

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Tuesday, February 08, 2022
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS: Senators Co-chairman Agenbroad, Crabtree, VanOrden (Bair), Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash
**ABSENT/
EXCUSED:** None

Co-Chairman Youngblood called the meeting to order at 8:00 a.m.

Ms. Christine Otto, Senior Analyst, LSO Budget & Policy Analysis, presented an overview of the Brand Inspection Division. The agency provides protection to the livestock industry from losses by theft and illegal slaughter. The agency had three open audit findings but they have been resolved.

Mr. Cody Burlile, State Brand Inspector, explained the agency is funded wholly by dedicated funds. It is a self-governing agency, housed within the Idaho State Police.

Mr. Burlile described the agency's FY 2023 budget requests. The agency requests one FTP and \$38.5K in ongoing appropriations from dedicated funds for a financial technician position in the Meridian office. This request converts a part-time group position to a full-time position. The agency also requests a one-time \$218.9K appropriation from dedicated funds to replace equipment, including vehicles and computer hardware.

Ms. Otto presented an overview of the Idaho State Police (ISP). ISP enforces federal and state statutes, prevents and detects crime, regulates traffic, and executes and serves warrants. ISP has seven budgeted programs: Director's Office, Capitol Protective Services, Investigations, Patrol, Law Enforcement Programs, Support Services, and Forensic Services. There are no current audit findings.

Colonel Kedrick Wills, Director of the Idaho State Police, reviewed the agency's FY 2022 supplemental appropriation requests. The agency requests a one-time \$7.95M in dedicated funds for the replacement of the Computer Aided Dispatch (CAD) and Records Management Software (RMS) systems. Colonel Wills explained the requested amount is an estimate of the final cost, but immediate replacement is necessary because the current system is so outdated it can only receive basic maintenance.

ISP requests a one-time \$900K from the General Fund for three remote housing units in the towns of Carey, Mackay, and Plummer.

ISP requests a one-time \$6.8M from the General Fund to purchase an H124 Airbus helicopter and construct an aircraft hangar at the Meridian Campus. This FY 2022 supplemental request connects to the agency's FY 2023 line-item request for ongoing appropriation for five FTPs and \$299K from dedicated funds and the General Fund. The five positions include two pilots, two aircraft mechanics, and one administrative assistant.

Colonel Wills reviewed the agency's other FY 2023 budget requests. The agency requests a one-time appropriation of \$5.97M in dedicated and federal funds to replace equipment, including ballistic vests, computer equipment, 49 equipped vehicles, and a forensic instrument.

ISP has several FY 2023 budget requests for Capitol Protective Services. These requests support a new protective service unit to be housed at the Idaho State Capitol and the Chinden campus. ISP requests 13 FTPs and an ongoing \$1.38M and one-time \$1.5M in dedicated and General Funds. This unit would serve the Capitol Mall complex, the Chinden campus, Pardons and Parole, and the Supreme Court.

Continuing the FY 2023 budget, ISP requests two FTPs and \$102K in ongoing appropriation from the General Fund for two technical records specialists, one to be housed in Meridian and the other in Lewiston.

ISP requests an ongoing fund shift of two FTPs and \$174K from the General Fund to the ABC dedicated fund. The division states there is now enough revenue in the dedicated fund to support this shift.

ISP requests an ongoing \$338K and one-time \$27K in dedicated funds for radio repeater upgrades. This is the first of five repeater sites ISP plans to upgrade to the 700 MHz system. ISP also requests an ongoing \$15.1K in dedicated and General Funds for multi-factor authentication; another \$900 will come from the POST Academy. ISP is currently out of compliance with the FBI Criminal Justice Information System and must upgrade.

ISP has several FY 2023 budget requests related to the Bureau of Criminal Investigation (BCI). The department requests one FTP and an ongoing \$58K in dedicated funds for a technical records specialist; an ongoing \$263K in dedicated funds for ILETS maintenance; an ongoing \$55K and one-time \$325K in dedicated funds to implement the Next Generation Identification notification service; and an ongoing \$5K and one-time \$30K in dedicated funds to purchase an additional Automated Identification System (ABIS).

ISP requests \$3.88M in one-time CARES funding for the Coronavirus Emergency Supplemental Funding Program; ISP was approved for a grant extension until 1/31/2023.

The division requests a fund shift of \$3.76M from dedicated funds to the General Fund. This includes shifting 31 FTPs. This shift is due to **S 1201**, passed in 2019, which directs a 1% reduction each year until ISP no longer receives a distribution from the Highway Distribution Account.

The division requests a fund shift of \$38K from the federal fund to the General Fund for a sexual assault nurse examiner position; this position will lose its federal funding at the end of FY 2023. The division also requests two FTPs and an ongoing \$250K in General Funds for two specialist positions to combat the smuggling of fentanyl and other narcotics.

ISP requests authority to carryover its unencumbered and unspent appropriation balances from FY 2022 to FY 2023 for the RMS/CAD replacement. This reappropriation requires legislative approval.

In response to committee questions about the budget request for the helicopter, **Colonel Wills** stated the equipment would aid two elements of the ISP's mission: law enforcement operations and search and rescue operations. A committee member explained the military helicopters at Gowen Field are not easily accessible; the military strictly limits when they can be deployed for civilian operations.

In response to a committee question about why there were projected ongoing maintenance costs for the multi-factor authentication system, **Colonel Wills** said he would investigate.

Ms. Otto presented an overview of the Peace Officer Standard and Training (POST) Academy, which delivers training and technical assistance to all levels of law enforcement throughout the state. POST is organized and funded as a division of the Idaho State Police. POST receives no General Funds and relies on dedicated funds and small federal grants.

Mr. Brad Johnson, Administrator, POST Academy, explained the revenue sources constituting POST's dedicated fund have continued to trend downward and do not provide sufficient monies for POST to exercise its full spending authority. The agency has worked with the Governor's Office to incorporate feedback from last year's legislative session into a new proposal. He requested support for **H 469**, which states 1.5% of the amount annually distributed from the Liquor Fund to the General Fund, after all other distributions, would be transferred to the POST fund. The agency is prohibited by statute from receiving more than \$1M; should those receipts ever exceed \$1M, the excess would revert to the General Fund.

Mr. Johnson reviewed the agency's FY 2023 budget requests. POST requests a one-time appropriation of \$134K in dedicated funds to replace equipment, including emergency vehicle operator course vehicles, training suits, and computer equipment.

POST requests an ongoing \$900 in dedicated funds for its share of multi-factor authentication. This agency-wide project was referenced earlier in **Colonel Wills'** presentation on ISP.

POST requests \$80K from the Misdemeanor Probation Officer Training Fund. This request aligns revenues and expenditures with appropriation. The agency also requests \$250K in one-time appropriation from dedicated funds to purchase two driving simulators.

POST requests one FTP and an ongoing net-zero object transfer of \$60.9K from operating expenditures to personnel costs to hire a Regional Training Coordinator (RTC). POST is divided into four geographic regions for in-service training and agency support; this position would add a second RTC in POST region 2, which includes Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, and Owyhee counties.

POST requests support for the Governor's FY 2022 recommended supplemental appropriation for \$10M from the Permanent Building Fund in one-time spending for a new POST dormitory. The current building increasingly needs extra repair and maintenance.

Ms. Otto presented an overview of the Idaho State Racing Commission, which maintains horse racing requirements to protect racing participants and the public from illegal actions surrounding racing operation. The Commission is self-funded through dedicated sources for pari-mutuel licenses and distributions.

Ms. Ardie Noyes, Business Operations Manager, Idaho State Racing Commission, described the work of the agency. Advanced Deposit Wagering provides the bulk of the revenue for the agency. The agency requests a FY 2023 maintenance budget; they have no new requests.

Ms. Frances Lippitt, Analyst, LSO Budget & Policy Analysis, presented an overview of the Industrial Commission, which comprises three programs: Compensation, Rehabilitation, and Crime Victims Compensation. The commission is funded almost entirely by dedicated funds sourced by workers' compensation taxes and fees and court fines imposed on criminal activity.

In response to a committee question, **Ms. Tami Humiston**, Financial Officer, Industrial Commission, explained the resolution of a previous audit finding.

Mr. Tom Limbaugh, Commissioner, Industrial Commission, explained some of the activities of the Commission. The agency ensures compliance with Workers' Compensation (WC) Law and resolves disputes; maintains the WC insurance policy database; audits payments to injured workers; provides vocational rehabilitation services to injured workers; and hears unemployment insurance appeals. Mr. Limbaugh emphasized the agency does not write workers' compensation insurance policies, pay workers' compensation benefits, or set workers' compensation insurance rates.

Mr. Limbaugh explained the agency's FY 2023 budget requests. The agency requests \$50K in a one-time appropriation from dedicated funds for an updated microfilm reader and associated software licenses.

The agency requests a one-time \$3.25M appropriation in dedicated funds for a technology modernization project. The project will consolidate and upgrade aging systems, establish digital document storage, and deploy web portals.

The agency requests an ongoing \$17K appropriation in dedicated funds for the commissioner salary increase. This request is a place holder for the Commissioners' CEC, which requires legislation to implement.

The agency requests an ongoing \$439K in federal funds to increase the Victims of Crime Act (VOCA) award. VOCA is a formula grant which provides payment for services needed by victims of sexual assault and other violent crimes.

Ms. Lippitt presented an overview of the office of the Secretary of State, which is one of seven constitutional officers in Idaho. The Secretary of State registers the official acts of the Legislature and the Governor, administers and certifies elections, maintains a registry of business filings, administers the Sunshine Law, and serves as a member of the State Board of Land Commissioners and the Board of Examiners. The office is organized into two budgeted programs: Administration and the Commission on Uniform State Laws.

Mr. Chad Houck, Chief Deputy Secretary of State, explained the agency's budget request for \$500K for post-election audits to enhance transparency and confidence in the results of all Idaho elections. The balance will carry over into future years. Per **S 1274** now in the Legislature, the Secretary of State will perform two audit cycles per year, for the primary election and the general election, in even-numbered years.

Mr. Houck explained the agency's FY 2022 base adjustments. The agency publishes the Idaho Blue Book every other year; 2022 is an off year. The agency requests the removal of a one-time appropriation of \$30K and one FTP with the associated health benefits.

Mr. Houck explained the agency's FY 2023 budget requests. The agency requests \$200K in a one-time appropriation from the General Fund to support a major software upgrade of its business application system.

Mr. Houck stated Idaho Code requires the Secretary of State to publish all proposed Constitutional amendments in every newspaper at least three times and to mail all proposed amendments and any initiative or referendum measure to every household in the state via a voter pamphlet. The Secretary of State requests \$300K in a one-time appropriation from the General Fund for costs associated with the FY 2023 election cycle.

The agency requests a one-time \$53K appropriation to cover the costs of the annual dues, travel, and registration expenses for the annual Secretary of State conference held in Philadelphia, Pennsylvania.

In response to committee questions, **Mr. Houck** explained the agency estimates each audit will cost \$50K, and therefore two audits in an even-numbered election year will cost \$100K. He suggested JFAC and the Legislature should reappropriate the monies on an ongoing basis. The requested \$500K would carryover and last for five elections, or in other words, ten years. He further stated **S 1274** outlines the details of a post-election audit.

In response to further committee questions, **Mr. Houck** stated the key purpose of the Secretary of State is to ensure the uniform application of the law, and the law states deceased voters must be removed from registered voter rolls. The list of deceased persons in Idaho are distributed monthly to counties; it is incumbent on the counties to make sure their voter rolls are accurate. If the Secretary of State receives information a county is not complying with the law, the agency has the authority to investigate.

In response to committee questions, **Mr. Houck** stated the Attorney General and the Secretary of State sent **Mike Lindell** a request for reimbursement of \$6588 for expenses incurred for recounts held in three Idaho counties. Mr. Houck explained that amount comprised travel expenses, not internal staff time; pending reimbursement, those expenses were paid with federal monies.

In response to a committee question, **Ms. Kathy Abbott**, Financial Specialist, Office of the Secretary of State, stated the budget request for \$53K for dues, travel, and registration of annual conference should be ongoing, not one-time.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 10:33 a.m.

Representative Youngblood
Chair

Alyson Jackson
Secretary