

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, April 02, 2024
TIME: 2:00 P.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just
Representatives Co-Chair Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Handy, Lambert, Petzke, Humphreys (Tanner), Green
ABSENT/EXCUSED: None

Co-Chair Horman called the meeting to order at 2:01 p.m.

Ms. Christine Otto, Principal Analyst, LSO Budget & Policy, presented the reconsideration of the FY 2025 enhancement appropriation for the Idaho Transportation Department (ITD). **H 723**, the original enhancement appropriation, failed in the Senate. ITD has four separate divisions, so this budget will require multiple motions and pieces of intent language.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Handy**, for the Idaho Transportation Department, in the Transportation Services Division, beginning with the FY 2025 JFAC Maintenance Budget, to add \$92,400 for targeted CEC's, \$2,485,100 for airfield improvements, \$15,500,000 for deferred maintenance projects, \$13,000 for new equipment, \$102,300 to align the budget with anticipated expenses, to reduce \$500,000 for construction planning software, to add \$50,000 for the ITD website, \$32,500,000 to renovate headquarters, to add \$2,583,200 for replacement items, \$288,100 for the 2% Change in Employee Compensation (CEC) and reappropriation for the Capital Facilities Program and for Airport Development Grants. For the Idaho Transportation Department, in the Transportation Services Division, for FY 2025, this motion includes an additional \$53,105,000 from dedicated funds, and to reduce \$38,900 from federal funds, for a total of \$53,066,100.

ROLL VOTE ON MOTION: **Motion carried by a total vote of 16 AYES, 3 NAYS, 1 ABSENT/EXCUSED.** Senators voting in favor of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon.** Senators voting in opposition to the motion: **Ward-Engelking, Just.** Senators absent/excused: **Adams.** Representatives voting in favor of the motion: **Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy.** Representatives voting in opposition to the motion: **Green.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Ms. Otto presented intent language associated with this budget motion. The first piece of language relates to the State Street property and directs use of \$32.5M to rehabilitate the building.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Handy**, for FY 2025, to accept the following intent language:

**INTENT
LANGUAGE:**

SECTION_. STATE STREET PROPERTY. Notwithstanding any provision of law to the contrary, the authority of the Department of Administration to dispose of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 is revoked. Notwithstanding any provision of law to the contrary, custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 shall be transferred back to the Idaho Transportation Board. Of the amount appropriated in Section 1 of this act, \$32,500,000 shall be used for the purpose of rehabilitating the state administrative facility at 3311 W State Street, Boise, Idaho 83703. Funds designated under this section may be used only for the purpose identified in this section. This appropriation is contingent on custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 returning to the Idaho Transportation Board.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 16 AYES, 3 NAYS, 1 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon. Senators voting in opposition to the motion: Ward-Engelking, Just. Senators absent/excused: Adams. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy. Representatives voting in opposition to the motion: Green.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Ms. Otto explained the next piece of intent language associated with the budget for this Division. This language directs a minimum of \$1M to be used in the rehabilitation of the Shoshone District Four Headquarters and for the Division to provide a report to JFAC by December 31st, 2024, on the progress of the project.

Co-Chairman Grow requested the deadline be moved to December 1, 2024, for consistency with reporting requirements for other state agencies.

**UNANIMOUS
CONSENT
REQUEST:**

Sen. Cook requested and it was granted by unanimous consent, to accept the following intent language:

**INTENT
LANGUAGE:**

DISTRICT 4 SHOSHONE HEADQUARTERS_. Of the \$15,500,000 for deferred maintenance appropriated in Section 1, a minimum of \$1,000,000 shall be used for the rehabilitation of the Shoshone District 4 headquarters. The Idaho Department of Transportation shall report progress by December 1, 2024, through a report to the Legislative Services Office Budget and Policy Analysis Division.

Ms. Otto presented the FY 2025 enhancement appropriation for the Division of Motor Vehicles. The Division requested two net-zero department-wide transfers as well as replacement items and the 2% CEC.

MOTION:

Rep. Handy made a motion, seconded by **Sen. Cook**, for the Division of Motor Vehicles, beginning with the FY 2025 JFAC Maintenance Budget, to reduce \$98,900 to align the budget with anticipated expenses; to reduce \$50,000 for the ITD website; to add \$1,566,000 for replacement items; and \$300,500 for the 2% CEC. For the Division of Motor Vehicles, for FY 2025, this motion includes an additional \$1,717,600.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon, Ward-Engelking, Just. Senators voting in opposition to the motion: None. Senators absent/excused: Adams. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition to the motion: None.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Ms. Otto presented the FY 2025 enhancement appropriation for the Division of Highway Operations. The Division requested multiple line items, including a request for 53 FTP for workforce planning, new equipment, additional federal spending, net-zero department-wide transfers, replacement items, and the 2% CEC.

MOTION:

Sen. Cook made a motion, seconded by **Rep. Handy**, for the Highway Operations Division, beginning with the FY 2025 JFAC Maintenance Budget, to add 53.00 FTP and \$4,874,400 for workforce planning, \$6,600,300 for new equipment, \$5,697,000 for additional federal spending, \$44,600 to align the budget with anticipated expenses, \$500,000 for construction planning software, a net-zero transfer for the LHTAC contract, \$45,901,100 for replacement items, and \$1,941,300 for the 2% CEC. For the Highway Operations Division, for FY 2025, this motion includes an additional \$59,619,200 from dedicated funds, and \$5,939,500 from federal funds, for a total of \$65,558,700, and an additional 53.00 full-time equivalent positions.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 20 AYES, 0 NAYS, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just. Senators voting in opposition to the motion: None. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition to the motion: None.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Ms. Otto presented the FY 2025 enhancement appropriation for the Division of Contract Construction and Right-of-Way Acquisition. These cash transfers require two separate motions.

MOTION:

Rep. Handy made a motion, seconded by **Sen. Cook**, for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Division, beginning with the FY 2025 JFAC Maintenance Budget, to add \$90,708,000 for construction projects, \$123,600,000 from the Strategic Initiatives Program (Dedicated) Fund for road and bridge maintenance, \$58,080,000 from the Strategic Initiatives Program (Dedicated) Fund for safety and capacity projects, \$200,000,000 from the Strategic Initiatives Program (Local) Fund for local bridge maintenance, and to provide reappropriation authority in an amount not to exceed \$250,000,000. For the Contract Construction and Right-of-Way Acquisition Division for FY 2025, this motion includes an additional \$409,798,900 from dedicated funds and \$62,589,100 from federal funds, for a total of \$472,388,000.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 20 AYES, 0 NAYS, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just. Senators voting in opposition to the motion: None. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition to the motion: None.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

MOTION:

Rep. Handy made a motion, seconded by **Sen. Cook**, for FY 2025, for the Idaho Transportation Department, in the Contract Construction and Right-of-Way Acquisition Division, the appropriation and transfer of \$502,800,000 from the General Fund to Dedicated Funds, of which \$181,680,000 will be transferred to the Strategic Initiatives Program (Dedicated) Fund, \$200,000,000 will be transferred to the Strategic Initiatives Program (Local) Fund, and \$121,120,000 to the Local Highway Distribution Fund, to be sent out with the first distribution of the new fiscal year.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 19 AYES, 1 NAY, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just. Senators voting in opposition to the motion: None. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition to the motion: Lambert.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Rep. Green declared **Rule 80** before the committee took action on the following intent language.

Co-Chairman Grow asked to change the date in the intent language from December 31, 2024, to December 1, 2024. There was no objection.

In response to a committee question, **Ms. Otto** gave additional explanation about the following intent language. The first portion of the intent language aligns with ARPA guidelines. ARPA guidelines indicate agencies have until December 31, 2024, to obligate these funds.

Co-Chair Horman pointed out December 31, 2024, is the appropriate date for this language.

In response to a committee question, **Ms. Otto** said the previous language corrections could remain, because those dollars are not ARPA funding.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Handy requested and it was granted by unanimous consent, to accept the following intent language:

**INTENT
LANGUAGE:**

SECTION __. Pedestrian Safety Projects. No later than December 31, 2024, the State Controller shall identify any unobligated statewide balances for the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds and transfer thirty percent of the funds identified – not to exceed an amount of \$10,000,000 – to the Local Highway Technical Assistance Council (LHTAC) to be used for pedestrian safety projects. Projects shall be identified by the LHTAC and expended consistent with United States Treasury regulations. The Idaho Transportation Department shall provide a report on the use of funds under this section. This report shall include the total dollar amount committed for pedestrian projects, specific projects identified by LHTAC, and a timeline for completion of said projects. The report shall be submitted to the Joint Finance-Appropriations Committee and Legislative Services Office Budget and Policy Analysis Division no later than January 24, 2025.

SECTION __. ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS.

Notwithstanding any law to the contrary, and of the moneys appropriated in Section 11 of this act, and of the moneys distributed pursuant to section 40-709, Idaho Code, to any single countywide highway district formed pursuant to chapter 14, title 40, Idaho Code, at least \$7,000,000 shall be used to complete the design and construction of the Ustick Road widening project west of State Highway 16 from Owyhee Storm Avenue to Can-Ada Road.

Ms. Frances Lippitt, Analyst, LSO Budget & Policy, presented the reconsideration of the FY 2025 original appropriation for the Permanent Building Fund. The Division of Public Works is responsible for the maintenance and construction of state facilities.

MOTION:

Sen. Lent made a motion, seconded by **Rep. Petzke**, for the Department of Administration, for the Division of Public Works, beginning with the FY 2025 Base, to add \$25,000,000 for a new 848-bed female prison; \$25,000,000 for a secure mental health facility; \$345,000 for the National Guard's Orchard Readiness Center; \$13,000,000 for a new Science and Research Building at Boise State University; \$7,000,000 for a remodel or expansion of the physician assistant program's facilities at Idaho State University; \$2,000,000 for a Meat Science and Innovation Center at the University of Idaho; \$2,000,000 for the MOSS Campus at the University of Idaho; \$6,115,000 for safety upgrades to the mechanical technical building and Wittman Complex at Lewis-Clark State College; \$6,000,000 for residential cottages at the School for the Deaf and the Blind; \$1,000,000 for an insulated bus barn at the School for the Deaf and the Blind; and \$87,448,300 for building maintenance and alterations and repairs. For the Department of Administration, for the Division of Public Works, for FY 2025, this motion includes \$174,908,300 in onetime dedicated funds.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 16 AYES, 3 NAYS, 1 ABSENT/EXCUSED.
Senators voting in favor of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Ward-Engelking, Just.** **Senators voting in opposition** to the motion: **Herndon.** **Senators absent/excused:** **Adams.** **Representatives voting in favor** of the motion: **Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Petzke, Handy, Green.** **Representatives voting in opposition** to the motion: **Lambert, Humphreys (Tanner).**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman.**

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Petzke**, for FY 2025, the appropriation and transfer of \$23,000,000 from the General Fund to the Permanent Building Fund.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 18 AYES, 1 NAY, 1 ABSENT/EXCUSED. Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon, Ward-Engelking, Just. Senators voting in opposition** to the motion: **None. Senators absent/excused: Adams. Representatives voting in favor** of the motion: **Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition** to the motion: **Lambert.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman.**

Ms. Lippitt presented the first section of intent language, which repurposes appropriation for existing Idaho Department of Correction (IDOC) capital projects with excess balances toward the Training and Development Center IDOC is currently leasing in Meridian, Idaho.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Petzke**, for the following language regarding the repurposing of appropriation from the Permanent Building Fund be included in the Department of Administration for the Division of Public Works FY 2025 appropriation bill.

INTENT LANGUAGE: SECTION __. REPURPOSING OF APPROPRIATION FOR IDOC TRAINING AND DEVELOPMENT CENTER. Notwithstanding the provisions of Section 2, Chapter 75, Laws of 2021; Section 2, Chapter 242, Laws of 2019; and any other provision of law to the contrary, \$7,000,000 appropriated to the Department of Administration for the Division of Public Works from the Permanent Building Fund for capital projects for the Idaho Department of Correction shall be repurposed to purchase and renovate the Department of Correction Training and Development Center located at 1090 East Watertower Street, Meridian, Idaho, 83642. Of the appropriation provided in Section 2, Chapter 75, Laws of 2021, \$5,000,000 appropriated for IDOC Connection and Intervention Station Housing shall be repurposed. Of the appropriation provided in Section 2, Chapter 242, Laws of 2019, \$2,000,000 appropriated for the Department of Correction North Idaho Reentry Center shall be repurposed.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED. Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon, Ward-Engelking, Just. Senators voting in opposition** to the motion: **None. Senators absent/excused: Adams. Representatives voting in favor** of the motion: **Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition** to the motion: **None.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman.**

Ms. Lippitt presented the next section of intent language, which repurposes appropriation for deferred maintenance toward a minimum-security dormitory at the Idaho Correctional Institution-Orofino and adds funding to the facilities expansion for the physician assistant program at Idaho State University.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Petzke**, for the intent language below regarding the repurposing of appropriation from the Permanent Building Fund be included in the Department of Administration for the Division of Public Works FY 2025 appropriation bill.

INTENT LANGUAGE: SECTION __. REPURPOSING OF APPROPRIATION FOR OROFINO MINIMUM SECURITY DORM AND ISU PA FACILITIES EXPANSION. Notwithstanding the provisions of Section 2, Chapter 256, Laws of 2022, and any other provision of law to the contrary, \$12,568,100 appropriated to the Department of Administration for the Division of Public Works from the Permanent Building Fund for deferred maintenance shall be repurposed for new capital projects. Such projects shall include a 100-bed minimum security dormitory at the Idaho State Correctional Institution - Orofino for the Department of Correction, for which \$10,000,000 shall be utilized; and expanding Idaho State University's facilities for its physician assistant program, for which \$2,568,100 shall be utilized. Of the interest earnings generated in fiscal year 2024 from the Budget Stabilization Fund and Permanent Building Fund that accrue to the Permanent Building Fund, \$12,568,100 shall restore the contingency funds for deferred maintenance projects utilized for such capital projects.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon, Ward-Engelking, Just. Senators voting in opposition to the motion: None. Senators absent/excused: Adams. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Mickelsen (Furniss), Lambert, Humphreys (Tanner), Petzke, Handy, Green. Representatives voting in opposition to the motion: None.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chair Horman**.

Ms. Lippitt explained the next three sections of language. The first section requires a status report on existing capital projects and facilities maintenance. The second section requires a new appropriation for any capital projects that have not effectively broken ground within the first four years from its initial appropriation. The third section requires any remaining balances in the maintenance portion of the budget after five years would require a new appropriation.

UNANIMOUS CONSENT REQUEST: **Sen. Lent** requested and it was granted by unanimous consent, to accept the following intent language:

INTENT LANGUAGE: SECTION __. REPORTING. The Division of Public Works shall provide a report to the Joint Finance-Appropriations Committee on the status of capital projects, statewide deferred maintenance, alterations and repairs, Capitol Mall and Chinden Campus facilities maintenance, Americans with Disabilities Act compliance projects, and asbestos abatement. The report will identify completed projects, total expenditures and commitments by capital project, and estimated costs for each capital project for the current fiscal year. The report will also provide a narrative explanation for any capital project for which construction has not started, or that the Division does not anticipate will start, within 24 months of its initial appropriation from the Permanent Building Fund. Such report shall be provided to the Joint Finance-Appropriations Committee and Budget & Policy Analysis Division of the Legislative Services Office no later than November 15, 2024.

SECTION __. NEW APPROPRIATION FOR UNREALIZED CAPITAL PROJECTS. Notwithstanding the provision of any law to the contrary, any appropriation from the Permanent Building Fund for a capital project for which construction activity has not begun in the four years from its initial appropriation shall be available for consideration for new appropriation. The Permanent Building Fund Advisory Council and Division of Public Works shall identify such funds and make a recommendation for their use in its budget submission in November 2024.

SECTION __. NEW APPROPRIATION FOR REMAINING BALANCES. Notwithstanding the provision of any law to the contrary, any unexpended and unencumbered appropriation balance remaining for a completed capital project, and any appropriation for alterations and repairs or facilities maintenance with an unexpended and unencumbered balance remaining five years from its initial appropriation, shall be available for new appropriation. The Permanent Building Fund Advisory Council shall identify such funds and make a recommendation for their use in its budget submission in November 2024.

Ms. Lippitt explained the next sections of language are standard language for the Permanent Building Fund budget. The first section provides the appropriation will be used for the expenses of specific projects as identified in the motion. The second section allows for the utilization of matching funds by institutions. The final section allows the Division of Public Works, with the approval of the Permanent Building Fund Advisory Council, to reallocate project savings from any funded project to a different funded project.

**UNANIMOUS
CONSENT
REQUEST:**

Sen. Lent requested and it was granted by unanimous consent, to accept the following intent language:

**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.

Co-Chair Horman stated JFAC will meet again at the call of the Chair.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:41 p.m.

Representative Horman
Chair

Alyson Jackson
Secretary