

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, March 02, 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:** Senator Riggs

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

Ms. Janet Jessup, Senior Analyst, LSO Budget & Policy Analysis, presented a FY 2022 supplemental request from the State Board of Education Colleges and Universities for the Nuclear Engineering Program.

UNANIMOUS CONSENT REQUEST: **Rep. Horman** requested and it was granted by unanimous consent, the FY 2022 budget for the College and Universities was reopened.

MOTION: **Rep. Horman** made a motion, seconded by **Sen. Lent**, for FY 2022, for the State Board of Education Colleges and Universities, an additional \$1,100,000 in onetime operating expenditures from the General Fund for a nuclear engineering programming at Idaho State University and University of Idaho.

VOTE ON MOTION: **Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.**
AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Troy.

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 Youngblood**.

Ms. Jessup presented a FY 2022 supplemental request from the State Board of Education Colleges and Universities to create an Eastern Idaho Forensic Pathology Center. Currently, forensic autopsy services in the State of Idaho require remains to be transported from Eastern Idaho to Ada County, which requires the commitment of personnel and financial resources from the investigating agency. This motion anticipates reappropriation authority for FY 2023.

MOTION: **Rep. Nash** made a motion, seconded by **Sen. Nye**, for FY 2022, for the Office of the State Board of Education Colleges and Universities, an additional \$900,000 in onetime operating expenditures from the General Fund to create an Eastern Idaho Forensic Pathology Center at Idaho State University.

VOTE ON MOTION: **Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.**
AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Troy.

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 Youngblood**.

Ms. Jessup presented an overview of the FY 2023 Colleges and Universities budget.

MOTION:

Rep. Amador made a motion, seconded by **Sen. VanOrden**, for FY 2023, for Colleges and Universities, 4,749.43 FTP, \$338,065,500 from the General Fund, \$304,968,000 from dedicated funds, and \$14,000 from federal funds, for a grand total of \$643,047,500, which includes personnel benefit costs, replacement costs, change in employment compensation, line items, and provides for carryover authority for previously appropriated non-General Fund moneys; exemptions to budget laws allowing transfer of funds among object class codes and programs; and no FTP cap.

Rep. Amador explained the group submitting this motion sheet worked with the goal of ensuring the higher education budget bill would pass both the House and Senate and gain the Governor's signature. He further stated this motion fully supported all employees receiving the CEC increase; funded several line items for different institutions; and used HESF funding to ensure each of the institutions would not enact a tuition increase. Rep. Amador stated each member of the Joint Finance-Appropriation Committee received information from **President Kurt Liebich**, President of State Board of Education. This information indicates all presidents of Idaho higher education institutions have agreed to maintain current undergraduate tuition rates, should this particular motion pass into law.

SUBSTITUTE MOTION:

Sen. Woodward made a substitute motion, seconded by **Rep. Troy**, for FY 2023, for Colleges and Universities, 4,749.43 FTP, \$339,626,100 from the General Fund, \$301,114,000 from dedicated funds, and \$14,000 from federal funds, for a grand total of \$640,754,100, which includes personnel benefit costs, replacement costs, change in employment compensation, line items, and provides for carryover authority for previously appropriated non-General Fund moneys; exemptions to budget laws allowing transfer of funds among object class codes and programs; and no FTP cap.

Sen. Woodward explained the substitute motion differs from the original motion in enrollment workload adjustment and utilization of the Higher Education Stabilization Fund. The substitute motion acknowledges the effects of the recent pandemic and recognizes the value of human infrastructure. He stated the substitute motion provides sustainable, ongoing funding versus utilization of rainy-day funds during a time of unprecedented revenue growth.

Rep. Troy recognized the efforts of the working groups and the difficulty of this budget. She acknowledged the substitute motion lacked funding for occupancy costs at most institutions and expressed concern.

Rep. Syme stated his dissatisfaction with both motions. He stated his preference to save the "rainy-day" funds for rainy days, not during a time of budget surplus; he also expressed disappointment at the lack of funding for some workforce initiatives.

Sen. Crabtree commented the substitute motion utilizes less money. He stated the need for conservative budgeting, especially during a time of record income. He further commented the substitute motion better supported the State Board of Education by not using HESF funds toward tuition costs. Sen. Crabtree stated the information from **President Liebich**, referenced by **Rep. Amador**, expressed disagreement with using the HESF funds.

**AMENDED
SUBSTITUTE
MOTION:**

Rep. Nate made an amended substitute motion, seconded by **Rep. Giddings**, for FY 2023, for Colleges and Universities, 4,744.98 FTP, \$325,898,100 from the General Fund, \$309,297,200 from dedicated funds, and \$9,000 from federal funds, for a grand total of \$635,204,300, which includes personnel benefit costs, replacement costs, change in employment compensation, line items, and provides for carryover authority for previously appropriated non-General Fund moneys; exemptions to budget laws allowing transfer of funds among object class codes and programs; and no FTP cap.

Rep. Nate spoke against both the original and substitute motions. He stated universities are spending too much money and referenced legislation from the previous legislative session, which intended to reduce support for universities. He expounded on specific programs and line-item reductions in his amended substitute motion.

Sen. Agenbroad invoked Rule 39(H) stating a possible conflict of interest but that he would be voting on the legislation.

Rep. Amador invoked Rule 80 stating a possible conflict of interest but that he would be voting on the legislation.

**VOTE ON
AMENDED
SUBSTITUTE
MOTION:**

Amended substitute motion failed by a vote of 2 AYES, 17 NAYS, 1 ABSENT/EXCUSED. AYES: 2. Giddings, Nate. **NAYS: 17.** Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash. **ABSENT/EXCUSED: 1.** Riggs.

Sen. Ward-Engelking observed out-of-state tuition is calculated at 150% of in-state tuition. When Idaho universities institute a tuition freeze, it becomes cheaper for out-of-state students to attend Idaho universities rather than those in their home states.

Sen. Agenbroad complimented the JFAC subcommittee and recognized their hard work on this difficult budget. He noted the original and substitute motions differ in the budgeting process. He stated his support for the substitute motion because the original motion appropriated onetime monies supporting ongoing costs.

Rep. Horman directed the committee to review the enrollment metrics of the universities and noted increased enrollment despite the recent pandemic. She stated her support for the original motion but noted the existing funding formula structure and enrollment workload adjustment should be modified in the future. She stated her support for maintaining tuition affordability for students and applauded the bipartisan work on both the original and substitute motions.

**VOTE ON
SUBSTITUTE
MOTION:**

Substitute motion failed by a vote of 9 AYES, 10 NAYS, 1 ABSENT/EXCUSED. AYES: 9. Agenbroad, Crabtree, Grow, Woodward, Lent, Ward-Engelking, Nye, Troy, Syme. **NAYS: 10.** Cook, VanOrden (Bair), Youngblood, Horman, Amador, Bundy, Giddings, Nate, Green, Nash. **ABSENT/EXCUSED: 1.** Riggs.

**VOTE ON
ORIGINAL
MOTION:**

Original motion carried by a vote of 11 AYES, 8 NAYS, 1 ABSENT/EXCUSED. AYES: 11. Grow, Woodward, Lent, Cook, VanOrden (Bair), Youngblood, Horman, Amador, Bundy, Green, Nash. **NAYS: 8.** Agenbroad, Crabtree, Ward-Engelking, Nye, Troy, Syme, Giddings, Nate. **ABSENT/EXCUSED: 1.** Riggs.

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 Youngblood**.

Ms. Jessup explained the standard appropriation language associated with the FY 2023 budget for Colleges and Universities.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Amador requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. SYSTEMWIDE NEEDS. Of the amount appropriated in Section 1, Subsection V. of this act, the following amounts may be used as follows: (1) an amount not to exceed \$902,600 may be used by the Office of the State Board of Education for systemwide needs that benefit all of the four-year institutions including, but not limited to, projects to promote accountability and information transfer throughout the higher education system; and (2) an amount of approximately \$1,960,500 may be used for the mission and goals of the Higher Education Research Council as outlined in State Board of Education Policy III.W., which includes awards for infrastructure, matching grants, and competitive grants through the Idaho Incubation Fund program.

SECTION __. STUDENT TUITION AND FEES. Notwithstanding the provisions of Section 67-3516(2), Idaho Code, the Division of Financial Management may approve the expenditure adjustments for dedicated state funds pursuant to the noncognizable process for student tuition and fees during fiscal year 2023. Each of the institutions' budget requests for fiscal year 2024 shall reflect all adjustments so approved by the Division of Financial Management.

Ms. Jessup explained the new intent language for the FY 2023 budget for Colleges and Universities.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Amador requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. REAPPROPRIATION AUTHORITY FOR GENERAL FUNDS. There is hereby reappropriated to the Office of the State Board of Education any unexpended and unencumbered balances appropriated to the Office of the State Board of Education from the General Fund for nuclear engineering program support and forensic pathology center in fiscal year 2022, in an amount not to exceed \$2,000,000 from the General Fund, to be used for nonrecurring expenditures for the period July 1, 2022, through June 30, 2023. The Office of 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.

SECTION __. PERFORMANCE MEASURES. At the first interim meeting of the Joint Finance-Appropriations Committee in 2022, the Idaho State Board of Education shall bring for the committee's consideration suggested goals and performance measures for the college and universities to be used in future funding analysis.

Ms. Janet Jessup presented an overview of the FY 2023 Special Programs budget.

MOTION:

Rep. Amador made a motion, seconded by **Sen. Grow**, for FY 2023, for Special Programs in the State Board of Education, 47.09 FTP, \$26,845,000 from the General Fund, \$1,001,500 from dedicated funds, and \$4,537,300 from federal funds, for a grand total of \$32,383,800, which includes personnel benefit costs, replacement costs, change in employment compensation, and line items.

VOTE ON MOTION:

Motion carried by a vote of 17 AYES, 0 NAYS, 3 ABSENT/EXCUSED.
AYES: 17. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green. **NAYS: 0. ABSENT/EXCUSED: 3.** Riggs, Giddings, Nash.

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 Youngblood**.

Ms. Jessup explained the intent language associated with the FY 2023 budget for Special Programs.

UNANIMOUS CONSENT REQUEST:

Rep. Amador requested and it was granted by unanimous consent, to accept the following intent language for the Opportunity Scholarship Program Account.

INTENT LANGUAGE:

SECTION __. OPPORTUNITY SCHOLARSHIP PROGRAM ACCOUNT. Moneys appropriated from the General Fund to the Scholarship and Grants Program for fiscal year 2022 that are unexpended and unencumbered on June 30, 2022, are hereby appropriated and shall be transferred by the Office of the State Controller to the Opportunity Scholarship Program Account created in Section 33-4303, Idaho Code.

Ms. Jessup presented an overview of the FY 2023 Community Colleges budget.

In response to a committee question about the Change in Employee Compensation (CEC) line item, **Ms. Jessup** explained the Community Colleges budget does not include student tuition and fees. Those monies are retained by the local Board of Trustees, and that Board makes the sole determination for the funds. Earlier this session, the Joint Finance-Appropriations Committee adopted a CEC calculation model for all state employees. Community college employees are not state employees, but to maintain consistency across state agencies, a CEC was calculated. The line item amount is calculated from the FTP total reported by each Community College Board of Trustees.

Rep. Horman observed this CEC budget line item calculation is equivalent to the CEC for college and university employees.

MOTION:

Rep. Horman made a motion, seconded by **Sen. VanOrden**, for FY 2023, for Community Colleges, \$56,928,900 from the General Fund, \$800,000 from dedicated funds, and \$14,000 from federal funds for a grand total of \$57,742,900, which includes exceptions to budget laws allowing transfer of funds among object class codes and programs, and no FTP cap.

VOTE ON MOTION:

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.
AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Giddings.

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 Youngblood**.

Mr. Rob Sepich, Senior Analyst, LSO Budget & Policy Analysis, presented an overview of the FY 2023 Department of Water Resources budget.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Bundy**, for FY 2023, for the Department of Water Resources, 168.00 FTP, \$22,521,200 from the General Fund, \$5,658,600 from dedicated funds, and \$101,804,500 from federal funds for a grand total of \$129,984,300, which includes personnel benefit costs, replacement costs, change in employment compensation, and line items.

Sen. Crabtree stated this budget includes additional FTP necessary to address serious drought conditions and ongoing water management concerns. He acknowledged this budget also includes large amounts of ARPA monies for various water projects and needs throughout the state.

Rep. Syme stated support for this motion and noted rapid population growth throughout the state, including in rural areas. He expressed the need for these extra water studies and projects to ensure future sustainability.

VOTE ON MOTION: **Motion carried by a vote of 17 AYES, 0 NAYS, 3 ABSENT/EXCUSED. AYES: 17.** Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 3.** Riggs, VanOrden (Bair), Giddings.

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 Youngblood**.

Mr. Sepich explained the intent language necessary to approve the cash transfers for water projects for the Anderson Ranch Dam, Mountain Home Air Force Base, Upper Snake River Valley, aquifer recharge and management, and flood mitigation grants. Cash transfers require a roll call vote.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Bundy**, to approve the following intent language.

INTENT LANGUAGE: SECTION __. CASH TRANSFER FOR LARGE WATER PROJECTS. There is hereby appropriated to the Department of Water Resources and the Office of the State Controller shall transfer \$75,000,000 from the General Fund to the Water Management Fund on July 1, 2022, or as soon thereafter as practicable for the period July 1, 2022, through June 30, 2023, to be used for large water projects such as the Anderson Ranch Dam capacity increase, Mountain Home Air Force Base water supply project, and recharge projects in the Upper Snake River Valley.

SECTION __. CASH TRANSFER FOR AQUIFER MANAGEMENT. Of the amount appropriated to the Department of Water Resources in Section 1 of this act for the Planning and Technical Services Program from the General Fund, the Office of the State Controller shall transfer \$5,000,000 to the Secondary Aquifer Planning, Management, and Implementation Fund on July 1, 2022, or as soon thereafter as practicable for the period July 1, 2022, through June 30, 2023, to be used for aquifer recharge and management.

SECTION __. CASH TRANSFER FOR THE FLOOD MANAGEMENT PROGRAM. Of the amount appropriated to the Department of Water Resources in Section 1 of this act for the Planning and Technical Services Program from the General Fund, the Office of the State Controller shall transfer \$1,000,000 to the Water Management Fund on July 1, 2022, or as soon thereafter as practicable for the period July 1, 2022, through June 30, 2023, to be used for hydrologic data collection, monitoring and modeling, flood-damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention projects. These moneys shall be administered by the Idaho Water Resource Board through a competitive, matching grant process which prioritizes projects based on the public benefits they provide.

VOTE ON MOTION:

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.

AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Giddings.

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 Youngblood**.

Mr. Sepich explained the intent language necessary to approve the cash transfers for aquifer monitoring and large water projects. Cash transfers require a roll call vote.

MOTION:

Sen. Crabtree made a motion, seconded by **Rep. Bundy**, to approve the following intent language.

INTENT LANGUAGE:

SECTION __. CASH TRANSFER FOR AQUIFER MONITORING. There is hereby appropriated to the Department of Water Resources and the Office of the State Controller shall transfer \$716,000 from the Revolving Development Fund to the Aquifer Planning and Management Fund on July 1, 2022, or as soon thereafter as practicable for the period July 1, 2022, through June 30, 2023, to be used for aquifer monitoring, measurement, and modeling.

SECTION __. USES OF LARGE WATER PROJECT FUNDS. Of the moneys provided in Section __ for water projects, funding shall be used for expenditures, loans, or grants for water projects, including studies, to address water sustainability, rehabilitate or improve aging water infrastructure, or support flood management. No more than one-third (1/3) of these moneys shall be used for grants. The Idaho Water Resource Board shall develop criteria, taking into account the public's input for the expenditures of money for grants, which shall be competitive, matching grants that prioritize projects based on the public benefits they provide. Considerations of public benefits should include the protection of existing water rights, the uses identified in Section 42-1760(2)(d), Idaho Code, which include consideration of the value of existing hydropower to the state's economy, providing water for future development, and addressing aging water storage and/or delivery infrastructure for projects that provide environmental, safety or recreational benefits. For any project receiving grants issued pursuant to the criteria developed under this provision, the \$50,000 grant limitation of Section 42-1760(2)(b), Idaho Code, shall not apply.

VOTE ON MOTION:

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.

AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Giddings.

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 Youngblood**.

Mr. Sepich explained the additional intent language necessary to approve for the use of ARPA funding for water projects. Cash transfers require a roll call vote.

**UNANIMOUS
CONSENT
REQUEST:**

Sen. Crabtree requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. WATER PROJECTS ELIGIBLE FOR FUNDING FROM THE AMERICAN RESCUE PLAN ACT (ARPA). It is the intent of the legislature to provide approximately \$250,000,000 of American Rescue Plan Act (ARPA) funding to support projects managed by the Idaho Water Resource Board. Moneys shall be appropriated from the ARPA State Fiscal Recovery Fund for this purpose. Projects may include:

(a) The continued identification, study, construction, or enlargement of managed aquifer recharge sites above Milner Dam in accordance with Section 42-1760(2)(c) and (d), Idaho Code, that, based on scientific data and technical analysis, addresses the restoration of the Eastern Snake Plain Aquifer;

(b) The enlargement of Anderson Ranch Reservoir, located on the south fork of the Boise River;

(c) Construction of water delivery and treatment systems for the Mountain Home Air Force Base, provided that the Idaho Water Resource Board shall have the authority to transfer ownership of the state-constructed pump station and pipeline to the Air Force at no cost upon completion, provided further that, notwithstanding the transfer of the pump station and pipeline, the Snake River water rights for the project shall remain in the board's ownership;

(d) The design, planning, construction and implementation of other ARPA-eligible water resource management programs, plans and projects approved by the board.

Mr. Sepich presented a FY 2022 supplemental appropriation request from the Department of Parks & Recreation (IDPR). The Governor recommends an appropriation of \$215K from the dedicated Parks and Recreation Fund to complete projects that have been delegated to the department by the Department of Administration's Division of Public Works (DPW). DPW delegated these four projects to IDPR, and transferred cash to its dedicated fund to complete the projects; however, IDPR reports being short on appropriation funds for three of the four projects. These projects include \$130,000 to re-stain the Old Mission Visitor Center, \$25,000 to replace the carpet at Big Eddy Lodge in Dworshak State Park, and \$60,000 for a restroom upgrade at Ponderosa State Park's Activity Center.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Green requested and it was granted by unanimous consent, the FY 2022 budget for the Department of Parks and Recreation was reopened.

MOTION:

Rep. Green made a motion, seconded by **Sen. Ward-Engelking**, for FY 2022, for the Department of Parks and Recreation, in the Capital Development Program, \$215,000 onetime from the Parks and Recreation Fund.

VOTE ON MOTION:

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.
AYES: 18. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Riggs, Giddings.

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 Youngblood**.

Mr. Sepich presented an overview of the FY 2023 Department of Parks and Recreation budget.

MOTION:

Sen. Lent made a motion, seconded by **Rep. Green**, for FY 2023, for the Department of Parks and Recreation, 170.97 FTP, \$3,730,600 from the General Fund, \$40,846,100 from dedicated funds, and \$32,335,100 from federal funds, for a grand total of \$76,911,800, which includes personnel benefit costs, replacement costs, change in employment compensation, and line items.

Sen. Lent stated he had met with the Director and her staff in the field and was impressed with their vision for the department; he also commented on the recent tremendous increase of resident and non-resident visitors to these state resources.

VOTE ON MOTION:

Motion carried by a vote of 17 AYES, 0 NAYS, 3 ABSENT/EXCUSED.
AYES: 17. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate, Green. **NAYS: 0. ABSENT/EXCUSED: 3.** Riggs, Giddings, Nash.

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 Youngblood**.

UNANIMOUS CONSENT REQUEST:

Sen. Lent requested and it was granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE:

Section . EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS. Notwithstanding the provisions of Section 67-3511(2), Idaho Code, trustee and benefit payments appropriated for grants in the Management Services Program may be transferred to capital outlay in the Capital Development Program or to capital outlay in the Park Operations Program to reflect grants awarded to the Department of Parks and Recreation for the period July 1, 2022, through June 30, 2023. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature.

Section . REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Parks and Recreation any unexpended and unencumbered balances appropriated or reappropriated to the Department of Parks and Recreation for the Capital Development Program for fiscal year 2022 to be used for nonrecurring expenditures in the Capital Development Program for the period July 1, 2022, through June 30, 2023. The Office of 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.

Mr. Sepich explained the necessary correction for the FY 2023 Department of Lands budget. The JFAC motion made on February 28, 2022 included a removal of onetime expenditures value that was \$600,000 more than the amount of onetime funding appropriated during FY 2022. For FY 2022, the Governor recommended a onetime supplemental of \$600,000 for a fire consultant; this funding was removed from the 2/28/2022 motion. However, the corresponding negative \$600,000 removal of onetime expenditures was not adjusted, thereby artificially removing \$600,000 from the FY 2023 Base upon which the motion was started. The remainder of the motion was correct; however, the starting point unintentionally left out funding. The FY 2023 Base should be \$64,013,100, but in the motion, it was \$63,413,100. To reopen the FY 2023 budget requires a 2/3 majority.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Troy**, to reopen the FY 2023 budget for the Department of Lands.

VOTE ON MOTION: **Motion carried by a vote of 16 AYES, 0 NAYS, 4 ABSENT/EXCUSED.**
AYES: 16. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate.
NAYS: 0. ABSENT/EXCUSED: 4. Riggs, Giddings, Green, Nash.

The majority having voted in the affirmative, the motion has passed and the FY 2023 budget for the Department of Lands was reopened.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Troy**, for FY 2023, for the Department of Lands, to add \$600,000 from the General Fund, in addition to the appropriation approved on February 28, 2022.

VOTE ON MOTION: **Motion carried by a vote of 16 AYES, 0 NAYS, 4 ABSENT/EXCUSED.**
AYES: 16. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate.
NAYS: 0. ABSENT/EXCUSED: 4. Riggs, Giddings, Green, Nash.

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 Youngblood**.

Mr. Sepich explained the necessary correction for the FY 2023 Department of Agriculture budget. This correction is technically a reconsideration, which requires different language. To reconsider the FY 2023 budget requires a 2/3 majority.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Troy**, to reconsider the FY 2023 budget for the Department of Agriculture.

VOTE ON MOTION: **Motion carried by a vote of 16 AYES, 0 NAYS, 4 ABSENT/EXCUSED.**
AYES: 16. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate.
NAYS: 0. ABSENT/EXCUSED: 4. Riggs, Giddings, Green, Nash.

The majority having voted in the affirmative, the motion has passed and the FY 2023 budget for the Department of Agriculture was reopened.

MOTION: **Sen. Crabtree** made a motion, seconded by **Rep. Troy**, for FY 2023, for the Department of Agriculture, 225.00 FTP, \$12,527,100 from the General Fund, \$30,190,000 from dedicated funds, and \$7,413,900 from federal funds, for a grand total of \$50,131,000, which includes personnel benefit costs, replacement costs, change in employment compensation, and line items.

Sen. Crabtree explained this motion is a reconsidered version of the earlier proposed Department of Agriculture budget. This budget includes five new invasive species inspectors and vehicles for each, plus funding for another five or more part-time employees. This budget also included the CEC for the fresh fruit and vegetable inspectors.

VOTE ON MOTION:

Motion carried by a vote of 16 AYES, 0 NAYS, 4 ABSENT/EXCUSED.

AYES: 16. Agenbroad, Crabtree, Grow, Woodward, Lent, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Troy, Horman, Amador, Syme, Bundy, Nate.
NAYS: 0. ABSENT/EXCUSED: 4. Riggs, Giddings, Green, Nash.

Sen. Crabtree expressed his appreciation for **Mr. Sepich** and all his good work for the committee. Mr. Sepich is leaving LSO for another place of employment.

Mr. Sepich explained the intent language associated with the FY 2023 budget for the Department of Agriculture.

UNANIMOUS CONSENT REQUEST:

Sen. Crabtree requested and it was granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE:

SECTION _: WATERCRAFT INSPECTION PROGRAM. The Department of Agriculture shall maximize the use of the appropriation provided for the Watercraft Inspection Program to minimize the chances of spreading zebra mussels, quagga mussels, and other aquatic invasive species into Idaho waters. The department is encouraged to use roving inspection stations when appropriate and for expanded hours of coverage during holidays when boat transport traffic is likely to increase. It is also encouraged to use extra staffing on busy holiday weekends. The department shall gather data regarding the number of watercraft that are bypassing the stations and nighttime transport of watercraft across Idaho's borders. The department shall also seek to secure federal funding to further enhance invasive species detection and prevention efforts. The department shall report back to the Joint Finance-Appropriations Committee, the Senate Agricultural Affairs Committee, and the House Agricultural Affairs Committee during the 2023 legislative session regarding the results of the data gathering, attainment of federal funds, and an operational review of the boat stations."

RS 29132C1

Mr. Joshua Whitworth, Chief Deputy, State Controller Office (SCO), presented the Business Information Infrastructure Fund, **RS 29132C1**. This proposed legislation is an adaptation of the funding mechanism used to implement the Luma project; it is a transition from the existing billing model to the direct billing model. In the current model, there is a two-year lag before the SCO receives its payments through the statewide cost allocation plan (SWCAP).

This bill extends the deposit of money from the indirect cost recovery fund into the business information infrastructure fund (BIIF) for one additional year, until June 30, 2023. Additionally, this bill removes the sunset provision of the BIIF. The removal of the sunset provision provides the structure for the State Controller's Office (SCO) to move from a General Fund support organization to a dedicated fund, direct bill organization. The additional one year of funds will allow for the transition to a dedicated fund, fee-for-service model.

This bill is part of a multi-year plan to work with the Legislature and Governor to transition central services of the SCO to a shared-services, dedicated fund, fee-for-service model. During the transition, the SCO's ongoing need for general funding will decrease as the fee for services dedicated fund recovers the cost for centralized services of SCO. Full transition to the new billing structure is expected to begin FY 2026. After full transition it is estimated to decrease SCO's ongoing need for General Funds by approximately \$85 million.

In response to committee questions, **Mr. Whitworth** explained the current projected expenditure for LUMA implementation of Phase 1 is \$98M, which is \$4M less than the intended target. He further explained the requested ongoing supplemental appropriation is intended for ongoing costs connected to moving personnel into the Future Sustainment Organization.

In response to another committee question, **Mr. Whitworth** explained although funds for state universities come through SCO, previously approved existing language still applies to this appropriation, so university employees are still excluded from state employee designation.

MOTION: **Sen. Agenbroad** made a motion, seconded by **Rep. Troy**, to introduce **RS 29132C1**. **Motion carried by voice vote.**

The majority having voted in the affirmative, the motion has passed and without objection **RS 29132C1** will be introduced. There being no objection, it was so ordered by **Chairman Youngblood**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:48 a.m.

Representative Youngblood
Chair

Alyson Jackson
Secretary