

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, February 14, 2020
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward-Engelking, and Nye.

Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, and Toone.

ABSENT/EXCUSED: Senators Grow and Woodward

CONVENED: **Chairman Bair** called the Joint Finance-Appropriations Committee (JFAC) (Committee) to order at 8:00 a.m.

LSO PRESENTATION: **DEPARTMENT OF FINANCE, Keith Bybee, Deputy Division Manager, Budget & Policy Analysis, LSO**

MOTION: Moved by **Senator Agenbroad** for the Department of Finance, beginning with the FY 2021 Base, a decrease of \$27,000 for benefit costs, an increase of \$4,000 for replacement items, a reduction of \$15,400 for statewide cost allocation, and an increase of \$120,000 for change in employee compensation. Also included are the following line items: line item 1, which provides 2.00 FTP and \$171,000 for Money Services Business Examiners; line item 3 for 1.00 FTP and \$87,500 for a mortgage financial examiner; \$900 for OITS operating costs; \$14,400 for OITS servers and licensing; and \$50,400 for OITS billings. The totals for this motion for FY 2021 are 66.00 FTP and \$8,924,500 from dedicated funds; seconded by **Representative Anderson**.

CARRIED: **AYES: 17**
Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.
Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Troy, Wintrow and Toone.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Grow and Woodward; Representative Amador

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#).

UNANIMOUS CONSENT: Requested by **Senator Agenbroad**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION 3. CONTINUOUS APPROPRIATION AUTHORITY. The Department of Finance is hereby granted continuous appropriation authority for reimbursement of persons to whom the Idaho courts have made a final determination of actual damages resulting from acts constituting violations of the Idaho Residential Mortgage Practices Act by a mortgage broker, mortgage lender, or mortgage loan originator who was licensed or required to be licensed pursuant to Chapter 31, Title 26, Idaho Code.

SECTION 4. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Finance any unexpended and unencumbered balances appropriated or reappropriated to the Department of Finance from the State Regulatory Fund for construction and building expenses for fiscal year 2020, in an amount not to exceed \$1,800,000 from the State Regulatory Fund, to be used for nonrecurring expenditures related to building and construction costs for the period July 1, 2020, through June 30, 2021. The State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**LSO
PRESENTATION: DEPARTMENT OF INSURANCE, Keith Bybee, Deputy Division Manager,
Budget & Policy Analysis, LSO**

MOTION: Moved by **Representative Troy** for the Department of Insurance, beginning with the FY 2021 Base, a decrease of \$22,900 for benefit costs, an increase of \$128,200 for replacement items, an increase of \$64,400 for statewide cost allocation, and an increase of \$103,100 for change in employee compensation. Also included are the following line items: \$1,000 for OITS operating costs; \$19,800 for OITS servers and licensing; and \$46,800 for OITS billings. The totals for this motion for FY 2021 are 71.5 FTP, \$9,228,700 from dedicated funds, and \$689,100 from federal funds for a grand total of \$9,917,800; seconded by **Senator Agenbroad**.

CARRIED: **AYES: 17**
Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.
Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Troy, Wintrow and Toone.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Grow and Woodward; Representative Amador

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#).

**LSO
PRESENTATION: WORKFORCE DEVELOPMENT COUNCIL, OFFICE OF THE
GOVERNOR, Keith Bybee, Deputy Division Manager, Budget & Policy
Analysis, LSO**

MOTION: Moved by **Representative Syme** for the Workforce Development Council, beginning with the FY 2021 Base, a decrease of \$2,000 for benefit costs, an increase of \$2,300 for statewide cost allocation, and an increase of \$8,500 for change in employee compensation. Also included are the following line items: line item 1, which provides \$4,315,500, one-time for additional grant awards; a shift of \$3,200 from federal funds to the Workforce Development Training Fund due to declining federal revenues; \$100 for OITS operating costs; and \$800 for OITS servers and licensing. The totals for this motion for FY 2021 are 5.00 FTP, \$12,751,300 from dedicated funds, and \$143,500 from federal funds for a grand total of \$12,894,800; seconded by **Senator Johnson**.

DISCUSSION: **Representative Syme** explained the merits of the motion.

CARRIED: **AYES: 17**
Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.
Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Troy, Wintrow and Toone.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Grow and Woodward; Representative Amador

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#)

LSO PRESENTATION: **PUBLIC HEALTH DISTRICTS, Jared Tatro, Principal Budget & Policy Analyst, LSO**

MOTION: Moved by **Senator Lee** for the Public Health Districts, beginning with the FY 2021 Base, a decrease of \$36,200 for benefit costs, an increase of \$8,000 for statewide cost allocation, and an increase of \$174,000 for the change in employee compensation. Also included are the following adjustments: add \$105,400 for the community health collaborative as requested in line item 2; add \$1,200 for the OITS operating costs; and a 2% General Fund reduction of \$195,400 from operating expenditures. The totals for this motion for FY 2021 are \$9,821,300 from the General Fund, and \$773,100 from dedicated funds, for a grand total of \$10,594,400; seconded by **Representative Troy**.

CARRIED: **AYES: 17**
Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.
Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Troy, Wintrow and Toone.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Grow and Woodward; Representative Amador

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#).

UNANIMOUS CONSENT: Requested by **Senator Lee**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

MILLENNIUM INCOME FUND FUNDING. There is hereby appropriated to the Public Health Districts \$773,100 from the Idaho Millennium Income Fund for the period July 1, 2020, through June 30, 2021, for the purpose of no-cost cessation services to Idahoans who want to quit tobacco use, with a primary emphasis on youth and pregnant women. These moneys shall not be considered general state aid for the purpose of Section 39-425, Idaho Code.

CITIZEN REVIEW PANELS. Of the amount appropriated in Section 1 of this act, \$136,500 shall be distributed to each Public Health District at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Senate Bill No. 1341, as enacted by the Second Regular Session of the Sixty-fourth Idaho Legislature. These moneys received by the Public Health Districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code.

IMPROVING HEALTH TRANSFORMATIONS. Of the amount appropriated in Section 1 of this act, \$105,400 shall be distributed to Public Health District 4 for the purpose of improving health transformations. These moneys shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, and shall not be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code.

LSO

DIVISION OF VETERANS SERVICES

PRESENTATION: Jared Tatro, Principal Budget & Policy Analyst, LSO

MOTION:

Moved by **Representative Syme** for the Division of Veterans Services, beginning with the FY 2021 Base, a decrease of \$178,800 for benefit costs, an increase of \$360,500 for inflationary adjustments, an increase of \$389,300 for replacement items, an increase of \$8,000 for statewide cost allocation, and an increase of \$420,000 for the change in employee compensation. Also included are the following adjustments: add 5.00 FTP and \$333,600 for the Blackfoot Cemetery Operations in line item 1; add \$6,609,500 for the added construction costs in line item 2; add \$139,000 for the Veterans Recognition Fund grants as explained in line item 3, and these funds are to be distributed at the discretion of the Veterans Recognition Committee; add 18.20 FTP and \$1,245,200 for the additional staffing in line item 4; add \$239,300 to reclassify nursing positions in line item 5; add \$154,700 for compensation market alignment in line item 6; add \$5,000 for the bariatric beds in line item 7; add \$415,100 for the 24/7 security in line item 8; add \$4,500 for OITS operating costs; add \$38,800 for OITS servers and licensing; add \$200 for OITS billings; and a 2% General Fund reduction of \$24,300 all from operating expenditures. The totals for this motion for FY 2021 are 367.20 FTP, \$1,213,300 from the General Fund, \$23,487,800 from dedicated funds, and \$21,485,700 from federal funds for a grand total of \$46,186,800; seconded by **Representative Kauffman**.

DISCUSSION:

Representative Syme discussed the motion.

CARRIED:

AYES: 18

Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.

Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Amador, Troy, Wintrow and Toone.

NAYS: 0

ABSENT/EXCUSED: 3

Senators Grow and Woodward

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#).

**UNANIMOUS
CONSENT:**

Requested by **Representative Syme**, granted by unanimous consent, the following intent language was adopted:

REAPPROPRIATION AUTHORITY FOR A SECOND VETERANS CEMETERY. There is hereby reappropriated to the Division of Veterans Services any unexpended and unencumbered balances appropriated to the Division of Veterans Services from the Federal Grant Fund for a second veterans cemetery for fiscal year 2020, in an amount not to exceed \$6,414,900, to be used for nonrecurring expenditures related to the addition of a second veterans cemetery in southeastern Idaho for the period July 1, 2020, through June 30, 2021. The State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

REAPPROPRIATION AUTHORITY FOR A FOURTH VETERANS HOME. There is hereby reappropriated to the Division of Veterans Services any unexpended and unencumbered balances appropriated to the Division of Veterans Services from the Federal Grant Fund and the Veterans Recognition Income Fund for the construction of a fourth veterans home for fiscal year 2020, in an amount not to exceed \$27,965,200 from the Federal Grant Fund and \$15,058,200 from the Veterans Recognition Income Fund, to be used for nonrecurring expenditures related to the construction of a fourth veterans home for the period July 1, 2020, through June 30, 2021. The State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

CASH TRANSFER. Notwithstanding the provisions of Section 65-703(2), Idaho Code, or any other provision of law to the contrary, there is hereby appropriated and the administrator of the Division of Veterans Services shall request the State Controller to make a transfer or transfers from the Idaho Veterans Recognition Fund to the Idaho Veterans Recognition Income Fund in an amount not to exceed the amount appropriated and/or reappropriated for the purpose of providing the state's required match for the establishment of a fourth veterans home in north Idaho for the period July 1, 2020, through June 30, 2021.

LSO

PRESENTATION: Robyn Lockett, Principal Budget & Policy Analyst, LSO

DIVISION OF HUMAN RESOURCES, OFFICE OF THE GOVERNOR,

MOTION: Moved by **Senator Johnson** for the Division of Human Resources, beginning with the FY 2021 Base, a decrease of \$7,300 for benefit costs, an increase of \$16,600 for replacement items, an increase of \$1,500 for statewide cost allocation, and an increase of \$28,600 for change in employee compensation. Also included are the following line items: line item 1, which provides \$25,000 for executive management training; line item 2, which provides 1.00 FTP and \$79,200 for a personnel compliant line; \$200 for OITS operating costs; and \$4,600 for OITS servers and licensing. The totals for this motion for FY 2021 are 17.00 FTP and \$2,514,200 from the dedicated Division of Human Resources Fund; seconded by **Representative Anderson**.

DISCUSSION: Senator Johnson clarified aspects of the motion.

CARRIED: **AYES: 18**
Senators Bair, Johnson, Lee, Agenbroad, Crabtree, Burtenshaw, Ward Engelking, and Nye.
Representatives Youngblood, Horman, Anderson, Kauffman, Raybould, Syme, Amador, Troy, Wintrow and Toone.
NAYS: 0
ABSENT/EXCUSED: 3
Senators Grow and Woodward

The majority, having voted in the affirmative, the motion passed, and without objection, will carry a DO PASS recommendation. Hearing no objection, it was so ordered by **Chairman Bair**. See [Motion](#) and [Ballot](#).

UNANIMOUS CONSENT: Requested by **Representative Syme**, granted by unanimous consent, the following intent language was adopted::

INTENT LANGUAGE: EMPLOYEE COMPENSATION. In accordance with Chapter 53, Title 67, Idaho Code, the Division of Human Resources shall shift the salary structure upward by three percent (3%) beginning on July 1, 2020, with the exception of the minimum wage of \$7.25 per hour at pay grade D. The division shall also maintain the job classifications currently on payline exception. Further, notwithstanding any other provision of law to the contrary, state agencies shall increase the ongoing annual salaries of their permanent state employees working in the 20 job classifications identified as most in need of equity adjustments by the FY 2021 Division of Human Resources Change in Employee Compensation and Benefits Report by no less than two percent (2%) effective by July 1, 2020.

ADJOURN: There being no further business to come before the Committee, **Chairman Bair** adjourned the meeting at 8:44 a.m.

Chairman Bair
Chair

Elaine Leedy
Secretary