

MINUTES
SENATE FINANCE COMMITTEE

DATE: Tuesday, April 13, 2021

TIME: 9:03 A.M.

PLACE: Room C310

MEMBERS PRESENT: Chairman Bair, Vice Chairman Agenbroad, Senators Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Bair** called the meeting of the Senate Finance Committee (Committee) to order at 9:03 a.m.

RS 28897C1 **American Rescue Plan Act (ARPA) as Cognizable Funding and Creation of Funds for ARPA Appropriation and Expenditure.** **Paul Headlee**, Division Manager, Legislative Services Office - Budget and Policy Analysis Division (LSO-BPAD), stated **RS 28897C1** addressed the allocation and spending of the federal ARPA of 2021. He indicated that Section 1 of the bill defined any funding from ARPA directed to Idaho state agencies as cognizable and not subject to the provisions of Idaho Code § 67-3516 (2). He emphasized that as a result, the federal funds would require Legislative approval for appropriation for their expenditure. He added that the proposed bill would provide guiding principles on the appropriation and expenditure of ARPA funds.

In addition, **Mr. Headlee** said Sections 2 and 3 of **RS 28897C1** would create two funds to appropriate and expend the federal ARPA subsidy. He noted the American Rescue Plan Fund is the primary fund for expending money from ARPA, and would account for all receipts and disbursements. He stated the American Rescue Plan Cost Recovery Fund would be used for cost recovery or reimbursement. He explained that expenditures from both funds would require allocation approval from the Legislature to allow better tracking and would separate the aforementioned funds from other federal funding such as Coronavirus Aid Relief and Economic Security (CARES) Act.

In conclusion, **Mr. Headlee** stated that Section 4 of the legislation provides an emergency clause that would enact **RS 28897C1** upon its passage and approval.

DISCUSSION: **Senator Ward-Engelking** asked Mr. Headlee to clarify the funding availability and time lines of the programs included in ARPA funding. **Mr. Headlee** stated LSO-BPAD identified 46 programs in ARPA that would require Legislative approval for appropriation for expenditure by state agencies. He added there are provisions in ARPA that would establish specific spending deadlines or requests. However, the State is still waiting for further guidance from federal government on some ARPA programs.

MOTION: **Senator Nye** moved to send **RS 28897C1** to print. **Vice Chairman Agenbroad** seconded the motion.

DISCUSSION: **Senator Ward-Engelking** expressed concerns about the requirement for Legislative approval of appropriation on all ARPA funding. She stated families and businesses need immediate financial aid from the State due to the COVID-19 pandemic.

VOICE VOTE: The motion carried by **voice vote**. **Senator Ward-Engelking** was recorded as voting nay.

ADJOURNED: There being no further business at this time, **Chairman Bair** adjourned the meeting at 9:14 a.m.

Senator Bair
Chair

Rellie Wisdom
Secretary