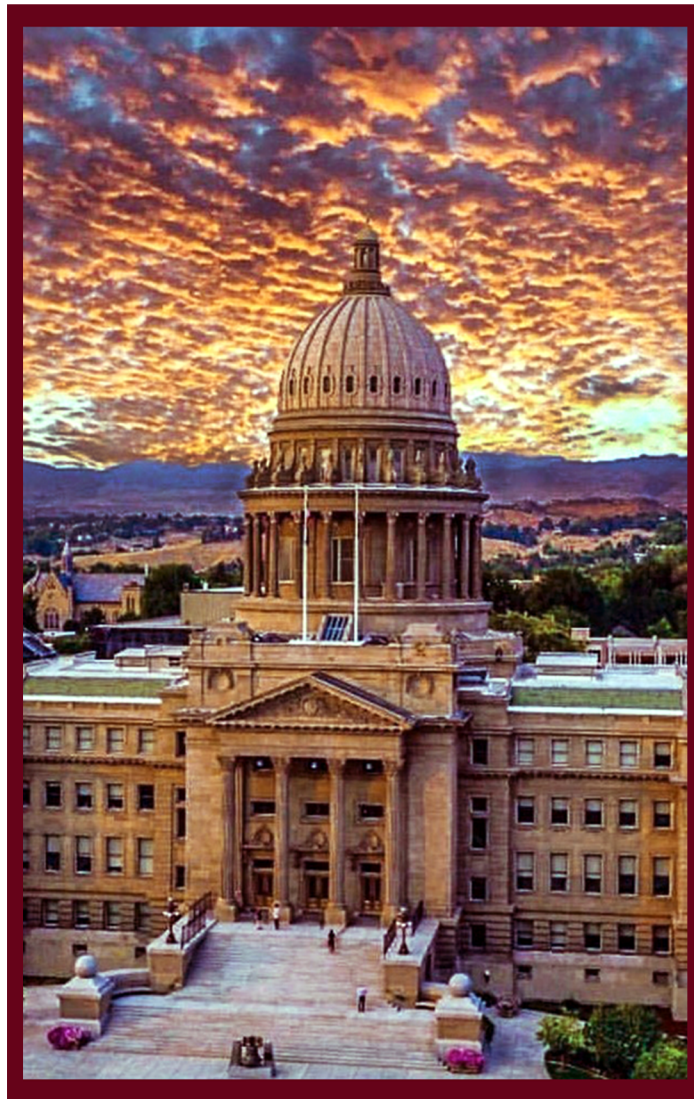


# Sine Die Report

## The Idaho State Legislature



A Summation of the 2022 Legislative Session



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This report and a complete listing of all legislation are available at [www.legislature.idaho.gov](http://www.legislature.idaho.gov). Full text of all bills is available on the website, including statements of purpose, fiscal notes and legislative action.

# 2022 Legislative Leadership

## Senate

Chuck Winder, President Pro Tempore

Kelly Arthur Anthon, Majority Leader

Abby Lee, Assistant Majority Leader

Mark Harris, Majority Caucus Chair

Michelle Stennett, Minority Leader

Grant Burgoyne, Assistant Minority Leader

Janie Ward-Engelking, Minority Caucus Chair

## House of Representatives

Scott Bedke, Speaker of the House

Mike Moyle, Majority Leader

Jason Monks, Assistant Majority Leader

Megan Blanksma, Majority Caucus Chair

Ilana Rubel, Minority Leader

Lauren Necochea, Assistant Minority Leader

Sally J. Toone, Minority Caucus Chair



## 2022 Committee Chairs

### Senate

Van R. Burtenshaw  
Agricultural Affairs

Todd Lakey  
Judiciary and Rules

Jim Patrick  
Commerce and Human Resources

Jim Rice  
Local Government and Taxation

Steven Thayn  
Education

Steve Vick  
Resources and Environment

Jeff Agenbroad  
Finance

Patti Anne Lodge  
State Affairs

Fred Martin  
Health and Welfare

Lori Den Hartog  
Transportation

### House of Representatives

Clark Kauffman  
Agricultural Affairs

Greg Chaney  
Judiciary, Rules and Administration

Rick Youngblood  
Appropriations

Ron Mendive  
Local Government

Sage Dixon  
Business

Marc Gibbs  
Resources and Conservation

James Holtzclaw  
Commerce and Human Resources

Steven C. Harris  
Revenue and Taxation

Lance Clow  
Education

Brent J. Crane  
State Affairs

Barbara Ehardt  
Environment, Energy and Technology

Joe Palmer  
Transportation and Defense

Fred Wood  
Health and Welfare

Paul Amador  
Ways and Means

## Introduction

The Second Regular Session of the 66th Idaho Legislature began on January 10, 2022, and adjourned Sine Die on March 31, 2022. The state's economy continued to strengthen, which allowed the Legislature again to address areas of vital interest to Idahoans.

A few comments regarding statewide General Fund budget matters: The Economic Outlook and Revenue Assessment Committee (EORAC) recommended and JFAC adopted General Fund revenue forecasts of \$5.19 billion for FY 2022 and \$5.46 billion for FY 2023, a 5.3% increase. These forecasts were used to finish setting the FY 2022 budget and for FY 2023 original appropriations.

To address the FY 2022 projected record General Fund ending balance of \$1.9 billion, the Legislature acted on several measures such as H 436 that provided a combination of \$601 million ongoing income tax relief and a onetime income tax rebate; transferred \$614.5 million to the Permanent Building Fund for new construction and deferred maintenance on state buildings; and provided \$552.9 million for transportation projects.

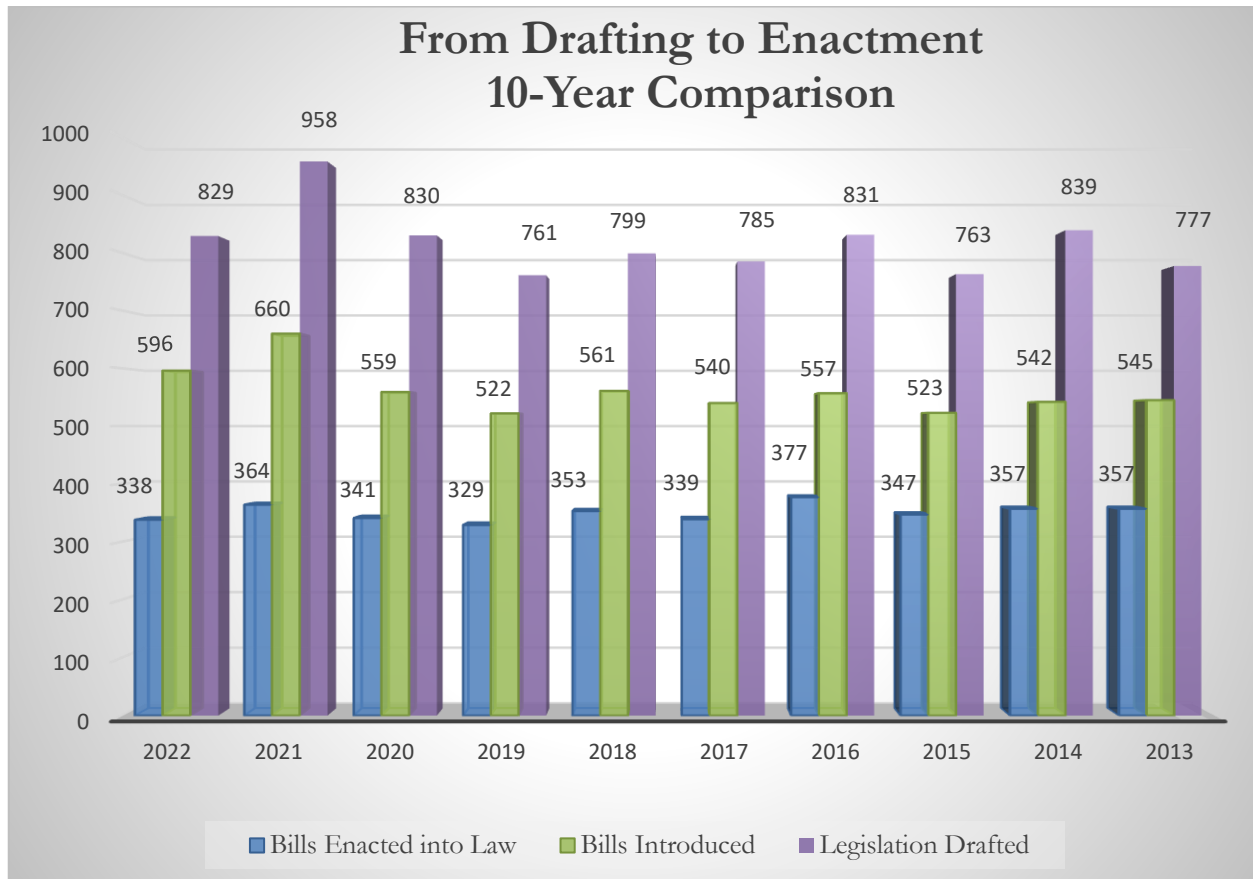
Other noteworthy actions included \$175.7 million to pay off all current state bond debt; \$241 million to fill the Budget Stabilization Fund and the Public Education Stabilization Fund - the state's two primary rainy day accounts; and \$181 million for school district health insurance. The projected General Fund ending balance for FY 2023 is \$235.2 million. Other key budget actions on dedicated funds and federal funds are included in this report.

Legislators wrote approximately 2,024 pieces of draft legislation. 979 of those drafts became RSeS, of which over 60% were introduced as bills, resolutions, memorials or proclamations. The following pages are a summary of selected key actions that successfully made their way through the legislative process during the 2022 legislative session.

Other information provided in this report: volume of legislation and length of the session; interim committees; legislation vetoed by the Governor; and General Fund budget detail.

# Volume of Legislation and Length of Session

During the 2022 legislative session, 829 proposed pieces of legislation were prepared for legislative committees and individual legislators. From that initial group of draft proposals, 596 bills were actually introduced, along with another 65 resolutions, memorials, and proclamations. 344 bills were passed. After legislative action, and following the Governor’s review, 338 introduced bills became law, with the majority of the new laws to become effective July 1, 2022. Six bills were vetoed by the Governor.



## Length of Session

When the Legislature adjourned Sine Die on March 31, it had been in session for 81 days. The 2022 legislative session followed a more traditional time frame than the past two sessions.

### Length of Recent Sessions (Days)

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
81	311	75	95	80	80	75	89	74	88

## Rules Review

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At the beginning of each legislative session, the Legislature takes up the important task of reviewing all pending fee, pending non-fee, and temporary rules that have been promulgated by state agencies. The Legislature can prevent pending rules from going into effect, as well as prevent final rules from remaining in effect, by rejecting them. Pending fee rules go into effect only if the Legislature approves them.

The Senate and House of Representatives were each asked to review 104 individual rulemaking dockets of pending fee and pending non-fee rules, totaling 6,332 pages during the 2022 legislative session. The Legislature reviewed 134 dockets, totaling 3,146 pages, during the 2021 legislative session.

The Legislature rejected parts of eight pending non-fee rule dockets as follows:

- Part of a State Board of Education docket regarding Idaho content standards, rejected as of July 1, 2022 (HCR39);
- Parts of three State Board of Education dockets regarding Rules Governing Administration, Rules Governing Uniformity, and Rules Governing Thoroughness (HCR45);
- Parts of two Department of Health and Welfare dockets regarding Medicaid Basic Plan Benefits and Developmental Disabilities Agencies (SCR120);
- Part of a State Tax Commission docket regarding Administration and Enforcement (SCR121); and
- Part of a Department of Parks and Recreation docket regarding State and Federal Grant Funds (SCR122).

The Legislature approved the majority of the pending fee rules via concurrent resolutions, but pending fee rules of the Division of Occupational and Professional Licenses were not approved.



## 2022 Legislative Action on Major Issues

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### Agriculture

**H455** AGRICULTURE – Simplifies the fee structure of the fertilizer and soil and plant amendment programs by repealing tonnage fees.

**H530** IDAHO HOP GROWER'S COMMISSION – Authorizes the Idaho Hop Grower's Commission to promote beer made with Idaho-grown hops.



**H559** CONFINED ANIMAL FEEDING OPERATIONS – Establishes the Confined Animal Feeding Operations Improvement Fund and committee. The fund is established to support investments in environmental projects on confined animal feeding operations to improve livestock byproduct, waste, nutrient and water management, land application, and storage systems.

**H606** RIGHT TO FARM – Provides that, for the purposes of the right to farm, the ingress and egress of agricultural aircraft to agricultural lands or treatment areas shall be included in the definition of “agricultural operation.”

**H608** STOCKWATER – Clarifies the procedure to be used by the state prior to issuance of an order declaring certain stockwater rights to be forfeited under Idaho law for failure to put the rights to beneficial use for a term of five years or more.

**H642** SOIL CONSERVATION DISTRICTS – Revises provisions for how commissioners are appointed to the Idaho Soil and Water Conservation Commission, increases the number of commissioners from 5 to 7, and repeals the ability to establish any new soil and water conservation districts.

**S1275** IRRIGATION DISTRICTS – Includes residency requirements as part of the nominee's oath for irrigation district board elections.

**S1276a** IRRIGATION AND CANAL COMPANIES – In respect to canal companies, aligns notice required for changes to articles of incorporation and bylaws with the 2 week notice requirement for meetings.

**S1277** IRRIGATION DISTRICTS – Clarifies that only those who own lands that are subject to assessment and entitled to receive water are eligible to vote in an irrigation district election.

### Criminal Justice and Public Safety

**H469** PEACE OFFICERS STANDARDS AND TRAINING FUND – Distributes money from the Liquor Fund to the Peace Officers Standards and Training Fund in order to provide revenue necessary to meet growing demand for services.

**H540** LAW ENFORCEMENT – Requires law enforcement responding to domestic violence calls to provide written information to victims about the availability of victim services.

**H658** EXECUTION – Provides legal protection from discovery or disclosure for certain persons and entities to carry out the death penalty and protects individuals from license board discipline because of their involvement in carrying out the death penalty.

**S1279** COUNTY JAILS – Authorizes a county sheriff to hire a temporary guard or private security service to assist in the protection of the county jail.

**S1309** FETAL HEARTBEAT PREBORN CHILD PROTECTION ACT – Amends the Fetal Heartbeat Preborn Child Protection Act to include a private enforcement mechanism allowing civil lawsuits against medical professionals who perform unlawful abortions after a fetal heartbeat has been detected.

**S1321** ASSAULT AND BATTERY – Provides for the crime of assault or battery upon employees of a public or consumer-owned utility.

**S1332** WITNESSES – Provides for confidential relations and communications between victims of domestic violence and employees and volunteers at a domestic or sexual violence program.

**S1334** IDAHO CORRECTIONAL INDUSTRIES ACT – Authorizes inmate training programs with certain private employers in telecommunications.

### Economic Development

**H582** BUILDING CODES – Allows nonprofit organizations that are chartered to build houses, including the volunteers of such organizations, to perform electrical, plumbing, and HVAC installations.

**H590** WORKER'S COMPENSATION – Allows settlement agreements in worker's compensation disputes without review by the Industrial Commission except in certain circumstances.

**H612a** OCCUPATIONAL LICENSING – Allows for the expungement of certain past disciplinary action related to licensure.

**H660** BUILDING CODES – Provides for the Idaho Energy Conservation Code to be the 2018 International Energy Conservation Code as previously adopted by the Idaho Building Code Board and prohibits local governments from adopting different or more extensive requirements.

**H762** BARBER AND COSMETOLOGY SERVICES – Allows for natural hair braiding without a license.

**S1295** CREDIT UNIONS – Revises provisions regarding the corporate powers and organization of credit unions, including with respect to establishment of branches, use of technology facilities, holding virtual or remote meetings, and offering financial services products.

**S1297** OCCUPATIONAL LICENSES – Allows boards, commissions, and staff of the Division of Occupational and Professional Licenses to share investigation records and provides that such records are exempt from disclosure under the Public Records Act.

**S1298a** CONSUMER PROTECTION ACT – Establishes certain consumer protections regarding automatic subscription renewals.

**S1354** BARBER AND COSMETOLOGY SERVICES – Establishes an apprenticeship program for high school students.

### Education

**H443** DEPARTMENT OF ADMINISTRATION – Creates the Public School Health Insurance Fund to provide for the onetime payment schools must make when entering the state's medical and dental group insurance plan, and eliminates the

Leadership Premium Program for teachers. The Legislature transferred \$75,500,000 to the Public School Health Insurance Fund in **H795**.

**H461** EDUCATION – Revises eligibility requirements for the Armed Forces and Public Safety Officer Scholarship so that the spouses and children of military members who die or are disabled during service or training are eligible for the scholarship. Under current requirements, military members must die or be disabled in combat for their spouses and children to be eligible.

**H650a** SCHOOL DISTRICT TRUSTEES – Requires district curricular materials adoption committees to include a certain number of teachers, members of the school district administration, community members, and parents of children within the school district.

**H654** EDUCATION – Allows for licensed professional counselors and licensed clinical professional counselors to work as school counselors.

**H656** EDUCATION – Amends existing law to provide for placement on the career ladder of certain previously certified staff. Funding for this legislation can be found in **H805**.



**H685** EDUCATION – Removes from the Postsecondary Credit Scholarship the academic merit requirement in order to allow more students the opportunity to find matching scholarships.

**H716** EDUCATION – Adopts initial certification and content standards prepared by 2020-2021 work groups. Funding for this legislation can be found in **H804**.

**H718** HIGHER EDUCATION – Requires students who attend medical school through the WWAMI Regional Medical Education Program or in an Idaho slot at the University of Utah to commit to practicing in Idaho or reimburse the state for supporting the student's medical education. The purpose of this legislation is to encourage physicians who attended medical school with public support to

return to Idaho to practice and help to alleviate Idaho's physician shortage.

**H731** EDUCATION – Requires the State Department of Education to implement dyslexia screening and intervention practices for students enrolled in kindergarten through grade 5.

**H790** EDUCATION – Provides for disbursement of literacy intervention funds to public schools based on enrollment and student performance on the statewide reading assessment. Additionally, this legislation requires a ballot disclosure at an election to approve a supplemental levy regarding the purposes for which levy revenues will be used and requires that supplemental levy revenues be used only for the purposes identified in the ballot disclosure.

**S1238** EDUCATION – Allows for greater flexibility in students' education by focusing on learning and comprehension rather than just the number of hours a student spends in a classroom.

**S1255** EDUCATION – Establishes the Empowering Parents Grant Program, which provides funds to parents to meet certain educational needs of eligible students, including instructional materials, technology, and assessment fees. Funding can be found in **H 809**.

**S1290** EDUCATION – Establishes the Rural and Underserved Educator Incentive Program to incentivize educators working in high-need and rural school districts or charter schools. Funding can be found in **S1425**.

**S1291a** CHARTER SCHOOLS – Gives charter schools greater flexibility to hire willing and capable adults in their communities through a charter school-specific teaching certificate.

## Elections

**H511** ELECTIONS – Provides that the Secretary of State shall determine the method of rotating the order in which candidate names appear on election ballots in certain elections.

**H532** ELECTIONS – Allows the Secretary of State or a county election clerk to petition the district court for judicial review of an election whenever it appears that an error may have occurred sufficient to change the election results.



**H548** ELECTIONS – Provides that a person's residence for voting purposes is the residence for which the person claims a homestead tax exemption, if such an exemption is claimed. Additionally, this legislation requires the Secretary of State or a county clerk to investigate the legal qualifications of a candidate for office if such an investigation is requested by a registered voter. The purpose of this legislation is to ensure that candidates are running for office in the place where they actually live.

**H566** PUBLIC INTEGRITY IN ELECTIONS ACT – Allows a political party to use public property if it is available for use to the general public and if all political parties are given equal and fair access to the property.

**H682** ELECTIONS – Requires cities and special districts whose governing board members are elected by separate subdistricts to notify the county clerk of any boundary changes at least 30 days before the filing deadline for candidates.

**H695** RECALL ELECTIONS – Provides that the number of signatures required on a recall petition pertains to those electors residing within the district, subdistrict, or zone that are eligible to vote for the official.

**S1273** SECRETARY OF STATE – Permits the Secretary of State to accept credit and debit card payments for candidate filing fees.

**S1274** ELECTIONS – Provides for postelection audits of selected paper ballots in certain elections by the Secretary of State.

**S1288** DISTRICT JUDGES – Resolves an ambiguity regarding the appointed term of certain district judges.

**S1351** VOTERS – Provides for a report to the Legislature on voter registration maintenance actions.

**S1352** ABSENTEE BALLOTS – Provides for an investigation if an absentee ballot is returned to the county clerk as undeliverable.

## General Government

**H444** CORONAVIRUS LIMITED IMMUNITY ACT – Extends the sunset date of the Coronavirus Limited Immunity Act to July 1, 2023.

**H463** DEPARTMENT OF ADMINISTRATION – Increases the limit of public work projects to \$300,000.

**H530** IDAHO HOP GROWER'S COMMISSION – Authorizes the Idaho Hop Grower's Commission to promote beer made with Idaho-grown hops.

**H583** DIGITAL ASSETS – Defines the legal status of digital assets, classifies digital assets as personal property, and specifies the rights of purchase, possession, and control of digital assets.

**H589** PERSI – Adds juvenile detention officers, juvenile probation officers, and adult misdemeanor probation officers to the list of police officer members.

**H629** IDAHO ADMINISTRATIVE PROCEDURE ACT – Establishes an independent Office of Administrative Hearings and provides for the independence and impartiality of hearing officers in contested case proceedings.

**H646** ALCOHOLIC BEVERAGES – Allows for the production of mead, cider, and other fermented fruit juice beverages for personal use.

**H699** EVIDENCE – Prohibits disclosure of communications made during a peer support counseling session for first responders, with exceptions for certain threats, admissions of criminal conduct, and information required to be reported by law. The purpose of this legislation is to protect the privacy of first responders in peer support.

**H701** IDAHO WORKFORCE HOUSING FUND – Establishes the Idaho Workforce Housing Fund to provide funding for workforce housing development.

**H703** HOMEOWNER'S ASSOCIATION ACT – Provides for meetings and financial disclosures of HOAs and provides additional protection of the rights of current and future property owners within an HOA.

**H705, S1262** MARTIAL LAW – Provides limitations on regulation of firearms, ammunition, and components during a state of extreme emergency or declared disaster emergency.

**H728** PERSI – Provides for the divestment of assets related to Russia.

**H744** ALCOHOLIC BEVERAGES – Provides for the donation of liquor for benevolent,

charitable, or public purposes.

**H747** STATE ELECTIVE OFFICERS – Increases the salaries of state elective officers.

**H811** PUBLIC RECORDS – Requires public records requests related to the legislature to be made to the legislature with a copy sent to the legislative services office.

**S1240** RESTRICTIVE COVENANTS – Prohibits and allows for the removal of racially restrictive covenants for real property.

**S1289a** LEGISLATURE – Authorizes either or both houses of the Legislature to intervene in an action regarding the constitutionality of an Idaho statute.

**S1311** STATE SYMBOLS – Designates the "Idaho Cut" as the official state cut of Idaho for faceted gemstones.



**S1333** FOURTH JUDICIAL DISTRICT – Adds an additional judge in the Fourth Judicial District, which consists of Valley, Boise, Ada, and Elmore counties.

**S1378** ENDANGERED MISSING PERSON ALERT – Establishes endangered missing person alerts and provides criteria for activation of an alert.

**S1405** STATE GOVERNMENT AND STATE AFFAIRS – Establishes provisions regarding disfavored state investments and requires notification to a public entity if an investment agent adopts a policy related to disfavored state investments.

## Health and Human Services

**H446** CONTROLLED SUBSTANCES – Provides that certain nabiximols shall not be considered Schedule I controlled substances. Nabiximols, currently undergoing the FDA approval process, are a spray derived from marijuana. They are being studied as a potential treatment for multiple sclerosis

and other neurological disorders.

**H611** INSURANCE – Authorizes the application and implementation of the federal 1332 innovation waiver, which will allow for larger premium reductions for consumers in the individual health insurance market.

**H664** SPEECH AND HEARING SERVICES – Provides for Idaho's participation in the Audiology and Speech-Language Pathology Interstate Compact to enhance portability of occupational licensure.

**H756** CRISIS STANDARDS OF CARE ACT – Establishes standards for the activation of crisis standards of care in Idaho health care facilities and requires that all patient rights shall be honored when crisis standards of care are in effect. This legislation also establishes a temporary Office of Patient Ombudsman, which will advocate for patients negatively affected by crisis standards of care whenever such standards are in effect.

**S1268** IDENTIFICATION CARDS – Establishes a program for the issuance of no-cost identification cards to persons who are homeless.

**S1270** DOWN SYNDROME DIAGNOSIS INFORMATION ACT – Establishes the Down Syndrome Diagnosis Information Act to provide support and educational material to expecting parents.

**S1305** PSYCHOLOGISTS – Provides for Idaho's participation in the Psychology Interjurisdictional Compact to enhance occupational licensing portability.

**S1320** VITAL STATISTICS – Provides access to original birth certificates and adoption records to adoptees who were adopted on or after July 1, 2022, and who have attained the age of 18 years or older. This legislation will allow adoptees to investigate their past while preserving the privacy preferences of birth parents.

**S1330a** OCCUPATIONAL LICENSING – Allows for the licensure and registration of certain naturopathic doctors and naturopaths.

**S1353** HEALTH – Provides that a patient or resident in a health care facility has the right to in-person visitation by essential caregivers. Caregivers must follow safety and other protocols required by the facility.

## Natural Resources



**H479** TRANSPORTATION – Removes the maximum wheelbase criteria on the definition of a utility type vehicle (UTV).

**H507** FISH AND GAME – Authorizes the use of lighted arrow nocks and mechanical broadheads for archery hunting.

**H520** FISH AND GAME – Clarifies the calculation that the Outfitters and Guides Board uses to designate deer and elk hunting tags that are allocated for the use of outfitted hunters by the Fish and Game Commission.

**H576** HEALTH – Provides that an abatement district board may have either three or five members.

**H584** ANDERSON RANCH DAM – Provides legislative intent relating to the Anderson Ranch Dam raise, declaring that the Water Resource Board's application for a water right for the project is made in good faith and not for delay or speculative purposes, is in the local public interest, is consistent with the conservation of water resources, and will not adversely affect the local economy of the Boise River watershed.

**H588** WILDLAND FIREFIGHTERS – Allows the Idaho Department of Lands to provide hazard differential pay for department wildland firefighters.

**H700** TRANSPORTATION – Allows for certain off-highway vehicle travel on highways with speed limits of up to 65 miles per hour.

**H702** FISH AND GAME – Provides that annually the state controller shall transfer \$750,000 to the Expendable Big Game Depredation Fund and to provide that payments for any individual approved claim shall not exceed \$125,000.

**H748** REAL PROPERTY – Provides that certain appurtenant water rights and water entitlements and obligations shall pass with the transfer of real property.

**H749** LEMHI BASIN – Establishes provisions regarding the Lemhi Basin Comprehensive Settlement Agreement as agreed to by affected water users and state agencies.

**S1243** BOARD OF ENVIRONMENTAL QUALITY – Provides that at least four of the seven Board of Environmental Quality members shall represent the public's interest and not derive any significant portion of their income from persons subject to air quality permits or enforcement orders.

### Taxation

**H677** CORPORATE ACTIVITIES TAX – Prohibits the enforcement of taxation of Idaho businesses by certain out-of-state taxing entities.

**H689** STATE TAX COMMISSION – Revises the duties of the chairman of the State Tax Commission.

### Income Tax

**H436** INCOME TAXES – Reduces the individual and corporate income tax top rate to 6% and provides an income tax rebate.

**H472** INCOME TAXES – Updates references to the Internal Revenue Code regarding unemployment benefits and removes language regarding the recognition of marriage.

**H563** INCOME TAXES – Revises provisions regarding computing Idaho taxable income of multi-state or unitary corporations.

**H713** INCOME TAXES – Revises provisions regarding state and local tax treatment for affected business entities.

**H714** INCOME TAXES – Revises provisions regarding taxation of adjustments of certain bonus depreciation.

**H715** INCOME TAXES – Extends the time in which Idaho taxpayers can claim credits or refunds against taxes due.

### Property Tax

**H481** PROPERTY TAX REDUCTION – Increases the eligibility for homes for the circuit-breaker program to \$300,000 or 150% median of assessed valuation in the county.

**H550** PROPERTY TAXES – Authorizes a city to have a property tax rebate program for taxpayers receiving the state circuitbreaker tax exemption.

**H564** TAXATION – Provides for investigation by a county assessor into a person's entitlement to the homestead tax exemption. The purpose of this

legislation is to ensure that the tax exemptions are legitimately claimed and that one person is not claiming multiple exemptions.

**H565a** PROPERTY TAX – Revises provisions regarding personal property tax exemptions for construction, logging, or mining of salable minerals and removes provisions regarding the taxation of transient personal property.

**H673** PROPERTY – Revises provisions regarding the new construction roll to exclude property that has changed in use and to clarify the inclusion of new structures.

**H735a** PROPERTY TAX – Provides property tax relief by repealing the county charity and indigent fund levy and replaces those moneys with sales tax moneys; creates the State Public Defense Fund to relieve counties of the financial responsibility of providing indigent legal defense services; and sunsets the tax relief fund in 2024 and directs those moneys to the sales tax distribution.

**S1249** TAXING DISTRICTS – Clarifies the exclusion of property tax revenue resulting from the termination, deannexation, or plan modification of an urban renewal area from taxing district budget limitation calculations and removes an exception to certain limitations on taxing district budget increases.

### Sales Tax

**H480** USE TAX – Clarifies that the use tax exemption for personally owned vehicles applies to individuals and to grantor trusts.

**H678** SALES TAX – Adds to existing law to provide a sales and use tax exemption for certain semiconductor projects.

### Transportation

**H526** MOTOR VEHICLE DRIVER'S LICENSES – Allows for the reinstatement of a disqualified commercial driver's license after ten years if a rehabilitation program is completed.

**H527** TRANSPORTATION – Provides for the addition of an optional "USA" citizenship designation on driver's licenses and identification cards.

**H528** TRANSPORTATION – Allows the use of larger personal delivery devices and provides for the operation of such devices in additional locations.

**H596** TRANSPORTATION – Removes an obsolete provision relating to motor owner guest liability.

**H640a** IDAHO BROADBAND DIG ONCE AND RIGHT-OF-WAY ACT – Enacts the Idaho Broadband Dig Once and Right-of-Way Act, which allows for the installation of broadband infrastructure during highway construction projects. The purpose of this legislation is to encourage the installation of more broadband infrastructure by reducing costs to installers, who under the legislation may “piggyback” on existing construction projects rather than having to conduct a separate construction project.

**H700** TRANSPORTATION – Allows off-highway vehicle travel on state highways with speed limits up to 65 miles per hour.

**S1231** TRANSPORTATION – Eliminates burdensome reporting requirements for local highway districts and other jurisdictions.

**S1254a** TRANSPORTATION – Removes the requirement for vehicle emissions testing in the Treasure Valley beginning on July 1, 2023.

**S1267** TRANSPORTATION – Creates an exemption from vehicle inspection for private vehicles and horse trailers.

**S1319** TRANSPORTATION OF PUPILS – Allows school bus service contracts to extend longer than 5 years in order to utilize funding from the Federal Infrastructure Investment and Jobs Act of 2021.



### Concurrent Resolutions & Joint Memorials

**HR005** ABORTION – Recognizes and designates January 22 as the Day of Tears in Idaho to acknowledge the loss of life from abortions in the United States.

**HR023** EDUCATION – Authorizes the appointment of a working group to investigate material harmful to minors in schools and public libraries. Membership of the working group shall include legislators, a member of the Idaho Library Association, and the State Librarian.

**HJM003** YELLOWSTONE NATIONAL PARK – Requests that Congress close a potential legal loophole for crimes committed in a portion of Yellowstone National Park where prosecution could be impossible.

**HJM005** TAXATION – Requests that Governor Jay Inslee of Washington oppose and veto a proposed tax on fuel exports from Washington to Idaho.

**HCR031** IDAHO FALLS BANDITS – Recognizes the accomplishments of the Idaho Falls Bandits baseball team.

**HCR034** MINERS – Formally acknowledges the loss of all of Idaho's fallen miners and declares every May 2 Miners Memorial Day.

**HCR038** HIGHER EDUCATION – Encourages the State Board of Education to request funding for additional Idaho slots in the WWAMI Regional Medical Education Program. Idaho has a significant physician shortage. The purpose of establishing additional WWAMI slots would be to sponsor medical education for more Idaho students in an effort to bring more doctors to Idaho.

**HCR041** ENDOWMENT FUND INVESTMENT BOARD – Directs the Endowment Fund Investment Board to divest from Russian governmental assets and certain other assets connected to Russia.

**HCR045** STATE BOARD OF EDUCATION – RULE REJECTION – States findings of the Legislature and rejects certain rules of the State Board of Education relating to common core content standards.

**SR101** ABORTION – Recognizes and designates January 22 as the Day of Tears in Idaho in commemoration of the lives lost from abortions in the United States.

**SCR115** EDUCATION – Supports the development of civics standards for Idaho students to foster the tools and knowledge necessary to be an engaged citizen.

**SCR118** EDUCATION – Encourages Idaho schools to teach students the whole and honest history of our nation.

**SCR119** TAIWAN – Reaffirms Idaho's commitment to a strong relationship with Taiwan.

## 2022 Interim Committees

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### New Committees:

**House Working Group for Protecting Idaho Children from Material Harmful to Minors in Libraries:**

Authorized by **HR023** in the 2022 legislative session to affirm the House's commitment to ensuring that Idaho policy safeguards Idaho children from exposure to material harmful to minors in libraries and K-12 schools.

### Ongoing or Reauthorized Committees:

**Child Protection Legislative Oversight Committee:** Authorized by **S1341** in the 2018 legislative session to provide oversight for the foster care system in Idaho, to review citizen review panel reports and the department's annual response, and for other purposes related to child protection.

**Committee on Federalism:** Authorized by **H169** in the 2019 legislative session to monitor and review federal acts, laws, and regulations that may impact the jurisdiction, governance, and sovereignty of the state of Idaho. The 2021 sunset date for the committee was repealed by **H279** in the 2021 legislative session.

**Committee on Uniform Accounting and Transparency:** Authorized by **H037** in the 2021 legislative session to cooperatively develop, approve, monitor, and revise, as needed, the uniform accounting, budgeting, and financial reporting system and manual for local governmental agencies.

**Criminal Justice Reinvestment Oversight Committee:** Authorized by **S1393** in the 2014 session to monitor performance and outcome measures as set forth in the Justice Reinvestment Act and to study the data-driven justice reinvestment and resource allocation approach and policies to improve public safety, reduce recidivism, and reduce spending on corrections in Idaho. In the 2019 legislative session, the sunset date was extended to 2023.

**Idaho Council on Indian Affairs:** Authorized by **H155a** in the 1999 legislative session, the Idaho Council on Indian Affairs monitors and reviews legislation and state policies that impact state/tribal relations and advises the Governor, the Legislature, and state departments and agencies on state/tribal relations. The council consists of two members of the House of Representatives, two members of the Senate, one person representing the Office of the Governor, and five members to represent each of the five Indian tribes of the state.

**Natural Resources Interim Committee:** Reauthorized by **HCR007** in the 2021 legislative session to undertake and complete a study of natural resource issues.

**Occupational and Professional Licensure Review Committee:** Authorized by **S1351a** in the 2020 legislative session and **S1084** in the 2021 legislative session to provide for sunrise and sunset review of existing licensure laws and to conduct further study, as necessary, to determine how the Legislature may ease occupational licensing barriers while still protecting the public's health and safety.



## 2022 Legislation Vetoed by the Governor

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**H533** – PUBLIC SCHOOLS – Amends existing law to allow for certain employees to continue to receive master educator premiums.

**H723aaS** – EDUCATION – Adds to existing law to provide that enrollment shall replace average daily attendance in funding formulas for fiscal years 2023 and 2024 and to provide for a study committee on the public school funding formula.

**H782** – STATE JUDICIARY – Amends existing law to revise provisions regarding membership of and appointments to the Judicial Council, to revise provisions regarding duties of the Judicial Council, and to revise provisions regarding the salaries of judges.

**S1301** – SELF-SERVICE STORAGE FACILITIES – Amends existing law to provide for methods to assess self-service storage facility properties.

**S1381** – CORONAVIRUS – Adds to existing law to establish the Coronavirus Pause Act to prohibit certain actions related to coronavirus.

**S1400** – APPROPRIATIONS – OITS – Relates to the appropriation to the Office of Information Technology Services for fiscal years 2022 and 2023.

# Budget Summary

## GENERAL FUND BUDGET UPDATE FISCAL YEAR 2022

<u>REVENUES</u>	<u>Legislative Action</u>
1. Beginning Balance	\$ 889,524,000
2. Reappropriation	1,582,100
3. After Year-End Cash Reversions	69,234,100
4. Total Beginning Cash Balance	<u>\$ 960,340,200</u>
5. JFAC Revenue Estimate 3.6% above FY 2021	\$ 5,190,432,800
6. H436 - Income Tax Reduction & Tax Rebate	(256,000,000)
7. H472 - Federal Tax Conformity	(8,658,100)
8. H714 - Bonus Depreciation	(400,000)
9. H715 - Income Tax Overpaid-Statute of Limitations Extension	(1,000,000)
10. Total Revenues	<u>\$ 4,924,374,700</u>
11. TOTAL REVENUES AND BEGINNING BALANCE	\$ 5,884,714,900
12. 2021 Session Cash Transfers - H337, S1160, S1172, S1188, S1214	\$ (94,246,400)
13. Emergency Proclamation 02-2021 - Transfer to Disaster Emergency	(25,000,000)
14. Revenue Offset for Eligible Public Safety Salary - CRRSA	57,239,200
15. H449 - Deficiency Warrants - Pests, HazMat, Tires	(405,400)
16. H755 - Transfer to IDL - Fire Suppression Deficiency Fund	(80,000,000)
17. H763 - Transfers to DEQ - Ag BMPs, CAFO, & Fed Match for IIJA	(54,000,000)
18. H779, H791, S1421 - Transfer to Permanent Building Fund	(464,525,000)
19. H787 - Transfer to ITD - TECM Fund	(100,000,000)
20. S1359 - Transfer to ITD - Rails, Bridges, Pedestrian, Airport, & GARVEE	(252,885,000)
21. S1396 - Transfer to OEMR - Energy Resiliency Grants	(15,000,000)
22. S1420 - Transfer to Dept Corrections - Hepatitis-C Fund	(12,000,000)
23. S1428 - Transfer to Dept Insurance – Idaho Individual High Risk Reinsurance Pool	(25,000,000)
24. S1428 - Transfer to Public Education Stabilization Fund	(44,000,000)
25. Transfer to Budget Stabilization Fund §57-814, I.C.	(50,095,000)
26. Total Transfers in (out)	<u>\$ (1,159,917,600)</u>
27. NET REVENUES	\$ 4,724,797,300
 <u>APPROPRIATIONS</u>	
28. FY 2022 Original Appropriation	\$ 4,222,572,600
29. Reappropriations	1,582,100
30. Supplementals/Rescissions:	195,395,300
31. FY 2022 Total Appropriations	<u>\$ 4,419,550,000</u>
32. FY 2022 ESTIMATED ENDING BALANCE	\$ 305,247,300

# Budget Summary

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## GENERAL FUND BUDGET UPDATE FISCAL YEAR 2023

	<b>Legislative Action</b>
<b><u>REVENUES</u></b>	
1. Estimated Beginning Balance	\$ 305,247,300
2. JFAC Revenue Estimate 5.3% Above FY 2022 Est.	\$ 5,464,002,000
3. H436 - Income Tax Reduction & Tax Rebate	(251,232,100)
4. H469 - POST Fund	(777,500)
5. H472 - Federal Tax Conformity	(7,928,500)
6. H481 - Property Tax Reduction	(1,100,000)
7. H714 - Bonus Depreciation	(400,000)
8. H715 - Income Tax Overpaid-Statute of Limitations Extension	(1,000,000)
9. H735 - County Public Defense and Indigent Services	(18,842,800)
10. S1259 - Medicaid Income Exemption for Circuit Breaker	(354,000)
11. Total Revenues	<u>\$ 5,182,367,100</u>
12. TOTAL REVENUES AND ESTIMATED BEGINNING BALANCE	\$ 5,487,614,400
13. H436 - Income Tax Reduction & Tax Rebate	\$ 94,000,000
14. H769 - Transfer to Dept Water Resources - Water Management Fund	(75,000,000)
15. H772 - Transfer to IID - Strategic Initiatives Fund	(200,000,000)
16. H779 - Transfer to Permanent Building Fund - Deferred Maintenance	(150,000,000)
17. H795 - Public School Support Health Insurance	(75,500,000)
18. H803 - Transfer to Dept Commerce - Idaho Opportunity Fund	(2,000,000)
19. S1428 - Transfer to 27th Payroll Fund	(20,000,000)
20. S1428 - Transfer to Budget Stabilization Fund	(120,000,000)
21. S1428 - Transfer to Opioid Settlement Fund	(2,399,500)
22. S1428 - Transfer to Public Education Stabilization Fund	(77,000,000)
23. Total Transfers in (out)	<u>\$ (627,899,500)</u>
24. NET REVENUES	\$ 4,859,714,900
<b><u>APPROPRIATIONS</u></b>	
25. FY 2023 Appropriations	\$ 4,624,520,500
26. FY 2023 ESTIMATED ENDING BALANCE	\$ 235,194,400

## General Fund Revenue Collections and Estimates

The Economic Outlook and Revenue Assessment Committee (EORAC), appointed by leadership and made up of nine members from the Senate and nine members from the House, convened before the session and heard testimony from economists and key industry representatives from throughout the state. The committee then reviewed the FY 2022 and FY 2023 General Fund revenue forecasts presented to the Second Regular Session of the 66th Idaho Legislature in the Governor's State of the State speech. The committee concluded that total General Fund revenues available for appropriation be \$5,190.4 million for FY 2022 and \$5,464.0 million for FY 2023. The committee's median forecast was more than the executive forecast by 1.7%, or \$85.8 million, for FY 2022, and more than the executive forecast by 0.9%, or \$51.1 million, less for FY 2023.

The Joint Finance-Appropriations Committee used the EORAC for FY 2022 and FY 2023 for the purposes of setting budgets. The numbers below include adjustments from legislation impacting General Fund revenues. The bill number, description, and estimated fiscal impact of each of the law changes can be found on the General Fund Budget Update.

REVENUE SOURCE	FY2021 Actual Collection	Revenue Estimates			
		FY 2022		FY 2023	
		January Forecast	With Law Changes	January Forecast	With Law Changes
Individual Income Tax	\$2,446,316,311	\$2,300,790,900	\$2,034,732,800	\$2,553,108,700	\$2,319,894,500
Corporate Income Tax	348,921,444	392,830,200	\$392,830,200	324,080,400	296,734,000
Sales Tax	2,004,239,546	2,160,715,500	\$2,160,715,500	2,272,076,800	2,251,779,987
Product Taxes					
Cigarette Tax	8,796,600	9,524,200	9,524,200	9,524,200	9,524,200
Tobacco Tax	12,952,115	13,934,400	13,934,400	15,277,300	15,277,300
Beer Tax	2,243,665	3,119,400	3,119,400	3,850,600	3,850,600
Wine Tax	5,412,872	5,453,900	5,453,900	5,398,400	5,398,400
Liquor Transfer	42,603,000	55,620,000	55,620,000	51,833,400	51,055,900
Total Product Taxes	72,008,252	87,651,900	87,651,900	85,883,900	85,106,400
Miscellaneous Revenue					
Kilowatt Hour Tax	1,960,866	1,374,500	1,374,500	1,037,100	1,037,100
Mine License Tax	23,951	38,200	38,200	51,700	51,700
State Treasurer	1,929,036	10,644,600	10,644,600	2,467,500	2,467,500
Judicial Branch	6,978,544	6,974,800	6,974,800	6,757,100	6,757,100
Insurance Premium Tax	85,517,863	79,114,000	79,114,000	78,133,400	78,133,400
State Police	358,738	0	0	0	0
Secretary of State	6,030,439	6,249,300	6,249,300	6,538,000	6,538,000
Unclaimed Property	16,094,627	15,000,000	15,000,000	15,000,000	15,000,000
Estate Tax	0	0	0	0	0
Other/Dept. Transfers	19,021,788	129,048,800	129,048,800	118,867,400	212,867,400
Total Miscellaneous Revenue	137,915,851	248,444,200	248,444,200	228,852,200	322,852,200
<b>TOTAL REVENUES*</b>	<b>\$5,009,401,405</b>	<b>\$5,190,432,800</b>	<b>\$4,924,374,600</b>	<b>\$5,464,002,100</b>	<b>\$5,276,367,087</b>
<i>% Change from prior year</i>	<i>24.2%</i>	<i>3.6%</i>	<i>(1.7%)</i>	<i>5.3%</i>	<i>7.1%</i>
With Beginning Balances	247,659,000	960,340,200	960,340,200	305,247,300	305,247,300
<b>REVENUES &amp; BALANCES</b>	<b>\$5,257,060,400</b>	<b>\$6,150,773,000</b>	<b>\$5,884,714,800</b>	<b>\$5,769,249,400</b>	<b>\$5,581,614,387</b>

\*Revenue forecast numbers have been adjusted for rounding

# Budget Issues Summary

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## FY 2022 General Fund Revenues

In January 2022, the Division of Financial Management (DFM) revised the FY 2022 August forecast upward by \$423.1 million to \$5,190,432,800, which changed revenue expectations from 4.8% less revenue collected than in FY 2021 to 3.6% more revenue than FY 2021 collections. The Economic Outlook and Revenue Assessment Committee (EORAC) concurred with the revised January recommendation, which was \$786 million more than estimated last year at Sine Die.

For the purposes of budgeting, the Governor slightly reduced the revenue forecast by \$19,100,300 using a weighted average methodology, resulting in a revenue forecast of \$5,171,332,500, or a 3.2% increase from FY 2021 actual collections. The Joint Finance-Appropriations Committee (JFAC) formally adopted the EORAC number of \$5,190,432,800 for setting budgets. The Legislature reduced the amount of available ongoing revenues downward with four pieces of legislation:

- \$256,000,000 reduction from **H436** which provided a tax rebate in FY 2022;
- \$8,658,100 reduction from **H472**, which was the annual tax conformity bill;
- \$400,000 reduction from **H714** allowing taxpayers to make certain adjustments for bonus depreciation; and
- \$1,000,000 reduction from **H715** which extends the time taxpayers may claim overpaid taxes.

After accounting for legislation affecting General Fund revenues, the adjusted revenue forecast for FY 2022 is \$4,924,374,700 and represents a 1.7% decrease from FY 2021 actual revenue collections. To finalize budgeted General Fund revenues for FY 2022, the Legislature relied on a beginning balance of \$889.5 million accumulated from the previous year, \$1.6 million for reappropriations, and \$69.2 million for after-year-end reversions for total one-time surplus revenues of \$960,340,200. Combining the one-time surplus with the adjusted revenue forecast leaves a total of \$5,884,714,900 to finalize budgets for FY 2022.

## FY 2022 General Fund Deficiency Warrants and FY 2022 Transfers

The Legislature addressed deficiency warrants appropriating and transferring \$405,400 through **H449**, of which \$368,400 went to the Pest Control Deficiency Fund for deficiency warrants to address exotic and invasive species monitoring and control, including Japanese Beetles and exotic pest treatment; \$12,000 went to the Hazardous Substance Emergency Response Fund to address the cleanup of hazardous materials paid for in FY 2020; and \$25,000 went to address Waste Tire Storage Sites found in Section 39-6502, Idaho Code, for the disposal of thousands of waste tires.

In total, the Legislature provided \$1,159,917,600, including deficiency warrants, to partially address the revenue surplus carried over from fiscal year 2021 into 2022 by transferring from the General Fund into various dedicated funds. Of this amount, \$94,246,400 was transferred out during the 2021 session for water projects, and other various dedicated funds including the Fire Suppression Deficiency Fund, POST, Permanent Building Fund, the 27<sup>th</sup> Payroll Fund, the Business Information Infrastructure Fund, and the Tax Rebate Fund. Additionally, through Emergency Proclamation 02-2021, the Governor transferred \$25 million to the Disaster Emergency Fund in July for the National Guard to help fight fires during the historic fire season. The remaining \$1,040,265,800 transferred from the General Fund during the 2022 legislative session was as follows:

- An increase to the General Fund of \$57,239,200, which provides an offset for salary and benefits for eligible public safety officers due to Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSA), which passed Congress in December of 2020
- \$80 million to the Fire Suppression Deficiency Fund **(H755)**
- \$54 million to DEQ, of which \$5 million is for the Agriculture Best Management Practices Fund, \$5 million is for the Confined Animal Feeding Operation Fund, and \$44 million is for the state's match for Infrastructure Investment and Jobs Act **(S1188)**
- \$464,525,000 to the Permanent Building Fund for the following projects
  - \$29 million for a Forensic Laboratory at Idaho State Police **(H779)**
  - \$10 million for a Health Professions Building at College of Western Idaho **(H779)**
  - \$94 million for deferred maintenance **(H779)**
  - \$37 million to improve the Chinden Campus **(H779)**
  - \$5 million to replace the St. Joe Field Office at Dept of Lands **(H779)**
  - \$4.3 million to upgrade communication towers at the Military Division **(H779)**
  - \$3 million to construct a pedestrian railroad crossing at the ISU/INL Campus in Idaho Falls **(H779)**
  - \$10 million for a career-technical facility at College of Southern Idaho **(H779)**
  - \$10 million for a career-technical facility at College of Eastern Idaho **(H779)**
  - \$5 million for a Horticulture Building at College of Western Idaho **(H779)**
  - \$3,325,000 to remodel a diesel bay, and build an aerospace training lab at North Idaho College **(H779)**
  - \$900,000 to improve the McCall Field Campus for the University of Idaho **(H779)**
  - \$75 million to remodel the Veterans' Homes converting double occupancy rooms to single occupancy **(H791)**
  - \$12 million for a Community Re-Entry Center in Pocatello for IDOC **(H791)**
  - \$37.6 million for Medical Annex Complex improvements at IDOC **(H791)**
  - \$112.4 million for an 848-bed female prison at IDOC **(H791)**
  - \$11 million to remodel Idaho House of Representatives space in the State Capitol **(H791)**
  - \$3 million for a College of Eastern Idaho Future Tech Facility **(H791)**
  - \$2 million to improve conference rooms with technology updates and upgrades **(S1421)**
- \$252,885,000 to the Idaho Transportation Department for Bridges, Rails, Pedestrian, Airports, and additional funding to make the GARVEE payment **(S1359)**
- \$15 million to the Office of Energy and Mineral Resources for Energy Resiliency Grants **(S1396)**
- \$25 million to the Idaho Individual High Risk Reinsurance Pool **(S1428)**
- \$44 million to the Public Education Stabilization Fund **(S1428)**
- \$12 million to a newly created Hepatitis C Fund to help Department of Corrections meet its obligations of a court decision **(S1420)**
- \$100 million to the Transportation Expansion and Congestion Mitigation Fund reducing the amount necessary for bonding **(H787)**
- Finally, there is a budgeted amount of \$50,095,000 for the Budget Stabilization Fund which is statutorily transferred in Section 57-814, Idaho Code, if revenue growth from the previous year exceeds 4%.

## FY 2022 General Fund Supplemental Appropriations and Rescissions

The Legislature approved a net increase of \$195,395,300 from the General Fund for supplemental appropriations [positive amounts] and rescissions (negative amounts), as shown in Table 1 below:

Table 1. FY 2022 Supplemental Appropriations and Rescissions

Agency	Amount	Purpose
Public School Support	\$ 50,169,800	Adjustments for Enrollment & Career Ladder
College and Universities	\$ 2,000,000	Nuclear Engineering and Forensic Pathology
Office of the State Board of Education	\$ 1,107,800	Arts in Schools, Additional Office Space, Engineering Plan and Needs Assessments
Health Education Programs	\$ 1,419,800	Delayed Payments to Creighton
Career Technical Education	\$ 10,000,000	Program Expansion and Support
Agricultural Research Extension Service	\$ 2,800,000	Parma Research and Extension Center
Dept of Health & Welfare	\$ 33,862,600	Foster Care Providers, SWITC Remodel, Worker Retention and Recruitment, Software, Psychiatric Residential Treatment Facility, and a trailer to S1327 for Civil Commitments
Division of Medicaid	\$ (125,824,700)	Reduction for the Public Health Emergency
Dept of Correction	\$ 6,738,000	Pre-Prosecution Diversion Grants, Inmate Banking, Hepatitis-C Treatment, Trauma Informed Treatment, Digital Radio System, and a Lease Purchase Agreement
Dept of Juvenile Corrections	\$ 10,920,000	Safe Teen Reception Centers and Youth Crisis Centers
Idaho State Police	\$ 900,000	Remote Officer Housing
Dept of Agriculture	\$ 1,000,000	Lab Equipment and Watercraft Check Stations
Soil and Water Conservation Commission	\$ 5,000,000	Water Quality Program for Agriculture
Historical Society	\$ 5,000,000	Infrastructure Projects
State Appellate Public Defender	\$ 98,000	Extraordinary Representation Costs for Death Penalty Cases
Division of Veterans Services	\$ 225,000	Blackfoot Cemetery
Dept of Administration	\$ 175,754,000	Bond Defeasance
State Controller	\$ 2,500,000	Behavioral Health Reporting
Commission on Aging	\$ 5,000,000	Senior Center Support
Division of Financial Management	\$ 450,000	Medicaid Consultants
Office of Information Technology Services	\$ 225,000	Technology Audit
Military Division	\$ 6,000,000	Public Safety Communications and Fire Audit
Secretary of State	\$ 50,000	Election Integrity Audits
<b>Total Supplemental Appropriations</b>	<b>\$ 195,395,300</b>	

The FY 2022 Total General Fund Appropriation of \$4.4 billion resulted in an estimated ending balance of \$305.2 million to be carried over as the beginning balance for FY 2023. However, General Fund revenue collections continue to outpace the revenue number used by JFAC and most likely will result in an ending balance that exceeds \$305.2 million. These actions will be tracked and documented in LSO's monthly Budget Monitor that is found at <https://legislature.idaho.gov/lso/bpa/highlights/>

## FY 2023 General Fund Revenues

In January 2022, the Division of Financial Management released the FY 2023 original forecast of \$5,464,002,100 which is a 5.3% increase over the FY 2022 revised forecast. For the purposes of budgeting, the Governor used the pessimistic revenue forecast, which had the effect of reducing the forecast by \$131.4 million, leaving \$5,332,634,000 available for budgeting. The Economic Outlook and Revenue Assessment Committee (EORAC) recommended that the Legislature use DFM revenue forecast of \$5,464,002,100 or 5.3% over the FY 2022 estimate, which JFAC formally adopted for setting budgets. The estimate was then adjusted downward by a net amount of \$281.6 million by several pieces of legislation. These included:

- **H436** – Income Tax Reduction, \$251,232,100 reduction;
- **H469** – Post Fund liquor distribution, \$777,500 reduction;
- **H472** – Federal Tax Conformity, \$7,928,500 reduction;
- **H481** – Property Tax Reduction, \$1,100,000 reduction;
- **H714** – Bonus Depreciation, \$400,000 reduction;
- **H715** – Income Tax Overpaid-Statute of Limitations Extension, \$1,000,000 reduction;
- **H735** – County Indigent Services, \$18,842,800 reduction; and
- **S1259** – Medicaid Income Exemption for Circuit Breaker, \$354,000 reduction.

After accounting for legislation affecting General Fund revenues, the adjusted revenue forecast of \$5,182,367,100 represented a 5.2% increase over the adjusted revenue forecast for FY 2022. Lastly, the adjusted revenue amount, plus the estimated beginning balance of \$305,247,300 carried forward from FY 2022, provided a total of \$5,487,614,400 available for setting FY 2023 budgets.

## FY 2023 Transfers and Appropriations

A net amount of \$627.9 million was transferred from the General Fund into various dedicated funds during the 2022 legislative session. The transfers included:

- **H436** – Transferred \$94,000,000 from the Tax Relief Fund to the General Fund to partially offset the impact of the tax rate reductions;
- **H769** – Transferred \$75,000,000 to the Water Management Fund;
- **H772** – Transferred \$200,000,000 to the Strategic Initiatives Fund at ITD;
- **H779** – Transferred \$150,000,000 to the Permanent Building Fund for Deferred Maintenance;
- **H795** – Transferred \$75,500,000 for Public School Support Health Insurance;
- **H803** – Transferred \$2,000,000 to the Idaho Opportunity Fund at the Department of Commerce; and
- **S1428** – Transferred \$20,000,000 to the 27<sup>th</sup> Payroll Fund, \$120,000,000 to the Budget Stabilization Fund, \$2,399,500 to the Opioid Settlement Fund, and \$77,000,000 to the Public Education Stabilization Fund.

Lastly, the Legislature appropriated \$4,624,520,500 from the General Fund for FY 2023, which is \$402,119,700, or a 9.5% increase, over the FY 2022 original appropriation. This left an estimated \$235.2 million ending balance for FY 2023.



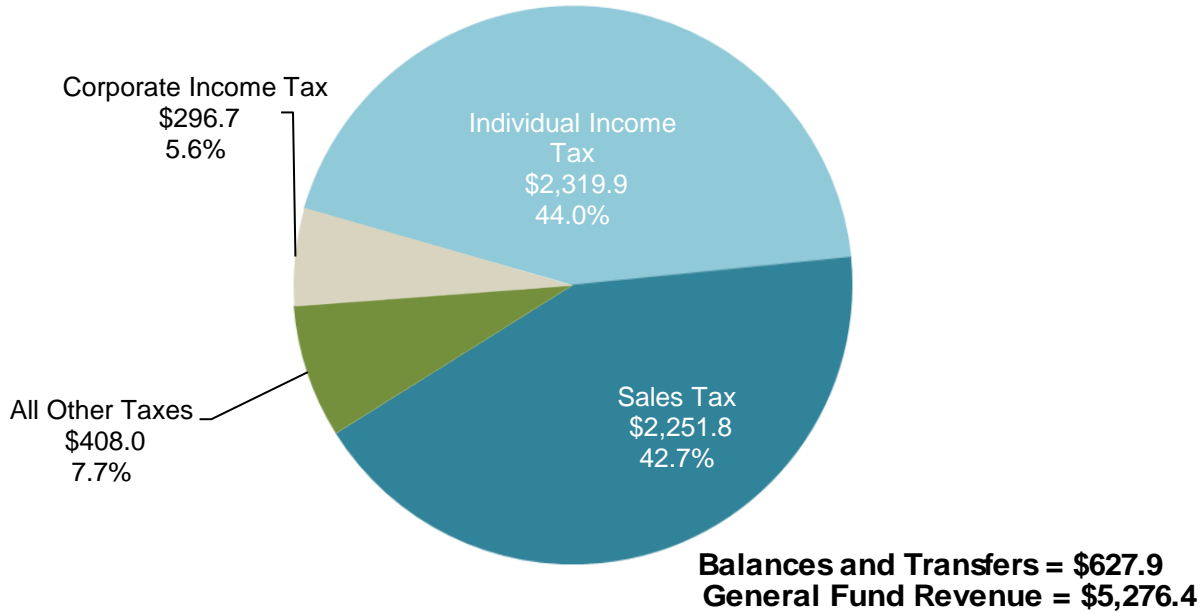
## General Fund Comparison of Original Approp. to Governor's Rec & JFAC Action

Department/Agency	FY 2022 Orig Approp	FY 2023 Gov's Rec	Chng from 2022 Orig	FY 2023 JFAC Action	Dollar Diff. from Gov	Dollar Difference from FY 2022	Chng from 2022 Orig
<b>Education</b>							
Public School Support	2,060,066,000	2,287,456,000	11.0%	2,318,089,700	30,633,700	258,023,700	12.5%
Ag Research & Extension Service	32,695,100	34,829,600	6.5%	35,395,700	566,100	2,700,600	8.3%
College and Universities	313,109,200	335,458,000	7.1%	338,065,500	2,607,500	24,956,300	8.0%
Community Colleges	51,799,600	54,280,600	4.8%	56,928,900	2,648,300	5,129,300	9.9%
Charter School Commission	174,100	179,800	3.3%	182,400	2,600	8,300	4.8%
Education, Office of the State Board	8,582,900	9,079,000	5.8%	9,428,100	349,100	845,200	9.8%
Health Education Programs	23,166,800	24,217,200	4.5%	24,833,300	616,100	1,666,500	7.2%
Career Technical Education	73,007,500	72,154,500	(1.2%)	73,192,000	1,037,500	184,500	0.3%
Public Television, Idaho	2,719,200	2,802,700	3.1%	2,817,400	14,700	98,200	3.6%
Special Programs	26,516,700	26,769,900	1.0%	27,620,000	850,100	1,103,300	4.2%
Department of Education	13,457,100	13,713,500	1.9%	14,153,400	439,900	696,300	5.2%
Vocational Rehabilitation	8,202,200	8,430,500	2.8%	4,985,000	(3,445,500)	(3,217,200)	(39.2%)
<b>Health &amp; Human Services</b>							
Catastrophic Health Care Program	8,500,600	0	(100.0%)	0	0	(8,500,600)	(100.0%)
Health & Welfare, Department of	177,652,900	184,404,100	3.8%	194,490,200	10,086,100	16,837,300	9.5%
Medicaid	769,728,500	829,905,500	7.8%	830,051,800	146,300	60,323,300	7.8%
Public Health Districts	6,846,800	0	(100.0%)	0	0	(6,846,800)	(100.0%)
Independent Living Council, State	228,200	234,400	2.7%	237,700	3,300	9,500	4.2%
<b>Public Safety</b>							
Correction, Department of	283,102,800	295,517,300	4.4%	299,369,600	3,852,300	16,266,800	5.7%
Judicial Branch	52,211,700	58,678,000	12.4%	58,961,600	283,600	6,749,900	12.9%
Juvenile Corrections, Department of	43,396,700	45,266,100	4.3%	46,071,600	805,500	2,674,900	6.2%
Police, Idaho State	36,051,400	40,721,900	13.0%	42,780,300	2,058,400	6,728,900	18.7%
<b>Natural Resources</b>							
Environmental Quality, Department of	22,388,500	24,184,100	8.0%	24,760,400	576,300	2,371,900	10.6%
Lands, Department of	7,166,700	8,651,600	20.7%	8,881,800	230,200	1,715,100	23.9%
Parks & Recreation, Department of	3,488,600	3,661,000	4.9%	3,730,600	69,600	242,000	6.9%
Water Resources, Department of	20,564,800	22,304,700	8.5%	22,521,200	216,500	1,956,400	9.5%
<b>Economic Development</b>							
Agriculture, Department of	15,092,400	15,491,600	2.6%	15,897,300	405,700	804,900	5.3%
Commerce, Department of	6,036,200	6,363,700	5.4%	6,408,300	44,600	372,100	6.2%
Industrial Commission	294,000	294,000	0.0%	294,000	0	0	0.0%
Labor, Department of	538,100	560,900	4.2%	567,300	6,400	29,200	5.4%
<b>Self-Governing Agencies</b>							
Administrative Hearings, Office of	0	0		605,700	605,700	605,700	
Hispanic Affairs, Commission	250,300	258,600	3.3%	262,100	3,500	11,800	4.7%
Historical Society	3,923,700	4,186,600	6.7%	4,141,200	(45,400)	217,500	5.5%
Libraries, State Commission for	4,250,200	4,733,400	11.4%	4,467,800	(265,600)	217,600	5.1%
Public Defense Commission	11,290,800	11,666,300	3.3%	11,679,400	13,100	388,600	3.4%
State Appellate Public Defender	3,171,600	3,456,600	9.0%	3,547,400	90,800	375,800	11.8%
Veterans Services, Division of	1,228,100	1,506,000	22.6%	1,531,800	25,800	303,700	24.7%
<b>General Government</b>							
Administration, Department of	6,364,200	2,596,600	(59.2%)	2,627,800	31,200	(3,736,400)	(58.7%)
Attorney General	25,526,600	27,083,900	6.1%	28,030,100	946,200	2,503,500	9.8%
Controller, State	13,263,600	13,370,700	0.8%	13,463,600	92,900	200,000	1.5%
<b>Office of the Governor</b>							
Aging, Commission on	4,530,200	5,310,100	17.2%	5,318,400	8,300	788,200	17.4%
Arts, Commission on the	883,400	897,700	1.6%	905,700	8,000	22,300	2.5%
Blind, Commission for the	1,522,800	1,650,200	8.4%	1,582,000	(68,200)	59,200	3.9%
Drug Policy, Office of	339,100	350,200	3.3%	355,300	5,100	16,200	4.8%
Financial Management, Division of	1,985,900	2,067,400	4.1%	2,081,400	14,000	95,500	4.8%
Governor, Executive Office of the	2,305,500	2,413,500	4.7%	2,453,700	40,200	148,200	6.4%
Human Resources, Division of	0	0		1,250,000	1,250,000	1,250,000	
Information Technology, Office of	1,764,000	1,873,800	6.2%	1,670,400	(203,400)	(93,600)	(5.3%)
Military Division	7,312,600	7,935,400	8.5%	8,058,800	123,400	746,200	10.2%
Species Conservation, Office of	1,629,000	1,678,500	3.0%	1,690,600	12,100	61,600	3.8%
STEM Action Center	3,056,100	3,167,500	3.6%	3,173,200	5,700	117,100	3.8%
Wolf Depredation Control Board	392,000	392,000	0.0%	392,000	0	0	0.0%
Workforce Development Council	0	0		125,000	125,000	125,000	
<b>Legislative Transfer</b>							
Legislative Services Office	7,107,800	7,381,400	3.8%	7,475,600	94,200	367,800	5.2%
Office of Performance Evaluations	983,800	1,020,400	3.7%	1,030,000	9,600	46,200	4.7%
Lieutenant Governor	183,100	194,100	6.0%	205,000	10,900	21,900	12.0%
Board of Tax Appeals	644,400	619,800	(3.8%)	626,100	6,300	(18,300)	(2.8%)
State Tax Commission	37,874,800	40,510,600	7.0%	40,417,100	(93,500)	2,542,300	6.7%
Secretary of State	3,615,700	4,186,700	15.8%	4,496,400	309,700	880,700	24.4%
State Treasurer	1,455,200	1,510,000	3.8%	1,530,800	20,800	75,600	5.2%
<b>Total General Fund Appropriations</b>	<b>4,222,572,600</b>	<b>4,566,139,200</b>	<b>8.1%</b>	<b>4,624,520,500</b>	<b>58,381,300</b>	<b>402,119,700</b>	<b>9.5%</b>

# FY 2023 General Fund Revenue & Appropriations

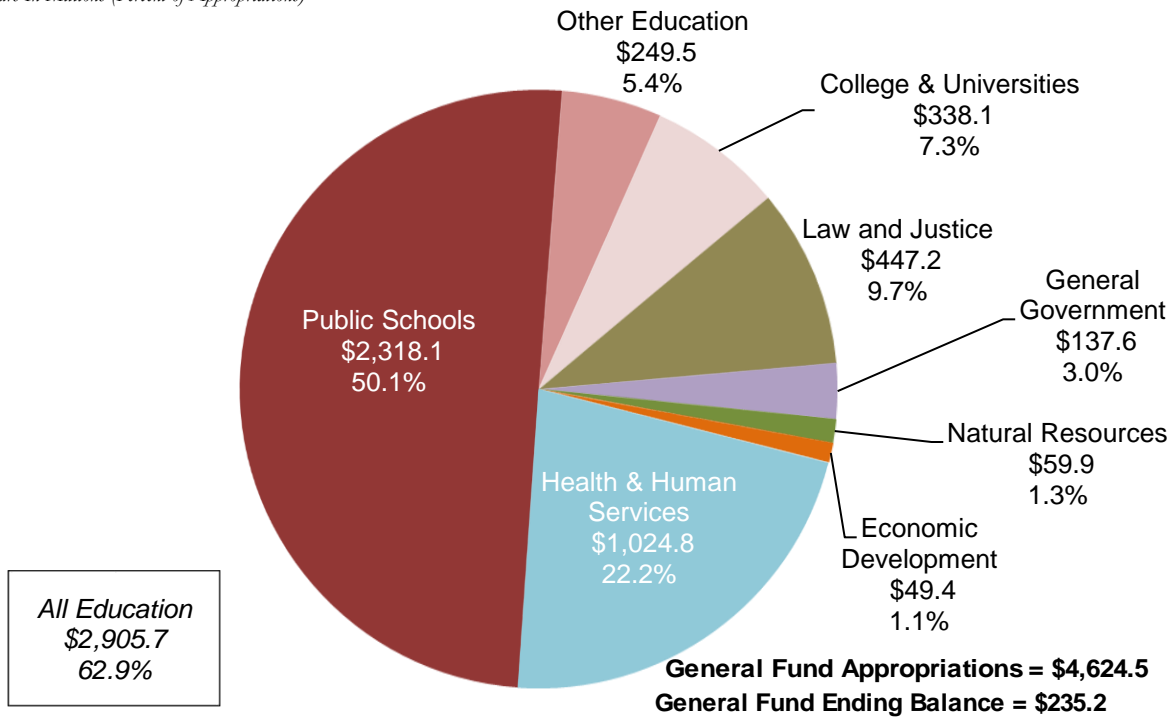
## "Where the money comes from . . ."

Dollars In Millions (Percent of Revenue)



## "Where the money goes . . ."

Dollars In Millions (Percent of Appropriations)



# Major Reserves and Other Fund Balances

Emergency Funds include: 1) Governor's Emergency, Section 57-1601, Idaho Code; and 2) Disaster Emergency, Section 46-1005A, Idaho Code, which includes both Federal Emergency Management Act and state moneys.

In Millions of Dollars	Budget	Public Ed	Economic	Idaho	Higher Ed	Tax Relief	Emergency	27th Payroll	TOTAL
	Stabilization Fund	Stabilization Fund	Recovery Reserve	Millennium Fund	Stabilization Fund				
1. Balance June 30, 2006	\$ 108.648	\$ 7.771	\$ 24.632	\$ 67.436	\$ 0.000	\$ 0.000	\$ 0.281	\$ 0.000	\$ 208.768
2. Balance June 30, 2007	\$ 121.566	\$ 109.030	\$ 2.657	\$ 64.079	\$ 0.000	\$ 0.000	\$ 0.875	\$ 0.000	\$ 298.207
3. Balance June 30, 2008	\$ 140.625	\$ 112.046	\$ 66.133	\$ 70.207	\$ 0.000	\$ 0.000	\$ 3.337	\$ 0.000	\$ 392.349
4. Balance June 30, 2009	\$ 128.225	\$ 17.979	\$ 68.101	\$ 74.206	\$ 0.000	\$ 0.000	\$ 0.720	\$ 0.000	\$ 289.231
5. Balance June 30, 2010	\$ 30.820	\$ 23.174	\$ 48.847	\$ 76.967	\$ 0.000	\$ 0.000	\$ 0.792	\$ 0.000	\$ 180.600
6. Balance June 30, 2011	\$ 0.100	\$ 11.154	\$ 0.054	\$ 74.589	\$ 0.000	\$ 0.000	\$ 3.339	\$ 0.000	\$ 89.235
7. Balance June 30, 2012	\$ 23.869	\$ 36.968	\$ 0.056	\$ 14.156	\$ 0.367	\$ 0.000	\$ 4.233	\$ 0.000	\$ 79.648
8. Balance June 30, 2013	\$ 135.138	\$ 49.049	\$ 0.057	\$ 15.492	\$ 0.942	\$ 0.000	\$ 3.424	\$ 0.000	\$ 204.103
9. Balance June 30, 2014	\$ 161.514	\$ 72.851	\$ 0.057	\$ 20.235	\$ 3.227	\$ 0.000	\$ 3.373	\$ 0.000	\$ 261.256
10. Balance June 30, 2015	\$ 243.821	\$ 90.948	\$ 0.057	\$ 25.409	\$ 3.492	\$ 0.000	\$ 2.795	\$ 0.000	\$ 366.522
11. Balance June 30, 2016	\$ 259.444	\$ 88.551	\$ 20.092	\$ 29.787	\$ 3.064	\$ 0.000	\$ 2.567	\$ 0.000	\$ 403.505
12. Balance June 30, 2017	\$ 318.746	\$ 85.043	\$ 0.370	\$ 33.584	\$ 8.866	\$ 0.000	\$ 53.901	\$ 0.000	\$ 500.510
13. Balance June 30, 2018	\$ 413.526	\$ 64.350	\$ 0.453	\$ 37.494	\$ 5.287	\$ 0.000	\$ 41.474	\$ 0.000	\$ 562.584
14. Balance June 30, 2019	\$ 373.161	\$ 81.729	\$ 0.022	\$ 41.028	\$ 7.730	\$ 0.000	\$ 27.559	\$ 0.000	\$ 531.229
20. Balance June 30, 2020	\$ 393.374	\$ 72.436	(\$ 0.000)	\$ 44.261	\$ 11.451	\$ 44.266	\$ 54.143	\$ 0.000	\$ 619.931
<b>FY 2021</b>									
<b>Actuals</b>									
21. Interest Earnings and Revenues		0.301		0.202	0.063	135.893	22.058		158.516
22. Transfers In (Out)	244.037	55.567	0.000	4.420	2.206		15.000		321.230
23. Disbursements		(32.670)		(1.873)			(30.323)		(64.866)
24. Transfers from GF §57-814 Δ 24.24%	40.320								40.320
25. End-of-Year Surplus Eliminator									
26. Balance June 30, 2021	\$ 677.731	\$ 95.634	\$ 0.000	\$ 47.009	\$ 13.721	\$ 180.159	\$ 60.877	\$ 0.000	\$ 1,075.130
General Fund Revenue = \$ 5,009.5	13.5%	1.9%	0.0%	0.9%	0.3%	3.6%	1.2%	0.0%	21.5%
The balance in Idaho's major reserve funds at the end of FY 2021 (line 26) was \$1075.1 million or 21.5% of the FY 2021 General Fund Revenue Collections.									
<b>* FY 2022</b>									
<b>Estimates</b>									
27. Interest Earnings and Revenues		0.250		0.475	0.050	172.704	77.273		250.752
28. Transfers In (Out)	0.000	44.125	(0.000)	5.000	0.667	(344.700)	(29.300)	15.000	(309.208)
29. Disbursements		(15.475)		(2.043)			(101.591)		(119.109)
30. Transfers from GF §57-814 Δ -1.70%	50.095								50.095
31. End-of-Year Surplus Eliminator									
32. Estimate* June 30, 2022	\$ 727.826	\$ 124.534	(\$ 0.000)	\$ 50.442	\$ 14.438	\$ 8.163	\$ 7.259	\$ 15.000	\$ 947.660
General Fund Revenue = \$ 4,924.4	14.8%	2.5%	0.0%	1.0%	0.3%	0.2%	0.1%	0.3%	19.2%
The balance in Idaho's major reserve funds at the end of FY 2022 (line 32) is estimated to be \$947.7 million or 19.2% of the FY 2022 General Fund Revenue Estimate.									
<b>* FY 2023</b>									
<b>Estimates</b>									
33. Interest Earnings and Revenues		0.250		0.508	0.050	203.815			204.623
34. Transfers In (Out)	120.000	77.000		5.000	(4.000)	(204.000)		20.000	14.000
35. Disbursements				(2.181)					(2.181)
36. Transfers from GF §57-814 Δ 5.24%									
37. End-of-Year Surplus Eliminator									
38. Estimate* June 30, 2023	\$ 847.826	\$ 201.784	(\$ 0.000)	\$ 53.769	\$ 10.488	\$ 7.978	\$ 7.259	\$ 35.000	\$ 1,164.103
General Fund Revenue = \$ 5,182.4	16.4%	3.9%	0.0%	1.0%	0.2%	0.2%	0.1%	0.7%	22.5%
The balance in Idaho's major reserve funds at the end of FY 2023 (line 38) is estimated to be \$1164.1 million or 22.5% of the FY 2023 General Fund Revenue Estimate.									
<b>* FY 2022 and FY 2023 estimates include action taken by the Legislature, transactions that have occurred in the current fiscal year, and estimated interest earnings.</b>									

## American Rescue Plan Act of 2021 (ARPA)

Like last session, federal funding played a much larger role in Idaho's state budgeting in terms of amounts and purposes than at any time in the past decade. In response to the COVID-19 health emergency, the state of Idaho received federal funding from six different federal acts. The American Rescue Plan Act (ARPA), or Public Law 117-2, was signed into law by the President on March 11, 2021, and played an outsized role this session due to the availability of \$1.09 billion made available to the state from "Coronavirus State and Local Fiscal Recovery Funds (SLFRF)." An additional \$128.5 million was made available to the state from the "Capital Projects Fund," which was made to eligible governments to carry out critical capital projects for high-quality modern infrastructure, including broadband, that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency. The Legislature did not appropriate any funds from the capital projects fund this session.

The SLFRF is made available to the state until 2027, and, according to US Treasury's final rule, can be used for four broad areas:

- 1) Up to \$10 million for revenue replacement, at the discretion of the unit of government
- 2) Public Health and Economic Response
- 3) Premium Pay for Essential Workers
- 4) Water, Sewer, and Broadband Infrastructure

With appropriations, the Legislature has obligated \$544.6 million of the \$1.09 billion available from the State Fiscal Recovery Fund of ARPA. However, **H769**, the appropriation to the Department of Water Resources, obligated approximately \$250 million, which includes the \$100 million found in the table below. Additionally, **H763**, the appropriation to the Department of Environmental Quality, obligated a total of \$300 million, which includes the \$75.1 million in the table below. That brings the grand total of obligated amounts to \$924.2 million, or 84.5% of the State Fiscal Recovery Fund.

The following details as shown in Table 2 on the following page show appropriations by the amount, agency, and purpose.

Table 2. ARPA – State Fiscal Recovery Appropriations

Agency	Brief Description	FY 2022	FY 2023	Total
<b>Education</b>				
Public Schools	Public School Staff Bonuses	\$36,705,800		\$36,705,800
Public Schools	Additional OneTime Compensation		\$36,481,700	\$36,481,700
OSBE	Empowering Parents Grants	\$51,035,000	\$150,000	\$51,185,000
Ag Research & Ext.	Remote Worker Training	\$490,100	\$390,100	\$880,200
<b>Health and Human Services</b>				
DHW - Public Health	Home Visiting		\$1,000,000	\$1,000,000
DHW - Mental Health	Mental Health Crisis Line Conversion		\$4,400,000	\$4,400,000
DHW - Mental Health	Community Behavioral Health Clinics		\$6,000,000	\$6,000,000
DHW	Continued Recovery Center Support			\$0
DHW - EMS	EMS Ambulance Funds		\$2,500,000	\$2,500,000
DHW - Ind. Councils	Domestic Violence Bridge Funding		\$6,000,000	\$6,000,000
<b>Public Safety</b>				
IDOC	Improvements to Lagoon		\$10,000,000	\$10,000,000
IDOC	COVID-19 Costs		\$500,000	\$500,000
Parole	Extradition Costs		\$50,000	\$50,000
Courts	Court IT Modernization		\$19,990,500	\$19,990,500
<b>Natural Resources</b>				
IDWR*	Recharge and Water Storage Projects		\$100,030,000	\$100,030,000
DEQ**	CDA Lake & Remediation Projects	\$1,452,200	\$13,721,400	\$15,173,600
DEQ**	Local Drinking & Wastewater Projects		\$60,011,600	\$60,011,600
Parks	Outdoor Rec. Capacity & Maintenance		\$23,016,400	\$23,016,400
<b>Economic Development</b>				
Commerce	Food Bank Support		\$1,000,000	\$1,000,000
Veterans	COVID-19 Costs	\$1,000,000		\$1,000,000
<b>General Government</b>				
Admin	Group Insurance Reserves		\$25,000,000	\$25,000,000
SCO	Cybersecurity Technology Project		\$950,000	\$950,000
DFM - H370 of 2021	Unanticipated COVID-19 Expenses	\$50,000,000		\$50,000,000
State Treasurer	Workforce Housing Gap	\$50,000,000		\$50,000,000
DFM	Legal & Audit Support		\$1,081,200	\$1,081,200
WDC	Workforce Training		\$25,000,000	\$25,000,000
WDC	Childcare Infrastructure	\$15,000,000		\$15,000,000
Legislature	Legislative Technology		\$3,053,000	\$3,053,000
Various	IT Replacement		\$3,419,500	\$3,419,500
<b>Total Obligated</b>		<b>\$205,683,100</b>	<b>\$343,745,400</b>	<b>\$549,428,500</b>
<b>Unobligated Balance</b>		<b>\$888,335,253</b>	<b>\$544,589,853</b>	<b>\$544,589,853</b>
<b>% SFRF Appropriated By Year</b>		<b>18.8%</b>	<b>31.4%</b>	<b>50.2%</b>

\* A total of \$250 million has been obligated for Recharge and Water Storage Projects until FY 2027

\*\* A total of \$300 million has been obligated for Water Remediation and Drinking Water and Wastewater Projects until FY 2027

## Budget Highlights

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### Education

#### Public Schools

**H634, H788, H792 – H798, H807, S1403, and S1404** comprised the K-12 Public Schools appropriation bills for FY 2023 and supplemental appropriations for FY 2022. The FY 2022 total appropriation was \$3,239,194,800 and for FY 2023 the total was \$3,318,118,200.

	FY 2022 ORIGINAL Appropriation	FY 2022 TOTAL Appropriation	FY 2023 ORIGINAL Appropriation
General Fund	\$2,060,066,000	\$2,110,235,800	\$2,318,089,700
Dedicated Funds	\$102,153,900	\$102,154,200	\$128,652,000
Federal Funds	\$946,908,300	\$1,026,804,800	\$871,376,500
<b>TOTAL APPROPRIATION</b>	<b>\$3,109,128,200</b>	<b>\$3,239,194,800</b>	<b>\$3,318,118,200</b>

Change from FY 2022 Original Appropriation:

*General Fund Percent Change:* 12.5%

*Total Funds Percent Change:* 6.7%

#### Public School Highlights Included:

- \$36,705,800 for \$1,000 bonuses for all public school staff
- \$69,246,300 for the net impact of all Career Ladder adjustments
  - \$41,598,500 for Career Ladder growth
  - \$25,561,300 for an ongoing FY 2022 Career Ladder adjustment
  - \$2,086,500 for **H656** – Career Ladder and Teachers from Out of State
- \$9,124,000 for pupil transportation
- \$3,268,400 for advanced opportunities programs
- \$118,704,600 for a 47.9% increase in health insurance and health benefit plans funding
  - \$6,382 per support unit increase
  - \$13,273,100 of the total change was for growth in support units
- \$547,373,500 from COVID-19 Relief Funds
  - Down from FY 2022 appropriation of \$696,908,300; schools use these federal funds
- \$36,473,700 for additional onetime instructional and pupil service staff compensation
  - This was additional onetime compensation; Career Ladder was not accelerated
- \$46,665,200 for literacy proficiency
- \$19,461,500 for a 7% increase in salaries for administrators and classified staff
- \$75,500,000 to cover the costs of school districts and/or public charter schools to join the state health insurance program
- \$74,000,000 for nutrition programs to ensure Idaho children receive meals at school
- \$1,065,400 for new staff with the Educational Services for the Deaf and Blind to reduce their caseload backlog and meet the needs of the program's growth

## Public Schools Appropriation Bills:

*Administrators (H792, H798, H807, S1404); Teachers (H634, H793, H805, S1404); Operations (H797, H798, H807, S1404); Children's Programs (H634, H788, S1403); Facilities (H796); Central Services (H795); and Educational Services for the Deaf and the Blind (H794).*

## Department of Education

**H789** was the FY 2023 original appropriation for the Department of Education, which appropriated \$51,851,300 and capped the number of authorized full-time equivalent positions at 123.00. Overall, the budget was a 29.9% increase over the FY 2022 original appropriation with most of the increase related to federal COVID-19 relief fund support for school districts, public charter schools, and nonpublic schools.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the Superintendent of Public Education, the bill provided \$6,700 that will fund the increase from January through June 2023.

## Agricultural Research & Extension Service

**S1419** was the FY 2023 original appropriation for the Agricultural Research & Extension Service, which appropriated a total of \$35,784,800 and did not cap the number of authorized full-time equivalent positions. Overall, the budget was an 8.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included \$360,200 for 4H programming and program development at the Idaho Center for Agriculture, Food and the Environment (CAFE) in the Magic Valley.

The bill also included FY 2022 supplemental appropriations, which included:

- \$490,100 from federal funds for adult computer literacy training throughout Idaho; and
- \$2,800,000 onetime from the General Fund for sewer and water improvements at the Research and Extension Center in Parma.

## College and Universities

**H776** was the FY 2023 original appropriation for the State Board of Education, Division of College and Universities, which appropriated a total of \$643,047,500 and did not cap the number of authorized full-time equivalent positions. The bill included budgets for Boise State University, Idaho State University, Lewis-Clark State College, the University of Idaho, and Systemwide Programs. Enhancements for FY 2023 included:

- \$155,500 for occupancy costs at Lewis-Clark State College;
- 3.95 FTE and \$284,500 for the policy research center at the University of Idaho;
- 2.00 FTE and \$329,200 for nontraditional learner support at Lewis-Clark State College;
- \$91,600 for cybersecurity compliance at Lewis-Clark State College;
- 1.00 FTE and \$69,600 for title IX support at Lewis-Clark State College;
- A reduction of \$191,000 for a chief executive officer previously approved and included Office of the State Board budget;
- A reduction of \$157,600 for a risk manager previously approved and included Office of the State Board budget;
- \$1,530,000 for STEM disciplines at Boise State University;
- \$1,019,000 for nuclear engineering program support at Idaho State University and the University of Idaho;

- The shift of dedicated funds to the General Fund that removed \$7,399,700 to reduce the appropriation to support a 5% CEC for all institutions; and
- \$4,000,000 from the Higher Education Stabilization Fund for academic support at Boise State University.

The bill also included FY 2022 supplemental appropriations, which included:

- \$1,100,000 for nuclear engineering program support at Idaho State University; and
- \$900,000 for a forensic pathology lab at Idaho State University.

Overall, the budget was an 8.0% General Fund increase over the FY 2022 original appropriation. The individual General Fund increases for the institutions were: BSU, 9.9%; ISU, 7.7%; LCSC, 10.5%; and UI, 6.0%.

### **Community Colleges**

**H759** was the FY 2023 original appropriation for the State Board of Education, Division of Community Colleges, which appropriated a total of \$57,742,900 and did not cap the number of authorized full-time equivalent positions. The bill included support for the College of Southern Idaho, North Idaho College, College of Western Idaho, and College of Eastern Idaho. Enhancements for FY 2023 included:

- \$137,100 for the bridge to success program at the College of Southern Idaho;
- \$126,900 for adult learner service at the College of Southern Idaho;
- \$119,700 for cyber security support at the College of Southern Idaho;
- \$56,000 for compensation equalization support at the College of Southern Idaho;
- \$350,100 for student retention efforts at the College of Western Idaho;
- \$256,000 for student success and support at the College of Western Idaho;
- \$317,300 for occupancy costs at North Idaho College;
- \$80,200 for math faculty at the College of Eastern Idaho; and
- \$80,200 for science faculty at the College of Eastern Idaho.

Overall, the budget was a 9.9% General Fund increase over the FY 2022 original appropriation. The individual General Fund increases for the institutions were: CSI, 14.4%; CEI, 12.1%; CWI, 11.2%; and NIC, 12.3%.

### **Office of the State Board of Education**

**S1292** appropriated an additional \$1,057,800 of onetime appropriation for three distinct supplemental actions, which included:

- \$7,800 onetime from the General Fund for office space for new staff members;
- \$1,000,000 onetime from the General Fund for grant funding to expand fine arts, performing arts, and design courses in public elementary, middle, and high schools; and
- \$50,000 ongoing from the dedicated funds to make grants for agricultural research and education programs pursuant to Section 25-1174, Idaho Code.

**H809** was the FY 2023 original appropriation for the Office of the State Board of Education, which appropriated a total of \$34,041,900 and capped the number of authorized full-time equivalent positions at 61.25. Overall, the budget was a 3.4% increase over the FY 2022 original appropriation. Enhancements for FY 2021 included:

- 1.00 FTEP and \$49,900 for a software engineer;
- 1.00 FTEP and \$79,900 for a project coordinator;
- 1.00 FTEP and \$195,500 for a chief audit executive;
- 1.00 FTEP and \$160,600 for a systemwide risk manager;
- \$15,500 for a space rental;



- \$16,621,600 for federal emergency education funding;
- 0.50 FTP and \$268,000 for staff and support for the school safety tip line; and
- \$150,000 for the Strong Families, Strong Students program.

This bill included FY 2022 supplemental appropriations for \$51,035,000 onetime from the American Rescue Plan State Fiscal Recovery Fund for grants that directly support learning for students and parents and \$100,000 onetime from the General Fund for the engineering plan needs assessment, both for fiscal year 2022.

### **Health Education Programs**

**S1392** was the FY 2023 original appropriation for the State Board of Education, Division of Health Education Programs, and appropriated a total of \$25,200,800 and capped the number of authorized full-time equivalent positions at 42.95. Overall, the budget was a 7.2% increase over the FY 2022 original appropriation.

Enhancements for FY 2023 included:

- \$60,000 for an additional family medicine resident position based in Boise;
- \$60,000 for an addiction medicine fellowship based in Boise;
- \$60,000 for an additional family medicine resident position based in Coeur d’Alene;
- \$60,000 for a behavioral health fellowship based in Coeur d’Alene;
- 3.00 FTP and \$180,000 for additional family medicine residents based at Idaho State University;
- \$180,000 for psychiatry residents in partnership with the University of Utah School of Medicine;
- \$360,000 for additional family medicine residents through the Eastern Idaho Medical Residencies program;
- \$60,000 for a rural health fellowship based in Coeur d’Alene;
- \$75,000 to balance a disparity in support for existing residents based at Idaho State University;
- \$30,000 for an additional pharmacy resident position based in Boise;
- \$120,000 for addiction medicine resident positions through the Boise Internal Medicine residency program; and
- \$60,000 for an additional internal medicine resident position through the Boise Internal Medicine residency program.

The bill also included an FY 2022 supplemental appropriation for \$1,419,600 to the Idaho Dental Education Program at Idaho State University.

### **Charter School Commission**

**H725** was the FY 2023 original appropriation for the Charter School Commission, which appropriated a total of \$678,300 and capped the number of authorized full-time equivalent positions at 5.00. Overall, this was a 4.8% General Fund increase over the FY 2022 original appropriation. There were no enhancements to the budget.

### **Career Technical Education**

**H799** was the FY 2023 original appropriation for the Division for Career Technical Education, which appropriated a total of \$84,238,600 and did not cap full-time employees. Overall, the budget was an 8.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$702,600 for added cost and program growth for secondary CTE programs;
- \$127,000 to expand the quality program grant program;
- 1.00 FTP and \$110,300 for program quality support in secondary programs;
- 11.25 FTP and \$1,020,000 for postsecondary program support and expansion;
- 1.00 FTP and \$649,800 for a federal apprenticeship grant; and

- A reduction of 1.75 FTP and multiple net-zero program transfers to align programs.

The bill also included onetime FY 2022 supplemental appropriations, which provided:

- A series of program transfers and account category realignment and program expansion and support that net to zero;
- \$1,500,000 to integrate the division's data management with the Idaho System for Education Excellence;
- \$4,000,000 for grants to secondary career technical programs throughout the state for modernization and expansion;
- \$4,000,000 for grants to postsecondary career technical programs throughout the state for modernization and expansion; and
- \$500,000 for program-industry alignment efforts.

### **Idaho Public Television**

**H789** was the FY 2023 original appropriation for Idaho Public Television, which appropriated \$2,817,400 and capped the number of authorized full-time equivalent General Fund positions at 14.00. This bill provided for continuous appropriation for the funding and staffing from the Miscellaneous Revenue Fund. This change will require legislative approval each year, and Idaho Public Television will continue to report to the Legislature on these moneys and positions.

### **Special Programs**

**S1392** was the FY 2023 original appropriation for the State Board of Education, Division of Special Programs, which appropriated a total of \$32,383,800 and capped the number of authorized full-time equivalent positions at 47.09. The budget included funding for six distinct programs, including Forest Utilization Research, Idaho Geological Survey, Scholarships & Grants, Idaho Museum of Natural History, Small Business Development Centers, and TechHelp. Overall, the budget was a 1.2% General Fund increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$28,000 for operational support for the Idaho Geological Survey; and
- \$17,200 for a rural consultant in north Idaho for Small Business Development Centers.

**S1425** appropriated \$775,000 ongoing from the General Fund for FY 2023 to address the fiscal impact of **S1290**, which established a rural educator incentive program for educators who work in high-need or rural school districts or charter schools. This included \$25,000 for personnel costs to administer the program and provided \$750,000 for the first cohort of teachers.

### **Division of Vocational Rehabilitation**

**S1348** was the FY 2023 original appropriation for the Division of Vocational Rehabilitation, which appropriated a total of \$29,370,900 and capped the number of authorized full-time equivalent positions at 151.00. Overall, the budget was a 3.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included 1.00 FTP and \$94,500 for a new position at the Council for the Deaf and Hard of Hearing, which will increase outreach of the agency across the state.

**S1427** was an FY 2023 trailer appropriation for the Extended Employment Services Program. It addressed the impacts of **S1399**, which moved the Extended Employment Services Program from the Division of Vocational Rehabilitation under the State Board of Education to the Department of Health and Welfare. The bill removed 3.60 FTP and \$3,616,900, which was the entire appropriation for the Extended Employment Services Program. The bill provided an additional 0.60 FTP and \$107,800 for the Vocational Rehabilitation Program to account for the partial FTP used to oversee the program. The remainder of the appropriation was

transferred to the Department of Health and Welfare to create the Extended Employment Services Program within the Division for Services for the Developmentally Disabled.

## **Health and Human Services**

### **Department of Health and Welfare**

The FY 2023 original appropriation for the Department of Health and Welfare was \$4,919,220,100, consisting of \$1,024,542,000 from the General Fund, \$527,285,900 from dedicated funds, and \$3,367,392,200 from federal funds. This was an increase of 8.1% from the General Fund and 6.6% in total funds. The number of authorized full-time equivalent positions increased by 30.00. Consistent with other state agencies, the department had adjustments to benefit costs, change in employee compensation (CEC), and statewide cost allocation. All Department of Health and Welfare FY 2023 original appropriation bills contained the same three common sections of legislative language: the first section provides that the director of the Department of Health and Welfare shall make General Fund transfer requests to the Board of Examiners; the second section prohibits the transfer of any appropriation from the expense code trustee and benefit payments; the final common section provides that the department shall be required to provide services authorized or mandated by law to the extent funding and resources are available.

The FY 2022 supplemental appropriation bills for the department were **S1331** and **H661**. Supplementals were also included in the FY 2023 original appropriation bills. The FY 2023 original appropriation bills were **H773**, **H764**, **H777**, **S1401**, **H767**, and **S1384**. The FY 2023 trailer appropriation bills were **S1427** and **S1424**. All of these bills are described in more detail below.

### **Family and Community Services (FACS)**

**H773** was the FY 2023 original appropriation for the Department of Health and Welfare for the Divisions of Child Welfare, Services for the Developmentally Disabled, and Service Integration, collectively known as Family and Community Services or FACS, which appropriated a total of \$140,132,500 and capped the number of authorized full-time equivalent positions at 773.51. Overall, the budget was a 14.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 24.00 FTP and \$1,903,200 for additional in-home case workers;
- \$921,200 for a targeted change in employee compensation for child welfare workers;
- \$6,103,400 for an increase in the foster care rate paid to foster families;
- \$181,700 for a targeted change in employee compensation for Southwest Idaho Treatment Center (SWITC) employees; and
- \$1,900,000 for increased levels of care needed for patients in crisis beds at SWITC.

Also included in this bill were onetime supplemental appropriations for FY 2022, which included:

- \$1,525,800 for a foster care rate increase for the remaining months of fiscal year 2022;
- \$13,150,000 for demolition and construction of buildings at SWITC; and
- \$65,000 for recruitment and retention increase for employees at SWITC.

There were three sections of legislative language, which provide: the Department of Health and Welfare is responsible for the educational needs of school-age children placed in its care; a minimum amount of federal Child Abuse Protection Treatment Act (CAPTA) funds shall be provided equally to the Public Health Districts for the Citizen Review Panels established pursuant to Section 16-1647, Idaho Code; and the appropriation for personnel costs provided to the Child Welfare Program shall not be transferred to any other program or expenses class in FY 2023.

**S1427** was an FY 2023 trailer appropriation for the Division of Services for the Developmentally Disabled. It addressed the impacts of **S1399**, which moved the Extended Employment Services Program from the Division of Vocational Rehabilitation under the State Board of Education to the Department of Health and Welfare. The bill also included a section of legislative language, which prohibits the transfer of any appropriation from the Extended Employment Services Program to any other budgeted program within the Department of Health and Welfare.

### **Division of Welfare**

**H764** was the FY 2023 original appropriation for the Department of Health and Welfare's Division of Welfare, which appropriated a total of \$290,611,800 and capped the number of authorized full-time equivalent positions at 613.50. Overall, the budget was a 0.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$100,503,000 for the Child Care Assistance Program;
- \$13,000,000 for the Low Income Household Energy Assistance Program (LIHEAP);
- \$2,770,700 for the Low Income Household Water Assistance Program (LIHWAP); and
- \$5,000,000 for the Weatherization Assistance program.

There was one section of legislative language, which provided guidelines for community partner grants.

### **Division of Medicaid**

**S1331** was an FY 2022 supplemental appropriation for the Department of Health and Welfare, Division of Medicaid, which included:

- A net reduction of \$49,134,500 for the increased Federal Medical Assistance Percentage (FMAP) due to the COVID-19 public health emergency;
- \$38,000,000 for contractually required retrospective settlements with managed care providers; and
- \$17,500,400 for payments held at the end of FY 2021 due to insufficient appropriation.

**H661** was an FY 2022 supplemental appropriation for the Department of Health and Welfare. For the Division of Medicaid, it included:

- \$16,000,000 for Home and Community Based Services enhanced FMAP;
- \$8,887,800 for a known shortfall in Medicaid Expansion, based on the actions taken in the 2020 legislative session;
- A reduction of \$30,562,200 from federal funds to align the appropriation more closely with anticipated expenditures; and
- A net-zero shift from the General Fund and federal funds to dedicated funds for anticipated receipts coming into the Division of Medicaid.

**H777** was the FY 2023 original appropriation for the Department of Health and Welfare's Division of Medicaid, which appropriated a total of \$4,044,709,000 and capped the number of authorized full-time equivalent positions at 213.00. Overall, the budget was a 6.6% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- A net-zero shift of \$466,000 for the SWTTC home health program;
- \$66,663,200 for service enhancements related to the KW Lawsuit;
- \$11,852,600 for independent assessment changes related to the KW Lawsuit;
- Net-zero shift of \$482,000 for the value care program;
- \$24,961,200 for a provider rate increase for developmental disabilities providers;

- \$70,961,200 for a provider rate increase for residential rehabilitation providers;
- \$5,223,300 for MMIS contract support;
- \$5,046,000 for MMIS system changes;
- \$345,700 for Institute of Mental Disease (IMD) waiver evaluations;
- Net-zero shift of \$12,608,500 for accounting transfers;
- \$10,949,800 for a provider rate increase for personal assistance providers;
- \$800,000 for a rural differential increase for rural providers;
- \$113,000 for a Medicaid provider rate review position;
- \$46,231,600 for a provider rate increase for assisted living providers;
- \$6,725,100 for a provider rate increase for medical services; and
- \$27,300,000 for a provider rate change for hospitals, which will change the reimbursement method from a retrospective model to a prospective model used in other states.

Also included in this bill were onetime FY 2022 supplemental appropriations, which included:

- \$1,200,000 for the development of an RFP for the Medicaid Management Information System (MMIS); and
- \$2,294,300 for managed care provider enrollment in the MMIS.

In addition, there were five sections of legislative language added to this bill: a Medicaid tracking report was required on a monthly basis comparing the forecast to actual expenditures; unlimited transfers within the expense class trustee and benefits were allowed for the Division of Medicaid; a report was required on the implementation of managed care within Medicaid; cost-sharing was required for the expanded population of children whose families gross taxable income is between 185% and 300% of the federal poverty limit; and the Division of Medicaid was required to submit the next budget request in accordance with enacted Idaho Code at the time of submission.

### **Other Programs**

**H661** was an FY 2022 supplemental appropriation for the Department of Health and Welfare, Council for Domestic Violence, which included \$250,000 for grants for domestic violence programs and shelters throughout the state.

**S1401** was the FY 2023 original appropriation for the Department of Health and Welfare for the Divisions of Indirect Support Services, Licensing and Certification, and Independent Councils for the Domestic Violence Council and the Developmental Disabilities Council, which appropriated a total of \$86,408,800 and capped the number of authorized full-time equivalent positions at 371.50. Overall, the budget was a 23.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$20,000 for additional receipt authority at the Domestic Violence Council;
- \$3,247,300 for family violence and prevention services grants;
- \$300,000 for operational support at the Domestic Violence Council; and
- \$6,000,000 for victims' services grants.

Also included in this bill were two onetime FY 2022 supplemental appropriations:

- \$340,000 for the modernization of the criminal history unit software; and
- \$500,000 for IT cloud modernization.

This bill also included three sections of legislative language, which required: a monthly Medicaid tracking report that compares the appropriation to the actual expenditures to the forecast every month; an annual report from the Licensing and Certification program on the status of facility licensing and certification as well as staff workload and caseload issues; and a report on the criminal history unit's obligations under Idaho Code.

### **Division of Public Health**

**H661** was an FY 2022 supplemental appropriation for the Department of Health and Welfare, Division of Public Health, which included \$2,000,000 for the HIV/AIDS Drug Assistance Program for the program to be able to utilize all anticipated drug rebates.

**H767** was the FY 2023 original appropriation for the Department of Health and Welfare's Division of Public Health, which appropriated a total of \$217,203,800 and capped the number of authorized full-time equivalent positions at 259.02. Overall, the budget was a 5.4% increase over the FY 2022 original appropriation.

Enhancements for FY 2023 included:

- 3.00 FTP and \$149,200 for additional staffing at vital records;
- \$18,913,900 for health disparities funding;
- \$1,080,000 for vital records modernization;
- \$29,955,800 for epidemiologic response capacity;
- \$5,412,200 for small hospital improvement plans;
- \$940,900 for bioinformatics capacity;
- \$2,800,000 for confinement facilities testing;
- \$5,650,000 for a public health workforce;
- \$15,935,600 for the prevention of infectious diseases;
- \$779,100 for smoking cessation funding;
- \$2,500,000 for EMS ambulance funding;
- \$499,800 for youth smoking and vaping prevention programs; and
- \$1,000,000 for home visiting grants.

Also included in this bill was a onetime FY 2022 supplemental, which provided \$17,646,600 for laboratory capacity building.

This bill also contained seven sections of legislative language that: required the funds appropriated for Suicide Prevention and Awareness to be used in accordance with the plan developed by stakeholders; transferred \$640,000 to the Rural Physician Incentive Fund; distributed \$200,000 to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Medical Education Program for the continued implementation of Project Echo; distributed \$2,000,000 to the public health districts for the Home Visitation Program; distributed \$779,100 to the public health districts for non-cost smoking cessation programs; distributed \$499,800 to the public health districts for youth smoking and vaping prevention programs; and directed that funds appropriated for ambulance funding shall be used first for equipment needs and then for other uses described in Section 56-1918B, Idaho Code.

## **Behavioral Health (Mental Health, Psychiatric Hospitalization, and Substance Use)**

**H661** was an FY 2022 supplemental appropriation for the Department of Health and Welfare, Division of Psychiatric Hospitalization, which included:

- \$650,000 for State Hospital South to utilize increased receipts from the ability to bill Medicaid for inpatient services; and
- A net-zero fund shift of \$2,000,000 for State Hospital West to allow the facility a full year of appropriation after a delay in obtaining the Institute of Mental Disease (IMD) Waiver.

**S1384** was the FY 2023 original appropriation for the Department of Health and Welfare for the Division of Mental Health Services, Psychiatric Hospitalization, and Substance Abuse Treatment and Prevention, collectively known as Behavioral Health, which appropriated a total of \$133,476,500 and capped the number of authorized full-time equivalent positions at 788.41. Overall, the budget was a 2.0% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$2,500,000 for substance abuse prevention;
- \$3,000,000 for community mental health grants;
- \$6,000,000 for community behavioral health clinic start-up grants;
- \$4,400,000 for 988 start-up funding; and
- A net-zero fund shift of \$1,700,000 based on increased federal funding due to accreditation for State Hospital North.

Also included in this bill were onetime FY 2022 supplemental appropriations, which provided:

- \$15,000,00 for children's psychiatric residential treatment grants;
- \$2,728,200 for demolition of an existing and construction of a new materials warehouse at State Hospital South; and
- \$1,845,000 for demolition of an existing and construction of a new maintenance facility at State Hospital North.

In addition there were five sections of legislative language in this bill: funds appropriated to the Division of Mental Health Services and the Division of Psychiatric Hospitalization can be transferred among the program, but not to any other program not in the two divisions; the Department of Health and Welfare is responsible for the educational needs of school-age children placed in its care; the Children's Mental Health Program shall make an interagency payment to the Department of Juvenile Corrections for contract clinicians services in the juvenile detention facilities; the seven Behavioral Health Community Crisis Centers shall submit plans to achieve non-state funding; and the Community Hospitalization Program is allowed unlimited transfers into the program from any other Department of Health and Welfare program.

**S1424** was an FY 2022 and FY 2023 trailer appropriation for the Community Hospitalization Program. This bill addressed the fiscal impacts of **S1327**, which changed the civil commitment statutes and the assignment of financial responsibility for precommitment holds and post-commitment costs based on the passage of **H316** of 2021. It provided a FY 2022 supplemental appropriation of \$1,298,300, and an additional \$3,895,000 for FY 2023.

## **State Independent Living Council (SILC)**

**S1349** was the FY 2023 original appropriation for the State Independent Living Council, which appropriated a total of \$685,600 and capped the number of authorized full-time equivalent positions at 4.00. Overall, the budget was a 3.5% increase over the FY 2022 original appropriation and provided no enhancements.

## Law & Justice

### **Department of Correction**

**S1420** was the FY 2023 original appropriation and an FY 2022 supplemental for the Idaho Department of Corrections, which appropriated a total of \$339,792,900 and capped the number of authorized full-time equivalent positions at 2,103.85. Overall, this budget was a 9.7% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$7,313,900 for an increase in pay for correctional and probation and parole pay;
- \$70,000 for software licensing;
- \$1,623,100 for 15.00 FTP to staff the east dorm expansion;
- \$933,800 for 10.00 FTP for vocational work opportunities;
- \$391,100 for 2.00 FTP for camp catering crew;
- \$67,000 for an increase to mirror the career ladder for instructors;
- \$10,000,000 for wastewater lagoons;
- \$500,000 for COVID-19 operating costs;
- \$1,656,900 for 20.00 FTP for probation and parole and reentry specials; and
- \$900,000 for two federal grants.

Also included in the bill were seven onetime FY 2022 supplemental appropriations, which provide funding for hepatitis C treatment, pre-prosecution diversion grants, an inmate banking module, trauma informed treatment, a digital radio system, funding to pay off a lease purchase agreement, and a federal grant.

### **Commission of Pardons and Parole**

**H785** was the FY 2023 original appropriation for the Commission of Pardons and Parole, which appropriated a total of \$3,879,500 and capped the number of authorized full-time equivalent positions at 37.00. Overall, this budget was a 5.8% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included funding for extradition transport.

### **Judicial Branch**

**H770** was the FY 2023 original appropriation for the Judicial Branch and appropriated a total of \$105,504,000. Overall, the budget was a 38.7% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 7.00 FTP and \$905,800 for seven deputy trial court administrators for each of the seven judicial districts to assist the TCA with the overall operational management of the court;
- 4.00 FTP and \$552,100 for three Fourth Judicial District judges and a court reporter to assist with higher-than-normal case and workloads within the fourth judicial district;
- 4.00 FTP and \$410,400 for a security officer, a fixed asset management specialist, a senior accountant, and a principal human resources specialist at the Administrative Office of the Courts to help mitigate increasing costs, minimize risk, provide added accounting support, enhance performance, and support retention efforts;
- \$1,550,000 onetime from the General Fund to pay the cost of the electronic envelope fees for the online filing system in FY 2023 due to increased costs, and decreased revenue to, the Court Technology Fund;
- \$1,158,300 for the Substance Abuse Treatment Fund to maintain the current level of services funded by the courts for substance abuse treatment;
- \$2,000,000 for a Specialty Courts spending authority increase for increased services for treatment courts, domestic violence courts, and family courts;



- \$90,000 from the Senior Magistrate Judges Fund to purchase membership service in the Public Employee Retirement System Idaho (PERSI) for retiring magistrate judges;
- \$105,000 to support language access services in the Third, Fourth, and Sixth Judicial Districts to help the agency fulfill its obligation to provide access to court proceedings, services, and programs for persons who have limited-English proficiency (LEP) or need, without discrimination;
- \$420,000 from the General Fund to increase funds for the grant program in each judicial district to help cover the payroll expenses for each of the programs' full-time executive director positions; and
- 7.00 FTP and \$19,990,500 for COVID-19-related expenses to address needs related to the court's response to the pandemic, which resulted in increased reliance on technology, including filing cases online, digital evidence sharing, remote hearings, off-site jury selection, and virtual options for management of court administration.

**H800** appropriated \$1,112,600 in ongoing personnel costs from the General Fund to address the fiscal impact of **H782**, which statutorily increased salaries for justices and judges.

### **Department of Juvenile Corrections**

**S1385** was the FY 2023 original appropriation for the Department of Juvenile Corrections, which appropriated a total of \$2,830,500 and capped the number of authorized full-time equivalent positions at 413.00. Overall, this budget was a 5.3% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$675,000 for institutional staff pay;
- \$50,000 for cottage furniture and fixtures; and
- \$63,000 for an increase to match the educator career ladder.

Also included in this bill were two onetime FY 2022 supplementals, which provided funding for safe teen reception centers and youth crisis centers.

### **Idaho State Police**

**H750** was the FY 2023 original appropriation for the Idaho State Police, which appropriated a total of \$109,397,900 and capped the number of authorized full-time equivalent positions at 636.10. Overall, this budget was a 20% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$40,200 for a financial technician position for the Brand Inspection Division;
- \$12,879,600 for 13 new positions for a Capitol protective services unit;
- \$105,300 for two technical records specialists;
- A fund shift of \$174,400 from the General Fund to dedicated funds;
- \$364,200 for radio repeater upgrades;
- \$14,600 multi-factor authentication for ISP;
- \$263,200 for Bureau of Criminal Investigation (BCI) switch replacement;
- \$380,000 for BCI notification service;
- \$35,500 for an automated identification system;
- \$3,875,100 for public safety CARES Act funding;
- \$58,200 for a technical records specialists;
- A fund shift of \$4,100,000 from dedicated funds unto the General Fund for the Highway Distribution Fund;
- A fund shift of \$38,000 from federal funds unto the General Fund for a sexual assault nurse examiner;
- \$249,400 for two new positions to help combat fentanyl;

- \$7,947,200 to replace its computer aided dispatch and records management system for the Idaho State Police Division;
- \$900 for Multi-factor authentication for POST;
- \$80,000 for an appropriation to the misdemeanor probation fund;
- \$250,000 for driving simulators; and
- A net-zero fund shift of \$63,300 for a regional training coordinator.

Also included in this bill was a onetime FY 2022 supplemental of \$900,000 for three residential housing units in Plummer, Mackay, and Carey.

## **Natural Resources**

### **Department of Environmental Quality**

**H449** was a FY 2022 supplemental bill that appropriated and transferred funds in three distinct actions, which included:

- \$368,400 onetime from the General Fund, transferred to the Pest Control Deficiency Warrant Fund, to reimburse costs incurred for exotic pest monitoring, Mormon cricket abatement, and Japanese beetle treatment;
- \$12,000 onetime from the General Fund, transferred to the Hazardous Substance Emergency Response Fund, to reimburse the Military Division for costs associated with the cleanup of 17 hazardous material incidents throughout Idaho in FY 2021; and
- \$25,000 onetime from the General Fund, transferred to the Waste Tire Disposal Deficiency Warrant Fund, to remove waste tires from a property that had been declared a public nuisance due to fire risks by the City of Dubois.

**H763** was the FY 2023 original appropriation for the Department of Environmental Quality, which appropriated a total of \$144,734,600 and capped the number of authorized full-time equivalent positions at 387.00. Overall, the budget was a 101.7% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$123,800 to provide additional funds for a permit specialist working on the IPDES program;
- \$91,000 for a solid waste analyst, utilizing an additional FTP;
- \$147,900 for additional staffing hours at contaminated sites;
- \$185,000 for Total Maximum Daily Load (TMDL) sampling and analysis;
- \$200,000 for radioactivity testing;
- \$1,500,000 for a cash transfer from the Water Pollution Control Fund to the Environmental Remediation (Basin) Fund;
- Net zero shift from federal grants that do not absorb the change in employee compensation to the General Fund;
- \$49,900 Microsoft Office 365 licenses for department staff;
- \$13,721,400 for contaminated site cleanup sourced through the American Rescue Plan Act (ARPA); and
- \$60,011,600 for drinking water and wastewater infrastructure projects supported through the ARPA State Fiscal Recovery Fund.

The bill included annual reporting requirements for the remediation of the Coeur d'Alene Basin, the use of the Hazardous Waste Emergency Fund, uses for the ARPA State Fiscal Recovery Fund, and reappropriation of federal funds.

The bill included FY 2022 supplemental appropriations and fund transfers in four distinct actions, which included:

- \$5,000,000 onetime from the General Fund, transferred to the Agricultural Best Management Practices Fund, for voluntary projects to improve water quality;
- \$1,452,200 onetime federal funds for repair of the Triumph Mine tunnel and management of water and soils contaminated by mining;
- \$44,000,000 onetime from the General Fund, transferred to the Water Pollution Control Fund, for the state's match for the Infrastructure Investment and Jobs Act (IIJA) water infrastructure grants; and
- \$5,000,000 ongoing from the General Fund, transferred to the Confined Animal Feeding Operations (CAFO) Improvement Fund, for FY 2022 to address the fiscal impact of **H559**. **H559** created a fund to support investments in environmental projects on CAFOs to improve livestock by-product, waste, nutrient and water management, and lang application and storage systems.

### Department of Fish and Game

**S1386** was the FY 2023 original appropriation for the Department of Fish and Game, which appropriated a total of \$133,094,700 and capped the number of authorized full-time equivalent positions at 553.00. Overall, the budget was a 5.6% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$590,000 for a wolf population census and pass-through depredation costs;
- \$1,500,000 for habitat restoration at the Eagle Valley Ranch;
- \$2,100,000 for habitat restoration at Gray's Meadow;
- \$225,000 for boating access site maintenance costs;
- \$25,000 for a portion of the salary of a disease ecologist;
- \$4,900,000 for deferred maintenance project costs;
- A net-zero transfer of funding to eliminate the Wildlife Mitigation and Habitat Conservation Program, and redistribute dedicated and federal funds to the Administration and Wildlife Programs;
- \$700,000 to pay depredation claims to landowners; and
- \$235,100 for Microsoft Office 365 licenses for department staff.

The bill included a FY 2022 supplemental appropriation, which included \$900,000 for big game depredation claims. The bill included reporting requirements for the wolf population and a transfer of \$1,700,000 from the Fish and Game Fund to the Expendable Big Game Depredation Fund.

**S1422** appropriated \$2,300,000 ongoing from dedicated funds for FY 2023 to address the fiscal impact of **H702**, which changed the distribution of money derived from each license endorsement between big game depredation and sportsman's access. **H702** also changed the annual limit for any individual big game depredation claim from a percent of the annual appropriation to a fixed amount.

### Endowment Fund Investment Board

**H686** was the FY 2023 original appropriation for the Endowment Fund Investment Board, which appropriated a total of \$833,500 and capped the number of authorized full-time equivalent positions at 4.00. Overall, the budget was a 5.7% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included \$15,000 to increase compensation for the manager of investments.

### Department of Lands

**H755** was the FY 2023 original appropriation for the Department of Lands, which appropriated a total of \$81,350,000 and capped the number of authorized full-time equivalent positions at 349.45. Overall, the

budget was a 22.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$784,300 for engine bosses, including four for the two Timber Protective Associations (TPAs);
- \$1,013,000 for a fire business system;
- \$559,000 for pay increases for seasonal firefighters including the two TPAs;
- \$285,900 for pay increases for two fire management officers;
- \$80,000 for a booster crew for north Idaho;
- \$164,000 for fire equipment;
- \$95,600 for drone equipment; 0.33 FTP to bring a Forest Legacy Program staff member to full-time;
- \$105,100 for IT license costs;
- \$173,800 for trust land equipment;
- \$75,100 for equipment through Good Neighbor Authority (GNA);
- \$59,000 for CEC and inflationary adjustment for the two TPAs;
- \$2,000,000 for wildfire reduction projects; \$1,000,000 for fire assistance to locals; and
- \$7,000,000 for work on abandoned mines.

The bill also included an FY 2022 supplemental appropriation, which included a transfer of \$80,000,000 from the General Fund to the Fire Suppression Deficiency Warrant Fund to cover past and future firefighting costs. The budget also included exemptions from object transfer limitations for grants administered by the department.

### **Department of Parks and Recreation**

**H751** was the FY 2023 original appropriation for the Department of Parks and Recreation, which appropriated a total of \$76,911,800 and capped the number of authorized full-time equivalent positions at 170.97. Overall, the budget was a 59.9% increase over the FY 2023 original appropriation. Enhancements for FY 2023 included:

- 11.58 FTP and \$719,500 to add additional staff at parks statewide;
- \$227,400 for targeted pay raises for positions that were identified retention risks, experience high turnover, or have been difficult to fill;
- \$400,000 for increased operating costs at parks;
- \$300,000 for additional seasonal staffing across 23 different parks;
- \$500,000 for the reservation and registration system;
- \$7.4 million to build a 50-unit RV campground at Eagle Island State Park;
- \$300,000 to build storage and utility buildings at Ponderosa and Lake Cascade State Parks;
- \$150,000 to build two vault toilets at Bear Lake State Park;
- \$44,000 to purchase a truck for the south region construction manager;
- \$720,000 to build seasonal staff housing at Lake Cascade and Bruneau Dunes State Parks;
- \$165,300 to purchase the Sheridan property at Castle Rocks State Park;
- \$3,016,400 for the Ashton Tetonia Trail Project; and
- \$20 million from federal funds for park maintenance and expansion.

The bill also included an FY 2022 supplemental appropriation, which included \$215,000 to complete Parks and Recreation for capital projects. The budget also included exemptions from object transfer limitations for grants administered by the department and reappropriation.

### **Department of Water Resources**

**H769** was the FY 2023 original appropriation for the Department of Water Resources, which appropriated a total of \$129,984,300 and capped the number of authorized full-time equivalent positions at 168.00. Overall,

the budget was a 370.0% decrease over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- A transfer of \$716,000 from the Revolving Development Fund to the Aquifer Planning and Management Fund for aquifer monitoring, measuring, and modeling;
- 1.00 FTP and \$122,100 for a regional office bureau chief;
- 3.00 FTP and \$344,000 for phase 2 of the Bear River Adjudication;
- 1.00 FTP and \$98,800 for a water resource agent to aid water rights delivery and regulation;
- 2.00 FTP and \$213,400 for project managers to aid the Water Resource Board;
- 1.00 FTP and \$106,700 for a hydrology project manager;
- 1.00 FTP and \$98,800 for a hydrologist;
- 1.00 FTP and \$63,500 for a financial technician;
- 1.00 FTP and \$86,100 for a water resource agent assisting the Water Supply Bank with rental applications and agreements;
- 1.00 FTP and \$119,500 for a Water Allocation Bureau engineer;
- 1.00 for a ground water protection agent (utilizing existing appropriations);
- 1.00 FTP and \$122,100 for a bureau chief in the Technical Services Program;
- 1.00 FTP and \$177,600 for a staff member to aid in the Stream Channel Protection Program;
- \$37,100 for Microsoft Office 365 licenses for department staff;
- A transfer of \$75,000,000 from the General Fund to the Water Management Fund for large water projects; and
- \$100,000,000 from the American Rescue Plan Act State Fiscal Recovery Fund for water projects statewide.

## **Economic Development**

### **Department of Agriculture**

**S1429** was an FY 2022 supplemental appropriation for the Department of Agriculture, which appropriated \$600,000 one time from the General Fund for invasive species watercraft checkpoints.

**H768** was the FY 2023 original appropriation for the Department of Agriculture, which appropriated a total of \$50,131,000 and capped the number of authorized full-time equivalent positions at 225.00. Overall, the budget was an 8.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 5.00 FTP and \$823,300 to expand the Invasive Species Program and to provide funding for two hot wash trailers, seasonal and full-time staff, and vehicles and office equipment for the full-time staff;
- 1.00 and \$115,300 for a feed and fertilizer inspector;
- 0.50 FTP and \$194,500 for hemp program enhancements;
- \$971,800 for a specialty crop grant; and
- \$206,400 for fresh fruit and vegetable inspectors.

Also included in this bill were onetime FY 2022 supplemental appropriations, which provided:

- \$900,000 in federal funds to pass through to producers for a new specialty crop block grant targeted at industries impacted by the COVID-19 pandemic; and
- \$400,000 for lab equipment at labs located in Boise and the Magic Valley area.

### **Soil and Water Conservation Commission**

**H757** was the FY 2023 original appropriation for the Soil and Water Conservation Commission, which appropriated a total of \$5,485,400 and capped the number of authorized full-time equivalent positions at 18.75.

Overall, the budget was a 62.8% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$264,000 as a match for the Conservation Enhancement Reserve Program (CERP); and
- \$1,693,900 to work with local conservation districts on voluntary conservation through the Infrastructure Investment and Jobs Act (IIJA).

Also included in this bill was a onetime FY 2022 supplemental, which provided a transfer of \$5,000,000 from the General Fund for the Water Quality Program for Agriculture.

### **Department of Commerce**

**H803** was the FY 2023 original appropriation for the Department of Commerce, which appropriated \$100,643,000 and capped the number of authorized full-time equivalent positions at 44.00. Overall, the budget was a 504.6% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 1.00 FTP and \$78,900 for tourism and promotion staff;
- \$5,536,000 for tourism and promotion funding;
- \$171,300 for additional operating expenditures;
- \$1,000,000 for an economic development administration planning grant;
- \$2,000,000 for a cash transfer to the Idaho Opportunity Fund;
- \$50,000,000 for broadband infrastructure; and
- \$1,000,000 for the Idaho Food Bank.

### **Department of Finance**

**S1364** was the FY 2023 original appropriation for the Department of Finance, which appropriated a total of \$10,059,400 and capped the number of authorized full-time equivalent positions at 70.00. Overall, the budget was a 10.6% increase over the FY 2022 original appropriation. Adjustments for replacement items include \$63,100 for laptops, docking stations, monitors, and printers. Enhancements for FY 2023 included:

- \$273,300 and 2.00 FTP for two credit union examiners;
- \$126,100 and 1.00 FTP for a mortgage supervising examiner; and
- \$108,300 and 1.00 FTP for a securities examiner.

### **Department of Insurance**

**H722** was the FY 2023 original appropriation for the Department of Insurance. It appropriated a total of \$10,341,900 and capped the number of authorized full-time equivalent positions at 71.50. Overall, the budget was a 2.7% increase over the FY 2022 original appropriation and provided no enhancements.

**S1428** appropriated and transferred \$25,000,000 from the General Fund to the Idaho Individual High Risk Reinsurance Fund for FY 2022 to address the fiscal impact of **H 611**, to support the department's application for an Affordable Care Act state innovation waiver following. Should the waiver be granted, the fund will gain a new funding source from federal passthrough savings that are returned to the state, and Idahoans can expect a 7-8% reduction in the cost of individual health insurance premiums.

### **Industrial Commission**

**S1402** was the FY 2023 original appropriation for the Industrial Commission, which appropriated a total of \$22,849,300 and capped the number of authorized full-time equivalent positions at 133.25. Overall, the budget was a 6% increase over the FY 2021 original appropriation, with no increase in the ongoing General Fund appropriation. Enhancements for FY 2023 included:

- \$3,249,800 from dedicated funds for Year 3 of the Commission's IT Modernization project to integrate formerly paper-dependent workflows in workers' compensation and crime victims' compensation claim processes; and
- \$439,000 in federal funds for an anticipated increase in funding from the Victims of Crime Act (VOCA) formula grant.

Section 3 of the bill required that the commission report on the progress of its business and technology modernization project.

**S1417** provided a 5% increase to the annual salary of the three commissioners, effective July 1, 2022. This legislation increased commissioners' salaries from \$106,072 to \$111,376.

### **Department of Labor**

**H753** was the FY 2023 original appropriation for the Department of Labor, which appropriated \$100,840,400 and capped the number of authorized full-time equivalent positions at 707.58. Overall, the budget was a 0.4% increase over the FY 2022 original appropriation and provided no enhancements.

### **Public Utilities Commission**

**S1393** was the FY 2023 original appropriation for the Public Utilities Commission, which appropriated a total of \$6,996,200 and capped the number of authorized full-time equivalent positions at 49.00. Overall, the budget was a 4.3% increase over the FY 2022 original appropriation and provided no enhancements. Lastly, there were no General Funds appropriated to the commission.

### **Division of Occupational and Professional Licenses**

**H771** was the FY 2023 original appropriation for the Division of Occupational and Professional Licenses, which appropriated a total of \$39,272,600 and capped the number of authorized full-time equivalent positions at 270.20. Overall, the budget was a 1.5% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$6,054,000 for the procurement, implementation, and operation of a commercial off-the-shelf license information system; and
- \$88,500 for a damage prevention grant.

### **Commission on Hispanic Affairs**

**H758** was the FY 2023 original appropriation for the Commission on Hispanic Affairs, which appropriated a total of \$512,000 and capped the number of authorized full-time equivalent positions at 3.00. Overall, the budget was a 22.4% increase over the FY 2022 original appropriation. Lastly, the overall General Fund appropriation represented a 4.7% increase and provided no enhancements.

Also included in this bill was a onetime 2022 supplemental appropriation of \$75,000 from dedicated funds to put on events, like the Hispanic Youth Leadership Summit, organized by the agency.

### **Idaho State Historical Society**

**S1371** was the FY 2023 original appropriation for the Idaho State Historical Society, which appropriated \$8,461,900 and capped the number of authorized full-time equivalent positions at 58.00. Overall, the budget was a 7.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 1.00 FTE and \$100,000 for State Historic Preservation Office staff; and
- \$104,000 for employee compensation adjustments.

Also included in this bill was a onetime FY 2022 supplemental appropriation, which included \$5,000,000 for deferred maintenance, upgrades, and other infrastructure projects.

### **Commission for Libraries**

**S1403** was an FY 2022 supplemental appropriation for the Commission for Libraries, which appropriated \$1,250,000 for summer library reading programs.

**H827** was the FY 2023 original appropriation for the Commission for Libraries, which appropriated \$7,706,600 and capped the number of authorized full-time equivalent positions at 37.50. Overall, the budget was a 10.5% reduction over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$40,000 for broadband reimbursement for local libraries;
- \$50,000 for a bilingual/bicultural project coordinator;
- \$30,000 for subgrants to local libraries;
- \$98,000 for support of digital equity, early literacy services, and other outreach programs for vulnerable populations; and
- \$1,250,000 for planning efforts with multiple state, local, and community stakeholders to identify and develop a plan to ensure that Idahoans can use reliable high-speed internet.

### **State Lottery**

**S1370** was the FY 2023 original appropriation for the State Lottery, which appropriated a total of \$7,108,900 and capped the number of authorized full-time equivalent positions at 50.00. Overall, the budget was a 10.2% increase over the FY 2022 original appropriation and there were no General Funds appropriated. Enhancements for FY 2023 included:

- \$31,400 for a wage increase for sales representatives. This line item will increase the starting wage from \$17.00/hour to \$18.00/hour, and the remainder of the funds will address wage compression;
- \$70,700 and 1.00 FTP for a new sales development position. This position will act as an intermediary between the sales manager and sales representatives in the field;
- \$58,100 and 1.00 FTP for an additional sales representative. Due to the growth of the lottery, a sixteenth sales representative would serve in the Treasure Valley area. Areas of existing sales representatives would be adjusted as needed to allocate accounts equally;
- \$88,500 and 1.00 FTP for a second detective. This second detective will assist in handling cases in a timely manner. Additional software enhancements will also allow for a higher level of enforcement regarding stolen tickets;
- \$75,800 and 1.00 FTP for an IT software engineer I position. Through this request, the agency would hire for the position, and Interlot, the gaming system vendor used by the agency, would reimburse all pay, benefits, and employment costs. This position would be responsible for front-end development for the lottery website including micro sites for games and promotions, creating or using graphics, website optimization, and general upkeep of the client-facing portion of the website; and
- \$100,400 and 1.00 for an IT software engineer II position. Through this request, the agency would hire for the position, and Interlot, the gaming system vendor used by the agency, would reimburse all pay, benefits, and employment costs. This position would be responsible for more technical aspects of the website including writing code, data analysis and monitoring, ensuring support for high volume website use, and general troubleshooting and debugging of the website and apps.

### **Public Defense Commission**

**H721** was the FY 2023 original appropriation for the Public Defense Commission, which appropriated a total of \$11,679,400 and capped the number of authorized full-time equivalent positions at 7.00. Overall, the budget was a 3.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included



\$345,000 for passthrough grant funds to distribute to counties for compliance with indigent defense standards.

### **State Appellate Public Defender**

**S1388** was the FY 2023 original appropriation for the State Appellate Public Defender, which appropriated a total of \$3,547,400 and capped the number of authorized full-time equivalent positions at 25.00. Overall, the budget was an 11.8% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$18,700 for funds for a restoration of capital costs to pre-FY 2021 levels which were reduced due to the Governor's recommended 2% General Fund reduction in FY 2021;
- \$135,400 to purchase IT systems and equipment; and
- \$58,000 for attorney salary increases to match commensurate salary increases given to the Attorney General's Office.

Also included in this bill was a onetime FY 2022 supplemental, which provided \$98,000 for extraordinary representation costs associated with the evidentiary hearing in Coeur d'Alene.

### **Division of Veterans Services**

**S1410** was the FY 2023 original appropriation for the Division of Veterans Services, which appropriated a total of \$52,819,000 and capped the number of authorized full-time equivalent positions at 447.50. Overall, the budget was an overall 5.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$90,000 for loan forgiveness/tuition assistance for nurses;
- \$60,000 for an additional caretaker at the Boise veterans cemetery;
- \$43,000 for additional office and veteran home equipment; and
- \$7,154,900 for the prorated operation costs at the new Post Falls Veterans Home.

Supplemental enhancements for FY 2022 included:

- \$681,000 for COVID-19 response at state veteran homes;
- \$3,324,300 for personal protective equipment and other expenses related to COVID-19 at state veteran homes;
- \$1,000,000 to supplement staffing at state veteran homes;
- \$926,500 for equipment needed to open the Post Falls Veterans Home;
- \$35,000 to acquire a list of veterans living in the state of Idaho;
- Net-zero shift of \$225,000 to the General Fund to supplement interment costs at the Blackfoot veteran cemetery;
- Net increase of \$2,290,100 for construction upgrade costs at the Post Falls Veterans Home;
- \$215,300 for expansion of the Boise veteran cemetery; and
- \$1,000,000 for increased construction costs at the Post Falls Veterans Home.

### **Idaho Transportation Department**

**S1359** was an FY 2022 supplemental appropriation for the Idaho Transportation Department, which provided a cash transfer and supplemental appropriation totaling \$252,885,000 from the General Fund to dedicated funds and provided an appropriation of \$6,400,000 for the Idaho Airport Aid Program and ITD managed facilities, \$10,000,000 to improvements at the Port of Lewiston, \$8,000,000 for railroad improvements, \$200,000,000 for local bridge maintenance, \$10,000,000 for pedestrian safety projects, and \$18,485,000 to pay off the 2012 callable GARVEE bond.

**H772** was the FY 2023 appropriation for the Idaho Transportation Department, which provided a total of \$1,252,337,800 and capped the number of authorized full-time equivalent positions at 1,648.00. Overall, this budget was a 46.8% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$1,000,000 for a new software system for the department's seven-year plan;
- \$3,281,900 for new equipment and an ongoing base increase;
- \$19,000,000 for facility upgrades;
- \$50,000 for airstrip maintenance;
- \$560,000 for Luma development costs;
- \$12,889,100 from the Idaho Infrastructure and Jobs Act;
- \$10,325,000 for federal grants;
- \$111,859,700 for revenue received above forecast;
- \$210,000,000 for local bridge maintenance; and
- A \$200,000,000 cash transfer from the General Fund, of which \$120,000,000 was appropriated to the Strategic Initiatives Fund within ITD and \$80,000,000 was transferred to the Local Highway Distribution Fund.

This bill also provided reappropriation authority for airport development grants, the Capital Facilities Program, and the Contract Construction and Right-of-Way Acquisition Division up to \$250 million; provided a continuous appropriation for moneys to the Local Bridge Inspection Fund and the Railroad Grade Crossing Protection Fund; provided for the GARVEE bond payment authorization; and provided for reporting requirements for the Division of Motor Vehicles.

**H787** was an additional FY 2023 appropriation that provided an FY 2022 cash transfer and an FY 2023 appropriation of \$100,000,000 for transportation projects in lieu of bonding.

## **General Government**

### **Department of Administration**

**H752** was the FY 2023 original appropriation for the Department of Administration, which appropriated a total of \$25,767,500 and capped the number of authorized full-time equivalent positions at 128.00. Overall, the budget was a 5.0% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$124,300 for a rent increase for elected officials;
- \$206,300 and 2.00 FTP for project managers in the Division of Public Works;
- \$59,800 and 1.00 FTP for a project coordinator in the Division of Public Works;
- \$103,200 and 1.00 FTP for a project manager dedicated to deferred maintenance in the Division of Public Works;
- \$131,300 for facility condition software for the Division of Public Works; and
- \$25,000,000 from the State Fiscal Recovery Fund to backfill the Employee Group Insurance Fund.

### **Capitol Commission**

**H766** was the FY 2023 original appropriation for the Capitol Commission, which appropriated a total of \$2,342,000. Of this amount, \$142,000 was for general operating expenses and \$2,200,000 was for statehouse maintenance projects as needed.

This budget was identical to the commission's FY 2022 original appropriation. The bill also included a \$250,000 cash transfer from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund and provided reappropriation authority for both dedicated funds.

## **Bond Payments**

**S1387** was the FY 2023 original appropriation for the Bond Payments Program in the Department of Administration, which appropriated \$15,283,000 for debt service payments. Overall, the FY 2023 budget was a 21.1% decrease over the FY 2022 original appropriation. The bill also included a supplemental appropriation of \$175,754,000 to pay off twelve of the thirteen buildings in the state's bond portfolio, for a savings to taxpayers of \$63,391,200.

## **Permanent Building Fund**

**S1421** was an FY 2022 supplemental appropriation for the Permanent Building Fund, which appropriated a total of \$2,000,000 for audiovisual enhancements to conference, board, and hearing rooms throughout state-managed buildings to allow streaming of agency board meetings and rulemaking hearings online.

**H791** was a FY 2022 supplemental appropriation for the Permanent Building Fund, which appropriated a total of \$251,000,000 for capital projects. It provided:

- \$75,000,000 to convert dual occupancy rooms into private rooms at veterans' homes in Boise, Lewiston, and Pocatello;
- \$12,000,000 to develop a Department of Correction re-entry center in Pocatello for minimum security male inmates nearing the end of sentencing;
- \$37,600,000 for medical annex complex improvements at the Idaho State Correctional Institution;
- \$112,400,000 to develop an 848-bed female prison for the Department of Correction;
- \$11,000,000 to renovate office space on the garden level and first floor of the State Capitol; and
- \$3,000,000 to the College of Eastern Idaho's Future Tech Facility.

The bill also included a \$251,000,000 cash transfer from the General Fund to the Permanent Building Fund.

**H779** was the FY 2023 original appropriation for the Permanent Building Fund, which appropriated a total of \$196,828,600 for facility alterations and repairs and capital projects. Overall, the budget was a 461.8% increase over the FY 2022 original appropriation. It provided a subtotal of \$31,728,600 in dedicated funds to projects which included:

- \$27,341,200 for agencies' requested alterations and repairs projects;
- \$1,300,000 for statewide Americans with Disabilities (ADA) compliance;
- \$500,000 for asbestos abatement;
- \$1,380,000 for facilities maintenance at the Chinden campus; and
- \$1,207,400 for facilities maintenance at the State Capitol.

Additionally, the bill provided \$150,000,000 in dedicated funds for statewide deferred maintenance and \$15,100,000 in dedicated funds for three capital projects:

- \$11,200,000 for the development of an Idaho State Police District 6 facility in Idaho Falls;
- \$500,000 for a communication tower at Yahoo Creek approximately 7 miles south of Hagerman; and
- \$3,400,000 for phase I and II of the remodel of Idaho State University's Leonard Hall, which houses the institution's pharmacy school.

The bill also included a cash transfer of \$150,000,000 from the General Fund to the Permanent Building Fund.

Additionally, the bill provided a supplemental appropriation of \$211,525,000 for the following:

- \$29,000,000 for a combined lab for the Idaho State Police;
- \$10,000,000 for the College of Western Idaho health sciences building;

- \$94,000,000 for deferred maintenance;
- \$37,000,000 for Chinden campus improvements;
- \$5,000,000 for the Department of Lands' St. Joe field office;
- \$4,300,000 for communication tower upgrades;
- \$3,000,000 for a pedestrian crossing between the Idaho State University and Idaho National Lab campuses;
- \$10,000,000 for an automotive and agricultural diesel mechanics facility for the College of Southern Idaho;
- \$10,000,000 for the Future Tech facility at the College of Eastern Idaho;
- \$5,000,000 for a horticulture building at the College of Western Idaho;
- \$3,325,000 for remodel of a diesel bay and development of an aerospace training lab at North Idaho College; and
- \$900,000 for improvements at the University of Idaho's McCall field campus.

### **Attorney General**

**S1389** was the FY 2023 original appropriation for the Office of the Attorney General, which appropriated a total of \$30,682,300 and capped the number of authorized full-time equivalent positions at 226.00. Overall, the budget was an 11.2% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$49,600 for security software to replace the agency's antivirus software and provide endpoint antivirus protection that utilizes automation and artificial intelligence (AI) to predict, stop, and remediate the effects of malware or malicious behavior on the agency's network, which it independently maintains;
- \$49,200 for Microsoft Office 365 licenses to ensure access to the latest releases, security patches, and functionality;
- \$160,000 for case management software to replace software the agency believed was outdated and cumbersome to manage. The new software would support tracking, billing, contract management, document management, calendaring, storage, and time/expense tracking and would also allow users to interact remotely;
- 1.00 FTEP and \$95,100 for a tobacco arbitration paralegal in the Consumer Protection Division to work on tobacco arbitration matters;
- \$601,100 for deputy AG salary increases to address turnover concerns and better align the agency's pay with the public and private markets;
- 1.00 FTEP and \$259,700 for Internet Crimes Against Children (ICAC) investigators to address workload increases and investigation backlogs in criminal cases involving ICAC;
- 1.00 FTEP and \$108,400 for a deputy AG at ITD to assist the department in condemnation and construction cases;
- 1.00 FTEP and \$108,400 for a deputy AG at IDWR to assist the department with general stream adjudications;
- 1.00 FTEP and \$129,000 for an investigative auditor at Medicaid Fraud Control Unit (MFCU) to assist the Department of Health and Welfare in conducting all administrative appeal hearings for its benefit programs, support services, and enforcement matters;
- 1.00 FTEP and \$98,500 for a financial specialist to help the agency address increases in volume, pace, and intensity of work for current financial specialists; and
- \$65,800 to align the ICAC appropriation to the most recent federal grant award.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the Attorney General, the bill provided \$7,700 that will fund the increase from January through June 2023.

### **Office of the State Controller**

**S1416** was the FY 2023 original appropriation for the State Controller, which appropriated a total of \$25,230,600 and capped the number of authorized full-time equivalent positions at 114.00. Overall, the bill represents a 6.2% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 9.00 FTE for nine new positions to support Luma, the state's enterprise resource planning system;
- \$84,700 and 1.00 FTE for a financial specialist;
- \$50,000 to develop a web portal to disclose all state agency grant offerings; and
- \$950,000 in federal funding to enhance cybersecurity of the office's data center, which houses the state's central systems as well as certain agency systems.

The nine new Luma positions will provide training services, human resource expertise, as well as IT operations and support services. There was no funding provided for these positions because the Office of the State Controller will hire them using the continuously appropriated funds already set aside for the implementation and sustainment of Luma (Sections 67-1021A – 67-1021C, Idaho Code).

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the State Controller, the bill provided \$6,700 that will fund the increase from January through June 2023.

### **Commission on Aging**

**H687** was the FY 2023 original appropriation for the Commission on Aging, which appropriated a total of \$19,735,400 and capped the number of authorized full-time equivalent positions at 14.00. Overall, the budget was a 12.7% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 1.00 FTE and \$78,200 for a training specialist to increase awareness about programs the agency runs;
- \$380,100 for COVID-19 response, including activities such as adult protective services, vaccine access including scheduling assistance and transportation to vaccine appointments, and home-delivered meals;
- \$4,681,700 to enhance the service infrastructure in Idaho, including activities like technology use for alleviating or preventing social isolation in seniors, restoration of homes and yards that might have been neglected in the past couple of years to safe and livable conditions; and
- \$720,000 for dementia caregiver support to create two pilot programs to assist caregivers in locating resources and accessing consumer directed services.

Also included in this bill was a onetime FY 2022 supplemental appropriation, which included \$5,000,000 for additional support for the senior centers around the state, to be used for onetime purposes, such as replacing old refrigerators and updating dishwashers around the state, to ensure the senior centers have quality spaces and equipment.

### **Commission on the Arts**

**S1391** was the FY 2023 original appropriation for the Commission on the Arts, which appropriated a total of \$2,140,800 and capped the number of authorized full-time equivalent positions at 10.00. Overall, the budget was a 2.5% increase over the FY 2022 original appropriation. Enhancements for FY 2022 included \$766,000 to provide assistance to arts organizations through grants.

### **Commission for the Blind and Visually Impaired**

**S1361** was the FY 2023 original appropriation for the Commission for the Blind and Visually Impaired, which appropriated a total of \$5,409,100 and capped the number of authorized full-time equivalent positions at 41.21. Overall, the budget was a 3.4% increase over the FY 2022 original appropriation and the overall General Fund appropriation represented a 3.9% increase. There were no line items for FY 2023 or supplementals for FY 2022 and the bill provided no enhancements.

### **Office of Drug Policy**

**S1369** was the FY 2023 original appropriation for the Office of Drug Policy, which appropriated a total of \$6,239,200 and capped the number of authorized full-time equivalent positions at 6.00. Overall, the budget was a 2.9% decrease over the FY 2022 original appropriation and the General Fund appropriation was increased by 4.8%. Enhancements for FY 2023 included \$1,381,900 for substance abuse prevention.

### **Office of Energy and Mineral Resources**

**S1396** was the FY 2023 original appropriation for the Office of Energy and Mineral Resources, which appropriated a total of \$3,180,600 and capped the number of authorized full-time equivalent positions at 11.00. Overall, the budget was a 107.1% increase over the FY 2022 Original Appropriation. Enhancements for FY 2023 included:

- \$879,700, of which \$753,900 was for trustee and benefit payments, for state energy program funding. Funds will be used to implement energy efficiency measures, energy conservation, and renewable energy projects in accordance with guidance from the U.S. Department of Energy;
- \$525,800, of which \$400,000 was for trustee and benefit payments, for energy efficiency and conservation grants. This program will provide sub-grants to local governments to fund energy efficiency and conservation projects, renewable energy projects, and zero-emission vehicle infrastructure; and
- \$193,700, of which \$95,000 was for trustee and benefit payments, for the energy efficiency loan program. This program will offer energy efficiency loans to residential and commercial customers throughout Idaho.

Enhancements for FY 2022 included a transfer and appropriation of \$15,000,000 from the General Fund to the Miscellaneous Revenue Fund for the Energy Resiliency Grant Program. Projects included grid modernization, energy reliability, and wildfire resilience projects. This bill also included reappropriation language to allow the agency to continue to use these funds into FY 2023. This bill included \$8,800 for replacement computers, monitors, laptops, and desks. Lastly, for FY 2023, there were no General Funds appropriated to the Office of Energy and Mineral Resources.

### **Division of Financial Management**

**H742** was the FY 2023 original appropriation for the Division of Financial Management, which appropriated a total of \$69,335,500 and capped the number of authorized full-time equivalent positions at 20.00. Overall, the budget was a 31.8% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$38,000,000 for one year of a four-year plan for emergency rental assistance (ERA), which provides assistance to households that are unable to pay rent and utilities due to the COVID-19 pandemic;
- \$14,387,100 for one year of a five-year plan for the Homeowners Assistance Fund, which would assist homeowners who are behind on mortgage and utility payments to potentially avoid foreclosure and eviction;
- \$13,135,600 for one year of a five-year plan for the state Small Business Credit Initiative (SSBCI), which was intended to provide small businesses assistance in responding to and recovering from the COVID-19 pandemic by providing funding for small business financing programs and technical assistance to small businesses applying for SSBCI and other government programs;

- \$78,000 for a reporting and compliance position to help with reporting and compliance of American Rescue Plan Act (ARPA) funds; and
- \$1,000,000 for one year of a five-year plan for State Fiscal Recovery Fund audit and compliance to contract with an outside firm to assist in the required sub-recipient compliance requirements and any annual internal or external auditing costs for the administration of the State and Local Fiscal Recovery Fund.

Also included in this bill were two onetime FY 2022 supplementals, which provided:

- 1.00 FTP and transfer authority from operating expenditures to personnel costs to hire a reporting and compliance position; and
- \$450,000 for the procurement of Medicaid consultants to study cost containment strategies within the Division of Medicaid.

### **Executive Office of the Governor**

**S1365** was the FY 2023 original appropriation for the Executive Office of the Governor, which appropriated a total of \$4,445,800 and capped the number of authorized full-time equivalent positions at 21.00. Overall, the budget was a 3.3% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included \$15,000 to provide funding for the governor-elect transition.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the Executive Office of the Governor, the bill provided \$7,900 that will fund the increase from January through June 2023.

### **Division of Human Resources**

**H710** was an FY 2022 supplemental appropriation for the Division of Human Resources, which authorized an additional 5.00 FTP and \$218,600 for HR modernization. This included consolidating HR positions from all classified state agencies under DHR.

**H726** was the FY 2023 original appropriation for the Division of Human Resources, which appropriated a total of \$4,671,300 and capped the number of authorized full-time equivalent positions at 22.00. Overall, this budget was an 83.3% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$200,000 for employee engagement surveys; and
- \$1,250,000 for a compensation and classification study.

### **Office of Information Technology Services**

**H825** was the FY 2023 original appropriation for the Office of Information Technology, which appropriated a total of \$16,974,800 and capped the number of authorized full-time equivalent positions at 135.00. Overall, the budget was a 7.9% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$39,900 for vehicle leases, fuel, insurance, and maintenance;
- \$100,000 for the office space leased by the agency;
- \$28,500 to purchase a utility truck; and
- \$176,700 for the reclassification of personnel.

Also included in this bill was a onetime FY 2022 supplemental appropriation, which provided \$225,000 for a technical audit of the state's information technology and telecommunications system.

## State Liquor Division

**S1366** was the FY 2023 original appropriation for the State Liquor Division, which appropriated a total of \$27,640,500 and capped the number of authorized full-time equivalent positions at 263.00. Overall, the budget was a 15.0% increase over the FY 2022 original appropriation and there were no General Funds appropriated to the State Liquor Division. Enhancements for FY 2023 included:

- \$974,800 for retail staffing market pay adjustments;
- \$51,500 for converting 58 part-time employees to full-time;
- \$90,500 to convert temporary employees to full-time;
- \$182,200 to increase staffing levels at stores with higher volume sales and to increase pay for supervising clerks at those stores;
- \$764,200 to open two additional retail stores;
- \$150,100 to hire two additional employees at the warehouse; and
- \$219,100 to remodel or relocate two existing retail stores.

## Military Division

**H679** was a FY 2022 supplemental appropriation for the Military Division, which appropriated \$6,000,000 for the Next Generation 911 program and maintenance and upgrades to the state's microwave communication system.

**S1394** was the FY 2023 original appropriation for the Military Division, which appropriated a total of \$89,259,300 and capped the number of authorized full-time equivalent positions at 435.80. Overall, the budget was a 9.7% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$300,000 to increase the amount of funding for the State Education Assistance Program that provides tuition assistance to Idaho National Guard Members;
- \$197,400 for Microsoft Office 365 licenses;
- \$4,000 for an increase in Idaho Civil Air Patrol support;
- \$619,200 for an Emergency Management Grant; and
- \$3,750,000 to enhance the state's cybersecurity infrastructure.

Also included in this bill was a onetime FY 2022 supplemental appropriation, which included \$460,000 for an Emergency Management Grant.

**H801** appropriated \$46,000 from the General Fund for FY 2023 to address the fiscal impact of **H572**, which increased the type of support provided for trainings for members of the Idaho Wing, Civil Air Patrol.

## Public Employee Retirement System

**H724** was the FY 2023 original appropriation for the Public Employee Retirement System of Idaho (PERSI) which appropriated a total of \$12,494,000 and capped the number of authorized full-time equivalent positions at 73.00. Overall, this budget was a 36.6% increase from the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$3,000,000 for upgrade to the pension software system; and
- \$36,500 to increase to starting pay for an actuary.

## Office of Species Conservation

**S1347** was the FY 2023 original appropriation for the Office of Species Conservation, which appropriated a total of \$19,761,900 and capped the number of authorized full-time equivalent positions at 15.00. Overall, the budget was a 34.8% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:



- \$75,000 for the eighth year of the University of Idaho's study on sage grouse;
- \$25,000 for travel costs across the state; and
- \$5,000,000 for salmon migration funding authorized through the Infrastructure Investment and Jobs Act (IIJA).

### **STEM Action Center**

**H743** was the FY 2023 original appropriation for the STEM Action Center, which appropriated a total of \$6,111,600 and capped the number of authorized full-time equivalent positions at 6.00. Overall, the budget was a 2.1% increase over the FY 2022 original appropriation and the overall General Fund appropriation was increased by 3.8%. Enhancements for FY 2023 included \$83,900 for the STEM-designated school program, which provides support for schools to become STEM designated and receive funding for professional development and equipment to enhance STEM education.

### **Wolf Depredation Control Board**

**S1363** was the FY 2023 original appropriation for the Wolf Depredation Control Board, which appropriated a total of \$392,000 from the General Fund. The Wolf Control Board allocates money for control actions approved by the Fish and Game Commission for wolves, when there was a depredation conflict between wolves and livestock, or unacceptable levels of conflict between wolves and wildlife. The board has cooperative services agreements and a work plan with Wildlife Services to implement the depredation actions.

### **Workforce Development Council**

**S1408** was a onetime FY 2022 supplemental appropriation for the Workforce Development Council, which appropriated 2.00 FTP and \$15,000,000 for childcare expansion grants targeted to business owners willing to build new childcare facilities or expand existing facilities to increase the number of childcare slots available.

**S1411** was the FY 2023 original appropriation for the Workforce Development Council, which appropriated a total of \$34,569,100 and capped the number of authorized full-time equivalent positions at 9.00. Overall, the budget was a 270.2% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- 1 FTP and \$52,300 for an administrative assistant to support the distribution of workforce training grants to Idaho employers and workers;
- \$125,000 for a study on the Certified Nursing Assistant education and certification pipeline; and
- 2 FTP and \$25,000,000 for workforce training and apprenticeships to provide access for individuals impacted by the pandemic for training aligned to employer needs.

### **Legislative Branch**

**H765** was the FY 2023 original appropriation for the Legislative Branch, which includes the appropriation for Legislative Technology, the Legislative Services Office (LSO) which reports to the Legislative Council, and the Office of Performance Evaluations (OPE) which reports to the Joint Legislative Oversight Committee.

- For LSO, it appropriated a total of \$10,120,000 and included one enhancement for software maintenance for the Audit Division, which will help organize its workpapers.
- For OPE, it appropriated a total of \$1,030,000, which is a maintenance of current operations budget.
- Finally, for a resurrected budgeted program, Legislative Technology, it appropriated a total of \$3,053,000 from the ARPA State Fiscal Recovery Fund. The appropriation is provided for the next five years and allows the Legislative Branch to update and upgrade hardware and software in support of the Legislature's operations. Physical items include replacing the Legislature's laptop computers in four years, network storage and servers, and network infrastructure. Additionally, the custom software platform developed by Legislative Services to draft bills, post agendas, and incorporate the items on the website needs significant upgrades and updates. Finally, there will be upgrades to the audio and video in committee rooms to make sure the public can participate fully in the legislative process.

### **Office of the Lieutenant Governor**

**H786** was the FY 2023 original appropriation for the Office of the Lieutenant Governor, which appropriated a total of \$202,200 and capped the number of authorized full-time equivalent positions at 3.00. Overall, the budget was a 10.4% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included \$5,700 to keep pace with inflation for operating expenditures in the office.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the Office of the Lieutenant Governor, the bill provided \$2,800 that will fund the increase from January through June 2023.

### **Board of Tax Appeals**

**S1407** was the FY 2023 original appropriation for the Board of Tax Appeals, which appropriated a total of \$626,100 and capped the number of authorized full-time equivalent positions at 4.00. Overall, the budget was a 2.8% decrease over the FY 2022 original appropriation and included no enhancements.

### **State Tax Commission**

**H783** was the FY 2023 original appropriation for the State Tax Commission, which appropriated a total of \$49,377,000 and capped the number of authorized full-time equivalent positions at 446.00. Overall, the budget was a 6.5% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included \$78,700 for a software engineer, which helps address the agency's concerns of the increased complexity in both the administration and collection of tax revenues in the state.

### **Office of the Secretary of State**

**S1406** was the FY 2023 original appropriation for the Office of the Secretary of State, which appropriated \$4,186,700 and capped the number of authorized full-time equivalent positions at 29.00. Overall, the bill represents a 24.0% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$200,000 for an upgrade to the office's business filings software;
- \$300,000 for publication and mailing costs associated with the office's statutory responsibilities to notify voters of proposed constitutional amendments and upcoming initiative and referendum measures; and
- \$200,000 for election integrity audits pursuant to Section 34-1203A, Idaho Code, which was added through **S1274** and requires the Secretary to conduct routine audits of selected paper ballots in primary and general elections.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the Secretary of State, the bill provided \$6,700 that will fund the increase from January through June 2023.

### **Office of the State Treasurer**

**S1409** was the FY 2023 original appropriation for the Office of the State Treasurer, which appropriated \$4,540,100 and capped the number of authorized full-time equivalent positions at 26.00. Overall, the bill represents a 4.2% increase over the FY 2022 original appropriation. Enhancements for FY 2023 included:

- \$18,000 in ongoing funding for a cybersecurity contract with the vendor Arctic Wolf to monitor and respond to threats to the state's banking and investing services; and
- \$6,300 for Microsoft Office 365 licenses.

**H802** appropriated \$45,200 ongoing from the General Fund for FY 2023 to address the fiscal impact of **H747**, which set the salaries of the state elected officials for the next four years, which commences on January 1, 2023. For the State Treasurer, the bill provided \$6,700 that will fund the increase from January through June 2023.

**Millennium Fund**

**S1394** was the FY 2023 original appropriation for the Idaho Millennium Fund, which appropriated a total of \$1,710,000. This appropriation included grant funding in the amount of \$900,000 to Recovery Idaho for the operations of nine community recovery centers around the state; \$500,000 public health districts for educational materials and equipment needed to work directly with youth on cessation and prevention efforts; and \$310,000 for Idaho Public Television to produce smoking and vaping prevention and cessation content.

The Joint Legislative Millennium Fund Committee made a recommendation for the utilization of \$22,533,000 from the Millennium Income Fund. This funding was included in appropriations for the Office of the Attorney General, Office of the State Treasurer, and the Department of Health and Welfare's budgets for Public Health Services and Medicaid.

**Employee Compensation, including Salary and Benefits**

The Legislature provided a 3% increase to all eligible state employees, which had the effect of shifting the pay schedule upward by 3% at the minimum, at policy, and at maximum pay rates in each pay grade except for the lowest paygrade, which remains at minimum wage. The legislature fully funded this shift. The Legislature also funded an appropriation equal to \$1.25 per permanent employee to be distributed based on merit with the flexibility for agency heads and institution presidents to distribute funds for recruitment and retention purposes; additional compensation was not included for group and temporary positions. Additionally, appointed officials in the Public Utilities Commission, the Tax Commission, and the Industrial Commission received a 5% CEC through statutory amendments in **S1417**, as shown below.

<b>Appointed Official</b>	<b>Current</b>	<b>FY 2023</b>
Public Utilities Commissioner	\$114,520	\$120,246
Tax Commissioner	\$106,072	\$111,376
Industrial Commissioner	\$111,470	\$117,044

**H802** appropriated an additional \$45,200 to address the fiscal impact of **H747**, which set the salaries of the seven constitutional officers: the Governor, Lieutenant Governor, Attorney General, Secretary of State, Superintendent of Public Instruction, State Treasurer, and State Controller. **H802** provides a salary increase for each of the officers commencing on the first Monday of January 2023 and sets the salary rates for the next four years. Elected officials' current and new salaries are shown below.

<b>State Elected Official</b>	<b>Current</b>	<b>Jan 2023</b>
Governor	\$138,302	\$151,400
Lieutenant Governor	\$48,406	\$52,990
Attorney General	\$134,000	\$146,730
Secretary of State	\$117,557	\$128,690
Superintendent of Public Instruction	\$117,557	\$128,690
State Treasurer	\$117,557	\$128,690
State Controller	\$117,557	\$128,690

The \$45,200 appropriated for FY 2023 will cover the salary increases and associated variable benefits for the second half of FY 2023 (January-June 2023). The remainder of the salary increase will be annualized in the FY 2024 budget to cover July-December 2023. The new salaries will remain in effect until the first Monday of January 2027.

The Legislature maintained the current employee health insurance benefit package with no significant changes in plan design. The health insurance premium costs will increase for both the state and its employees. The state's share of the increase will be paid with the appropriation increase of \$850 per FTP and reserve fund balances. The exact amount of the increase per employee depends on which plan the employee is enrolled in and whether there are dependents on the employee's plan.

The Legislature maintained the current PERSI benefit package. PERSI implemented a rate holiday for employers that contribute to the sick leave fund, which provides health insurance benefits to PERSI retirees. The rate holiday initially took effect January 1, 2020, and remains in effect for FY 2023. General member retirement contribution rates remained at 11.94% for employers and 7.16% for employees; public safety member retirement contribution rates remained at 12.28% for employers and 8.81% for employees.