

MINUTES
HOUSE APPROPRIATIONS COMMITTEE

- DATE:** Wednesday, February 26, 2025
- TIME:** 9:00 A.M. or Upon Adjournment of Joint Finance-Appropriations Committee
- PLACE:** Room C310
- MEMBERS:** Chair Horman, Vice-Chair Miller, Representatives Furniss, Handy, Petzke, Tanner(14), Manwaring, Mitchell, Price, Galaviz
- ABSENT/
EXCUSED:** Galaviz
- GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.
- MOTION:** **Chair Horman** called the meeting to order at 9:21 a.m.
- Rep. Price** made a motion to approve the minutes of the February 6, 2025, meeting. **Motion carried by voice vote.**
- Chair Horman** turned the gavel over to **Vice-Chair Miller**.
- H 168:** **Rep. Horman** presented **H 168**, legislation regarding a Cybersecurity and Resiliency Fund. The fund created by this bill is intended to support both agency-specific IT systems and centralized operations managed by the Office of Information Technology Services (OITS), with the goal of enhancing cyber protection and addressing infrastructure vulnerabilities. The 3% budget cap has made it difficult for agencies to prioritize IT needs, resulting in security issues. This bill aims to resolve these challenges by establishing a dedicated fund for future IT expenses.
- Mr. Alberto Gonzalez**, Administrator and Chief Information Officer, Office of Information Technology Services, spoke **in support** of the fund. The fund will address growing cyber threats by focusing on critical hardware replacement and necessary software to protect state infrastructure and citizen data. It aims to streamline IT requests through OITS, improving efficiency. With recent cyber attacks on Idaho's systems, the fund is essential for safeguarding against future threats. The bill includes accountability measures, requiring annual reports on fund usage and outcomes.
- Committee members inquired about management of the fund and tracking the fund expenses. They also expressed concerns about cash transfers and ongoing appropriation into the fund without oversight.
- Ms. Lori Wolff**, Administrator, Division of Financial Management, clarified the fund would operate similar to the Permanent Building Fund (PBF); projects would require JFAC approval.
- Rep. Horman** recognized the confusion in the bill's Statement of Purpose and Fiscal Note. Initially, she believed the fund was meant to be a onetime cash transfer, which was reflected in the original Fiscal Note. However, when she realized it needed ongoing funding incorporated into the base, she changed "onetime" to "ongoing" but overlooked removing the word "transfer." She acknowledged there is no such thing as an ongoing cash transfer of funds.
- In response to committee questions, **Mr. Gonzalez** confirmed the fund would focus on network and firewall infrastructure, with some technology items remaining in agency budgets.

Committee members made further inquiries about project prioritization, how the fund would be managed, the role of oversight, and ensuring agency needs were adequately met without redundancy.

Chair Horman made closing remarks. She explained while continuous appropriation was not her preferred approach, it is necessary for addressing critical IT needs quickly, similar to infrastructure projects. She assured transparency in fund usage and prioritization of IT protection. Chair Horman requested support for **H 168** and committed to addressing the Fiscal Note later.

MOTION: **Rep. Tanner (14)** made a motion to send **H 168** to the floor with a **DO PASS** recommendation.

Rep. Petzke stated his support of the technology fund but his opposition to the continuous appropriation, so he intended to vote nay.

Rep. Mitchell stated he would vote aye in committee but reserved the right to vote nay on the House Floor, pending a list of proposed computer equipment purchases.

SUBSTITUTE MOTION: **Rep. Manwaring** made a substitute motion to **HOLD H 168** in committee for one week, until March 5, 2025. **Motion carried by voice vote.**

Vice-Chair Miller turned the gavel over to **Chair Horman**.

H 169: **Rep. Miller** presented **H 169**, proposed legislation regarding the Idaho Education Services for the Deaf and the Blind (IESDB).

Mr. Jared Tatro, Deputy Division Manager of LSO Budget & Policy, stated this bill amends Idaho Code to allow IESDB to submit its budget as originally proposed. Currently, the State Board of Education has the authority to override IESDB, although it never has. Additionally, the entire budget will be allocated immediately.

MOTION: **Rep. Handy** made a motion to send **H 169** to the floor with a **DO PASS** recommendation. **Motion carried by a voice vote.** **Rep. Miller** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:54 a.m.

Representative Horman
Chair

Alyson Jackson
Secretary