

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 13, 2014

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS: Senators Co-chairman Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey

Representatives Co-chairman Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

**ABSENT/
EXCUSED:** None

CONVENED: Chairman Bell called the meeting to order at 8:00 a.m.

DEPARTMENT OF CORRECTION

Trailer to H456aS Increased Rate for County Jails

PRESENTER: **Richard Burns, Principal Budget & Policy Analyst**

County and Out-of State Placement

HB456aS increased the minimum rate that the State Board of Correction is required to pay counties housing state sentenced prisoners. The minimum rate went for \$40 per day to \$45 per day. Since the department houses approximately 600 state prisoners in the county jails throughout the state on any given day, a \$5.00 increase will require an additional \$1.1 million appropriation for 2015.

CARRIED: **Original Motion**

Moved by **Bolz**, seconded by **Vick**, to approve for introduction \$1,100,000 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$1,100,000 with FTP of 0.00

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF PARKS AND RECREATION

PRESENTER: **Ray Houston, Principal Budget and Policy Analyst**

**UNANIMOUS
CONSENT:** On request by **Gibbs**, granted by unanimous consent, to reopen the fiscal year 2015 budget for the Department of Parks and Recreation.

CARRIED: Original Motion
Moved by **Gibbs**, seconded by **Lacey**, to approve for introduction \$250,000 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$250,000 with FTP of 0.00

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

UNANIMOUS CONSENT: On request by **Gibbs**, granted by unanimous consent, legislative intent language as shown below.

INTENT LANGUAGE:

Legislative Intent Language

It is the intent of the Legislature that the Idaho Department of Parks and Recreation sell the 17 acre parcel near the city of Hagerman and all associated water rights, known as the Aqua Life Aquaculture Facility, to the Idaho Water Resource Board for the July 2011 appraised value of \$1,635,000. The Department of Parks and Recreation shall deposit the proceeds from the sale into the State Park Land Trust Fund to be used, subject to Legislative appropriation, for development of facilities in the Thousand Springs State Park Complex.

DEPARTMENT OF ADMINISTRATION

Reconsideration of FY 2015 budget

Idaho Education Network E-Rate

PRESENTER: **Robyn Lockett, Senior Budget and Policy Analyst**

UNANIMOUS CONSENT: On request by **Cameron**, granted by unanimous consent, to re-open the fiscal year 2015 budget for the Department of Administration.

CARRIED: Original Motion
Moved by **Cameron**, seconded by **Keough**, to approve for introduction \$4,800,000 General Funds
8 months in payments

Ayes: 19

Cameron, Keough, Mortimer, Vick, Nuxoll, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 1

Johnson

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

**UNANIMOUS
CONSENT:**

On request by **Cameron**, granted by unanimous consent, to incorporate the legislative intent language listed below to ensure that the Department of Administration is clear as to the Legislature's intent about how they move forward.

**INTENT
LANGUAGE:**

Legislative Intent Language

SECTION 1. In addition to any other appropriation provided for by law, there is hereby appropriated \$4,800,000 from the General Fund to the Department of Administration for the Idaho Education Network Program, to be expended for operating expenditures, for the period July 1, 2014, through February 28, 2015.

SECTION 2. ALLOTING APPROPRIATION. In accordance with Section 67-3517, Idaho Code, the department shall make a request each month to the administrator of the division of financial management for an allotment of spending authority that is limited to the monthly amount payable for services that support the Idaho Education Network, as appropriated in section 1 of this act. The administrator of the division of financial management shall forward said request, upon its approval, to the state controller, for spending authority of funds to be made available during the fiscal year to the department.

SECTION 3. USE OF APPROPRIATION. It is the intent of the Legislature that the Department of Administration shall use the appropriation provided for in section 1 of this act, to pay funds due in FY 2015 to Education Networks of America, Inc./ENA Services, LLC ("ENA") from the E-Rate program administered by Universal Service Administrative Company ("USAC") for services to be rendered to the Idaho Education Network ("IEN"), if not paid for by USAC pursuant to RFP02160 and any purchase orders and amendments (the "IEN Contract"), within a reasonable time after invoice from ENA to USAC. Prior to disbursement of the funds from the General Fund to the department, the department and ENA shall enter into an agreement with the following provisions, at a minimum: (1) Disbursement of funds under this appropriation shall not constitute acknowledgement of any liability or rights of either party under the IEN Contract not expressly provided for in the IEN Contract. (2) ENA shall immediately return to the department any funds paid to ENA under this appropriation, if and when USAC pays ENA for any of the services ENA rendered to the department pursuant to the IEN contract. (3) Nothing in this agreement shall displace ENA's responsibility under Paragraph 9.13 or any other provision of the IEN contract to submit invoices to USAC in accordance with established E-Rate policies. Upon completion of the agreement required under this section, and also upon the receipt of any funds paid back to the department by ENA pursuant to (2) above, the department shall immediately notify members of IPRAC. If ENA returns any appropriated funds to the Department pursuant to (2) above, the department shall immediately transfer such funds to the General Fund. If the department does not use the entire appropriation for the purposes stated herein in before February 28 2015, it shall return the unused funds to the General Fund on or before February 28, 2015.

SECTION 4. FUNDING AUTHORIZED FOR THE CURRENT CONTRACT.

Notwithstanding the authorization provided for in sections 67-5745D and 67-5745E, Idaho Code, to create and support the Idaho Education Network, any appropriation provided for in section 1 of this act shall not be construed as an endorsement or a commitment to the continuation of the Idaho Education Network while operating under the current valid IEN Contract described in section 3 of this act beyond the provisions of this appropriation.

SECTION 5. SERVICE AUDIT OF IDAHO EDUCATION NETWORK. The department shall collaborate with the Legislature in performing service audits to determine ownership of all equipment purchased or leased in association with the

IEN Contract, as well as confirmation of the type and level of usage of IEN services by each school district receiving services under this contract.

SECTION 6. REPORTING REQUIREMENTS. The department shall report monthly, in writing, to the Legislative Services Office, Budget & Policy Analysis, the Division of Financial Management, and the IEN Program Resource Council as to the status of USAC's contract review and the Syringa v State of Idaho lawsuit, an IEN expenditure report that includes fund balances to-date, and a litigation-related expenditure report.

DEPARTMENT OF CORRECTION
Criminal Justice Reinvestment

PRESENTER: **Richard Burns, Senior Budget and Policy Analyst**

Community Corrections

Criminal Justice Reinvestment adjustments.

1. Shifts \$614,800 and ten senior probation and parole officers from the Parolee Supervision Fund to the General Fund due to lack of revenues in that fund. Each senior probation and parole officer costs \$40,700 for salary and \$20,800 for benefits for a total of \$61,500 in FY 2015. [Ongoing]
2. Provides \$369,200 to hire five new probation and parole officers in FY 2015. These positions will be filled on June 9, 2014. Each probation and parole officer will cost \$38,800 for salary and \$19,500 for benefits for a total of \$58,300. Of this amount, \$312,400 is ongoing and \$56,800 is one-time.
3. Shifts \$577,800 and nine probation and parole officers from the Parolee Supervision Fund to the General Fund to recognize the loss of revenue as the supervised population decreases. This may also free-up money from the offenders to be used for restitution. [Ongoing]
4. Provides \$500,000 from the General Fund to be used for training officers in effective research-based management techniques, when dealing with offenders in the community. [Ongoing]
5. Provides \$299,000 from the Parolee Supervision Fund to hire a contractor to develop a probation and parole web-based reporting system that would also be interfaced with the department's Correctional Integrated System. Of this amount, \$27,000 is ongoing and \$272,000 is one-time.

CARRIED: **Original Motion**

Moved by **Bolz**, seconded by **Youngblood**, to approve for introduction an additional \$2,000,000 from the General Fund, and \$360,800 from the dedicated fund for a total of \$2,360,800 and an additional five FTP for fiscal year 2015, for the purpose of implementing the provisions of S1357 relating to Justice Reinvestment, with FTP of 5.00

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without

objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

CARRIED:

Original Motion

Moved by **Bolz**, seconded by **Youngblood**, to approve for introduction to the Community Corrections within the Department of Correction, a reduction of \$1,192,600 in the dedicated fund for a total reduction of \$1,192,600 for fiscal year 2015, for the purpose of implementing the provisions of S1357 relating to Justice Reinvestment.

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

**UNANIMOUS
CONSENT:**

On request by **Bolz**, granted by unanimous consent, the legislative intent language as shown below, was accepted and will be incorporated in the Community Corrections appropriation bill.

**INTENT
LANGUAGE**

Legislative Intent Language

It is the intent of the Legislature that all moneys appropriated to the Department of Correction for community-based substance abuse services for fiscal year 2015, shall be used for treatment, drug testing, and cognitive programming designed to reduce offender criminality and recidivism.

Management Services

Provides funding to hire a training specialist, business analyst, and system integration analyst, senior. A like amount of funding was removed from this program during regular budget setting due to changing requirements for contract management. [Ongoing]

CARRIED:

Original Motion

Moved by **Bolz**, seconded by **Youngblood**, to approve for introduction \$198,300 General Fund for a total of \$198,300 with FTP of 2.50 for fiscal year 2015, for the purpose of implementing the provisions of S1327 relating to Justice Reinvestment.

AYES: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

Commission for Pardons and Parole

Provides \$225,000 from the General Fund to hire an IT programmer/analyst position, operating expenditures and capital outlay to upgrade the inadequate computer management system within the commission. Of the stated amount \$150,000 is ongoing and \$75,000 is one-time.

CARRIED:

Original Motion

Moved by **Bolz**, seconded by **Youngblood**, to approve for introduction \$225,000 General Funds, for a total of \$225,000 with FTP of 1.00

Ayes: 20

Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

**UNANIMOUS
CONSENT:**

On request by **Bolz**, granted by unanimous consent, to accept the legislative intent Language as shown below, to be incorporated in the appropriation bill for Commission for Pardons and Parole.

**INTENT
LANGUAGE**

Legislative Intent Language

It is Legislative intent that moneys appropriated for information technology improvements at the Commission for Pardons and Parole, shall be used to hire a qualified information technology position to assess commission needs; provide hardware, software, and network support; and design, install, program, and maintain all necessary automated systems. This position will also work with the Department of Correction to integrate with their information systems, where appropriate, to expedite and improve the flow of information and data between the commission and the department. In addition to hiring a qualified information technology position, moneys may also be expended for contractual services, if required, and for the purchase of reasonable and necessary computer equipment and software.

OFFICE OF THE STATE BOARD OF EDUCATION

PRESENTER:

Paul Headlee, Deputy Division Manager, Budget and Policy Analysis

Administration

Trailer to S1372: Data Security Policies

CARRIED:

Original Motion

Moved by **Mortimer**, seconded by **Thompson**, to approve for introduction \$43,000 General Funds for the Office of the State Board of Education, Administration Program. Of this amount, \$42,100 is ongoing and \$900 is one-time with FTP of 0.50

Ayes: 19

Cameron, Keough, Mortimer, Vick, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 1

Nuxoll

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF HEALTH AND WELFARE

PRESENTER:

Jared Tatro, Senior Budget and Policy Analyst

Mental Health Services-Adult Mental Health

Trailer to S1352: Behavioral Health Crisis Centers

CARRIED:

Original Motion

Moved by **Schmidt**, seconded by **Stevenson**, to approve for introduction an additional \$600,000 one-time from the Cooperative Welfare Federal Fund, and \$1,520,000 ongoing from the Cooperative Welfare General Fund, all in trustee and benefit payments, for fiscal year 2015, with funding to be used for purposes established in S 1352 in the 2014 Legislative Session.

Ayes: 16

Cameron, Keough, Mortimer, Johnson, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 3

Vick, Bayer, Thayn

Ab/Ex: 1

Nuxoll

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

ADJOURN:

There being no further business to come before the Committee, Chairman Bell adjourned the meeting at 9:08 a.m.

Representative Bell
Chair

Kathryn Yost
Secretary