

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, March 06, 2023

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just

Representatives Co-Chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, and Nash

ABSENT/ EXCUSED: Senator Burtenshaw, Representative Raybould

CONVENED: **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee or JFAC) to order at 8:01 a.m.

LSO STAFF PRESENTATION: **DEPARTMENT OF ADMINISTRATION - IDAHO STATE CAPITOL COMMISSION LANGUAGE CORRECTION; Frances Lippitt, Analyst, Legislative Services Office (LSO) Budget and Policy Analysis**

Ms. Lippitt discussed the technical correction for the Capitol Commission’s budget which was passed by the Committee. The reappropriation authority language provided reappropriation authority for the operating fund, and the new language ensures reappropriation authority for both the operating fund and the Capital Maintenance Reserve Fund, which is standard.

UNANIMOUS CONSENT: Requested by **Representative Bundy**, granted by unanimous consent, the fiscal year (FY) 2024 budget for the Department of Administration, Capitol Commission was reopened.

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

INTENT LANGUAGE: SECTION __. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Administration for the Idaho State Capitol Commission any unexpended and unencumbered balances appropriated to the Department of Administration for the Idaho State Capitol Commission from the Capitol Commission Operating Fund and Capitol Maintenance Reserve Fund for fiscal year 2023 to be used for nonrecurring expenditures for the period July 1, 2023, through June 20, 2024. 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 STAFF
PRESENTATION:**

**SELF-GOVERNING AGENCIES - COMMISSION ON HISPANIC
AFFAIRS FY 2024 ORIGINAL; Alex Williamson, Analyst, LSO Budget
and Policy Analysis**

Ms. Williamson detailed that the Commission was established by the Legislature in 1987, and provides various services to the Hispanic community and serves as a liaison between the community and government entities. The commission addresses issues facing Idaho's Hispanic community and hosts a number of events throughout the state. **Ms. Williamson** reviewed the agency's request, the Governor's recommendation, and the JFAC adjusted budget (including statewide decisions for personnel benefit costs, statewide cost allocation, change in employee compensation, and the Human Resource consolidation). She pointed out the budget is a maintenance budget request with a base adjustment removing \$20,000 of federal funds from a pass through grant no longer used by the agency.

MOTION:

Moved by **Representative Miller** for the Commission on Hispanic Affairs, beginning with a FY 2024 base of \$488,800, include the following items as part of the JFAC adjusted budget: \$2,300 for benefit costs, \$2,400 for statewide cost allocation, \$9,100 for change in employee compensation, and \$2,100 for Human Resources consolidation. The totals for this motion for FY 2024 are \$272,200 from the General Fund and \$232,500 from dedicated funds, for a total of \$504,700, and cap full-time equivalent positions (FTP) at 3; seconded by **Senator Ward-Engelking**.

DISCUSSION:

Representative Furniss declared a House Rule 80. **Senator Ward-Engelking** declared a Senate Rule 39(H).

**SUBSTITUTE
MOTION:**

Moved by **Senator Herndon** for the Commission on Hispanic Affairs, beginning with a FY 2024 base of \$488,800, include the following items as part of the JFAC adjusted budget: \$2,300 for benefit costs, \$2,400 for statewide cost allocation, \$9,100 for change in employee compensation, and \$2,100 for Human Resources consolidation. Then move 1 FTP and \$67,200 from the General Fund to the Miscellaneous Revenue Fund for one support staff position. Then remove 2 FTP and \$299,700 from dedicated funds and include approval for the budget law exemption that provides for continuous appropriation for the Miscellaneous Revenue Fund for the purposes outlined in Section 67-7203, Idaho Code. The total for this motion for FY 2024 is \$205,000 from the General Fund, and cap full-time equivalent positions at 1; seconded by **Representative Lambert**.

DISCUSSION:

Senator Herndon explained the difference between his motion and the original motion was the removal of two FTPs, only retaining the Director's position. In response to Committee questions, **Senator Herndon** discussed Idaho Code, and suggested that the agency utilize university personnel's expertise and resources as consultants.

FAILED:

AYES: 5

Senators Bjerke, Adams, and Herndon
Representatives Lambert and Tanner

NAYS: 13

Senators Grow, Lent, Cook, VanOrden, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, and Nash

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

**CARRIED
(ORIGINAL
MOTION):**

AYES: 15

Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, and Nash

NAYS: 3

Senator Herndon
Representatives Lambert and Tanner

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

OFFICE OF THE GOVERNOR - COMMISSION ON THE ARTS; Alex Williamson, Analyst, LSO Budget and Policy Analysis

Ms. Williamson detailed that the Commission supports the study and presentation of the arts, encourages public interest and participation, and supports freedom of artistic expression. It issues grants and fellowships, facilitates apprenticeships, clinics and other educational programs, and provides technical assistance to arts organizations. She summarized the agency's request, Governor's Recommendation, the JFAC adjusted budget, and inflationary adjustments.

MOTION: Moved by **Senator Ward-Engelking** for the Commission on the Arts, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: \$6,400 for benefit costs, \$6,600 for statewide cost allocation, \$30,300 for change in employee compensation, and \$5,800 for Human Resources consolidation. Include \$1,100 for inflationary adjustments. Also included is the following line item which provides \$125,000 in trustee and benefit payments for grants. The totals for this motion for FY 2024 are \$982,800 from the General Fund, \$131,300 from dedicated funds, and \$1,201,900 from federal funds, for a total of \$2,316,000, and cap full-time equivalent positions at 10; seconded by **Representative Horman**.

DISCUSSION: **Senator Just** declared a Senate Rule 39(H).

CARRIED: **AYES: 15**

Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just

Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, and Nash

NAYS: 3

Senator Herndon

Representatives Lambert and Tanner

ABSENT/EXCUSED: 2

Senator Burtenshaw

Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

INTENT LANGUAGE: SECTION . ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

LSO STAFF PRESENTATION: **SELF-GOVERNING AGENCIES - IDAHO STATE HISTORICAL SOCIETY (ISHS) FY 2024 ORIGINAL; Alex Williamson, Analyst, LSO Budget and Policy Analysis**

Ms. Williamson explained ISHS provides stewardship over the state's cultural and historic resources and its core programs are the Idaho State Museum, State Archives and Records Center, State Historic Preservation Office, and State Historic Sites. ISHS' mission is to preserve and promote Idaho history and it serves as the official repository for the state's permanent government records. **Ms. Williamson** reviewed the agency's budget request, the Governor's Recommendation, the JFAC adjusted budget, the requested replacement items, and three line items.

MOTION: Moved by **Representative Bundy** for the Idaho State Historical Society, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: \$42,500 for benefit costs, \$35,900 for statewide cost allocation, \$175,900 for change in employee compensation, and remove 1 FTP and \$34,900 for Human Resources consolidation. Include \$45,800 for inflationary adjustments and \$90,100 for replacement items. Also included are the following line items: line item 1, which provides \$1,000,000 for fundraising initiatives; line item 2, which provides \$173,500 for salary equity adjustments; and line item 3, which provides 1 FTP and \$96,400 for a new compliance position. The totals for this motion for FY 2024 are \$4,434,100 from the General Fund, \$3,309,000 from dedicated funds, and \$2,263,300 from federal funds for a total of \$10,006,400, and cap full-time equivalent positions at 58; seconded by **Senator Ward-Engelking**.

CARRIED: **AYES: 16**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Tanner, Petzke, Handy, and Nash

NAYS: 2
Senator Herndon
Representatives Lambert

ABSENT/EXCUSED: 2
Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

INTENT LANGUAGE: SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - SUBSTANCE ABUSE TREATMENT AND PREVENTION FY 2024 ORIGINAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Randolph reviewed that this division provides treatment services for both children and adults. She stated there was one line item requested for FY 2024, line item 31, for substance abuse prevention funds, and that this will be year two of three of an increase to the Substance Abuse Block Grant used to support activities to build infrastructure to support a stronger behavioral health system. **Ms. Randolph** explained that the Governor's Recommendation contained one additional line item which is one time funding from the Millennium Income Fund for recovery centers. She reviewed the agency's request, Governor's Recommendation, and actions previously taken by this Committee.

MOTION: Moved by **Senator VanOrden** for the Division of Substance Abuse Treatment and Prevention, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, change in employee compensation, and Human Resources consolidation. Also included are the following line items: line item 31, which provides \$2,500,000 for substance abuse prevention grants; and line item 44, which provides \$8,000,000 ongoing from federal funds to provide for an ongoing increase in federal distributions in the State Opioid Response Grant. The totals for this motion for FY 2024 are \$1,292,100 from dedicated funds and \$25,918,200 from federal funds for a total of \$27,210,300, and cap full-time equivalent positions at 16; seconded by **Representative Furniss**.

DISCUSSION: **Senator VanOrden** stated the recovery centers will be funded in a separate Millennium Fund appropriation bill.

CARRIED: **AYES: 16**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Tanner, Petzke, Handy, and Nash

NAYS: 2
Senator Herndon
Representatives Lambert

ABSENT/EXCUSED: 2
Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

INTENT LANGUAGE: SECTION __. REPORT ON FUNDS FOR PREVENTION. The Division of Substance Abuse Treatment and Prevention shall provide a report on any funds appropriated in Section 1 of this act used for substance abuse prevention. This report shall include total dollar amount spent on substance abuse prevention versus treatment and should highlight activities undertaken by the Department of Health and Welfare for substance abuse prevention. The report shall be submitted to the Legislative Services Office Budget and Policy Analysis Division no later than January 22, 2024.

UNANIMOUS CONSENT: **Representative Tanner** requested unanimous consent to accept the intent language shown below. **Representative Nash** objected.

MOTION: Moved by **Representative Tanner** to accept the following intent language; seconded by **Senator VanOrden**.

CARRIED:

AYES: 15

Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, and Herndon
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, and Petzke,
and Handy

NAYS: 3

Senators Ward-Engelking and Just
Representatives Nash

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, it was so ordered by **Co-Chairman Grow**.

INTENT LANGUAGE:

SECTION __. DIRECTING THE USE OF FUNDS. Of the funds appropriated in Section 1 of this act for the State Opioid Response Grant, funds available for naloxone and needles shall be available only to first responders in the state of Idaho.

UNANIMOUS CONSENT:

Requested by **Senator VanOrden**, granted by unanimous consent, the following intent language was adopted:

INTENT LANGUAGE:

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the personnel costs expense class in the Division of Substance Abuse Treatment and Prevention shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

LSO STAFF PRESENTATION:

DEPARTMENT OF HEALTH AND WELFARE - SUBSTANCE ABUSE TREATMENT AND PREVENTION - STATE OPIOID RESPONSE GRANT - FY 2023 SUPPLEMENTAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Randolph advised that the agency requested a supplemental appropriation, and it was recommended by the Governor, for \$8 million from the State Opioid Response Grant. The request was originally made on an ongoing basis, but due to this stage of the appropriation process, the supplemental is requested as a one time appropriation since the Committee previously acted to accept the \$8 million on an ongoing basis as a line item in the agency's budget.

UNANIMOUS CONSENT:

Requested by **Senator VanOrden**, granted by unanimous consent, the FY 2023 budget for the Department of Health and Welfare was reopened.

MOTION:

Moved by **Senator VanOrden** for FY 2023, for the Division of Substance Abuse Treatment and Prevention, the addition of \$8,000,000 one time from the Cooperative Welfare (Federal) Fund; seconded by **Representative Furniss**.

CARRIED:

AYES: 16

Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Tanner, Petzke, Handy, and Nash

NAYS: 2

Senator Herndon
Representatives Lambert

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION:

DEPARTMENT OF HEALTH AND WELFARE - PUBLIC HEALTH SERVICES FY 2024 ORIGINAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Randolph discussed this division has five different programs:

- Physical Health Services Program which provides services in 17 different program areas;
- Emergency Medical Services which plans and implements a statewide system to respond to critical illness or injury situations;
- Laboratory Services Program, a basic support system for physical health programs, environmental control programs, and other divisions and programs;
- Suicide Prevention and Awareness Program, which utilizes funds for youth programs to support the suicide hotline and create a public awareness campaign; and
- Health Care Policy Initiatives Program which is responsible for the administration of the State Health Care Innovation Plan and other statewide health policy initiatives focused on improving Idaho's health care system.

She noted the agency requested 18 line items and the Governor recommended all 18 items and added two additional items. The agency also requested six supplementals, and the Governor recommended all six supplementals and added an additional one.

MOTION:

Moved by **Senator VanOrden** for the Division of Public Health, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, statewide cost allocation, change in employee compensation, and Human Resources consolidation. Also included are the following line items: line item 4, which provides \$4,564,700 for public health infrastructure grant; line item 5 which provides \$75,800 for a StateComm Career Ladder; line item 6, which provides \$2,400 to move StateComm staff to the rule of 80; line item 14, which provides \$234,500 for the healthcare directive registry; line item 15, which provides \$143,300 for vital records positions reclassification; line item 17, which provides \$16,122,200 for pandemic response grants; line item 19, which provides \$1,542,400 for an anti-microbial

resistance grant; line item 20 which provides \$1,543,200 for enhancing detection grants; line item 21, which provides \$644,200 for rural provider loan repayment; line item 22, which provides \$12,097,700 for congregate setting infection control grant; line item 24, which provides \$200,000 for vital records system modernization; line item 25, which provides \$395,000 for home visiting; line item 26, which provides \$324,000 for 988 crisis line; line item 29, which provides \$223,100 for lead testing drinking water grant; line item 33, which provides \$350,000 for EMS statewide funding development; line item 36, which provides \$240,000 for the cancer control registry; line item 48, which provides \$288,800 for personnel adjustments; line item 49, which provides \$2,512,900 for limited service positions; line item 50, which provides \$2,500,000 from the State Fiscal Recovery Fund for ambulance purchases; line item 51, which removes \$579,100 in federal funds for the Personal Responsibility Education Program and the State Sexual Risk Avoidance Program; and line item 52, which removes \$706,700 from the Millennium Income Fund for reduced advertising. The totals for this motion for FY 2024 are \$11,139,100 from the General Fund, \$50,451,900 from dedicated funds, and \$116,418,800 from federal funds for a total of \$178,009,800, and cap full-time equivalent positions at 259.02; seconded by **Representative Tanner**.

DISCUSSION:

The Committee discussed this motion and the explanations for various line items.

CARRIED:

AYES: 15

Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, and Herndon
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, and Petzke,
and Handy

NAYS: 3

Senators Ward-Engelking and Just
Representatives Nash

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**UNANIMOUS
CONSENT:**

Requested by **Senator VanOrden**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. SUICIDE PREVENTION AND AWARENESS. The amount appropriated in Section 1 of this act for the Suicide Prevention and Awareness Program shall be used in accordance with the plan developed by the various stakeholders as required by Section 6, Chapter 340, Laws of 2018. Further, the program shall continue to work with all relevant stakeholders to maximize the moneys appropriated for this purpose. The department shall provide a report to the Legislative Services Office on the implementation of the program no later than November 1, 2023.

SECTION __. CASH TRANSFER. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (General) Fund, there is hereby appropriated and the Office of the State Controller shall transfer \$640,000 from the Cooperative Welfare (General) Fund to the Rural Physician Incentive Fund

on July 15, 2023, or as soon thereafter as practicable, for the Department of Health and Welfare for the period July 1, 2023, through June 30, 2024.

SECTION __. PROJECT ECHO. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (General) Fund for the Health Care Policy Initiatives Program, \$200,000 shall be distributed to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Medical Education Program for the continued implementation of Project ECHO.

**UNANIMOUS
CONSENT:**

Requested by **Senator VanOrden**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. HOME VISITATION PROGRAM. Of the amount appropriated in Section 1 of this act, \$1,000,000 from the Cooperative Welfare (General) Fund shall be distributed to the public health districts for the purpose of the Home Visitation Program. These moneys shall be distributed according to a formula set by the public health district board of trustees, pursuant to Section 39-411, Idaho Code.

SECTION __. SMOKING CESSATION. Of the amount appropriated in Section 1 of this act, \$1,278,700 from the Idaho Millennium Income Fund shall be distributed to the public health districts for the purpose of prevention and cessation programs for tobacco, vape, and other substances as funds allow. These moneys shall be distributed equally among the public health districts.

SECTION __. DIRECTING USE OF FUNDS. Of the amount appropriated in Section 1 of this act from the State Fiscal Recovery Fund for ambulance funding, \$2,500,000 shall be distributed first for equipment needs and then according to the uses described in Section 1018B, Idaho Code. The bureau of emergency medical services of the department of health and welfare shall be responsible for requiring qualifying nonprofit and governmental entities that submit an application for a grant to provide information and a certification as part of the grant application to show that the money will be used for needs related to the COVID-19 pandemic and will be spent during the allowable time period for the State Fiscal Recovery Fund.

**UNANIMOUS
CONSENT:**

Representative Tanner requested unanimous consent to accept the intent language shown below. **Senator Ward-Engelking** objected.

MOTION:

Moved by **Representative Tanner** to accept the following intent language; seconded by **Senator Herndon**.

CARRIED:

AYES: 14

Senators Grow, Bjerke, Lent, Cook, VanOrden, and Herndon
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, Petzke, and Handy

NAYS: 3

Senators Ward-Engelking and Just
Representatives Nash

ABSENT/EXCUSED: 3

Senators Burtenshaw and Adams
Representative Raybould

The majority having voted in the affirmative, it was so ordered by **Co-Chairman Grow**.

**INTENT
LANGUAGE:**

SECTION __. PROJECT FILTER ALLOWABLE USES. Of the amount appropriated in Section 1 of this act, \$2,000,000 from the Idaho Millennium Income Fund shall be expended for the purposes of prevention and cessation programs from tobacco, vape, and other substances as funds allow. No moneys for Project Filter from the Millennium Income Fund shall be used for sponsorships or passive advertising.

SECTION __. LEGISLATIVE INTENT FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDS. It is the intent of the legislature that of the funds appropriated in Section 1 of this act for the Temporary Assistance for Needy Families (TANF) program, none shall be used to support instruction, coursework, electives, programs, or any other activities that involve the participation of students, faculty, staff, or volunteers and that deal with the subjects of sexual behavior, sexual health, sexual attitudes, or sexual philosophy.

**UNANIMOUS
CONSENT:**

Requested by **Senator VanOrden**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. TRANSFER OF APPROPRIATIONS. Pursuant to Section 67-3511(4), Idaho Code, funding provided for the personnel costs expense class in the Division of Public Health Services shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF HEALTH AND WELFARE - PUBLIC HEALTH SERVICES - RYAN WHITE RECEIPT AUTHORITY - FY 2023 SUPPLEMENTAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Randolph presented that the Ryan White program is part of an HIV care program which purchases AIDS and HIV medication for eligible Idahoans, funded by drug rebates and receipts. She informed that due to timing issues of when drug rebates were available and the close of the FY, it was anticipated the rebates would have arrived in the last FY, but they arrived in the current FY. This appropriation request will allow the agency to spend all available drug rebates to purchase the needed drugs.

MOTION:

Moved by **Representative Furniss** for FY 2023, for the Division of Public Health, an additional \$1,300,000 one time from the Cooperative Welfare (Dedicated) Fund; seconded by **Senator Bjerke**.

CARRIED:

AYES: 16

Senators Grow, Bjerke, Lent, Cook, VanOrden, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, Lambert, and Nash

NAYS: 0

ABSENT/EXCUSED: 4

Senators Burtenshaw and Adams
Representatives Raybould and Tanner

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF HEALTH AND WELFARE - INDIRECT SUPPORT SERVICES FY 2024 ORIGINAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Randolph summarized that this division provides the administrative functions for the Department which includes the Office of the Director, Office of Legal Services, Office of Human Resources, Division of Information Systems, Division of Management Services, Bureau of Compliance, and Bureau of Operational Services. The agency requested four line items, all of which were recommended by the Governor and related to technology systems. **Ms. Randolph** explained the budget line items and how each funding request would be used. She stated the agency requested two supplementals.

MOTION:

Moved by **Representative Furniss** for the Division of Indirect Support Services, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, statewide cost allocation, change in employee compensation, and Human Resources consolidation. Include \$3,208,000 for replacement items. Also included are the following line items: line item 8, which provides \$335,500 for criminal history unit background check system; line item 9, which provides \$170,400 for the Laserfiche Document management system; line item 10, which provides \$112,700 for the Tableau data analytics platform; line item 11, which provides \$31,500 for AvePoint Cloud Governance; and line item 52, which provides \$168,500 for cost allocation support. The totals for this motion for FY 2024 are \$22,845,300 from the General Fund, \$3,428,300 from dedicated funds, and \$27,069,000 from federal funds for a total of \$53,342,600, and cap full-time equivalent positions at 262.6; seconded by **Senator Cook**.

CARRIED:

AYES: 17

Senators Grow, Bjerke, Lent, Cook, VanOrden, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 3

Senators Burtenshaw and Adams
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare's Division of Medicaid and Division of Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis and the Division of Financial Management.

SECTION __. CRIMINAL HISTORY UNIT REPORT. The Department of Health and Welfare's Division of Indirect Support Services shall deliver a report that outlines the obligations of the criminal history unit within Idaho Code. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis.

**UNANIMOUS
CONSENT:**

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

**INTENT
LANGUAGE:**

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the personnel costs expense class in the Division of Indirect Support Services shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF HEALTH AND WELFARE - INDEPENDENT COUNCILS FY 2024 ORIGINAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Randolph explained there are two councils within this division, the Developmental Disabilities Council, which ensures those with developmental disabilities receive the services and assistance necessary to achieve maximum independence, productivity, and integration into the community; and the Domestic Violence Council, which ensures the availability of assistance for victims of crime, with a focus on programs assisting victims of domestic violence, sexual assault, or child abuse. She explained there was one line item requested which was recommended by the Governor, and the Domestic Violence Council had requested an additional one time use of federal funds to purchase the grants management and data collection software program.

MOTION: Moved by **Senator Cook** for the Division of Independent Councils, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, change in employee compensation, and Human Resources consolidation. Also included are the following line items: line item 34, which provides \$500,000 for the Domestic Violence Council for a building technology capacity grant; line item 47, which provides \$2,500,000 for bridge funding to the Domestic Violence Council; and line item 51, which provides \$50,000 to the Developmental Disabilities Council for personnel funding. The totals for this motion for FY 2024 are \$546,500 from the General Fund, \$601,400 from dedicated funds, and \$16,936,000 from federal funds, for a total of \$18,083,900, and cap full-time equivalent positions at 12; seconded by **Representative Furniss**.

CARRIED: **AYES: 17**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 3
Senators Burtenshaw and Adams
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

INTENT LANGUAGE: SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding Section 67-3511(4), Idaho Code, funding provided for the personnel costs expense class in the Division of Independent Councils shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - LICENSING AND CERTIFICATION FY 2024 ORIGINAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Randolph stated this division inspects licenses and certifies health care facilities that require such certification or licensure by either state or federal requirements. The program investigates complaints, conducts on-site surveys, and takes appropriate licensure action to protect vulnerable people receiving health related services and support. The agency requested, and the Governor recommended, a maintenance of current operations budget for this division.

MOTION: Moved by **Senator Bjerke** for the Division of Licensing and Certification, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, statewide cost allocation, change in employee compensation, and Human Resources consolidation. The totals for this motion for FY 2024 are \$2,284,200 from the General Fund, \$989,000 from dedicated funds, and \$5,266,700 from federal funds for a total of \$8,539,900, and cap full-time equivalent positions at 71.90; seconded by **Representative Tanner**.

CARRIED: **AYES: 18**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Lambert, Tanner, Petzke, Handy, and Nash

NAYS: 0

ABSENT/EXCUSED: 2

Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

INTENT LANGUAGE: SECTION __. REPORTS ON FACILITY LICENSING AND CERTIFICATION. The Licensing and Certification Program shall provide biannual reports to the Legislative Services Office Division of Budget and Policy Analysis and the Division of Financial Management on the status of facility licensing and certifications as well as staff workload and caseload issues. The format of the report and the type of information included therein shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2023, and the second report shall be submitted no later than June 30, 2024.

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

INTENT LANGUAGE: SECTION __. TRANSFER OF APPROPRIATIONS. Pursuant to Section 67-3511(4), Idaho Code, funding provided for the personnel costs expense class in the Division of Licensing and Certification shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF HEALTH AND WELFARE - DIVISION OF
MEDICAID FY 2024 ORIGINAL; Jill Randolph, Principal Budget and
Policy Analyst, LSO Budget and Policy Analysis**

Ms. Randolph reviewed that this division contains five budgeted programs:

- Medicaid Administration and Medical Management, which oversees and manages the provider payments and includes the personnel costs and operating expenditures for this division;
- Basic Medicaid Plan, which is mainly children and pregnant women who have average levels of health;
- Enhanced Medicaid Plan, which is for those with complex medical needs;
- Coordinated Medicaid Plan, which is for those who are over 65 and who are duly eligible for Medicaid and Medicare; and
- Expansion Medicaid Plan, which is for those who make under 138% of the federal poverty limit.

Ms. Randolph summarized the agency requested three line items which the Governor recommended and also added an additional six line items. She showed the agency's request, the Governor's Recommendation, and the JFAC adjusted items.

MOTION:

Moved by **Senator Just** for the Division of Medicaid, beginning with the FY 2024 base, include the following items as part of the JFAC adjusted budget: benefit costs, statewide cost allocation, change in employee compensation, and Human Resources consolidation. Include \$171,271,900 for nondiscretionary adjustments. Also included are the following line items: line item 1, which provides \$72,000,000 for the behavioral health plan; line item 2, which provides \$20,082,000 for ground emergency medical transportation; line item 7, which provides \$3,160,000 for homes with adult residential treatment; line item 37, which provides \$300,000 for a quality improvement organization contract; line item 39, which provides \$560,000 for a managed care compliance review; line item 40, which provides \$330,000 for a KW lawsuit consultant; line item 41, which provides \$39,132,400 for the enhanced federal match reversion; line item 42, which provides \$80,000,000 for the hospital assessment fund; line item 48, which provides \$24,864,300 for provider rate increases; and line item 54, which realigns Millennium Income Fund appropriation according to the recommendation of the Millennium Fund Committee and removes ongoing funding of \$15,338,000 from the Millennium Income Fund, adds \$1,886,100 onetime from the Millennium Income Fund for Medicaid Expansion, and adds \$13,451,900 onetime from the Millennium Income Fund to Enhanced Medicaid. The totals for this motion for FY 2024 are \$907,712,200 from the General Fund, \$675,344,100 from dedicated funds, and \$3,108,720,700 from federal funds for a total of \$4,691,777,000, and cap full-time equivalent positions at 213; seconded by **Representative Furniss**.

SUBSTITUTE MOTION: Moved by **Representative Tanner** for the Division of Medicaid, beginning with the original motion, add line 55, for the Reduction of People on the program with a General Fund reduction of \$170,640,000, federal funds reduction of \$658,534,000, for a total reduction of \$829,174,000. The totals for this motion for FY 2024 are \$732,072,200 from the General Fund, \$675,344,100 from dedicated funds, and \$2,450,186,700 from federal funds for a total of \$3,862,603,000, and cap the number of full-time equivalent positions at 213; seconded by **Senator Herndon**.

DISCUSSION: In response to Committee questions, **Representative Tanner** discussed his motion's removal of funds from Medicaid, how he arrived at that number, and the allocation of his proposed reduction. **Dave Jeppesen**, Director, Idaho Department of Health and Welfare, discussed the processing of the redetermination of approximately 150,000 people across all programs, and its federal partners guidance for redetermination numbers processing compliance in any given month. **Mr. Jeppesen** summarized the main drivers of the increase in the budget.

FAILED: **AYES: 3**
Senator Herndon
Representatives Lambert and Tanner

NAYS: 15
Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, and Nash

ABSENT/EXCUSED: 2
Senator Burtenshaw
Representative Raybould

CARRIED (ORIGINAL MOTION): **AYES: 14**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Petzke, Handy, and Nash

NAYS: 4
Senators Adams and Herndon
Representatives Lambert and Tanner

ABSENT/EXCUSED: 2
Senator Burtenshaw
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

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

**INTENT
LANGUAGE:**

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare's Division of Medicaid and Division of Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments expense class in the Division of Medicaid may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, Expansion Medicaid Plan, and the Medicaid Administration and Medical Management Programs, but shall not be transferred to any other budgeted program or expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. MEDICAID MANAGED CARE IMPLEMENTATION. The Division of Medicaid shall provide a report to the Legislative Services Office and the Division of Financial Management on progress integrating managed care approaches into the state Medicaid system. The format of the report and information contained therein shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 1, 2023.

SECTION __. COST-SHARING REQUIREMENT. The Department of Health and Welfare shall implement cost-sharing in the Division of Medicaid, as required by Section 56-257, Idaho Code, to the maximum extent that is federally allowable for the expanded population of children whose families' gross taxable income exceeds one hundred eighty-five percent (185%) but does not exceed three hundred percent (300%) of the federal poverty limit (FPL), for Medicaid-eligible services as identified in House Bill No. 43, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

SECTION __. BUDGET INTEGRITY. Notwithstanding any other provision of law to the contrary, and consistent with its cost containment strategy, the Department of Health and Welfare's Division of Medicaid shall submit its budget request in accordance with applicable Idaho law as of the date of submission. This section does not prohibit the agency from making requests of the Legislature that would impact any portion of the department's budget. However, any proposed changes to Idaho Code with an anticipated budgetary impact shall be identified in narrative form only, without numerical entries. Further, the department shall submit its budget request based on the forecasted amount for the most recent month available from the report identified in Section __ of this act and for the estimated needs of maintaining operations of the division.

**UNANIMOUS
CONSENT:**

Requested by **Senator Just**, granted by unanimous consent, the following intent language was adopted:

**INTENT
LANGUAGE:**

SECTION __. TRANSFER OF APPROPRIATIONS. Pursuant to Section 67-3511(4), Idaho Code, funding provided for the personnel costs expense class in the Division of Medicaid shall not be transferred to any other expense class within the Department of Health and Welfare during fiscal year 2024.

SECTION __. ACCOUNTABILITY REPORTS. Funds specifically identified in statute or in an appropriation act as intended for a certain purpose may be used only for that purpose. All funds provided in this act shall be subject to accountability reports and management reviews in accordance with Section 67-702, Idaho Code.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF HEALTH AND WELFARE - DIVISION
OF MEDICAID PUBLIC HEALTH EMERGENCY - FY 2023
SUPPLEMENTAL; Jill Randolph, Principal Budget and Policy Analyst,
LSO Budget and Policy Analysis**

Ms. Randolph informed that during the public health emergency there was an enhancement to the federal share of Medicaid claims which paid an additional 6.2 percent of all costs for the first three quarters of the current FY. This supplemental request reflects revised numbers from the agency regarding the impacts of that enhancement, and would remove monies from the General Fund. The request would account for the federal fund increase for the amount of the federal funds needed to finish the current FY.

MOTION:

Moved by **Senator Bjerke** for FY 2023, for the Division of Medicaid, the reduction of \$90,518,000 from the Cooperative Welfare (General) Fund, and the addition of \$260,807,700 from the Cooperative Welfare (Federal) Fund, for a net increase of \$170,289,700; seconded by **Representative Furniss**.

CARRIED:

AYES: 15

Senators Grow, Bjerke, Lent, Cook, VanOrden, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Tanner, Petzke, Handy, and
Nash

NAYS: 2

Senator Adams
Representative Lambert

ABSENT/EXCUSED: 3

Senators Burtenshaw and Herndon
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - DIVISION OF MEDICAID PROVIDER RATE INCREASE - FY 2023 SUPPLEMENTAL; Jill Randolph, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis**

Ms. Randolph explained this supplemental request would be a one time amount for the remaining current FY to provide rate increases for six different provider groups: certified family homes, supported employment, home delivered meals, personal emergency response system, private duty nursing, and targeted service coordination. The amounts for the ongoing rate increase have already been approved in the FY 2024 budget,

MOTION: Moved by **Senator Cook** for FY 2023, for the Division of Medicaid, an additional \$1,858,000 from the Cooperative Welfare (General) Fund, and an additional \$4,358,100 from the Cooperative Welfare (Federal) Fund, for a net increase of \$6,216,100 onetime; seconded by **Representative Horman**.

CARRIED: **AYES: 16**
Senators Grow, Bjerke, Lent, Cook, VanOrden, Adams, Ward-Engelking, and Just
Representatives Horman, Miller, Bundy, Furniss, Lambert, Petzke, Handy, and Nash

NAYS: 1
Representative Tanner

ABSENT/EXCUSED: 3
Senators Burtenshaw and Herndon
Representative Raybould

The majority having voted in the affirmative, the motion passed and without objection carried a **DO PASS** recommendation. Having heard no objection, it was so ordered by **Co-Chairman Grow**.

ADJOURNED: There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at 10:08 a.m.

Senator Grow
Chair

Erin Miller
Secretary