

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, January 30, 2023

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, 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:** None

CONVENED: **Co-Chairman Grow** called the Joint Finance Committee to order at 8:00 a.m.

LSO STAFF PRESENTATION: **GENERAL FUND UPDATE; Keith Bybee, Division Manager, Legislative Services Office (LSO) Budget and Policy Analysis**

Co-Chairman Grow announced that the General Fund Update would be heard at a later time.

LSO STAFF PRESENTATION: **COURT OPERATIONS; Tim Hibbard, Analyst, LSO Budget Policy and Analysis**

Mr. Hibbard presented a summary of the division of Court Operations in the Judicial Branch (see attachment 1). The Court Operations division houses the four levels of courts in Idaho's system, the Supreme Court, the District Courts, the Court of Appeals, and the Magistrate Courts which make up 92 percent of the divisions budget. The other eight percent is made up of three budgeted programs: Water Adjudication, Substance Abuse Treatment, and Senior Judges. He discussed the fiscal year (FY) 2022 expenditures with 75 percent from the General Fund, 24 percent from dedicated funds and 1 percent federal funds. He also explained the total appropriations for FY 2023 which included one time funds from the ARPA State Fiscal Recovery Fund.

AGENCY PRESENTATION: **COURT OPERATIONS; Sara Omundson, Administrative Director of Courts**

Ms. Omundson presented the Idaho Supreme Court FY 2024 financial needs and budget request (see attachment 2). She explained that in FY 2022 there were four funds that they did not spend to authority: Substance Abuse and Treatment Fund (SUDS), Court Technology Fund, Miscellaneous Revenue Fund, and the Federal Grant Fund. Due to the pandemic, there were less participants and more of them were on Medicaid thus reducing expenditures. She relayed that the Court Technology Fund would be explained later and that spending in the Miscellaneous Revenue and Federal Grant funds had been to revenue and not appropriation of spending authority.

Ms. Omundson discussed the FY 2023 budget enhancements which included seven Deputy Trial Court Administrators, Fourth Judicial District Judges, and four full time personnel (FTP) for court support. American Rescue Plan Act (ARPA) appropriations were spent on five IT positions, mediation programs, licensing for remote court proceeding platform, and cyber security upgrades.

Ms. Omundson outlined the needs for FY 2024. Judicial compensation was the number one budget item since funding was appropriated last year however judicial compensation was established in Idaho Code and required substantive legislation which did not get approved last year. She explained the funds were set aside and would hopefully get used this year.

In response to Committee questions **Ms. Omundson** discussed legislation that was printed but did not make it out of germane committees.

Ms. Omundson discussed the court technology system 9.3 percent increase in expenditures and 5.2 percent decline in revenue. She explained they were working to redesign court technology to lower costs but it had not been completed yet. The General Fund request for FY 2024 included money to cover the increased cost of software, moving three key IT positions permanently to the General Fund, courtroom improvements, jury selection system upgrades, and court reporter support. The Opioid Settlement Fund request for FY 2024 included funds for a pre-plea intervention pilot program, and low-risk, high need treatment court track.

Ms. Omundson presented the Idaho Supreme Court State and Local Recovery Fund Policy and Procedure Guideline (see attachment 3) for utilizing ARPA funds.

DISCUSSION: In response to Committee questions, **Ms. Omundson** discussed the decrease in opioid funds; court technology funds request; the increase in software costs; and the Opioid Settlement Fund.

LSO STAFF PRESENTATION: **GUARDIAN AD LITEM; Tim Hibbard, Analyst, LSO Budget and Policy Analysis**

Mr. Hibbard presented a summary of the Guardian Ad Litem appropriations and expenditures (see attachment 4). He stated the expenditures were 100 percent of the money appropriated each year through the General Fund.

AGENCY PRESENTATION: **GUARDIAN AD LITEM; Tahna Barton, Executive Director, Fifth Judicial District CASA Program**

Ms. Barton presented the FY 2024 budget request for the CASA program. She explained the money was used to recruit, train, and coordinate volunteers to act as court-appointed special advocates for abused, neglected, or abandoned children under the Child Protective Act.

DISCUSSION: In response to Committee questions, **Ms. Barton** stated all districts requested and received funds.

LSO STAFF PRESENTATION: **JUDICIAL COUNCIL; Tim Hibbard, Analyst, LSO Budget and Policy Analysis**

Mr. Hibbard presented the appropriations and expenditures for the Judicial Council (see attachment 5). He explained that the council nominated individuals for vacancies on the Supreme Court, Court of Appeals, and District Courts and made recommendations to the Supreme Court for the removal, discipline, and retirement of judicial officers. The funds pay for operational expenses. **Mr. Hibbard** added that the expenditures had been decreasing over the last four years.

AGENCY PRESENTATION: **JUDICIAL COUNCIL; Jeff Brudie, Executive Director, Idaho Judicial Council**

Mr. Brudie presented the financial activity and FY 2024 budget request for the Judicial Council (see attachment 6). He relayed that there were two part-time employees and explained council members and their duties. **Mr. Brudie** explained that there was money in the request to pay for additional staff if needed.

LSO STAFF PRESENTATION: DIVISION OF VETERANS SERVICES (IDVS); Matt Farina, Analyst, LSO Budget Policy and Analysis

Mr. Farina presented the appropriations and expenditures for the IDVS (see attachment 7). He relayed that they provided advocacy and benefit assistance, managed the state's veterans homes, cemeteries, and administered programs offered by the United States Department of Veterans Affairs. **Mr. Farina** explained that each year's unused appropriations were re-appropriated to the next year. These were funds for building new cemeteries and veterans homes.

AGENCY PRESENTATION: DIVISION OF VETERANS SERVICES; Mark Tschampl, Chief Administrator

Mr. Tschampl presented the budget request for FY 2024 (see attachment 8). He reviewed where the funds had been spent for FY 2022 and FY 2023 and provided details for the reappropriation request. Funds were also needed for Medicaid reimbursement due to increase costs of COVID-19. **Mr. Tschampl** provided details for the FY 2024 budget including maintenance equipment for the cemeteries, temporary health benefits, education expenses, and the new Boise Veterans Home.

DISCUSSION: In response to Committee questions, **Mr. Tschampl** discussed the Boise Veterans Home funds; money for education expenses; paying part of student loans for staff for each year they worked; and funding for the new Boise Veterans Home.

LSO STAFF PRESENTATION: MILITARY DIVISION; Matt Farina, Analyst, LSO Budget Policy and Analysis

Mr. Farina explained the Military Division included the National Guard, the Idaho Office of Emergency Management, Public Safety Communications, and the Public Safety Communications Commission. He provided a summary of their appropriations and expenditures (see attachment 9). **Mr. Farina** explained that the noncognizable increase was for the building of the Orchard Combat Training Center. He also relayed the audit deficiencies for the agency.

AGENCY PRESENTATION: MILITARY DIVISION; Major General Michael Garshak, Adjutant General

Mr. Garshak presented the budget request for FY 2024 (see attachment 10). He provided details for the FY 2022 variances for the General Fund and federal grant funds. The FY 2023 supplemental requests included an ARPA fund adjustment to move money to the correct ARPA fund, enhanced fire audit, and hazardous materials deficiency warrants to cover non reimbursed expenses related to incident cleanup. **Mr. Garshak** listed FY 2024 line item requests for operating expenditures to support emergency preparation activities, personnel fund shift, cybersecurity, Division of Human Resource consolidation, and carry over authority for an enhanced fire audit.

DISCUSSION: In response to committee questions, **Mr. Garshak** discussed cybersecurity threats. **Nancy Gallagher**, Financial Manager, Military Division, discussed the three year management review with two audit findings, and progress in closing the audit.

PRESENTATION: SPECIAL HEARING: COMPENSATION STUDY; Lori Wolff, Administrator, Division of Human Resources

Ms. Wolff explained the completed compensation study (see attachment 11). She stated the study proposed a core increase in salary structure, adding three additional salary structures for Law Enforcement, IT/Engineering, and Nursing/Healthcare.

DISCUSSION: In response to Committee questions, **Ms. Wolff** discussed information on auditors and attorneys which were excluded from the study.

ADJOURNED: There being no further business at this time, **Co-Chairman Grow** adjourned the meeting at 10:56 a.m.

Senator Grow
Chair

Lena Amoah
Secretary