STATEMENT OF PURPOSE

RS32782 / S1206

This appropriation to the Department of Health and Welfare for the Divisions of Early Learning and Development and Services for the Developmentally Disabled provides enhancements to the FY 2026 maintenance budget and adjustments to the FY 2025 appropriation. For FY 2026 this bill includes funding for two enhancements, along with population forecast adjustments, a Governor's initiative for the Idaho Child Care Program, and the adjustment to move Extended Employment Services from the Services for the Developmentally Disabled Division. Enhancements include funding for year three of the START Certification and funding for the Idaho Child Care Program (ICCP) in the Early Learning and Development Division. In addition to this appropriation, this bill also includes $14 million for the Governor's initiative to utilize existing, previously unspent federal funds for the Idaho Child Care Program, to aid in building supply through contracted spots, grants, and subgrants, with a specific focus on addressing underserved populations. This bill includes sections of language providing guidance on federal funding limitations, directing the department's uses of the $14 million provided for the ICCP.

This bill does *not* include $1 million that was recommended by the Governor to modernize the Idaho Child Care Check system.

FISCAL NOTE

This appropriation provides an additional $14,937,100 to the maintenance appropriation provided to the Department of Health and Welfare for the Division of Early Learning and Development (ELD) found in Senate Bill 1108. This bill also decreases the maintenance appropriation made to the Division of Services for the Developmentally Disabled in Senate Bill 1108. Table 1 shows incremental adjustments to the ELD division found in the bill, of which $687,900 is ongoing funds and $14,249,200 is appropriated onetime. Table 2 shows all the adjustments leading to the FY 2026 appropriation. The total FY 2026 budget for Early Learning and Development is $118,389,600. The FY 2026 appropriation for Early Learning and Development represents a decrease of $4,536,200 compared to the Governor's budget recommendation.

Table 1	FTP	Gen	Ded	Fed	Total
Developmentally Disabled Services					
35. Move EES to Medicaid	(3.00)	(3,539,100)	0	0	(3,539,100)
Early Learning and Development					
6. START Certification Year 3 of 4	0.00	249,200	0	0	249,200
7. ICCP Federal Fund Increase	0.00	0	0	4,227,000	4,227,000
Population Forecast Adjustments	0.00	81,800	0	(81,800)	0
Governor Initiatives	0.00	0	0	14,000,000	14,000,000
Budget Law Exemptions/Other Adjustments	0.00	0	0	0	0
FY 2026 Budget Enhancements	(3.00)	(3,208,100)	0	18,145,200	14,937,100
% Chg from FY 2026 Program Maintenance	(1.1%)	(13.4%)		23.3%	14.4%

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Please note, Table 2 includes the previously approved transfer found in the program maintenance budget, Senate Bill 1108, of $59 million from the Division of Welfare to the new Division of Early Learning and Development, which accounts for the 159.1% increase from the FY 2025 Original Appropriation. There is a corresponding decrease of $59 million in the Division of Welfare FY 2026 budget offsetting this increase, resulting in a net-zero budget impact for this program transfer.

Table 2	FTP	Gen	Ded	Fed	Total
FY 2025 Original Appropriation	306.71	24,021,200	1,434,100	20,236,900	45,692,200
Exemption from Transfer Limitations	0.00	0	0	0	0
FY 2025 Total Appropriation	306.71	24,021,200	1,434,100	20,236,900	45,692,200
Executive Carry Forward	0.00	110,000	0	0	110,000
FY 2025 Estimated Expenditures	306.71	24,131,200	1,434,100	20,236,900	45,802,200
Removal of Onetime Expenditures	0.00	(419,200)	0	(40,000)	(459,200)
Base Adjustments	(42.88)	(358,000)	0	57,178,800	56,820,800
FY 2026 Base	263.83	23,354,000	1,434,100	77,375,700	102,163,800
Personnel Benefit Costs	0.00	150,300	4,400	136,700	291,400
Statewide Cost Allocation	0.00	(28,000)	0	(30,000)	(58,000)
Change in Employee Compensation	0.00	550,600	15,900	488,800	1,055,300
FY 2026 Program Maintenance - **SB 1108**	263.83	24,026,900	1,454,400	77,971,200	103,452,500
FY 2026 Budget Enhancements	(3.00)	(3,208,100)	0	18,145,200	14,937,100
FY 2026 Total	260.83	20,818,800	1,454,400	96,116,400	118,389,600
Chg from FY 2025 Orig Approp	(45.88)	(3,202,400)	20,300	75,879,500	72,697,400
% Chg from FY 2025 Orig Approp.	(15.0%)	(13.3%)	1.4%	375.0%	159.1%

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