

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 05, 2026

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Nichols, Vice Chairman Zito, Senators Lakey, Lent, VanOrden, Blaylock, Kohl, Semmelroth, and Taylor

**ABSENT/
EXCUSED:** None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Nichols** called the meeting of the Senate Agricultural Affairs Committee (Committee) to order at 8:01 a.m.

PRESENTATION: **Senator Grow**, Co-Chairman of the Joint Finance-Appropriations Committee (JFAC), briefed that this presentation primarily focused on agricultural policy and budget matters. **Ms. Morgan Poloni**, Budget and Policy Analyst, Legislative Services Office (LSO), said the Idaho State Department of Agriculture (ISDA) received more dedicated funding than any other agency in Idaho. Dedicated funds accounted for 58 percent of the ISDA's total appropriated budget. She noted the agency leaned on dedicated funding to offset the loss of general funding. She illustrated the five-year historical review of the agency's total appropriations versus actual expenditures. **Ms. Poloni** explained the few agency enhancements for fiscal year (FY) 2027, as well as two agency requests for FY 2026. She described ISDA's 3% holdback plan in FY 2026, and detailed which divisions or boards were affected. FY 2027 looked very similar in regards to ongoing recissions. (Attachment 1).

DISCUSSION: **Chairman Nichols** asked what type of exotic species resided in Idaho. **Ms. Poloni** stated that FY 2026's deficiency warrant request for exotic species response concerned Mormon crickets, Japanese beetles, Karnal Bunt, and Gypsy moths. **Senator Lent** asked if there was a recommendation to review specific policy with the ongoing costs listed in the presentation. **Ms. Poloni** stated she had not seen a recommendation, but the items were chosen to create the least impact on programs. **Senator Lent** noted that policy should drive the budget and was concerned the concept wasn't being fully considered.

PRESENTATION: **Mr. Keith Bybee**, Division Manager, Budget and Policy Analysis, LSO, explained the JFAC co-chairs asked workgroups to review 1 percent budget cut plans to ensure policy priorities were not overshadowed, while still considering agency input on efficiencies rather than eliminating programs. He explained that for business cycle 2026-2028, the average annual growth rate was projected to exceed revenue growth. This inflection point caused several challenging decisions, such as decisions to restore long-term balance and preserve flexibility for future policy, economic downturns, and infrastructure investments. **Mr. Bybee** discussed 10-year General Fund growth trends and highlighted that when the budget dealt with factors such as population adjustment, there was give and take. He explained the updated revenue for FY 2026 was almost \$300 million less at \$5 billion. The lack of sales tax forecasts for December 2024 to August 2025 impacted the available cash balance.

Senator Grow hoped considerable attention would be given to the \$80 million in cuts that needed to be made in order to reach the Governor's recommended

projection for FY 2027's ending balance of \$25 million. He explained that one time cash transfers were being used to handle long-term expense commitments, which was not viable in the long run. He added that JFAC was challenged with tighter revenue numbers while having to continue program funding. (Attachment 2).

DISCUSSION: **Chairman Nichols** asked how far out LSO projected their budget. **Mr. Bybee** explained LSO received a revenue forecast from the chief economist at the Division of Financial Management (DFM) that projected revenues for the next three years. **Senator Blaylock** asked if they had January's revenue numbers. **Mr. Bybee** said they had seen preliminary numbers, but they would become finalized on February 11. **Senator Blaylock** asked if the preliminary numbers were trending with any projection numbers. **Mr. Bybee** stated the preliminary numbers were trending close to the Legislature's projection.

PASSED THE GAVEL: Chairman Nichols passed the gavel to Vice Chairman Zito.

MOTION: **Senator VanOrden** moved to approve **Docket No. 02-0205-2501, 02-0207-2501, 02-0214-2501, 02-0303-2501, 02-0633-2501, 02-0701-2501, 02-0108-2401, 02-0108-2501, 02-0420-2501, 02-0424-2501, 02-0426-2501, 02-0602-2501, 02-0606-2501, 02-0609-2502, and 02-0609-2503.** **Senator Kohl** seconded the motion. The motion carried by **voice vote**.

DISCUSSION: **Mr. Lloyd Knight**, Deputy Director for the ISDA, explained the ISDA would provide further information regarding **Docket No. 02-0601-2501's** IBR publication date at a later time, as the Department needed time to analyze how to go about the situation.

MOTION: **Senator Lakey** moved that **Docket No. 02-0601-2501** be held subject to the call of the Chair. **Chairman Nichols** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Zito passed the gavel to Chairman Nichols.

ADJOURNED: There being no further business at this time, **Chairman Nichols** adjourned the meeting at 8:48 a.m.

Senator Nichols
Chair

Rachel Verrette
Secretary