

**Agency Expenditure Summary**

	<u>FY 2018</u>		<u>FY 2019</u>		<u>FY 2020</u>	
	<u>Approp</u>	<u>Actual</u>	<u>Approp</u>	<u>Estimate</u>	<u>Request</u>	<u>Gov Rec</u>
<b>By Function</b>						
Compensation	6,278,200	5,836,900	6,313,000	6,935,600	6,677,200	6,423,000
Rehabilitation	4,239,700	4,028,100	4,145,000	4,145,000	4,204,100	4,230,600
Crime Victims	4,301,100	3,269,100	4,586,800	4,684,900	4,916,100	4,885,200
Adjudication	2,434,000	2,333,200	2,436,300	2,563,000	2,446,300	2,469,100
<b>Total</b>	<b>17,253,000</b>	<b>15,467,300</b>	<b>17,481,100</b>	<b>18,328,500</b>	<b>18,243,700</b>	<b>18,007,900</b>
<b>By Fund Source</b>						
General	0	0	300,000	300,000	300,000	300,000
Dedicated	16,008,000	14,555,700	15,936,100	16,783,500	16,698,700	16,462,900
Federal	1,200,000	870,000	1,200,000	1,200,000	1,200,000	1,200,000
Other	45,000	41,600	45,000	45,000	45,000	45,000
<b>Total</b>	<b>17,253,000</b>	<b>15,467,300</b>	<b>17,481,100</b>	<b>18,328,500</b>	<b>18,243,700</b>	<b>18,007,900</b>
<b>By Object</b>						
Personnel Costs	9,892,300	9,424,700	9,922,200	9,922,200	10,151,000	9,568,600
Operating Expenditures	2,560,700	2,333,000	2,594,500	2,740,400	3,167,200	3,513,800
Capital Outlay	258,800	302,200	123,200	824,700	84,300	84,300
Trustee/Benefit Payments	4,541,200	3,407,400	4,841,200	4,841,200	4,841,200	4,841,200
Lump Sum	0	0	0	0	0	0
<b>Total</b>	<b>17,253,000</b>	<b>15,467,300</b>	<b>17,481,100</b>	<b>18,328,500</b>	<b>18,243,700</b>	<b>18,007,900</b>
<b>FTP Positions</b>	<b>138.25</b>	<b>138.25</b>	<b>138.25</b>	<b>138.25</b>	<b>140.25</b>	<b>132.25</b>

Industrial Commission  
 Compensation

Executive Budget Detail

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/ Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
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**Description:** The Compensation Division includes employer compliance, benefits administration, and management services (IT, human resources, and fiscal). Responsibilities of the Compensation Division are to evaluate insurance carriers' requests for initiating workers' compensation policies, evaluate employers petitioning to become self-insured, monitor employer compliance, maintain statistical data, administer the Workers' Compensation Act to ensure that workers receive timely and accurate payments of benefits, and resolve issues between claimants and sureties on non-litigated claims. (Idaho Code, Title 72, Chapter 1-8)

**FY 2019 Original Appropriation**

3.00 FY 2019 Original Appropriation: HB 678

Dedicated	55.00	3,724,900	1,134,200	67,700	1,341,200	0	6,268,000
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>55.00</b>	<b>3,724,900</b>	<b>1,179,200</b>	<b>67,700</b>	<b>1,341,200</b>	<b>0</b>	<b>6,313,000</b>

**Expenditure Adjustments**

4.31 Idaho State Chinden Office Complex Relocation: The Governor recommends one-time dedicated fund spending authority for relocation to the Idaho State Chinden Office Complex. \$132,800 in Operating Expenditures will fund moving phone lines, tearing down cubicles, installing audiovisual and video teleconference equipment, moving information technology infrastructure, and installing printers and personal computer hardware. \$489,800 in Capital Outlay will fund 30 cubicles, a meeting coordination system, security systems, wi-fi access points, chairs, tables, and desks. Funding also includes additional lease payments for the agency's current location at the Clearwater Building in Boise. A moveable file system was originally included in the request but was purchased using funding for the relocation deposited with the Division of Public Works.

Dedicated	0.00	0	132,800	489,800	0	0	622,600
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>132,800</b>	<b>489,800</b>	<b>0</b>	<b>0</b>	<b>622,600</b>

**FY 2019 Total Appropriation**

Dedicated	55.00	3,724,900	1,267,000	557,500	1,341,200	0	6,890,600
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>55.00</b>	<b>3,724,900</b>	<b>1,312,000</b>	<b>557,500</b>	<b>1,341,200</b>	<b>0</b>	<b>6,935,600</b>

**FY 2019 Estimated Expenditures**

Dedicated	55.00	3,724,900	1,267,000	557,500	1,341,200	0	6,890,600
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>55.00</b>	<b>3,724,900</b>	<b>1,312,000</b>	<b>557,500</b>	<b>1,341,200</b>	<b>0</b>	<b>6,935,600</b>

**Base Adjustments**

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.

Dedicated	0.00	0	(132,800)	(557,500)	0	0	(690,300)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(132,800)</b>	<b>(557,500)</b>	<b>0</b>	<b>0</b>	<b>(690,300)</b>

Executive Budget Detail

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>FY 2020 Base</b>							
Dedicated	55.00	3,724,900	1,134,200	0	1,341,200	0	6,200,300
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>55.00</b>	<b>3,724,900</b>	<b>1,179,200</b>	<b>0</b>	<b>1,341,200</b>	<b>0</b>	<b>6,245,300</b>

**Program Maintenance**

10.11 Change in Health Benefit Costs: This decision unit reflects a one-time reduction in the employer health benefit cost based on the November Milliman projection. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.

Dedicated	0.00	(34,700)	0	0	0	0	(34,700)
<b>Total</b>	<b>0.00</b>	<b>(34,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(34,700)</b>

10.12 Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.

Dedicated	0.00	5,600	0	0	0	0	5,600
<b>Total</b>	<b>0.00</b>	<b>5,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,600</b>

10.31 Repair, Replacement Items/Alterations : The Governor recommends \$7,200 in one-time dedicated fund spending authority for repair and replacement items.

Dedicated	0.00	0	0	7,200	0	0	7,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>7,200</b>	<b>0</b>	<b>0</b>	<b>7,200</b>

10.32 Repair, Replacement Items/Alterations : The Governor recommends \$34,600 in one-time dedicated fund spending authority for repair and replacement items.

Dedicated	0.00	0	0	34,600	0	0	34,600
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>34,600</b>	<b>0</b>	<b>0</b>	<b>34,600</b>

10.41 Attorney General Fees: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.

Dedicated	0.00	0	(1,700)	0	0	0	(1,700)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(1,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,700)</b>

10.45 Risk Management Cost Increases: Adjustments to costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here. The state is experiencing an increase in claims, which has resulted in the need for a substantial increase in reserves to cover potential costs.

Dedicated	0.00	0	2,400	0	0	0	2,400
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,400</b>

10.46 Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.

Dedicated	0.00	0	1,500	0	0	0	1,500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,500</b>

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
10.47 Treasurer's Fee Charge: Adjustments to the costs of cash management and warrant processing by the Office of the State Treasurer are reflected here.							
Dedicated	0.00	0	100	0	0	0	100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>
10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.							
Dedicated	0.00	92,700	0	0	0	0	92,700
<b>Total</b>	<b>0.00</b>	<b>92,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,700</b>

**FY 2020 Total Maintenance**

Dedicated	55.00	3,788,500	1,136,500	41,800	1,341,200	0	6,308,000
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>55.00</b>	<b>3,788,500</b>	<b>1,181,500</b>	<b>41,800</b>	<b>1,341,200</b>	<b>0</b>	<b>6,353,000</b>

**Line Items**

12.01 Lease Contract Inflation: The Governor recommends one-time dedicated fund spending authority for lease contract inflation. The Industrial Commission renewed its main office lease at the Clearwater Building in Boise on April 30, 2018. The agreement extended the contract to June 30, 2019 with a month-to-month option afterward. The landlord included a premium increase of \$32,000 per month which becomes effective July 1, 2019 if the commission still occupies the premises. Currently, the commission's main office is scheduled to move to the Idaho State Chinden Office Complex in May or June of 2019. While it is highly unlikely the commission's occupation of its current location will exceed June 30, 2019, the commission does not have the appropriation to cover the increase in rent if the Idaho State Chinden Office Complex remodel experiences delays.							
Dedicated	0.00	0	233,100	0	0	0	233,100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>233,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>233,100</b>
12.03 Employer Compliance Investigator: The Governor recommends 1.0 FTP, ongoing dedicated fund spending authority, and one-time Capital Outlay for an employer compliance investigator position in Boise. The Employer Compliance Section ensures employers maintain workers' compensation coverage for their workforce. The role of the employer compliance investigator position is to follow up with employers who do not have a current workers' compensation policy and provide education with the goal of achieving compliance. The number of cases investigating employers without a current workers' compensation policy has been steadily increasing. The additional employer compliance investigator position will help balance the workload of the investigators in the Treasure Valley and allow the commission to more effectively educate employers.							
Dedicated	1.00	59,500	0	3,000	0	0	62,500
<b>Total</b>	<b>1.00</b>	<b>59,500</b>	<b>0</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>62,500</b>
12.04 Conversion of Paper Archives to Digital : The Governor recommends one-time dedicated fund spending authority for the conversion of paper records to a digital format. The Industrial Commission and the State Treasurer's Office retains paper financial records on insurance carriers and self-insured employers. This information can be a few decades old, and attempting to find specific records can be time consuming and difficult. In most cases, the only record is the original document, so there is not an alternative if it is destroyed or lost. This funding will also digitally archive administrative meeting minutes so the originals can be given to the Idaho State Historical Society.							
Dedicated	0.00	0	30,000	0	0	0	30,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>

Executive Budget Detail

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
12.05 Cybersecurity Software	: The Governor recommends dedicated fund spending authority for cybersecurity software to bring the Industrial Commission into compliance with state cybersecurity standards.						
Dedicated	0.00	0	18,200	0	0	0	18,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>18,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,200</b>

12.61 State Network Core Equipment Replacement	: The Governor recommends replacement of the state's core network equipment. The Idaho State Network supports all state agencies, and the current core network equipment is reaching the end of its production life cycle. To ensure reliable network operations and avoid significant service interruptions, replacement is necessary. This decision unit represents the agency share of the one-time replacement costs.						
Dedicated	0.00	0	11,300	0	0	0	11,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>11,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,300</b>

12.63 Information Technology Modernization Initiative: The Governor recommends consolidating, streamlining, and improving information technology operations across the state. This will allow agencies to become consumers, not providers, of information technology services, allowing them to focus more on core missions. Ultimately, modernization will enhance security, increase functionality, eliminate waste and duplication, and minimize risk to application support, while also driving down cost increases.

The first phase of the initiative includes adding the Department of Finance, Division of Building Safety, Public Utilities Commission, Tax Commission, Department of Insurance, Industrial Commission, Division of Vocational Rehabilitation, and Division of Veterans Services to the agencies currently supported by the Office of Information Technology Services.

This decision unit represents a reduction of information technology staff at the Industrial Commission and Operating Expenditures for the anticipated cost of support from the Office of Information Technology Services.

Dedicated	(7.00)	(585,700)	300,600	0	0	0	(285,100)
<b>Total</b>	<b>(7.00)</b>	<b>(585,700)</b>	<b>300,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(285,100)</b>

**FY 2020 Gov's Recommendation**

Dedicated	49.00	3,262,300	1,729,700	44,800	1,341,200	0	6,378,000
Other	0.00	0	45,000	0	0	0	45,000
<b>Total</b>	<b>49.00</b>	<b>3,262,300</b>	<b>1,774,700</b>	<b>44,800</b>	<b>1,341,200</b>	<b>0</b>	<b>6,423,000</b>

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
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**Description:** The Rehabilitation Division was created in 1978 by the Legislature to help reduce the period of temporary disability resulting from an industrial injury and to aid in restoring the injured worker to as close as possible to their pre-injury employment status and wage with the least possible physical impairment. Consultants serve injured workers from 11 field offices across the state and are involved in the physical and vocational rehabilitation of injured workers to successfully return them to gainful employment.

**FY 2019 Original Appropriation**

3.00 FY 2019 Original Appropriation: HB 678

Dedicated	49.25	3,475,900	631,900	37,200	0	0	4,145,000
<b>Total</b>	<b>49.25</b>	<b>3,475,900</b>	<b>631,900</b>	<b>37,200</b>	<b>0</b>	<b>0</b>	<b>4,145,000</b>

**FY 2019 Total Appropriation**

Dedicated	49.25	3,475,900	631,900	37,200	0	0	4,145,000
<b>Total</b>	<b>49.25</b>	<b>3,475,900</b>	<b>631,900</b>	<b>37,200</b>	<b>0</b>	<b>0</b>	<b>4,145,000</b>

**FY 2019 Estimated Expenditures**

Dedicated	49.25	3,475,900	631,900	37,200	0	0	4,145,000
<b>Total</b>	<b>49.25</b>	<b>3,475,900</b>	<b>631,900</b>	<b>37,200</b>	<b>0</b>	<b>0</b>	<b>4,145,000</b>

**Base Adjustments**

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.

Dedicated	0.00	0	0	(37,200)	0	0	(37,200)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(37,200)</b>	<b>0</b>	<b>0</b>	<b>(37,200)</b>

**FY 2020 Base**

Dedicated	49.25	3,475,900	631,900	0	0	0	4,107,800
<b>Total</b>	<b>49.25</b>	<b>3,475,900</b>	<b>631,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,107,800</b>

**Program Maintenance**

10.11 Change in Health Benefit Costs: This decision unit reflects a one-time reduction in the employer health benefit cost based on the November Milliman projection. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.

Dedicated	0.00	(30,900)	0	0	0	0	(30,900)
<b>Total</b>	<b>0.00</b>	<b>(30,900)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(30,900)</b>

Executive Budget Detail

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
10.12 Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.							
Dedicated	0.00	11,700	0	0	0	0	11,700
<b>Total</b>	<b>0.00</b>	<b>11,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,700</b>
10.23 Contract Inflation: The Governor recommends dedicated fund spending authority for an increase in office lease and internet costs.							
Dedicated	0.00	0	15,800	0	0	0	15,800
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>15,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,800</b>
10.32 Repair, Replacement Items/Alterations : The Governor recommends \$32,100 in one-time dedicated fund spending authority for repair and replacement items.							
Dedicated	0.00	0	0	32,100	0	0	32,100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>32,100</b>	<b>0</b>	<b>0</b>	<b>32,100</b>
10.44 Building Services Space Charge: Adjustments to rent are reflected here.							
Dedicated	0.00	0	2,900	0	0	0	2,900
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,900</b>
10.45 Risk Management Cost Increases: Adjustments to costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here. The state is experiencing an increase in claims, which has resulted in the need for a substantial increase in reserves to cover potential costs.							
Dedicated	0.00	0	2,200	0	0	0	2,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,200</b>
10.46 Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.							
Dedicated	0.00	0	1,300	0	0	0	1,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,300</b>
10.47 Treasurer's Fee Charge: Adjustments to the costs of cash management and warrant processing by the Office of the State Treasurer are reflected here.							
Dedicated	0.00	0	100	0	0	0	100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>
10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.							
Dedicated	0.00	87,600	0	0	0	0	87,600
<b>Total</b>	<b>0.00</b>	<b>87,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>87,600</b>

**FY 2020 Total Maintenance**

Dedicated	49.25	3,544,300	654,200	32,100	0	0	4,230,600
<b>Total</b>	<b>49.25</b>	<b>3,544,300</b>	<b>654,200</b>	<b>32,100</b>	<b>0</b>	<b>0</b>	<b>4,230,600</b>

Industrial Commission

Rehabilitation

Executive Budget Detail

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	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/ Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>FY 2020 Gov's Recommendation</b>							
Dedicated	49.25	3,544,300	654,200	32,100	0	0	4,230,600
<b>Total</b>	<b>49.25</b>	<b>3,544,300</b>	<b>654,200</b>	<b>32,100</b>	<b>0</b>	<b>0</b>	<b>4,230,600</b>

## Executive Budget Detail

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/ Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>Description:</b> The Crime Victims Compensation Program was established in 1986 to provide financial assistance to innocent victims of crime. Benefits are paid only for costs such as medical and mental health care, funeral expenses for deceased victims, lost wages for victims who are unable to work as a result of a crime, and sexual assault and child sexual abuse examinations up to a maximum of \$25,000 per victim per crime. Property damages are not eligible. Funding comes from fines and penalties assessed on criminal convictions in Idaho and a federal grant. Certain restitution and prison payment programs are also directed to the fund.							
<b>FY 2019 Original Appropriation</b>							
3.00	FY 2019 Original Appropriation: HB 678, SB 713						
General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	849,300	231,800	5,700	2,000,000	0	3,086,800
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>849,300</b>	<b>231,800</b>	<b>5,700</b>	<b>3,500,000</b>	<b>0</b>	<b>4,586,800</b>

**Expenditure Adjustments**

- 4.31 Idaho State Chinden Office Complex Relocation: The Governor recommends one-time dedicated fund spending authority for the relocation to the Idaho State Chinden Office Complex. Funding includes \$13,100 in Operating Expenditures for multi-function printers, furniture, personal computer hardware, tearing down cubicles, moving information technology infrastructure, and installing phone lines. An additional lease payment for the agency's current location at the Clearwater Building in Boise is also included. \$85,000 in Capital Outlay will fund cubicles, security systems, and wi-fi access points. A moveable file system was originally included in the request but was purchased using funding for the relocation deposited with the Division of Public Works.

Dedicated	0.00	0	13,100	85,000	0	0	98,100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>13,100</b>	<b>85,000</b>	<b>0</b>	<b>0</b>	<b>98,100</b>

**FY 2019 Total Appropriation**

General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	849,300	244,900	90,700	2,000,000	0	3,184,900
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>849,300</b>	<b>244,900</b>	<b>90,700</b>	<b>3,500,000</b>	<b>0</b>	<b>4,684,900</b>

**FY 2019 Estimated Expenditures**

General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	849,300	244,900	90,700	2,000,000	0	3,184,900
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>849,300</b>	<b>244,900</b>	<b>90,700</b>	<b>3,500,000</b>	<b>0</b>	<b>4,684,900</b>

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>Base Adjustments</b>							
8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.							
Dedicated	0.00	0	(13,100)	(90,700)	0	0	(103,800)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(13,100)</b>	<b>(90,700)</b>	<b>0</b>	<b>0</b>	<b>(103,800)</b>
<b>FY 2020 Base</b>							
General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	849,300	231,800	0	2,000,000	0	3,081,100
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>849,300</b>	<b>231,800</b>	<b>0</b>	<b>3,500,000</b>	<b>0</b>	<b>4,581,100</b>
<b>Program Maintenance</b>							
10.11 Change in Health Benefit Costs: This decision unit reflects a one-time reduction in the employer health benefit cost based on the November Milliman projection. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.							
Dedicated	0.00	(8,200)	0	0	0	0	(8,200)
<b>Total</b>	<b>0.00</b>	<b>(8,200)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8,200)</b>
10.12 Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.							
Dedicated	0.00	2,300	0	0	0	0	2,300
<b>Total</b>	<b>0.00</b>	<b>2,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,300</b>
10.31 Repair, Replacement Items/Alterations : The Governor recommends \$2,500 in one-time dedicated fund spending authority for repair and replacement items.							
Dedicated	0.00	0	0	2,500	0	0	2,500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
10.32 Repair, Replacement Items/Alterations : The Governor recommends \$800 in one-time dedicated fund spending authority for repair and replacement items.							
Dedicated	0.00	0	0	800	0	0	800
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>800</b>
10.41 Attorney General Fees: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.							
Dedicated	0.00	0	(400)	0	0	0	(400)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(400)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(400)</b>
10.45 Risk Management Cost Increases: Adjustments to costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here. The state is experiencing an increase in claims, which has resulted in the need for a substantial increase in reserves to cover potential costs.							
Dedicated	0.00	0	600	0	0	0	600
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600</b>

## Executive Budget Detail

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/Benefit	Lump Sum	Total Gov Rec
10.46 Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.							
Dedicated	0.00	0	400	0	0	0	400
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>

10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.							
Dedicated	0.00	20,700	0	0	0	0	20,700
<b>Total</b>	<b>0.00</b>	<b>20,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,700</b>

**FY 2020 Total Maintenance**

General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	864,100	232,400	3,300	2,000,000	0	3,099,800
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>864,100</b>	<b>232,400</b>	<b>3,300</b>	<b>3,500,000</b>	<b>0</b>	<b>4,599,800</b>

**Line Items**

12.01 Lease Contract Inflation: The Governor recommends one-time dedicated fund spending authority for lease contract inflation. The Industrial Commission renewed its main office lease at the Clearwater Building in Boise on April 30, 2018. The agreement extended the contract to June 30, 2019 with a month-to-month option afterward. The landlord included a premium increase of \$32,000 per month which becomes effective July 1, 2019 if the commission still occupies the premises. Currently, the commission's main office is scheduled to move to the Idaho State Chinden Office Complex in May or June of 2019. While it is highly unlikely the commission's occupation of its current location will exceed June 30, 2019, the commission does not have the appropriation to cover the increase in rent if the Idaho State Chinden Office Complex remodel experiences delays.

Dedicated	0.00	0	23,000	0	0	0	23,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>23,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,000</b>

12.02 Crime Victims Claims Examiner: The Governor recommends 1.0 FTP, ongoing dedicated fund spending authority and one-time Capital Outlay for a crime victims claims examiner position. The Idaho Crime Victims Compensation Program is a payor of last resort after private insurance and federally-financed programs. Due to insurance coverage of these programs changing frequently, claims can take longer to review and pay.

Dedicated	1.00	53,800	0	2,700	0	0	56,500
<b>Total</b>	<b>1.00</b>	<b>53,800</b>	<b>0</b>	<b>2,700</b>	<b>0</b>	<b>0</b>	<b>56,500</b>

12.04 Conversion of Paper Archives to Digital : The Governor recommends one-time dedicated fund spending authority for the conversion of paper records to a digital format. The Industrial Commission and the State Treasurer's Office retain paper financial records on insurance carriers and self-insured employers. This information can be a few decades old, and attempting to find specific records can be time consuming and difficult. In most cases, the only record is the original document, so there is not an alternative if it is destroyed or lost. This funding will also digitally archive administrative meeting minutes so the originals can be given to the Idaho State Historical Society.

Dedicated	0.00	0	240,000	0	0	0	240,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>240,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>240,000</b>

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
12.05 Cybersecurity Software : The Governor recommends dedicated fund spending authority for cybersecurity software to bring the Industrial Commission into compliance with state cybersecurity standards.							
Dedicated	0.00	0	1,800	0	0	0	1,800
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,800</b>

12.61 State Network Core Equipment Replacement : The Governor recommends replacement of the state's core network equipment. The Idaho State Network supports all state agencies, and the current core network equipment is reaching the end of its production life cycle. To ensure reliable network operations and avoid significant service interruptions, replacement is necessary. This decision unit represents the agency share of the one-time replacement costs.							
Dedicated	0.00	0	1,300	0	0	0	1,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,300</b>

12.63 Information Technology Modernization Initiative: The Governor recommends consolidating, streamlining, and improving information technology operations across the state. This will allow agencies to become consumers, not providers, of information technology services, allowing them to focus more on core missions. Ultimately, modernization will enhance security, increase functionality, eliminate waste and duplication, and minimize risk to application support, while also driving down cost increases.

The first phase of the initiative includes adding the Department of Finance, Division of Building Safety, Public Utilities Commission, Tax Commission, Department of Insurance, Industrial Commission, Division of Vocational Rehabilitation, and Division of Veterans Services to the agencies currently supported by the Office of Information Technology Services.

This decision unit represents a reduction of information technology staff at the Industrial Commission and Operating Expenditures for the anticipated cost of support from the Office of Information Technology Services.

Dedicated	(1.00)	(70,600)	33,400	0	0	0	(37,200)
<b>Total</b>	<b>(1.00)</b>	<b>(70,600)</b>	<b>33,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(37,200)</b>

**FY 2020 Gov's Recommendation**

General	0.00	0	0	0	300,000	0	300,000
Dedicated	13.00	847,300	531,900	6,000	2,000,000	0	3,385,200
Federal	0.00	0	0	0	1,200,000	0	1,200,000
<b>Total</b>	<b>13.00</b>	<b>847,300</b>	<b>531,900</b>	<b>6,000</b>	<b>3,500,000</b>	<b>0</b>	<b>4,885,200</b>

Executive Budget Detail

FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
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**Description:** The Adjudication Program resolves disputed worker compensation claims and medical fees and prepares legal analyses and findings. The program provides judicial review of appeals from the Idaho Department of Labor and hears appeals of determinations made by the Crime Victims Compensation Program. (Idaho Code, Title 72, Chapters 1-13)

**FY 2019 Original Appropriation**

3.00 FY 2019 Original Appropriation: HB 678

Dedicated	21.00	1,872,100	551,600	12,600	0	0	2,436,300
<b>Total</b>	<b>21.00</b>	<b>1,872,100</b>	<b>551,600</b>	<b>12,600</b>	<b>0</b>	<b>0</b>	<b>2,436,300</b>

**Expenditure Adjustments**

4.31 Idaho State Chinden Office Complex Relocation: The Governor recommends one-time dedicated fund spending authority for the Idaho State Chinden Office Complex relocation. Funding includes Capital Outlay for seven cubicles, bookcases, file cabinets, chairs and desks, and a storage solution for the law library.

Dedicated	0.00	0	0	126,700	0	0	126,700
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>126,700</b>	<b>0</b>	<b>0</b>	<b>126,700</b>

**FY 2019 Total Appropriation**

Dedicated	21.00	1,872,100	551,600	139,300	0	0	2,563,000
<b>Total</b>	<b>21.00</b>	<b>1,872,100</b>	<b>551,600</b>	<b>139,300</b>	<b>0</b>	<b>0</b>	<b>2,563,000</b>

**FY 2019 Estimated Expenditures**

Dedicated	21.00	1,872,100	551,600	139,300	0	0	2,563,000
<b>Total</b>	<b>21.00</b>	<b>1,872,100</b>	<b>551,600</b>	<b>139,300</b>	<b>0</b>	<b>0</b>	<b>2,563,000</b>

**Base Adjustments**

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.

Dedicated	0.00	0	0	(139,300)	0	0	(139,300)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(139,300)</b>	<b>0</b>	<b>0</b>	<b>(139,300)</b>

**FY 2020 Base**

Dedicated	21.00	1,872,100	551,600	0	0	0	2,423,700
<b>Total</b>	<b>21.00</b>	<b>1,872,100</b>	<b>551,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,423,700</b>

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>Program Maintenance</b>							
10.11	Change in Health Benefit Costs: This decision unit reflects a one-time reduction in the employer health benefit cost based on the November Milliman projection. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.						
Dedicated	0.00	(13,200)	0	0	0	0	(13,200)
<b>Total</b>	<b>0.00</b>	<b>(13,200)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(13,200)</b>
10.12	Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.						
Dedicated	0.00	6,900	0	0	0	0	6,900
<b>Total</b>	<b>0.00</b>	<b>6,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,900</b>
10.31	Repair, Replacement Items/Alterations : The Governor recommends \$1,400 in one-time dedicated fund spending authority for repair and replacement items.						
Dedicated	0.00	0	0	1,400	0	0	1,400
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,400</b>	<b>0</b>	<b>0</b>	<b>1,400</b>
10.45	Risk Management Cost Increases: Adjustments to costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here. The state is experiencing an increase in claims, which has resulted in the need for a substantial increase in reserves to cover potential costs.						
Dedicated	0.00	0	900	0	0	0	900
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>900</b>
10.46	Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.						
Dedicated	0.00	0	500	0	0	0	500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>
10.61	Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.						
Dedicated	0.00	37,500	0	0	0	0	37,500
<b>Total</b>	<b>0.00</b>	<b>37,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,500</b>

**FY 2020 Total Maintenance**

Dedicated	21.00	1,903,300	553,000	1,400	0	0	2,457,700
<b>Total</b>	<b>21.00</b>	<b>1,903,300</b>	<b>553,000</b>	<b>1,400</b>	<b>0</b>	<b>0</b>	<b>2,457,700</b>

**Line Items**

12.01	Change in Employee Compensation for Commissioners: The Governor recommends a 3% salary increase for commissioners. This increases the annual salary to \$107,141.						
Dedicated	0.00	11,400	0	0	0	0	11,400
<b>Total</b>	<b>0.00</b>	<b>11,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,400</b>

Industrial Commission  
Adjudication

Executive Budget Detail

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/ Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
<b>FY 2020 Gov's Recommendation</b>							
Dedicated	21.00	1,914,700	553,000	1,400	0	0	2,469,100
<b>Total</b>	<b>21.00</b>	<b>1,914,700</b>	<b>553,000</b>	<b>1,400</b>	<b>0</b>	<b>0</b>	<b>2,469,100</b>