

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 16, 2023
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just
Representatives Co-Chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, Nash
ABSENT/EXCUSED: Senator Herndon, Representatives Miller, Furniss, Nash

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

Co-Chairman Horman explained trailer bills. Trailer bills follow policy bills with fiscal notes that have passed at least one body of the Legislature. If the policy bill fails to advance, the fiscal trailer bill will also fail to advance and will be pulled back to the committee.

Ms. Jill Randolph, Principal Analyst, LSO Budget & Policy Analysis, presented the trailer appropriation to **S 1097**. This bill establishes a new fund, which will provide the state match for the Medicaid Management Information System (MMIS). MMIS deals with claims and payments going through Medicaid.

The fiscal note of **S 1097** indicates a one-time cash transfer into this newly created fund of \$18,656,400. Due to the nature of the procurement process, this is a FY 2023 appropriation for immediate costs and a FY 2024 appropriation for the full costs of the four base modules of MMIS. This legislation preserves General Funds for future mandatory Medicaid MMIS procurement and installation requirements without requiring a separate request for funding. This legislation allows surplus General Funds to be retained in a dedicated fund, which may only be accessed by legislative appropriation and may only accept surplus funds generated through the Medicaid budget.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Raybould**, for FY 2023, a onetime appropriation and transfer of \$18,656,400 from the General Fund to the Medicaid Management Information Systems Dedicated Fund.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 12 AYES, 2 NAYS, 6 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Just. Senators voting in opposition to the motion: Adams. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor of the motion: Horman, Bundy, Raybould, Petzke, Handy. Representatives voting in opposition to the motion: Lambert. Representatives absent/excused: Miller, Furniss, Tanner, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Raybould**, for FY 2023, for the Division of Medicaid in the Medicaid Administration and Medical Management Program, the addition of \$183,900 onetime from the Medicaid Management Information Systems Dedicated Fund, and the addition of \$1,654,800 onetime from the Cooperative Welfare (Federal) Fund, for a net increase of \$1,838,700.

Sen. Cook explained the federal government will pay 90% of the costs and the state will pay 10%. The federal appropriation has significant requirements; this funding is to ensure the mandated requirements.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 12 AYES, 2 NAYS, 6 ABSENT/EXCUSED. Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Just. Senators voting in opposition** to the motion: **Adams. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor** of the motion: **Horman, Bundy, Raybould, Petzke, Handy. Representatives voting in opposition** to the motion: **Lambert. Representatives absent/excused: Miller, Furniss, Tanner, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Raybould**, for FY 2024, for the Division of Medicaid in the Medicaid Administration and Medical Management Program, the addition of \$14,374,400 onetime from the Medicaid Management Information Systems Dedicated Fund, and the addition of \$129,369,400 onetime from the Cooperative Welfare (Federal) Fund, for a net increase of \$143,743,800.

Sen. Cook explained this piece of legislation is to purchase the base model. In total, there will be four parts to be purchased, installed, tested, and deemed production-worthy.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 12 AYES, 2 NAYS, 6 ABSENT/EXCUSED. Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Just. Senators voting in opposition** to the motion: **Adams. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor** of the motion: **Horman, Bundy, Raybould, Petzke, Handy. Representatives voting in opposition** to the motion: **Lambert. Representatives absent/excused: Miller, Furniss, Tanner, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

Ms. Randolph explained the language associated with this trailer appropriation.

UNANIMOUS CONSENT REQUEST: **Sen. Cook** requested and it was granted by unanimous consent, to accept the following language.

LANGUAGE: SECTION __. REPORTING ON MILESTONE COMPLETION. The Division of Medicaid, in collaboration with the Department of Administration's Division of Purchasing, shall provide a report for every vendor milestone accepted by the State of Idaho for substantial completion for the Medicaid Management Information System. The report shall include the date of notification of completion from the vendor, the date of verification by the State of Idaho, the deliverables that were provided, and the dollar amount paid, if any. The report shall be provided to Legislative Services Office Division of Budget and Policy Analysis within five days of any payment. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis.

SECTION __. NOTIFICATION OF SCOPE CHANGES. The Division of Medicaid, in collaboration with the Department of Administration's Division of Purchasing, shall provide a report on any and all scope changes for the Medicaid Management Information System after the signing of initial contracts. This report shall include any price changes and provide a rationale for modification of the scope of the module. This report shall be provided to Legislative Services Office Division of Budget and Policy Analysis within five days of any agreed on scope change. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis.

SECTION __. NOTIFICATION OF MISSED MILESTONES. The Division of Medicaid shall provide a report to Legislative Services Office Division of Budget and Policy Analysis of any delay of more than fifteen (15) days for milestone dates denoted in the signed contract for the Medicaid Management Information System. The report shall be provided within twenty days of any missed milestone. Additional notification shall be given on remedies for the delay as well as updates to any contractual timelines, if needed. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis.

Ms. Randolph presented the trailer appropriation to **H 213**. This bill establishes a new rural nursing loan repayment program, which would pay qualified nursing debt for grant recipients over a three-year period. This bill has passed both the House of Representatives and the Senate and is awaiting a signature consideration by the Governor.

MOTION: **Sen. Just** made a motion, seconded by **Rep. Petzke**, for FY 2024, a onetime appropriation and transfer of \$250,000 from the General Fund to the Rural Nursing Loan Repayment Fund.

Sen. Just stated this motion will help address the critical shortage of nurses in Idaho.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 10 AYES, 4 NAYS, 6 ABSENT/EXCUSED.** **Senators voting in favor** of the motion: **Grow, Burtenshaw, Lent, VanOrden, Just.** **Senators voting in opposition** to the motion: **Bjerke, Cook, Adams.** **Senators absent/excused:** **Herndon, Ward-Engelking.** **Representatives voting in favor** of the motion: **Horman, Bundy, Raybould, Petzke, Handy.** **Representatives voting in opposition** to the motion: **Lambert.** **Representatives absent/excused:** **Miller, Furniss, Tanner, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

MOTION: **Sen. Just** made a motion, seconded by **Rep. Petzke**, for FY 2024, for the Physical Health Services Program, the addition of \$250,000 ongoing in trustee and benefit payments from the Rural Nursing Loan Repayment Fund.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 10 AYES, 4 NAYS, 6 ABSENT/EXCUSED.** **Senators voting in favor** of the motion: **Grow, Burtenshaw, Lent, VanOrden, Just.** **Senators voting in opposition** to the motion: **Bjerke, Cook, Adams.** **Senators absent/excused: Herndon, Ward-Engelking.** **Representatives voting in favor** of the motion: **Horman, Bundy, Raybould, Petzke, Handy.** **Representatives voting in opposition** to the motion: **Lambert.** **Representatives absent/excused: Miller, Furniss, Tanner, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman.**

Ms. Christine Otto, Principal Analyst, LSO Budget & Policy Analysis, presented the trailer appropriation to **H 186**. This bill would amend the Method of Execution statute to add the firing squad as an alternative method of execution when lethal injection is unavailable. The fiscal note for this bill estimates a \$750,000 onetime cost to refurbish the facility to meet safety and execution requirements.

MOTION: **Rep. Handy** made a motion, seconded by **Sen. Burtenshaw**, for FY 2023, for the Department of Correction, in the Prisons Administration Program, \$750,000 onetime from the General Fund for the purpose of refurbishing its facility to meet safety and execution requirements for the firing squad.

Rep. Handy explained this motion is fulfilling the law and necessary as a backup to lethal injection.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 14 AYES, 1 NAYS, 5 ABSENT/EXCUSED.** **Senators voting in favor** of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams.** **Senators voting in opposition** to the motion: **Just.** **Senators absent/excused: Herndon, Ward-Engelking.** **Representatives voting in favor** of the motion: **Horman, Bundy, Raybould, Lambert, Tanner, Petzke, Handy.** **Representatives voting in opposition** to the motion: **None.** **Representatives absent/excused: Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman.**

Ms. Otto explained the language associated with this budget.

UNANIMOUS CONSENT REQUEST: **Rep. Handy** requested and it was granted by unanimous consent, to accept the following language.

LANGUAGE: SECTION_. REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Idaho Department of Correction any unexpended and unencumbered balances appropriated to the Idaho Department of Correction from the General Fund for refurbishing its facility to meet safety and execution requirements for the firing squad for fiscal year 2023, in an amount not to exceed \$750,000 from the General Fund to be used for nonrecurring expenditures related to refurbishing its facility to meet safety and execution requirements for the firing squad for the period July 1, 2023, through June 30, 2024. 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.

Ms. Otto presented the trailer appropriation for **H 149**. This bill would permit those with relatively minor non-violent, non-sexual offenses to petition for sealing of their public records, provided they have gone at least five years since completion of the sentence without any subsequent offenses.

The fiscal note for **H 149** affects both the Idaho State Police (ISP) and the Judicial Branch. ISP estimates a technical records specialist would be required to develop a system for annotating records at a one-time cost of \$100,000, with an ongoing cost of \$7,500 per year. The courts anticipate a onetime cost of approximately \$100,000.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Handy**, for FY 2024, for the Idaho State Police, in the Support Services Program, \$107,500 from the Miscellaneous Revenue Fund for the purpose of developing a system for annotating records.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 15 AYES, 0 NAYS, 5 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Just. Senators voting in opposition to the motion: None. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor of the motion: Horman, Bundy, Raybould, Lambert, Tanner, Petzke, Handy. Representatives voting in opposition to the motion: None. Representatives absent/excused: Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Handy**, for FY 2024, for the Judicial Branch, in the Senior Judges Program, \$100,000 in onetime personnel costs from the General Fund.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 15 AYES, 0 NAYS, 5 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Just. Senators voting in opposition to the motion: None. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor of the motion: Horman, Bundy, Raybould, Lambert, Tanner, Petzke, Handy. Representatives voting in opposition to the motion: None. Representatives absent/excused: Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

Mr. Jared Tatro, Deputy Division Manager, LSO Budget & Policy Analysis, presented the trailer appropriation to **H 181**. This bill will increase the funding for the Advanced Opportunities Program on a per-student basis as well as remove caps related to Career Technical Education courses. The fiscal note states the estimated fiscal impact is \$10M of ongoing state funding. This bill has passed the House of Representatives and is now in the Senate Education Committee.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Bundy**, for FY 2024, for the Public School Support Program in the Children's Programs Division, an additional \$10,000,000 from the General Fund for the purpose of funding the fiscal impact of **H 181** for the Advanced Opportunities programs.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 13 AYES, 2 NAYS, 5 ABSENT/EXCUSED.** Senators voting in favor of the motion: **Grow, Burtenshaw, Lent, Cook, VanOrden, Adams, Just.** Senators voting in opposition to the motion: **Bjerke.** Senators absent/excused: **Herndon, Ward-Engelking.** Representatives voting in favor of the motion: **Horman, Bundy, Raybould, Lambert, Petzke, Handy.** Representatives voting in opposition to the motion: **Tanner.** Representatives absent/excused: **Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman.**

Mr. Tatro presented the trailer appropriation to **S 1043**. The purpose of this legislation is to create a revolving loan fund for charter schools as they establish themselves. The fiscal note states there will be a onetime \$50M impact to the General Fund. This bill has passed both the House of Representatives and the Senate and is awaiting a signature consideration by the Governor.

MOTION: **Sen. VanOrden** made a motion, seconded by **Rep. Petzke**, for FY 2024, the appropriation and transfer of \$50,000,000 onetime from the General Fund to the continuously appropriated Charter School Revolving Loan Fund.

Sen. VanOrden cited her work on the Charter School Commission and noted many charter schools struggle with their facility funding; this loan fund would be a great help to them.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 15 AYES, 0 NAYS, 5 ABSENT/EXCUSED.** Senators voting in favor of the motion: **Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Just.** Senators voting in opposition to the motion: **None.** Senators absent/excused: **Herndon, Ward-Engelking.** Representatives voting in favor of the motion: **Horman, Bundy, Raybould, Lambert, Tanner, Petzke, Handy.** Representatives voting in opposition to the motion: **None.** Representatives absent/excused: **Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman.**

Ms. Janet Jessup, Principal Analyst, LSO Budget & Policy Analysis, presented the trailer appropriation for **S 1098a**. This bill modifies Idaho Code and allows the Director of the Department of Environmental Quality to enter into voluntary funding agreements with public agencies, municipal corporations, and private parties, specifically to do work including facility inspections, installation and monitoring of contamination detection devices, review of environmental monitoring information, review for proposed modifications, and so on. This bill has passed the Senate and is now in the House Environment, Energy, and Technology Committee.

MOTION: **Sen. Burtenshaw** made a motion, seconded by **Rep. Bundy**, for FY 2024, for the Department of Environmental Quality, \$180,200 from the Department of Environmental Quality Receipts Fund.

ROLL CALL VOTE ON MOTION: **Motion carried by a total vote of 15 AYES, 0 NAYS, 5 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Just. Senators voting in opposition to the motion: None. Senators absent/excused: Herndon, Ward-Engelking. Representatives voting in favor of the motion: Horman, Bundy, Raybould, Lambert, Tanner, Petzke, Handy. Representatives voting in opposition to the motion: None. Representatives absent/excused: Miller, Furniss, Nash.**

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 8:36 a.m.

Representative Horman
Chair

Alyson Jackson
Secretary