

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Thursday, January 15, 2026  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS:** Senators Co-Chair Grow, Woodward, Cook, Bjerke, Hart, Carlson, Zuiderveld, Galloway, Ward-Engelking, Wintrow  
Representatives Co-Chair Tanner (14), Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris, Green  
**ABSENT/  
EXCUSED:** None

**Co-Chair Tanner (14)** called the meeting to order at 8:01 a.m.

**Rep. Manwaring** and **Sen. Lent**, Co-Chairs, Undergraduate Medical Education (UME) Working Group, presented a special report to JFAC. Rep. Manwaring reviewed the purpose of the committee, noting it was created through **H 368** during the previous legislative session. He emphasized this plan included short-term and long-term recommendations; it had unanimous support from the working group.

Key recommendations of the UME Working Group emphasized maintaining the existing 50 medical school seats through the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) program, increasing medical school seats by 10 per year as directed by **H 368**, and expanding graduate medical education (residencies) with a focus on rural Idaho. The plan also prioritized in-state undergraduate medical education (medical school) and graduate medical training (residencies), called for the creation of a Health Education Director to coordinate successful implementation, and sought to maximize return on investment through targeted incentives to medical students and physicians serving rural communities.

In response to committee questions, **Rep. Manwaring** clarified **H 368** funded 10 additional medical school seats, which were not limited to WWAMI and could be placed at the University of Utah Medical School, the Idaho College of Osteopathic Medicine (ICOM), or both. He explained the cost for the 10 seats ranged from \$350K to \$485K, depending on the institution, and assured the committee the quality of medical education would remain consistent regardless of the program or partner. He acknowledged the need for additional types of medical providers but reminded JFAC the UME Working Group was based on **H 368**, which focused on physicians.

In response to a committee question comparing the cost of funding coordination efforts versus an additional 10 medical school seats, **Ms. Jennifer White**, Executive Director, Office of the State Board of Education, noted the UME Working Group unanimously supported a coordinated approach. The Health Education Director would coordinate UME, GME, and allied health professionals. Ms. White added the value of this investment would be measured by progress in expanding medical education, with clear and realistic benchmarks set in collaboration with legislators and stakeholders.

In response to a committee question, **Rep. Manwaring** explained adding 1200 physicians would move Idaho from 50th to about 25th in the nation for physicians per capita. He added the full plan included specific metrics and timelines through FY 2027–2029 to track progress and hold the state accountable; he noted nurse practitioner roles could be reviewed to improve healthcare access while considering scope-of-practice limitations.

**Ms. April Renfro**, Division Manager, Legislative Services Office (LSO) Audits, reported on the completion of the 2024 statewide single audit. She summarized audit results, noting \$5.4B in federal spending reviewed, with Medicaid accounting for \$3B; 21 major federal programs across 15 agencies examined; and 45 findings identified due to ARPA funds, increased review of smaller programs, and system transitions. She also noted seven repeat findings, reported questioned costs totaling approximately \$4.4M, and six major programs receiving qualified opinions, which required re-audit at the program level rather than the statewide level.

In response to committee questions, **Ms. Renfro** explained the accountability mechanisms for findings and repeated findings include the Legislature and the federal entities distributing federal moneys. She defined internal control deficiencies, reviewed compliance requirements, and outlined the entity processes involved with audit results. She noted findings related to noncompliance are specifically significant.

**Ms. Renfro** summarized the findings by noting all the Medicaid findings were material weaknesses. These included delayed health and safety surveys, incomplete provider verification, and improper capitation payments made to ineligible members. She also highlighted significant deficiencies in the Child Care and Development Fund and Low Income Home Energy programs, including reporting errors, misclassified expenditures, repeat control weaknesses, and other deficiencies across additional programs needing correction.

In response to committee questions, **Ms. Renfro** stated effective oversight depended on agencies receiving and using audit information from underlying entities, and without verified payment records, allegations of fraud required further investigation before conclusions could be drawn. She emphasized the responsibility to detect fraud is on state agencies receiving funds.

In response to a committee question about the double payments LUMA made in 2023, **Ms. Renfro** explained these occurred because the file sent from LUMA to the bank was processed twice, even though LUMA and the department's Medicaid system only recorded it once, making the issue invisible in the accounting books. Most funds were recovered quickly after the State Treasurer's office identified the error, but auditors found the situation concerning since there was no bank reconciliation process.

**Ms. Brooke Dupree**, Senior Analyst, LSO Budget & Policy, presented front-end reports in the Legislative Budget Book (LBB). She discussed state governmental structure and explained the decision unit budget model. Ms. Dupree also discussed the structure of agency appropriations in the LBB, including requests submitted by the state agency, the Governor's recommendation, and the lists of General Fund, Dedicated Funds, and Federal Funds associated with the budget.

**Mr. Casey Hartwig**, Research Analyst, LSO Impact Review Team, reviewed the base budget dashboard tool available on the Idaho Legislature website for JFAC members and the public. He explained the dashboards displayed statewide and agency-specific base budgets, FTP authorizations, fund sources, expenditure categories, and both ongoing and onetime enhancements, allowing users to analyze past funding decisions and understand how budgets were constructed.

**Sen. Ward-Engelking** suggested the dashboards display adjustments for inflation and population growth to provide a more complete picture of budget growth.

**Mr. Jared Tatro**, Lead, LSO Impact Team, explained “performance measure” meant a quantifiable indicator of an agency’s progress toward achieving its goals. He noted good performance measures were meaningful, clear, valid, reliable, practical and ideally evaluated outcomes; he added the performance measures were available in the LBB and on the Division of Financial Management (DFM) website.

**Mr. Tatro** explained how JFAC reviews state agency budget requests. Agencies must link each request to a performance measure, goal, or priority and describe the expected outcome if funded. JFAC members ask questions during hearings and consider changes to Conditions, Limitations, and Restrictions (CLR) language, funding sources, and amounts.

**Ms. Elizabeth Bowen**, LSO Legislative Legal Counsel, explained Idaho statutes related to the state budget. She reviewed state Constitutional principles to indicate the Legislature has plenary power over appropriations.

In response to a committee question, **Ms. Bowen** explained states predated the U.S. Constitution; their powers were interpreted as inherited from British Parliament, which had broad authority, and noted state constitutions placed limits on those powers. She reviewed Idaho statutory law regarding the powers and duties of the Joint Finance-Appropriations Committee.

In response to additional committee questions, **Ms. Bowen** explained consequences of agency noncompliance with conditions, limitations, and restrictions in appropriation bills could be legislative or judicial. She confirmed the Governor could not veto CLR intent language in an appropriation bill and noted an agency could make changes to its appropriation during the legislative interim, though the process was tightly controlled with limited statutory options.

In response to a committee question about the consequence of intent language overturning a law that went through a germane committee, **Ms. Bowen** explained the Idaho Constitution allowed each chamber to set its own rules, and the Idaho Supreme Court had not intervened in internal chamber procedures. She indicated the only consideration had been whether a statute had been enacted by the Legislature, not whether it passed through a specific committee.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 10:46 a.m.

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Representative Tanner (14)  
Chair

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Alyson Jackson  
Secretary