho Drug Free Youth to support its various programs including its annual youth summit, program chapters, and drug free school coordinators. Idaho Drug Free Youth shall provide to the Department of Health and Welfare a document that demonstrates operational and fiscal accountability for the supported programs. Idaho Drug Free Youth shall work collaboratively with the Department of Health and Welfare and sign an attestation letter or equivalent document that ensures funds will be used in accordance with this section, section 4, any other applicable rule or law, and accounted for using generally accepted accounting principles.

Section 4. IDAHO DRUG FREE YOUTH OVERSIGHT. (1) The Department of Health and Welfare, shall provide oversight for the funds provided in Section 1 of this act for Idaho Drug Free Youth. The Department of Health and Welfare, shall:

(a) Provide four (4) distributions of sixty-two thousand five hundred dollars (\$62,500) for a total distribution of two hundred fifty thousand dollars (\$250,000). Distributions shall occur no later than July 15, 2024, October 15, 2024, January 15, 2025, and April 15, 2025;

(b) Receive and compile two (2) reports from Idaho Drug Free Youth and transmit each report to the Budget and Policy Analysis Division of Legislative Services Office on behalf of the Joint Legislative Millennium Fund Committee by December 30, 2024 and by June 30, 2025, or as soon thereafter as is practicable. The format of the report and the content therein shall be determined by Legislative Services Office budget and policy analysis division;

(c) Withhold or recover distributions in paragraph (a) of this section if Idaho Drug Free Youth is not operating or has indicated it intends to no longer operate prior to the close of the fiscal year, does not provide any of the required reports, or otherwise as needed to address legal or fiscal concerns offunds provided to Idaho Drug Free Youth; and (d) Assist Idaho Drug Free Youth, as needed, to ensure services are being provided as intended by this act and to meet the needs of program participants.

(2) The Department of Health and Welfare shall not have the authority to directly manage Idaho Drug Free Youth or direct Idaho Drug Free Youth to perform functions not required in this section or section 3. The Department of Health and Welfare shall assist Idaho Drug Free Youth to ensure funds are used in accordance with this section. If the Department of Health and Welfare has reason to believe funds are misused in violation of this section or section~ or any rule or law, the Department of Health and Welfare may withhold funds until Idaho Drug Free Youth is in compliance with this act and applicable law. The Department of Health and Welfare shall immediately notify Legislative Services Office Budget and Policy Analysis Division on behalf of the Joint Legislative Millennium Fund Committee of any misused or perceived to be misused funds. The Department of Health and Welfare shall work collaboratively with Idaho Drug Free Youth to develop an appropriate corrective action plan.

SECTION 5. IDAHO PUBLIC TELEVISION. There is hereby appropriated to Idaho Public Television \$1,000,000 from the Idaho Millennium Income Fund to be expended for the period July 1, 2024, through June 30, 2025, for the purpose of media campaigns for education and awareness related to vaping, tobacco, other substance use issues, and to promote the overall health of Idaho's children in accordance with the sections in this act and for other programs that receive an appropriation from the Idaho Millennium Income Fund.

SECTION 6. PUBLIC HEALTH DISTRICTS. In addition to any other appropriation provided by law, there is hereby appropriated to the Department of Health and Welfare's Division of Public Health on behalf of Idaho's Puolic Health Districts \$821,100 from the Idaho Millennium Income Fund to be expended for the period July 1, 2024, through June 30, 2025, for the purpose of prevention and cessation programs for tobacco, vape, and other substances with a priority given to Idaho's youth then adults. The Department of Health and Welfare shall transfer the funds on July 1, 2024 or as soon as practicable thereafter. The funds shall be distributed to each district based on the approved formula of the board of trustees of the Idaho districts boards of health as provided in Section 39-411(6) Idaho Code.

SECTION 7. DEPARTMENT OF HEALTH AND WELFARE PROJECT FILTER

SECTION 8. DEPARTMENT OF EDUCATION REAPPROPRIATION. There

is hereby reappropriated to the state Department of Education any unexpended and unencumbered balances appropriated to the State Department of Education from the Idaho Millennium Income Fund for fiscal year 2024 to be used for nonrecurring expenditures for the period July 1, 2024, through June 30, 2025. 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.

SECTION 9. HEALTH AND WELFARE REVERSIONS. Notwithstanding any law to the contrary, at the close of fiscal year 2024 or as soon thereafter as practicable, up to \$12,000,000 of any unexpended and unencumbered funds appropriated from the cooperative welfare (General) fund to the department of health and welfare shall be transferred to the Idaho Millennium Income Fund. Any unexpended and unencumbered funds from the cooperative welfare (General) fund over \$12,000,000 appropriated to the department of health and welfare shall be transferred to the General Fund or other fund as provided for by law at the close of the fiscal year or as soon as practicable thereafter.

SECTION 10. USES OF THE IDAHO MILLENNIUM INCOME FUND. The Joint Legislative Millennium Fund Committee, pursuant to Section 67-1808(6) Idaho Code, recommends that all moneys available for appropriation from the Idaho Millennium Income Fund beginning in fiscal year 2024 and each year thereafter, be prioritized for programs that focus on prevention, cessation, and treatment of tobacco, vape, alcohol, illegal substances, other substances that may be abused beyond the intended uses, and for the overall safety and wellbeing of Idaho youth. Funding should be prioritized to programs first that benefit Idahoans less than 18 years of age and then for adults with higher risk factors for abusing or using various substances outlined in this section. After fiscal year 2025, it is the intent of the Joint Legislative Millennium Fund Committee that no moneys from the Idaho Millennium Income Fund be used for the payment of Medicaid claims. In accordance with the priorities of this section, any requested funds not already an ongoing appropriation in fiscal year 2024 shall be presented in the Legislative Budget Book as a request for new onetime appropriation in the Millennium Fund Program and not in the respective agency budgets. Consistent with Section 67-1806, Idaho Code, the joint committee shall be responsible for the official recommendation on the uses of the Idaho Millennium Income Fund.

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at 9:15 a.m.

Senator Grow
Chair

Linsy Heiner
Secretary