

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, March 08, 2016
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS: Senators Co-chairman Keough, Bair, Mortimer, Brackett, Nuxoll, Johnson, Thayn, Guthrie, Schmidt, Lacey
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Burtenshaw, Horman, Chadderdon (Malek), Monks, Burtenshaw, King, Gannon
**ABSENT/
EXCUSED:** None
CONVENED: Chairman Keough convened the meeting at 8:00 A.M.
**STAFF
PRESENT:** Houston, Tatro, Lockett

**BUDGET
SETTING:** **SETTING FY 2017 APPROPRIATIONS**

OFFICE OF THE GOVERNOR
Wolf Depredation Control Board

PRESENTER: **Ray Houston, Principal Budget & Policy Analyst, Legislative Services Office**

Original Motion

Fund Transfer

Moved by Schmidt, seconded by Johnson, to approve for introduction \$110,000 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$110,000 with FTP of 0.00

CARRIED: **Substitute Motion**

Fund Transfer

Moved by Burtenshaw, seconded by Horman, to approve for introduction \$400,000 General Funds, \$0 Dedicated Funds, \$0 Federal Funds for a total of \$400,000 with FTP of 0.00

Ayes: 15

Keough, Bair, Mortimer, Brackett, Thayn, Guthrie, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw

Nays: 5

Johnson, Nuxoll, Schmidt, King, Gannon

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 Keough.

DEPARTMENT OF AGRICULTURE
Soil and Water Conservation Commission

Original Motion

Moved by Miller, seconded by Johnson, to approve for introduction \$2,686,500 General Funds, \$472,000 Dedicated Funds, \$0 Federal Funds for a total of \$1,158,500 with FTP of 17.75

FAILED:

Substitute Motion

Moved by Guthrie, seconded by Thayn, to approve for introduction \$2,686,500 General Funds, \$372,000 Dedicated Funds, \$0 Federal Funds for a total of \$3,058,500 with FTP of 17.75

Ayes: 8

Mortimer, Thayn, Guthrie, Lacey, Gibbs, Monks, Burtenshaw, King

Nays: 12

Keough, Johnson, Bair, Brackett, Nuxoll, Schmidt, Bell, Miller, Youngblood, Horman, Malek, Gannon

Ab/Ex: 0

CARRIED:

Vote on Original Motion

Ayes: 17

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Burtenshaw, King, Gannon

Nays: 3

Thayn, Guthrie, Monks

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Miller, granted by unanimous consent, the intent language shown below for Sections 3 and 4 was accepted.

**LEGISLATIVE
INTENT:**

Section 3. LEGISLATIVE INTENT. It is the intent of the legislature that \$100,000 of the amount appropriated in section 1 of this act for trustee and benefit payments is to be distributed equally between the 50 soil and water conservation districts in addition to the amounts authorized under Section 22-2727, Idaho Code.

**UNANIMOUS
CONSENT:**

On request by Johnson, granted by unanimous consent, the following legislative intent language was accepted.

**LEGISLATIVE
INTENT:**

Section 4. LEGISLATIVE INTENT. It is the intent of the legislature that \$100,000 of the amount appropriated in Section 1 of this act for trustee and benefit payments is to be granted to the Nez Perce Soil and Water Conservation District as the lead for the Central Idaho Wildfire Restoration Group. Such moneys shall be leveraged to the extent possible for a regional effort to identify and prioritize restoration of private and municipal lands damaged by the 2015 wildfires.

DEPARTMENT OF ENVIRONMENTAL QUALITY

CARRIED:

Original Motion

Moved by Bair, seconded by Burtenshaw, to approve for introduction \$17,908,000 General Funds, \$11,290,800 Dedicated Funds, \$38,133,800 Federal Funds for a total of \$67,332,600 with FTP of 372.00

Ayes: 19

Keough, Johnson, Bair, Mortimer, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 1

Brackett

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Bair, granted by unanimous consent, the legislative intent language shown below was accepted.

**LEGISLATIVE
INTENT:**

Section 3. CASH TRANSFER. There is hereby appropriated to the Department of Environmental Quality and the State Controller shall transfer \$1,500,000 from the Water Pollution Control Fund to the Environmental Remediation Basin Fund, through monthly installments or as practicable for the period July 1, 2016, through June 30, 2017.

Section 4. LEGISLATIVE INTENT. It is the intent of the Legislature that moneys deposited into the Environmental Remediation Basin Fund are to be used for remediation of the Coeur d'Alene Basin in accordance with the superfund contract with the Environmental Protection Agency. The Department of Environmental Quality shall file an annual report each year with the Governor, the Legislature, and the Coeur d'Alene Basin Environmental Improvement Project Commission on the remediation progress and the expenditures involved.

Section 5. LEGISLATIVE INTENT. It is the intent of the Legislature that

the appropriation of moneys from the Water Pollution Control Fund in this act specifically supersedes the provisions of Section 39-3630, Idaho Code.

Note: Costs listed in 39-3630 include Water Pollution Control Bonds, the match for wastewater loans, the match for drinking water loans, and contracts pursuant to Chapter 36, water quality law. This intent removes any doubt that moneys may be used to pay for the state's match of the CDA remediation, they may be used for costs of administering grants to municipalities for planning waste water projects, and they may be used within DEQ's operating budget for the Lake Management Plan, the Beneficial Use Reconnaissance Monitoring Program, and other water quality programs.

DEPARTMENT OF HEALTH AND WELFARE
Service Integration

PRESENTER: Jared Tatro, Principal Budget & Policy Analyst, Legislative Services Office

CARRIED: **Original Motion**
Moved by Bair, seconded by Schmidt, to approve for introduction \$734,300 General Funds, \$69,500 Dedicated Funds, \$5,239,700 Federal Funds for a total of \$6,043,500 with FTP of 35.00

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

UNANIMOUS CONSENT: On request by Bair, granted by unanimous consent, the following legislative intent language was accepted.

INTENT LANGUAGE: **HEAD START APPROPRIATION FROM TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDS.** At a minimum, the Department of Health and Welfare is directed to maintain Head Start appropriations paid from federal Temporary Assistance for Needy Families funds at the same level as was paid to the Head Start Program in fiscal year 2007.

Child Welfare

CARRIED: **Original Motion**
Moved by Schmidt, seconded by Monks, to approve for introduction \$20,846,000 General Funds, \$1,046,900 Dedicated Funds, \$43,831,900 Federal Funds for a total of \$65,724,800 with FTP of 388.75

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Schmidt, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

LEGISLATIVE INTENT. It is the finding of the Legislature that the Department of Health and Welfare is responsible for the educational needs of school-age children placed in their custody by the courts for either child protective or for mental health issues. If the Department of Health and Welfare places a child in a licensed residential treatment facility that includes a non-public accredited school, and it is determined by the Department of Health and Welfare that it is in the best interest of the child to be educated at the residential treatment facility, then it is the responsibility of the Department of Health and Welfare to pay for such education at the rate of \$71.05 per student per educational day. This intent language does not preclude other Idaho state agencies from exercising their responsibility to ensure a free and appropriate education for these students within the requirements of federal disability law. The fiscal impact of this language is approximately \$690,000 from existing appropriations.

CARRIED:

Services for the Developmentally Disabled

Original Motion

Moved by Nuxoll, seconded by Bair, to approve for introduction \$13,066,200 General Funds, \$2,492,500 Dedicated Funds, \$15,721,600 Federal Funds for a total of \$31,280,300 with FTP of 307.71

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

DEPARTMENT OF ADMINISTRATION

PRESENTER: **Robyn Lockett, Principal Budget & Policy Analyst, Legislative Services Office**

CARRIED: **Original Motion**
Moved by Monks, seconded by Lacey, to approve for introduction \$3,335,700 General Funds, \$16,939,000 Dedicated Funds, \$0 Federal Funds for a total of \$20,274,700 with FTP of 138.00

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

UNANIMOUS CONSENT: On request by Monks, granted by unanimous consent, the following legislative intent language was accepted.

LEGISLATIVE INTENT: **ADMINISTRATION: NOTIFICATION OF CONTRACT RENEWALS OR EXTENSIONS.** The director of the Department shall notify the Legislature prior to any contract extensions or renewals in excess of \$1,000,000. As part of the budget submission process, the Department shall submit a list of contracts due for renewal in the upcoming fiscal year that exceed \$1,000,000 on an annual basis. Further, the director shall notify the members of legislative leadership, the JFAC chairmen and the germane committee chairmen, in writing, of any proposed early contract renewal or extension at least 90 days prior to signing the contract.

HEALTH INSURANCE PREMIUM. The Office of Group Insurance shall maintain the current health insurance program structure and benefit package for state employees. The office shall also maintain the employer and employee cost sharing split recommended by the Governor and the Legislature's Joint Change in Employee Compensation Committee.

Cash Transfer for Elected Officials' Rent

CARRIED:

Original Motion

Fund Transfer

Moved by Monks, seconded by Lacey, to approve for introduction \$0 General Funds, \$1,737,500 Dedicated Funds, \$0 Federal Funds for a total of \$1,737,500 with FTP of 0.00 for Elected Official Rent

Ayes: 19

Keough, Johnson, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

Nays: 0

Ab/Ex: 1

Bair

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Monks, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

The Director of the Department of Administration is encouraged to undertake and complete a study of the state's group insurance plan to include, but not be limited to, consideration of the costs and benefits of allowing the current insurance plans' grandfathered status to lapse, as well as the structural plan changes that will be required as a result; consideration of a self-insured plan or a fully-insured plan structure; and development of a list of changes to the employee group insurance benefit package, as well as potential statutory changes outlining the minimum employee group insurance benefit plan design that will comply with the Patient Provider and Affordable Care Act should the legislature adopt structural plan changes. The Director is also encouraged to report an analysis of the findings to the Legislature.

Bond Payments

Original Motion

CARRIED:

Moved by Gannon, seconded by Lacey, to approve for introduction \$4,330,000 General Funds, \$7,973,000 Dedicated Funds, \$0 Federal Funds for a total of \$12,303,000 with FTP of 0.00

Ayes: 19

Keough, Johnson, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King,

Gannon

Nays: 0

Ab/Ex: 1

Bair

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 Keough.

CARRIED:

Permanent Building Fund

Original Motion

Moved by Lacey, seconded by Monks, to approve for introduction \$0 General Funds, \$29,626,700 Dedicated Funds, \$0 Federal Funds for a total of \$29,626,700 with FTP of 0.00

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Lacey, granted by unanimous consent, the following legislative intent language was accepted.

**INTENT
LANGUAGE:**

ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS. Moneys appropriated in Section ___ 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, equipment, or 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.

UTILIZATION OF MATCHING FUNDS. It is legislative intent that the 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 it is further the express intention

of the Legislature to authorize the Division of Public Works to expend, for the purpose of paying the cost of any land, building, equipment or 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.

EXEMPTION OF APPROPRIATIONS FROM CERTAIN PROVISIONS.

All appropriations made herein shall be exempt from the provisions of Chapter 36, Title 67, and Section 67-3516, Idaho Code, but shall be available for expenditure only after allotment in accordance with the other provisions of Chapter 35, Title 67, Idaho Code, and all appropriations made hereunder shall be subject to the provisions of Section 67-5711, Idaho Code, except as otherwise provided herein.

REALLOCATION OF PROJECT SAVINGS. It is the intent of the Legislature that the Division of Public Works have the flexibility to allocate any savings or unused appropriation from any capital, line-item project to any other requested and funded capital project. The reallocation of such appropriation must be approved by the Permanent Building Fund Advisory Council prior to the funds being spent.

EMERGENCY CLAUSE. An emergency existing therefor, which emergency is hereby declared to exist, \$2,897,000 worth of funding for three projects in section ____ of this act shall be in full force and effect on and after its passage and approval.

CARRIED:

Capitol Commission

Original Motion

Moved by Gannon, seconded by Lacey, to approve for introduction \$0 General Funds, \$2,342,000 Dedicated Funds, \$0 Federal Funds for a total of \$2,342,000 with FTP of 0.00

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

CARRIED:

Original Motion

Fund Transfer

Moved by Gannon, seconded by Lacey, to approve for introduction \$0 General Funds, \$200,000 Dedicated Funds, \$0 Federal Funds for a total of \$200,000 with FTP of 0.00

Ayes: 20

Keough, Johnson, Bair, Mortimer, Brackett, Nuxoll, Thayn, Guthrie, Schmidt, Lacey, Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon

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 Keough.

**UNANIMOUS
CONSENT:**

On request by Gannon, granted by unanimous consent, the legislative intent language shown below was accepted.

**INTENT
LANGUAGE:**

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Administration for the Idaho State Capitol Commission any unexpended and unencumbered balances of moneys categorized as dedicated funds in the Capitol Commission Operating Fund as appropriated for fiscal year 2016, to be used for nonrecurring expenditures in the Capitol Commission Operating Fund, for the period July 1, 2016, through June 30, 2017.

The director of the Department of Administration shall prepare a maintenance schedule for the Idaho State Capitol Building. The director shall present the schedule, and a plan to implement the schedule, to the Legislative Council in the fall of 2016. The maintenance schedule should include, but not be limited to, an annual plan as well as a five-year plan to address routine maintenance, repairs, and upkeep of the Statehouse and its grounds.

ADJOURNED:

There being no further business, Chairman Keough adjourned the meeting at 9:30 A.M.

Senator Keough
Chair

Peggy Moyer
Secretary

Michael Jeppson
Committee Assistant