

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, April 03, 2024
TIME: 2:45 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 2:55 p.m.

Ms. Christine Otto, Principal Analyst, LSO Budget & Policy, presented the reconsideration of the FY 2025 enhancement appropriation for Idaho Transportation Department (ITD). **H 723**, the ITD enhancement appropriation bill, failed in the Senate; **S 1461**, the second ITD enhancement appropriation bill, failed to be heard on the Senate floor.

Ms. Otto explained ITD has four separate divisions. The ITD budget requires multiple motions and pieces of intent language; the budget will appear in one bill. She noted this motion is \$100 less than the budget in **S 1461** and \$200 less than the budget in **H 723**.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Handy**, for the Transportation Services Division, beginning with the FY 2025 JFAC Maintenance Budget, to add \$92,400 for targeted CECs, \$2,485,100 for airfield improvements, \$15,500,000 for deferred maintenance projects, \$13,000 for new equipment, \$32,500,000 to renovate the headquarters at the State Street property, \$54,300 to align budget with anticipated expenses, to reduce \$500,000 for construction planning software, to add \$50,000 for the ITD website, \$2,583,100 for replacement items, \$288,100 for the 2% CEC, and reappropriation for the Capital Facilities Program and for Airport Development Grants. For the Transportation Services Division, for FY 2025, this motion includes an additional \$53,104,900 from dedicated funds and a reduction \$38,900 from federal funds, for a total increase of \$53,066,000.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 16 AYES, 4 NAYS, 0 ABSENT/EXCUSED.** **Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon.** **Senators voting in opposition** to the motion: **Adams, Ward-Engelking, Just.** **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 sections of language associated with the budget for this Division. The first section requires a motion and would become effective upon passage and approval; the second and third sections of language, if adopted, would become effective for FY 2025.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Handy**, 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.

Sen. Adams explained his opposition to this language. He said this language is why the previous legislation failed in the Senate; furthermore, earlier in the legislative session, it was made clear to him JFAC is a budget committee, not a policy committee. He stated this intent language is policy inserted into a budget.

Sen. Cook objected. He stated **Sen. Adams** asserted the intent language is the reason for the failure of the previous legislation in the Senate. **Sen. Cook** stated the reason for the failure of the legislation is unknown and asserted his belief this intent language had nothing to do with the failure of the previous legislation.

Co-Chair Horman said the objection was upheld.

Sen. Adams spoke to the objection of **Sen. Cook**. He stated the intent language was the primary concern on the Senate floor during the debate over the failed legislation.

Co-Chair Horman noted established LSO legal opinion indicates language directing use of the funding and fiscal policy is legal.

Sen. Ward-Engelking expressed her concerns about JFAC setting policy without the benefit of public input. She stated this particular issue is significant enough to need a committee hearing with public input; JFAC hearings do not include public input.

Sen. Herndon stated the actions leading to the prospective sale of the State Street ITD property did not have a public hearing with public input. He asserted legislators are elected representatives of the public to determine policy around expenses and revenues concerning the state.

Co-Chairman Grow stated JFAC has adhered to historical precedent: if a germane committee sets a new policy, JFAC responds to the germane committee. He asserted JFAC is not creating new programs; JFAC is appropriating money and directing how it should and should not be spent.

Co-Chairman Grow further stated this motion is a proposal to both the House and the Senate. It is not creating policy; JFAC makes recommendations. The policy is set by the Legislature and the Governor. There is no requirement to have separate policy and fiscal bills. He noted the LSO attorney has determined it is legal to have the fiscal appropriation and the intent language about how that money can be used or not used, together in one bill.

Sen. Just said he finds it hard to believe ITD did not have a public hearing on the sale of the State Street property.

Rep. Green expressed her appreciation for the JFAC working group and noted it met often to achieve concessions and compromise from all parties. This proposal did not go through the working group; she asserted the working group should have met together to address this language. She will be voting against this language.

Sen. Cook referenced **H 779** in the 2022 legislative session and noted the intent language in that appropriation bill for \$37M for ITD building three. He stated every member of the Senate present today voted for that language. That intent language was no different from the intent language in this motion.

Co-Chair Horman stated this is the latest in several public hearings on this budget; the budget has had significant and substantial public discussion.

**ROLL CALL
VOTE ON
MOTION:**

Motion carried by a total vote of 16 AYES, 4 NAYS, 0 ABSENT/EXCUSED.
Senators voting in favor of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Herndon.** **Senators voting in opposition** to the motion: **Adams, Ward-Engelking, Just.** **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.**

**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 31, 2024, through a report to the Legislative Services Office Budget and Policy Analysis Division.

SECTION _. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. Funds provided in this act are subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code, provided the Legislative Services Office auditor has sufficient resources to conduct those reports. State agencies that are authorized to contract for outside audits shall submit those reports to the Joint Finance-Appropriations Committee when those reports become available.

Ms. Otto presented the FY 2025 enhancement appropriation for the Division of Motor Vehicles.

MOTION: **Rep. Handy** made a motion, seconded by **Sen. Burtenshaw**, 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 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 Division of Highway Operations.

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 Local Highway Technical Assistance Council (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 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**.

Ms. Otto presented the FY 2025 enhancement appropriation for Division of Contract Construction and Right-of-Way Acquisition. These cash transfers require two separate motions. There is intent language associated with these motions.

Rep. Green declared **Rule 80** for this portion of the budget and the associated intent language.

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.**

Ms. Otto explained the two sections of intent language associated with this budget. The first section of intent language relates to pedestrian safety projects and allows up to \$10M of the American Rescue Plan Act (ARPA) monies toward pedestrian safety projects or surface transportation. The second section of intent language is the allocation of funds for specific projects and allocates a certain amount of the funding to be spent on a specific project.

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 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.

Co-Chair Horman informed the committee new information about the Division of Vocational Rehabilitation budget had been received since the JFAC meeting earlier in the day. She noted the bill, **H 769**, has been pulled back to JFAC, pending further information.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:24 p.m.

Representative Horman
Chair

Alyson Jackson
Secretary